



Office of Inspector General  
U.S. General Services Administration

# SEMIANNUAL REPORT TO THE CONGRESS

April to September 2025



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# MESSAGE FROM THE INSPECTOR GENERAL



I am pleased to submit to Congress our Semiannual Report for the period of April 1, 2025, through September 30, 2025.

During this reporting period, the General Services Administration (GSA) Office of Inspector General (OIG) issued 27 reports, including 18 contract audit reports, with more than \$274 million in financial recommendations for potential cost savings and recoveries for the federal government. Additionally, our work yielded more than \$40.3 million in monetary recoveries.

Our auditors issued a report that found the Public Buildings Service had grossly mismanaged the battery systems at the Glenn M. Anderson Federal Building and the Ronald Reagan Federal Building and U.S. Courthouse resulting in health and safety issues, including a battery explosion, hazardous material leaks, an injury, and a battery fire. Our auditors also issued an alert memorandum concerning GSA's Federal Acquisition Service's decision to expand the Transactional Data Reporting Rule across the entire Multiple Award Schedule program despite persistent data and pricing issues. Additionally, we issued an alert memorandum to the Acting GSA Administrator regarding a security concern that warranted immediate attention after auditors found documents containing sensitive information accessible to all GSA Google Drive users, including those without a legitimate business need to know. In another alert memorandum, we informed the Public Buildings Service Commissioner that numerous contractor and subcontractor employees who worked on the San Luis I Land Port of Entry Expansion and Modernization Project had either failed or not undergone required security screening.

Our special agents continued rooting out complex procurement fraud schemes. One case revealed a scheme by competing owners of fuel truck supply companies to rig bids, allocate territories, and commit wire fraud over an 8-year period related to fuel truck contracts that assist the U.S. Forest Service's efforts to battle wildfires in Idaho and the Mountain West. Another investigation found that two employees of the U.S. Department of Veterans Affairs Medical Center in Mountain Home, Tennessee, accepted cash bribes from surgical sales representatives that enabled the representatives to overbill the medical center. An additional investigation uncovered a scheme to fraudulently obtain Small Business Administration HUBZone set-aside contracts valued at \$4.7 million.

Our office continued its work with the Department of Justice on False Claims Act cases. One case resulted in a company paying a \$14.75 million settlement to resolve allegations that it had violated the False Claims Act in connection with a GSA contract for information technology services. Another case resulted in a company agreeing to a \$9.58 million settlement to resolve allegations of overcharging federal agencies for energy improvements in connection with 29 federally funded energy savings performance contracts.

Without the hard work of our staff seeking to combat waste, fraud, and abuse of taxpayer dollars on a daily basis, these efforts would not have been possible. I am honored to lead this office and thankful for Congress's and GSA management's continued support of our work.

Robert C. Erickson  
Deputy Inspector General  
November 26, 2025

# OIG PROFILE

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## ORGANIZATION

The General Services Administration (GSA) Office of Inspector General (OIG) was established on October 1, 1978, as 1 of the original 12 OIGs created by the Inspector General Act of 1978. The OIG's five components work together to perform the mission mandated by Congress.

The OIG provides nationwide coverage of GSA programs and activities. The OIG's components include:

- **THE OFFICE OF AUDITS**, an evaluative organization staffed with auditors and analysts that provides comprehensive coverage of GSA operations through program, financial, regulatory, and system audits and assessments of internal controls. The office conducts attestation engagements to assist GSA contracting officials in obtaining the best value for federal customers and American taxpayers. The office also provides other services to assist management in evaluating and improving its programs.
- **THE OFFICE OF ADMINISTRATION**, a professional support staff that provides budget and financial management, contracting, facilities and support services, human resources, information technology (IT) services, executive resources, and administration of the OIG's records management program.
- **THE OFFICE OF COUNSEL**, an in-house legal staff that provides legal advice and assistance to all OIG components, represents the OIG in litigation arising out of or affecting OIG operations, and manages the OIG legislative and regulatory review.
- **THE OFFICE OF INSPECTIONS**, a multi-disciplinary organization that analyzes and evaluates GSA's programs and operations through management and programmatic inspections and evaluations that are intended to provide insight into issues of concern to GSA, Congress, and the American public. The office also coordinates quality assurance for the OIG and analyzes potentially fraudulent or otherwise criminal activities in coordination with other OIG components.
- **THE OFFICE OF INVESTIGATIONS**, a statutory federal law enforcement organization that conducts nationwide criminal, civil, and administrative investigations of illegal or improper activities involving GSA programs, operations, and personnel.

## OFFICE LOCATIONS

### Headquarters:

Washington, D.C.

### Field and Regional Offices:

Atlanta, Georgia; Boston, Massachusetts; Chicago, Illinois; Denver, Colorado; Fort Lauderdale, Florida; Fort Worth, Texas; Kansas City, Missouri; New York, New York; Oakland, California; Philadelphia, Pennsylvania; Santa Ana, California; Tacoma, Washington; and Washington, D.C.

## STAFFING AND BUDGET

As of September 30, 2025, the OIG's on-board staffing level was 251 employees. The OIG's Fiscal Year (FY) 2025 budget was \$73.837 million in annual appropriated funds plus \$600,000 in reimbursable authority.

## FISCAL YEAR 2025 RESULTS

During FY 2025, OIG activities resulted in:

- More than \$556.6 million in recommendations that funds be put to better use and questioned costs—if adopted, these recommendations ultimately result in savings for the American taxpayer;
- More than \$75.4 million in criminal, civil, administrative, and other investigative recoveries;
- 43 audit reports, 9 audit memorandums, and 2 evaluation reports that assisted management in improving the efficiency and effectiveness of GSA operations;
- 127 new investigations opened and 132 cases closed;
- 91 subjects accepted for criminal prosecution and 37 subjects accepted for civil litigation;
- 39 criminal indictments/informations and 32 successful prosecutions on criminal matters previously referred;
- 23 civil settlements and judgments;
- 22 employee actions taken on administrative referrals involving government employees;
- 143 contractors/individuals suspended and debarred;
- 4 lost pieces of New Deal artwork recovered; and
- 1,595 hotline contacts received—of these, 199 were referred to GSA program officials for review and appropriate action, 53 were referred to other federal agencies, 96 were referred to the OIG Office of Audits, 3 were referred to the OIG Office of Inspections, 3 were referred to the OIG Office of Counsel, and 114 were referred to investigative field offices for investigation or further review.



## GSA'S MANAGEMENT CHALLENGES

The Reports Consolidation Act of 2000, Public Law 106-531, requires Inspectors General to report on the most significant management challenges facing their agencies. The following table briefly describes the challenges the OIG identified for GSA for FY 2025, issued in October 2024. The complete assessment is available on our website.

MANAGEMENT CHALLENGE	DESCRIPTION
<b>Establishing and Maintaining an Effective Internal Control Environment</b>	GSA continues to face significant challenges in establishing a comprehensive and effective system of internal control. Since 2018, we have cited pervasive internal control weaknesses as a challenge for GSA. This trend continued for GSA. We found that GSA's internal control environment failed to ensure compliance with laws, regulations, and policies; and GSA lacked the oversight needed to ensure and enforce compliance. We also found that GSA did not fully address findings identified in audit reports.
<b>Improving Contract Award and Administration</b>	GSA awards billions of dollars in contracts for products, services, and facilities every year. After the contracts are awarded, GSA's work turns to contract administration, including monitoring contractor performance against contract terms, reviewing and approving requests for payment, addressing change orders, and closing out contracts. Since FY 2020, we have cited deficiencies in contract administration as a challenge for GSA. This area continued to be a concern. While GSA has taken steps to strengthen its policies, address training for its contracting staff, and implement process improvements for its contract administration, weaknesses in GSA's contract award and administration persist.
<b>Developing Efficient and Effective Acquisition Solutions</b>	As the federal government's primary provider of acquisition services, GSA has stated that it is committed to delivering value, innovation, and an exceptional customer experience. To meet these commitments, the Federal Acquisition Service (FAS) is undertaking several initiatives that will have a major impact on its acquisition solutions. These initiatives include transforming the Multiple Award Schedule (MAS) Program and managing supply chain risk. At the same time, recent legislative proposals would fundamentally change the MAS Program by relieving GSA of its responsibility to obtain the best pricing for federal customer agencies ordering from MAS contracts. These initiatives and proposed legislative changes create significant challenges to FAS's ability to meet its mission.
<b>Maximizing the Performance of GSA's Real Property Inventory</b>	The Public Buildings Service (PBS) must maximize the performance of its real property inventory to provide its tenant agencies with space that meets their needs at a reasonable cost to American taxpayers. To achieve this goal, PBS needs to determine the best approach to reduce and consolidate space, reduce leasing costs, and meet operations and maintenance needs of increasingly aging buildings. Further, PBS must properly administer the capital construction program and ensure effective management of energy savings performance and utility energy service contracts.
<b>Managing Agency Cybersecurity Risks</b>	Like all federal agencies, GSA is dependent upon IT to fulfill its mission. However, as cybersecurity threats continue to emerge, sensitive government information and systems must be adequately secured to safeguard against internal and external threats that could compromise critical information and systems. GSA is not immune to these threats. Accordingly, GSA will continue to be challenged to effectively monitor and efficiently identify and respond to cybersecurity threats against Agency systems and data. GSA will need to continuously identify technical solutions and implement controls to mitigate these threats as bad actors find new ways to penetrate and navigate government networks and systems undetected.
<b>Providing a Safe Work Environment</b>	GSA plays a significant role in providing a safe and secure work environment for federal employees and visitors at more than 8,300 federally owned and leased facilities nationwide. Part of GSA's responsibility is implementing its PBS Facility Safety, Health, and Environmental Management Program to ensure compliance with safety and health requirements. GSA's management of building safety measures is critical because problems could pose fire, safety, and health risks to GSA building tenants, visitors, contractors, the public, and federal property. However, our recent reports and memorandums demonstrate that PBS continues to face significant challenges to meet and manage its responsibilities for providing a safe work environment at federally owned and leased facilities.
<b>Securing Federal Facilities</b>	GSA plays a significant role in providing secure federal facilities nationwide. However, our reports demonstrate GSA management's significant challenges in securing federal facilities. Recent audits have found problems with GSA's monitoring and enforcement of its security protocols.

## OIG PROFILE

MANAGEMENT CHALLENGE	DESCRIPTION
<b>Managing the Electrification of the Federal Fleet*</b>	Executive Order 14057, <i>Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability</i> , requires 100 percent zero-emission vehicle acquisitions by 2035, including 100 percent zero-emission light-duty vehicle acquisitions by 2027. GSA's Fleet Management faces numerous challenges in transitioning to an all zero-emission vehicle fleet. These challenges include finding available zero-emission vehicles to purchase, managing rising repair costs for the current vehicle fleet, and developing the charging infrastructure to power zero-emission vehicles.
<b>Management of the Technology Transformation Service</b>	GSA's Technology Transformation Services (TTS) was established in 2016 as GSA's third service line to become a "permanent home for innovation and technology modernization inside GSA." However, after significant management issues were identified, TTS was realigned to report to the FAS Commissioner in 2017. TTS primarily relies on GSA's Acquisition Services Fund, a revolving fund that requires cost recovery to fund its operations. Initially projected to achieve cost recovery in FY 2019, TTS's latest projections push that date to FY 2027. Despite operating at a deficit, TTS plans to increase its staff by nearly 30 percent between FY 2024 and FY 2027. With its hiring goals and past history, TTS's stated plan to meet its cost recovery goals are uncertain and will likely be a challenge in the future. Since its creation, TTS has been the subject of one U.S. Government Accountability Office report and three reports issued by our office. In all four reports, recommendations were made to improve management controls related to oversight, financial management, performance, and IT. Since as early as 2017, TTS officials have told us that they were establishing internal controls. Despite those assertions, TTS continues to have problems.

\*Executive Order 14057, *Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability* was revoked by Executive Order 14154, *Unleashing American Energy* on January 20, 2025. However, it was in effect when we developed our assessment of GSA's management challenges for FY 2025.



# SIGNIFICANT AUDITS

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The Office of Audits conducts independent and objective audits to improve the effectiveness and efficiency of GSA's management and operations. These audits focus on GSA's programs, internal controls, IT infrastructure, and compliance with federal laws and regulations. Audits are also performed to assist GSA contracting personnel in obtaining the best value and price for federal customers. During this reporting period, we issued 27 audit reports, including 18 contract audits. Our contract audits identified more than \$274 million in potential cost savings and recoveries for the federal government.

## PREAWARD AUDITS

GSA provides federal agencies with products and services through various contract types. We oversee GSA's procurement program, which generates billions of dollars in annual sales through thousands of contracts, by conducting preaward, postaward, and performance audits. Historically, for every dollar invested in our preaward audits, we recommend at least \$20 in cost savings to the government through lower prices or more favorable contract terms and conditions for the benefit of the American taxpayer.

The predecisional, advisory nature of preaward audits distinguishes them from other audit products. Preaward audits provide vital, current information, enabling contracting officers to significantly improve the government's negotiating position to realize millions of dollars in savings on negotiated contracts.

During this reporting period, three of our more significant preaward audits were of Multiple Award Schedule (MAS) contracts with combined projected government sales of more than \$2 billion. Through these audits, we identified potential savings and recoveries of more than \$156 million. We found, among other things, that Commercial Sales Practices information was not current, accurate, and/or complete; proposed labor rates were overstated; GSA schedule sales were not adequately accumulated and reported; unqualified employees were assigned to GSA schedule task orders; and billing provisions of the GSA schedule contract were not properly maintained and administered.

