Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles

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AUDIT DIVISION

26-101

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EXECUTIVE SUMMARY

Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles

Background

During prior Department of Justice (DOJ) Office of the Inspector General (OIG) oversight, we identified situations where components appeared to have violated federal regulations and established contracting practices by continuing to award orders under parent or grandparent procurement vehicles after the performance periods had expired. In this audit, we reviewed a sample of 45 orders totaling over $39 million that appeared to be awarded under expired procurement vehicles between fiscal year (FY) 2021 and FY 2023. Appendix 1 describes our scope and methodology. Our audit objective was to assess the extent and appropriateness of using such vehicles beyond their performance period.

We obtained our universe from publicly available reports that retrieve data from the Federal Procurement Data System-Next Generation (FPDS-NG), which is the official site where the U.S. government reports information on unclassified contract spending and other activity. The resulting data offers valuable insights to various stakeholders, including Congress, federal agencies, and taxpayers. The selected orders were awarded by six DOJ components: the Federal Bureau of Investigation (FBI); Drug Enforcement Administration (DEA); Federal Prison Industries (FPI); Federal Bureau of Prisons (BOP); Offices, Boards, and Divisions (OBDs); and United States Marshals Service (USMS).

Contracting Terminology in this Report

This report uses technical government contracting terms. To assist our readers as they first encounter the terms in the report, we have inserted links to a glossary in Appendix 2.

Results in Brief

Our audit found that components generally complied with requirements prohibiting the issuance of orders under expired procurement vehicles. However, we found that some DOJ components need to improve their oversight of procurement vehicles and the orders awarded under them to ensure that performance periods are properly monitored and appropriate controls are in place to guide contracting officials when performance periods are extended.

For the 45 orders we reviewed, we determined that 37 had performance period irregularities, which included: one order awarded approximately 23 months after its parent vehicle expired, a parent vehicle without a performance period end date, orders awarded during unexercised option periods of the parent vehicle, and orders awarded under parent vehicles with improperly extended end dates.

Adhering to the performance period of procurement vehicles promotes the integrity of the procurement process by ensuring that laws, regulations, and policies that require the federal government to compete contracts in most situations are not circumvented. Improper contract extensions also needlessly expose DOJ components to risks of contractor non-compliance, service disruptions, and legal disputes.

In conducting this audit, we also found that some DOJ components' contracting officials did not ensure the accuracy of publicly available contract data used to track government spending and activity, and that contracting officials at some DOJ components could not locate official contract documents.

Recommendations

We made eight recommendations to help the FBI, BOP, FPI, and USMS improve their contract management, protect the government's interests, and provide greater assurance that stakeholders have access to accurate government contract data. We provided a draft of this report to all six components. Appendices 7 through 9 contain the written responses we received. Appendix 10 includes our analysis of those responses and actions needed for report closure.

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Introduction

The Competition in Contracting Act of 1984 (CICA) established full and open competition as the mandatory, default standard for federal contracting to maximize the number of qualified, responsible bidders for a contract and, in turn, secure better quality and pricing for the government. While the default standard is full and open competition, both the CICA and Federal Acquisition Regulation (FAR) recognize that, under certain circumstances, it may be beneficial for the federal government to limit competition by decreasing the eligible contractor pool based on statutory preferences or to award noncompetitively to a single contractor (i.e., sole-source).[1]

The FAR, Justice Acquisition Regulation (JAR), and other Department of Justice (DOJ or Department) policies also permit contracting officials to avail themselves of multi-year and multi-award procurement vehicles to streamline the acquisition process through pre-negotiated rates and vetted contractors.[2] Under such procurement vehicles, federal agencies may award orders (including calls) to obtain products and services. However, these regulations and policies, detailed in Appendix 4, limit the scope and duration of procurement vehicles and the timing of derivative orders to promote full and open competition and to help ensure that negotiated terms communicate expectations for the government and its contractors.

Despite this framework of requirements and guidelines, three DOJ Office of the Inspector General (OIG) audit reports issued since 2022 identified situations when contracting officials at the Federal Bureau of Investigation (FBI) and the Federal Bureau of Prisons (BOP) purchased products and services using procurement vehicles with performance period irregularities or after the performance periods had definitively ended (see Appendix 3). Although the contracting officials used the procurement vehicles to make mission-critical purchases, relying on the expired terms and conditions did not comply with federal regulations and department-wide policy. Adhering to these requirements decreases the likelihood of fraud, waste, and mismanagement of taxpayer dollars, which can otherwise result in unmet agency needs, mission failure, overpayment, unexpected financial liabilities, and legal exposure for both the government and contractors.

While the FBI and BOP have taken actions to address recommendations in the previously mentioned reports, to determine whether the findings indicate a larger problem across DOJ warranting an enterprise-wide solution, we sought, through an audit of orders awarded during fiscal years (FY) 2021 through 2023, to

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[1] FAR Subpart 6.3, *Other Than Full and Open Competition* establishes procedures for limiting competition under seven statutory authorities and circumstances: (1) only one responsible source, (2) an unusual and compelling urgency for selecting a source, (3) a source with developmental or research capability, (4) an international agreement requiring use of a source, (5) a source authorized or required by statute, (6) a risk that disclosure of agency needs would compromise national security, or (7) public interest requiring the use of a specific source. A justification from the Contracting Officer for limiting competition is required in each circumstance.

[2] On April 15, 2025, Executive Order 14275, *Restoring Common Sense to Federal Procurement*, mandated a comprehensive review and simplification of the FAR. In response, DOJ issued class deviations that included revised FAR language. In this report, the OIG applied the FAR and DOJ supplemental acquisition regulations that existed at the time the acquisition-related actions occurred. We recognize that future FAR revisions may impact the sampled components' acquisition processes and oversight responsibilities. We encourage the components to consider our recommendations in that broader context.

determine whether such use of expired procurement vehicles was an isolated issue or a more pervasive concern.

OIG Audit Approach

Our audit objective was to assess the extent and appropriateness of the use of procurement vehicles that appeared to be beyond their performance period. To accomplish our objective, we: (1) consulted officials from the Justice Management Division (JMD) office responsible for department-wide procurement policies and guidance, (2) used publicly available contract data derived from the Federal Procurement Data System-Next Generation (FPDS-NG) to identify a universe of 5,601 orders that appeared to be awarded under expired procurement vehicles between FYs 2021 and 2023, (3) judgmentally selected (from the aforementioned universe) 45 orders consisting of Blanket Purchase Agreements (BPA) and Indefinite Delivery Contracts (IDC), totaling over $39 million, awarded by six DOJ components, and (4) reviewed the underlying contract documents, including the appropriateness and retention of contract documents. [3] Appendix 1 further details our audit objective, scope, and methodology. Appendix 6 lists information about the 45 sample orders selected.

[3] The six DOJ components that awarded the sampled orders included the: FBI; Drug Enforcement Administration (DEA); Federal Prison Industries (FPI); BOP; Offices, Boards, and Divisions (OBDs); and United States Marshals Service (USMS).

In this report, the OBDs include the Department's litigating components (Antitrust Division, Civil Division, Civil Rights Division, Criminal Division, Environment and Natural Resources Division, (former) Tax Division, Executive Office for United States Attorneys, and the Executive Office for United States Trustees) as well as other DOJ components such as the JMD Staffs. The OIG was not included in the sampled components for this audit.

Audit Results

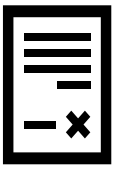
We reviewed a sample of 45 orders that, based on publicly available data, appeared to have been awarded after the overarching procurement vehicle's performance period expired. Our review identified performance period irregularities in 37 orders, including: (1) an order awarded approximately 23 months after its parent vehicle expired, (2) an order awarded under a parent vehicle without a performance period end date, (3) orders awarded during unexercised option periods of the parent vehicle, and (4) orders awarded under parent vehicles that had improperly extended end dates. Awarding new contract actions outside of the appropriate time period does not comply with federal regulations or department-wide policies and raises questions about the integrity of the procurement process—namely, whether longstanding procurement law (i.e., the CICA), which requires full and open competition in most situations, was circumvented through improper contract extensions. During our review of contract files, we also identified inaccurate contract data reported by multiple contracting officials in FPDS-NG and instances of missing contract file documentation. These issues were caused by contracting officials deviating from well-established requirements and guidelines for: (1) procuring continued services and (2) contract file maintenance and retention. Additionally, we noted that the contracting officials did not consult the FPDS-NG User Manual to clarify the meaning of data fields before entry.

We summarize the deficiencies we identified in this audit in Table 1 below, and in Appendix 5.

