

## Federal Contracting: Investigative Tips

What do you need to learn about a contract that seems wasteful or has hints of conflict of interests? Here are some questions you should get answered for each stage of a contract.

### 1. Planning

- A. Does the government want or need the goods or services?
- B. Is the acquisition coordinated and integrated through a comprehensive plan for fulfilling the agency's need in a timely manner and at a reasonable cost?
- C. Who is pushing (an agency, an advisory committee, Congress, a Federally Funded R&D Center (FFRDC), the private sector) for the procurement of the goods or services?
- D. Was the procurement created by a direct or indirect legislative or executive branch earmark?
- E. Are the services an inherently governmental function, or can it be performed by contractors?

### 2. Pre-Award

- A. Are there existing contracts that could be utilized to prevent the government from starting anew?
- B. Did the government advertise the solicitation to the fullest extent possible?
- C. How long was the solicitation open?
- D. What contracting vehicle was chosen for the procurement (cost-reimbursement, fixed-price, IDIQ, interagency, schedule, Time & Material, Commercial Item, OTA, etc.)?
- E. If the acquisition is a commercial item or service, is there a genuine commercial market for the good or service?
- F. How is the contract being financed?
- G. Is the government leveraging its buying power? (i.e. is a bulk order more appropriate than frequent small orders?)
- H. Are contracting officers utilizing all discounts and attempting to negotiate prices lower than what is listed?
- I. What is the length of the contract?
- J. Who drafted the contract's procurement scope of work and requirements?
- K. Are the contract's requirements well defined?

- L. Did the scope of work and requirements permit the maximum amount of competition (sometimes they are very narrowly defined as to favor one contractor and exclude all others)?
- M. What was the justification if something other than full and open competition was used?
- N. Were contract requirements bundled resulting in limited or no genuine competition?
- O. Was proper market research performed?
- P. Have the requirements been modified or amended to favor a contractor?
- Q. Are there any conflicts (personal or organizational) that might bias the award of the contract?
- R. Is the revolving door an issue?
- S. Did the bidder provide timely, accurate, and complete cost or pricing data to the government?
- T. Have all of the bidders had a comprehensive performance and responsibility review?
- U. Was a pre-award audit performed to verify bidders' projected costs, prices, overhead rates, etc.?
- V. Does the contractor have a comprehensive compliance and disclosure program?
- W. How many levels of subcontractors will be used by the prime contractor?

### **3. Award**

- A. How many bids were received?
- B. Has the agency properly justified its source selection process?
- C. Did the selected contractor genuinely offer "best value"?
- D. Was the contract awarded to a responsible contractor (including a satisfactory performance and business-ethics record)?
- E. Were contractors properly classified in the case of small business designations or set-asides?
- F. Were any bid protests filed with the Government Accountability Office (GAO)? If so, on what grounds?

### **4. Contract Administration**

- A. Is the government properly overseeing the contract?
- B. Is the contractor complying with government oversight requests?
- C. Has the scope of work, requirements, or financial terms been modified? Why?
- D. How many times has the contract been modified or amended?
- E. Has the contract been definitized (a contract with agreed upon terms, specifications, and prices)?
- F. Is the contract on time?
- G. Is the contract on budget?
- H. Are the costs or prices allowable, allocable, and reasonable?
- I. Is the government receiving the supplies or services for which it contracted? Beware of mission creep!
- J. What are possible termination outlets for the contract?

- K. How is the contract being financed?
- L. Are contract fees appropriate (especially award, incentive, or performance fees)?
- M. Is the contractor properly paying its subcontractors?
- N. Have any conflicts of interest (personal or organizational) arisen that might bias performance of the contract?
- O. Are there any Inspectors General (IG) or audit reports that indicate fraud, waste, or abuse?
- P. Has the government accurately graded contractor performance?
- Q. Is contract information correct in FPDS-NG?
- R. Should the contractor be suspended or debarred?
- S. Are labor laws (Davis-Bacon, the Service Contract Act, OSHA) being followed?
- T. Has the Defense Contract Audit Agency (DCAA), an IG, or the GAO audited the contract?

**5. Close-Out**

- A. Is the contracting file up-to-date and accurate?
- B. Were performance appraisals accurate?
- C. Has the contractor accomplished all contract requirements?
- D. Would the government choose to contract with the contractor again?
- E. Was the contract filled on time and on budget?