



Audit of the Federal Bureau of Investigation's
Contract Awarded to Clark Construction Group, LLC,
for the Innovation Center in Huntsville, Alabama



AUDIT DIVISION

26-086

SEPTEMBER 2026



Audit of the Federal Bureau of Investigation's Contract Awarded to Clark Construction Group, LLC, for the Innovation Center in Huntsville, Alabama

Introduction

The Department of Justice Office of the Inspector General (OIG) has completed an audit of the Federal Bureau of Investigation's (FBI) contract number 15F06720F0002621 with Clark Construction Group, LLC, (CCG) for the construction of the Innovation Center and a Central Utility Plant annex at the Redstone Arsenal in Huntsville, Alabama. According to the FBI, as the flagship building in the new Science and Technology District of the FBI's North Campus at Redstone Arsenal, the Innovation Center has significantly enhanced the FBI's operational, support, technology, training, research, and development capabilities. CCG, as the prime contractor, was required to provide all labor, equipment, materials, and design services necessary to perform the construction.

Objectives

Our audit objectives were to assess the FBI's award and administration of the Innovation Center contract, which had a final value of approximately \$229 million; and CCG's performance and compliance with terms, conditions, laws, and regulations applicable to the contract.

The FBI has settled all outstanding Requests for Equitable Adjustments (REA) with CCG and closed its contract; therefore, the OIG focused its three recommendations on issues that will assist the FBI in its administration of future construction contracts. We requested responses to our draft audit report from FBI and CCG officials. The FBI's response can be found in Appendix 2, and our analysis of the FBI's response can be found in Appendix 3. CCG did not provide a formal response to the draft report, but offered feedback on an earlier version, which has been incorporated where appropriate.

Results in Brief

We identified deficiencies in the FBI's award and administration of the Innovation Center contract, as well as questions related to CCG's compliance with certain contract requirements that

we believe have potential relevance to the FBI's administration of construction contracts more generally.

Specifically, we determined that the FBI relied on inaccurate information and did not adequately document the support used during the pre-award stage to determine whether CCG's proposal was fair and reasonable. We also believe that more effective administration of the Innovation Center contract could have identified inconsistencies in the contract requirements related to the staffing of CCG Quality Control (QC) positions that, along with brief vacancies in two QC positions, resulted in what FBI contract administration officials considered to be an inadequate complement of CCG QC staff.

With respect to contract oversight, we determined that the FBI actively performed quality control at the construction site and reviewed CCG monthly invoices to ensure they accurately reflected CCG's progress on the project, and that these reviews had a positive impact on the project. However, we found that the FBI did not monitor CCG's adherence to the contract requirement to self-perform (as opposed to engaging a subcontractor) at least 25 percent of the work on the project and did not attempt to do so until the OIG brought the matter to the FBI's attention. Finally, we believe that certain elements of the FBI's required monitoring of labor standards compliance under the Davis-Bacon Act were inadequate.

Conclusion

The FBI deemed the Innovation Center substantially complete in January 2025, 17 months after the originally scheduled completion of August 2023. Throughout the course of the audit, FBI and CCG officials disagreed on the causes of the delays and associated responsibility for construction cost increases. While this report identifies deficiencies and other matters of interest for FBI consideration, this audit did not attempt to evaluate the merits of the FBI and CCG's construction-related disagreements. Nevertheless, in February 2025, the FBI and CCG reached a "global undifferentiated settlement" to resolve all outstanding matters.¹

¹ Completion of our audit and issuance of this report was delayed due to complexities arising from disagreements between FBI and CCG under the contract, unforeseen OIG staffing turnover, and effects of the 2025 lapse in annual appropriations, among other factors.

Pre-Award Contract File Documentation

We found that the FBI did not prepare a separate Independent Government Cost Estimate (IGCE) to support the Innovation Center award for construction as required by the Federal Acquisition Regulation (FAR), and that its Task Order Decision Document (TODD) contained inaccurate information.