## PERFORMANCE AUDITS

### ALERT MEMORANDUM: FAS IS EXPANDING THE TRANSACTIONAL DATA REPORTING RULE DESPITE A FAILED PILOT PROGRAM

*Memorandum Number A140143-4, dated June 27, 2025*

We issued this memorandum to alert GSA's new Federal Acquisition Service (FAS) Commissioner that the decision to expand the Transactional Data Reporting (TDR) Rule by making it mandatory across the entire MAS program was being done despite persistent data quality issues, lack of data usage for pricing decisions, lack of price competition, and failure to support the OneGov Strategy.

FAS's TDR pilot has been plagued by persistently poor data quality. In our most recently issued May 2023 audit report, we found 87 percent of reported FY 2022 TDR sales could not be used for meaningful price analysis because the reported sales did not match products and services on MAS contracts.<sup>1</sup>

GSA has made modest improvements to the quality of the TDR data since the issuance of our May 2023 report. Nonetheless, 73 percent of FY 2025 sales reported as of June 2, 2025, remain unusable. For example, more than \$4.9 billion of sales for services have been reported under TDR; however, 98 percent of these sales cannot be matched to services on MAS contracts. Likewise, more than \$3 billion in sales for combinations of products and services have been reported under TDR; however, 77 percent of these reported sales do not match products and services on MAS contracts. These products and services account for more than 80 percent—or \$21 billion—of total MAS sales to date in FY 2025; with the expansion of TDR to all MAS contracts, FAS will have an even larger amount of unusable sales data.

In addition, data from GSA's TDR pilot has limited usage in pricing decisions. In our May 2023 audit report, we also found that all 23 MAS contracting officers we interviewed never used TDR pilot data for price evaluations or negotiations. Further, GSA officials acknowledged that not all FAS contracting personnel have access to the TDR data and that having access to the data does not mean that they are using it.

FAS has since incorporated TDR data into its automated pricing tool for products. However, the tool only applies to product sales, which make up less than 20 percent of MAS contract sales. Also, the automated pricing tool only includes the median TDR price for sales of quantities of five or less as one point of data in an algorithm that determines the acceptable pricing threshold.

Furthermore, at the contract level for TDR contract pricing, there is not adequate price competition or a methodology that seeks its equivalent. FAS's primary method for price analysis under TDR is to use its automated pricing tools. Under the Federal Acquisition Regulation (FAR), there is no additional price evaluation requirement beyond the GSA price for orders below the simplified acquisition threshold of \$250,000. The lack of adequate price competition or an

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<sup>1</sup> GSA's Fiscal Year 2020 Transactional Data Reporting Pilot Evaluation Provides an Inaccurate Assessment of the Program (Report Number A210081/Q/3/P23001, May 1, 2023).

equivalent methodology on MAS TDR contracts and orders under \$250,000 does not comply with the Competition in Contracting Act of 1984 (CICA) and places government agencies at risk of overpaying for products and services.<sup>2</sup> After 9 years of the TDR pilot, FAS has yet to develop a pricing methodology using TDR data that will ensure that customer agencies meet the CICA requirement for orders placed through MAS contracts.

Moreover, under GSA's new OneGov strategy, FAS plans to approach the market as a shared enterprise and single customer instead of as a series of isolated purchases. However, FAS's TDR pricing methodology does not support this strategy. FAS's primary method for price analysis under TDR, as discussed above, is to use its automated pricing tools. This price analysis does not attempt to leverage the government's buying power and only assesses whether proposed pricing is relatively competitive to other government contracts.

Taken together, these deficiencies demonstrate that the TDR pricing methodology runs counter to GSA's recent OneGov strategy to leverage the government's collective buying power. Ultimately, the TDR pilot has been in effect within the MAS program for 9 years and has yet to accomplish its intended purpose.

### ALERT MEMORANDUM: SENSITIVE INFORMATION EXPOSED IN GSA'S GOOGLE DRIVE

*Memorandum Number A250043-2, dated April 18, 2025*

We issued this alert memorandum to notify the Acting GSA Administrator of a security concern that warranted immediate attention. During our *Audit of Security Controls for GSA's Google Drive*, we found that documents containing sensitive information were exposed to all GSA Google Drive users, including those without a legitimate business need to know. Examples of the exposed documents included:

- Safety environmental management surveys, which include detailed blueprints of and overall safety findings for a sensitive U.S. government building.
- A feasibility study for a U.S. courthouse, which contains detailed blueprints of sensitive areas, including mechanical rooms, grand jury rooms, and U.S. Marshals Service offices.
- A site development plan for a sensitive U.S. government building with the building's fire protection, mechanical, electrical, and plumbing systems. The plan also includes ductwork requirements for the facility's sensitive compartmented information facilities.
- Vendor financial information, including the vendor's full bank account number, wire transfer information, and tax identification number.

The volume of sensitive information identified during our limited testing indicated that additional sensitive information may be exposed in GSA's Google Drive. Therefore, it is critical that GSA ensures the proper management and maintenance of sensitive information stored on

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<sup>2</sup> The Competition in Contracting Act of 1984 states that procedures established under the MAS program are competitive if MAS orders and contracts result in the lowest overall cost alternative to meet the government's needs.

its Google Drive and takes appropriate measures to identify and notify those affected by the exposed information in accordance with the Agency's information breach policy.

### PBS'S ADMINISTRATION OF CONSTRUCTION MANAGER AS CONSTRUCTOR CONTRACTS NEEDS IMPROVEMENT

*Report Number A230058/P/5/R25006, dated September 15, 2025*

PBS uses the Construction Manager as Constructor (CMc) project delivery method as one of its primary methods for performing large capital construction projects. From June 2009 to May 2024, PBS used the CMc project delivery method for 90 construction projects, totaling approximately \$7.4 billion. Under the CMc project delivery method, PBS awards a construction contract for design-phase services at a fixed price with an option to perform the construction-phase services at a ceiling price, known as the Guaranteed Maximum Price (GMP).

To ensure that the government does not overpay for construction, PBS must follow specific regulations and guidance to award and administer the cost-based components of the GMP. We performed this audit to determine whether PBS followed the General Services Administration Acquisition Regulation, the FAR, and PBS policy to award and administer CMc contracts.

We found that PBS is failing to properly use the CMc project delivery method, resulting in excessive costs and violations of federal law and regulations. In our sample of projects, PBS noncompetitively awarded construction cost increases of more than \$126 million because of changes made during the design phase of CMc contracts. PBS also failed to properly negotiate the fee for contract changes, resulting in violations of federal law and acceptance of unallowable costs. Finally, PBS did not ensure that construction contractors properly accumulated and recorded project costs, which increased the risk of overpayments.

Based on our audit findings, we recommended that the Acting PBS Commissioner:

1. Provide PBS project teams with annual training on the CMc project delivery method and any updated policies or guidance implemented in response to the audit findings.
2. Update existing controls to ensure proper award and administration of CMc contracts.
3. Implement a comprehensive review and approval process governing the use of the CMc project delivery method for new projects and those projects in the early stages of development (e.g., acquisition planning phase).
4. Review PBS's open CMc contracts to determine if PBS can make retroactive adjustments to recover the taxpayer dollars that have been used to pay excessive fees on CMc contracts.

The Acting PBS Commissioner agreed with our report recommendations.

### GSA'S TECHNOLOGY TRANSFORMATION SERVICES VIOLATED HIRING RULES AND OVERPAID INCENTIVES

*Report Number A240037/Q/6/P25001, dated July 14, 2025*

The Technology Transformation Services (TTS) is a component of GSA's FAS and exists to design and deliver a digital government for the American people by applying modern methodologies

and technologies to improve the lives of the public and public servants. We performed this audit to determine if TTS is complying with federal hiring authorities and appropriately classifying positions.

Merit-based hiring is the cornerstone of a fair and effective federal workforce. It ensures that all candidates have an equal opportunity to compete and are selected based on their qualifications. TTS deviated from merit system principles in its hiring and workforce management practices, resulting in noncompliance with federal hiring requirements and raising serious concerns about fairness and accountability.

Specifically, TTS failed to comply with federal hiring authorities by improperly using Direct-Hire Authority (DHA). Using DHA, TTS eliminated veterans' preference and appeared to preselect future hires. TTS also failed to annually certify the U.S. Digital Corps (USDC) group recruitment incentive and misused recruitment strategies. Finally, the majority of TTS's employees receive the highest available pay grade, and the TTS Talent team performs some of GSA's Office of Human Resources Management's core functions.

Based on our audit findings, we made six recommendations to the FAS Commissioner:

1. Evaluate TTS's use of DHA to ensure it complies with 5 C.F.R. 337.205, *Critical hiring needs*.
2. Ensure TTS's hiring procedures comply with GSA hiring requirements.
3. Strengthen controls to ensure that:
  - a. TTS's hiring actions provide open and fair competition among qualified applicants and adhere to merit system principles;
  - b. TTS's hiring actions are properly documented to allow for a complete and accurate third-party review, as required by the U.S. Office of Personnel Management;
  - c. Recruitment incentives are considered in lieu of Superior Qualifications Appointments and are documented to verify compliance with 5 C.F.R. 531.212(d), *Consideration of recruitment incentive*; and
  - d. The USDC group recruitment incentive is reviewed and approved annually, as required by GSA Order HRM 9575.1 CHGE 1, *Recruitment, Relocation and Retention Incentives*; and 5 C.F.R. 575.105(b)(3), *Applicability to employees*. Additionally, evaluate and document the need to award a group recruitment incentive that exceeds GSA's recommended amount.
4. Evaluate the Superior Qualifications Appointments awarded to TTS employees beginning April 1, 2021, to determine if the pay step granted is properly supported. If errors exist, refer to GSA's Office of General Counsel to determine the appropriate action.
5. Evaluate the TTS Talent team's job series classifications to ensure they align with the team's primary responsibilities and develop necessary controls to ensure future compliance.
6. Evaluate TTS's pay distribution and develop the controls necessary to ensure there is equal pay for work of equal value and consistency throughout TTS and GSA in accordance with 5 U.S.C. 2301(b)(3), *Merit system principles*.

The FAS Commissioner disagreed with the methodology underlying our findings and resulting report recommendations. We stand by our methodology and reaffirmed our findings and recommendations.

### ALERT MEMORANDUM: UNCLEARED CONTRACTORS WORKED ON PBS'S SAN LUIS I LAND PORT OF ENTRY EXPANSION AND MODERNIZATION PROJECT IN SAN LUIS, ARIZONA

*Memorandum Number A220036-8, dated July 17, 2025*

We issued this alert memorandum to notify the PBS Commissioner of a security concern that warranted immediate attention. During our *Audit of PBS Pacific Rim Region's Award and Administration of the San Luis I Land Port of Entry (LPOE) Expansion and Modernization Project*, we learned that numerous contractor and subcontractor employees who worked on the project either failed or did not undergo required security screening. The presence of uncleared contractors working on-site may jeopardize port facility operations, tenant agency missions, and occupant and visitor safety.

According to project requirements, contractors and subcontractors who work on the project must undergo a U.S. Customs and Border Protection (CPB) security screening known as a "CBP Quick Check" prior to working on-site. Contractor and subcontractor employees who fail the CBP Quick Check are prohibited from working on the project. However, we found that 90 contractor and subcontractor employees who either failed or did not undergo a CBP Quick Check worked on the San Luis I LPOE project.

PBS is responsible for providing appropriate oversight to ensure that only properly screened contractor and subcontractor employees are working on the San Luis I LPOE project. However, to date, its oversight is lacking. Because the deficiencies discussed in the alert memorandum are consistent with previous findings reported by our office, additional oversight is needed to ensure that contractors for all active and future LPOE construction projects comply with all security screening requirements prior to working on-site.<sup>3</sup>

### AUDIT OF ROOF FALL PROTECTION AND SAFETY IN GSA-OWNED BUILDINGS

*Report Number A240041/P/9/R25004, dated August 14, 2025*

We performed this audit to determine if PBS's policies and procedures are effective in protecting GSA employees and contractors from roof fall hazards. Our audit objective was to determine if PBS's operations and oversight of operations and maintenance (O&M) contractor performance adequately comply with Occupational Safety and Health Administration (OSHA) and GSA requirements to protect GSA employees and contractors from roof fall hazards.

We found that PBS is not consistently complying with OSHA and GSA requirements to protect GSA employees and contractors from roof fall hazards. Specifically, PBS is not providing adequate oversight of O&M contractors' safety plans, lacks sufficient fall protection systems

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<sup>3</sup> *Audit of the Calexico West Land Port of Entry Expansion and Modernization Project* (Report Number A210070/P/9/R23006, March 2, 2023); and *Oversight of PBS's Projects Funded by the Infrastructure Investment and Jobs Act: Audit of Paving Project at New York State's Northern Border* (Report Number A220036/P/2/R24008, September 24, 2024).



and protective equipment, and is not ensuring that PBS facility managers receive safety training. In addition, PBS risk management surveys are not effectively identifying and resolving roof fall hazards in a timely manner. Lastly, PBS did not conduct the roof fall protection assessments for roof replacement projects required by GSA's facilities standards and did not always post appropriate signage at its buildings to warn GSA employees, contractors, and tenants of roof fall hazards. Taken together, these deficiencies increase the risk of fall-related injury or death.

