



Audit Report



OIG-22-032

CONTRACT AUDIT

Audit of the Bureau of Engraving & Printing's eFiling System

March 25, 2022

Office of Inspector General
Department of the Treasury

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OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

March 25, 2022

**INFORMATION MEMORANDUM FOR LEONARD R. OLIJAR
DIRECTOR OF BUREAU OF ENGRAVING AND PRINTING**

FROM: Deborah L. Harker /s/
Assistant Inspector General for Audit

SUBJECT: *Audit of the Bureau of Engraving and Printing eFiling System*

I am pleased to transmit the attached audit report, *Audit of the Bureau of Engraving and Printing eFiling System* (OIG-22-032; dated March 25, 2022). Under a contract monitored by our office, Williams, Adley & Company-DC LLP (Williams Adley), a certified independent public accounting firm, performed an audit of the Bureau of Engraving and Printing's (BEP) transition of a paper-based contract filing system (Lektriever) to an electronic file management system. The objective of the audit was to assess BEP's transition from Lektriever to eFiling (electronic files) and management of contract award file documents in the eFiling system for compliance with applicable documentation and record keeping requirements of the Federal Acquisition Regulation (FAR), Department of the Treasury Procedures (DTAP), BEP's policies and procedures, and any other applicable Federal requirements. The scope of this audit was contracts BEP awarded for the period beginning January 2017 through December 2019.

In its audit report, Williams Adley found:

1. BEP does not have formal and documented standard operating procedures (SOP) related to access controls for the eFiling system.
2. BEP's contract award file checklist is incomplete compared to the requirements of FAR 4.802 (a)(1)(2)(3) and FAR 4.803. The checklist is missing 11 of the 66 items listed.
3. File cabinets were not created in the eFiling system for some of the contracts and some of the file cabinets created have incomplete contract documentation.

Accordingly, to improve the eFiling System, Williams Adley recommended the Director of BEP ensures that BEP takes the following actions:

1. Defines, documents, and implements formal SOPs related to access controls including user provisioning, deprovisioning, and periodic review for the eFiling system.
2. Revises the checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803. This will ensure that BEP contract award files are complete and in compliance with the requirements of the DTAP and FAR.
3. Performs periodic internal reviews to ensure that contract award files within the eFiling system are complete, accurate, and in compliance with the FAR and BEP's internal policies.

In connection with the contract, we reviewed Williams Adley's report and related documentation and inquired of its representatives. Our review, as differentiated from an audit performed in accordance with generally accepted government auditing standards, was not intended to enable us to express an opinion on BEP's design and implementation of policies and procedures related to the eFiling system. Williams Adley is responsible for the attached auditor's report and the conclusions expressed therein. Our review found no instances in which Williams Adley did not comply in all material respects, with generally accepted government auditing standards.

We appreciate the courtesies and cooperation provided to Williams Adley and our staff during the audit. If you have any questions or require further information, please contact me at (202) 486-1420, or a member of your staff may contact Susan Barron, Deputy Assistant Inspector General for Audit, at (202) 439-6244.



March 25, 2022


Ms. Deborah L. Harker
Assistant Inspector General for Audit
Office of Inspector General
U.S. Department of the Treasury

Dear Ms. Harker:

Williams, Adley & Company-DC, LLP performed an audit of the Bureau of Engraving and Printing's (BEP) eFiling system. We performed the audit in accordance with our Task Order No. 2031LL20F00016, dated September 23, 2020. Our report presents the results of the audit and includes recommendations to help improve BEP's completeness of the eFiling system.

We conducted our audit in accordance with applicable Government Auditing Standards, 2018 revision. The audit was a performance audit, as defined by Chapter 8 of the Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The objective of the audit was to assess BEP's transition from Lektriever (paper files) to eFiling (electronic files) and management of contract award file documents in the eFiling system for compliance with applicable documentation and record keeping requirements of the Federal Acquisition Regulation (FAR), Department of the Treasury Procedures (DTAP), BEP's policies and procedures, and any other applicable Federal regulations. The scope of this audit was the contracts BEP awarded for the period beginning January 2017 through December 2019.