The FBI's TODD is intended to memorialize the agency's selection of the contractor to which it awarded the task order, and it also serves as the formal documentation of the FBI's fair and reasonable pricing determination for each offeror's proposal. However, we found that the FBI's determination that the CCG proposal was fair and reasonable (as presented in the TODD) was based on an amount other than what the FBI later asserted was the true IGCE total. Further, the FBI's programmatic IGCE, which the FBI used instead of a contract-specific IGCE, did not contain an adequate level of detail to allow an independent reviewer to determine the amount that should have been used during its fairness and reasonableness determination.² In fact, when we reviewed the price analysis contained within the TODD, we found that an FBI contracting official relied upon an amount labeled as the IGCE of \$198,087,980 to support the conclusion that fair and reasonable prices were obtained. Yet, when we compared this TODD price analysis to the programmatic IGCE, we found that not all of the cost elements were included in the TODD price analysis.

Throughout the audit, we made multiple inquiries to the FBI to try to better understand how it arrived at the IGCE that it used to assess the price for the Innovation Center construction task order. However, the responses we received from the FBI during that timeframe were inconsistent and unsupported. For example, the original Procuring Contracting Officer (PCO) told us that the IGCE was \$198,000,000, which is close to, but different from, the \$198,087,980 amount used in the formal TODD. Following the PCO's departure, the \$198,000,000 amount was also presented in multiple documents provided to us as the FBI's IGCE total, but these documents did not contain an adequate level of detail to determine how the \$198,000,000 was calculated. In a March 2023 communication, the FBI stated that the "IGCE was \$223M for this project."

We met with FBI contracting officials in August 2023 to clarify the inconsistent responses we had received. During this

meeting, for the first time, FBI officials asserted that the IGCE for the Innovation Center acquisition was actually \$210,042,192. Those FBI officials told us that the original PCO (the official responsible for ensuring that the task order pricing was fair and reasonable) was incorrect when telling us that the IGCE was \$198,000,000. These officials further stated that the formal TODD, signed by the Unit Chief responsible for the acquisition, was also inaccurate in that the \$198,087,980 reflected in the TODD as the IGCE total was not the actual IGCE.

The FBI's final assertion that the IGCE was \$210,042,192 appears to be plausible based on the requirements delivered under the Innovation Center task order. Nevertheless, we are concerned that it took the FBI an extended period and multiple iterations to provide us with a reliable figure and the rationale for its calculation or development. We are also concerned that the FBI could not provide any evidence, such as dated files or even email correspondence, that the FBI contemporaneously considered \$210,042,192 as the IGCE in 2020, when the TODD was developed and signed.

According to the FBI, because this was a "design-build" contract and because design is a post-award deliverable, all pre-award estimates are conceptual in nature. Further, the FBI told us that because it received three competitive proposals from pre-qualified, down-selected, offerors (all of which came in below the IGCE and fully addressed the complete scope), this outcome is a direct indicator that its market research, acquisition planning and competitive structure were well-calibrated and effective.

While we do not take issue with the FBI's conclusion that it received a fair and reasonable value on the project, we believe the FBI's use of a programmatic IGCE that encompassed multiple costs not included in this particular contract created problems for the FBI. These problems included confusion among FBI contracting officials as to the actual IGCE total and, more importantly, the use of an amount other than the actual IGCE total when evaluating price proposals. As a result, we recommend that the FBI implement policy or other controls to ensure that future IGCEs are specific to each contract award and prepared and documented pursuant to the FAR.

² FAR Subpart 4.801(b) states that documentation in government contract files shall be sufficient to constitute a complete history of the transaction for the purposes of (1) providing a complete background as a basis for informed decisions at each step in the acquisition process; (2) supporting actions taken; (3) providing information for reviews and investigations; and (4) furnishing essential facts in the event of litigation or congressional inquiries. Additionally, according to FAR Subpart 15.402, contracting officers shall purchase services at fair and reasonable prices.

FAR Subpart 36.203(a) states that an independent government estimate of construction costs shall be prepared and furnished to the contracting officer at the earliest practicable time for each proposed contract and for each contract modification anticipated to exceed the simplified acquisition threshold. However, the programmatic IGCE prepared by the FBI included the total costs estimated for the entire Innovation Center and Central Utility Plant project, including costs of program elements acquired outside of the Innovation Center contract.