Based on our audit findings we recommended that the Acting GSA Administrator:

1. For buildings where GSA employees access the roof, include a requirement to perform roof inspections during annual Occupational Safety and Health surveys conducted in accordance with GSA Order 5940.2, *General Services Administration Occupational Safety and Health Program*.

We also recommended that the PBS Commissioner:

2. Improve oversight of O&M contractors to ensure they develop and use safety and health plans that comply with the National O&M Specification and National Consolidated Maintenance Specification contract templates.
3. Provide training to PBS contracting officer's representatives and regional safety offices on their roles and responsibilities for accepting, reviewing, and approving compliant safety and health plans.
4. Provide fall protection training to PBS facility managers that addresses roof fall hazards and fall protection requirements issued by OSHA and GSA.
5. Resolve identified roof fall hazards in a timely manner by installing necessary OSHA-compliant fall protection on roofs with equipment located near unprotected roof edges. If no funding is available to do so, implement interim controls to protect against fall hazards and monitor the performance of those controls to ensure they remain effective.
6. Require contractors to use OSHA-compliant fall protection.
7. Implement a consistent process for ensuring facility managers are aware of all open risk conditions in the Inventory Reporting Information System, address open risk conditions in a timely manner, and periodically review open risk conditions until they are abated.
8. Improve risk management surveys to ensure survey inspectors identify and record all applicable roof fall hazards under OSHA 1910.28, *Duty to have fall protection and falling object protection*, consistently.
9. Review all ongoing and future roof replacement projects to ensure they comply with P100, *Facilities Standards for the Public Buildings Service*, roof replacement requirements for a review of existing fall protection by a qualified consultant; and, if the fall protection is deemed inadequate, design and install OSHA-compliant fall protection.
10. Post appropriate signage at all roof access points to warn employees, contractors, and tenants of roof fall hazards.

The PBS Commissioner agreed with our report recommendations.



### PBS'S PACIFIC RIM REGION GROSSLY MISMANAGED THE BATTERY ENERGY STORAGE SYSTEMS AT THE GLENN M. ANDERSON FEDERAL BUILDING AND THE RONALD REAGAN FEDERAL BUILDING AND U.S. COURTHOUSE, RESULTING IN HEALTH AND SAFETY ISSUES

*Report Number A230079/P/4/R25005, dated August 20, 2025*

We performed this audit based on our ongoing assessment of a hotline complaint. Among other things, the complaint expressed health and safety concerns related to battery energy storage systems (battery systems) installed at the Glenn M. Anderson Federal Building in Long Beach, California (Anderson Building), and the Ronald Reagan Federal Building and U.S. Courthouse in Santa Ana, California (Reagan Building). Our audit objective was to determine whether PBS's Pacific Rim Region (PBS Region 9) manages the battery systems at the Anderson and Reagan Buildings in accordance with applicable regulations to ensure the health and safety of building occupants.

In 2020, as part of a PBS energy savings performance contract (ESPC), an energy service company (ESCO) installed battery systems at the Anderson and Reagan Buildings. Combined, these battery systems consisted of 3,200 nickel-iron batteries. If not properly maintained, nickel-iron batteries can pose numerous health and safety risks, including the risk of electric shock, release of and exposure to hazardous materials, fire, and explosions.

We found that PBS Region 9 grossly mismanaged the battery systems at the Anderson and Reagan Buildings, resulting in health and safety issues. Specifically, PBS Region 9 failed to ensure that the systems were properly maintained in accordance with manufacturer specifications. Further, PBS repeatedly failed to address battery-system-related health and safety issues. These failures resulted in a battery explosion, hazardous material leaks, an injury, and an April 2023 battery system fire at the Anderson Building. Although the battery systems were disconnected after the battery system fire at the Anderson Building in April 2023, the battery systems and associated health and safety hazards remained in both buildings for years.

Based on our audit findings, we recommended that the PBS Commissioner institute policies and procedures to ensure:

1. Battery systems are designed, installed, operated, and maintained in accordance with federal regulations, PBS policy, and building code requirements.
2. Training requirements are designed and implemented for PBS and PBS contractor personnel working with battery systems and associated technologies.
3. Appropriate action is taken to address PBS personnel performance deficiencies identified in the report, including supervisory chains of command and individuals responsible for managing the battery systems.

We also recommended that the PBS Region 9 Regional Commissioner take immediate action to:

4. Safeguard the occupants and assets in the Anderson and Reagan Buildings by:
  - a. Verifying that the energy service company removed the batteries and any other hazards from both the Anderson and Reagan Buildings using only qualified personnel.

- b. Obtaining the complete third-party investigation report into the cause of the battery system fire at the Anderson Building. Upon receipt, ensuring any remaining health and safety hazards listed in the report are addressed or mitigated.
- 5. Improve management oversight of the region's facilities to ensure that:
  - a. Code violations and maintenance deficiencies brought to management's attention are immediately addressed.
  - b. Local fire department personnel are involved in pre-fire planning activities for future battery system projects.
  - c. Local fire department personnel are involved in post-fire assessments.
  - d. Final certificates of occupancy are not issued until all outstanding fire and life safety deficiencies are corrected.

The PBS Commissioner agreed with our report recommendations.

### ALERT MEMORANDUM: FIRE AND LIFE HAZARDS AT THE RICHARD B. RUSSELL FEDERAL BUILDING AND U.S. COURTHOUSE IN ATLANTA, GEORGIA

*Memorandum Number A250047-2, dated September 29, 2025*

We issued this alert memorandum to notify the Acting PBS Southeast Sunbelt Regional Commissioner of fire and life safety hazards at the Richard B. Russell Federal Building and U.S. Courthouse in Atlanta, Georgia (Russell Building) that warrant immediate attention. During an ongoing audit, we learned that PBS is bypassing the building's fire alarm system and monitoring service. Additionally, PBS has not repaired a nonfunctioning gas leak detection sensor in the building's chiller room. Taken together, these deficiencies place building occupants and visitors at risk of fire hazards or toxic exposure.

While conducting interviews during our audit survey work, we learned that the Russell Building's O&M contractor calls the off-site fire alarm monitoring company each business day to bypass monitoring. After doing so, the O&M contractor bypasses the fire alarm system, disabling both audible and visual notifications of the fire alarm system throughout the building. In short, no alarms will sound if there is a fire or if someone pulls the alarm without manual intervention from the control panel.

We reviewed fire alarm monitoring service records from May 28 through August 18, 2025, and found that the Russell Building's fire alarm monitoring service was bypassed every business day for a period of more than 12 hours. According to PBS on-site building management and the O&M contractor, PBS has been bypassing the fire alarms and monitoring service in the Russell Building since at least 2015.

During our audit interviews, we also learned that a gas leak detection sensor in the Russell Building's chiller room has been nonfunctional since March 2025.<sup>4</sup> This sensor is critical for

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<sup>4</sup> While we were finalizing the alert memorandum, PBS asserted that the gas leak detection sensor was replaced on September 23, 2025. We have not independently verified PBS's assertion.

detecting refrigerant gas leaks, which, if left undetected, could result in toxic exposure or fire hazards.

The current conditions at the Russell Building present serious and ongoing fire and life safety risks. Absent an active fire alarm system and monitoring service and functioning gas leak detection sensor, PBS cannot ensure prompt emergency response and timely building occupant notification in the event of a fire-related emergency or gas leak. Therefore, immediate corrective action is necessary to ensure occupant safety in the Russell Building and restore compliance with industry standards and PBS policy.

### GSA'S OFFICE OF ADMINISTRATIVE SERVICES AWARDED AN INVALID \$13.7 MILLION TASK ORDER

*Report Number A240066/H/3/F25003, dated July 10, 2025*

We received a hotline complaint that alleged unduly restricted competition in the award of a task order for IT research licenses and consulting services. Based on that allegation, we initiated an audit. Our audit objective was to determine if GSA's Office of Administrative Services (OAS), Office of Internal Acquisition (OIA) awarded the task order in accordance with the FAR, the General Services Administration Acquisition Manual (GSAM), blanket purchase agreement (BPA) requirements, and other applicable internal policies.

We found that OIA awarded an invalid task order for IT research licenses and consulting services that did not comply with the FAR, the GSAM, BPA requirements, and other applicable internal policies. Specifically, OIA made an improper sole-source award by issuing an invalid task order against a U.S. Department of Defense BPA that GSA was not authorized to use. In addition, GSA supported the sole-source award using a flawed limited-source justification that was not approved prior to the award and was not posted publicly. Further, the technical evaluation and price analysis for the awarded task order were flawed. Finally, reviews of the task order were either deficient or were not performed.

Based on our audit findings, we recommended that the GSA Chief Administrative Services Officer:

1. Ensure that justifications for other than full and open competition are completed prior to award and publicly posted.
2. Enforce accountability with OAS personnel who did not comply with the FAR, the GSAM, and OIA internal policies in the award of the audited task order.
3. Revise OIA's *Internal Quality Assurance Review* policy to reduce delays, and employ a risk-based sampling methodology when selecting contracts for review.
4. Establish an OAS policy to supplement GSA Order ADM 5000.4B, *Office of General Counsel Legal Review*, to reduce the monetary threshold for legal review commensurate with the monetary values of OIA contracts.

The GSA Chief Administrative Services Officer agreed with our report recommendations.

### PBS SHOULD IMPROVE ITS OVERSIGHT OF THE ENERGY SAVINGS PERFORMANCE CONTRACT IN TEXAS AND LOUISIANA

*Report Number A240046/P/2/R25003, dated July 1, 2025*

Federal agencies use ESPCs to procure energy savings and facility improvements with no upfront capital costs or special appropriations from Congress. Under an ESPC, the energy ESCO finances the project, and the energy cost savings generated by the improvements are used to pay back the investment over time. The ESCO guarantees that the improvements will generate energy cost savings sufficient to pay for the project over the term of the contract. ESPCs are multi-year contracts, with terms not to exceed 25 years. Therefore, it is imperative that PBS properly awards and administers these contracts to protect taxpayer dollars. Accordingly, we performed this audit to determine whether PBS awarded and administered the ESPC task order in Texas and Louisiana in accordance with applicable regulations and guidance.

We found deficiencies in PBS's award and administration of the ESPC task order supporting 10 buildings across Texas and Louisiana. Specifically, PBS violated contract requirements and its own policy and guidance by: (1) not witnessing and verifying the ESCO's energy baseline measurements and (2) allowing O&M contractor employees to serve as government witnesses and sign the baseline witnessing forms. As a result, PBS improperly relied on the ESCO's data to negotiate the contract's guaranteed energy savings and annual savings performance goals.

We also found that PBS did not issue contract modifications that were needed to authorize and implement scope-of-work changes. In one instance, PBS incurred \$71,920 in unnecessary costs because it did not issue a contract modification to prevent the installation of window inserts that were no longer needed. In another instance, a PBS employee improperly authorized a change to the scope of the ESPC task order without obtaining the required corresponding contract modification from the contracting officer.

Based on our audit findings, we recommended that the PBS Commissioner ensures:

1. PBS personnel responsible for measurement and verification activities:
  - a. Are adequately trained to understand how to perform their oversight responsibilities in accordance with the U.S. Department of Energy's Federal Energy Management Program guidance;
  - b. Independently witness, verify, and document the ESCO's baseline measurements; and
  - c. Adhere to PBS's policy to ensure O&M contractor employees do not serve as government witnesses for ESPCs.
2. The project team establishes communication protocols by developing an effective communication plan that is consistent with the *PBS Project Management Practice Guide V.2* to prevent the government from incurring unnecessary costs.
3. Contracting officers authorize contract changes and implement them through contract modifications, in accordance with the FAR.

The PBS Commissioner partially agreed with our report recommendations.

### THE OFFICE OF GOVERNMENT-WIDE POLICY'S PROCUREMENT MANAGEMENT REVIEW DIVISION SHOULD STRENGTHEN ITS REPORTING FUNCTION

*Report Number A230074/M/6/F25002, dated May 28, 2025*

The GSA Office of Government-wide Policy's (OGP's) Procurement Management Review Division (PMRD) performs procurement management reviews (PMRs) to monitor and evaluate GSA's acquisition programs. We performed this audit to determine whether the OGP's PMR process effectively identifies, assesses, reports, and corrects internal control deficiencies in accordance with applicable policies, regulations, and procedures.

GSA provides centralized procurement for the federal government, offering billions of dollars' worth of products and services to federal agencies. GSA relies on its PMR process as a critical internal control to monitor its acquisition programs and evaluate if they are operating effectively, efficiently, and in compliance with applicable policies, regulations, and procedures.

We found that the PMRD should strengthen its PMR reporting process to more effectively identify deficiencies and ensure corrective actions are taken. Specifically, PMR reports lack a clear relationship between the PMR scorecard results, findings, recommendations, and whether corrective actions are required. By not requiring corrective actions for findings and recommendations in PMR reports, weaknesses or issues in GSA acquisition programs may not be corrected. Additionally, the PMRD is not ensuring that all supporting documentation for corrective action plans (CAPs) is maintained in the appropriate system.

