



United States Department of Agriculture  
Office of Inspector General





# OPPM's Oversight of Contractor Past Performance Reporting Requirements

Audit Report 89099-0001-12

## What Were OIG's Objectives

The objective of this audit was to determine the adequacy of OPPM's internal controls to monitor and provide oversight of USDA agencies' and offices' compliance with CPARS requirements.

## What OIG Reviewed

To determine if OPPM was adequately overseeing compliance with CPARS, we reviewed established oversight procedures and supporting documentation, and conducted interviews with applicable OPPM personnel.

## What OIG Recommends

We recommend that OPPM update its CPARS oversight procedures to ensure the applicable USDA contract actions and orders that require CPARS evaluations are identified, and that it timely notify applicable contracting activities of the evaluations; define timeframes for contracting activities to provide PPD with required status updates on the completion of the evaluations; and formalize a process to track PPD's CPARS oversight activities.

## OIG reviewed whether OPPM was adequately overseeing contractor past performance within the Department.

### What OIG Found

In September 2010, the Office of Procurement and Property Management (OPPM) released a procurement advisory officially establishing the Contractor Performance Assessment Reporting System (CPARS) as the system used to collect, maintain, and disseminate contractor performance evaluations. We found that OPPM's Procurement Policy Division (PPD) did not sufficiently oversee the Department of Agriculture's (USDA) CPARS compliance.

The current oversight procedures require OPPM PPD to generate a report from a contract database containing all CPARS required contracts, send it to each of the contracting activities within USDA, and receive feedback from the contracting activities on any missing or unresolved evaluations. However, OPPM PPD relied on an alternative tracking database, which was incomplete and, although the reports were distributed to the appropriate contracting activities, they did not contain data for all applicable contracts. Additionally, OPPM did not require a formal feedback process for missing or unresolved evaluations. As a result of these procedures not being adhered to, OPPM PPD does not have assurance that the generated CPARS reports are complete and accurate. Additionally, current, complete, and accurate information on contractor performance is not available for other agencies and Departments to use when evaluating potential contractors.

OPPM agreed with the recommendations in this report and have begun updating its procedures based on our recommendations. We have reached management decision on all recommendations.





United States Department of Agriculture  
Office of Inspector General  
Washington, D.C. 20250



DATE: March 21, 2016

AUDIT  
NUMBER: 89099-0001-12

TO: Lisa Wilusz  
Director  
Office of Procurement and Property Management

ATTN: Ayana Bailey  
Audit Liaison

FROM: Gil H. Harden  
Assistant Inspector General for Audit

SUBJECT: OPPM's Oversight of Contractor Past Performance Reporting Requirements

This report presents the results of the subject audit. Your written response, dated March 10, 2016, is included in its entirety at the end of the report. Excerpts from your response and the Office of Inspector General's position are incorporated in the relevant sections of the report. Based on your written response, we accept management decision on all recommendations, and no further response to this office is necessary.

In accordance with Departmental Regulation 1720-1, please note that the regulation requires final action to be completed within 1 year of management decision to preclude being listed in the Department's annual Agency Financial Report. Please follow your internal agency procedures in forwarding final action correspondence to the Office of the Chief Financial Officer.

We appreciate the courtesies and cooperation extended to us by members of your staff during our audit fieldwork and subsequent discussions. This report contains publically available information and will be posted in its entirety to our website (<http://www.usda.gov/oig>) in the near future.



## **Table of Contents**

---

<b>Background and Objectives .....</b>	<b>1</b>
<b>Section 1: Insufficient CPARS Oversight Procedures .....</b>	<b>3</b>
<b>Finding 1: The Office of Procurement and Property Management Has Not Sufficiently Overseen USDA’s CPARS Compliance .....</b>	<b>3</b>
<b>Recommendation 1 .....</b>	<b>5</b>
<b>Recommendation 2 .....</b>	<b>5</b>
<b>Scope and Methodology.....</b>	<b>6</b>
<b>Abbreviations .....</b>	<b>7</b>
<b>Agency's Response .....</b>	<b>8</b>



# Background and Objectives

---

## Background

This audit is one in a series of audits to determine the Department of Agriculture's (USDA) compliance with contractor past performance reporting requirements. For this audit, we reviewed the Office of Procurement and Property Management (OPPM), which assists the Secretary and USDA agencies with policy, advice, and coordination in acquisitions, procurement actions, and management of real and personal property.

