

Contractor Labor Qualifications and Government Furnished Equipment 152411



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Office of Audit Report Summary

Objective

To determine whether—for two information technology (IT) support services awards—the Social Security Administration (SSA) (1) ensured contractor employees met the award's labor qualification requirements, (2) managed Government Furnished Equipment (GFE) provided to contractors according to the Federal Acquisition Regulation (FAR), and (3) ensured invoices were consistent with award rates and amounts.

Background

To fulfill its responsibilities to the public, SSA relies on a variety of products and services, which SSA procures from contractors.

The Agency's Office of Acquisition and Grants develops Agency-specific contracting policies and procedures, appoints contracting officers, and awards contracts. SSA's contracting practices are subject to the government-wide requirements in the FAR.

We audited two IT support services awards. To accomplish our objectives, we reviewed award documentation and interviewed Agency personnel involved in the issuance and administration of the awards.

Results

For the two awards we reviewed, SSA did not (1) ensure contractor employees met labor qualification requirements, (2) properly track and manage GFE provided to contractors, and (3) ensure contractor invoices were consistent with award terms.

- The contracting officer's representative (COR) for one award did not always verify contractor employees met the Agency's professional certification requirements as stated in the award or retain resumes in accordance with Federal regulations.
- SSA did not have a centralized property management system to track contractor GFE and did not review contractors' property management systems, as required by Federal regulations.
- The COR for one award allowed changes that were prohibited by Federal regulations.
- SSA paid some contractor invoices that were not consistent with the award terms.

Conclusion

The COR did not identify performance or service problems for the awards we reviewed. Still, SSA should improve its processes and controls for contract management to address the issues we identified to ensure compliance with the FAR and reduce the risk that contractors do not provide the services SSA requires.

Recommendations

We made eight recommendations for SSA to strengthen its contract oversight controls to ensure contractor employees possess the required qualifications, improve SSA's GFE tracking, and verify that invoiced amounts are consistent with award terms.

Agency Comments

SSA agreed to implement our recommendations.