

Management Assistance Report: Warrant and Training Programs Needed for Personnel Responsible for Transportation-Related Acquisitions (AUD-FM-24-30, September 2024)

Summary of Review

The Department of State (Department) may authorize a permanent change-of-station (PCS) for employees and families to move from one official duty station to another. The Department's post assignment travel (PAT) program is responsible for managing travel expenses associated with PCS, which include those pertaining to the shipment and storage of personal effects. In FY 2023, the Department spent more than \$212 million for the shipment and storage of personal effects. Department personnel may acquire shipping and storage services by several methods, including the use of a rate tender (a company's offered list of services and rates) under the authority of the Federal Management Regulation (FMR). If a rate tender is used, the Department prepares a tender of service (tender) document that provides the terms and conditions to the company—a transportation service provider (TSP).

During an ongoing audit of the Department's administration of the shipment and storage of personal effects during PAT, the Office of Inspector General (OIG) discovered the Department had not established a transportation officer (TO) warrant program for General Services Officers (GSO) who acquire shipping and storage services using tenders. The FMR recommends that agencies issue each TO a warrant, which is a written document that expressly authorizes the TO to acquire services using tenders. Officials within the Bureau of Administration's Office of Logistics Management (LM) explained that one reason for this deficiency was that issuing TO warrants is not a regulatory requirement. OIG also found the Department had not established a training program for personnel responsible for making transportation-related acquisitions, which is also recommended by the FMR. LM officials explained that, although the FMR recommends that agencies implement such a program, it does not require it. However, just as it requires contracting officers (CO) and other acquisition professionals to complete initial and recurring training to attain and retain the necessary knowledge to perform their procurement duties, the Department would benefit by requiring TOs to complete appropriate training. This is especially true given the annual expenditures associated with the Department's transportation-related acquisitions.

Without established warrant and training programs, the Department cannot ensure that personnel responsible for acquiring services using tenders have the requisite qualifications and knowledge to execute those acquisitions effectively and efficiently. In fact, some post personnel interviewed for this audit stated that they were insufficiently trained to acquire transportation-related services using tenders. Because the Department encourages the use of tenders to acquire shipping and storage services within the Department, it is essential that key personnel have the necessary training and tools to establish and manage these agreements in accordance with federal and Department requirements, Department objectives, and global transportation industry standards.

OIG made two recommendations to prompt the establishment of warrant and training programs for TOs. On the basis of the response received from the Bureau of Administration to a draft of this report, along with an exit conference discussion of planned actions, OIG considers both recommendations resolved, pending further action. A synopsis of management's comments and OIG's reply follow each recommendation in the Results section of this report. Management's comments are reprinted in their entirety in Appendix A.