The Federal Acquisition Regulation (FAR) requires that past performance evaluations be prepared at least annually and at the time the work under a contract or order is completed.<sup>1</sup> It further requires that past performance information be entered into the Contractor Performance Assessment Reporting System (CPARS), the Government-wide evaluation reporting tool for all past performance reports for applicable contracts and orders. CPARS is a web-enabled application containing contractor past performance reports. These reports provide an assessment of a contractor's performance and provide a record, whether positive or negative, on a given contract or order for a specific period of time. Each report is to be based on objective facts and is to be supported by program and contract management data. The use of CPARS promotes report consistency, increases data integrity, and motivates improved contractor performance. On a weekly basis, completed CPARS reports are transferred to the Past Performance Information Retrieval System (PPIRS), making the reports accessible to source selection officials for contract award decisions. Prior Office of Inspector General (OIG) audits, as well as a USDA contracting officer's representative specialized review, revealed poor CPARS compliance rates within USDA, which was an impetus for this audit.

FAR states that agencies shall assign responsibility and management accountability for the completeness of past performance submissions, monitor their compliance with the past performance evaluation requirements, and use CPARS data to measure quality and timely reporting of past performance information.<sup>2</sup> Pursuant to Procurement Advisory 96, OPPM has oversight responsibilities for CPARS' implementation and use.<sup>3</sup> Within OPPM, the Procurement Policy Division (PPD) is responsible for USDA-wide procurement policy and regulations, including the Agriculture Acquisition Regulations (AGAR), and for disseminating career and training information for USDA's Acquisition Workforce.

On September 17, 2010, OPPM issued Procurement Advisory 96, which established that, beginning October 1, 2010, CPARS will be the single USDA-wide system used to collect, maintain, and migrate contractor performance evaluations to PPIRS. Additionally, this advisory stated that the use of CPARS is mandatory for USDA.

---

<sup>1</sup> Past performance evaluations are required for all contracts and orders above the simplified acquisition threshold of \$150,000; construction contracts totaling \$650,000 or more; and architect-engineer services contracts totaling \$30,000 or more, as well as for any construction or architect-engineer services contract that is terminated for default regardless of contract value (48 Code of Federal Regulations (C.F.R.) § 42.15, Sept. 3, 2013).

<sup>2</sup> 48 C.F.R. §§ 42.1501 and 42.1503 (Sept. 3, 2013).

<sup>3</sup> Procurement Advisory 96, "Contractor Performance Information and CPARS Evaluations" (Sept. 17, 2010).

As a result of prior audit work on CPARS compliance in two mission areas—Farm and Foreign Agricultural Services (FFAS) and Research, Education, and Economics (REE)—we started this audit to determine the adequacy of OPPM’s oversight.<sup>4</sup> The objective of each mission area’s audit was to determine whether the mission area recorded past performance information in CPARS, as required.

After implementing a single Government-wide repository of past performance information on Federal contractors, the Office of Management and Budget’s (OMB) Office of Federal Procurement Policy (OFPP) found performance evaluations across the Government to be incomplete, of poor quality, and lacking sufficient information. Subsequently, OFPP issued memoranda in July 2009 and January 2011, calling for improvements in past performance reporting, stating that source selection officials rely on clear and timely assessments of contractor past performance to make informed business decisions when awarding Federal contracts. Meaningful past performance assessments are critical to ensuring that the Government does business with companies that deliver quality goods and services on time and within budget. In March 2013, OFPP issued a memorandum requiring that all Federal agencies gradually implement contractor past performance reporting.<sup>5</sup> By September 30, 2015, agencies were required to report all past performance information for applicable contracts and orders in CPARS.

Prior OIG reports identified CPARS compliance issues within USDA that indicated the usefulness of further audit work.<sup>6</sup> Also, the Government Accountability Office (GAO) completed a review of agency past performance reporting compliance.<sup>7</sup> In August 2014, GAO reported that agencies have generally improved their level of compliance with past performance reporting requirements; however, the rate of compliance varies widely by agency and most have not met the reporting targets. Regarding USDA’s compliance levels, GAO reported a compliance rate of 13 percent as of April 2013 and 27 percent as of 2014. GAO made no recommendations for corrective actions directly to USDA.

## Objectives

The objective of this audit was to determine the adequacy of OPPM’s internal controls to monitor and provide oversight of USDA agencies’ and offices’ compliance with CPARS’ requirements.

