Memorandum

Date: August 18, 2021

Subject: INFORMATION: Audit Announcement — DOT’s Compliance With the Reporting Requirements for Contractors’ Past Performance | Project No. 21Z30002Z000

Department of Transportation

From: Mary Kay Langan-Feirson
Assistant Inspector General for Acquisition and Procurement

To: Senior Procurement Executive, Department of Transportation
Director, Audit and Evaluation, Federal Aviation Administration

The Contractor Performance Assessment Reporting System (CPARS) is the official Governmentwide source\(^1\) for entering information on the past performance for contractors serving the Federal Government. The assessments reported in CPARS\(^2\) help provide a balanced view of contractor performance and give source selection officials valuable information to consider when making award decisions. Moreover, this information can serve as an important tool when acquisition officials need to make award decisions quickly, such as during natural disasters and the recent COVID-19 global pandemic. Thus, reliable and complete CPARS data play an important role in ensuring contract awards do not go to poorly performing contractors.

However, various Government Accountability Office reports have highlighted the lack of quality contractor performance data as an ongoing Governmentwide issue. Moreover, a 2017 Department of Defense (DoD) audit found significant shortfalls in DoD’s contractor performance reporting.\(^3\) Therefore, we are initiating this audit to assess the Department of Transportation’s (DOT) compliance with requirements for reporting contractors’ past performance information.

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\(^1\) FAR § 42.1501(b).

\(^2\) According to FAR § 42.1502(a) and the Federal Aviation Administration’s (FAA) Acquisition Management System (AMS) FAA CPARS Guide, Appendix 11, 4.0 – 4.3, they both require officials to enter past performance evaluations into CPARS at least annually and at the time the contractor completes the work.

We plan to begin the audit later this month and will contact your audit liaison to schedule an entrance conference. We will conduct our work at DOT and selected Operating Administrations. If you have any questions, please contact me at (202) 345-2619 or Darren Murphy, Program Director, at (202) 255-1929.

cc: DOT Audit Liaison, M-1  
    FAA Audit Liaison, AAE-10