



Audit of the Drug Enforcement Administration's  
Laboratory Information Management System  
Support Contracts

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**JUNE 2021**

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# EXECUTIVE SUMMARY

## Audit of the Drug Enforcement Administration's Laboratory Information Management System Support Contracts

### Objectives

The Department of Justice Office of the Inspector General audited the Drug Enforcement Administration's (DEA) Laboratory Information Management System (LIMS) support contracts with objectives to assess the DEA's: (1) administration of the bridge contract awarded to Abbott Informatics (Abbott) under contract number 15DDHQ19P00000269 and (2) acquisition planning for the follow-on contract, which the DEA advertised under solicitation number 15DDHQ20R0000002. We also reviewed how the DEA administered the overall LIMS support lifecycle and the basis for the pricing and systems configuration.

### Results in Brief

The DEA sought to use Abbott's commercial-off-the-shelf LIMS software to create a seamless, paperless environment for its forensic laboratories and consolidate several legacy systems and processes. However, we found that not all DEA laboratory workflows were LIMS-integrated. Some laboratories inconsistently enforced Department of Justice (DOJ) and DEA policies for safeguarding information and analysis derived from forensic evidence by allowing unauthorized external storage devices. We determined that a scattered acquisition planning process contributed to missed opportunities for the DEA to design robust contract administration and quality assurance frameworks to ensure that contract goals were met. We also questioned \$7,660 in overtime charges that lacked pre-approval and determined that the DEA did not always follow up with its contractors to ensure that contract workers were informed of their whistleblower rights.

Many of the deficiencies identified in this audit reflect concerns highlighted in the OIG's July 2020 *Management Advisory Memorandum Concerning the Department of Justice's Administration and Oversight of Contracts*.

### Recommendations

Our report contains eight recommendations to assist the DEA in improving its contract planning, administration, and oversight practices.

### Audit Results

In June 2010, the DEA awarded the first of four LIMS service contracts intended to help it fully integrate its forensic laboratory environment under one software platform with its other agency applications and Enterprise Data Warehouse.

In June 2018, after nearly a decade of awarding a total of \$33 million in sole-source or effectively non-competitive contracts to Abbott, the DEA reassessed its future use of and reliance on Abbott's LIMS product. In March 2019, following a 6-month extension of its last long-term contract, the DEA awarded to Abbott a 6-month, sole-source Time and Materials bridge contract (contract number 15DDHQ19P00000269) valued at almost \$1 million to sustain LIMS support. According to the sole-source justification, the bridge contract would provide the DEA "the time required to obtain the best value technical solution" for its next software solicitation.

### Pre-Award Timeliness

Despite the DEA having a documented acquisition planning framework in its previous LIMS contracts, the acquisition planning process for the next software solicitation was marked by repeated delays. These delays contributed to the DEA awarding the bridge contract, which was ultimately extended to 1 year with a total cost of \$1.97 million. Missed opportunities for process improvements from prior acquisitions, scattered planning documents, inattention to lead times, and inconsistent communication between member offices of the LIMS acquisition planning team (i.e., Office of Forensic Sciences (SF), Office of Acquisition & Relocation Management, and Information Systems Division (TC) significantly

contributed to the delays and additional expenses for the software purchases.

### **Contract Administration**

We determined that the Contracting Officer (CO) appointed a Contracting Officer's Representative (COR), via delegation letter, to oversee the day-to-day contract activities; however, the TC officials further assigned responsibility to product owners for monitoring the technical performance of the contract without the CO's knowledge. These product owners were not trained on their authority and responsibilities, as required by both DEA and DOJ internal policies. We found that DEA contracting officials' (i.e., CO and COR) lines of communication were affected by the improper delegations, which created a weak oversight environment characterized by: (1) insufficient performance monitoring documents, (2) untimely and distorted performance reporting, (3) payment of inaccurate billings, and (4) non compliance with established federal regulations and DEA policies governing contract worker whistleblower rights and protections.

### **Performance Monitoring**

The DEA did not adhere to the FAR and DEA's internal policy, which require contracting officials to develop and implement a quality assurance surveillance plan along with the statement of work to monitor the contractor's performance.

### **Safeguarding Forensically-Derived Information**

We found that the updates and customizations to the baseline LIMS software largely focused on SF Forensic Chemists while the other end users (i.e., Digital Forensic Examiners and Fingerprint Specialists) received a partial version that did not meet all their needs. The Fingerprint Specialists told us that the external system that they use to store and analyze latent fingerprint images was never integrated with LIMS. For the same reason, the Computer Examiners use LIMS only as a custody tracker and placeholder for their reports. Consequently, some of these personnel reported using external storage devices, such as flash drives and CDs, to transfer sensitive data from scientific instruments and computers to LIMS via DEA's Intranet (i.e., Firebird) and in some cases to provide agents unencrypted working copies of the evidence for court testimony. Through established policies and procedures, the DEA sought to control the devices its

personnel introduce into its network and to maintain an inventory of such devices. However, we noted varying degrees of compliance across laboratories and disciplines. Particularly concerning, we found that some laboratory personnel purchased and used flash drives unbeknownst to their supervisors or SF Headquarters. We believe that this makes the DEA's network vulnerable to data loss, insider threats, and malware.

### **Whistleblower Protections**

DEA contracting officials did not follow-up with LIMS contractors to ensure they notified contract workers of their whistleblower rights as required by DOJ and DEA internal policies as well as the FAR. As a result, we found that the contract works were largely unaware that they could lawfully report waste, abuse, or other wrongdoing on federal contracts. We believe that this conceivably undermined the contract workers' ability to make timely disclosures to the DEA regarding multiple data anomalies encountered in 2018 after a lengthy systems migration, ultimately contributing to the DEA's need to award the 2019 Bridge Contract to Abbott.

### **Billing and Payments**

Among the five Abbott invoices we examined, the DEA approved and paid: (1) two invoices with 36 overtime hours totaling \$7,660 that were not pre-approved by the DEA as required, and (2) one invoice that charged contract workers' hours to labor categories that were not contractually assigned to them.

### **Performance Evaluation and Reporting**

The DEA did not consistently conduct or document the results of contractor performance evaluations via the FAR-required Contractor Performance Assessment Reports System (CPARS). We reviewed all six CPARS reports submitted for the 2013 contract and found: (1) five reports were not submitted timely, averaging 208 days late and (2) two reports did not include a narrative to support the rating.

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## Introduction

The Drug Enforcement Administration's (DEA) mission is to enforce federal controlled substances laws and regulations and bring to the justice system those organizations and principle members of organizations involved in illicitly growing, manufacturing, or distributing controlled substances in the United States. In support of this mission, DEA's Office of Forensic Sciences (SF) laboratories provide scientific, technical, and administrative support for DEA investigations, including analyzing controlled substances and digital evidence, identifying latent fingerprints, and providing expert witness testimony. In handling such evidence from receipt to destruction, DEA forensic laboratory personnel must securely track and store it in ways that guard against data loss, insider threats, and malware, and that comport with rules and regulations governing removable media, evidentiary chains of custody, and legal sampling standards, such as the American National Standards Institute (ANSI) accreditation program.

In part to help fulfill these requirements, the DEA relied on various licensing agreements to use and customize Abbott Informatics' (Abbott) commercial off-the-shelf Laboratory Information Management System (LIMS). As shown in Table 1, from 2010 to 2020, DEA LIMS contract activity included five different contract actions. The DEA awarded the first four of these contracts valued at \$35 million to Abbott, the first being a licensing agreement (2010 Contract) followed by three concurrent LIMS support contracts. The last of the Abbott contracts was the 2019 Bridge Contract the DEA awarded to sustain previous services for an additional year and provide it with time to reassess its reliance on LIMS as part of a subsequent, long-term contract pre-award process.<sup>1</sup> Table 1 presents a summary of DEA LIMS support contracts, including a fifth, \$6.4 million contract (2020 Contract) that the DEA awarded to a second vendor for LIMS support.<sup>2</sup>

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<sup>1</sup> This report uses the term "bridge contract" to refer to an option to extend contract services as provided by FAR Subpart 52.217-8. Under this clause, an agency may extend an existing contract beyond the performance period or award a new, short-term contract on a sole-source basis to avoid a lapse of service caused by a delay in awarding a follow-on contract.

<sup>2</sup> While Abbott was not the primary vendor for this 2020 Contract, this award included a negotiated agreement to allow some Abbott personnel to assist with sustaining the current LIMS functionality.

Table 1

DEA LIMS Contract History  
(2010 to 2020)

	Contract Awarded	Contract Number	Abbott Contract?	Performance Period	Contract Value
1	2010 Contract	DJD-10-C-0029	Yes	6/14/2010 - 9/13/2013	\$12,685,220
2	2013 Contract	DJD-13-C-0034	Yes	9/14/2013 - 3/13/2019	15,988,192
3	2018 License Contract	15DDHQ18F00000580	Yes	6/14/2018 - 6/13/2023	4,379,152
4	2019 Bridge Contract <sup>a</sup>	15DDHQ19P00000269	Yes	3/14/2019 - 3/13/2020	1,965,331
5	2020 Contract	15DDHQ20D0000004	No	2/28/2020 - 2/27/2025	6,413,273
	<b>Total</b>				<b>\$41,431,168</b>

<sup>a</sup> The total value of the four contracts awarded to Abbott is \$35 million. Our audit focuses on the fourth of these contracts, the 2019 Bridge Contract and the acquisition process that led to the award of the 2020 Contract. For further details regarding our audit scope, see the *Office of the Inspector General Audit Approach* section below.

Source: DEA Office of Acquisition & Relocation Management (FA)

The 2019 Bridge Contract also provided time for Abbott to finish integrating LIMS data with other DEA applications as part of larger initiatives the DEA had undertaken to improve business processes, and enable information sharing across its main business areas (i.e. Investigative, Intelligence, Forensic, Financial and Administrative), allowing Special Agents, Intelligence Analysts, and other personnel to manage investigative case files digitally. While Abbott was to have completed this integration in the 2013 Contract, data loss and other data anomalies delayed Standard Query Language (SQL) conversion timeframes. The DEA tasked Abbott to resolve the data anomalies and complete the data integration under the 2019 Bridge Contract because the LIMS license required that the incumbent vendor perform this work. The DEA reports that it intends to use the 5-year term of the 2020 Contract to evaluate LIMS and any new management systems that it might need to ensure that the systems meet the needs of its laboratory users and disciplines.

### DEA Office of Forensic Sciences

DEA's SF operates over 16 laboratories across the United States that facilitate the DEA's mission to investigate crimes involving controlled substances.<sup>3</sup> Therefore, SF laboratories must not only track the movement of evidence from receipt to return, but also through evidence destruction when applicable. Additionally, DEA LIMS software must address the needs of three different professional disciplines, who

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<sup>3</sup> DEA's laboratories include: (1) research laboratory, (1) digital evidence laboratory, (8) regional laboratories, (5) sub-regional laboratories, and (1) training laboratory.

work at SF laboratories: (1) Forensic Chemists, (2) Digital Forensic Examiners, and (3) Fingerprint Specialists. Figure 1 details how these disciplines support DEA criminal and regulatory investigations.