---

<sup>4</sup> Audit Report 50601-0002-12, *Farm and Foreign Agricultural Services’ Compliance with Contractor Past Performance Reporting Requirements* (Sept. 2015). Audit 50601-0001-12, *Research, Education, and Economics’ Compliance with Contractor Past Performance Reporting Requirements*, is still ongoing.

<sup>5</sup> OMB’s OFPP Memorandum, *Improving the Collection and Use of Information about Contractor Performance and Integrity* (Mar. 6, 2013).

<sup>6</sup> Audit Report 03501-0001-12, *Review of Farm Service Agency’s Initiative to Modernize and Innovate the Delivery of Agricultural Systems (MIDAS)* (May 2015) and Audit Report 50099-0002-12, *Assessment of USDA’s Contracting Officer’s Representatives* (Mar. 2015).

<sup>7</sup> Report to Congressional Committees GAO-14-707, *Contractor Performance, Actions Taken to Improve Reporting of Past Performance Information* (Aug. 2014).

## Section 1: Insufficient CPARS Oversight Procedures

---

### Finding 1: The Office of Procurement and Property Management Has Not Sufficiently Overseen USDA's CPARS Compliance

We determined OPPM PPD did not sufficiently oversee USDA's CPARS compliance. This occurred because OPPM relied on an alternative tracking database which was incomplete, and although the reports were distributed to the appropriate contracting activities, the reports did not contain data for all applicable contracts.<sup>8</sup> Additionally, OPPM did not require a formal feedback process for missing or unresolved evaluations. As a result, OPPM does not know if USDA's agencies and offices are maintaining the required contract action evaluations completely or accurately in CPARS.<sup>9</sup> OIG concluded that OPPM's oversight is insufficient and that it should update CPARS oversight procedures to more effectively oversee USDA's CPARS compliance rate.

FAR and Departmental guidance require USDA to use CPARS for recording past performance evaluations. Specifically, FAR requires agencies to monitor their compliance with past performance requirements and use CPARS to measure the quality and timely reporting of past performance information. OPPM has oversight responsibilities for the implementation and use of CPARS. Pursuant to FAR, the senior procurement executive (SPE) is the individual responsible for management direction of the executive agency's acquisition system, including the implementation of policies, regulations, and standards.<sup>10</sup> At USDA, the Director of OPPM is the SPE. Furthermore, AGAR establishes that the SPE may issue procurement advisories to communicate Department-wide policy and/or procedural guidance for contracting activities.

In September 2010, OPPM issued Procurement Advisory 96, which provided USDA detailed guidance governing the use of CPARS. The procurement advisory established CPARS as the single system used by USDA to collect, maintain, and disseminate contractor performance evaluations. It also established OPPM oversight procedures for CPARS compliance.

We found OPPM did not sufficiently conduct CPARS oversight for USDA. Although Procurement Advisory 96 established CPARS' oversight internal controls, OPPM did not adhere to those oversight guidelines. For example, PPD is to generate a report from the Federal Procurement Data System-Next Generation (FPDS-NG) annually, identifying all expiring contract actions requiring a CPARS evaluation, and send the report to the contracting activities to facilitate the completion of CPARS evaluations; however, PPD has not implemented this process.<sup>11</sup> If PPD adhered to this process and generated a report from a procurement system

---

<sup>8</sup> Contracting activity is an element of an agency designated by the agency head and delegated broad authority regarding acquisition functions. 48 C.F.R. § 2.101 (May 29, 2014). USDA has 10 contracting activities.

<sup>9</sup> Contract action means an action resulting in a contract, as defined in Subpart 2.1, including actions for additional supplies or services outside the existing contract scope, but not including actions that are within the scope and under the terms of the existing contract, such as contract modifications issued pursuant to the changes clause, or funding and other administrative changes. 48 C.F.R. § 32.001 (Dec. 4, 2015).

<sup>10</sup> 48 C.F.R. § 42.15 (Sept. 3, 2013).

<sup>11</sup> FPDS-NG provides a comprehensive web-based tool for agencies to report contract actions (48 C.F.R. § 4.602(a), Dec. 4, 2015).

independent of CPARS, PPD would be able to identify all contracts included in that system which required CPARS evaluations.