FBI Administration and CCG Performance of the Contract

Staffing Issues within Quality Control Positions

CCG was required by the contract specifications to maintain a robust Quality Control Program, which required that CCG QC employees complete a QC Plan, prepare daily construction reports, and maintain QC staff consisting of two QC managers, their alternates, and eight QC specialists (among other requirements).

However, during our audit, the FBI Administrative Contracting Officer (ACO) told us that there were problems with CCG's staffing of QC positions at the Innovation Center, such as individual employees holding multiple QC positions and CCG not maintaining a complete roster of QC staff for the project at all times. Despite the FBI issuing a letter of concern to CCG regarding these issues, we determined that, over 1 year after we originally spoke with the ACO, CCG was continuing to assign individual employees to multiple QC positions and not maintaining a complete roster of QC staff on the construction project. CCG provided documentation showing overlap in certain QC positions as of April 2023, as shown in Table 1.

Table 1

CCG Quality Control (QC) Staff with Multiple Roles As of April 2023

CCG QC Staff with Multiple Roles	Start of QC Position	End of QC Position
CCG Employee 1		
Commissioning Specialist	01/29/21	06/17/22
Electrical Specialist	01/29/21	06/17/22
Mechanical Specialist	01/29/21	06/17/21
CCG Employee 2		
Commissioning Specialist	08/12/22	Current as of April 2023
Testing, Adjusting and Balancing Specialist	02/17/23	Current as of April 2023
CCG Employee 3		
Mechanical Specialist	06/18/21	Current as of April 2023
Testing, Adjusting and Balancing Specialist	06/18/21	02/17/23
CCG Employee 4		
QC Manager	02/26/21	Current as of April 2023
Red-Line/As-Built Specialist	02/26/21	03/03/23

Source: CCG

We believe these ongoing QC staffing concerns during construction could have resulted from CCG's QC Plan which was approved by the FBI even though it deviated from the contract specifications. Specifically, after the contract was

awarded, CCG submitted to the FBI a proposed QC Plan that allowed for overlapping responsibilities for QC staff, even though the FBI included in the contract's quality control specifications a requirement that CCG "Provide a separate QC specialist at the work site for each of the areas of responsibilities." The specifications additionally stated the QC specialists "shall assist and report to the QC Manager and who shall have no duties other than their assigned quality control duties." According to these same specifications, CCG was also required to "maintain the QC staff at full strength at all times" and, when changes to the QC staff were necessary, "revise the QC Plan to reflect the changes and submit the changes to the Contracting Officer for acceptance." We found that CCG's proposed QC Plan was approved in February 2021 by the FBI-contracted Construction Manager and an FBI Management and Program Analyst without the clear authority to do so.

During the request for information (RFI) pre-proposal acquisition process, CCG asked the FBI certain clarifying questions regarding the prescriptive nature of the QC positions. In response, the FBI stated, "QC Specialists shall be involved during their stated expertise (design, modeling, submittals, field quality control, commissioning and closeout)," and "We concur that a dedicated Quality Control Specialist can after their primary duties are accomplished, other duties may be assigned provided those duties do not interfere with their primary responsibilities." CCG officials told us that, based on these FBI responses, CCG concluded that it was not necessary always to have all QC staff on-site or to have each QC position filled by an individual dedicated to a single QC task. The RFI and related FBI responses were incorporated into the contract as an appendix, thereby creating an apparent inconsistency within the contract itself.

When we spoke with the FBI ACO in March 2023, he acknowledged that the FBI's RFI response did appear to alleviate the requirement for CCG always to have QC staff on-site, despite the clear language to the contrary contained within the contract's quality control specifications. However, the FBI ACO also told us that, based on a review of the FBI RFI responses, the FBI would still expect CCG to have filled each of the QC positions with different individuals. The QC Plan approved by FBI officials in February 2021 reflected a different expectation. Additionally, CCG officials told us that CCG based its price proposal for the contract on the understanding that the RFI responses would allow for some overlapping in QC positions. According to CCG officials, their understanding was validated through the FBI's acceptance of the QC Plan.