**Figure 1**

**DEA Laboratory Roles and Responsibilities**



Sources: OIG and DEA Office of Forensic Sciences

### Office of the Inspector General Audit Approach

The DEA awarded its 2019 Bridge Contract to provide time for: (1) DEA to prepare for, solicit, and award the 2020 Contract properly; and (2) Abbott to complete delayed data conversion tasks required under the 2013 Contract. Thus, the OIG initiated this audit to assess the DEA's administration of the 2019 Bridge Contract (contract number 15DDHQ19P00000269) and the relevant acquisition planning activities associated with the solicitation (number 15DDHQ20R0000002) that resulted in the award of the 2020 Contract (contract number 15DDHQ20D0000004) in February 2020.

To accomplish these objectives, we obtained and reviewed information pertinent to how the DEA administered the overall LIMS support contract lifecycle. This is because the DEA's previous LIMS acquisitions and Abbott software licensing rights served as the basis for the pricing and the system configuration negotiated for the 2019 Bridge Contract. In assessing the DEA's administration of the 2019 Bridge Contract, we also considered Abbott's performance and its adherence to other financial reporting requirements. We tested the contracts awarded by the DEA and its pre-award procedures with applicable, internal regulation, DOJ guidance, applicable contract terms and the Federal Acquisition Regulation (FAR). We interviewed key DEA personnel for the acquisition process, including senior officials, former and current Contracting Officers (CO) and Contracting Officer's Representatives (COR) from the three offices in charge of this acquisition: (1) the Office of Acquisition & Relocation Management (FA); (2) the Information Systems

Division (TC); and (3) SF. We interviewed, as software end users, DEA Forensic Science Laboratory personnel across the three disciplines who used the software at different DEA SF laboratories. We also interviewed contract workers (including subcontractors) supporting the 2013 Contract.

Our audit considered activities relevant to all DEA LIMS support contracts, particularly with regard to pre-award procedures. In this vein, we assessed other available contract and oversight documents, technical documents supporting work performed throughout the 2013 Contract leading up to the 2019 Bridge Contract, and other internal DEA policy documents. Appendix 1 contains further details on our audit objectives, scope, and methodology.

Finally, as noted in the Executive Summary, many of the deficiencies identified in this audit reflect concerns highlighted in the OIG's July 2020 *Management Advisory Memorandum Concerning the Department of Justice's Administration and Oversight of Contracts*. These deficiencies include Contract Oversight Responsibilities, Quality Assurance, and Contract File Documentation. Although this audit's conclusions and recommendations are related specifically to the DEA's LIMS contracts, for the reasons set forth in the July 2020 Memorandum, the OIG believes that the deficiencies the OIG has identified in multiple contract-related audits may be systemic in nature and require sustained attention across the organization.

## Audit Results

### The DEA Needs to Improve Pre-Award and Administration Procedures by Enhancing Organization and Planning for LIMS Support Contracts

Since 2010, the DEA awarded several LIMS support contracts for Abbott's commercial-off-the-shelf software to consolidate various legacy laboratory management systems and processes. The DEA intended for LIMS to create a seamless, paperless environment for three laboratory disciplines (i.e., Forensic Chemists, Fingerprint Specialists, and Digital Forensic Examiners) in its Office of Forensic Sciences (SF). Throughout the 2020 Contract's pre-award process, we found the DEA acquisition planning team encountered delays and unfulfilled requirements from a prior LIMS contract. As a result, the DEA awarded Abbott a 6-month bridge contract – which it ultimately extended to a year – valued at a total of \$1.97 million to sustain LIMS support while it finalized a 2020 Contract to a different vendor.

We present our audit results in seven sections, each of which addresses a major aspect of DEA's LIMS contract stewardship. The first section reviews contract planning concerns raised by DEA's prolonged use of a bridge contract to sustain its LIMS. The second and third sections highlight the need for DEA to designate particular contract administration and oversight responsibilities from amongst its personnel. The fourth section details a security vulnerability stemming from how DEA laboratory personnel transfer information between systems that do not interface with one another despite over a decade of LIMS support.

The fifth section finds that the DEA needs to take action to ensure that contract workers have been affirmatively informed of their whistleblower rights and protections. The sixth section identifies that DEA contracting officials (i.e., CO and COR) did not adequately review bridge contract invoices, which resulted in paying costs inconsistent with contract labor categories and unsupported work hours. The seventh section concerns DEA's need to fulfill its responsibility to report accurate and timely contractor performance via the Contractor Performance Assessment Reporting System (CPARS).

#### Pre-Award Timeliness

Prior to entering into any significant acquisition, an agency must undergo an acquisition planning process to review and establish how an acquisition team, comprised of contracting officials and requesting program office customers, will work together to procure a timely and fairly priced award that adequately provisions the services required. FAR Subpart 7.105, *Contents of Written Acquisition Plan*, states that a written acquisition plan must identify the milestone dates at which decisions should be made to ensure that the acquisition team has met the contract objectives. DEA's Financial and Acquisition Management Policy Manual also expresses the need to develop an acquisition plan as soon as the requesting program office identifies a need. DEA policy expressly requires that any potential award exceeding \$650,000 should have a final acquisition plan documented per FAR Subpart 7.105.

Acquisition teams must document the acquisition process at a level of detail as comparable to the historical knowledge of the office and the complexity of the acquired service and product. This means the more complex the acquisition, the more detailed the planning for that acquisition must be. Though the acquisition involved meeting DEA's unique laboratory requirements over evidence controls and records via LIMS support and licensing – factors that added complexity to the transaction – the DEA maintained

acquisition planning information across multiple documents and informal emails between the acquisition team members.

When we compared the acquisition plan for the 2013 Contract to the plan for what ultimately became the 2020 Contract, we found that the documents for the subsequent award included far less detail and lacked formalization. For example, the acquisition plan for the 2013 Contract included explicit milestones, as required by FAR Subpart 7.105, and demonstrated that the acquisition had not met pre-award milestones, such as the date to review award requirements and the date to post the request for proposals. While the 2020 Contract's acquisition process encountered similar delays, the acquisition team did not track pre-award milestones. As a result, acquisition team decision makers lacked the affirmative notice that a complete acquisition plan would have provided, including whether discrete milestone delays would have a compounding effect and push back the award date. The delays in the acquisition ultimately proved a key reason for the DEA needing to rely on awarding the 2019 Bridge Contract to "keep the lights on" and give it more time to set the requirements and solicit what ultimately became the 2020 Contract. Such bridge contracts are not a preferred method for long-term service arrangements given the disincentive to adequately plan acquisitions and limits to open competition engendered by such an award.

The lack of structure in pre-award documentation and the incomplete acquisition plan for the 2020 Contract show missed opportunities for the DEA to gather and apply historical data that would have helped it anticipate and plan for delays, potentially enabling the DEA to award a contract timely without needing to rely on a bridge contract and incurring extra cost. Therefore, we recommend that the DEA evaluate and update its acquisition planning documentation requirements to ensure that future acquisition processes delineate adequately the timeline required to complete an acquisition in accordance with the complexity of the award.

## **Contract Administration**

The FAR and other federal procurement policies reserve for the Contracting Officer (CO) the legal authority to enter into, administer, and terminate contracts. These rules and regulations permit the CO to delegate discrete contracting authorities to designees, such as Contracting Officer's Representatives (CORs) and task monitors, as noted in Figure 2.

Figure 2

Contract Oversight Roles and Responsibilities



- Designates and authorizes, in writing and in accordance with agency procedures, a COR. *FAR Subpart 1.602-2(d)*
- Has sole authority for appointment of CORs and must, by regulation, determine that the proposed COR has both the necessary technical and administrative competence and required training to perform COR duties in an effective and responsible manner. *DEA COR Handbook*



- Assists in the technical monitoring or administration of a contract. *FAR Subpart 1.604*
- Is appointed to act as an authorized representative of the CO for contract monitoring and administration. *DEA COR Handbook*
- Is the knowledgeable point of contact for the day-to-day contract execution and performance. *DEA COR Handbook*
- Monitors the technical performance and report potential or actual problems to the CO in a timely manner. *DEA COR Handbook*
- Cannot re-delegate responsibilities and cannot designate a task monitor (TM) or another individual to perform COR functions. *DEA COR Handbook*



- The appointment is made by the CO through a delegation letter. If a COR is already appointed to the base DEA contract, the COR is responsible to the CO for monitoring the actions taken by the TMs. *DEA COR Handbook*
- Performs minimal administrative tasks such as accepting shipments of supplies or delivery of services and reviewing and approving contractor invoices. *DEA COR Handbook*
- Receive COR training to accomplish their duties.<sup>a</sup> *DEA COR Communicator 2019-05*
- Other individuals, such as Government Technical Representatives and TMs, can assist the COR with contract administration requirements. Individuals assisting the COR require various levels of training and experience depending on the type of contract. *Office of Federal Procurement Policy (OFPP) Act, 41 U.S.C. § 1101, OMB memorandum on the FAC-COR*

<sup>a</sup> The DEA COR Handbook has not been updated to incorporate guidance described in COR Communicator 2019-05.

Source: OIG Analysis.

When delegating specific functions to a COR or task monitor, the CO must explicitly designate these individuals and outline their specific responsibilities in writing. For the LIMS contract under review, we found that:

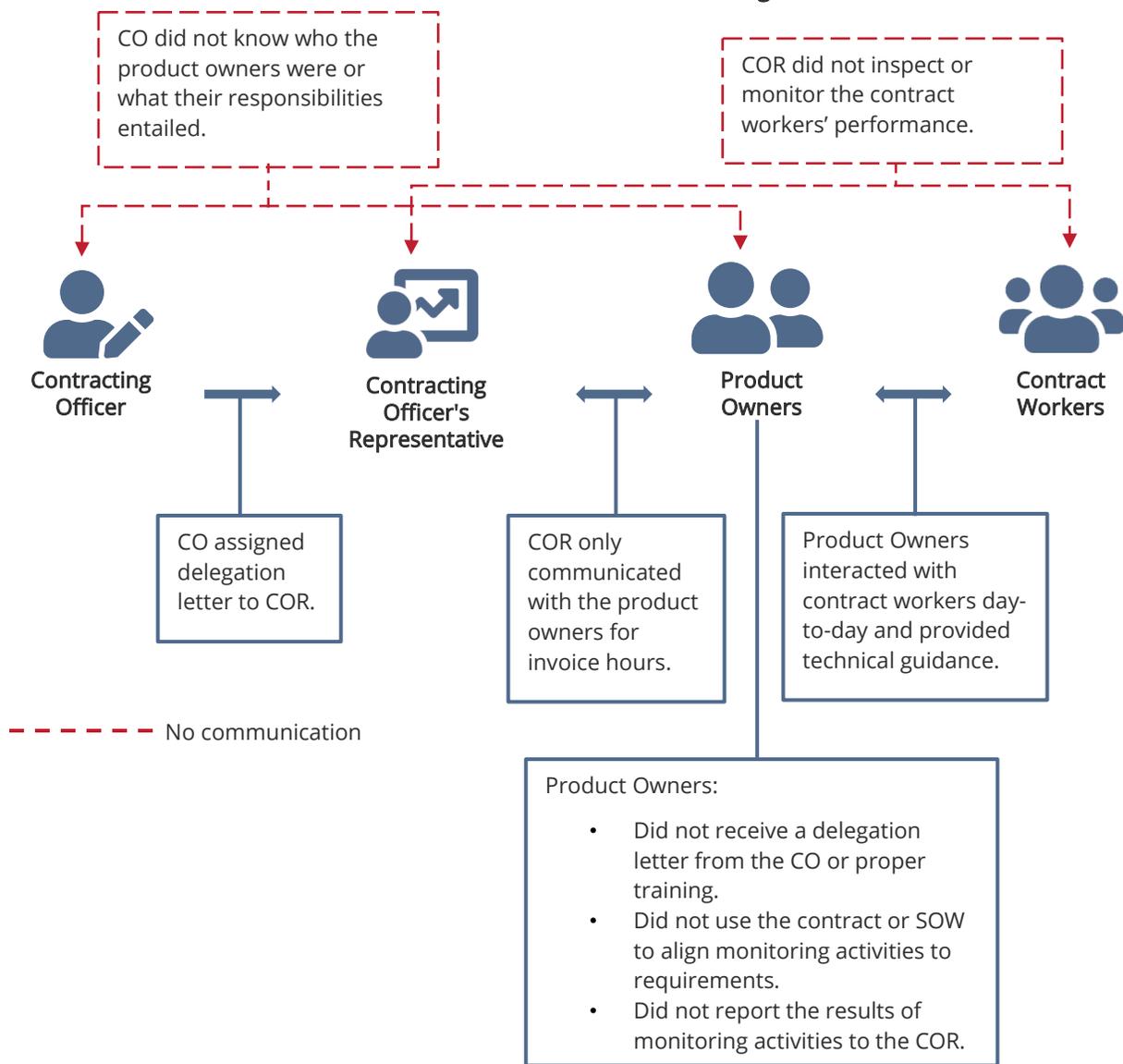
- The DEA CO appointed a COR only to assist with the administration and oversight of the LIMS contracts including the technical aspects or progress of the services and products Abbott delivered; however, the COR focused on ensuring that the contracts were funded and not on whether the contractor was performing contract duties successfully.
- Multiple DEA personnel oversaw different aspects of the contracts without a clear delineation of responsibilities. DEA officials, who lacked CO authority and thus lacked the authority to appoint task monitors, delegated COR technical monitoring responsibilities to employees they designated as “product owners.”<sup>4</sup> These product owners did not receive a delegation letter and were not properly trained on the limitations of their authority and responsibilities. The lack of written delegation made it hard to identify the TC personnel that assisted the COR and CO with contract administration and oversight. Figure 3 depicts the DEA’s delegations of procurement authority and lines of communication, which do not entirely comport with the established rules and regulations outlined in Figure 2.

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<sup>4</sup> Contract number 15DDHQ19P00000269 assigns “task monitors” the responsibility of evaluation and acceptance of deliverables. DEA task monitors in TC told us that they are referred to as “product owners.” Hereafter, we will use TC’s terminology rather than the contractual language.

Figure 3

DEA Application of Roles and Responsibilities for Contract Administration and Oversight



Source: OIG Analysis.

As listed above and illustrated in Figure 3, the DEA's multi-layered contract administration and unclear delineation of roles and responsibilities hindered contract oversight. Therefore, we recommend that the DEA evaluate and update its policies and procedures to ensure that all individuals that assist the CO with contract monitoring, such as CORs and product owners, receive written delegation from the CO and appropriate training in regard to their roles and responsibilities in accordance with the FAR, Office of Management and Budget (OMB) Memorandum on the FAC-COR, and DEA's internal policy.

## Performance Monitoring

As described in FAR Subpart 16.601(c)(1), because a Time and Materials (T&M) contract bases payment on the specified price per labor hour, services procured under these contracts, such as the DEA LIMS support contracts, must be managed carefully to control costs. Contracting agencies must design and implement a quality assurance framework over each T&M contract to ensure whether, at a minimum, the procured services conform to contract requirements. A quality assurance surveillance plan (QASP) prepared with the Statement of Work (SOW) specifies all activity requiring surveillance (i.e., monitoring and evaluation) and the method of surveillance.<sup>5</sup> A well-designed QASP specifies the timing, location, and extent of surveillance activities to guide government oversight personnel in performing their contract monitoring roles and responsibilities.

To ensure that the CORs responsible for the daily oversight of a T&M contract perform an appropriate level of surveillance to ensure successful completion of contract tasks within the contractor's proposed costs, the DEA COR Handbook prescribes that CORs should focus on results and performance that verify whether the supplies and services acquired conform to prescribed quality, quantity, and other contract requirements. The DEA may require the contractor to furnish technical progress and/or administrative reports in accordance with the contract SOW.<sup>6</sup>

Considering the concerns identified in the next section of this report, Safeguarding DEA Laboratory Forensically-Derived Information, we sought to crosswalk the contract objectives and requirements to the QASP or equivalent documents to support monitoring activities, but DEA contracting officials could not confirm whether any such documents had been prepared for the 2019 Bridge Contract or its predecessor (i.e. the 2013 Contract). DEA contracting officials told us that there likely was no QASP because the FAR only expressly requires a QASP for cost reimbursable contracts. Nonetheless, in the 2020 Contract the DEA incorporated a performance requirement summary that reflected elements of a QASP as required by FAR Subpart 46.4, which does not limit the QASP requirement to cost-reimbursable contracts.

Instead of a fully developed QASP or an appropriate equivalent, including acceptable quality levels and surveillance methods (i.e., monitoring activities), the DEA used a list of deliverables to measure the contract's progress, which the contract SOW requires the product owners to review. However, TC product owners tracked contract worker progress using monthly "sprint sheets" that documented weekly priorities for supporting and maintaining the LIMS application that were not tied to the established SOW goals and deliverables.<sup>7</sup> As a result, the contractor was able to meet routine contractual requirements successfully, satisfying the TC product owners, while not meeting the operational needs of LIMS end-users in SF. This resulted in DEA contracting officials and their designees ineffectively monitoring Abbott's performance on the LIMS contracts.

For T&M contracts, planning for appropriate government surveillance is essential to ensuring efficient performance management and cost control. Given the complexity of the DEA LIMS support contracts, we believe that a properly developed QASP would have been a valuable guide for all individuals responsible for

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<sup>5</sup> FAR Subpart 46.4, Government Contract Quality Assurance.

<sup>6</sup> DEA COR Handbook, version 1.2, dated October 2012, 9.1.2—Procedures and Surveillance.

<sup>7</sup> TC product owners use spreadsheets called "sprint sheets" that include monthly prioritization lists, bugs and refactoring trackers, and estimates to completion for contract work.

performance monitoring to ensure that contract objectives were met. We therefore recommend that the DEA evaluate and update its policies and procedures to ensure that its contracting officials create timely QASPs and ensure that delegated personnel follow such QASPs in conjunction with the SOWs for T&M contracts.

## **Safeguarding DEA Laboratory Forensically-Derived Information**

DEA laboratory personnel assess evidence to produce data, analysis, information, and reports to support investigations. While doing so, DEA laboratory personnel must comport with rules and regulations governing evidentiary chains of custody and legal sampling standards, such as the ANSI accreditation program, and they must store electronic documents securely to guard against information loss, corruption, and misuse.

Under the 2010 Contract, the DEA procured LIMS support and licenses to provide “a seamless, virtual paperless laboratory environment” that would be: (1) accessible in all DEA laboratories, (2) fully integrated with the scientific equipment at each laboratory, and (3) operate seamlessly within DEA’s information technology (IT) infrastructure. The 2013 Contract carried forward these integration requirements. Although the DEA explicitly required prospective bidders to have personnel on their staff with fingerprint expertise, the 2013 Contract file details DEA concerns that Abbott’s proposal did not demonstrate that the contractor had workers with the expertise to understand the need to customize LIMS so it could be fully integrated with DEA fingerprint specialists’ scientific instruments and processes. Contract file documents do not demonstrate that DEA addressed this concern in awarding the 2013 Contract.

While the DEA hosts LIMS on its Intranet platform (i.e., Firebird), workflows of laboratory personnel have not been fully integrated with LIMS. As a result, LIMS does not operate seamlessly within the DEA’s IT infrastructure and personnel have needed to find ways to transfer information from one system to another. We interviewed 39 personnel who worked at 5 of the DEA’s 16 forensic laboratories. Of these, 17 (44 percent) reported that they routinely used external storage devices, such as flash drives and CDs, to transfer information from external scientific instruments and computers to LIMS/Firebird. We found that the system limitation disproportionately affected Fingerprint Specialists and Digital Forensic Examiners.