Furthermore, OPPM's procurement advisory requires the contracting activities to provide feedback on the progress of resolving any missing or incomplete evaluations. However, OPPM PPD did not implement a formal feedback process with the contracting activities. Rather, general CPARS compliance is discussed at monthly head of contracting activity designee and policy chief meetings; there was no formal follow-up process for late evaluations. Instituting a formalized feedback and follow-up process with the contracting activities will help to ensure CPARS evaluations are completed timely and agencies are held accountable for completion of their required evaluations.

Insufficient oversight occurred because OPPM PPD determined that a more frequent process, moving from annually to monthly and focusing on data contained in CPARS, was necessary to increase CPARS compliance. As part of the more frequent process, OPPM PPD used reports generated directly from CPARS. Officials believed these reports were complete, but they were not. Although the reports were distributed to the appropriate contracting activities, the reports did not contain data for all applicable contracts. Additionally, OPPM did not require a formal feedback process for missing or unresolved evaluations, and, instead, discussed overall CPARS compliance rates at monthly meetings. Although we agree that increasing the frequency of the reports from annually to monthly may be beneficial, reliance on FPDS-NG, as required by the advisory, is a better basis for ensuring all CPARS evaluations are identified, rather than relying solely on reports from CPARS. The FPDS-NG database is the Federal Government's official contracting database and, as such, should contain the most complete universe of contracts per agency. Using FPDS-NG as a basis for the oversight reporting process could potentially identify contracts that meet CPARS requirements, but may not be present in CPARS, which we identified during our CPARS audits of two USDA mission areas. Therefore, relying on data and metrics solely from CPARS may result in an incomplete universe of applicable contracts. We concluded that this data source is not a reliable means of measuring the actual CPARS compliance rate.

As a result of insufficient oversight, OPPM and the respective contracting activities do not have assurance that the generated CPARS reports are complete and accurate. For example, OPPM PPD was unaware that the FFAS Acquisition Management Division contracting activity was not registered in CPARS; therefore, none of the contracting activity's required evaluations were in CPARS.<sup>12</sup> FFAS' incomplete CPARS universe was identified through the course of OIG audit work. Since the evaluations are not in CPARS, as required, accurate information on contractor performance is not available for other agencies to consider when evaluating contractors during the award process.

In summary, we concluded OPPM did not sufficiently oversee CPARS compliance within USDA. We recommend OPPM update its CPARS oversight procedures to ensure the Department and its agencies are in compliance with CPARS reporting requirements. It is critical that CPARS evaluations are completed to ensure that the Government does business with companies that deliver quality goods and services on time and in accordance with the contract.

---

<sup>12</sup> Audit Report 50601-0002-12, *Farm and Foreign Agricultural Services' Compliance with Contractor Past Performance Reporting Requirements* (Sept. 2015).

## **Recommendation 1**

Update the CPARS oversight procedures to ensure that they identify the applicable USDA contract actions and orders requiring CPARS evaluations; that they timely notify applicable contracting activities of the evaluations; and that they define timeframes for contracting activities to provide the PPD with required status updates on the completion of the evaluations.

### **Agency Response**

In its March 10, 2016, response, OPPM agreed with the recommendation and stated that it will update existing guidance, Procurement Advisory 96 (PA96), to include additional formalized reporting and tracking requirements to ensure that OPPM identifies the applicable USDA contract actions and orders requiring CPARS evaluations for each contracting activity. Additionally, OPPM's revised PA96 will define timeframes and identify status update requirements and deadlines. OPPM estimates the updated procedures to be completed by April 30, 2016.

Additionally, OPPM stated it will implement a phased reporting approach to ensure all applicable contract actions and corresponding submission date requirements are identified. OPPM plans to continue this process at least until September 30, 2017, or until 75 percent CPARS reporting compliance has been achieved.

### **OIG Position**

We accept OPPM's management decision.

## **Recommendation 2**

Formalize a process to track PPD's CPARS oversight activities.

### **Agency Response**

In its March 10, 2016, response, OPPM agreed with this recommendation and stated that it will formalize a process to track PPD's CPARS oversight activities no later than April 30, 2016.

### **OIG Position**

We accept OPPM's management decision.

## Scope and Methodology

---

We conducted this audit to determine the adequacy of OPPM's internal controls to monitor and provide oversight of USDA agencies' and offices' compliance with CPARS requirements for contract actions entered into during fiscal year (FY) 2013. Fieldwork was conducted at OPPM's Washington, D.C., office between July 2015 and November 2015.

