

Report Summary

Social Security Administration Office of the Inspector General

July 2012



Objective

To (1) ensure the Social Security Administration (SSA) received the goods and services for which it contracted and (2) review the services provided by PC Mall Gov, Incorporated, (PCMG) and the related costs charged to the Agency for adherence to the negotiated contract terms and applicable regulations.

Background

SSA uses the PCMG firm-fixed-price delivery order contract to acquire tape storage hardware, software, and related equipment as well as installation, maintenance, upgrades, and nation-wide relocation services. The period of performance is September 28, 2007 to September 27, 2012. As of September 30, 2011, SSA had authorized 42 contract modifications and obligated \$74.18 million.

To view the full report, visit <http://oig.ssa.gov/audits-and-investigations/audit-reports/A-14-11-01133>

The Social Security Administration's PC Mall Gov, Incorporated, Contract (A-14-11-01133)

Our Findings

Based on our analysis of contract invoices, equipment inventory, and contractor employees' background information, we determined that SSA received the goods and services for which it contracted and was generally satisfied with PCMG's work. The costs billed to SSA generally adhered to the negotiated contract terms and applicable contract guidelines. Nothing came to our attention to indicate that SSA did not comply with applicable regulations. We did identify four areas where the Agency could improve its administrative oversight and monitoring of the contract. Specifically, we found SSA did not

- record its capital equipment as personal property assets in the General Ledger;
- record PCMG purchases in a property inventory management system;
- comply with its suitability determination policies and procedures; and
- comply with the *Federal Information Security Management Act* requirements for agencies to provide contractors with security awareness training.

Our Recommendations

1. Correct accounting codes for the items that should have been capitalized and develop controls to prevent similar errors in the future.
2. Adhere to its own policies and procedures to account for equipment acquired under the PCMG contract in a property management system.
3. Ensure contractor personnel working on SSA contracts receive the appropriate suitability determinations for each contract.
4. Establish a timeframe for contractor personnel to complete security awareness training and update the contract security clause to address contractors receiving security awareness training and signing Personnel Security Certification forms.

SSA agreed with our recommendations.