Based on our audit findings, we recommended that the OGP Associate Administrator:

1. Strengthen the PMRD's policies and procedures to:
  - a. More clearly define the PMR scoring system and its relevance to the PMR report findings and recommendations;
  - b. Clearly identify the findings and recommendations in the PMR report, including whether corrective action is required to address each finding; and
  - c. Ensure all required corrective actions are included in a CAP and implemented.
2. Perform training and oversight to ensure proper administration and closeout of CAPs.

The OGP Associate Administrator agreed that improvements can be made in the PMRD's reporting to clarify when a CAP is required.

### SAFETY AND ACCESSIBILITY DEFICIENCIES AT THE JACOB K. JAVITS FEDERAL BUILDING IN NEW YORK, NEW YORK

*Report Number A240064/P/2/R25002, dated June 17, 2025*

We performed this audit to determine whether the PBS Northeast and Caribbean Region (PBS Region 2) complied with applicable laws, regulations, and PBS policies governing fire protection, environmental safety, and property conditions at the Jacob K. Javits Federal Building in New York, New York (Javits Building).

We found that PBS Region 2 did not fully comply with applicable laws, regulations, and PBS policies governing fire protection, worker safety, and accessibility at the Javits Building.

## SIGNIFICANT AUDITS

Specifically, we identified various fire protection violations, worker safety hazards, and disability access deficiencies. We also found that PBS Region 2 did not notify building occupants of identified environmental, health, safety, and fire protection risks in a timely manner, in violation of PBS policies. Without corrective actions, proper monitoring, and timely notification of safety risks, these deficiencies can result in safety and health hazards for building tenants, workers, and visitors.

Based on our audit findings, we recommended that the PBS Region 2 Regional Commissioner:

1. Take immediate actions to address any fire protection and worker safety deficiencies at the Javits Building.
2. Take immediate actions to reassess compliance with Architectural Barriers Act Accessibility Standards requirements at the Javits Building.
3. Implement controls to ensure that appropriate PBS Region 2 officials notify building occupants of identified environmental, health, safety, and fire protection risks in a timely manner in accordance with PBS policies.

The PBS Region 2 Regional Commissioner agreed with our report recommendations.

### GSA COMPLIED WITH THE PAYMENT INTEGRITY INFORMATION ACT FOR FISCAL YEAR 2024

*Report Number A250015/B/F/F25001, dated May 16, 2025*

We performed this audit in accordance with the Payment Integrity Information Act of 2019. This act aims to improve efforts to identify and reduce government-wide improper payments and requires federal agencies to review their programs and identify those that are susceptible to significant improper payments. Our audit objective was to determine if GSA complied with the Payment Integrity Information Act of 2019 for FY 2024.

We determined that GSA complied with the Payment Integrity Information Act of 2019 for FY 2024; therefore, we had no reportable findings or recommendations. However, we identified two observations for management's attention. We noted that GSA's risk assessment questionnaires: (1) lacked information needed to support risk scores; as a result, the risk scores may not be accurate; and (2) contained ambiguous criteria; as a result, risk scores may not accurately reflect whether a program is susceptible to significant improper payments.

### GSA OFFICE OF INSPECTOR GENERAL'S FISCAL YEAR 2024 RISK ASSESSMENT OF GSA'S TRAVEL CARD PROGRAM

*Memorandum Number A250029, dated July 8, 2025*

The Government Charge Card Abuse Prevention Act of 2012 and Office of Management and Budget Revised Circular No. A-123, Appendix B, *A Risk Management Framework for Government Charge Card Programs*, require Inspectors General to periodically conduct risk assessments of purchase and travel card programs. We conducted a risk assessment of GSA's travel card program to identify and analyze risks of illegal, improper, or erroneous purchases related to GSA's travel cards. In addition, the risk assessment is used to determine the appropriate scope, frequency, and number of periodic audits of the travel card program.

## SIGNIFICANT AUDITS

We assessed the overall risk for GSA’s travel card program as low as we determined all but one risk category as low risk. Additionally, in response to a recent executive order, GSA has implemented additional controls by reducing its travel card spending limits to \$1 without an approved travel authorization.<sup>5</sup> As a result, we are not including an audit of GSA’s travel card program in our FY 2026 audit plan. GSA officials must continue prudent oversight of the travel card program to ensure that internal controls intended to safeguard taxpayer funds are fully implemented and followed by GSA travel cardholders.

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<sup>5</sup> Executive Order 14222, *Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative* (February 26, 2025).



## SUMMARY OF CONTRACT AUDIT REPORTS

The Office of Audits issues contract audit reports to assist contracting officials in awarding and administering GSA contracts. The two primary types of contract audits include:

- Preaward audits, which provide GSA contracting officials with information to use when negotiating fair and reasonable GSA contract prices.
- Postaward audits, which examine GSA contractors’ adherence to contract terms and conditions.

During the period April 1 to September 30, 2025, we issued 18 contract audit reports. In these reports, we found that:

- 16 contractors either overcharged GSA customers or overstated their proposed labor rates.
- 10 contractors did not submit current, accurate, and complete information.
- 8 contractors assigned employees who were unqualified for their billable positions to work on GSA schedule task orders.
- 7 contractors did not accurately report GSA schedule sales or did not pay the associated Industrial Funding Fee.
- 4 contractors did not follow other terms and conditions of their contract.
- 3 contractors did not maintain an adequate system to properly administer the Price Reductions Clause and/or did not comply with price reduction provisions.

We also recommended more than \$274.2 million in cost savings. This includes funds that could be put to better use, which is the amount the government could save if our audit findings are implemented. It also includes questioned costs, which is money that should not have been spent, such as overbillings and unreported price reductions.

April 1, 2025 - September 30, 2025

CONTRACT AUDIT REPORTS	
Recommendations That Funds Be Put to Better Use	\$256,440,121
Questioned Costs	\$17,824,464

## FAR DISCLOSURE PROGRAM

The FAR requires government contractors to disclose credible evidence of violations of federal criminal law under Title 18 of the United States Code (18 U.S.C.) and the False Claims Act to agencies' OIGs. To facilitate implementation of this requirement, we developed internal procedures to process, evaluate, and act on these disclosures and created a website for contractor self-reporting.

### FAR RULE FOR CONTRACTOR DISCLOSURE

FAR 52.203-13(b), *Code of business ethics and conduct*, implements the Close the Contractor Fraud Loophole Act, Public Law 110-252, Title VI, and Chapter 1. Under the rule, a contractor must disclose, to the relevant agency's OIG, certain violations of federal criminal law (within 18 U.S.C.), or a violation of the civil False Claims Act, connected to the award, performance, or closeout of a government contract performed by the government contractor or subcontractor. The rule provides for suspension or debarment of a contractor when a principal knowingly fails to disclose—in writing—such violations in a timely manner.

### DISCLOSURES FOR THIS REPORTING PERIOD

As disclosures are made, our Offices of Audits, Investigations, and Counsel jointly examine each disclosure and determine what actions—if any—are warranted. During this reporting period, we received two new disclosures regarding unqualified labor and Price Reductions Clause noncompliance. We concluded our evaluation of two disclosures that resulted in nearly \$2.1 million in settlements and recoveries to the government. Additionally, we assisted with 14 disclosures referred by other agencies because of potential effect on GSA operations, resulting in more than \$1.2 million in refunds to federal agencies. Finally, we continued to evaluate 11 existing disclosures during this reporting period.

## STATISTICAL SUMMARY OF OIG AUDITS

April 1, 2025 - September 30, 2025

OFFICE OF AUDITS	
Total Financial Recommendations	\$274,264,585
These include:	
Recommendations That Funds Be Put to Better Use	\$256,440,121
Questioned Costs	\$17,824,464*
Audit Reports Issued	27
Audit Memorandums Provided to GSA	6
<b>GSA Management Decisions Agreeing with Audit Recommendations</b>	<b>\$251,032,219</b>

\*This total includes a False Claims Act settlement reached with Hill ASC, Inc. totaling \$14.75 million, as also reported in the Significant Investigations section on pages 24 and 32.

# SIGNIFICANT INVESTIGATIONS

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The Office of Investigations conducts independent and objective investigations relating to GSA programs, operations, and personnel. The office consists of special agents with full, statutory law enforcement authority to make arrests, execute search warrants, serve subpoenas, and carry concealed weapons. Special agents conduct investigations that may be criminal, civil, or administrative in nature and often involve complex fraud schemes. Investigations can also involve theft, false statements, counterfeit or substandard products, embezzlement, bribery, antitrust violations, credit card fraud, diversion of excess government property, and digital crimes.

During this reporting period, we opened 61 investigative cases, closed 64 investigative cases, referred 83 subjects for criminal prosecution, and helped obtain 19 convictions. Civil, criminal, and other monetary recoveries resulting from our investigations totaled more than \$40.3 million.

## CRIMINAL INVESTIGATIONS

### TWO FORMER OWNERS OF COMPETING FUEL TRUCK SUPPLY COMPANIES SENTENCED TO PRISON FOR BID RIGGING AND CONSPIRACY TO MONOPOLIZE

A GSA OIG investigation revealed a scheme perpetrated by Kris Bird and Ike Tomlinson, the owners of competing fuel truck supply companies, to rig bids, allocate territories, and commit wire fraud over an 8-year period related to fuel truck contracts that assist the U.S. Forest Service's efforts to battle wildfires in Idaho and the Mountain West.

The conspiracies included the annual submission of false certifications within the GSA System for Award Management (SAM), including certifications of independent price determination. These certifications falsely stated that (1) the company or its principals would not share any bid prices with competitors, and (2) no attempt had been made or would be made to induce any other concern to submit or not to submit a bid for the purpose of restricting competition. The co-conspirators coordinated their bids to inflate prices and to determine who would have priority to receive business from the U.S. Forest Service and other federal agencies in the event of a wildfire in a specific geographic area. These bids gave the false impression of competition when, in fact, the co-conspirators had predetermined who would receive priority from the U.S. Forest Service. The co-conspirators further coordinated to exclude and punish potential competitors to further maintain the success of their conspiracy.

In June 2025, Tomlinson was sentenced to 12 months and 1 day in prison, 1 year of supervised release, and ordered to pay a \$20,000 fine. Bird was sentenced to 3 months in prison, 1 year of supervised release, and ordered to pay a \$24,000 fine and forfeit more than \$1.54 million as proceeds of his wire fraud offenses. In addition to the criminal sentences, Bird, Tomlinson, and

other related entities and individuals agreed to pay a combined total of more than \$1.88 million to the United States to resolve civil claims related to allegations that they obtained government contracts through bid-rigging and the submission of false SAM certifications, they wrongly obtained a Paycheck Protection Program loan, and other conduct.

GSA OIG investigated this case with the Federal Bureau of Investigation (FBI) and U.S. Department of Agriculture (USDA) OIG. The criminal case was prosecuted by the U.S. Department of Justice (DOJ) Antitrust Division and the U.S. Attorney's Office for the District of Idaho. The civil case was litigated by the U.S. Attorney's Office for the District of Idaho.

### TWO FORMER VA EMPLOYEES AND TWO VENDORS SENTENCED FOR BRIBERY AND PURCHASE CARD SCHEME

A GSA OIG investigation determined that twin sisters Monika Schorer and Teresa Schorer, who were employees of the U.S. Department of Veterans Affairs (VA) Medical Center in Mountain Home, Tennessee, each accepted cash bribes from surgical sales representatives, Eric Smith and Landon Chester, that enabled Smith and Chester to overbill the VA Medical Center. Monika Schorer used her GSA managed government purchase card to pay the overbilled invoices, which were often for medically unnecessary items. The bribes took the form of cash-stuffed envelopes and a promised ownership interest upon retirement in Four Corners Medical Supply and Equipment LLC (Four Corners), which had become a VA vendor with the cooperation of Teresa Schorer. In exchange for the bribes, the Schorers permitted a substantial fraud against the VA; used a VA computer to set up Four Corners in the GSA SAM; hid and concealed their arrangement by making false disclosures on their Office of Government Ethics forms; alerted Smith and Chester when their VA supervisor began asking questions; and provided other assistance to Smith and Chester not generally available to VA vendors. Monika Schorer also issued a letter purportedly from the VA Medical Center to try to thwart the investigation.

On July 23, 2025, Monika and Teresa Schorer were each sentenced to 8 months in prison, 3 years of supervised release, fined \$10,000, and ordered to pay \$213,154 in restitution to the VA. In July and August 2025, Smith and Chester were each sentenced to 12 months and 1 day in prison, 3 years of supervised release, and ordered to pay \$120,433 in restitution to the VA. Smith and Chester will also forfeit their interest in \$185,422 that was seized from bank accounts they controlled. Between restitution and forfeited bank accounts, the United States will recover \$852,598.

GSA OIG proactively developed this investigation using data analytics, in coordination with the Western District of Virginia Financial Task Force. GSA OIG investigated this case with the VA OIG and Internal Revenue Service Criminal Investigation, and it was prosecuted by the U.S. Attorney's Office for the Eastern District of Tennessee.

### CONTRACTOR SENTENCED TO PRISON AND ORDERED TO PAY RESTITUTION FOR HER ROLE IN A SMALL BUSINESS SET-ASIDE PASS-THROUGH SCHEME

A GSA OIG investigation revealed that Nicole Platt falsely certified in the GSA SAM that her company, Broadway Construction, LLC (Broadway), met Small Business Administration HUBZone program requirements. Broadway received seven set-aside contracts from the

Department of the Army valued at \$4.7 million. Broadway acted as a pass-through and allowed Platt Construction, Inc., which was ineligible for the HUBZone program and was owned by Platt's relative, to control and perform work as a subcontractor on Broadway's HUBZone contracts. Platt pleaded guilty to making false statements and on June 11, 2025, she was sentenced to 4 months in prison and ordered to pay \$23,652 in restitution.

