

# GAO Highlights

Highlights of [GAO-14-692T](#), a testimony before the Committee on Homeland Security and Governmental Affairs, U.S. Senate

## Why GAO Did This Study

The IC uses core contract personnel to augment its workforce. These contractors typically work alongside government personnel and perform staff-like work. Some core contract personnel require enhanced oversight because they perform services that could significantly influence the government's decision making.

In September 2013, GAO issued a classified report that addressed (1) the extent to which the eight civilian IC elements use core contract personnel, (2) the functions performed by these personnel and the reasons for their use, and (3) whether the elements developed policies and strategically planned for their use. GAO reviewed and assessed the reliability of the elements' core contract personnel inventory data for fiscal years 2010 and 2011, including reviewing a nongeneralizable sample of 287 contract records. GAO also reviewed agency acquisition policies and workforce plans and interviewed agency officials. In January 2014, GAO issued an unclassified version of the September 2013 report, [GAO-14-204](#). This statement is based on the information in the unclassified GAO report.

## What GAO Recommends

In the January 2014 report, GAO recommended that IC CHCO take several actions to improve the inventory data's reliability, revise strategic workforce planning guidance, and develop ways to identify contracts for services that could affect the government's decision-making authority. IC CHCO generally agreed with GAO's recommendations.

View [GAO-14-692T](#). For more information, contact Timothy J. DiNapoli at (202) 512-4841 or [tinapoli@gao.gov](mailto:tinapoli@gao.gov).

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## CIVILIAN INTELLIGENCE COMMUNITY

### Additional Actions Needed to Improve Reporting on and Planning for the Use of Contract Personnel

## What GAO Found

Limitations in the intelligence community's (IC) inventory of contract personnel hinder the ability to determine the extent to which the eight civilian IC elements—the Central Intelligence Agency (CIA), Office of the Director of National Intelligence (ODNI), and six components within the Departments of Energy, Homeland Security, Justice, State, and the Treasury—use these personnel. The IC Chief Human Capital Officer (CHCO) conducts an annual inventory of core contract personnel that includes information on the number and costs of these personnel. However, GAO identified a number of limitations in the inventory that collectively limit the comparability, accuracy, and consistency of the information reported by the civilian IC elements as a whole. For example, changes to the definition of core contract personnel limit the comparability of the information over time. In addition, the civilian IC elements used various methods to calculate the number of contract personnel and did not maintain documentation to validate the number of personnel reported for 37 percent of the records GAO reviewed. GAO also found that the civilian IC elements either under- or over-reported the amount of contract obligations by more than 10 percent for approximately one-fifth of the records GAO reviewed. Further, IC CHCO did not fully disclose the effects of such limitations when reporting contract personnel and cost information to Congress, which limits its transparency and usefulness.

The civilian IC elements used core contract personnel to perform a range of functions, such as information technology and program management, and reported in the core contract personnel inventory on the reasons for using these personnel. However, limitations in the information on the number and cost of core contract personnel preclude the information on contractor functions from being used to determine the number of personnel and their costs associated with each function. Further, civilian IC elements reported in the inventory a number of reasons for using core contract personnel, such as the need for unique expertise, but GAO found that 40 percent of the contract records reviewed did not contain evidence to support the reasons reported.

Collectively, CIA, ODNI, and the departments responsible for developing policies to address risks related to contractors for the other six civilian IC elements have made limited progress in developing those policies, and the civilian IC elements have generally not developed strategic workforce plans that address contractor use. Only the Departments of Homeland Security and State have issued policies that generally address all of the Office of Federal Procurement Policy's requirements related to contracting for services that could affect the government's decision-making authority. In addition, IC CHCO requires the elements to conduct strategic workforce planning but does not require the elements to determine the appropriate mix of government and contract personnel. Further, the inventory does not provide insight into the functions performed by contractors, in particular those that could inappropriately influence the government's control over its decisions. Without complete and accurate information in the inventory on the extent to which contractors are performing specific functions, the elements may be missing an opportunity to leverage the inventory as a tool for conducting strategic workforce planning and for prioritizing contracts that may require increased management attention and oversight.