Table 1

Audit Results Summary

Issue	Criteria	What We Found[a]
Order Awarded Under an Expired Contract: the contracting official awarded an order after the parent contract expiration date.	**FAR Subpart 16.505(a)(2)** requires that orders be awarded within the contract's performance period.	A contracting official awarded 1 of the 45 orders under an expired BPA.
BPA Without Performance Period End Date: the parent agreement states that it is valid until the Contracting Officer (CO) cancels it. The agreement also did not specify which CO.	**FAR Subpart 13.303-3(a)(1)** requires a BPA to include a statement that the supplier shall furnish supplies or services if and when requested by the CO (or the authorized representative) during a specified period and within a stipulated aggregate amount, if any. **FAR Subpart 13.303-7** states that a BPA is considered complete when the purchases under it equal its total dollar limitation, if any, or when its stated time period expires.	A contracting official awarded 12 of the 45 orders under one BPA that did not have a performance period end date.
Orders Awarded During Unexercised Option Years or Options Exercised Late: the contracting officials did not issue a modification to exercise the option year of the respective parent contracts before awarding orders under those contracts.	**FAR Subpart 17.207(a)** requires the CO to provide written notice to the contractor within the contract-specified time period when exercising an option year.	Contracting officials awarded 3 of the 45 orders during contract option years that they had not exercised.

 **Contract Improperly Extended:** the contracting officials did not adhere to contract clauses that detailed requirements and circumstances when a parent contract could be extended.	**FAR Subpart 17.208(g)** states the clause at **FAR Subpart 52.217-9** should be incorporated into contracts when exercising an option year is appropriate, and that contracts should include a: (a) requirement for the Government to give the contractor a preliminary written notice of its intent to extend the contract; (b) statement that an extension of the contract includes an extension of the option year; and (c) specified limitation on the total contract duration.	Contracting officials did not comply with federal regulations that govern how to exercise options to extend the performance period of the parent contract for 21 of the 45 orders.
FPDS-NG Data Errors (Contract Data Not Updated or Not Inputted Correctly): publicly available data included incorrect dates in the *Last Date to Order on the Indefinite Delivery Vehicle (IDV)* field.	**FAR Subpart 4.606(a)** requires agencies to report any contract actions that change the data previously reported in FPDS-NG regardless of dollar value. **DOJ Policy Instruction 1301.02.02** requires the CO to input contract action expiration dates that accurately represent the action's scope.	Contracting officials did not update FPDS-NG for modifications that affected the performance period (e.g., modifications to exercise option years or extend the contract) for 44 of the 45 orders.
Missing Official Contract Documents: contracting officials could not locate supporting documents.	**FAR Subpart 4.801(b)** requires the CO to maintain contract files sufficient to establish the complete history and background of the transaction as a basis for informed decisions during the acquisition process.	Incomplete files for 8 of the 45 sampled orders. The contract documents for 2 of the 8 orders had missing pages and lacked signatures, and 6 of the 8 orders had a missing modification for the parent contract.

[a] Multiple "issue" categories applied to some of the orders. See Appendix 5.

Source: OIG analysis of selected components contract files and the FAR.

Performance Period Irregularities

We selected a judgmental sample of 45 orders reported in publicly available procurement data as awarded after the performance period of their parent vehicle. Our review found that components generally complied with requirements prohibiting the issuance of orders under expired procurement vehicles – the initial purpose of our audit – as only one of the 45 orders actually had been awarded under an expired procurement vehicle. However, as discussed below, we identified several significant performance period irregularities, including a BPA for comprehensive medical services awarded without a performance period end date. We further noted other inaccuracies related to contracting officials awarding orders during option years that they or their predecessors had never exercised or exercised later than federal regulations allow. Further, we found that contracting officials exercised options to extend the parent vehicles in a manner that did not comply with federal regulations.

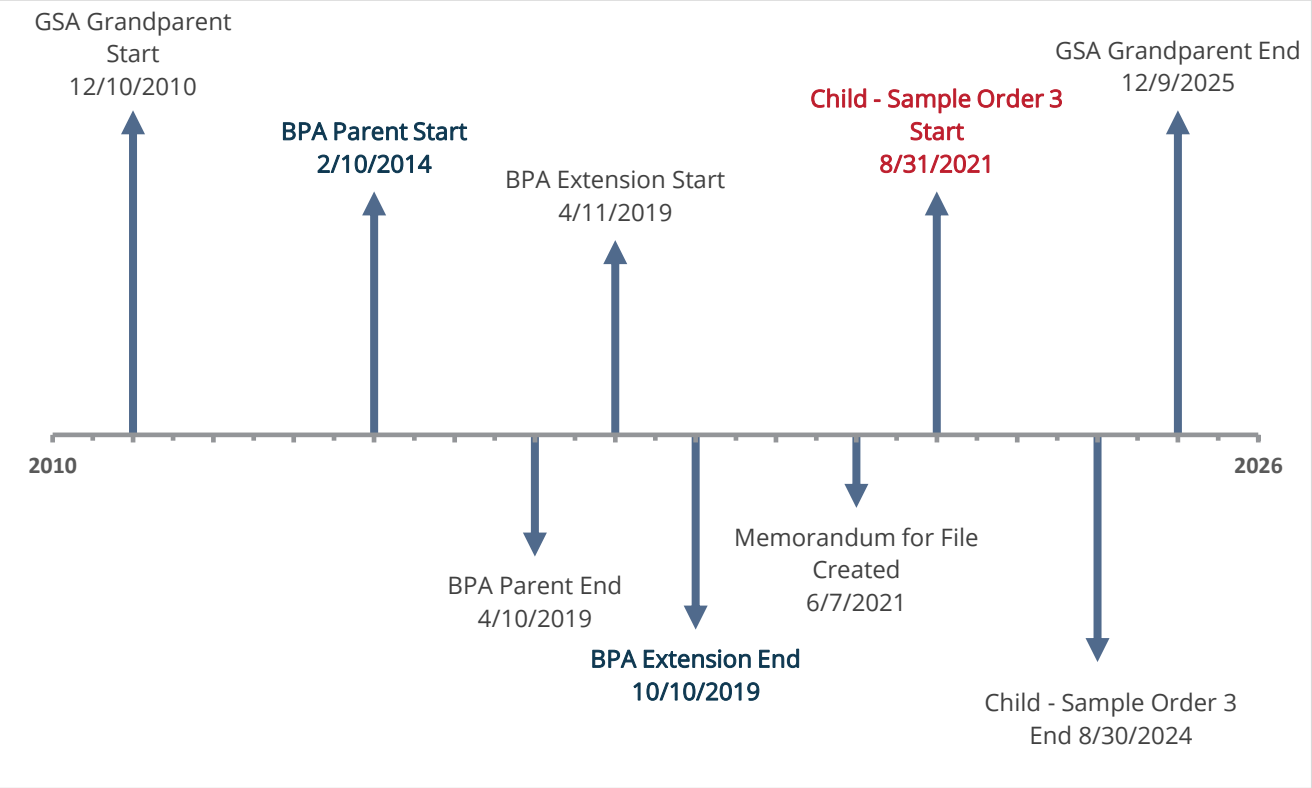
Order Awarded Under an Expired Contract

FAR Subpart 16.505(a)(2) requires individual orders to be awarded within the parent vehicle's performance period. However, we found that an FBI contracting official awarded Sample Order 3 under a BPA after the performance period ended. According to an FBI official, the predecessor contracting officials intended for the first order awarded under the BPA to have option years. However, based on our review of the contract documents, the FBI never included the option years. One of the former contracting officials attempted to rectify this error by issuing a corrective action memorandum that documented the erroneous award of the

new orders. However, the same contracting official subsequently awarded another order, Sample Order 3, under the same expired BPA, which the FBI attributed to the inexperience with the FBI's: (1) procurement systems, including how to use the Unified Financial Management System (UFMS) and FPDS-NG crossover capabilities, and (2) business process established for structuring contracts with options in UFMS.[4] Figure 1 below details the BPA timeline.

Figure 1

Order Awarded Under an Expired BPA



Source: OIG analysis of the FBI contract documents.

During FY 2021, when the FBI awarded Sample Order 3, its Acquisition Reference Guide (ARG) required the FBI Acquisition Review Board to review procurement actions that had an estimated one-time life-cycle cost of $5 million or more. According to the FBI contract documents, Sample Order 3, including its option year, exceeded $5 million. Hence, the FBI did not comply with the FAR or its established process. Had the FBI

[4] UFMS is an integrated software platform used by the Department to streamline budgets, procurement, and reporting. UFMS is a financial system, not a contract writing system. Therefore, UFMS is not designed or configured to detect when contracting officials fail to enter some pertinent information like the contract ceiling. It also does not detect when fields require updating because of subsequent contract actions like modifications.

awarded the order in accordance with its pre-award review process, it may have prevented the contracting official from using the expired BPA.

The FBI has since updated the ARG to align with DOJ policy and to revise previous thresholds. Additionally, it established guidance to address acquiring goods and services via BPAs, but the guidance remains silent on proper post-award administration in terms of monitoring contracts approaching expiration.

Orders awarded under an expired procurement vehicle may lack the legal protections and defined obligations of the original agreement, potentially leading to service disruptions, financial losses, and legal disputes, as well as the FAR non-compliance that we identified.[5] Because the FBI's policies and procedures did not prevent the award of an order under an expired contract, we recommend the FBI enhance: (1) its process to verify whether the procurement vehicle is active before issuing an order and (2) its existing policies and procedures related to the award and administration of contracts including monitoring procurement vehicles approaching expiration.