Although this contract is now complete, we believe the FBI should take necessary actions to avoid similar issues in future contracts. Therefore, we recommend that the FBI establish controls that help ensure future RFI responses are consistent with contract specifications or, if inconsistent, that the inconsistency is clearly explained, and that RFI responses are

incorporated into the contract as necessary to provide clarity to all parties about the contract's terms. Additionally, we recommend that the FBI ensure its contracting officials have clear and authoritative guidance that only appropriately authorized and designated FBI contracting personnel may approve contract deliverables such as contractor-submitted QC Plans.

Project Quality Control

The Innovation Center construction project was deemed substantially complete in January 2025, 17 months after its originally scheduled completion date of August 2023. FBI and CCG officials attributed the project delays and cost increases to a variety of construction-related complications and disagreements that arose throughout the course of the contract performance period. For example, we were told of issues such as the installation of telecommunication data boxes that did not meet FBI needs, problems with the roofing system, disagreements over the locations where floor drains were installed, the finish levels of walls above the ceilings, and various concrete issues.

During the audit, the FBI and CCG debated responsibility for some of the most impactful of these setbacks, but we did not assess the merits of either party's construction-related complaints. In February 2025, the FBI and CCG reached a "global undifferentiated settlement" to resolve all the outstanding construction-related disagreements. We did not analyze the settlement as part of this audit and offer no opinion on its terms.

Contract Oversight

Invoice Review

In accordance with contract requirements, CCG submitted monthly invoices that detailed the estimated cost, percentage of completion, and value of completed performance. Each month, prior to the submission of the invoice into the FBI's invoice system, CCG would provide to the FBI a draft "pencil copy" of the invoice that showed percentages of completion claimed for specific activities. The FBI-contracted Construction Manager reviewed each pencil copy invoice to verify the percentage of completion and worked with CCG to make any necessary adjustments to those percentages. After the pencil copy invoice was reviewed, CCG prepared the final invoice and submitted it into the FBI's invoice system for review and approval by the FBI's Contracting Officer's Representative (COR) and ACO.

We examined the draft invoices that CCG submitted to the FBI and compared them to the final invoices, which were revised after the FBI's review. Overall, we found the FBI's procedures for reviewing invoices resulted in revisions being identified prior to the final invoices being submitted.

Contractor Self-Perform Requirements

FAR Subpart 36.501 requires contractors to perform a significant portion of the contract work with their own workforce to ensure adequate interest and supervision of the work completed on larger projects. Accordingly, this contract required CCG to self-perform (as opposed to engaging subcontractors) at least 25 percent of the total amount of work to be performed under the contract. However, we found that the FBI did not pay attention to this contract term until we requested supporting documentation to determine if the requirement was being met.

Because we brought the matter to the FBI's attention, the FBI requested CCG provide supporting documentation demonstrating compliance with the self-perform requirement. CCG began providing the FBI with these reports, which the FBI accepted and forwarded to us as evidence of CCG meeting the requirement. CCG officials told us that the FBI did not provide instructions on how it wanted the calculation to be performed, nor did the FBI object to the reports that CCG provided. However, we found the documentation provided by CCG to the FBI to be insufficient for the FBI's needs under the contract. Therefore, we were unable to confirm that either FAR 36.501 or the associated contract clauses had been satisfied.

After construction was complete and we provided the FBI with a draft copy of our report questioning whether the self-performance requirement was met, the FBI told us that it believed its oversight approach adhered to the contract and the intent of FAR Subpart 36.501. The FBI also stated that it believed CCG provided the level of management, coordination, and on-site supervision required under the contract.

Notwithstanding the FBI's ultimate positions, we continue to believe that the self-perform reports the FBI relied upon during construction were insufficient to address the intent of FAR 36.501 and the associated contract clauses. However, because of the closure of the contract and the "global undifferentiated settlement" resolving any issues between FBI and CCG as of February 2025, we do not offer a specific recommendation on this issue.