GSA OIG investigated this case with Defense Criminal Investigative Service (DCIS), Army Criminal Investigative Division (CID), U.S. Department of Transportation OIG, Small Business Administration OIG, and the FBI. The case was prosecuted by the U.S. Attorney's Office for the Eastern District of Wisconsin.

## CIVIL SETTLEMENTS

### HILL ASC, INC. AGREED TO PAY \$14.75 MILLION TO SETTLE ALLEGED FALSE CLAIMS ACT VIOLATIONS RELATED TO GSA IT CONTRACT

On July 14, 2025, Hill ASC, Inc. (Hill), doing business as Hill Associates, agreed to pay at least \$14.75 million, plus additional amounts if certain financial contingencies occur, to resolve allegations that it violated the False Claims Act in connection with a GSA contract for information technology services. This settlement relates to a contract under which Hill provided IT services to federal agencies from 2018 to 2023 through GSA's MAS program.

The settlement resolves allegations that Hill billed federal agencies for labor of IT personnel who did not have the experience or education required under the contract. In addition, it resolves allegations that, although GSA required technical evaluations for contractors who sought to offer highly adaptive cybersecurity services to government customers, and Hill had not passed such an evaluation, Hill submitted claims for such cybersecurity services and other services that were not within the scope of the MAS contract. Finally, it resolves allegations that Hill charged the government for unapproved fees, failed to provide government customers with required information about discounts for prompt payment, and included unallowable incentive compensation in a cost submission in connection with a new contract proposal.

GSA OIG investigated this case with the Department of the Treasury OIG and the Treasury Inspector General for Tax Administration. The case was litigated by the DOJ Civil Division Commercial Litigation Branch.

### BERG COMPANIES, INC. PAYS \$3.3 MILLION TO SETTLE FALSE CLAIMS ACT ALLEGATIONS

On July 10, 2025, Berg Companies, Inc. (Berg), agreed to pay \$3.3 million to resolve allegations that it violated the False Claims Act by submitting, or causing the submission of, false claims under prime vendor contracts with the Defense Logistics Agency (DLA). Berg manufactures rigid wall shelters and sells them to the federal government, including through various prime vendor programs. Berg was a vendor to Noble Sales Co., Inc. d/b/a Noble Supply & Logistics (Noble), a GSA contract holder, on DLA maintenance, repair, and operations contracts. Under these contracts, DLA can place orders for goods and services through Noble, and Noble is then required to solicit bids from two independently competing vendors for transactions below

\$25,000 and from three independently competing vendors for transactions at or above \$25,000.

Pursuant to the settlement agreement, Berg admitted that, from 2019 to 2021, Berg coordinated with Noble and two other Noble vendors to submit inflated quotes for Berg-made rigid wall shelters so that the other vendors would win the awards at inflated prices. In the first scheme, Berg admitted that it coordinated and submitted inflated quotes on two solicitations for the sale of 10 Berg-made rigid wall shelters that Noble awarded to a New Mexico-based vendor. In the second scheme, Berg admitted that it coordinated and submitted inflated quotes on 26 solicitations for the purchase of 29 Berg-made rigid wall shelters that Noble awarded to a Florida-based vendor. Berg cooperated with the government in this matter. As part of the settlement, Berg acknowledged and accepted responsibility for the facts that form the basis of this settlement.

GSA OIG investigated this case with DCIS and Army CID. The case was litigated by the U.S. Attorney's Office for the District of Massachusetts and the DOJ Civil Division Commercial Litigation Branch.

### NORESCO, LLC, AGREED TO PAY \$9.58 MILLION TO SETTLE ALLEGED FALSE CLAIMS ACT VIOLATIONS

On May 9, 2025, NORESCO, LLC (NORESCO), agreed to pay more than \$9.58 million to the United States to settle allegations of violating the False Claims Act by overcharging federal agencies for energy improvements in connection with 29 federally funded ESPCs. First, NORESCO inflated the cost of a project for the U.S. Navy by \$3.46 million by improperly including contingency costs through inflated subcontractor bids, despite these costs being rejected initially by the Navy. After learning of the investigation, NORESCO refunded \$3.46 million to the Navy. Second, NORESCO overcharged several federal agencies for financing costs on a total of 29 energy savings projects. During the investigation, NORESCO self-disclosed that it had calculated the financing costs incorrectly. NORESCO calculated an aggregate overpayment of \$5.64 million across the 29 projects and it cooperated with the agencies to repay or credit the full amount. NORESCO was credited for its cooperation under DOJ's guidelines for taking disclosure, cooperation, and remediation into account in False Claims Act cases.

GSA OIG investigated this case with Air Force Office of Special Investigations, Army CID, DCIS, U.S. Department of Energy OIG, Naval Criminal Investigative Service, and VA OIG. The case was litigated by the U.S. Attorney's Office for the District of Massachusetts and the DOJ Civil Division Commercial Litigation Branch.

### GSA CONTRACTOR AND OWNER SETTLE LIABILITY FOR FALSE CLAIMS RELATED TO VIOLATIONS OF BUY AMERICAN AND TRADE AGREEMENTS ACTS

On May 14, 2025, LED Lighting Solutions, LLC, and its owner, Thomas DeSantos, entered into a \$300,000 civil settlement agreement with the United States to resolve allegations that they failed to comply with the requirements of the Buy American Act (BAA) and the Trade Agreements Act (TAA) by selling foreign end products to several government procuring



agencies, including by shipping products directly from China to a procuring agency, in violation of the False Claims Act.

The TAA generally bars government procurements of end products from foreign countries that have not entered into trade agreements with the United States. The BAA creates a preference for the government to acquire domestic end products.

In 2013, LED Lighting Solutions was awarded a GSA MAS contract to supply LED lights and lighting products, which required compliance with the TAA. LED Lighting Solutions certified compliance with the TAA and failed to identify any foreign products on its product list each year. The Air Force, Coast Guard, GSA, Department of State, and USDA each ordered products from LED Lighting Solutions' GSA MAS contract. The government contended that LED Lighting Solutions and DeSantos falsely certified that they were providing these agencies with TAA-compliant end products when, in fact, some of the end products were manufactured in China, which has not entered into a trade agreement with the United States. This included at least one contract for which LED Lighting Solutions and DeSantos arranged to have products shipped directly from China to the procuring agency.

GSA OIG investigated this case with DCIS, the Defense Contract Audit Agency, Army CID, Coast Guard, Air Force Office of Special Investigations, DOJ OIG, and the FBI.

### OFFICE FURNITURE SUPPLIER VARI AGREED TO PAY \$1.1 MILLION TO SETTLE FALSE CLAIMS ACT ALLEGATIONS

On April 15, 2025, Varidesk, LLC and Vari Sales Corporation, which do business together under the name VARI, agreed to pay \$1.1 million to resolve allegations that VARI violated the False Claims Act by failing to give the United States matching price discounts provided to other customers as required by VARI's contract with the GSA, while falsely representing to the United States that VARI had complied with those contractual requirements.

Pursuant to VARI's GSA MAS contract, VARI promised that GSA would receive discounts that were equivalent to those VARI provided to other customers in the "basis-of-award" category defined by the contract. The settlement agreement resolved allegations that VARI knowingly failed to provide GSA with price discounts that it provided to other customers in the basis-of-award category, in violation of its contract, and thus knowingly caused false or fraudulent claims for payment to be made to GSA.

This case was litigated by the U.S. Attorney's Office for the Northern District of California.

### BOOZ ALLEN HAMILTON INC. SETTLES ALLEGATIONS OF LABOR OVERCHARGING ON GOVERNMENT CONTRACT

On April 4, 2025, Booz Allen Hamilton Inc. (BAH), agreed to pay \$422,557 to settle allegations that a BAH employee assigned to work on a GSA contract overreported their time, resulting in BAH issuing invoices for services under the contract that were not performed. BAH agreed to settle allegations for common law claims of payment by mistake and unjust enrichment.

This investigation was initiated after BAH made a contractor disclosure. BAH received credit under DOJ's guidelines for taking disclosure, cooperation, and remediation into account.

GSA OIG investigated this case with the Defense Intelligence Agency OIG. The case was litigated by the U.S. Attorney's Office for the Eastern District of Virginia.

# ADMINISTRATIVE MISCONDUCT

## GSA EMPLOYEE COLLECTED U.S. LOCALITY PAY WHILE WORKING ABROAD

A GSA OIG investigation determined that while working abroad without authorization, a GSA project manager received New York-Newark locality pay to which they were not entitled. Federal employees receive locality pay based on where they regularly perform work. The investigation revealed that the project manager regularly traveled outside the United States for extensive periods of time in excess of 30 days and certified their timesheets as if they were teleworking or in the office. The project manager resigned when GSA OIG investigators attempted to interview them. GSA confirmed that a debt of \$89,402 was established for the project manager in order to recoup the loss to the government. The U.S. Attorney's Office declined criminal prosecution. The investigation was initiated based on information developed by GSA OIG's Data Analytics Unit.

## GSA EMPLOYEE ABUSED MEDICAL ACCOMMODATION TO WORK A SECOND JOB

GSA OIG initiated an investigation into allegations that a GSA data management specialist was simultaneously working as a schoolteacher during their scheduled tour of duty. The investigation determined the data management specialist abused their medical accommodation to hide their simultaneous employment as a full-time teacher with the New York City Department of Education from August 2022 through June 2024. The data management specialist was found to be teaching during their core GSA work hours, as well as abusing sick leave to take time off to teach. The data management specialist also falsified GSA time sheets and failed to disclose their teaching position to GSA. The employee resigned from GSA after being interviewed by GSA OIG investigators.

GSA OIG investigated this case with the Office of the Special Commissioner of Investigation for the New York City School District. The U.S. Attorney's Office declined criminal prosecution.

## GSA EMPLOYEE PROPOSED FOR TERMINATION FOR CONDUCT UNBECOMING A FEDERAL EMPLOYEE

GSA OIG initiated an investigation into allegations that a GSA employee was using government furnished equipment for personal use. It was alleged that the employee was viewing inappropriate images on the internet and communicating with Chinese women using government furnished equipment, creating an insider threat concern. The investigation determined: (1) the GSA employee misused the government furnished equipment, including the GSA-issued cellular phone, to send and receive explicit conversations and photographs; (2) the employee used the government furnished equipment to communicate with foreign nationals; and (3) the employee failed to disclose to investigators the misuse of government furnished equipment.

The GSA employee retired after GSA officials issued a notice of proposed removal to the employee for: (1) Conduct Unbecoming a Federal Employee; (2) Unauthorized Use of Government Issued Equipment; and (3) Lack of Candor.

## FLEET CARD FRAUD

The Office of Investigations collaborates with GSA's Fleet Loss Prevention Team to prevent, detect, and investigate fraud involving GSA's government-wide Fleet program. During this reporting period, these investigations uncovered stolen government vehicles, felony credit card theft, identity theft, counterfeit credit cards, and use of GSA Fleet cards for personal gain.

Examples of GSA OIG Fleet card fraud cases include the following:

- U.S. Department of Health and Human Services Supply Technician Don S. Polite fraudulently used a Fleet card to make purchases for his personal benefit. Polite pleaded guilty and was sentenced to 12 months of probation, 20 hours of community service, and ordered to pay \$7,061 in restitution to the government. GSA OIG investigated this case with U.S. Department of Health and Human Services OIG. The case was prosecuted by the U.S. Attorney's Office for the District of Maryland.
- USDA employee Victor Mazon fraudulently used a Fleet card assigned to the USDA's Federal Grain Inspection Service, to purchase fuel for himself, friends, and associates. Mazon pleaded guilty to felony theft and was sentenced to 24 months of probation, 30 hours of community service, and ordered to pay \$10,554 in restitution. GSA OIG investigated this case with the USDA OIG. The case was prosecuted in the Circuit Court of Cook County, Illinois.
- U.S. Navy Systems Command employee Stephen Bowman fraudulently used a Fleet card assigned to a GSA vehicle leased to the Navy for his personal benefit. Bowman pleaded guilty to credit card fraud and was sentenced to 5 years in prison, suspended on the condition of good behavior, and ordered to pay restitution in the amount of \$265 and other court costs. GSA OIG investigated this case with the Hampton Police Department. The case was prosecuted by the Virginia Office of the Attorney General.
- Tracy Albea, a safety and security advisor for a U.S. Department of Labor subcontractor, fraudulently used GSA Fleet cards to purchase fuel for his personal benefit. Albea pleaded guilty to felony grand larceny and was sentenced to 5 years of probation and was ordered to pay \$3,662 in restitution and a \$375 fine. On May 2, 2025, Albea was debarred from government contracting until May 2028. GSA OIG investigated this case with U.S. Department of Labor OIG and the Bethlehem Police Department. The case was prosecuted by the Albany County District Attorney's Office.

