COVID-19 CONTRACTING
Observations on Federal Contracting in Response to the Pandemic

What GAO Found

Government-wide contract obligations in response to the COVID-19 pandemic totaled $17.8 billion as of June 11, 2020. Four agencies accounted for 85 percent of total COVID-19 contract obligations (see figure). This report provides available baseline data on COVID-19 federal contract obligations.

<table>
<thead>
<tr>
<th>Department of Health and Human Services (HHS), $8,944.2</th>
<th>Department of Defense (DOD), $2,996.8</th>
<th>Other 38 departments and agencies, $2,649.4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Homeland Security (DHS), $1,683.8</td>
<td>Department of Veterans Affairs (VA), $1,477.7</td>
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</tbody>
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About 62 percent of federal contract obligations were for goods to treat COVID-19 patients and protect health care workers—including ventilators, gowns, and N95 respirators. Less than half of total contract obligations were identified as competed (see figure).

Why GAO Did This Study

According to the Centers for Disease Control and Prevention, as of June 30, 2020, the United States has documented more than 2.5 million confirmed cases and more than 125,000 deaths due to COVID-19. To facilitate the U.S. response to the pandemic, numerous federal agencies have awarded contracts for critical goods and services to support federal, state, and local response efforts. GAO’s prior work on federal emergency response efforts has found that contracts play a key role, and that contracting during an emergency can present unique challenges as officials can face pressure to provide goods and services as quickly as possible.

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) included a provision for GAO to provide a comprehensive review of COVID-19 federal contracting. This is the first in a series of GAO reports on this issue. This report describes, among other objectives, key characteristics of federal contracting obligations awarded in response to the COVID-19 pandemic. Future GAO work will examine agencies’ planning and management of contracts awarded in response to the pandemic, including agencies’ use of contracting flexibilities provided by the CARES Act.

GAO analyzed data from the Federal Procurement Data System-Next Generation on agencies’ reported government-wide contract obligations for COVID-19 through June 11, 2020. GAO also analyzed contract obligations reported at the Departments of Health and Human Services, Defense, Homeland Security, and Veterans Affairs—the highest obligating agencies. View GAO-20-632. For more information, contact Marie A. Mak at 202-512-4841 or MakM@gao.gov.