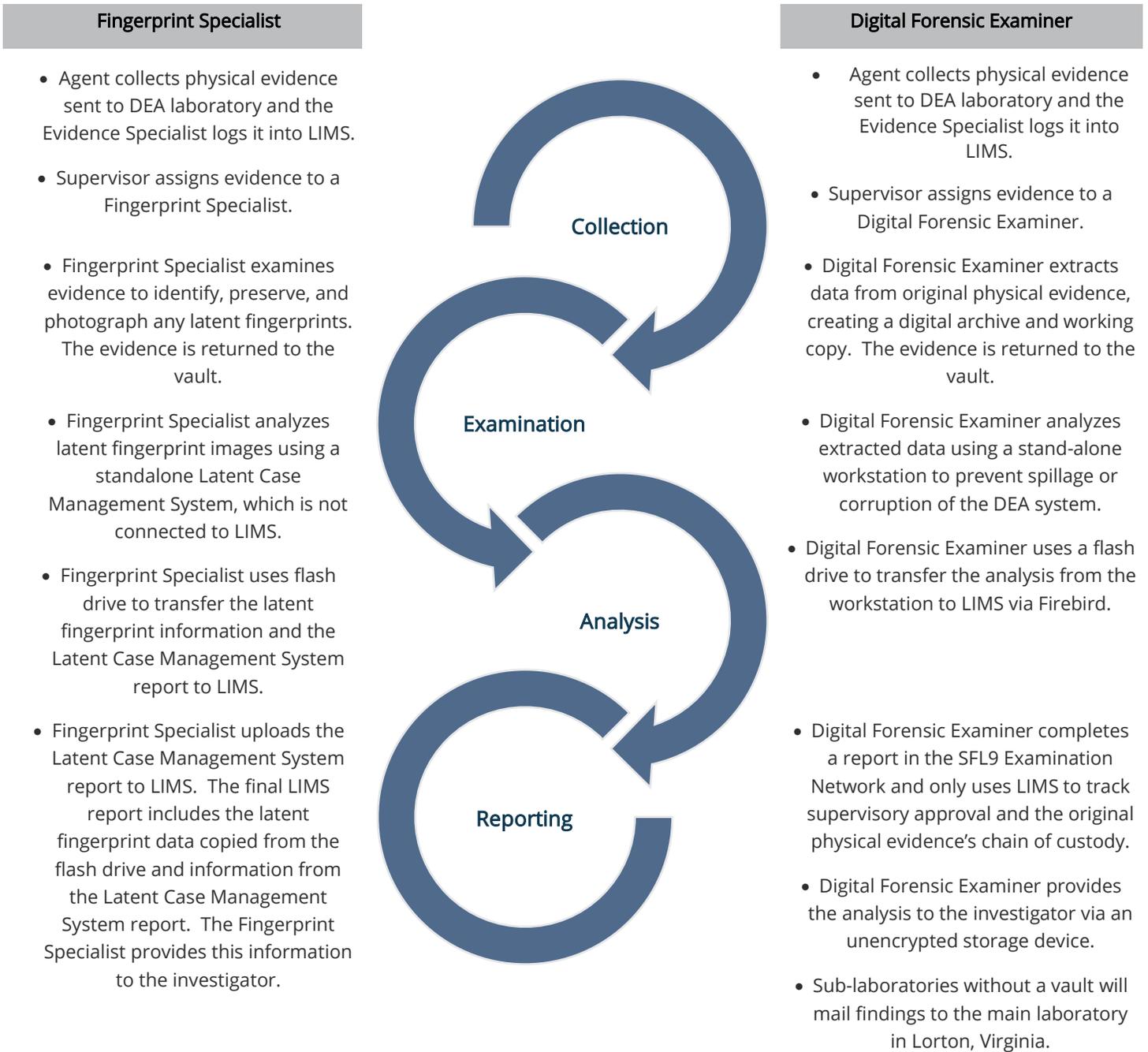
All six of the Fingerprint Specialists we interviewed confirmed that they rely on the use of external storage devices to transfer latent fingerprints attached to analyses and findings from an external system (i.e., Latent Case Management System) to LIMS.<sup>8</sup> Similarly, 4 of 11 (36 percent) Digital Forensic Examiners we interviewed told us that they use the external storage devices to transfer analysis related to digital evidence (e.g., computer, cell phone, etc.) from an external evidence analysis system (i.e., the SFL9 Examination Network) to LIMS via Firebird so that they can complete their reports. Figure 4 presents an overview of how Fingerprint Specialists and Digital Forensic Examiners rely on external storage devices to perform and report evidence analysis. The DEA Forensic Laboratory Director stated that Abbott designed LIMS for Forensic Chemists and DEA did not customize the software to include other workflows because Forensic Chemists were the system’s primary users when the DEA first acquired LIMS.

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<sup>8</sup> These six Fingerprint Specialists each perform analyses for multiple DEA laboratories and represent nearly half of the total number of DEA personnel in this discipline as of February 2020.

Figure 4

DEA Forensic Laboratory Business Processes



Source: OIG analysis of DEA forensic laboratory business processes as described by relevant DEA personnel.

DEA's laboratory personnel provide external storage devices, sometimes unencrypted, to DEA agents in support of court testimony. We believe that the following factors contributed to system limitations and information security risks perpetuated by a sometimes-disorganized acquisition planning process.

- The baseline LIMS software was designed for Forensic Chemists. DEA's subsequent customizations, overseen by the DEA Information Systems Office (TC), further catered to the workflow needs of Forensic Chemists. The customizations were not designed to address the Fingerprint Specialists' and Digital Forensic Examiners' workflow, both of which account for significant portions of DEA's forensic laboratory business processes.
- Abbott deployed different versions of LIMS to DEA laboratories across the country. For example, the Special Testing and Research Laboratory and the Digital Evidence Laboratory operate on what is referred to as "LIMS lite" while the Mid-Atlantic Laboratory uses the full version of LIMS. According to the DEA, LIMS was never fully implemented in all its laboratories because it required significant funds to continuously modify and customize the commercial-off-the-shelf version of LIMS to comply with all three disciplines' needs.
- DEA laboratories inconsistently applied or otherwise did not enforce internal policies and procedures that restricted the use of external storage devices to those that were pre-approved, obtained through supervisory channels, and inventoried. Further, DEA's own policies and procedures are inconsistent with longstanding DOJ policies governing the use of external storage devices, which requires that all removable media used to store DOJ data be authorized and laptop encrypted with a Departmentwide solution unless there is a waiver from the CIO.

When we raised concerns about the potential information security risk associated with using external storage devices to store and transport sensitive data, such as latent prints, DEA officials told us that they do not consider such use a security threat because the information is not classified and does not otherwise concern national security.

Despite DEA's broad assertion that its employees did not use the external storage media in question to store classified information (an assertion that we could not validate), we are concerned about DEA's inconsistent application of its own policies and non-compliance with existing DOJ policies regarding the use of external storage media. By its very nature, unrestricted use of removable media increases the risk of information loss, theft, malware, and data corruption, all of which undermine DEA's law enforcement and intelligence supporting mission and the overall security of information and analysis derived from evidence. Moreover, these practices do not comport with OMB or DOJ policy, which designate fingerprint data as personally identifiable information (PII), and thus require that this information be subject to additional safeguards such as encryption.<sup>9</sup>

DEA internal policy requires that external storage devices be physically controlled or securely stored. The policy also prohibits the use of storage devices from unknown origins and requires that the laboratories procure such devices from DEA-approved sources. Nonetheless, we found that the flash drives used by

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<sup>9</sup> OMB Memorandum M-07-16, Safeguarding Against and Responding to the Breach of Personally Identifiable Information, defines PII as information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc., alone or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc. Further, DOJ Instruction 0900.00.01 explicitly lists fingerprints as biometric information which requires special consideration given its nature and sensitivity as well as uses not yet contemplated.

Fingerprint Specialists and Computer Forensic Examiners were not inventoried or tracked, that some of the DEA laboratories require that employees obtain removable media from their supervisor while others do not, and that some laboratory personnel acquired their own external storage devices to use in the laboratories. In addition, the laboratories and their subsidiaries apply the DEA's storage device policy in different ways, leading employees to have different understandings on specific policies for their laboratories.

The inconsistent application and enforcement of external storage device controls raises concerns that the DEA is not adequately safeguarding information that supports its investigations. Several forensic laboratory employees stated that the external storage devices contain fingerprint analysis and data extracted from confiscated computers or cellphones. The DEA does not review the storage devices to ensure that no PII or other secure information is stored on the devices. Laboratory personnel do not consistently encrypt the external storage devices when given to Special Agents or mailed to other DEA offices. Therefore, we recommend that the DEA: (1) review its external storage device procedures across all laboratory disciplines to ensure that all forensic laboratory personnel, including contract workers, receive training on the proper use, control, and encryption of external storage devices; and (2) retrain DEA personnel on its own external storage device policy as well as the existing OMB and DOJ policies regarding PII. We also recommend that the DEA examine ways to implement the use of secure, internal network connections to transfer data between LIMS and other work systems with the goal of implementing a more secure method of data transfer than relying on external storage devices.

### **Contract Worker Whistleblower Rights and Protections**

On August 9, 2016, the Justice Management Division (JMD) issued Procurement Guidance Document (PGD) 16-05, Implementation of Requirement of Notification to Contractors of Employee Whistleblower Rights, to implement the requirements of 41 U.S.C. § 4712 and FAR Subpart 3.908-9 effective immediately.<sup>10</sup> PGD 16-05 required COs to insert FAR clause 52.203-17 into all new contracts. Additionally, for all new and existing contracts, the guidance required COs: (1) provide contractors with a "Whistleblower Information for DOJ Contractors, Subcontractors, and Grantees" document (Whistleblower Information document); (2) direct the contractors and subcontractors to distribute the Whistleblower Information document to their employees; and (3) direct the contractor to provide an affirmative response notifying the DOJ of their successful distribution of the Whistleblower Information document to its employees, which should be added to the

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<sup>10</sup> Federal law (41 U.S.C. § 4712) prohibits a federal contractor from discharging, demoting, or otherwise discriminating against a contract worker as a reprisal for disclosing information that the worker reasonably believes is evidence of gross waste, gross mismanagement, abuse of authority, or a violation of law, rule, or regulation related to a contract. The statute also requires the head of each executive agency to ensure that its contractors inform their workers in writing of the rights and remedies under the statute. FAR Subpart 3.903, Whistleblower Protections for Contractor Employees, Policy, prohibits government contractors from retaliating against a contract worker for making a protected disclosure. The regulation also requires COs to insert FAR clause 52.203-17, Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights in all solicitations and contracts that exceed the Simplified Acquisition Threshold (SAT).

FAR Subpart 2.101, Definitions, states that SATs are not to exceed \$150,000 for acquisitions of supplies and services. The SAT increased to \$250,000 for acquisitions of supplies and services on February 16, 2018. Additionally, acquisitions of supplies or services that support contingency operations and facilitate defense against or recovery from an attack have a SAT defined as: (1) \$750,000 for any contract to be awarded and performed inside the United States and (2) \$1.5 million for any contract to be awarded and performed outside the United States.

contract file. For existing contracts, COs should perform all previously mentioned procedures and incorporate FAR clause 52.203-17 in all contracts over the Simplified Acquisition Threshold (SAT).

To effectuate PGD 16-05, the DEA issued Acquisition Policy Letter (APL) 2017-05 on February 3, 2017, to guide COs on implementing FAR clause 52.203-17 requirements in all new and existing contract actions expected to exceed the SAT. Furthermore, the APL instructed COs to include in solicitations and awards DEA clause 2852.203-71, Requirement for Notification of Contractor Employees of Whistleblower Rights.<sup>11</sup> Nonetheless, we found that the LIMS support contracts awarded after the PGD 16-05 effective date did not comply with PGD 16-05 or the DEA's internal guidance and therefore, did not comply with the FAR. Specifically, DEA contracting officials did not follow up with LIMS support contractors to ensure that they informed workers of their whistleblower rights and protections, potentially undermining the contract workers' understanding and awareness of whistleblower protections, and their ability to report wrongdoing.<sup>12</sup> More specifically:

- The DEA did not modify the 2013 Contract (i.e., previous long-term contract) to include FAR clause 52.203-17 or document dissemination of the required Whistleblower Information document to Abbott's contract workers to ensure they were aware of their protections. DEA officials told us that they do not know why they did not modify this contract as required.
- While the 2019 Bridge Contract included FAR clause 52.203-17 and DEA clause 2852.203-71, the CO did not follow up with Abbott to verify that it had disseminated the Whistleblower Information document to its contract workers within the first 30 days of the award. The contractor issued a written notice of compliance after our March 2020 request that the DEA furnish us with evidence it had complied, which was 8 days before the end of the 1-year contract performance period. All contract workers informed us that they were aware of whistleblower rights and protections, but not through documentation or training provided by Abbott.
- We followed up with the DEA to ensure that it included the FAR and supplemental agency requirements in its next long-term contract, awarded to a new contractor in March 2020, and found that the DEA did not follow up with the contractor until after the OIG's June 2020 request for information regarding how the DEA tracks its compliance with FAR clause 52.203-17, DEA clause 2852.203-71, and APL 2017-05. At that time, the CO provided the contractor the

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<sup>11</sup> DEA clause 2852.203-71(c), Requirement for Notification of Contractor Employees of Whistleblower Rights, requires, not later than 30 days after the award of the contract or order, or 30 days after the effective date of the modification incorporating DEA clause 2852.203-71, the contractor shall provide written notice informing the Contracting Officer that it has fully complied with the notification requirements in clause FAR Subpart 52.203-17 and DEA clause 2852.203-71 or the reason why compliance has not been met.

