

**STATEMENT OF COREY RINDNER
OFFICE OF THE PROCUREMENT EXECUTIVE
DEPARTMENT OF STATE**

**BEFORE THE
COMMISSION ON WARTIME CONTRACTING**

HEARING

ON

***“Ensuring Contractor Accountability: Past Performance and Suspension and
Debarments”***

February 28, 2011

Members of the Commission, I appreciate the opportunity to provide testimony before you today. I am Corey Rindner and I serve as the Procurement Executive at the Department of State. I've been the Department of State Procurement Executive for seven years and previously served as the Procurement Executive at the Department of Treasury.

I am pleased to speak with you today about Ensuring Contractor Accountability: Past Performance and Suspension and Debarments as this relates to the Department of State. I'd like to lay out the roles at the Department first, and then specifically discuss past performance information systems and the suspension and debarment process.

As Procurement Executive I am responsible for training, policy and oversight of the procurement function. I also serve as the Suspension and Debarment Official for the Department on procurement matters. Department of State procurement operations are mostly centralized in the Office of Acquisitions Management (AQM), a Washington, D.C. based office. Two Regional Procurement Support Offices (RPSO), one in Frankfurt, Germany and one in Ft. Lauderdale, Florida assist AQM by executing procurements for overseas posts. In addition, over 200 overseas locations have limited contracting authority (below \$250,000) to support post operations. Small procurement offices support the acquisition of training at the Foreign Service Institute, the acquisition of publications at our Library, the Office of Foreign Missions, the acquisition of interpreters for the Office of Language Services, the mission of the Office of International Conferences, the mission of the United States Mission to the United Nations in New York and the Bureau of International Narcotics and Law Enforcement Affairs.

Past Performance

Until recently, the means by which Department of State contracting personnel assessed and reported on contractor performance was the National Institutes of Health (NIH) Contractor Performance System, used by civilian agencies until it was decommissioned at the end of September 30, 2010, ending a transition period of some years during which the system ran in parallel with the Department of Defense (DOD) Contractor Performance Assessment Reporting System (CPARS).

These systems all fed contractor data and assessments to the DoD Past Performance Information Retrieval System (PPIRS). Since October 1, 2010, CPARS, as well as the Federal Awardee Performance and Integrity Information System (FAPIIS), are the exclusive federal government wide reporting tools to PPIRS.

The Department enters contractor past performance into CPARS. Past performance is checked in PPIRS. FAPIIS is a module within PPIRS, with events such as contract terminations for default or non-responsibility determinations recorded by Contracting Officers in FAPPIS as they occur. FAPIIS is also used in award and responsibility determinations. FAPIIS provides users access to integrity and performance information consolidated from CPARS information, Central Contractor Registration (CCR) database, and suspension/disbarment information from the Excluded Parties List System (EPLS).

AQM has been training staff on CPARS and PPIRS for several years. We have had the Navy development group make presentations both in person and via video conference. We are in the process of tailoring the Navy CPARS Manual to fit Department of State needs.

The Naval Seas Systems Command (NAVSEA) also presented several demonstrations of PPIRS to AQM personnel during FY2009. In FY2010, there were several “train the trainer” sessions for these DoD systems during the 2nd, 3rd, and 4th quarters, supported and co-presented by the Office of the Federal Procurement Policy (OFPP) and NAVSEA, both federal government wide as well as Department of State.

The Department is also anxious to train its workforce on FAPIIS. FAPIIS recently became part of the Navy training on CPARS and our February 2011 teleconference training by NAVSEA included FAPIIS training for the first time. We understand that comprehensive training is under development by the Federal Acquisition Institute and will substantiate the quick training trailer that was recently released to ensure the community is aware of FAPIIS and their basic responsibilities. We welcome this development.

The Department of State continuously strives to improve its contractor oversight, including feedback from other agency reviews. The OFPP sampled past

performance assessments in CPARS from ten agencies and reported the results in a January 21, 2011 memorandum. OFPP determined the Department of State has sufficient narratives for quality in 46.3% of entries, sufficient narratives for schedule control in 39% of entries, sufficient narratives for cost control in 29.3% of entries, and sufficient narrative for business relations in 48.8% of entries.

It is clear that we must improve our documentation so that past performance information is more useful for all government Contracting Officers. Towards that end, the Department is adding CPARS training to our Contracting Officer's Representative (COR) course as well as training our Contracting Officers in CPARS. My office will include review of past performance evaluations in our future procurement reviews. We also look forward to using the civilian agency tracking tool, based on that developed by DoD, to help us monitor and ensure that evaluations are being performed on all applicable contracts. We appreciate the support of NAVSEA who has given generously of their time to provide training at our semi-annual COR training sessions as well as other sessions focused on our Contracting Officers.

The Department uses past performance as an evaluation factor to select our contractors. In addition to checking CPARS, we find it beneficial to solicit references on similar programs as part of the solicitation process.

Debarments and Suspensions

Department of State Contracting Officers always review the PPIRS database to determine if a proposed contractor is on the Excluded Parties List System. As the Debarment and Suspension Official, I rely on the Office of the Inspector General (OIG) and front-line Contracting Officers to identify and refer potential candidates for debarment and suspension. My office has no independent investigative capability. In the past year, I suspended three entities in Afghanistan pending Department of Justice investigations. Because of on-going investigations by the Department of Justice, I am unable to comment further on these actions. I rely on the advice of my legal advisors, but make independent determinations whether to suspend or debar.

I find our OIG referrals to be thorough and well documented. We have a collaborative relationship that works well on debarment and suspension. In

addition, the process of interagency coordination has improved. I receive notification of pending actions by lead agencies that allow me an opportunity to provide Department of State feedback. The present system of debarment and suspension provides a separation of duties between investigation, contract administration, and adjudication. This provides due process for contractors and a fresh review of investigative evidence. Greater consistency between agency debarment and suspension determinations could be achieved with more standardized training for Debarment and Suspension Officials. In conclusion, the Department of State uses the DoD past performance systems and will improve our documentation of past performance. We will continue to use debarment and suspension as necessary to protect the interests of the Department of State by preventing the award of contracts to Contractors who do not possess the requisite business integrity or responsibility to perform. We look forward to any suggestions or recommendations this Commission may put forward to improve contractor accountability. Thank you for this opportunity to appear before you in your important work.