Construction Wage Rate Requirements

The Innovation Center contract included FAR clause 52.222-6, *Construction Wage Rate Requirements*, also known as the Davis-Bacon Act. To ensure that contract workers are paid appropriate wages in accordance with the contract and federal law, the FBI performed periodic labor standards interviews of selected workers. However, we learned that the FBI, when selecting subcontract workers to be interviewed, coordinated with CCG and allowed subcontractors to decide which workers were selected. According to the FBI official that conducted

these interviews, the FBI used this practice to ensure that the interviews did not hinder any construction activities.³

We are concerned that this approach created an internal control weakness by failing to ensure that a subcontractor could not select workers known to be paid the appropriate wage determination rate, and in turn reduce the likelihood that the FBI would identify subcontract workers not being paid the appropriate wage rate.

During our audit, we interviewed a small sample of five subcontract workers who had not previously been interviewed by the FBI and determined that they were all paid at least the minimum wage rate. Because our very limited sample did not identify any Davis-Bacon violations, we do not offer a specific recommendation to address this risk.

Recommendations

We recommend that the FBI:

1. Implement policy or other controls to ensure that future IGCEs are specific to each contract award and prepared and documented pursuant to the FAR.
2. Establish controls that help ensure RFI responses are consistent with contract specifications or, if inconsistent, that the inconsistency is clearly explained, and that RFI responses are incorporated into the contract as necessary to provide clarity to all parties about the contract's terms.
3. Ensure its contracting officials have clear and authoritative guidance that only appropriately authorized and designated FBI contracting personnel may approve contract deliverables such as contractor-submitted QC Plans.

³ Upon reviewing a draft version of this report, FBI Headquarters officials disputed this account and informed us that the practice described here would be a violation of its standard operating procedures. We also discussed this concern with CCG officials, who told us that CCG periodically conducted its own labor standards interviews of subcontract employees to ensure compliance.

APPENDIX 1: Audit Scope and Methodology

Scope and Methodology

This was an audit of the FBI's award of the Innovation Center construction contract to CCG. To accomplish our audit objectives, we interviewed FBI acquisition and program personnel including the PCO, ACO, COR and FBI Construction Site project oversight personnel. Additionally, we interviewed CCG project personnel in Huntsville, Alabama and observed the construction progress at the Innovation Center. While on-site, we examined construction issues and conducted wage determination interviews with CCG subcontractors. We requested and reviewed contract documentation related to the work at the Innovation Center, which included pre-award documents such as the FBI's Acquisition Plan and post-award documents such as invoices. We also requested and reviewed various documentation obtained from CCG, which included its Quality Deficiency Reports and employee payroll reports. Because the FBI has settled all outstanding Requests for Equitable Adjustment (REA) with CCG and closed its contract, the OIG has focused its recommendations on issues that will assist the FBI in its administration of future construction contracts.

Statement on Compliance with Generally Accepted Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of the FBI or CCG to provide assurance on its internal control structure as a whole. FBI and CCG management are responsible for the establishment and maintenance of internal controls in accordance with OMB Circular A-123 and the FAR. Because we do not express an opinion on the FBI's or CCG's control structure as a whole, we offer this statement solely for the information and use of the FBI.⁴

In planning and performing our audit, we identified internal control components and underlying internal control principles as significant to the audit objectives. We assessed management's design, implementation, and operating effectiveness of these internal controls and identified deficiencies that we believe could affect the FBI's ability to comply with rules and regulations and ability to operate effectively.

The internal control deficiencies we found are discussed in the results section of this report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objectives of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

Compliance with Laws and Regulations

In this audit we tested, as appropriate, given our audit objectives and scope, selected transactions, records, procedures, and practices to obtain reasonable assurance that FBI's management complied with federal laws and regulations for which non-compliance, in our judgment, could have a material effect on the results of our audit. Our audit included examining, on a test basis, FBI's compliance with the following regulations that could have a material effect on FBI's operations:

- FAR Subpart 4.8: Government Contract Files
- FAR Subpart 15.3: Source Selection
- FAR Subpart 15.4: Contract Pricing
- FAR Subpart 16.5: Indefinite-Delivery Contracts
- FAR Subpart 32.9: Prompt Payment
- FAR Subpart 36.2: Special Aspects of Contracting for Construction
- FAR Subpart 36.3: Two-Phase Design-Build Selection Procedures
- FAR Subpart 52.2: Text of Provisions and Clauses

This testing included analyzing contract files and related documentation, interviewing FBI and CCG officials, and reviewing invoices. As noted in the results section of the report, we found instances in which the FBI may not have

⁴ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

complied with federal regulations related to contract award and administration.