To accomplish our objective, we interviewed personnel from BEP to gain an understanding of their involvement in the development and implementation of the eFiling system. We also reviewed applicable documentation, including policies and procedures, and we tested selected attributes for a sample of contract award files to determine the completeness and accuracy of the eFiling system. We conducted fieldwork from October 2020 through July 2021. Appendix 1 provides a more detailed description of our objective, scope, and methodology. We appreciate the opportunity to have conducted this audit. Should you have any questions or need further assistance, please contact us at (202) 371-1397.


Kola A. Isiaq, CPA, CISA
Partner

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Abbreviations

BEP	Bureau of Engraving and Printing
DTAP	Department of the Treasury Acquisition Procedures
EDWOSB	Economically Disadvantaged Women-Owned Small Business
FAR	Federal Acquisition Regulation
JAMES	Joint Audit Management Enterprise System
OCPO	Office of the Chief Procurement Officer
SOP	Standard Operating Procedures
SP	Special Publication
TOIG	Treasury Office of Inspector General
Treasury	Department of the Treasury
WOSB	Women-Owned Small Business

Results in Brief

We conducted an independent performance audit of the eFiling system administered by the Bureau of Engraving and Printing (BEP). Our audit was for the period beginning January 1, 2017, through December 31, 2019. Due to the ongoing COVID-19 pandemic, our performance audit was conducted remotely except for limited procedures that were performed onsite at BEP in Washington, DC. We determined that the BEP eFiling system substantially complied with the regulations under the Federal Acquisition Regulation (FAR) 4.801-803, Department of the Treasury (Treasury) Acquisition Procedures (DTAP) 1004.802-70, and BEP's policies and procedures for the period under review, however we noted three findings that management should address to improve overall compliance as described below.

We conducted tests to assess BEP's transition and management of contract award file documents in the eFiling system for compliance with applicable documentation and record keeping requirements of the FAR, DTAP, and BEP's policies and procedures such as the eFiling system's standard operating procedures (SOP). As a result of our testing, we noted the following findings which management should address to ensure the success of the eFiling system.

1. BEP does not have a formal and documented SOP related to access controls for the eFiling system.
2. BEP's contract award file checklist is incomplete compared to the requirements of FAR 4.802 (a)(1)(2)(3) and FAR 4.803. The checklist is missing 11 of the 66 items listed.
3. File cabinets¹ were not created in the eFiling system for some of the contracts and some of the file cabinets created have incomplete contract documentation.

We recommend the Director of BEP ensures that BEP takes the following actions:

1. Defines, documents, and implements formal SOPs related to access controls including user provisioning, deprovisioning, and periodic review for the eFiling system.
2. Revises the checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803. This will ensure that BEP contract award files are complete and in compliance with the requirements of the DTAP and FAR.
3. Performs periodic internal reviews to ensure that contract award files within the eFiling system are complete, accurate, and in compliance with the FAR and BEP's internal policies.

¹ File cabinets are where the contract file documents are located in the eFiling system. Filing cabinets are created per award and only contain contract information specific to the contract award.

In a written response, which is included in its entirety as Appendix 2, BEP management concurred with our findings and recommendations, as well as outlined planned actions to address our recommendations. In response to recommendation number 1, management stated that the Office of the Chief Procurement Officer (OCPO) will partner with the Chief Information Officer Directorate to document and ensure that adequate controls are in place relative to access controls, including user provisioning, deprovisioning, and periodic review for the eFiling system. In response to recommendation number 2, management stated that BEP will revise the Contract Award Checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803. In response to recommendation number 3, management stated that BEP will perform periodic internal reviews to ensure that contract files in e-Filing are complete, accurate, and in compliance with the FAR and BEP's policies. Furthermore, management stated that the OCPO is in the process of deploying robotic process automation to achieve this objective.

