What OIG Audited
Over the past 5 years, the Department of State (Department) contracted for a wide array of services in Afghanistan and Iraq. The Competition in Contracting Act (CICA) requires full and open competition in awarding contracts, but there are certain exceptions under which an agency can award contracts using noncompetitive procedures. Federal Acquisition Regulation (FAR) and Department procedures require Contracting Officers to justify the reason for awarding noncompetitive contracts in writing.

The Office of Inspector General (OIG) conducted this audit to determine whether the Department (1) followed acquisition policy in awarding noncompetitive contracts in support of overseas contingency operations in Afghanistan and Iraq and (2) performed the required steps to ensure that the Department paid fair and reasonable prices for noncompetitively awarded contracts in Afghanistan and Iraq. To perform the audit, OIG reviewed 22 noncompetitive contracts awarded between FY 2016 and FY 2020 with a collective value of $553 million.

What OIG Recommends
OIG made eight recommendations that are intended to improve the Department’s administration of contracts in support of overseas contingency operations. On the basis of the Bureau of Administration’s response and planned actions, OIG considers all eight recommendations resolved, pending further action. A synopsis of management’s comments and OIG’s reply follow each recommendation in the Audit Results section of this report. Management’s response to a draft of this report is reprinted in its entirety in Appendix B.