



DEPARTMENT OF JUSTICE | OFFICE OF THE INSPECTOR GENERAL

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DOJ OIG Releases Report on the Audit of Certain Tax Division Contracts Awarded for Expert Witness Services

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today the release of a [report examining three contracts totaling approximately \\$3.7 million by the Tax Division for expert witness services.](#) The Tax Division uses expert witnesses to assist in executing its mission of enforcing the nation's tax laws through criminal and civil litigation, and these services are funded through DOJ's Fees and Expenses of Witnesses (FEW) Appropriation.

The DOJ Office of the Inspector General (OIG) did not identify any performance-related non-compliance with the contracts' terms and conditions, and the Tax Division indicated it received the contracted services. However, we found that trial attorneys were expected to handle critical contracting duties, rather than contracting officers, yet the Tax Division did not ensure the trial attorneys had relevant guidance or training and were not formally designated Contracting Officer's Representatives. As a result, we identified numerous areas of non-compliance with the Federal Acquisition Regulation (FAR) and internal guidance, increasing the risk to the government's financial interests during the procurement of expert witness services.

The OIG's specific findings in the report released today include:

- **Contract Award and Administration:** The Tax Division did not complete significant acquisition planning steps required by the FAR, including not having written acquisition plans, not adequately conducting or documenting its market research, and not adequately determining price reasonableness. In addition, the Tax Division did not include the mandatory whistleblower protection clauses in the contracts and did not ensure a subcontractor award was competed.
- **Contract Oversight:** The Tax Division did not sufficiently review and approve invoices, and we identified \$24,296 in unsupported and unallowable expenses billed by and paid to the contractors.

Today's report makes 15 recommendations to the Tax Division to assist in improving its award, administration, and oversight of expert witness services contracts. Tax Division concurred with all 15 recommendations.

Report: Today's report is available on our website at: <https://oig.justice.gov/reports/audit-certain-tax-division-contracts-awarded-expert-witness-services>

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