Blanket Purchase Agreement without Performance Period End Date

According to FAR Subpart 13.303-3(a)(1), a BPA must include a "Description of Agreement," which is a statement that indicates a supplier must furnish supplies or services if and when requested by the CO, during a specified period and within a stipulated aggregate amount. FAR Subpart 13.303-7 further states that a BPA is considered complete when either the purchases under it equal its dollar limitation, if any, or when its stated time period expires. Based on these requirements, every BPA or its supporting documents should specify a time period, including a performance period end date.

However, the BOP awarded a BPA for comprehensive medical services without a performance period end date and with a statement that the BPA would remain open "Until cancelled by the CO." The BOP awarded the BPA in FY 2012 and awarded Sample Orders 31 through 42 approximately 10 years later. Under this BPA, the BOP awarded a total of 256 orders (amounting to over $65 million), including the last order issued in September 2023. Based on available information, we noted that: (1) at least eight COs had been involved with the BPA since its inception, with responsibility shifting to a different CO an average of every 2.4 years; (2) the contract files that those COs contributed to maintaining demonstrated that the BOP had only reassessed the purpose or utility of continuing to use the BPA twice; and (3) the BOP solicited for new contractors once in 2014 but ultimately cancelled the request for proposals, thereby not competing the contract for over 10 years.

[5] Using a procurement vehicle that is beyond its performance period exposes all parties to legal, financial, and operational risks because the contract terms are generally invalid or unenforceable for new work and there is no documented legal relationship (i.e., rights and obligations) to amend or extend. Further, the Anti-Deficiency Act prohibits federal agencies from spending federal funds in advance or in excess of an appropriation, and from accepting voluntary services. This includes incurring new obligations on expired appropriated funds tied to contracts. Contractors that continue to perform work after a contract has expired or funding limit reached proceed at their own financial risk because the government may refuse to pay for unauthorized work. The Anti-deficiency Act Reports Compilation for FYs 2012-2024, *Anti-deficiency Act | U.S. GAO* for which all agencies are required to report violations did not identify any of our sampled orders.

When we interviewed the two responsible COs in September and October 2024, both told us that the BPA was closed or inactive and we were subsequently provided documents showing de-obligations that did not include enough detail for us to verify the closeout. In July 2025, we made a second request for closeout documents and subsequently received a letter that the BOP signed and sent to the contractor indicating that the BOP had not closed the BPA until 5 days after this second request. According to the letter, the BOP confirmed to the contractor that: (1) the BOP made the final payments in full for all services rendered and (2) the BOP's financial records indicated no outstanding invoices or pending payments associated with the BPA.

From the BOP's perspective, the closeout letter represented the end of a 13-year long contractual relationship with no further actions necessary from the contracted parties. However, because the BPA did not have a definitive end date, the BOP operated during those 13 years under a procurement vehicle that did not comply with the FAR and therefore risked performance timeline disputes and financial losses due to legal ambiguity and unclear terms. In addition, by not establishing a definitive end date, the BOP bound the contractor's resources to the BPA for an unspecified amount of time and denied other contractors who ordinarily would have had the opportunity to compete when the contract expired were denied that opportunity. As market and business conditions changed over time, the lack of an end date may have resulted in missed opportunities for the BOP to increase the cost effectiveness of this contract by putting it out for bid.

In response to our inquiries about this situation, the BOP stated that FAR Subpart 13.303-3(a), which lists mandatory terms and conditions for BPAs, does not require an end date. However, FAR Subpart 13.303-3(a)(1) requires that BPAs contain a description of the agreement that includes "a specified period" during which the supplier is to furnish its supplies or services. Further, FAR Subpart 13.303-7 states that "An individual BPA is considered complete when the purchases under it equal its total dollar limitation, if any, or when its stated time period expires."

In November 2023, the BOP issued a memorandum requiring contracting officials to complete the BOP's "Acquisition Plan Template" for all contracts with an anticipated value of $10 million or greater. The "Acquisition Plan Template" requires contracting officials to indicate a term of performance or a completion date. The BOP also issued a March 2024 memorandum, requiring contracting officials to complete the BOP's "Acquisition Plan Template" for all comprehensive medical services contracts. Because these corrective actions addressed our concerns, we make no recommendation on this issue.

Orders Awarded During Unexercised Option Years or Options Exercised Late

FAR Subpart 17.207(a) requires COs to provide the contractor with a written notice of intent to exercise an option within the time period specified in the contract. Based on this requirement, in those instances in which an order was awarded past the stated performance period, the contract file should include a modification signifying that the contracting officials had exercised an option year before taking the action to award the order.

Nonetheless, we found that some of the sampled orders had been awarded during option years that contracting officials had not exercised, or exercised after the performance period ended. Specifically:

1. An FPI contracting official responsible for the parent contract of Sample Order 12 did not issue a modification to exercise Option Year 2. According to the contract documents, the FPI issued modifications to exercise Option Years 1, 3, and 4 of the parent contract. The FPI contracting official awarded Sample Order 12 during the unexercised Option Year 2. The current contracting official responsible for Sample Order 12 attributed these actions to a staff shortage during the initial years of the parent contract.

2. The FPI contracting officials awarded Sample Orders 6 and 14 before exercising their respective option years on the same parent contract. Specifically, an FPI contracting official signed the modification to exercise Option Year 2 nearly 5 months after the effective/start date of the option year. The FPI awarded Sample Order 14 during the 5-month span when Option Year 2 had not been signed. Similarly, the FPI contracting official signed the next modification to exercise Option Year 3 approximately 11 months after the effective/start date of that option year. The FPI awarded Sample Order 6 during the 11-month span when Option Year 3 had not been signed. The current FPI contracting official told us that delays in exercising option years sometimes arise from FPI contracting officials not having the necessary warrant authority to sign a modification, and also from staffing shortages.

Failure to provide a contractor with timely written notice to exercise an option can result in the entire contract expiring and the government losing its option to extend. Also, orders awarded before an option is exercised qualifies as invalid or unauthorized. We reviewed the FPI's policies and procedures for any guidance that could have prevented this issue, but no relevant policies or procedures existed. Therefore, we recommend that FPI develop and implement a control to ensure contracting officials issue modifications: (1) when exercising options and (2) to exercise options before the performance period ends.

Contract Improperly Extended

We found that DOJ components did not comply with federal regulations when exercising options to extend the parent contracts associated with the selected orders. More specifically, FAR Subpart 52.217-9 is a fill-in clause, which according to FAR Subpart 17.208(g) should be incorporated in contracts when the inclusion of an option year is appropriate, and when the contract necessitates any or all the following: (1) a requirement that the Government must give the contractor a preliminary written notice of its intent to extend the contract, (2) a statement that a contract extension includes an extension of the option, and (3) a specified limitation on the total contract duration. While the fill-in clause establishes 60 days as the default amount of time for the Government to provide contractors with written notice of intent to extend the contract before expiration, each contract may specify a different timeframe as appropriate for its circumstances.

1. The FPI parent contract associated with Sample Orders 8, 10, 11, and 16 cited FAR Subpart 52.217-9(c), which limits the total duration of the contract to 24 months, and did not establish any option years. However, the FPI issued a modification to extend the 2-year parent contract an additional 36 months, contrary to the 24-month limit. The FPI awarded Sample Orders 8, 10, 11, and 16 during the 36-month extension. The current FPI contracting official responsible for this parent contract could not explain the deviation from the FAR citation in the contract.

2. The FPI parent contract associated with Sample Orders 13, 15, and 17 through 24 cited FAR clause 52.217-9, which states the total duration of the contract shall not exceed 60 months. However, the

FPI extended the contract, effectively making the duration of the contract 63 months. The current FPI contracting official could not provide a justification for why the parent contract was extended past 60 months.

3. An FBI contracting official issued the first modification to the parent contract for Sample Order 2 to establish four option years and a 6-month extension added to the base year. The FBI parent contract cited FAR clause 52.217-8, which states the option provision may be exercised more than once, but the total extension of performance period must not exceed 6 months. However, the FBI issued a second modification that extended the parent contract an additional 6 months, effectively permitting a total performance period of 6 years. The FBI did not comply with the FAR clause and exceeded the total extension performance period. The FBI also awarded Sample Order 2 during the second 6-month extension. The FBI provided a "Contract Memorandum to File," which noted the issuance of a second 6-month extension to the parent contract to award a new task order.

We believe these issues occurred because the contracting officials did not properly oversee and administer the parent contract and the orders. Improperly extending a contract presents some of the same risks as the previously discussed BPA that did not have an end date, such as increasing the government's legal exposure to disputes over the contract terms and conditions, financial losses, and operational disruptions. Extending contracts improperly also impedes competition for the required goods and services. Although the FPI and FBI have written policies on contract extensions, the policies did not specifically require a CO to verify that an extension is within the contract's specified limits. Therefore, we recommend FPI and FBI officials develop and implement a control to ensure that contract extensions comply with contract terms.

