



OIG HIGHLIGHTS

AUD-MERO-18-38

What OIG Audited

U.S. Government personnel working at Department of State (Department) facilities in Iraq rely on the Department to provide life support services. In July 2013, the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (A/LM/AQM) awarded contract SAQMMA13D0120—referred to as the Baghdad Life Support Services (BLISS) contract—to PAE Government Services, Inc. (PAE). Task order SAQMMA14F0721, associated with this contract, involves food services at three Department sites within Iraq.

The Office of Inspector General (OIG) conducted this audit to determine whether the Bureau of Near Eastern Affairs (NEA) provided oversight of food safety controls for task order SAQMMA14F0721, in accordance with Department and contractual requirements, and whether A/LM/AQM and NEA held PAE accountable for complying with food safety controls.

What OIG Recommends

OIG made seven recommendations to NEA that are intended to improve oversight of the BLISS food services task order and one recommendation to A/LM/AQM. On the basis of responses received from NEA and A/LM/AQM to a draft of this report, OIG considers five recommendations resolved pending further action and three recommendations unresolved. A synopsis of management comments and OIG's reply follow each recommendation in the Audit Results section of this report. NEA and A/LM/AQM responses to a draft of this report are reprinted in their entirety in Appendices B and C, respectively.

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May 2018

OFFICE OF AUDITS

Middle East Region Operations

Audit of Food Safety Controls Under Baghdad Life Support Services Task Order SAQMMA14F0721

What OIG Found

NEA officials did not provide sufficient oversight of food safety controls for BLISS task order SAQMMA14F0721. Specifically, NEA did not verify that PAE, or its subcontractor, Taylors International Services, Inc. (Taylors), implemented comprehensive Hazard Analysis and Critical Control Point (HACCP) plans that are meant to assess and prevent potential food safety hazards for each site in Iraq. Rather, Taylors developed a single HACCP plan that covered all sites. NEA officials did not review or approve the single HACCP plan or verify that it included pertinent HACCP principles. The lapse in oversight occurred, in part, because NEA officials did not prioritize food safety planning and did not include a review of HACCP plans in their oversight process. In addition, the Contracting Officer's Representatives (COR) and Alternate CORs were not properly trained on HACCP food safety principles. As a result, the risk increases that food safety hazards could go undetected.

Additionally, OIG found that NEA did not plan or conduct sufficient oversight to hold PAE accountable for complying with food safety controls and contract requirements.

Specifically, NEA officials did not:

- Develop a comprehensive quality assurance surveillance plan that included measurable performance standards or aligned with the BLISS contract's performance metrics.
- Maintain pertinent oversight documentation in the COR files, including monthly food service inspections.
- Complete timely contractor performance assessment report narratives.

A/LM/AQM and NEA officials attributed the insufficient development of a quality assurance surveillance plan to the shortage of subject-matter expertise within the Department and the incomplete COR file to challenges encountered during a security-related crisis in Iraq. A/LM/AQM and NEA officials attributed the untimely past performance evaluations to the frequent turnover of oversight personnel in Iraq and the need to realign period of performance dates within the Contractor Performance Assessment Reporting System. As a result of these factors, the Department was hampered in fully assessing PAE's performance and holding PAE accountable for fulfilling BLISS food safety controls and contract requirements.

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