- VA employee Thomas Jacobs, Jr., fraudulently used Fleet cards assigned to the VA Medical Center in Houston, Texas, to make purchases for his personal benefit. Jacobs pleaded guilty to credit card abuse and theft, and was sentenced to 3 years of probation, 200 hours of community service, and ordered to pay \$3,300 in restitution and a \$1,000 fine. GSA OIG investigated this case, and the case was prosecuted by the Brazoria County District Attorney's Office.
- David Boswell, a contract employee at Naval Air Station Pensacola in Pensacola, Florida, pleaded guilty to theft of government property and was sentenced to 12 months of probation. The GSA OIG investigation determined that Boswell stole a GSA vehicle and tools from the Naval Air Station. GSA OIG investigated this case with the Naval Air Station Pensacola Police Department. The case was prosecuted by the U.S. Attorney's Office for the Northern District of Florida.
- Ashley Melton pleaded guilty to burglary, criminal trespassing, theft from a motor vehicle, unauthorized use of a motor vehicle, and theft by unlawful taking. Melton trespassed into an Amtrak station in Lancaster, Pennsylvania, and stole a GSA vehicle as well as Amtrak property. The GSA vehicle was recovered in a parking lot in Aberdeen, Maryland. Melton was sentenced to 3 months of confinement and was ordered to pay \$2,190 in court fees. GSA OIG investigated this case with the Amtrak Police Department. The case was prosecuted by the Lancaster County District Attorney's Office.
- Christopher Gonzalez pleaded guilty to grand theft and possession of a controlled substance and was sentenced to 24 months in prison and ordered to pay \$1,123 to the court. The GSA OIG investigation determined that Gonzalaz stole a GSA vehicle that was leased to the U.S. Marine Corps Recruiting Station in Fort Myers, Florida. GSA OIG investigated this case with the Collier County Sheriff's Office. The case was prosecuted by the State Attorney's Office for the Twentieth Judicial Circuit of the State of Florida.
- Fernando Proll San Juan pleaded guilty to access device fraud and aggravated identity theft and was sentenced to 54 months in prison, 3 years of supervised release, and 1,000 hours of community service. GSA OIG initiated this investigation based on a referral by the GSA Loss Prevention Team identifying suspicious Fleet card transactions. The investigation revealed that Proll San Juan possessed a credit card encoder and more than 4,500 unique access devices - primarily consisting of victims' credit card account information, including names, account numbers, and track data. Proll San Juan purchased credit card information online as well as from individuals who obtained credit card information from skimmers placed on gas pumps, with the intent to resell them to others. GSA OIG investigated this case with the U.S. Secret Service. The U.S. Attorney's Office prosecuted the case for the Southern District of Florida.
- Miguel Caballero Baez pleaded guilty to identity theft and felony theft of less than \$25,000 and was sentenced to 18 months of probation and ordered to pay \$3,413 in restitution. GSA OIG began this investigation after proactively identifying five Fleet cards being used to obtain large quantities of diesel fuel. The investigation revealed that Caballero Baez fraudulently purchased diesel fuel using Fleet cards that had been skimmed. When Caballero Baez was arrested, he had 18 cloned credit cards in his

possession. GSA OIG investigated this case with Homeland Security Investigations and the Olathe Police Department. The case was prosecuted by the Johnson County District Attorney's Office in Olathe, Kansas.

## NEW DEAL ART INVESTIGATIONS

During the New Deal era, the federal government created and administered four separate art projects that operated from 1933 to 1943 to create employment opportunities. The Works Progress Administration (WPA) was the largest of the New Deal era programs. New Deal artwork was produced by artists who created thousands of paintings, sculptures, and works on paper. The federal government loaned the available art to public agencies and nonprofit institutions throughout the nation.

GSA is responsible for inventorying and cataloguing the loaned pieces of art. More than 23,000 pieces of artwork have been located. Some circumstances have contributed to the separation of the borrowers from the artwork, resulting in New Deal art changing hands, with some pieces finding their way into private possession. GSA's Fine Arts Program and GSA OIG work together to locate, identify, and recover lost works of art.

As a direct result of these cooperative efforts, two lost pieces of artwork were recovered and inventoried during this reporting period:

- A citizen located in Addison, Illinois, contacted the OIG informing us they were in possession of "Signal," by Julia Thecla. The OIG recovered this painting from the citizen and delivered the painting to the Illinois State Museum, where it will be displayed.
- A citizen notified the OIG that "Chief Ouray" by Sam H. Ray, was listed on an online auction. The OIG coordinated with the auctioneer to locate the painting. GSA agreed upon a formal loan for the Southern Ute Tribe Cultural Center and Museum to display the painting in its facility in Ignacio, Colorado.

New Deal artwork is not subject to public sale, but the internal estimated value of these recovered and inventoried pieces is \$11,000. Since cooperative efforts began between the OIG and GSA in 2001, 817 pieces of art have been recovered, with an estimated value of \$8,886,550.\*



"Signal" by Julia Thecla



"Chief Ouray" by Sam H. Ray

***\*This dollar amount includes all pieces of artwork recovered through the joint publicity/recovery efforts of GSA OIG and GSA. Not all recoveries require direct intervention by GSA OIG; some are direct "turn ins" to GSA as result of our combined public information campaigns and/or internet searches that reveal the claim of ownership by the government. The internal estimated value is for internal use only and is not a formal appraisal or representative of the market value of the artwork.***

## OTHER SIGNIFICANT WORK

### SUSPENSION AND DEBARMENT INITIATIVE

The FAR authorizes federal agencies to suspend or debar individuals or companies for the commission of any offense indicating a lack of business integrity or business honesty that directly affects the present responsibility of a government contractor or subcontractor. The OIG has made it a priority to refer instances of misconduct by individuals and companies to GSA so it can take appropriate suspension and debarment actions and protect the government from fraud, waste, and abuse.

During this reporting period, the OIG made 19 referrals for consideration of suspension or debarment to the GSA Office of Acquisition Policy or other federal debarment officials. There were 121 actions issued based on current and previous OIG referrals.

### INTEGRITY AWARENESS

The OIG gives Integrity Awareness Briefings nationwide to educate GSA employees and others on the prevention of fraud, waste, and abuse. During this reporting period, we gave 33 briefings, which were attended by 1,043 GSA employees, other government employees, and government contractors. These briefings explain the statutory mission of the OIG and the methods available for reporting suspected instances of wrongdoing. In addition, through case studies, the briefings make GSA employees aware of actual instances of fraud in GSA and other federal agencies and help prevent fraud's recurrence.

### HOTLINE

The OIG hotline provides an avenue for employees and other concerned citizens to report suspected wrongdoing. Hotline posters located in GSA-controlled buildings encourage employees to use the hotline. Our hotline also allows online submission of complaints.

During the reporting period, we received 757 hotline contacts. Of these, 88 were referred to GSA program officials for review and appropriate action, 21 were referred to other federal agencies, 64 were referred to the OIG Office of Audits, 1 was referred to the OIG Office of Inspections, 2 were referred to the OIG Office of Counsel, and 49 were referred to investigative field offices for investigation or further review.



## STATISTICAL SUMMARY OF OIG INVESTIGATIONS

April 1, 2025 – September 30, 2025

OFFICE OF INVESTIGATIONS	
Referrals for criminal prosecution, civil litigation, administrative action, suspension, and debarment	172
Indictments and informations on criminal referrals*	21
Subjects accepted for criminal prosecution	35
Subjects accepted for civil action	27
Convictions	19
Civil settlements/judgments	12
Contractors/individuals suspended and debarred	121
Employee actions taken on administrative referrals involving government employees	16
Investigative reports**	8
Number of subpoenas	26
Total Investigative Receivables and Recoveries***	\$ 40,369,022

\*The total number of criminal indictments and criminal informations includes all criminal charging documents resulting from any prior referrals to prosecutive authorities.

\*\*The total number of investigative reports includes reports of investigations and letterhead reports, which summarize the results of an official investigation, that were referred to GSA officials for a response in consideration of taking administrative action or for information only.

\*\*\*This includes civil judgments and settlements; ordered criminal fines, penalties, and restitution; forfeiture; administrative recoveries; and recovered government property.

### INVESTIGATIVE WORKLOAD

The OIG opened 61 investigative cases and closed 64 cases during this reporting period.

### REFERRALS

The OIG makes criminal and civil referrals to the DOJ or other authorities for prosecutive and litigative consideration. The OIG also makes administrative referrals to GSA officials on certain cases disclosing wrongdoing by GSA employees, contractors, or private individuals doing business with the government.



## SIGNIFICANT INVESTIGATIONS

Table 1. Summary of OIG Referrals

TYPE OF REFERRAL	CASES	SUBJECTS
Civil	23	38
Criminal (DOJ)*	43	75
Criminal (State/Local)**	5	8
Administrative Referrals for Action/Response	26	32
Suspension	1	5
Debarment	8	14
<b>TOTAL</b>	<b>106</b>	<b>172</b>

\*The total number of persons referred to DOJ for criminal prosecution includes both individuals and companies that have been referred to DOJ for criminal prosecutorial consideration.

\*\*The total number of persons referred to state and local authorities includes both individuals and companies that have been referred to authorities, other than DOJ, for criminal prosecution. Referrals to military authority for prosecution under the Uniform Code of Military Justice are also included in this metric.

### ACTIONS ON OIG REFERRALS

Based on these and prior referrals, 35 subjects were accepted for criminal prosecution and 27 subjects were accepted for civil litigation. Criminal cases originating from OIG referrals resulted in 21 indictments or informations and 19 convictions. OIG civil referrals resulted in 12 subject settlements/judgments. Based on OIG administrative referrals, 71 contractors or individuals were debarred, 50 contractors or individuals were suspended, and 16 personnel actions were taken against a government employee.

## SIGNIFICANT INVESTIGATIONS

### Monetary Results

Table 2 presents the amounts of fines, penalties, settlements, recoveries, forfeitures, judgments, and restitutions payable to the U.S. Government and other victims as a result of criminal and civil actions arising from OIG referrals. Table 3 presents the amount of administrative recoveries and forfeitures as a result of investigative activities. Criminal, civil, and other monetary recoveries arising from our work totaled more than \$40.3 million.

Table 2. Criminal and Civil Results

	CRIMINAL	CIVIL
Fines and Penalties	\$165,100	\$0
Settlements/Judgments		\$32,660,118
Recoveries/Forfeitures	\$3,497,807	\$0
Restitutions	\$710,099	
<b>TOTAL</b>	<b>\$4,373,006</b>	<b>\$32,660,118</b>

Table 3. Non-Judicial Recoveries\*

Administrative Recoveries	\$3,333,790
Forfeitures/Restitution	\$2,108
<b>TOTAL</b>	<b>\$3,335,898</b>

\*This total includes the FAR disclosures reported on page 21

## ANNUAL REPORTING REQUIREMENT

### TRAFFICKING VICTIMS PREVENTION AND PROTECTION REAUTHORIZATION ACT

The Trafficking Victims Prevention and Protection Reauthorization Act (TVPPRA) is a series of laws that enhance the efforts to prevent human trafficking, identify and support victims, and hold offenders accountable. The TVPPRA has been reauthorized several times since 2000, most recently on January 5, 2023, with different modifications and additions. TVPPRA mandates a reporting requirement that the OIG, in consultation with the head of GSA, submit the following information in an annual report:

- 1) the number of suspected violations reported;
- 2) the number of investigations;
- 3) the status and outcomes of such investigations; and
- 4) any recommended actions to improve the programs and operations of the agency.

## SIGNIFICANT INVESTIGATIONS

As of the end of this reporting period, no suspected violations of the act were reported to the OIG, and no investigations were initiated.

# APPENDIXES

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## APPENDIX I: ACRONYMS AND ABBREVIATIONS

Anderson Building	Glenn M. Anderson Federal Building	IT	information technology
BAA	Buy American Act	Javits Building	Jacob K. Javits Federal Building
BAH	Booz Allen Hamilton	LPOE	Land Port of Entry
Battery systems	battery energy storage systems	MAS	Multiple Award Schedule
Berg	Berg Companies Inc.	Noble	Noble Supply & Logistics
BPA	Blanket Purchase Agreement	NCR	National Capital Region
Broadway	Broadway Construction LLC	OAS	Office of Administrative Services
CAP	Corrective Action Plan	OASIS	Occupancy Agreement Space Inventory System
CICA	Competition in Contracting Act of 1984	O&M	Operations and Maintenance
CID	Criminal Investigation Division	OGP	Office of Government-wide Policy
CIGIE	Council of the Inspectors General on Integrity and Efficiency	OIA	Office of Internal Acquisition
CIO	Chief Information Officer	OIG	Office of Inspector General
CMc	Construction Manager as Constructor	OSHA	Occupational Safety and Health Administration
COVID-19	Coronavirus disease 2019	PBS	Public Buildings Service
CPB	U.S. Customs and Border Protection	PMR	procurement management review
CSP	Commercial Sales Practices	PMRD	Procurement Management Review Division
DCIS	Defense Criminal Investigative Service	Reagan Building	Ronald Reagan Federal Building and U.S. Courthouse
DLA	Defense Logistics Agency	Region 2	Northeast and Caribbean Region
DOJ	U.S. Department of Justice	Region 9	Pacific Rim Region
ERM	Enterprise Risk Management	Russell Building	Richard B. Russell Federal Building and U.S. Courthouse
ESCO	energy service company	SAM	System for Award Management
ESPC	energy savings performance contract	TAA	Trade Agreements Act
FAEC	Federal Audit Executive Council	TDR	Transactional Data Reporting
FAR	Federal Acquisition Regulation	TTS	Technology Transformation Services
FAS	Federal Acquisition Service	TVPRA	Trafficking Victims Prevention and Protection Reauthorization Act
FBI	Federal Bureau of Investigation	U.S.C.	United States Code
FY	Fiscal Year	USDA	U.S. Department of Agriculture
GDA	Geospatial Data Act	VA	U.S. Department of Veterans Affairs
GMP	Guaranteed Maximum Price	WPA	Works Progress Administration
GSA	U.S. General Services Administration		
GSAM	General Services Acquisition Manual		
Hill	Hill ASC, Inc.		