FPDS-NG Data Errors

FAR Subpart 4.606(a) requires agencies to report any contract actions that change the data previously reported in FPDS-NG regardless of dollar value. Furthermore, DOJ Policy Instruction 1301.02.02 requires COs to input contract action expiration dates that accurately represent the contract action scope. Most of the components have integrated FPDS-NG into their policies, procedures, and best practices. Based on these requirements, the *Last Date to Order* field in FPDS-NG should have been updated when DOJ contracting officials issued modifications that affected the performance period.

However, we found instances where contracting officials responsible for the sampled orders did not update the FPDS-NG *Last Date to Order* field for such occurrences, including modifications that accompanied the exercise of option years or extensions, causing orders to appear expired in publicly reported data and derivative reports, including the SAM.gov "Orders Placed after IDV's Last Date to Order" anomaly report through which we identified the potential of inappropriate contract actions and that provided the basis for this audit.[6] Specifically:

1. A DEA official told us that the anomaly report reflected incorrect information for Sample Order 1 due to the most recent contracting official entering the incorrect *Last Date to Order* in the FPDS-NG Contract Action Report when issuing the last modification to the parent contract. The DEA official

[6] The *Last Date to Order on the IDV* field in the anomaly report corresponds with the *Last Date to Order* field in FPDS-NG.

provided documents to support that DEA corrected the date after we brought the matter to its attention.

2. The OBDs contracting official responsible for the parent contract of Sample Orders 43 and 44 stated that the anomaly report showed an incorrect date due to a system error during transmittal from UFMS to FPDS-NG. After we discussed the matter with OBDs representatives, the contracting official manually corrected the date in FPDS-NG.

3. The FPI contracting official responsible for the parent contract associated with Sample Orders 5, 6, 9, and 14 stated that the FPI's contract file storage and maintenance system does not interface with FPDS-NG. The FPI had not identified that FPDS-NG displayed the parent contract's base year start date and not the end date of the last option year exercised. As a result of the interface gap, the FPI contracting officials must manually enter contract data into FPDS-NG, which increases the potential for data input errors.

These findings regarding inaccurate public reporting of contract data align with the results of a 2024 OIG audit that reviewed DOJ's: (1) accuracy and timeliness of reporting contract actions into the FPDS-NG, and (2) the sufficiency and consistency of applying DOJ-wide policies when reporting those contract actions into FPDS-NG, during FY 2023.[7] The prior audit focused on 24 data fields that DOJ contracting officials entered into FPDS-NG based on underlying supporting contract documents and included a recommendation that JMD develop a process to improve the accuracy and timeliness of CO reporting contract actions in FPDS-NG. To address the recommendation, JMD implemented department-wide corrective actions as of February 2025, which included: (1) posting a message in the DOJ UFMS that all CO's could see upon logging into the system to reiterate the requirements for timely completion of contract action reports in FPDS-NG, and (2) developing and disseminating an FPDS-NG Guide that aggregated standards and best practices for use by COs to facilitate the improvement of contract action reports. Based on evidence that JMD provided to the OIG to support the institution of the corrective actions, the OIG closed the recommendation in March 2025.

The actions taken by JMD in response to the 2024 audit address some of the concerns identified in this audit. However, there remain opportunities for further improvement within the sampled components. We found that the DEA, OBDs, FPI, and FBI currently have reports that alert contracting officials to discrepancies between data in the components' contract writing systems and data in FPDS-NG; these reports help identify data mismatches and improve the accuracy of the contract data in FPDS-NG. The BOP and USMS do not have similar controls, and we found that these components had instances of sample orders with an incorrect date in the *Last Date to Order* field in FPDS-NG. Failure to update contract data in the FPDS-NG timely and with correct information may result in inaccurate public reporting, non-compliance, and decreased transparency, which can hinder informed decision-making and oversight. Therefore, we recommend that the BOP and USMS develop a process or control to verify the accuracy of the contract data between the components' contract writing systems and FPDS-NG.

[7] U.S. Department of Justice (DOJ) Office of the Inspector General (OIG), *Audit of the U.S. Department of Justice's Contract Actions Reported by Contracting Officers into the Federal Procurement Data System - Next Generation*, Audit Report 24-104 (September 2024), oig.justice.gov/reports/audit-us-department-justices-contract-actions-reported-contracting-officers-federal.

Missing Official Contract Documents

FAR Subpart 4.801(b) requires contracting officials to maintain contract files sufficient to constitute a complete history and background of the transaction as a basis for informed decision-making. Based on this requirement, we requested contracting officials to furnish sufficient documentation, including contracts being dated and signed, to allow us to understand the timing, rationale, and other pertinent circumstances surrounding the 45 sampled orders. However, we found that the contracting files for some of the sampled orders lacked certain necessary documentation, as described below.

1. The FPI contract file did not include the full parent base contract for Sample Order 7 and instead only included the first page. The current FPI contracting official stated that the FPI's legacy system did not contain a full version of the parent contract. Due to the missing contract pages, we could not identify the performance period end date and therefore could not determine if the FPI awarded the order under an expired parent contract. The FPI contract file also did not include a signed copy of Sample Order 7.

2. The FBI contract files did not include a signed copy of Sample Order 4 or its parent contract. The current FBI contracting official stated that the contract file was incomplete and there were many missing contract documents. The FBI provided an unsigned order from the contract file, as well as a screenshot of data fields from UFMS as evidence that a contracting official had signed and processed Sample Order 4 just 13 days before the parent contract ended. However, the date shown in the screenshot differed from the date of the unsigned order, and especially in light of that discrepancy and the absence of a signed order, we could not verify the date the contracting official signed the order.

3. The FPI awarded Sample Orders 25 through 30 under the same parent contract; however, the FPI issued 15 modifications after the initial award of the parent contract and did not maintain adequate support for those actions. The current contracting official could not locate Modification 2 in the contract files.

Without complete contract files, current and future contracting officials lack pertinent historical information (e.g., records of decisions, justifications, and supporting actions during contract pre-award) regarding the contract actions under their purview and are less equipped for decision-making, such as enforcing contract terms, defending against claims, or meeting regulatory obligations. Incomplete contract files also impede appropriate supervision and oversight. To sustain awareness of the requirements and best practices for contract file maintenance and retention that complies with FAR Subpart 4.8, we recommend that the FBI and FPI provide guidance to its contracting officials via checklists, job aids, or refresher training.

Conclusion and Recommendations

We identified several performance period irregularities and areas of deviation from the FAR and both DOJ-wide and internal component policies, including instances when the components: (1) awarded an order after its parent vehicle expired; (2) awarded a BPA contract without a performance period end date; (3) did not issue modifications to exercise the option year of a parent contract before awarding orders under such contract; and (4) did not adhere to contract clauses to extend a contract. Such performance period irregularities can impede competition and expose the government to risks of contractor non-compliance, service disruptions, and legal disputes.

Along with meeting FAR and DOJ performance period contract requirements, contracting officials are also responsible for entering accurate and timely data into FPDS-NG. Most of the components have integrated FPDS-NG into their policies, procedures, and best practices. However, we found that the contracting officials did not always update FPDS-NG for changes to performance periods. We also found instances when the components could not locate supporting documents within contract files.

The report includes eight recommendations to help the FBI, BOP, FPI, and USMS to improve their contract management.

We recommend that the FBI:

1. Enhance (1) its process to verify whether the procurement vehicle is active before issuing an order and (2) its existing policies and procedures related to the award and administration of contracts including monitoring procurement vehicles approaching expiration.

2. Develop and implement a control to ensure that contract extensions comply with contract terms.

3. Provide guidance to its contracting officials via checklists, job aids, or refresher training to sustain awareness of the requirements and best practices for contract file maintenance and retention that complies with FAR Subpart 4.8.

We recommend that the BOP:

4. Develop a process or control to verify the accuracy of the contract data between its contract writing system and FPDS-NG.

We recommend that the FPI:

5. Develop and implement a control to ensure contracting officials issue modifications: (1) when exercising options and (2) to exercise options before the performance period ends.

6. Develop and implement a control to ensure that contract extensions comply with contract terms.

7. Provide guidance to its contracting officials via checklists, job aids, or refresher training to sustain awareness of the requirements and best practices for contract file maintenance and retention that complies with FAR Subpart 4.8.

We recommend that the USMS:

8. Develop a process or control to verify the accuracy of the contract data between its contract writing system and FPDS-NG.

APPENDIX 1: Objective, Scope, and Methodology

Objective

Our audit objective was to assess the extent and appropriateness of the use of procurement vehicles that appeared to be beyond their performance period.

Scope and Methodology

Our audit scope focused on 45 orders that appeared to be awarded under expired procurement vehicles between fiscal year (FY) 2021 and FY 2023. Contracting officials for the following six Department of Justice (DOJ) components awarded the orders: the Federal Bureau of Investigation (FBI), Drug Enforcement Administration (DEA), Federal Prison Industries (FPI), the Federal Bureau of Prisons (BOP), Offices, Boards, and Divisions (OBDs), and United States Marshals Service (USMS).