Management's response and planned corrective actions meet the intent of our recommendations. Management will need to record the estimated date for completing its planned corrective actions in the Joint Audit Management Enterprise System (JAMES), Treasury's audit recommendation tracking system.

Background

BEP, a component of Treasury, develops and produces U.S. currency notes, and processes claims for the redemption of mutilated currency. BEP's research and development efforts focus on the continued use of automation in the production process and counterfeit deterrent technologies for use in security documents, especially U.S. currency. BEP's OCPO executes contracts that support the design, production, and delivery of U.S. currency and other security documents.

Prior to October 2016, BEP managed contract award files in paper form within Lektriever. Assessments performed by the Treasury Office of Inspector General (TOIG) Office of Audit and Treasury's Office of Procurement Executive between fiscal years 2012 and 2017 found that BEP was not in compliance with contract award file documentation requirements.

The FAR subpart 4.801(a) requires that the head of each office performing contracting, contract administration, or paying functions establish files containing the records of all contract actions. Subpart 1004.802-70 of the DTAP outlines the requirements and conditions needed to be met for electronic contract award files to be considered the official contract award file. At a high level, these requirements include, but are not limited to, the following:

- A naming convention and electronic filing structure;
- Proper safeguards for accessing the system and the information contained therein;
- Timely distribution of documents;

- Controls to ensure the electronic version of the contract and contract data is an accurate representation of the document;
- Deletion or modification of document or data is properly restricted;
- The capability to search and download documentation;
- File checklists detailing what is maintained and where it is to be maintained; and
- Legible and complete versions of scanned contract documentation.

In September 2020, TOIG contracted with Williams Adley under Order #2031LL20F00016 to conduct a performance audit over BEP’s transition from paper to electronic files to determine whether the contract award files are maintained in accordance with FAR, DTAP, and BEP policies and procedures. The scope of the audit included contracts BEP awarded from January 2017 to December 2019.

Audit Results

After our review of applicable documentation, including policies and procedures, and testing of the checklist items and the attributes for the contract award files in the eFiling system, we noted and documented three findings of noncompliance. The results of our audit are described below.

Finding 1: Lack of Formal and Documented Access Control Procedures for the eFiling System

Condition

BEP does not have formal and documented SOPs related to access controls for the eFiling system. Furthermore, there are no documented procedures for user access provisioning, deprovisioning, and periodic access review for the eFiling system.

Criteria

National Institute of Standards and Technology Special Publication (SP) 800-53, Rev 4, Security and Privacy Controls for Federal Information Systems and Organizations: AC-1: *Access Control Policy and Procedures* requires the organization to develop, document, and disseminate procedures to facilitate the implementation of the access control policy and the associated access controls.

Cause

According to BEP management, formal and documented SOPs for the eFiling system were not developed because the agency relies on organizational-level compensating controls, instead of system-specific controls, to manage access to the system. Specifically, access to the eFiling system is managed

through SharePoint, which utilizes Active Directory² credentials for authentication. In addition, BEP management considers the lack of documented procedures to be low risk due to current internal security protocols regarding user access controls. Specifically, access to the SharePoint site needs to be granted by the system administrator.

Effect

Without formal and documented access control SOPs, the risk that BEP does not effectively authorize, review, and revoke user access for the eFiling system increases. As a result, BEP might provide access to inappropriate individuals or deny access to individuals who have a business need for accessing the eFiling system, thereby jeopardizing proper security and functionality.

Recommendation

We recommend the Director of BEP ensures that BEP documents, and implements formal SOPs related to access controls including user provisioning, deprovisioning, and periodic review for the eFiling system.

Management Response

BEP management concurred with our recommendation. Management stated that the OCPO will partner with the Chief Information Officer Directorate to document and ensure that adequate controls are in place relative to access controls, including user provisioning, deprovisioning, and periodic review for the eFiling system.