<sup>12</sup> The OIG recently highlighted systemic non-compliance with laws, regulations, and established internal policies designed to ensure notice to contract workers about their whistleblower rights and protections in the U.S. Department of Justice (DOJ) Office of the Inspector General (OIG), *Management Advisory: Notification of Concerns Regarding the Department of Justice's Compliance with Laws, Regulations, and Policies Regarding Whistleblower Rights and Protections for Contract Workers Supporting Department of Justice Programs, Audit Report 21-038 (February 2021)* <https://oig.justice.gov/sites/default/files/reports/21-038.pdf>

Whistleblower Information document for dissemination to its contract workers and requested the written compliance affirmation, which the contractor provided via email.

Most of the contract workers interviewed stated that neither the DEA nor Abbott informed them of their whistleblower rights and protections. We believe that this lack of communication conceivably hampered the contract workers' willingness to make timely disclosures regarding their work on behalf of the DEA. Of particular concern were issues encountered during a lengthy system migration in 2018 that were not reported to DEA in a timely fashion. Based on information archived by the DEA product owner, in August 2018, after working on the migration for a year, Abbott contract workers performing quality assurance tests noticed multiple anomalies in the migrated data, including, bugs and incorrect system coding, indications that not all files had been migrated, and instances of file duplication.

In October 2018, an Abbott contract worker sent an email to the DEA product owner describing these anomalies. In this email, the contract worker stated that these issues were indicative of similar problems encountered throughout the mitigation project, but not included in incident reports to the DEA. The contract worker further disclosed that an Abbott official routinely circumvented DEA policies by working remotely with limited network connectivity and not performing reconciliatory data counts; that the contract worker felt "bullied" into not following established processes while working on the contract; and that the contract worker had been directed not to provide the government certain information about the project's progress and data anomalies.

Although the Abbott official knew about the data anomalies as soon as they occurred, the DEA was not informed of the problem until the previously mentioned contract worker sent an email to a DEA official who is also a product owner detailing the nature and extent of the concern nearly two months later. The data anomalies resulted in changes to the established deadlines for the 2013 Contract, requiring the contractor to refocus resources to troubleshoot, which delayed other priorities. This adversely affected the overall contract timeline and ultimately contributed to the DEA's need to award the 2019 Bridge Contract to Abbott, as the software license owner and incumbent contractor, to avoid a lapse in service.<sup>13</sup>

Considering the DEA's non-compliance with the requirements for notifying contract workers of their whistleblower rights and protections, in June 2020 we asked DEA officials if they had reviewed the DEA's existing contracts above the SAT for compliance with these rules, and if they had a procedure to monitor new contracts for compliance with the FAR, PGD, and DEA contract worker whistleblower protections requirements. The DEA officials informed us that they had not and, prior to our inquiry, they did not know how many contracts did not comply with the established requirements for contract worker whistleblower protections notification. As of September 2020, the DEA had identified at least 27 non-compliant contracts for the Office of Acquisition & Relocation Management to review to ensure the required FAR clauses were

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<sup>13</sup> FAR Subpart 49.607, Delinquency Notices, describes some of the tools available to federal COs to mitigate damages related to an underperforming contractor. Among these tools are cure notices (or cure letters), which notify a contractor that is in default of its contract and will be terminated unless it "cures" the identified deficiency within a set period (usually 10 days or more). On November 16, 2018, the DEA issued a cure notice to Abbott requesting a corrective action plan to: (1) remedy the data loss, improve quality control, and mitigate schedule risk and (2) describe how they intended to ensure integrity and transparency when they encounter issues in order to regain the DEA's confidence by November 23, 2018. Had the DEA been notified of the data anomalies as soon as Abbott became aware of them, it could have considered whether to issue the cure notice, or use another contractual tool to remedy the problem, earlier.

included and that the COs received confirmation from the contractors that contract workers were informed of their whistleblower rights. Therefore, we recommend that the DEA: (1) design and implement a process to continually monitor its contracts to ensure the COs verify that contractors inform their workers of whistleblower rights and protections and (2) provide evidence that all existing contracts above the SAT have been modified to include the whistleblower provision and follow-up documentation obtained by the CO as required by internal policy. In addressing this recommendation, the DEA should coordinate with the Justice Management Division to ensure any new or updated policies comport with evolving DOJ whistleblower protection guidance for contractors.

## **Billing and Payments**

The FAR and DEA internal policies require contracting officials to review invoices to ensure that certain mandatory information is included prior to accepting and paying for the services and products billed. In turn, contractors must include this information on their invoices in order to receive payment. As detailed in Table 2 and later in the following discussion, we sampled five invoices from the 2019 Bridge Contract and determined that all five did not include a mandatory element of a proper invoice.

Table 2

Compliance of Five Tested Invoices With Requirements for a Proper Invoice

Required Information	Criteria	All Tested Invoices Complied?
1. Contractor Name and Address	FAR Subpart 32.905(b)	Yes
2. Invoice Date and Number	FAR Subpart 32.905(b)	Yes
3. Contract Number or Other Authorization for Supplies/Services	FAR Subpart 32.905(b)	Yes
4. Description, Quantity, Unit of Measure, Unit Price, and Extended Price of Supplies/Services	FAR Subpart 32.905(b)	Yes
5. Shipping and Payment Terms	FAR Subpart 32.905(b)	Yes
6. Name and Address of Contractor Payment Recipient	FAR Subpart 32.905(b)	Yes
7. Name (where practicable), title, phone number, and mailing address of person to notify in the event of a defective invoice	FAR Subpart 32.905(b)	Yes
8. Taxpayer Identification Number (TIN)	FAR Subpart 32.905(b) and DEA Clause 2852.242-71(c)	Yes
9. Electronic Funds Transfer Banking Information	FAR Subpart 32.905(b)	Yes
10. Contract Specific Required Information or Documentation	FAR Subpart 32.905(b)	No
11. Total/Cumulative Charges for the Billing Period for each Contract Line Item Number (CLIN)	DEA Clause 2852.242-71(c)	Yes

Source: OIG Analysis, FAR, and DEA

The FAR further requires contractors to substantiate vouchers by evidence of actual payment and supporting documentation such as: (1) individual daily job timekeeping records, (2) records that verify the employees meet the qualifications for the labor categories specified in the contract, or (3) other evidence approved by the CO.<sup>14</sup>

Additionally, the pre-award section of the contract SOW established the maximum number of hours a contract worker is allowed to work for each performance period unless approved in advance by the product owner. The contractor must also work a regular 40-hour work week, between 6:30 a.m. to 6:00 p.m., Monday through Friday, which may fluctuate to meet operational needs.

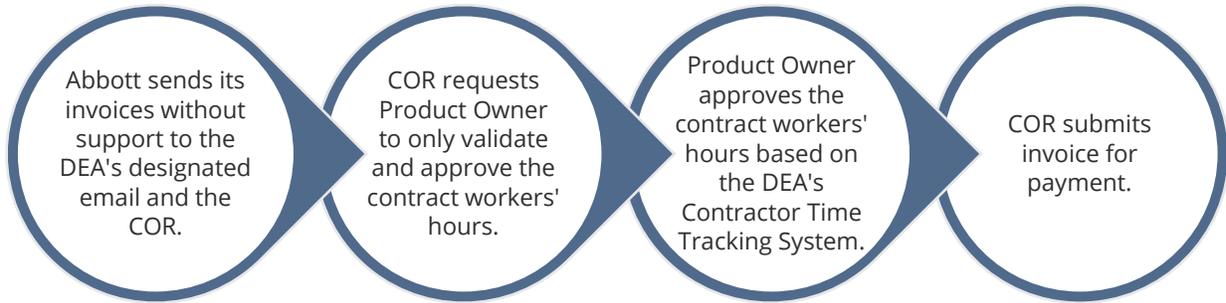
The DEA paid Abbott \$1.6 million for services rendered under the 2019 Bridge Contract that were not billed using a proper invoice. We believe that the DEA’s current billing and payment process is not conducive to contracting officials (i.e., CO and COR) ensuring that invoices meet all requirements. As a result, DEA

<sup>14</sup> FAR Subpart 52.232-7(a)(5), Payments under Time-and-Materials and Labor-Hour Contracts.

contracting officials did not adequately review and approve these invoices. Figure 5 outlines the DEA's billing and payment process.

Figure 5

DEA Billing and Payment Process



Source: DEA contracting officials

We tested five contractor invoices, totaling \$654,459, or 40 percent of the total amount of invoices paid and determined that:

- All five invoices tested did not comport with the FAR or contract terms and conditions. Specifically, the invoices were not adequately supported by timekeeping records;
- Two of the five invoices the DEA approved and paid listed contract workers that accrued 35.8 in overtime hours totaling \$7,660 prior to receiving the product owner's approval, see Table 3; and
- One invoice that charged contract workers' hours to labor categories that were not contractually assigned to them.

**Table 3**

**Unapproved Contract Workers' Hours**

OIG Sampled Invoices			Results	
Invoice Number	Invoice Hours	Invoice Amount	Unapproved Hours	Unapproved Amount
1	906.30	\$185,759	26.30	\$5,604
2	691.03	141,130	9.50	2,056
3	716.97	144,872	-	-
4	622.75	125,987	-	-
5	281.50	56,711	-	-
<b>Total</b>	<b>3,218.55</b>	<b>\$654,459</b>	<b>35.80</b>	<b>\$7,660</b>

Source: OIG Analysis.

The contract workers worked and charged hours in excess of the contractual ceiling without the required pre-approval from the product owners. The COR relies solely on the product owner's approval email to send the invoice for payment and in those instances where the contract workers exceeded the ceiling, the COR did not request or obtain the product owner's email approval for the overtime hours. Therefore, we question the \$7,660 identified in Table 3 as unsupported questioned costs.

Further, Abbott's invoices were created using the DEA's "Contractor Time Tracking" system, which allows the contract workers to extract and send their timesheets to Abbott, which then generates the invoice submitted to the DEA for payment. The DEA reconciles Abbott's invoice to its internal contractor time tracking system. The contract workers log their time daily in the internal contractor time tracking system; however, neither Abbott, its contract workers, nor the DEA validates the accuracy of the hours in this system. The DEA (i.e., TC) only tracks the contract workers' hours to pay the invoices and not to determine how much effort (hours) was required for contractual tasks. The tasks are tracked via monthly sprint sheets. However, Abbott resubmitted several invoices because the contract workers' invoiced hours did not match the DEA's internal time tracking system. Although the resubmitted invoices were corrected, the tracking system was never updated to reflect the actual hours paid on the invoices. We could not establish how the COR determined which hours should not be paid.