To accomplish our objective, we used publicly available contract data derived from the Federal Procurement Data System-Next Generation (FPDS-NG) to identify a universe of orders that appeared to be awarded under expired procurement vehicles. After consulting the Justice Management Division (JMD) officials responsible for department-wide procurement policies and guidance, we: (1) reviewed the applicable federal regulations and DOJ policy; (2) identified a universe of 5,601 total orders ($548 million total obligated) awarded under parent contracts from FY 2021 through FY 2023 that appeared to have expired as long as 26 years ago; (3) judgmentally selected 45 orders totaling over $39 million awarded by six DOJ components, which included the: FBI, DEA, FPI, BOP, OBDs, and USMS; and (4) reviewed the underlying contract documents in consultation with the 13 contracting officials responsible for the associated acquisition life-cycle, including contract file maintenance and retention.

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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of the JMD, FBI, DEA, FPI, BOP, OBDs, and USMS to provide assurance on their internal control structures as a whole. The JMD, FBI, DEA, FPI, BOP, OBDs, and USMS management is responsible for the establishment and maintenance of internal controls in accordance with the Office of Management and Budget Circular A-123 and the Federal Managers' Financial Integrity Act of

1982. Because we do not express an opinion on their internal control structures as a whole, we offer this statement solely for their information and use.[8]

The internal control deficiencies we found are discussed in the Audit Results section of this report. Because our review was limited to those internal control components and underlying principles that we found significant to the objective 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 objective and scope, selected transactions, records, procedures, and practices to obtain reasonable assurance that FBI, DEA, FPI, BOP, OBDs, and USMS 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, DEA, FPI, BOP, OBDs, and USMS compliance with the following laws and regulations that could have a material effect on FBI, DEA, FPI, BOP, OBDs, and USMS operations:

- Competition in Contracting Act of 1984
- Federal Acquisition Regulation (FAR):
    - FAR Subpart 1.602-2, Responsibilities
    - FAR Subpart 4.606, Reporting Data
    - FAR Subpart 4.8, Government Contract Files
    - FAR Subpart 6.3, Other Than Full and Open Competition
    - FAR Subpart 8.405-3, Blanket Purchase Agreements
    - FAR Subpart 13.303, Blanket Purchase Agreements
    - FAR Subpart 16.505, Ordering
    - FAR Subpart 17.204, Contracts
    - FAR Subpart 17.207, Exercise of Options

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

- FAR Subpart 17.208, Solicitation Provisions and Contract Clauses
- FAR Subpart 52.217-8, Option to Extend Services
- FAR Subpart 52.237-3, Continuity of Services

- Justice Acquisition Regulation (JAR):
  - JAR Subpart 2816.505(a), Ordering
  - JAR Subpart 2817.204, Contracts
  - JAR Subpart 2852.201-70, Contracting Officer's Representative (COR)

This testing included interviewing FBI, DEA, FPI, BOP, OBDs, and USMS contracting officials, examining public contract data, and analyzing contract files and related documents. As noted in the Audit Results section of this report, we found instances of non-compliance with federal regulations as well as internal component policies and DOJ regulations.

Sample-Based Testing

To accomplish our audit objective, we performed sample-based testing of the contract actions detailed in the *Orders Placed after IDV's (indefinite delivery vehicle) Last Date to Order* anomaly report generated in the System for Award Management (SAM.gov). This standard report is intended to reflect the universe of orders (e.g., task orders, delivery orders, BPA calls) awarded beyond their parent contract's performance period. We generated this anomaly report to: (1) obtain the universe of all orders that DOJ components awarded between FY 2021 and FY 2023 and (2) judgmentally select the aforementioned sample of 45 orders. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.[9]

Computer-Processed Data

During our audit, we obtained information from SAM.gov. The components provided contract information from their contract storage and maintenance systems and DOJ's United Financial Management System (UFMS). 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.

[9] We employed a judgmental sampling design to select orders: (1) awarded under DOJ parent contracts and (2) valued at or above the Simplified Acquisition Threshold (SAT) of $250,000. Our sample was also driven by: (1) the allocation percentage of the orders between the 6 different DOJ components of the adjusted universe and (2) a minimum of 1 order per component, which added one additional order for a total sample of 45 orders.

APPENDIX 2: Government Contracting Key Terms

Types of Contracting Officials		
	Contracting Officer (CO)	A person with the authority to enter, administer, and/or terminate contracts and make related determinations and findings.
	Contract Specialist (CS)	A person who typically: (1) works under the guidance of a CO and (2) is trained in acquisition and related business skills (e.g., market research, source selection, cost and price analysis, negotiation, and contract administration). Many contract specialists aspire to become COs or move into other acquisition-related positions like procurement analysts, contract administrators, and program/project officer.
	Contracting Officer's Representative (COR)	An individual, including a CO's Technical Representative, designated, and authorized in writing by the CO to perform specific technical or administrative functions.
Types of Procurement Vehicles		
	Multi-award Contract	A task or delivery order contract established by one agency for use by Government agencies to obtain products and services, consistent with the Economy Act as described in Federal Acquisition Regulation (FAR) Subpart 17.502-2. Examples include: (1) Federal Supply Schedules issued by General Services Administration (GSA) or agencies granted Multiple Award Schedule contracting authority by GSA (e.g., Department of Veterans Affairs) as described in FAR Part 38; (2) A multiple-award task or delivery-order contract awarded in accordance with FAR Subpart 16.5, including government-wide acquisition contracts; or (3) Any other Indefinite Delivery/Indefinite-Quantity contracts awarded to more than one contractor using the same solicitation.
	Multi-year Contract	A contract for the purchase of products or services for more than 1, but not more than 5, program years. A multi-year contract may provide that performance under the contract during the second and subsequent years of the contract is contingent upon the appropriation of funds, and (if it does so provide) may provide for a cancellation payment to be made to the contractor if appropriations are not made. The key distinguishing difference between multi-year contracts and multiple year contracts is that multi-year contracts, defined in the statutes cited in FAR Subpart 17.101, buy more than 1 year's requirement (of a product or service) without establishing and having to exercise an option for each program year after the first.
Child Contracts	**Delivery/Task Orders**	Order for products/services placed against an established contract or with Government sources.
	Calls	See definition of Blanket Purchase Agreements below.

Grandparent Contracts	**Federal Supply Schedules (FSS)**	An FSS, also known as a GSA Schedule or Multiple Award Schedule, is a long-term government-wide contract with companies that provide commercial products and services at fair and reasonable prices.
Parent Contracts	**Indefinite Delivery Contracts (IDC)**	There are three types of indefinite delivery contracts (1) definite-quantity contracts, (2) requirements contracts, and (3) indefinite-quantity contracts. IDCs may be used to acquire supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award. Requirements contracts and indefinite-quantity contracts are also known as delivery-order contracts or task order contracts.
	Blanket Purchase Agreements (BPA)	A BPA is a simplified method of filling anticipated repetitive needs for products or services by establishing charge accounts with qualified vendors so that an agency may place an order (known as a call) against the agreement to request a service or product. Single-award BPAs involve the government awarding one vendor the BPA and all subsequent calls because the expected work is so integrally related that only a single source can reasonably perform the work.
Adjustments to the Contract Performance Period		
	Contract Modifications	Any written change in the terms of a contract as detailed in FAR Subpart 43.103.
	Option Years	A unilateral right in a contract by which, for a specified time, the Government may elect to purchase additional supplies or services called for by the contract or may elect to extend the contract term.
Sources of Publicly Available Contract Data		
	Federal Procurement Data System- Next Generation (FPDS-NG) and System for Award Management (SAM.gov)	FPDS-NG is a web-based Government central repository for collecting, developing, and disseminating contract data to Congress, the Executive Branch, and private sector. The contract data reports, including anomaly reports, migrated from the FPDS-NG to SAM.gov in October 2020. SAM.gov is the U.S. government's official site for information related to unclassified contracts, such as: (1) contractor registrations to do business with the U.S. government; (2) updates, renewals, and the ongoing status of contractor registrations; (3) exclusion records; (4) assistance listings; (5) wage determinations; (6) contract opportunities; and (7) contract data reports. The contract data reports in SAM.gov range from static pre-generated reports to fully customizable ad hoc reports and provide detailed information on awarded contracts using data directly from FPDS-NG. Standard Reports contain information about contract activity and information is formatted to meet the needs of both government and public users. Data in Standard Reports can be filtered and sorted to locate information of interest.
	USAspending.gov	USAspending.gov is the official open data source for unclassified spending information of the U.S. government. Its purpose is to show the American public how much the federal government spends on federal awards every year and how the money is spent. The U.S. Department of Justice (Department or DOJ) maintains records of its federal contract actions in FPDS-NG, which feeds into USAspending.gov.

Source: FAR, Federal Acquisition Institute, and Defense Acquisition University.