## APPENDIX II: UNIMPLEMENTED RECOMMENDATIONS

Section 405(b)(3) of the Inspector General Act of 1978, as amended, requires that this report includes an identification of each recommendation made before the reporting period for which corrective action has not been completed, and that it includes the potential costs savings associated with the recommendation. Additionally, this appendix includes a list of significant recommendations unimplemented due to Agency disagreement.

### UNIMPLEMENTED RECOMMENDATIONS ISSUED DURING PRIOR PERIODS

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#### CHILD CARE CENTERS IN GSA-CONTROLLED BUILDINGS HAVE SIGNIFICANT SECURITY VULNERABILITIES (A170119/P/6/R20001, JANUARY 30, 2020)

We recommend that the PBS Commissioner:

- Address the specific vulnerabilities we identified for the child care centers by [redacted].
- Conduct a comprehensive assessment to identify security vulnerabilities at each child care center located in a GSA-controlled building and expedite action to upgrade these buildings to the minimum security standards. If PBS cannot address vulnerabilities identified in these buildings, the child care centers should be moved to safer locations.

#### AUDIT OF GSA'S RESPONSE TO COVID-19: PBS FACES CHALLENGES TO ENSURE WATER QUALITY IN GSA-CONTROLLED FACILITIES (A201018/P/4/R24005, JULY 22, 2024)

We recommend that the PBS Commissioner provide appropriate oversight to ensure water is safe to occupants in its buildings by:

- Defining roles and responsibilities for maintaining water quality in GSA-controlled facilities.
- Ensuring that:
  - Water quality is maintained through consistent policies and practices nationwide;
  - Deviations to PBS's *Drinking Water Quality Management* policy and the PBS water safety guidance are approved by PBS's Central Office; and
  - Any water safety policies or guidance developed by regional offices do not contradict policies and guidance issued at the national level.
- Ensuring that PBS's water safety activities are incorporated into O&M contracts, recorded in PBS's National Computerized Maintenance Management System, and overseen by PBS personnel.
- Incorporating PBS's water safety oversight responsibilities into quality assurance surveillance plans for O&M contracts to ensure contractor compliance with water safety activities.
- Ensuring that PBS personnel and O&M contractors have access to tenant spaces so flushing can be performed.

- Amending O&M and other contracts to ensure that energy efficiency and water conservation requirements do not conflict with PBS's *Drinking Water Quality Management* policy and the PBS water safety guidance.
- Ensuring water quality test results—especially those above EPA action levels—are communicated timely to building tenants, GSA child care center operators, and parents and guardians of affected children.
- Amending and implementing PBS's *Drinking Water Quality Management* policy to:
  - Include reduced occupancy or decreased water usage as additional criteria for lead, copper, Legionella bacteria, and other contaminant testing;
  - Ensure requirements in PBS's *Drinking Water Quality Management* policy, its companion *Desk Guide for Drinking Water Quality Management*, and the PBS water safety guidance are incorporated into the amended policy, unless there are safety reasons why such requirements cannot or should not be incorporated; and
  - Formalize its requirement to complete additional testing at child care centers that close for extended periods of time.

### GSA SHOULD STRENGTHEN THE SECURITY OF ITS ROBOTIC PROCESS AUTOMATION PROGRAM (A230020/B/T/F24004, AUGUST 6, 2024)

We recommend that GSA's Chief Financial Officer and Chief Information Officer:

- Conduct a comprehensive assessment of GSA's CIO-IT Security-19-97, *IT Security Procedural Guide: Robotic Process Automation Security*, (RPA policy) to ensure, among other things, that its monitoring controls are effectively designed and implemented.
- Develop oversight mechanisms to enforce compliance with the RPA policy and ensure that controls are operating effectively.
- Review all system security plans that bots currently interact with to determine if they address bot and non-person entity access. Update the system security plans, as needed.
- Review all system security plans that bots currently interact with to determine if the security controls need to be updated. Update the system security plans, as needed.

### FIRE SAFETY AND ACCESSIBILITY DEFICIENCIES AT THE GSA HEADQUARTERS BUILDING IN WASHINGTON, D.C. (A240018/P/R/R24007, AUGUST 12, 2024)

We recommend that the PBS NCR Regional Commissioner:

- Take immediate actions to improve management oversight of its facilities to reassess compliance with Architectural Barriers Act Accessibility Standards and Occupational Safety and Health Administration requirements at the GSA headquarters building by:
  - Reviewing designated wheelchair-accessible restrooms to ensure individuals with disabilities have easy access and adjusting any restroom doors to fall within the acceptable range for accessibility.
  - Addressing the functionality and compliance of all elevators, ensuring that each elevator is equipped with an automatic verbal announcement feature.
  - Stabilizing the handrail for the wheelchair ramp at the entrance of the building.



## AUDIT OF GSA'S COMPLIANCE WITH THE GEOSPATIAL DATA ACT OF 2018 (A240028/I/T/F24006, SEPTEMBER 30, 2024)

We recommend that GSA's Chief Information Officer:

- Implement controls to ensure that the Inventory of Owned and Leased Properties (IOLP) and Federal Real Property Profile Management System (FRPP MS) datasets contain accurate latitude and longitude coordinates based on each property's physical location except for those properties with a clear exemption for national security.

## UNRESTRICTED SUMMARY: FACILITY SECURITY OF A HIGH-RISK GSA BUILDING (JE25-001, OCTOBER 16, 2024)

We made two recommendations for corrective action. Our report addressed issues categorized as physical security information under GSA Order PBS 3490.3 CHGE 1, Security for Sensitive Building Information Related to Federal Buildings, Grounds, or Property, March 22, 2021. Therefore, our report requires safeguarding and dissemination controls and is not available to the public.

## EVALUATION OF GSA'S SITE SELECTION PROCESS FOR THE RELOCATION OF THE FEDERAL BUREAU OF INVESTIGATION'S HEADQUARTERS (JE25-002, FEBRUARY 3, 2025)

We recommend that the Administrator should:

- Require all GSA personnel involved with the FBI headquarters relocation project and any future projects to review and ensure records created via text messages and chats from any device are preserved within a GSA system to comply with the Federal Records Management regulations.

We recommend that the PBS Commissioner should:

- Establish policies on developing, changing, and approving site selection plans to ensure that the criteria and any changes are sufficiently justified and supported.
- Establish policies and processes to ensure that the site selection data is relevant, accurate, complete, and current.

## GSA IS NOT EFFECTIVELY MANAGING ITS INTERNAL SPACE TO REFLECT OCCUPANCY CHANGES (A240044/P/R/R25001, MARCH 19, 2025)

We recommend that the Acting GSA Administrator:

- Improve the management of GSA's occupancy agreements. Specifically, GSA should:
  - Conduct a comprehensive review of the Occupancy Agreement Space Inventory System (OASIS) and verify and validate that there are no discrepancies in the occupancy agreement space reporting for GSA-occupied space.
  - Develop a process to periodically review and verify that occupancy agreements are properly cancelled in OASIS and ensure that all notifications and supporting documents are properly tracked in OASIS in accordance with the space release process.
  - Correct the \$520,155.69 of imputed rent for the PBS space in the U.S. Department of the Interior headquarters building that GSA no longer occupies.

UNIMPLEMENTED RECOMMENDATIONS DUE TO AGENCY DISAGREEMENT

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## GSA'S DECISIONS TO VACATE AND RENOVATE THE LEASED FEDERAL COURTHOUSE IN PENSACOLA ARE BASED ON FAULTY PREMISES (A150132/P/4/R17001, OCTOBER 25, 2016)

We recommend that the GSA Administrator direct PBS to:

- Reanalyze options for housing the tenants of the 1 North Palafox Street courthouse. As part of this analysis, PBS should:
  - Ensure an equal comparison of the options is reflected;
  - Ensure that the designs for the renovation, new, and leased construction options meet current building standards;
  - Ensure the designs for the new and leased construction options comply with the U.S. Courts Design Guide;
  - Ensure the estimated reversion values of the new and leased courthouse options are developed by an independent appraiser;
  - Ensure lease-buyout and other potential settlement costs are incorporated; and
  - Develop and incorporate realistic project schedules into the financial analysis that are based on historical performance of projects with similar scope or scale.
- Suspend all contracts and procurements for the prospectus project until PBS secures ownership of the 1 North Palafox Street courthouse, if PBS's revised analysis demonstrates that ownership is in the best interest of the government.

## PBS NATIONAL CAPITAL REGION'S \$1.2 BILLION ENERGY SAVINGS PERFORMANCE CONTRACT FOR WHITE OAK WAS NOT AWARDED OR MODIFIED IN ACCORDANCE WITH REGULATIONS AND POLICY (A150009/P/5/R17006, AUGUST 24, 2017)

We recommend that the Regional Commissioner, PBS NCR:

- Take immediate action to expedite the procurement of a new O&M contract that adheres to competition requirements specified in the Competition in Contracting Act of 1984 and the FAR;
- Determine and implement the appropriate corrective action needed for PBS NCR personnel's non-compliance with competition requirements; and
- Once the procurement of a new O&M contract is secured, as stated in *Finding 1*, include the Limitation of Government Obligation clause on all non-ESPC O&M services.

## EVALUATION OF GSA NONDISCLOSURE POLICY (JE18-002, MARCH 8, 2018)

We recommend that GSA's leadership should:

- Clarify GSA's policy on communications with Members of Congress in GSA's order on congressional and intergovernmental inquiries and relations.

## EVALUATION OF GSA'S MANAGEMENT AND ADMINISTRATION OF THE OLD POST OFFICE BUILDING LEASE (JE19-002, JANUARY 16, 2019)

We recommend GSA:

- Determine the purpose of the Interested Parties provision;
- Conduct a formal legal review by Office of General Counsel that includes consideration of the Foreign and Presidential Emoluments Clauses; and

- Revise the language to avoid ambiguity.

**GSA'S TRANSACTIONAL DATA REPORTING PILOT IS NOT USED TO AFFECT PRICING DECISIONS (A140143/Q/6/P21002, JUNE 24, 2021)**

We recommend that the FAS Commissioner:

- Take immediate action to mitigate the risks associated with the TDR pilot by restricting additional contractors from opting into the TDR pilot and restricting access to, and use of, the TDR pilot data; and
- Develop and implement an exit strategy for the TDR pilot and transition participating contractors out of the TDR pilot.

**FAS CANNOT PROVIDE ASSURANCE THAT MAS CONTRACT PRICING RESULTS IN ORDERS ACHIEVING THE LOWEST OVERALL COST ALTERNATIVE (A200975/Q/3/P22002, SEPTEMBER 30, 2022)**

We recommend that the FAS Commissioner:

- Cancel the TDR pilot in accordance with FAS Policy and Procedures 2016-11, *Transactional Data Reporting – Federal Supply Schedule Program Implementation*, Paragraph 8(G), Pilot Cancellation. We recognize that FAS rejected recommendations made in *GSA's Transactional Data Reporting Pilot Is Not Used to Affect Pricing Decisions*, (Report Number A140143/Q/6/P21002), including that FAS develop and implement an exit strategy for the TDR pilot and transition participating contractors out of the TDR pilot. However, we continue to conclude that the TDR pilot should be canceled. After 6 years, the TDR pilot still has not resulted in a viable pricing methodology that ensures compliance with the CICA's requirement for orders to result in the lowest overall cost alternative to meet the government's needs.
- Inform customer agencies that they should perform separate and independent price determinations because relying on MAS contract pricing and following the ordering procedures in FAR 8.405, *Ordering procedures for Federal Supply Schedules*, may not ensure compliance with the CICA requirement that orders and contracts result in the lowest overall cost alternative. This should continue until the requirements and controls outlined in Recommendation 3 are set in place to ensure compliance with CICA.
- Establish requirements and controls to ensure that FAS contracting personnel adequately analyze CSP information to negotiate pricing consistent with CICA, FAR, and General Services Administration Acquisition Regulation 538.270-1, *Evaluation of offers*, without access to transactional data and to clearly identify and support the determination of most favored customer pricing.
  - FAS should ensure that offerors provide its contracting personnel with detailed information about the sales volumes, terms and conditions of pricing agreements, and any additional transactional discounts or pricing terms offered to individual commercial customers that receive the best pricing for the products and services proposed for the MAS contract.
  - FAS should establish protocols that require offerors to submit other than certified cost or pricing data to support proposed pricing when offerors do not have comparable sales to customers outside of their MAS contract.

- FAS should cancel FAS Policy and Procedures 2017-02, *Updated Procedures for Exercising the Option to Extend the Term of a Federal Supply Schedule Contract*, and develop and implement policy and procedures directing FAS's contracting personnel to perform price analyses of CSP disclosures provided by the offeror for MAS contract option extensions.