The DEA cannot support how many hours the contract workers logged to complete a task, nor do they have adequate controls to track the actual hours the contract workers charged for a specific period. Therefore, we recommend that the DEA evaluate and update policies and procedures to ensure that billings and payments for service contracts are compliant with the FAR, DEA policies, and contract terms, ensuring that: (1) invoices submitted by the contractors contain all contract requirements (e.g., contract workers' hours billed to their assigned labor categories); and (2) contract workers obtain the appropriate DEA official's approval prior to working hours in excess of those contractually allotted.

## Performance Evaluation and Reporting

The FAR advises that past performance information (including the ratings and supporting narratives) is relevant information, for future source selection purposes, regarding a contractor's actions under previously awarded contracts or orders. As such, FAR requires agencies to monitor their compliance with the past performance evaluation requirements outlined in FAR Subpart 42.1502 and to use the Contractor Performance Assessment Reporting System (CPARS) metric tools to measure the quality and timely reporting of past performance information.<sup>15</sup>

To meet this requirement, the FAR further requires agencies to assign responsibility and management accountability for the completeness of past performance submissions. Table 4 reflects the system procedural requirements for past performance evaluation.

**Table 4**

### **Past Performance Evaluation System Procedural Requirements**

- |  |
|--|
| 1. Provide for input to the evaluations from the technical office, contracting office, program management office, and where appropriate, quality assurance and end users of the product or service.  |
| 2. Identify and assign past performance evaluation roles and responsibilities to those individuals responsible for preparing and reviewing interim evaluations, if prepared, and final evaluations (e.g., CO, COR, project managers, and program managers). Those individuals identified may obtain information for the performance evaluation from the program office, administrative contracting office, audit office, end users of the product or service, and any other technical or business advisor, as appropriate. |
| 3. Address management controls and appropriate management reviews of past performance evaluations, to include accountability for documenting past performance on CPARS.  |

Source: FAR Subpart 42.15 Contractor Performance Information, 42.1503 Procedures.

Since the DEA does not have an internal CPARS policy, the DEA follows the July 2018 Department of Defense Guidance for the Contractor Performance Assessment Reporting System (CPARS Guide) to complete the contractor's evaluation. The CPARS Guide requires the "Assessing Official" to enter the ratings and narratives to reflect the contractor's performance during the reporting period. A factual, detailed narrative (for each factor used) is required for all evaluations regardless of rating. Also, the entire evaluation process must be completed within 120 days following the end of the performance period. This timeframe includes the Contractor Representative 60-day comment period. Agencies are required to report performance information in a timely manner. Table 5 outlines the performance evaluation characteristics for past performance evaluation.

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<sup>15</sup> FAR Subpart 42.15 Contractor Performance Information.

Table 5

Performance Evaluation Characteristics

Performance Evaluation Criterion	Mandatory	Discretionary
Clear, non-technical description of the principal purpose of the contract or order.		FAR 42.1503
Reflective of contractor performance.	CPARS Guide	FAR 42.1503 <sup>16</sup>
Based on performance in the areas of Technical, Cost Control, Schedule, Management, Small Business Subcontracting, Regulatory Compliance, and other areas as applicable.	FAR Subpart 42.1503 and CPARS Guide	
Completed within 120 days following the end of the performance period.	CPARS Guide	
Based on established factors and subfactors supported by narrative.	FAR Subpart 42.1503 and CPARS Guide	

Source: FAR Subpart 42.1503 Requirements and CPARS Guide.

We reviewed all six CPARS reports completed for the 2013 Contract, shown in Table 6. We found that the DEA did not complete five out of six (83 percent) required CPARS reports in a timely manner. The DEA also did not include relevant information on how the contractor performed in two out of six (33 percent) reports. Instead, the DEA rated Abbott “satisfactory” with no narrative support.

Table 6

2013 Contract Performance Assessment Reporting System Compliance

Performance Evaluation Period	Rating Narrative Supported	Completed Timely	Number of Days Late (After 120 Days)
09/14/2013 – 09/13/2014	Y	Y	0
09/14/2014 – 09/13/2015	Y	N	396
09/14/2015 – 09/12/2016	N	N	174
09/13/2016 – 09/12/2017	Y	N	89
09/13/2017 - 09/12/2018	N	N	210
09/13/2018 - 03/13/2019	Y	N	173
<b>Average Days Late (5 reports)</b>			<b>208</b>

Source: OIG analysis of DEA compliance with FAR Subpart 42.1503 requirements.

<sup>16</sup> FAR expands the meaning of reflective of contractor performance to include: (1) clear relevant information that accurately depicts the contractor’s performance; (2) objective facts supported by program and contract or order performance data; and (3) contract type, size, content, and complexity of the contractual requirements.

DEA contracting officials told us that they complete the CPARS report when they receive an automated message from the CPARS portal prompting them to do so. Also, the contractor was given a default satisfactory rating with no narrative support when the COR was unavailable.<sup>17</sup>

When performance evaluations in CPARS are not completed timely and do not include narratives for each rating, other government agencies may unknowingly engage an underperforming contractor instead of one that is qualified to provide the desired product or service. Such an underperforming contractor could, in turn, setback an entirely separate, yet additional program, resulting in unnecessary delays and a waste of taxpayer dollars. We recommend DEA evaluate and implement procedures to ensure acquisition personnel: (1) adhere to the schedule for mandatory completion of contractor performance evaluations, via CPARS; and (2) include clear relevant narrative support for each rating to reflect the contractor's performance during the evaluated period, as required by the FAR and CPARS Guide.

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<sup>17</sup> We have previously reported on instances when DOJ contracting officials stated that they did not receive CPARS automated messages. DOJ OIG, *Audit of the Bureau of Alcohol, Tobacco, Firearms and Explosives Sole-Source Small Business Contracting Audit Report 19-15 (March 2019) 22-24*. We believe that it is imperative that DOJ contracting offices understand that delays in receiving these system prompts do not obviate the need to adhere to the proactive controls in existing FAR and standing DOJ policies requiring timely and accurate contractor performance reports. Moreover, since the DEA product owners interact daily with contract workers and oversee technical aspects of the contracts, we believe that the DEA would benefit from obtaining their feedback on contract performance when the CORs are unavailable.

## Conclusion and Recommendations

Our review of the DEA's planning, administration, and oversight of its LIMS contracts identified several potential areas of improvement. First, we found that the DEA's scattered acquisition planning documents for the LIMS 2020 Contract partly necessitated the award of the bridge contract that extended a year and incurred \$1.97 million with the incumbent vendor. Specifically, the acquisition planning process lacked a milestone plan that would have facilitated DEA stakeholder offices to agree in adequate time to perform all market research and evaluation necessary to award the LIMS 2020 Contract in a timely manner. Second, we noted that the DEA is not following its own policies and procedures for designating personnel to assist the CO with contract administration and oversight. Specifically, we determined that the COR and product owners are not being adequately identified and trained, creating insufficient preparation and communication among the internal oversight offices. This results in DEA officials not understanding their role as it pertains to contract terms, which in turn increases the risk of inadequate oversight. Third, we determined that the DEA contracting officials did not develop and implement a quality assurance framework to facilitate performance monitoring, evaluation, and reporting adequate for contracts supporting a program of this size and complexity as required by the FAR.

We also found that the main contract objective to create a paperless laboratory environment that would seamlessly integrate all primary forensic workflows (including analysis instruments) with LIMS via Firebird was not met. As a result, laboratory personnel responsible for handling fingerprint and other sensitive information used external storage devices that were not tracked or inventoried. We found that each laboratory implemented processes that differ from the established DEA policies and procedures governing the use of external storage devices. In addition, DEA officials told us they did not think it necessary to increase the security level of these external storage devices because the DEA does not consider the information stored on the devices to be classified or other national security information. However, the data in these storage devices can contain PII that the DEA is responsible for protecting under DEA, DOJ, and OMB policy, and the DEA must therefore establish adequate procedures to ensure these storage devices are properly secured. Further, we found that the DEA has not followed DOJ or its own policies and therefore, did not comply with the FAR to ensure that contract workers are aware of their whistleblower rights and protections. We also found that the DEA contracting officials did not consistently and adequately evaluate the billings as required by FAR Subpart 32.905 that resulted in \$7,660 unsupported questioned costs. Lastly, we noted delayed and unsupported evaluations of the contractor performance documented in the CPARS submitted annually throughout the 2013 Contract to the 2019 Bridge Contract.

We recommend that the DEA:

1. Evaluate and update its acquisition planning documentation requirements to ensure that future acquisition processes delineate adequately the timeline required to complete an acquisition in accordance with the complexity of the award.
2. Evaluate and update its policies and procedures to ensure that all individuals that assist the CO with contract monitoring, such as CORs and product owners, receive written delegation from the CO and appropriate training in regard to their roles and responsibilities in accordance with the FAR, OMB Memorandum on the FAC-COR and DEA's internal policy.

3. Evaluate and update its policies and procedures to ensure that its contracting officials create timely QASPs and ensure that delegated personnel follow such QASPs in conjunction with the SOWs for T&M contracts.
4. Review its external storage device procedures across all laboratory disciplines to ensure that all forensic laboratory personnel, including contract workers, receive training on the proper use, control, and encryption of external storage devices; and retrain DEA personnel on its own external storage device policy as well as the existing OMB and DOJ policies regarding PII.
5. Examine ways to implement the use of secure, internal network connections to transfer data between LIMS and other work systems with the goal of implementing a more secure method of data transfer than relying on external storage devices.
6. Design and implement a process to continually monitor its contracts to ensure the COs verify that contractors inform their workers of whistleblower rights and protections; and provide evidence that all existing contracts above the SAT have been modified to include the whistleblower provision and follow-up documentation obtained by the CO as required by internal policy.
7. Evaluate and update policies and procedures to ensure that billings and payments for service contracts are compliant with the FAR, DEA policies, and contract terms, ensuring that:  
(1) invoices submitted by the contractors contain all contract requirements (e.g. CLIN, contract workers' hours billed to their assigned labor categories); and (2) contract workers obtain the appropriate DEA official's approval prior to working hours in excess of those contractually allotted.
8. Evaluate and update procedures to ensure acquisition personnel: (1) adhere to the schedule for mandatory completion of contractor performance evaluations, via CPARS; and (2) include clear relevant narrative support for each rating to reflect the contractor's performance during the evaluated period, as required by the FAR and CPARS Guide.

# APPENDIX 1: Objectives, Scope, and Methodology

## Objectives

The objectives of this audit were to assess the DEA's: (1) administration of the bridge contract awarded to Abbott Informatics (Abbott) and (2) acquisition planning for the follow-on contract. In addition to assessing Abbott's performance on the bridge contract and its adherence to other financial reporting requirements, we also reviewed how the DEA administered the overall Laboratory Information Management System (LIMS) lifecycle since the DEA's previous LIMS acquisitions and Abbott software licensing rights were the basis for the pricing and the system configuration negotiated for the bridge contract.