We chose our scope period based on CPARS reporting requirements and we reviewed contract actions entered into during FY 2013. Once a contract is awarded, it is possible a CPARS evaluation will not be completed for up to 485 days. The 485 day calculation is based on the number of days in a typical calendar year (365) plus the maximum number of days allowable for completing an evaluation in CPARS (120).<sup>13</sup> Based on this timeframe, FY 2013 was the most recent and complete fiscal year that should have had completed CPARS evaluations for all applicable contract actions (485 days from September 30, 2013, is January 28, 2015). For this audit, we reviewed CPARS monitoring activities for contract actions entered into during FY 2013 for which the oversight period was October 2013 through November 2015.

During the course of the audit, we did not evaluate past performance evaluations or data contained within CPARS or any other database for USDA. Instead, we looked at established oversight controls within USDA, as they pertained to CPARS compliance, and conducted analysis and interviews with applicable personnel to determine if the oversight controls were effective. To determine if OPPM was complying with established oversight procedures, we also requested and reviewed supporting documentation.

We conducted this 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

---

<sup>13</sup> User Manual for CPARS, Version 4.0.2 (Dec. 2014).

## Abbreviations

---

AGAR	Agriculture Acquisition Regulations
C.F.R.	Code of Federal Regulations
CPARS	Contractor Performance Assessment Reporting System
FAR	Federal Acquisition Regulation
FFAS	Farm and Foreign Agricultural Services
FPDS-NG	Federal Procurement Data System-Next Generation
FY	fiscal year
GAO	Government Accountability Office
OFPP	Office of Federal Procurement Policy
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPPM	Office of Procurement and Property Management
PPD	Procurement Policy Division
PPIRS	Past Performance Information Retrieval System
REE	Research, Education, and Economics
SPE	Senior Procurement Executive
USDA	Department of Agriculture



**USDA'S  
OPPM  
RESPONSE TO AUDIT REPORT**



United States  
Department of  
Agriculture

MAR 10 2016

Office of the  
Assistant Secretary  
for Administration

Office of  
Procurement and  
Property  
Management

300 7<sup>th</sup> Street  
Southwest  
Room 302  
Reporters Building

Washington, DC  
20024-9300

**TO:** Rod DeSmet  
Deputy Assistant Inspector General for Audit  
Office of Inspector General

**FROM:** Lisa M. Wilusz *Lisa M. Wilusz*  
Director

**SUBJECT:** Management Response to OPPM's Oversight of Contractor Past  
Performance Reporting Requirements, Audit No. 890991-0001-12

We thank you for the opportunity to review the audit on contractor past performance reporting requirements oversight by the Office of Procurement and Property Management (OPPM). This memorandum provides management's response to the audit findings and recommendations in Audit Report No. 890991-0001-12. The guidance provided in the Office of Inspector General report will permit us to ensure adequate oversight of critical performance reporting requirements is in place in support of our contracting activities.

If you have any questions, please have a member of your staff contact OPPM's Audit Liaison, Ayana Bailey, at (202) 309-5653.

Attachment

AN EQUAL OPPORTUNITY EMPLOYER

AN EQUAL OPPORTUNITY EMPLOYER

**Office of Procurement & Property Management's (OPPM)  
Oversight of Contractor Past Performance Reporting Requirements**  
Audit No. 890991-0001-12

**Office of Inspector General (OIG) Report Finding**

The Office of Procurement and Property Management (OPPM) has not sufficiently overseen U.S. Department of Agriculture's (USDA) Contractor Performance Assessment and Rating System (CPARS) compliance. Excerpt from the Audit Report:

*"We determined OPPM PPD did not sufficiently oversee USDA's CPARS compliance. This occurred because OPPM relied on an alternative tracking database which was incomplete, and although the reports were distributed to the appropriate contracting activities, the reports did not contain data for all applicable contracts. Additionally, OPPM did not require a formal feedback process for missing or unresolved evaluations. As a result, OPPM does not know if USDA's agencies and offices are maintaining the required contract action evaluations completely or accurately in CPARS. The Office of the Inspector General (OIG) concluded that OPPM's oversight is insufficient and that it should update CPARS oversight procedures to more effectively oversee USDA's CPARS compliance rate."*

**OPPM Management Response**

OPPM concurs with the report's recommendations and offer in our response further information in the following pages as to the corrective actions OPPM will implement. As the following response describes, we intend to implement additional control measures, formal communication protocol for follow-up on outstanding noncompliant actions, and ensure that timely notification to affected contracting activities occurs on a regular basis.