### GSA'S ADMINISTRATION OF PERFORMANCE-BASED CONTRACTS PUTS THE GOVERNMENT AT RISK OF UNSATISFACTORY CONTRACTOR PERFORMANCE AND WASTED FUNDS (A210064/A/3/F23002, FEBRUARY 9, 2023)

We recommend that the GSA Administrator, through the FAS and PBS Commissioners, and the Assistant Administrator for the Office of Administrative Services:

- Revise or issue Agency policy to ensure:
  - The appropriate oversight of acquisition planning activities for performance-based service contracts, including the creation of a quality assurance surveillance plan that complies with applicable regulations; and
  - Contracting personnel have clear, descriptive instruction on how to monitor and enforce quality assurance surveillance plans during contract administration to ensure compliance and improve acquisition outcomes.
- Implement management oversight to ensure contracting personnel comply with policies and procedures intended to ensure sufficient government oversight of contractor performance.

## APPENDIX III: AUDIT AND INSPECTION REPORT REGISTER

				FINANCIAL RECOMMENDATIONS	
DATE OF REPORT	REPORT NUMBER	TITLE	DECISION DATE	FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS
Note: Because some audits pertain to contract awards or actions that have not yet been completed, the financial recommendations related to these reports are not listed in this Appendix.					
PBS PERFORMANCE AUDITS					
06/17/2025	A240064	Safety and Accessibility Deficiencies at the Jacob K. Javits Federal Building in New York, New York	08/26/2025		
07/01/2025	A240046	PBS Should Improve Its Oversight of the Energy Savings Performance Contract in Texas and Louisiana	09/08/2025		
08/14/2025	A240041	Audit of Roof Fall Protection and Safety in GSA-Owned Buildings			
08/20/2025	A230079	PBS’s Pacific Rim Region Grossly Mismanaged the Battery Energy Storage Systems at the Glenn M. Anderson Federal Building and the Ronald Reagan Federal Building and U.S. Courthouse, Resulting in Health and Safety Issues			
09/15/2025	A230058	PBS’s Administration of Construction Manager as Constructor Contracts Needs Improvement			
PBS CONTRACT AUDITS					
05/05/2025	A230064	Independent Examination of a Claim	08/11/2025		
05/08/2025	A240080	Independent Examination of a Claim	08/11/2025		
05/28/2025	A250042	Independent Review of a Cost Accounting Standards Board Disclosure Statement	05/28/2025		
06/12/2025	A240058	Independent Examination of a Final Settlement Proposal	06/12/2025		
07/22/2025	A240082	Independent Examination of a Termination Settlement Proposal	07/30/2025		
FAS PERFORMANCE AUDITS					
07/14/2025	A240037	GSA's Technology Transformation Services Violated Hiring Rules and Overpaid Incentives			
FAS CONTRACT AUDITS					
04/21/2025	A240059	Independent Preaward Examination of Multiple Award Schedule Contract	07/07/2025		
05/27/2025	A240063	Independent Preaward Examination of Multiple Award Schedule Contract	07/01/2025		
06/02/2025	A240071	Independent Preaward Examination of Multiple Award Schedule Contract	07/28/2025		
07/24/2025	A240043	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract	09/23/2025		\$201,263

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DATE OF REPORT	REPORT NUMBER	TITLE	DECISION DATE	FINANCIAL RECOMMENDATIONS	
				FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS
07/28/2025	A250020	Independent Preaward Examination of Multiple Award Schedule Contract	09/25/2025		
07/30/2025	A240081	Independent Preaward Examination of Multiple Award Schedule Contract	09/18/2025		\$28,591
08/08/2025	A240085	Independent Preaward Examination of Multiple Award Schedule Contract	09/08/2025		\$3,722
08/12/2025	A240078	Independent Preaward Examination of Multiple Award Schedule Contract	09/16/2025		\$48,159
08/28/2025	A230025	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract			\$2,545,804
09/25/2025	A220025	Independent Postaward Examination of Multiple Award Schedule Contract	09/25/2025		\$14,750,000
09/29/2025	A250026	Independent Preaward Examination of Multiple Award Schedule Contract			\$101,952
09/30/2025	A240086	Independent Preaward Examination of Multiple Award Schedule Contract			\$38,991
09/30/2025	A250031	Independent Preaward Examination of Multiple Award Schedule Contract			\$105,982
OTHER PERFORMANCE AUDITS					
05/16/2025	A250015	GSA Complied with the Payment Integrity Information Act for Fiscal Year 2024	05/16/2025		
05/28/2025	A230074	The Office of Government-Wide Policy's Procurement Management Review Division Should Strengthen Its Reporting Function	09/09/2025		
07/10/2025	A240066	GSA's Office of Administrative Services Awarded an Invalid \$13.7 Million Task Order	09/22/2025		

## APPENDIX IV: OIG REPORTS OVER 12 MONTHS OLD, FINAL AGENCY ACTION PENDING

Section 6009 of the Federal Acquisition Streamlining Act of 1994, Public Law 103-55, as amended by Section 810 of Public Law 104-106, requires the head of a federal agency to complete final action on each management decision required regarding a recommendation in an OIG's report within 12 months after the date of the report. If the head of the agency fails to complete final action within the 12-month period, the Inspector General shall identify the matter in the semiannual report until final action is complete.

*The GSA Office of Audit Management and Accountability provided the following list of reports with action items open beyond 12 months:*

DATE OF REPORT	REPORT NUMBER	TITLE	
CONTRACT AUDITS			
02/11/2021	A200986	Independent Examination of a Claim	
06/09/2021	A201000	Independent Examination of a Claim	
08/27/2021	A200997	Independent Examination of a Claim	
07/14/2023	A201027	Independent Limited Scope Postaward Examination of Multiple Award Schedule Contract	
PERFORMANCE AUDITS, INSPECTIONS, AND EVALUATIONS			PROJECTED FINAL ACTION DATE
01/30/2020	A170119	Child Care Centers in GSA-Controlled Buildings Have Significant Security Vulnerabilities*	08/31/2026
07/22/2024	A201018	Audit of GSA's Response to COVID-19: PBS Faces Challenges to Ensure Water Quality in GSA-Controlled Facilities	10/01/2025
08/06/2024	A230020	GSA Should Strengthen the Security of Its Robotic Process Automation Program	08/31/2026
08/12/2024	A240018	Fire Safety and Accessibility Deficiencies at GSA Headquarters Building in Washington, D.C.	11/28/2025
09/30/2024	A240028	Audit of GSA's Compliance with the Geospatial Data Act of 2018	11/28/2025

\*Audit reopened based on the results of an implementation review.



## APPENDIX V: MANAGEMENT DECISIONS

Section 405(c)(2)-(3) of the Inspector General Act of 1978, as amended, requires each semiannual report to include information regarding any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period. The table presented below lists all such decisions.

REPORT TITLE	REPORT DATE	DECISION DATE	OIG RECOMMENDATION		GSA DECISION	
			FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS	FUNDS BE PUT TO BETTER USE	QUESTIONED COSTS
GSA's Site Selection Process for the Relocation of the Federal Bureau of Investigation's Headquarters	02/03/25	04/01/25	\$-	\$-	\$-	\$-
Independent Preaward Examination of Multiple Award Schedule Contract	02/13/25	04/21/25	\$-	\$-	\$-	\$-
Independent Preaward Examination of Multiple Award Schedule Contract	03/07/25	05/01/25	\$-	\$-	\$-	\$-
Independent Preaward Examination of Multiple Award Schedule Contract	03/13/25	05/13/25	\$-	\$-	\$-	\$-
GSA Is Not Effectively Managing Its Internal Space to Reflect Occupancy Changes	03/19/25	05/14/25	\$-	\$-	\$-	\$-
Independent Preaward Examination of Multiple Award Schedule Contract	03/27/25	06/13/25	\$-	\$5,780	\$-	\$5,780
<b>TOTALS</b>				<b>\$5,780</b>		<b>\$5,780</b>

## APPENDIX VI: PEER REVIEW RESULTS

Section 405(b)(14)-(16) of the Inspector General Act of 1978, as amended, requires each OIG to submit an appendix containing the results of any peer review conducted by another OIG during the reporting period. If no peer review was conducted during the period, the appendix must contain a statement identifying the date of the last peer review that was conducted by another OIG.

The appendix must also contain a list of any outstanding recommendations from any peer review conducted by another OIG that have not been fully implemented, including a description of the status of the recommendations, and an explanation as to why the recommendations have not been completed; and a list of any peer reviews conducted by the Inspector General of another OIG during the reporting period, including a list of any outstanding recommendations made from any previous peer review that have not been fully implemented.

The Federal Deposit Insurance Corporation OIG completed a peer review of the GSA OIG Office of Investigations in April 2025. Their review found that the system of internal safeguards and management procedures for the investigative operations of the GSA OIG for the period ending September 2024 complied with the quality standards established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) and other applicable guidelines and statutes, and that these safeguards and procedures provide reasonable assurance of conforming to professional standards in the planning, execution, and reporting of GSA OIG investigations and in the use of law enforcement powers.

In FY 2024, the GSA OIG Office of Audits underwent a peer review by the U.S. Agency for International Development OIG. On October 25, 2024, the Office of Audits received a peer review rating of “pass.” The peer review team found that the Office of Audits’ system of quality control is suitably designed and complied with to provide it with reasonable assurance of performing and reporting in conformity with the quality standards established by CIGIE in all material aspects. No outstanding recommendations exist from any peer review conducted by another OIG.

In addition, the GSA OIG Office of Audits completed an external peer review of the DOJ OIG in March 2025. The DOJ OIG has no outstanding recommendations issued by any previous peer review that have not been fully implemented.

In FY 2023, the GSA OIG Office of Inspections underwent a peer review by the AmeriCorps OIG. The peer review team determined that the Office of Inspections’ policies and procedures were consistent with the January 2012 and December 2020 CIGIE *Quality Standards for Inspection and Evaluation* (Blue Book). The peer review team also found that the selected reports complied with the Office of Inspections’ internal policies and procedures and applicable Blue Book standards. No outstanding recommendations exist for the Office of Inspections.

In FY 2025, the GSA OIG Office of Inspections completed an external review of the Export-Import Bank of the United States OIG Office of Special Reviews. The peer review team found the Office of Special Reviews’ policies and procedures generally met the selected seven standards established in the December 2020 Blue Book. The peer review team also found the

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selected report generally met the quality standards and complied with the Office of Special Reviews' internal policies and procedures. No outstanding recommendations exist for external peer reviews performed by GSA OIG Office of Inspections.

## APPENDIX VII: GOVERNMENT CONTRACTOR SIGNIFICANT AUDIT FINDINGS

The National Defense Authorization Act for FY 2008, Public Law 110-181, Section 845, requires each Inspector General appointed under the Inspector General Act of 1978, as amended, to submit an annex on final, completed contract audit reports issued to the contracting activity as part of its Semiannual Report to the Congress.

We initiated a postaward examination of an IT services contractor based on contract violations identified in our 2022 preaward examination of the contractor's extension proposal for a GSA contract. Our postaward examination focused on determining the amount owed to the government for these contract violations.

Our postaward examination found that the contractor overbilled GSA schedule customers by: (1) performing work outside the scope of its GSA schedule contract, (2) assigning unqualified resources to work on GSA schedule task orders, (3) failing to disclose prompt payment discounts, and (4) including unapproved fees on GSA schedule task orders. On July 14, 2025, the contractor agreed to pay at least \$14.75 million to resolve allegations that it violated the False Claims Act in connection with the issues we identified during this postaward examination.

## APPENDIX VIII: REPORTING REQUIREMENTS

The table below cross-references the reporting requirements prescribed by the Inspector General Act of 1978, as amended, to the specific pages where they are addressed. The information required by the National Defense Authorization Act for FY 2008 and the Federal Acquisition Streamlining Act of 1994, as amended, are also cross-referenced to the appropriate pages of the report.

REQUIREMENTS		
INSPECTOR GENERAL ACT OF 1978, AS AMENDED (5 U.S.C. CHAPTER 4)		
SECTION		PAGE
405(b)(1)	Significant Problems, Abuses, and Deficiencies	6-36
405(b)(2)	Recommendations for Corrective Action	6-36
405(b)(3)	Unimplemented Prior Period Recommendations	39-44
405(b)(4)	Total Convictions Number	33
405(b)(6)	Report Listing with Dollar Values	45-46
405(b)(7)	Significant Reports	6-36
405(b)(8) and (c)(2)-(3)	Management Decisions Made on Prior Period Recommendations	48
405(b)(13)	Federal Financial Management Improvement Milestones	none
405(b)(14)-(16)	Peer Review Information and Results	49-50
405(b)(17)	Investigative Statistical Tables	33-35
405(b)(18)	Investigative Table Metrics	33-35
405(b)(19)	Investigations of Senior Employees with Substantiated Misconduct	none
405(b)(20)	Whistleblower Retaliation	none
405(b)(21)	Agency Interference with OIG Independence	none
405(b)(22)(a)	Non-Public Audit, Evaluation or Inspection Reports	41
405(b)(22)(b)	Non-Public Investigations of Senior Government Employees	none
OTHERS		
Pub. L. 106-531, Sec. 3	Most Significant Management Challenges	4-5
Pub. L. 103-355, Sec. 6009	Reports Over a Year with Final Agency Action Pending	47
Pub. L. 110-181, Sec. 845	Government Contractor Significant Audit Findings	51
Pub. L. 117-348, 136 Stat. 6211	Trafficking Victims Prevention and Protection Reauthorization Act	35-36