APPENDIX 3: Prior DOJ OIG Findings Related to Expired Procurement Vehicles or with Performance Period Irregularities

OIG Audit-Related Products and Findings
The Federal Bureau of Prisons Comprehensive Medical Services Contracts Awarded to the University of Massachusetts Medical School (Report Number 22-052, issued March 2022) Between 2012 and 2014, the BOP awarded three indefinite delivery contracts, totaling over $304 million for comprehensive medical services (CMS) at three BOP institutions. As of March 2020, all three contracts had ended, leading contracting officials to purchase medical services using $85 million in short-term POs without full and open competition for nearly 2 years. The audit attributed this finding to the BOP not always completing its acquisition planning and awarding of CMS contracts in a timely manner.
The Federal Bureau of Prisons' Sole-Source Contract Actions (Report Number 23-100, issued September 2023) The BOP improperly used Simplified Acquisition Procedures to award nine POs to compensate for poor planning and as a "bridge" between an expired predecessor ID/IQ and follow-on contracts. A contracting official stated that the Field Acquisition Office had instructed contracting officials to continue to award POs that cited unusual and compelling circumstances until BOP was able to renew its CMS ID/IQ. The contracting official explained that the CMS contract had expired in April 2019, and the BOP had since awarded 74 POs (at least 2 per month) to continue the medical care inside and outside of a specific BOP facility. Because the parent contract expired and the BOP contracting officials did not reassess pricing fairness and reasonableness, the BOP relied on 3-year-old rates, potentially causing the BOP to pay out-of-date prices for contracted services.
The Federal Bureau of Investigation's Contract for Ballistics Research Assistant Services (Report Number 24-098, issued September 2024) The FBI extended a 2021 ID/IQ (which initially had a base year and two 1-year options) beyond what the FAR permits. Contrary to accepted practices, the FBI awarded separate task orders for the base year and each task order within the subsequent option years. In further deviation, when the FBI exercised Option Year 2 (Task Order 3), it added four 1-year options to the task order significantly increasing the total potential ID/IQ value. As a result, the FBI did not plan these actions and increased the contract length by 4 years for a total of 7 years.

Source: DOJ OIG.

APPENDIX 4: Federal Regulations and DOJ Policy Related to Contract Scope, Duration and Reporting

Source	Description
FAR Subpart 1.602-2, Responsibilities	Assigns Contracting Officers (CO) the responsibility for ensuring: (1) performance of all necessary actions for effective contracting, (2) compliance with the contract terms, and (3) safeguarding the interests of the United States in its contractual relationships.
FAR Subpart 4.606, Contract Reporting	Requires COs to report contract actions over the micro-purchase threshold, regardless of the solicitation process used, and agencies must report any modifications to the contract actions that change previously reported contract action data, regardless of dollar value.
FAR Subpart 4.8, Government Contract Files	Establishes the requirements for establishing, maintaining, and disposing of contract files. COs must maintain contract files that contain the records of all contractual actions and maintain documentation within the contract files to support contract actions.
FAR Subpart 8.405-3, Blanket Purchase Agreements[a]	Permits agencies to award BPAs that extend beyond the initial performance period if the performance period of the related Federal Supply Schedule (FSS) covers the additional time. Multiple-award BPAs should not exceed 5 years in length but may do so to meet program requirements.
FAR Subpart 13.303, Blanket Purchase Agreements[b]	Requires a BPA to include a statement that the supplier shall furnish supplies or services during a specified period. A BPA is considered complete when the purchases under it equal its total dollar limitation or when its stated time period expires.
FAR Subpart 16.505, Ordering	Requires COs to award individual orders that clearly describe all services or products so the full cost or price for the work can be established when the order is placed. Orders shall be within the scope, awarded within the performance period, and be within the maximum contract value.
FAR Subpart 17.204, Contracts	Requires COs to specify the: (1) limits on the overall duration of the contract term, including any extension, and (2) timeframe when an option may be exercised.
FAR Subpart 17.207, Exercise of Options	Requires COs to provide the contractor written notice of intent to exercise an option within the time period specified in the contract. The CO may exercise options only after determining that the conditions in FAR Subpart 17.207(c) have been met and this determination must be preserved in the contract file as detailed in FAR Subpart 17.207(f) and (g).
FAR Subpart 52.217-8, Option to Extend Services	Permits COs to extend services and exercise options; however, the total extension may not exceed 6 months.[c]
FAR Subpart 52.217-9, Option to Extend the Term of the Contract	Permits COs to extend the term of the contract as long as: (1) contractors are given preliminary written notice of its intent to extend the contract; (2) the contract includes a statement that an extension of the contract includes an extension of the option year and (3) the contract contains a specified limitation on the total contract duration.
FAR Subpart 52.237-3, Continuity of Services	For contract continuity purposes, requires the CO to request that the contractor: (1) furnish phase-in, phase-out services for up to 90 days after the contract in question expires and (2) negotiate, in good faith, a plan with a successor to determine the nature and extent of phase-in, phase-out services required.
JAR Subpart 2816.505(a), Ordering	Requires COs to justify exceptions to the fair opportunity process specified in FAR Subpart 16.505(b)(2) and obtain approval in accordance with JAR 2806.304.
JAR Subpart 2817.204, Contracts	Requires COs to obtain advance approval from the Head of the Contracting Activity (or designee) and the Senior Procurement Executive to exceed the 5-year limitations specified in FAR Subpart 17.204(e).
JAR Subpart 2852.201-70, Contracting Officer's Representative (COR)	Assigns CORs the responsibility for ensuring that contractors provide products or services in accordance with the contract terms and conditions.

DOJ Policy Instruction 1301.02.02, Acquisition Policy Oversight, Principal Acquisition Procedures and Reporting	Requires the Bureau Procurement Chief to (1) at least quarterly, generate the "Unified Financial Management System Closeout Report" to track contracts with expiring or expired performance periods to ensure timely closure and (2) ensure that contracting officials complete certain administrative actions, including inputting expiration dates that accurately represent the contract scope.

[a] Subpart to FAR Part 8.4, *Federal Supply Schedules*.

[b] Subpart to FAR Part 13.3, *Simplified Acquisition Methods*.

[c] Regarding FAR Subpart 52.217-8, the Armed Services Board of Contract Appeals held that the government cannot unilaterally extend services and resurrect the parties' obligation under an expired contract after failing to properly exercise an option year. *Fluor Fed. Solutions, Inc.,* ASBCA No. 62343, August 9, 2022.

Source: FAR, JAR, and DOJ policy.

APPENDIX 5: Sample Orders Summary

Sample Order No.	Component	Parent Contract Number	Order Awarded Under an Expired Contract	BPA Without Performance Period End Date	Orders Awarded During Unexercised Option Years or Options Exercised Late	Contract Improperly Extended	Contract Data Not Updated in FPDS-NG or Input Errors	Missing Official Contract Documents
1	DEA	Contract A					X	
2	FBI	Contract B				X	X	
3		Contract C	X					
4		Contract D					X	X
5	FPI	Contract E					X	
6		Contract E			X		X	
7		Contract F [1]					X	X
8		Contract G				X	X	
9		Contract E					X	
10		Contract G				X	X	
11		Contract G				X	X	
12		Contract H			X		X	
13		Contract I				X	X	
14		Contract E			X		X	
15		Contract I				X	X	
16		Contract G				X	X	
17		Contract I				X	X	
18		Contract I				X	X	
19		Contract I				X	X	
20		Contract I				X	X	
21		Contract I				X	X	
22		Contract I				X	X	
23		Contract I				X	X	
24		Contract I				X	X	
25		Contract J				X	X	X
26		Contract J				X	X	X
27		Contract J				X	X	X
28		Contract J				X	X	X
29		Contract J				X	X	X
30		Contract J				X	X	X
31	BOP	Contract K		X			X	
32		Contract K		X			X	
33		Contract K		X			X	

34		Contract K		X			X	
35		Contract K		X			X	
36		Contract K		X			X	
37		Contract K		X			X	
38		Contract K		X			X	
39		Contract K		X			X	
40		Contract K		X			X	
41		Contract K		X			X	
42		Contract K		X			X	
43	OBDs	Contract L					X	
44		Contract L					X	
45	USMS	Contract M					X	
Total Sampled Orders That Did Not Comply with the FAR, DOJ Policies, and/or Internal Component Guidance.			**1**	**12**	**3**	**21**	**44**	**8**

[1] Due to extensive missing contract files, we could not discern whether the sampled order was issued under a valid procurement vehicle.

Source: OIG analysis of selected components contract files.