We look forward to working with OIG to implement the recommendations for improved oversight and controls to ensure that OPPM provides adequate oversight for ensuring contractor past performance reporting requirements are met throughout all USDA contracting activities.

Appendix A provides a high-level summary of proposed corrective action tasks, targeted completion dates, and responsible party identification. Detailed discussion concerning each identified milestone is provided below in the following narrative as it relates to your recommendations.

## **Recommendation 1**

Update the Contractor Performance Assessment Reporting System (CPARS) oversight procedures to ensure that they identify the applicable USDA contract actions and orders requiring CPARS evaluations; that they timely notify applicable contracting activities of the evaluations; and that they define timeframes for contracting activities to provide the Procurement Policy Division (PPD) with required status updates on the completion of the evaluations.

**Management Response:** OPPM proposes to accomplish the following in response to Recommendation 1:

**Proposed Corrective Action Plan 1(a) – Update Oversight Procedures:** OPPM will update existing guidance, Procurement Advisory 96 – Contractor Performance Assessment Reporting System (CPARS) Evaluations, which currently requires an annual Compliance Assessment Review. The updated version will include additional formalized reporting and tracking requirements to ensure that OPPM identifies the applicable USDA contract actions and orders requiring CPARS evaluations for each Agency by Contracting Activity (see Proposed Corrective Action Plan 1(b) narrative below for the detailed reporting parameters that will be incorporated into PA96 revisions). Notice of the pending issuance of the revised PA96 will be communicated in the April monthly Acquisition Council meeting so as to provide an alert to the Head of the Contracting Activity Designees (HCADs) to prepare their Contracting Activities of the forthcoming reporting oversight procedure changes.

**Date Corrective Action will be Completed:** April 30, 2016

**Responsible Organization:** OPPM

**Proposed Corrective Action Plan 1(b) – Identify Applicable Actions and Timely Notify:** As set forth at FAR 42.1501(b), PPD will utilize reporting tools available within the Federal Procurement Data System – New Generation (FPDS-NG), as well as the Past Performance Information Retrieval System (PPIRS) metric tools, to ensure the full set of applicable contract actions requiring evaluations is identified. OPPM will implement a phased reporting approach to ensure the full set of applicable contract actions and corresponding submission date requirements are identified and contracting activities have sufficient time to address and provide formal status update responses to PPD accordingly.

Specifically, initially on a quarterly basis beginning in Third Quarter (Q3) fiscal year (FY) 2016, PPD will query the FPDS-NG Federal Standard Report titled, “Federal Contract Actions & Dollars” by USDA Agency (sorted by Contracting Office) to identify all contract actions that meet the requirements set forth at FAR 42.1502\*. Reports will be run by calendar year and shall include all actions within the last three (3) years.

*\*Note that as set forth at FAR 42.1503(g), construction and architect-engineering actions older than six (6) years, and all other actions older than three (3) years, will be excluded as these actions are not permitted for source selection evaluation consideration and are not considered in current CPARS compliance measures.*

Once queried for raw data to identify all supply and service contract actions over \$150,000 (and those over \$700,000 for construction and those over \$35,000 for architect-engineering), PPD will scrub the Agency contract action lists to remove any AbilityOne (i.e. National Institute for the Blind/National Institute for the Severely Handicapped (NIB/NISH)) actions and task or delivery order actions for single Agency indefinite delivery indefinite quantity (IDIQ) contracts as set forth at FAR 42.1502(h) and 42.1502(d), respectively. PPD will also run available metric tools housed in the Past Performance Information Retrieval System (PPIRS) to identify which contract actions are due, will be due, or are overdue, for CPARS evaluation submissions.

Upon completion of the above identified data capture, PPD will create a comprehensive "CPARS Compliance Report" sorted by Agency and Contracting Activity. The report will capture all applicable contract actions requiring CPARS reports, identify interim and final evaluation deadlines, provide report status, and identify responsible Contracting Officer. This Report will be provided (initially on a quarterly basis) to Agency HCADs and Contracting Activity CPARS Primary and Alternate Points of Contact (PPOCs/APOCs) for awareness, action and status reporting back to OPPM.