Sample-Based Testing

To accomplish our audit objective, we performed sample-based testing to determine if subcontractor workers were paid the applicable wage determination rate and that quality control deficiencies were adequately addressed. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the areas we reviewed. This non-statistical sample design does not allow for projection of the test results to the universe from which the samples were selected.

Computer-Processed Data

During our audit, we obtained information from the Unified Financial Management System and CCG's Quality Control system. We did not test the reliability of those systems as a whole; therefore, any findings identified involving information from those systems were verified with documentation from other sources.

APPENDIX 2: The FBI Response to the Draft Audit Report



U.S. Department of Justice

Federal Bureau of Investigation

Washington, D. C. 20535-0001

July 31, 2026

The Honorable M. Sean O'Neill
Assistant Inspector General
Office of the Inspector General
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, DC 20530

Dear Mr. O'Neill:

The Federal Bureau of Investigation (FBI) appreciates the opportunity to review and respond to your office's report entitled, Audit of the Federal Bureau of Investigation's Contract Awarded to Clark Construction Group, LLC, For the Innovation Center in Huntsville, Alabama

We look forward to working with the Office of the Inspector General to address the recommendations provided in the report. The FBI will take corrective action to strengthen its contracting processes by ensuring IGCEs are contract-specific and FAR-compliant, RFI responses align with or clearly explain deviations from contract requirements and are incorporated as needed, and only properly authorized personnel approve contract deliverables. We appreciate your feedback as we continue this effort.

Should you have any questions, feel free to contact me. We greatly appreciate the professionalism of your audit staff throughout this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicholas Dimos", is written over a horizontal line.

Nicholas Dimos
Assistant Director
Finance and Facilities Division

UNCLASSIFIED

The Federal Bureau of Investigation's Contract Awarded to Clark Construction Group, LLC for the Innovation Center in Huntsville, Alabama

Recommendation 1: Implement policy or other controls to ensure that future IGCEs are specific to each contract award and prepared and documented pursuant to the FAR.

FBI Response: The FBI concurs with the importance of the IGCE and confirms that established policies and controls are already in place to ensure IGCE's compliance with the FAR. No further action will be taken at this time.

Recommendation 2: Establish controls that help ensure RFI responses are consistent with contract specifications or, if inconsistent, that the inconsistency is clearly explained, and that RFI responses are incorporated into the contract as necessary to provide clarity to all parties about the contract's terms.

FBI Response: The FBI concurs with the importance of consistency within the RFI process. As such, there are existing controls and procedures in place to ensure that RFI responses are incorporated consistently and in accordance with contract specifications. No further action will be taken at this time.

Recommendation 3: Ensure its contracting officials have clear and authoritative guidance that only appropriately authorized and designated FBI contracting personnel may approve contract deliverables such as contractor-submitted QC Plans

FBI Response: The FBI concurs that contract officials must have clear and authoritative guidance regarding who has the appropriate authority to approve contract deliverables. In this specific audit, the FBI COR and/or MAPA responded to submittals without acting as approvers. Instead, their role was to serve as the POC for updating deliverables in the Kahua system, performing administrative functions to monitor all submittals, due dates, government response times, and activities related to closing out items. Acceptance in the system was only executed after discussions and consensus were reached among the Contracting Officer, COR, Project Manager, and other relevant stakeholders. No further action will be taken at this time.

UNCLASSIFIED

APPENDIX 3: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report

The Office of the Inspector General (OIG) provided a draft of this audit report to the Federal Bureau of Investigation (FBI) and Clark Construction Group, LLC (CCG). The FBI response is incorporated in Appendix 2 of this final report. CCG did not provide a formal response to the draft report but did offer feedback on an earlier version, which was incorporated where appropriate.