APPENDIX 6: Sample Order Information

Order	Parent Contract	Product or Service Purchased	Extent Competed or Set-Aside	Contract Type	Total Obligated on the Order
1	Contract A	Information Technology Software	Full and Open Competition	IDC	$2,527,929
2	Contract B	IT and Telecom-System Development	Full and Open Competition	IDC	480,000
3	Contract C	Support - Administrative: Other	Small Business[a]	BPA	1,833,523
4	Contract D	Transportation/ Travel / Relocation	Small Business[a]	BPA	336,919
5	Contract E	Wire, Nonelectrical, Nonferrous Base Metal	Full and Open Competition	IDC	292,739
6					817,226
7	Contract F	Textile Fabrics	Full and Open Competition	IDC	325,094
8	Contract G	Textile Fabrics	Small Business[a]	IDC	382,200
9	Contract E	Wire, Nonelectrical, Nonferrous Base Metal	Full and Open Competition	IDC	277,214
10	Contract G	Textile Fabrics	Small Business[a]	IDC	700,700
11					987,350
12	Contract H	Lumber and Related Basic Wood Materials	Full and Open Competition	IDC	455,933
13	Contract I	Textile Fabrics	Not Competed	IDC	324,324
14	Contract E	Wire, Nonelectrical, Nonferrous Base Metal	Full and Open Competition	IDC	731,745
15	Contract I	Textile Fabrics	Not Competed	IDC	618,939
16	Contract G	Textile Fabrics	Small Business[a]	IDC	518,580
17	Contract I	Textile Fabrics	Not Competed	IDC	432,580
18				IDC	320,157
19				IDC	1,894,690
20				IDC	303,001
21				IDC	521,061
22				IDC	349,380
23				IDC	314,597
24				IDC	362,263
25	Contract J	Structural Shapes (Design Fabrication, Engineering for Storage Rack Systems)	Full and Open Competition	IDC	748,470
26				IDC	327,983
27				IDC	1,387,969
28				IDC	310,831
29				IDC	330,528
30				IDC	1,405,953
31	Contract K	Medical - General Health Care	Not Specified	BPA	300,000
32					300,000
33					300,000

34					300,000
35					300,000
36					300,000
37					250,000
38					500,000
39					400,000
40					450,000
41					500,000
42					500,000
43	Contract L	Support - Professional Legal (Asset Recovery Services)	Full and Open Competition	IDC	8,000,000
44					3,000,000
45	Contract M	Medical - Other	Full and Open Competition	IDC	3,310,000
Total					$39,329,879

[a] Order solicited and awarded under Small Business Administration program, which "sets aside" contracts for eligible program participants.

Source: OIG analysis of SAM.gov contract data, USAspending.gov, and selected components contract documents.

APPENDIX 7: FBI Response to the Draft Report

U.S. Department of Justice

Federal Bureau of Investigation

Washington, D. C. 20535-0001

September 9, 2026

The Honorable Don R. Berthiaume
Inspector General
Office of the Inspector General
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, DC 20530

Dear Mr. Berthiaume:

The Federal Bureau of Investigation (FBI) appreciates the opportunity to review and respond to your office's report entitled, *Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles*.

The FBI has dedicated significant time in recent years enhancing its contract management operations. As such, we appreciate that the Office of the Inspector General found the FBI generally complied with requirements prohibiting the issuance of orders under expired procurement vehicles.

We also understand you found that the FBI needs to improve its oversight of procurement vehicles and the orders awarded under them to ensure that performance periods are properly monitored and appropriate controls are in place to guide contracting officials when performance periods are extended. In that regard, we concur with your three recommendations for the FBI and will continue our efforts to strengthen contract administration.

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

Sincerely,

Nicholas Dimos
Assistant Director
Finance and Facilities Division

Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles

OIG Final Draft Recommendation 1: Enhance (1) its process to verify whether the procurement vehicle is active before issuing an order and (2) its existing policies and procedures related to the award and administration of contracts including monitoring procurement vehicles approaching expiration.

FBI Response to OIG's Final Draft Recommendation 1: The FBI concurs with the recommendation and has established a Period of Performance (POP) Collaboration SharePoint site where Contracting Officers are required to review the list of contracts that are expiring within 90 days and identify the anticipated action. The contracting team is notified weekly when the file has been updated. The FBI believes no further action is required for this recommendation.

OIG Final Draft Recommendation 2: Develop and implement a control to ensure that contract extensions comply with contract terms.

FBI Response to OIG's Final Draft Recommendation 2: The FBI concurs with the recommendation and has established procedures regarding the use of contract extensions within its Acquisition Reference Guide (see sections 17.208 & 17.209). The FBI will also review its POP Collaboration SharePoint site to determine if it would be appropriate to update the file to document a review of the contract to ensure an extension would comply with contract terms.

OIG Final Draft Recommendation 3: Provide guidance to its contracting officials via checklists, job aids, or refresher training to sustain awareness of the requirements and best practices for contract file maintenance and retention that complies with FAR Subpart 4.8.

FBI Response to OIG's Final Draft Recommendation 3: The FBI concurs with the recommendation and has standard contract file summary forms that identify the required documents for contract files. In addition, to the contract file summary forms, the FBI also conducts contract file reviews to verify that the appropriate documents are uploaded within the contract file. The FBI also conducted refresher training on contract files maintenance in January 2026. The FBI believes no further action is required for this recommendation.

APPENDIX 8: BOP and FPI Response to the Draft Report

U.S. Department of Justice

Federal Bureau of Prisons

Office of the Director *Washington, DC 20534*

September 2, 2026

MEMORANDUM FOR JASON R. MALMSTROM
Assistant Inspector General
Audit Division
Office of the Inspector General

FROM: William K. Marshall III, Director

SUBJECT: Response to the Office of Inspector General's Draft Report: Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles

The Federal Bureau of Prisons (BOP) appreciates the opportunity to formally respond to the Office of Inspector General's (OIG) draft report entitled "Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles" and address the OIG's findings and recommendations to the BOP and Federal Prison Industries (FPI) in this multi-component audit. This letter addresses Recommendations Four through Seven, including those directed to FPI.

The BOP recognizes the seriousness of deficiencies in contracting practices identified in the report and understands the imperative to address them promptly and fully. Proper adherence to federal procurement requirements is essential to the BOP's sound contract administration and institutional accountability. The OIG's identification of instances in which the BOP used expired procurement vehicles, along with other irregularities, underscores the need for strengthened internal controls and heightened oversight in contract administration. The BOP is committed to rectifying the issues documented in the report by reinforcing the controls necessary to ensure strict adherence to relevant laws, regulations, and policies.

As discussed below, the BOP and FPI have already begun taking steps to address the issues identified in the OIG report and will take additional corrective actions as needed. The BOP and FPI concur with all of OIG's recommendations and offer the following responses.

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Recommendation 4: Develop a process or control to verify the accuracy of the contract data between its contract writing system and FPDS-NG.

BOP Response: The BOP concurs with this recommendation. The BOP is implementing a control to verify the accuracy of the contract data between its contract writing system and the Federal Procurement Data System-Next Generation (FPDS-NG).

Recommendation 5: Develop and implement a control to ensure contracting officials issue modifications: (1) when exercising options and (2) to exercise options before the performance period ends.

BOP Response: FPI concurs with this recommendation. FPI is reviewing its existing training, guidance, and supervisory review processes to develop and implement a control that will ensure contracting officials issue modifications when exercising options and do so prior to the end of the performance period in strict accordance with policy. Additionally, FPI is evaluating the Enterprise Resource Planning (ERP) system's capabilities to determine the feasibility of implementing automated internal safeguards that support timely and accurate execution of contract extensions.

Recommendation 6: Develop and implement a control to ensure that contract extensions comply with contract terms.

BOP Response: FPI concurs with this recommendation. FPI is reviewing its training, guidance, and supervisory review processes to develop and implement a control that will ensure all contract extensions comply fully with contract terms and are executed in strict accordance with policy before the performance period ends. Additionally, FPI is evaluating the ERP system's capabilities to determine the feasibility of implementing automated internal safeguards that can support improved accuracy and compliance in contract extensions.

Recommendation 7: Provide guidance to its contracting officials via checklists, job aids, or refresher training to sustain awareness of the requirements and best practices for contract file maintenance and retention that complies with FAR Subpart 4.8.

BOP Response: FPI concurs with this recommendation. FPI will issue updated guidance, including a memorandum, official system reference materials, and training, to procurement staff to reinforce the requirements and best practices for accurate and timely contract data closeout requirements, as well as contract file maintenance and retention, consistent with FAR Subpart 4.8. Staff will also be directed to federal resources to ensure compliance with data entry standards and system navigation procedures.

APPENDIX 9: USMS Response to the Draft Report

U.S. Department of Justice

United States Marshals Service

Office of Professional Responsibility

Washington, DC 20530-0001

September 16, 2026

MEMORANDUM TO: Jason M. Malmstrom
Assistant Inspector General
Office of the Inspector General

FROM: Ronald Carter
Assistant Director

RONALD CARTER
Digitally signed by RONALD CARTER
Date: 2026.09.16 12:30:36 -04'00'

SUBJECT: Response to Draft Audit Report: Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles

This is in response to correspondence from the Office of the Inspector General (OIG), requesting comment on the recommendation associated with the subject draft audit report. The United States Marshals Service (USMS) appreciates the opportunity to review the Report and concurs with the recommendations therein. Actions planned by the USMS with respect to OIG's recommendations are outlined in the attached response.

Should you have any questions or concerns regarding this response, please contact Krista Eck, External Audit Liaison, at 202-819-4371.

Attachments

cc: Shenika Cox
Regional Audit Manager
Office of the Inspector General

Louise Duhamel
Assistant Director, Audit Liaison Group
Internal Review and Evaluation Office
Justice Management Division

John Kilgallon
Acting Chief of Staff
United States Marshals Service

United States Marshals Service Response to the
Office of Inspector General Draft Report
Audit of the Department of Justice's Orders Awarded Under Expired Procurement Vehicles

Recommendation 8: Develop a process or control to verify the accuracy of the contract data between its contract writing system and FPDS-NG.