**Date Corrective Action will be Completed:** Quarterly reporting and communication of *all* applicable contract actions to Agency HCADs and Contracting Activity CPARS Primary and Alternate Points of Contact (PPOCs/APOCs) on a quarterly basis will be targeted to be completed not later than Third Quarter (Q3) of FY 2017 (i.e. June 30, 2017).\*

\*NOTE: Due to the sheer volume of applicable contract actions across USDA's eleven contracting activities, this effort will need to be a targeted, phased implementation to permit PPD adequate time to identify all applicable contract actions, as well as provide contracting activities with sufficient lead time to respond. OPPM intends to complete this exercise over the course of the next four FY Quarters. To accomplish this, the following timelines and action plan tasks are proposed:

1. PPD will first identify actions for the calendar years CY 2015 and CY 2016, and issue the first quarterly report within fifteen (15) days of the end of FY 2016 Q3 (e.g. July 15, 2016).
2. Subsequent quarterly report distributions will be as follows:
  - a. Quarterly report for CY 2014 to FY 2016 Q3 actions by October 15, 2016;
  - b. Quarterly report for CY 2013 to FY 2016 Q4 actions by January 15, 2017;
  - c. Quarterly report for CY 2016 to FY 2017 Q1 actions by April 15, 2017;
  - d. Quarterly report for CY 2016 to FY 2017 Q2 actions by July 15, 2017;
  - e. Quarterly report for CY 2016 to FY 2017 Q3 actions by October 15, 2017; and
  - f. Quarterly report for CY 2016 to FY 2017 Q4 actions by January 15, 2018.

NOTE: Quarterly reporting will continue until at least the end of fiscal year 2017 (e.g. September 30, 2017) to ensure USDA-wide CPARS compliance rates are improved. Once 75% of applicable USDA contract actions have been identified, evaluated and finalized within the CPARS system, Compliance Reporting may be reduced to annually at the OPPM Director's discretion. Further, the OPPM Director may direct that quarterly reporting occur sooner, or be delayed later, dependent upon Agency progress toward CPARS compliance goals.

**Responsible Organization:** OPPM

**Proposed Corrective Action Plan 1(c) – Define Timeframes and Status Updates:** OPPM will define timeframes for Contracting Activities to provide PPD with required status updates on the completion of required evaluations. Specifically, issuance of the to-be-released revised PA96 will define timeframes and identify status update requirements and deadlines (target issuance April 30, 2016 as per Recommend 1(a) above). PPD will include revisions to the existing PA96 to require Agencies to adhere to a response deadline for Agency Status Updates due to PPD quarterly not later than the last day of the Quarter in which the Compliance Report is issued. For example, the initial Compliance Report covering action through FY 2016 Q3 will be issued to Agencies on July 15, 2016, and Agency status response will be due back to PPD not later than September 30, 2016 (e.g. end of FY 2016 Q4). Each HCADs will be responsible for ensuring each Contracting Activity appoints CPARS Compliance Report PPOC/APOCs (if other than the Agency Focal Points) who shall be required to submit updates. Updates shall be submitted to PPD electronically via the email inbox [procurement.policy@dm.usda.gov](mailto:procurement.policy@dm.usda.gov).

**Date Corrective Action will be Completed:** April 30, 2016

**Responsible Organization:** OPPM

## **Recommendation 2**

Formalize a process to track PPD's CPARS oversight activities.

**Management Response:** OPPM will formalize a process to track CPARS oversight activities performed by PPD and will require the formal process as a part of the Compliance Review Process identified in the Revised PA96. Not later than April 30, 2016, OPPM will identify a CPARS Compliance Primary Point of Contact (CPARS CPOC) who shall be responsible to review submitted Agency Status Update responses within 15 days of receipt. The PPD CPARS CPOC will be the party responsible to notify the HCADs/PPOC/APOC via email if any additional information or correction to the supplied Status Update is required. OPPM will require follow-up response to any notification with the subsequent month's Agency Status Update reporting.

**Date Corrective Action will be completed:** April 30, 2016

**Responsible Organization:** OPPM

**APPENDIX A**  
**CORRECTIVE ACTION PLAN MILESTONES**

The below table is provided as a visual reference for high level milestone targets for corrective action plan completion as set forth in the foregoing United States Department of Agriculture (USDA) Office of Procurement & Property Management (OPPM) Response.