In its response to our audit report, the FBI generally concurred with our recommendations and stated it would take corrective actions to strengthen its contracting processes. The FBI's response also suggested that the actions needed to address the recommendations have already occurred; and, along with its response, the FBI provided multiple documents in support of this position. We considered the FBI's response and provided documentation, and, for the reasons outlined below, the status of the audit report is resolved. The following provides the OIG analysis of the response and summary of additional actions necessary to close the report.

Recommendations for the FBI:

- 1. Implement policy or other controls to ensure that future Independent Government Cost Estimates (IGCE) are specific to each contract award and prepared and documented pursuant to the Federal Acquisition Regulation (FAR).**

Resolved. The FBI concurred with the importance of the IGCE but stated that policies and controls were already in place to ensure that IGCEs comply with the FAR. Along with its response, the FBI provided an IGCE template that is required to be submitted as part of the requirements package. However, the FBI did not indicate when this template was implemented or how the template would fully address our recommendation.

This recommendation is resolved and can be closed when we receive documentation demonstrating that the FBI has implemented policy or other controls to ensure that future IGCEs are specific to each contract award and prepared and documented pursuant to the FAR.

- 2. Establish controls that help ensure request for information (RFI) responses are consistent with contract specifications or, if inconsistent, that the inconsistency is clearly explained, and that RFI responses are incorporated into the contract as necessary to provide clarity to all parties about the contract's terms.**

Resolved. The FBI concurred with the importance of consistency within the RFI process but stated that procedures and controls were already in place to ensure that RFI responses are incorporated consistently and in accordance with contract specifications. Along with its response, the FBI provided documents supporting its Acquisition Strategy Review and Approval process, which it established in FY 2023, and a Proposal Compliance Checklist that can be utilized to ensure proposal documentation is consistent with contract terms. However, when we reviewed the documentation provided by the FBI, we could not determine how the policies and processes established in 2023

would help the FBI avoid the issuance of RFI responses that are inconsistent with contract terms or otherwise ensure that any inconsistencies are clearly explained and incorporated into the contract as necessary.

This recommendation is resolved and can be closed when we receive documentation demonstrating that the FBI has established controls that help ensure RFI responses are consistent with contract specifications or, if inconsistent, that the inconsistency is clearly explained, and that RFI responses are incorporated into the contract as necessary.

3. Ensure its contracting officials have clear and authoritative guidance that only appropriately authorized and designated FBI contracting personnel may approve contract deliverables such as contractor-submitted Quality Control (QC) Plans.

Resolved. The FBI concurred that contract officials must have clear and authoritative guidance regarding who has the appropriate authority to approve contract deliverables. However, the FBI stated that the FBI Contracting Officer's Representative (COR) and Management and Program Analyst (MAPA) had responded to contractor submittals without acting as approvers. The FBI further stated that the role of the COR and MAPA was to serve as a point of contact for updating deliverables in the system, and acceptance was only executed after discussions and consensus were reached among the Contracting Officer, COR, Project Manager, and other relevant stakeholders. Along with its response, the FBI provided a COR Appointment and Delegation Letter describing the roles and responsibilities of contracting officials.

We reviewed the materials provided by the FBI and determined that they are not sufficient to address our recommendation. The contractor-submitted QC Plans identified in this report were signed by an FBI-contracted Construction Manager and an FBI Management and Program Analyst, both of whom were identified on the approval of the QC Plan as the Official Responders, despite not having the clear authority to approve those plans. Additionally, neither of those individuals was acting as a COR for the Innovation Center contract when the plans were approved. With respect to the FBI's assertion that the QC Plan was approved only after consensus was reached among the Contracting Officer, COR, Project Manager, and other relevant stakeholders, we note that this position is not supported by the representations made and evidence obtained during the audit, and the FBI has not provided further support for this position.

This recommendation is resolved and can be closed when we receive documentation demonstrating that the FBI has ensured its contracting officials have clear and authoritative guidance that only appropriately authorized and designated FBI contracting personnel may approve contract deliverables such as contractor-submitted QC Plans.