## Scope and Methodology

The scope of our audit focused on two of the DEA contracts awarded to implement and support the LIMS over the past decade, including a \$1.97 million bridge contract (contract number 15DDHQ19P00000269) awarded in March 2019 and its follow-on (solicitation number 15DDHQ20R0000002) advertised in November 2019. Since 2010, the DEA has paid Abbott \$35 million for LIMS support services.

To accomplish our objectives, we analyzed the contract files, which contained documents supporting pertinent decisions made during the contracts' solicitation and planning phases. These documents included, but were not limited to the Award Determination Memoranda, Independent Government Cost Estimates, Acquisition Plans, the DEA IT Strategic Plan, DEA Chief Information Officer (CIO) Approval, Cost/Price Evaluation Form, invoices, statements of work, performance evaluations, and Technical Evaluation Panel Report. We also reviewed relevant DOJ and DEA policies related to acquisition processes and safeguarding of Personally Identifiable Information and other sensitive data.

## Interviews

We interviewed DEA officials responsible for the planning, administration, and oversight of the LIMS contracts. These individuals included personnel from the three offices that comprised the acquisition planning team (i.e., Office of Acquisition & Relocation Management, Information System Division, and Office of Forensic Sciences), members of the source selection panel for the most recent contract, and the CIO. We also interviewed a judgmental selection of 39 laboratory personnel, which included 34 individuals in the 3 LIMS primary end user disciplines (i.e., Forensic Chemists, Fingerprint Specialists, and Digital Forensic Examiners) and 5 other forensic support personnel from the DEA Digital Evidence Laboratory in Lorton, Virginia; the Mid-Atlantic Laboratory in Largo, Maryland; the Special Testing and Research Laboratory in Sterling, Virginia; the Northeast Laboratory in New York City, New York; and the Training Laboratory in Quantico, Virginia. The 34 end users interviewed included:

- 17 of 300 (6 percent) Forensic Chemists;
- 6 of 13 (46 percent) Fingerprint Specialists; and
- 11 of 54 (20 percent) Digital Forensic Examiners.

In addition to the Abbott Federal Government Program Manager, we also interviewed the four contract workers that serviced the LIMS contracts regarding performance metrics and contract monitoring. These individuals included Project Manager, Senior Standard Query Language Developer, Subject Matter Expert, and Requirements Analyst/Help Desk.

### **Acquisition Planning, Administration, and Oversight**

To assess the adequacy of DEA's acquisition planning, administration and oversight of the contracts, we reviewed the FAR, DEA and DOJ policies and procedures, Department of Labor, and OMB memoranda that establish pre-solicitation, solicitation, and award and contract administration in addition to Abbott's policies and procedures. Contracting and program officials provided insight on events surrounding the pre-award and administration of the contracts, as well as roles and responsibilities during the contract life cycle. We analyzed all SOWs associated with the contracts to gain an understanding of the contract requirements and updates to labor categories during the performance periods. We identified key written considerations for acquisition planning, which we evaluated as follows:

- written acquisition plan,
- assessment of inherently governmental functions,
- support for fair and reasonable pricing, and
- performance-based acquisition methods.

We designed procedures to gain an understanding of the nature and extent of the LIMS implementation and customization services provided under the contracts. We reviewed contract clauses, contracting officials' files, DEA's mission statement, strategic planning documents, and program area descriptions.

### **Compliance and Performance**

The contracts identified specific personnel requirements related to technical experience for LIMS software maintenance and customization. To assess DEA's and Abbott's compliance with these requirements, we evaluated the résumés for all four contract workers as evidence of the required job experience and compared them to the necessary requirements for each labor category. Using professional judgement, we selected a non-statistical sample of 5 invoices totaling approximately \$654,459 from contract 15DDHQ19P00000269. We reviewed each of the selected invoices for compliance with contract terms and applicable laws and regulations and reconciled the invoiced hours to DEA designated supporting documents, given no official timesheet data is required by DEA from the contractor.

We reviewed the contract agreement, contract modifications, and accompanying SOW for each of the contracts under our review to identify the various contract terms, conditions, award deliverables, and other requirements. We also reviewed the COR designation letters to determine other deliverables that are required under each contract. We then interviewed DEA and Abbott personnel, and reviewed Monthly Status Reports, meeting minutes, past performance evaluations, invoices, and other relevant documentation to determine if Abbott was compliant with the requirements under the contracts. Overall,

we identified non-compliance with various contract requirements, which are discussed in the *Audit Results* section of this report. In our judgment, the areas of non-compliance we identified further demonstrate DEA’s inadequate contract oversight.

**Statement on Compliance with Generally Accepted Government Auditing Standards**

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

**Internal Controls**

In this audit, we performed testing of internal controls significant within the context of our audit objectives. We did not evaluate the internal controls of the DEA to provide assurance on its internal control structure as a whole. DEA management is responsible for the establishment and maintenance of internal controls in accordance with FAR and OMB Circular M-07-16. Because we do not express an opinion on the DEA’s internal control structure as a whole, we offer this statement solely for the information and use of the DEA.<sup>18</sup>

Internal Control Components & Principles Significant to the Audit Objectives	
<b>Control Environment Principles</b>	
	The oversight body should oversee the entity’s internal control system.
	Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity’s objectives.
	Management should evaluate performance and hold individuals accountable for their internal control responsibilities.
<b>Risk Assessment Principles</b>	
	Management should define objectives clearly to enable the identification of risks and define risk tolerances.
	Management should identify, analyze, and respond to risks related to achieving the defined objectives.
	Management should identify, analyze, and respond to significant changes that could impact the internal control system.
<b>Control Activity Principles</b>	

<sup>18</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.

	Management should design control activities to achieve objectives and respond to risks.
	Management should design the entity's information system and related control activities to achieve objectives and respond to risks.
	Management should implement control activities through policies.
<b>Information &amp; Communication Principles</b>	
	Management should internally communicate the necessary quality information to achieve the entity's objectives.
	Management should externally communicate the necessary quality information to achieve the entity's objectives.
<b>Monitoring Principles</b>	
	Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.
	Management should remediate identified internal control deficiencies on a timely basis.

We assessed the design, implementation, and operating effectiveness of these internal controls and identified deficiencies that we believe could affect the DEA's ability to ensure compliance with laws and regulations. The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited to these internal control components and underlying principles, 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 also tested, as appropriate given our audit objectives and scope, selected transactions, records, procedures, and practices, to obtain reasonable assurance that DEA's and Abbott's management complied with federal laws and regulations for which noncompliance, in our judgement, could have a material effect on the results of our audit. Our audit included examining, on a test basis, DEA's and Abbott's compliance with the following laws and regulations that could have a material effect on DEA's and Abbott's operations:

- FAR Subpart 1.6, Career Development, Contracting Authority, and Responsibilities;
- FAR Subpart 2.101, Definitions;
- FAR Subpart 3.9, Whistleblower Protections for Contractor Employees;
- FAR Subpart 4.8, Government Contract Files;
- FAR Subpart 7.1, Acquisition Plans;

- FAR Subpart 16.601, Time and Material Contracts;
- FAR Subpart 32.905, Payment Documentation and Process;
- FAR Part 37, Service Contracting;
- FAR Subpart 42.15, Contractor Performance Information;
- FAR Subpart 46.4, Government Contract Quality Assurance;
- FAR Subpart 52.203-17, Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights; FAR Subpart 52.232-7, Payments under Time-and-Materials and Labor-Hour Contracts;
- Federal law (41 U.S.C. § 4712); and
- OMB Circular M-07-16, Safeguarding Against and Responding to the Breach of Personally Identifiable Information

This testing included analyzing contract files and related documentation, interviewing DEA and Abbott personnel, and reviewing invoices and supporting documentation. As noted in the *Audit Results* section of this report, we found that the DEA and Abbott did not comply with federal regulations related to acquisition planning, administration and oversight, invoicing, and whistleblower protections.

### **Sample-based Testing**

To accomplish our audit objectives, we performed sample-based testing for personnel, requirements, and invoice testing. In this effort, we employed a judgmental sampling design to obtain broad exposure to numerous facets of the areas we reviewed. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.

### **Computer-Processed Data**

During our audit, we obtained information from the DEA's Contractor Time Tracking System. We did not test the reliability of this system as a whole. Therefore, any findings identified involving information from this system was verified with documentation from other sources.

## APPENDIX 2: Schedule of Dollar-Related Findings

Description	Amount	Page
Questioned Costs: <sup>19</sup>		
Unsupported Contract Worker Hours	\$7,660	20
<b>TOTAL DOLLAR-RELATED FINDINGS</b>	<b><u>\$7,660</u></b>	

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<sup>19</sup> **Questioned Costs** are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Questioned costs may be remedied by offset, waiver, recovery of funds, or the provision of supporting documentation.

# APPENDIX 3: The Drug Enforcement Administration's Response to the Draft Audit Report



U. S. Department of Justice  
Drug Enforcement Administration

[www.dea.gov](http://www.dea.gov)

Washington, D.C. 20537

## MEMORANDUM

TO: John Manning  
Regional Audit Manager  
Washington Regional Audit Office  
Office of the Inspector General

FROM: Mary B. Schaefer  
Chief Compliance Officer  
Office of Compliance

MARY  
SCHAEFER

Digitally signed by  
MARY SCHAEFER  
Date: 2021.05.11  
13:44:34 -0400'

SUBJECT: The Drug Enforcement Administration's Response to the Office of the Inspector General's Draft Report: "*Audit of the Drug Enforcement Administration's Laboratory Information Management System Support Contracts*"

The Drug Enforcement Administration (DEA) has reviewed the Department of Justice (DOJ) Office of the Inspector General's (OIG) Draft Report, "*Audit of the Drug Enforcement Administration's Laboratory Information Management System Support Contracts*." The DEA thanks the OIG for its review of the Laboratory Information Management System (LIMS) support contracts and its recommendations for improving oversight of the contracts. DEA provides the following responses to the draft report's eight recommendations.

**Recommendation 1. Evaluate and update its acquisition planning documentation requirements to ensure that future acquisition processes delineate adequately the timeline required to complete an acquisition in accordance with the complexity of the award.**

### DEA Response

DEA concurs with this recommendation. DEA agrees to evaluate and update acquisition planning documentation requirements to help ensure that future acquisition processes delineate the timeline required to complete an acquisition in accordance with the complexity of the award. Specifically, the DEA will evaluate which acquisition planning documents are required for which acquisitions, including milestones plans, and will update those documents, as necessary.

**Recommendation 2: Evaluate and update its policies and procedures to ensure that all individuals that assist the CO with contract monitoring, such as CORs and product owners, receive written delegation from the CO and appropriate training in regard to their roles and responsibilities in accordance with the FAR, OMB Memorandum on the FAC-COR and DEA's internal policy.**

**DEA Response**

DEA concurs with this recommendation. DEA agrees to evaluate and update its policies and procedures clarifying the roles of individuals that assist the CO with contract monitoring. Specifically, the DEA will ensure that its policies and procedures state that any person conducting Contracting Officer Representative type responsibilities and performing those duties on DEA contracts must have a written delegation from the CO.