<b>Suspense Date</b>	<b>Milestone Activity</b>	<b>Responsible Party</b>
March 10, 2016	Initial OPPM Management Response Submission to USDA OIG	OPPM, SPE
April 30, 2016	Notification provided to HCADs at Monthly Acquisition Council Meeting re: Updated PA96 and Timelines/Status Updates	PPD, Chief
	Issue updated existing guidance, Procurement Advisory 96	PPD, Chief
	Identify CPARS Compliance POC (CPOC)	PPD, Chief
June 30, 2016	Compile list of all applicable contract actions from CY 2015 and CY 2016 year-to-date	PPD, Chief
July 15, 2016	Issue CY 2015 list to HCADs and Contracting Activity CPARS PPOCs/APOCs	PPD, Chief
September 30, 2016	Compile list of CY 2014 to FY 2016 Q3 actions	PPD, Chief
	Agencies/Contracting Activities provide applicable contract actions status update to PPD	HCADs/PPOCs/APOCs
October 15, 2016	Issue updated list (CY 2014 – FY 2016 Q3) to HCADs and Contracting Activity CPARS PPOCs/APOCs	PPD, Chief
	Review Agency Status Update responses; notify the HCADs/PPOC/APOC via email if any additional information or correction to the supplied Status Update is required.	PPD, CPARS CPOC
December 31, 2016	Compile list of CY 2013 to FY 2016 Q4 actions; add to initial listing from prior Quarter	PPD, Chief
	Agencies/Contracting Activities provide applicable contract actions status update to PPD	HCADs/PPOCs/APOCs
January 15, 2017	Issue updated list (CY 2013 to FY 2016 Q4) to HCADs and Contracting Activity CPARS PPOCs/APOCs	PPD, Chief
	Review Agency Status Update responses; notify the HCADs/PPOC/APOC via email if any additional information or correction to the supplied Status Update is required	PPD, CPARS CPOC
March 31, 2017	Compile list of CY 2016 to FY 2017 Q1 actions; add to initial listing from prior Quarter	PPD, Chief
	Agencies/Contracting Activities provide applicable contract actions status update to PPD	HCADs/PPOCs/APOCs
April 15, 2017	Issue updated list (CY 2013 – FY 2017 Q1) to HCADs and Contracting Activity CPARS PPOCs/APOCs	PPD, Chief
	Review Agency Status Update responses; notify the HCADs/PPOC/APOC via email if any additional information or correction to the supplied Status Update is required	PPD, CPARS CPOC
June 30, 2017	Compile list of CY 2016 to FY 2017 Q2 actions; add to initial listing from prior Quarter	PPD, Chief
	Agencies/Contracting Activities provide applicable contract actions status update to PPD	HCADs/PPOCs/APOCs
July 15, 2017	Issue updated list (CY 2013 – FY 2017 Q2) to HCADs and Contracting Activity CPARS PPOCs/APOCs	PPD, Chief
	Review Agency Status Update responses; notify the HCADs/PPOC/APOC via email if any additional information or correction to the supplied Status Update is required	PPD, CPARS CPOC
September 30, 2017	Compile list of CY 2016 to FY 2017 Q3 actions; add to initial listing from prior Quarter	PPD, Chief
	Agencies/Contracting Activities provide applicable contract actions status update to PPD	HCADs/PPOCs/APOCs
October 15, 2017	Issue updated list (CY 2013 – FY 2017 Q3) to HCADs and Contracting Activity CPARS PPOCs/APOCs	PPD, Chief
	Review Agency Status Update responses; notify the HCADs/PPOC/APOC via email if any additional information or correction to the supplied Status Update is required	PPD, CPARS CPOC
December 31, 2017	Compile list of CY2016 to FY17 Q4 actions; add to initial listing from prior Quarter	PPD, Chief
	Agencies/Contracting Activities provide applicable contract actions status update to PPD	HCADs/PPOCs/APOCs
January 15, 2018	Issue updated list (CY 2013 – FY 2017 Q4) to HCADs and Contracting Activity CPARS PPOCs/APOCs	PPD, Chief
	Review Agency Status Update responses; notify the HCADs/PPOC/APOC via email if any additional information or correction to the supplied Status Update is required	PPD, CPARS CPOC

To learn more about OIG, visit our website at [www.usda.gov/oig/index.htm](http://www.usda.gov/oig/index.htm)

## How To Report Suspected Wrongdoing in USDA Programs

### Fraud, Waste, and Abuse

File complaint online: <http://www.usda.gov/oig/hotline.htm>  
Click on Submit a Complaint

Telephone: 800-424-9121  
Fax: 202-690-2474

**Bribes or Gratuities**  
202-720-7257 (24 hours a day)



The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW., Stop 9410, Washington, D.C. 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.