DHS SERVICE CONTRACTS

Increased Oversight Needed to Reduce the Risk Associated with Contractors Performing Certain Functions

Why GAO Did This Study

DHS’s spending on services—such as guard services and technology support—represents over 75 percent of its annual contract obligations. The Office of Management and Budget has recognized that some service contracts require extra management attention because they pose a risk that the government could lose control of its decisions or operations.

GAO was asked to review DHS’s use of and planning for service contracts. This report addresses, among other objectives, the extent to which DHS and selected components and offices use, oversee, and budget for service contracts.

GAO analyzed Federal Procurement Data System-Next Generation data from fiscal years 2013 through 2018; selected non-generalizable samples of four components with high service contract obligations and eight service contracts requiring heightened management attention; and interviewed DHS officials.

What GAO Found

From fiscal years 2013 through 2018, the Department of Homeland Security (DHS) increased its reliance on contracts for services, particularly those in categories that may need heightened management attention, such as drafting policy documents (see figure). These services include functions that are closely associated with inherently governmental, critical, or special interest, which could put the government at risk of losing control of its mission if performed by contractors without proper oversight by government officials.

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What GAO Recommends

GAO is making six recommendations, including that DHS provide guidance for documenting and updating the federal workforce needed to oversee certain service contracts and identifying oversight tasks, and report service requirement information in budget documents to Congress. DHS agreed with two of the recommendations and did not agree with four of them. GAO continues to believe the recommendations are valid, as discussed in the report.

View GAO-20-417. For more information, contact Marie A. Mak at (202) 512-4841 or makm@gao.gov.