**Recommendation 3: Evaluate and update its policies and procedures to ensure that its contracting officials create timely QASPs and ensure that delegated personnel follow such QASPs in conjunction with the SOWs for T&M contracts.**

**DEA Response**

DEA concurs with this recommendation. DEA agrees to evaluate and update its policies and procedures to ensure that its contracting officials create timely QASPs, and will delineate the types of contracts requiring QASPs. Personnel shall follow such QASPs in accordance with the responsibilities outlined in Recommendation 2 and DEA's attendant response.

**Recommendation 4: Review its external storage device procedures across all laboratory disciplines to ensure that all forensic laboratory personnel, including contract workers, receive training on the proper use, control, and encryption of external storage devices; and retrain DEA personnel on its own external storage device policy as well as the existing OMB and DOJ policies regarding PII.**

**DEA Response**

DEA concurs with this recommendation. DEA's policy currently requires that all employees complete DOJ-provided CSAT training and requires employees to attest that they have read and agreed to abide by DEA's IT Rules of Behavior. The IT Rules of Behavior includes references to external storage usage and handling of Personal Identifying Information; both of which are consistent with required DOJ and OMB policies. Furthermore, DEA is updating its Removable Media Policy. This policy will be broadcast to all employees. DEA will then provide additional training to all forensic laboratory personnel, including contract workers, to ensure that the use, control, and encryption of external storage devices are handled according to policy.

**Recommendation 5: Examine ways to implement the use of secure, internal network connections to transfer data between LIMS and other work systems with the goal of**

**implementing a more secure method of data transfer than relying on external storage devices.**

**DEA Response**

DEA concurs with this recommendation. While there is currently no secure method to connect internal networks with Internet facing Lab systems to safely transfer data, DEA's Office of Forensic Sciences and Information Systems Division will continue to examine alternative options for securely transferring data between LIMS and other work systems without relying on external storage devices.

**Recommendation 6: Design and implement a process to continually monitor its contracts to ensure the COs verify that contractors inform their workers of whistleblower rights and protections; and provide evidence that all existing contracts above the SAT have been modified to include the whistleblower provision and follow-up documentation obtained by the CO as required by internal policy.**

**DEA Response**

DEA concurs with this recommendation. The DEA agrees to design and implement a process to continually monitor its contracts to ensure compliance with DOJ's issued rules surrounding contractor notification of whistleblower rights and protections.

**Recommendation 7: Evaluate and update policies and procedures to ensure that billings and payments for service contracts are compliant with the FAR, DEA policies, and contract terms, ensuring that: (1) invoices submitted by the contractors contain all contract requirements (e.g. CLIN, contract workers' hours billed to their assigned labor categories); and (2) contract workers obtain the appropriate DEA official's approval prior to working hours in excess of those contractually allotted.**

**DEA Response**

DEA concurs with this recommendation. DEA agrees to evaluate and update policies and procedures as applicable, to ensure that it is in compliance with the FAR, DEA policies, and contract terms by (1) validating that all contractor invoices contain all contract requirements and hours are billed to the correct CLIN and (2) ensuring that all excess hours worked by contractors receive appropriate approval prior to hours being worked.

**Recommendation 8: Evaluate and update procedures to ensure acquisition personnel: (1) adhere to the schedule for mandatory completion of contractor performance evaluations, via CPARS; and (2) include clear relevant narrative support for each rating to reflect the contractor's performance during the evaluated period, as required by the FAR and CPARS Guide.**

**DEA Response**

DEA concurs with this recommendation. DEA agrees to evaluate and update procedures to

ensure acquisition personnel complete timely contractor performance evaluations and include adequate narrative support.

Thank you for the opportunity to respond to the recommendations made in the OIG report. If you have any questions regarding this response, please contact the Audit Liaison Team, on 202-307-8200.

## **APPENDIX 4: 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) and Abbott Informatics (Abbott). The DEA's response is incorporated in Appendix 3 of this final report. Abbott elected not to provide a written response to the final report. In response to our audit, the DEA concurred with all eight of our recommendations. As a result, the status of the audit is resolved. The following provides the summary of actions necessary to close this report.

### **Recommendations for the DEA:**

- 1. Evaluate and update its acquisition planning documentation requirements to ensure that future acquisition processes delineate adequately the timeline required to complete an acquisition in accordance with the complexity of the award.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that it agrees to evaluate and update acquisition planning documentation requirements to help ensure that future acquisition processes delineate the timeline required to complete an acquisition in accordance with the complexity of the award. DEA further stated that it will evaluate which acquisition planning documents are required for which acquisitions, including milestone plans, and will update those documents as necessary.

This recommendation can be closed when we receive evidence that DEA has evaluated and updated its acquisition planning documentation requirements taking into consideration the timeline required to complete the acquisition process based on the complexity of each award.

- 2. Evaluate and update its policies and procedures to ensure that all individuals that assist the CO with contract monitoring, such as CORs and product owners, receive written delegation from the CO and appropriate training in regard to their roles and responsibilities in accordance with the FAR, OMB Memorandum on the FAC-COR and DEA's internal policy.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that it agrees to evaluate and update its policies and procedures clarifying the roles of individuals that assist the Contracting Officer (CO) with contract monitoring. DEA further stated that it will ensure that its policies and procedures state that any person conducting Contracting Officer's Representative (COR) type responsibilities and performing those duties on DEA contracts must have a written delegation from the CO.

This recommendation can be closed when we receive evidence that DEA has evaluated and updated its policies and procedures to ensure that all individuals that assist the CO with contract monitoring, receive a written delegation from the CO and appropriate training in regards to their roles and responsibilities in accordance with the Federal Acquisition Regulation (FAR) and Office of Management and Budget (OMB) Memorandum on the FAC-COR.

- 3. Evaluate and update its policies and procedures to ensure that its contracting officials create timely QASPs and ensure that delegated personnel follow such QASPs in conjunction with the SOWs for T&M contracts.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that it agrees to evaluate and update its policies and procedures to ensure that its contracting officials create timely Quality Assurance Surveillance Plans (QASP). DEA further stated that it will delineate the types of contracts requiring QASPs for personnel to follow in accordance with the responsibilities outlined in Recommendation 2 and DEA's attendant response.

This recommendation can be closed when we receive documentation showing the DEA evaluated and updated its policies and procedures to ensure that contracting officials (i.e. CO and COR) create timely QASPs and the delegated personnel follow such QASPs along with the statements of work (SOW) for Time and Materials (T&M) contracts.

- 4. Review its external storage device procedures across all laboratory disciplines to ensure that all forensic laboratory personnel, including contract workers, receive training on the proper use, control, and encryption of external storage devices; and retrain DEA personnel on its own external storage device policy as well as the existing OMB and DOJ policies regarding PII.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that its current policy requires all employees to complete DOJ-provided Cyber Security Awareness Training (CSAT) and attest that they have read and agreed to abide by DEA's Information Technology (IT) Rules of Behavior. DEA further stated that the IT Rules of Behavior includes references to external storage usage and handling of Personally Identifiable Information (PII), which is consistent with required DOJ and OMB policies. DEA also stated that it is updating its Removable Media Policy, which it will disseminate to all employees and provide additional training to all forensic laboratory personnel, including contract workers, to ensure that the use, control, and encryption of external storage devices are handled according to policy.

This recommendation can be closed when we receive evidence that demonstrates the DEA: (1) reviewed its external storage device policies and procedures across all laboratory disciplines and (2) retrained DEA personnel and contract workers on DEA's external storage device policy (including the use, control, and encryption of external storage devices) as well as the existing OMB and DOJ policies regarding PII.

- 5. Examine ways to implement the use of secure, internal network connections to transfer data between LIMS and other work systems with the goal of implementing a more secure method of data transfer than relying on external storage devices.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that because there is currently no secure method to connect internal networks with Internet facing laboratory systems to safely transfer data, DEA's Office of Forensic Sciences and Information Systems Division will continue to examine alternative options for security transferring data between LIMS and other work systems without relying on external storage devices.

This recommendation can be closed when we receive evidence that demonstrates the DEA examined ways to implement the use of secure, internal network connections to transfer data between LIMS and other work systems, with the goal of implementing a more secure method of data transfer than relying on external storage devices.

- 6. Design and implement a process to continually monitor its contracts to ensure the COs verify that contractors inform their workers of whistleblower rights and protections; and provide evidence that all existing contracts above the SAT have been modified to include the whistleblower provision and follow-up documentation obtained by the CO as required by internal policy.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that it agrees to design and implement a process to continually monitor its contracts to ensure compliance with DOJ's issued rules surrounding contractor notification of whistleblower rights and protections.

This recommendation can be closed when we receive evidence that (1) demonstrates the DEA has coordinated with the Justice Management Division to design and implement a process to continually monitor its contracts to ensure COs verify that contractors inform their workers of whistleblower rights and protections, and (2) all existing contracts above the Simplified Acquisition Threshold (SAT) have been modified to include the whistleblower provision and follow-up documentation was obtained by the CO as required by internal policy.

- 7. Evaluate and update policies and procedures to ensure that billings and payments for service contracts are compliant with the FAR, DEA policies, and contract terms, ensuring that: (1) invoices submitted by the contractors contain all contract requirements (e.g. CLIN, contract workers' hours billed to their assigned labor categories); and (2) contract workers obtain the appropriate DEA official's approval prior to working hours in excess of those contractually allotted.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that it agrees to evaluate and update policies and procedures, as applicable, to ensure that it is in compliance with the FAR, DEA policies, and contract terms by: (1) validating that all contractor invoices contain all contract requirements and hours are billed to the correct Contract Line Item Number (CLIN); and (2) ensuring that all excess hours worked by contractors receive appropriate approval prior to hours being worked.

This recommendation can be closed when we receive documentation showing the DEA evaluated and updated its policies and procedures to ensure that service contract billings and payments comply with FAR and contract terms, ensuring that: (1) contractor submitted invoices contain all contract requirements; and (2) contract workers obtain the appropriate DEA official's approval prior to working hours in excess of those contractually allotted.

- 8. Evaluate and update procedures to ensure acquisition personnel: (1) adhere to the schedule for mandatory completion of contractor performance evaluations, via CPARS; and (2) include clear relevant narrative support for each rating to reflect the contractor's performance during the evaluated period, as required by the FAR and CPARS Guide.**

Resolved. The DEA concurred with our recommendation. DEA stated in its response that it agrees to evaluate and update procedures to ensure acquisition personnel complete timely contractor performance evaluations and include adequate narrative support.

This recommendation can be closed when we receive evidence that demonstrates the DEA evaluated and updated its policies and procedures to ensure acquisition personnel: (1) adhere to the schedule for mandatory completion of contractor performance evaluations, via the Contractor Performance Assessment Reporting System (CPARS); and (2) include clear relevant narrative support for each rating to reflect the contractor's performance during the evaluation period, as required by the FAR and CPARS Guide.