USMS Response (Concur): The United States Marshals Service (USMS) has the following processes currently in place and will implement an additional step in fiscal year (FY) 2027 as noted below:

1. The **USMS started a Quality Assurance Program (QAP) in** FY 2023 (USMS memorandum "OOP_MEMO_Implementation of Agency-wide Procurement Quality Assurance Program_09212022 (signed).pdf"). QAP testing is done monthly on a random sampling basis. The team reviews FPDS-NG and ensures items are accurately reported. Attached is a sample of the audit (ProcurementDivision_QAP_OSS_January2025Final.pdf).

2. Each FY, the Department of Justice (DOJ) conducts a Federal Procurement Data System - Next Generation (FPDS-NG) Data Quality Assessment. This is part of the U.S. Office of Management and Budget Circular A-123 assessment, and DOJ sends the data call to all Bureaus to review and verify FPDS-NG records. The FY 2025 Test Plan is attached (FY 2025 FPDS Test Plan – USMS.xlsx).

3. In FY 2027, the USMS plans to implement a UFMS validation with FPDS-NG action that other DOJ agencies currently use. This validation checks additional FPDS-NG fields to ensure compliance and accuracy of reported data. The attached data map shows the validations to be completed (UFMS FPDS Data Map_2026.pdf).

APPENDIX 10: Office of the Inspector General Analysis and Summary of Actions Necessary to Close the Audit Report

The OIG provided a draft of this audit report to the Drug Enforcement Administration (DEA); Federal Bureau of Investigation (FBI); Federal Bureau of Prisons (BOP); Federal Prison Industries (FPI); Offices, Boards, and Divisions (OBDs); and United States Marshals Service (USMS). The FBI, BOP (including FPI), and USMS responses are incorporated in Appendices 7 through 9 of this final report. We made no recommendations to the DEA and OBDs, and those components elected not to provide a written response to the final report. In response to our audit report, the FBI, BOP, FPI, and USMS concurred with our recommendations and discussed the actions they will implement in response to our findings. As a result, the status of the audit report is resolved. The following provides the OIG analysis of the response and summary of actions necessary to close the report.

We recommend that the FBI:

1. **Enhance (1) its process to verify whether the procurement vehicle is active before issuing an order and (2) its existing policies and procedures related to the award and administration of contracts including monitoring procurement vehicles approaching expiration.**

   Resolved. The FBI concurred with our recommendation. The FBI stated in its response that it had established a Period of Performance (POP) Collaboration file, which is accessible to Contracting Officers (CO) on the FBI's internal system and contains a list of FBI contracts that are expiring within 90 days. The COs are required to review the list and identify necessary actions to take. With its response, the FBI provided a screenshot of the POP Collaboration list of contract actions sorted by expiration date and identifying those within 60 to 90 days of expiring. The FBI also stated that its contracting team is notified weekly when the POP Collaboration file has been updated.

   Based on the description, the addition of the POP Collaboration file process will assist the FBI in monitoring procurement vehicles approaching expiration as noted in Part 2 of our recommendation. However, the provided screenshot did not include details of the file's functionality or the contracting team's monitoring responsibilities. Concurrently, the FBI should work to address the remaining part of our recommendation, specifically, enhancing the verification process to ensure a contract is active before issuing an order.

   This recommendation is resolved and can be closed when we receive: (1) evidence of a pre-verification process to ensure contracts are active before issuing an order; and (2) further details about the aforementioned POP Collaboration file process, including the enhancements to its policies and procedures.

2. **Develop and implement a control to ensure that contract extensions comply with contract terms.**

   Resolved. The FBI concurred with our recommendation. The FBI stated in its response that it had established procedures regarding the use of contract extensions within its Acquisition Reference Guide (i.e., sections 17.208 and 17.209). The FBI also stated that it plans to review its POP

Collaboration site to determine if it would be appropriate to update the site to document a review of the contract to ensure an extension would comply with contract terms.

This recommendation is resolved and can be closed when we receive evidence that the FBI has developed and implemented a control, such as the use of the POP Collaboration process, to ensure that contract extensions comply with contract terms.

3. **Provide guidance to its contracting officials via checklists, job aids, or refresher training to sustain awareness of the requirements and best practices for contract file maintenance and retention that complies with Federal Acquisition Regulation (FAR) Subpart 4.8.**

Resolved. The FBI concurred with our recommendation. The FBI stated in its response it has standard contract file summary forms that identify the required documents for contract files and provided copies of the forms. In addition to the contract file summary forms, the FBI stated that it also conducts contract file reviews to verify the appropriate documents are uploaded within the contract file. The FBI further stated that it conducted refresher training on contract file maintenance in January 2026.

This recommendation is resolved and can be closed when we receive: (1) evidence that the contract file reviews conducted by the FBI that verify appropriate documents are uploaded within the contract file; and (2) documentation from the January 2026 training, such as an attendee list and training materials.

We recommend that the BOP:

4. **Develop a process or control to verify the accuracy of the contract data between its contract writing system and the Federal Procurement Date System – Next Generation (FPDS-NG).**

Resolved. The BOP concurred with our recommendation. The BOP stated in its response that it is implementing a control to verify the accuracy of the contract data between its contract writing system and FPDS-NG.

This recommendation is resolved and can be closed when we receive documentation detailing the control the BOP has implemented that verifies the accuracy of the contract data between its contract writing system and FPDS-NG.

We recommend that the FPI:

5. **Develop and implement a control to ensure contracting officials issue modifications: (1) when exercising options and (2) to exercise options before the performance period ends.**

Resolved. The BOP responded on behalf of the FPI and concurred with our recommendation. The BOP stated in its response that the FPI is reviewing its existing training, guidance, and supervisory review processes to develop and implement a control that will ensure contracting officials issue

modifications when exercising options and do so prior to the end of the performance period in accordance with policy. The BOP also stated that the FPI is evaluating the Enterprise Resource Planning (ERP) system's capabilities to determine the feasibility of implementing automated internal safeguards that support timely and accurate execution of contract extensions.

This recommendation is resolved and can be closed when we receive documentation detailing the control that the FPI has developed and implemented to ensure that contracting officials issue modifications: (1) when exercising options and (2) to exercise options before the performance period ends.

6. **Develop and implement a control to ensure that contract extensions comply with contract terms.**

Resolved. The BOP responded on behalf of the FPI and concurred with our recommendation. The BOP stated in its response that the FPI is reviewing its training, guidance, and supervisory review processes to develop and implement a control that will ensure all contract extensions comply fully with contract terms and are executed in accordance with policy before the performance period ends. The BOP also reiterated that the FPI is evaluating the ERP system's capabilities to determine the feasibility of implementing automated internal safeguards that can support improved accuracy and compliance in contract extensions.

This recommendation is resolved and can be closed when we receive documentation detailing the control that the FPI has developed and implemented to ensure that contract extensions comply with contract.

7. **Provide guidance to its contracting officials via checklists, job aids, or refresher training to sustain awareness of the requirements and best practices for contract file maintenance and retention that complies with FAR Subpart 4.8.**

Resolved. The BOP responded on behalf of the FPI and concurred with our recommendation. The BOP stated in its response that the FPI will issue updated guidance—including a memorandum, official system reference materials, and training—to procurement staff to reinforce the requirements and best practices for accurate and timely contract data closeout requirements, as well as contract file maintenance and retention, consistent with FAR Subpart 4.8. The BOP further stated that FPI staff will also be directed to federal resources to ensure compliance with data entry standards and system navigation procedures.

This recommendation is resolved and can be closed when we receive evidence of the FPI's: (1) updated guidance (including a copy of the memorandum the FPI issued to its procurement staff); (2) official system reference materials; (3) records of the procurement staff training, such as course materials consistent with FAR Subpart 4.8 and attendance sheets; and (4) federal resources provided to staff.

We recommend that the USMS:

8. **Develop a process or control to verify the accuracy of the contract data between its contract writing system and FPDS-NG.**

   Resolved. The USMS concurred with our recommendation. The USMS stated in its response that in fiscal year (FY) 2023 it started a Quality Assurance Program (QAP) during which a QAP Team performs monthly testing of a random sample of contract information to ensure that it is reported accurately in FPDS-NG. With its response, the USMS provided a copy of the January 2025 QAP testing results. The USMS added that each FY, the Department conducts an FPDS-NG Data Quality Assessment as part of the Office of Management and Budget's Circular A-123 assessment. To prepare for the assessment, all bureaus review and verify the completeness and accuracy of their FPDS-NG records and the USMS provided a copy of its FY 2025 FPDS Test Plan. The USMS also stated that, in FY 2027, it plans to implement a Unified Financial Management System (UFMS) validation that includes reviews of FPDS-NG fields for compliance and accuracy of reported data, which is similar to processes used by other Department agencies. Additionally, with its response, the USMS provided a copy of its planned UFMS FPDS Data Map for completion in FY 2027.

   This recommendation is resolved and can be closed when we receive evidence that the USMS has completed its efforts to verify the accuracy of contract data between its contract writing system and FPDS-NG, which includes the planned validation process that will further review FPDS-NG fields to ensure compliance and accuracy of reported data.