Auditor Evaluation

Management's response and planned actions meet the intent of our recommendation. Management will need to incorporate the estimated date for completing its planned corrective actions in JAMES, Treasury's audit recommendation tracking system.

Finding 2: Incomplete Contract Award File Checklist

Condition

BEP has developed a Contract Award File Checklist that the agency uses to ensure that all critical documents required by the FAR are maintained in the contract award files. To determine the completeness of the checklist and its compliance with FAR requirements, we obtained a copy of the checklist and compared the items on the list to the requirements of FAR 4.802 (a)(1)(2)(3)

² Active Directory is Microsoft's proprietary directory service, which enables administrators to manage permissions and access to network resources.

as listed out in FAR 4.803. We found that 11 of 66 items required by FAR 4.803 are not included on BEP's checklist. The 11 items are listed below:

- FAR 4.803(a)(12) - Pre-award survey reports or reference to previous pre-award survey relied on;
- FAR 4.803(a)(18) - Packaging and transportation data;
- FAR 4.803(a)(39) - Cross-references to pertinent documents that are filed elsewhere. This section includes documents justifying the basis for the acquisition and the award, the assignment of contract administration (including payment responsibilities), and any subsequent actions taken by the contracting office;
- FAR 4.803(a)(42) - When limiting competition, or awarding on a sole source basis, to economically disadvantaged women-owned small business (EDWOSB)³ concerns or women-owned small business (WOSB)⁴ concerns eligible under the WOSB Program in accordance with subpart 19.15, include documentation:
 - Of the type and extent of market research
 - That the North American Industry Classification System code assigned to the acquisition is for an industry that Small Business Administration has designated as:
 - Underrepresented for EDWOSB concerns
 - Substantially underrepresented for WOSB concerns;
- FAR 4.803(b)(5) - Pre-award survey information;
- FAR 4.803(b)(6) - Purchasing system information;
- FAR 4.803(b)(7) - Consent to subcontract or purchase;
- FAR 4.803(b)(10) - Orders issued under the contract;
- FAR 4.803(b)(18) - Cross reference to other pertinent documents that are filed elsewhere. This section includes documentation of actions reflecting the basis for and the performance of contract administration responsibilities;
- FAR 4.803(c)(3) - Record of payments or receipts; and
- FAR 4.803(c)(4) - Other pertinent documents.

³ EDWOSB is a small business that is 51 percent directly and unconditionally owned and controlled by one or more women who are citizens of the United States and who are economically disadvantaged.

⁴ WOSB is a small business concern that is at least 51 percent directly and unconditionally owned and controlled by one or more women who are citizens of the United States.

Criteria

DTAP 1004.802-70 (c)(4) states: *"Bureaus are responsible, at a minimum for ensuring that procedures, inclusive of file checklist, reflect what documentation is maintained in a paper copy (e.g., oversized or voluminous documents that cannot be scanned into the electronic contract file system) and what is maintained in the electronic contract filing system or other system (e.g., Federal Procurement Data System (FPDS)⁵ for a copy of the Central Accounting Reporting System (CARS)⁶."*

FAR 4.803 includes 66 items that are required as part of the contents of contract award files.⁷

Cause

BEP's Division Director, Policy and Small Business Division, stated that while the FAR does mandate the inclusion of these documents (if applicable), nothing in the FAR states that the information must be included as separate documents. FAR 4.803 lists examples of the records normally contained, if applicable, in contract award files. She further stated that BEP's checklist was developed to provide a structure for filing contract documents in the eFiling system in accordance with DTAP 1004.802-70 Electronic Contract Award Files. BEP management provided explanations for each of the 11 items missing from the checklist, which we summarized as follows:

- Six of the 11 checklist items were placed in a different location within the contract award file or other systems when applicable and/or justification is required. Specifically, the pre-award survey reports required by FAR 4.803(a)(12) and FAR 4.803(b)(5) can be found within the Award Determination Memorandum within the contract file and/or other government-wide systems such as the Excluded Parties List System⁸/System for Award Management⁹. In addition, items relating to: (1) packaging and transportation data (FAR 4.803(a)(18)), are located under Section D of the contract; (2) justifications needed (FAR 4.803(a)(42)) to limit competition or to award on a sole source basis are located in the Pre-solicitation section of the contract file award; (3) purchasing system information (FAR 4.803(b)(6)) if applicable, are located within the Price Negotiation Memorandum within the contract award file; and (4) consent to subcontract or

⁵ FPDS is the repository of all federal contracting data for contracts in excess of \$25,000

⁶ CARS is the electronic system of record for all federal agencies' financial data to provide streamlined agency reporting and government-wide standardization.

⁷ For the full text of the FAR 4.803, visit <https://www.acquisition.gov/far/4.803>.

⁸ Excluded Parties List System is a web-based system that maintains excluded parties from receiving Federal contracts or assistance.

⁹ System for Award Management is a contractor registration database that requires contractors to be registered to do business with the U.S. Government.

purchase (FAR 4.803(b)(7)) are located on the base contract file found within the contract file.

- One checklist item relating to FAR 4.803 (a)(39) documents, such as those documenting the basis for the acquisition and the award, the assignment of contract administration, and any subsequent actions taken by the contracting officer, are not applicable in some cases, and therefore, would not be required to be included in the contract award file.
- One checklist item relating to documents related to the initial award would be found on the base contract, as required by FAR 4.803 (b)(10), subsequent modifications and delivery orders/task orders are found in the award contract file and referenced to the base contract.
- One checklist item relating to pertinent documents for actions reflecting the basis for and the performance of contract administration responsibilities (FAR 4.803(b)(18)) are found on the base contract.
- Two checklist items relating to the records of payment or receipts (FAR 4.803(c)(3)) and other pertinent documents (FAR 4.803(c)(3)) are found in another BEP system, Manufacturing Support Suite, that keeps record of approved invoices.

However, in reviewing the explanations, we determined that all items, whether they are included in other locations or deemed not applicable, should still be included on the checklist for completeness and tracking purposes.

Effect

Without a checklist that includes a list of all documentation, as required by DTAP 1004.802-70 (c)(4), BEP might not ensure the completeness of contract award file documentation in the eFiling system.

Recommendation

We recommend the Director of BEP ensures that BEP revises the checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803. This will ensure that BEP contract award files are complete and in compliance with the requirements of DTAP and FAR.

Management Response

BEP management concurred with our recommendation, and stated that BEP will revise the Contract Award Checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803.

Auditor Evaluation

Management’s response and planned actions meet the intent of our recommendation. Management will need to incorporate the estimated date for completing its planned corrective actions in JAMES, Treasury’s audit recommendation tracking system.

Finding 3: Missing File Cabinets and Incomplete Documentation in File Cabinets

Condition/Criteria

The eFiling system has missing file cabinets. Out of 45 sample file cabinets, of which each represent one contract award, selected from a list of 3044 contracts BEP awarded from January 1, 2017 through December 31, 2019, 13 of them were missing in the eFiling system. Additionally, 30 sample file cabinets did not contain certain contract file documentation (attributes) required by FAR 4.803 (a) and (b).

Some of the attributes tested included, but were not limited to, whether the contract files included proper justifications for the type of contract; cost or price analyses; notices of awards; and the type and extent of market research conducted. Table 1 below provides the respective FAR section requiring the documentation, a description of the missing documentation, and the number of times the documentation was found missing in our sample of 45 contract award files.

Table 1: Description of Missing Documentation

FAR Ref	Missing Documentation	Sample Counting ¹⁰
4.803 (A)(1)	Purchase request, acquisition planning information, and other pre-solicitation documents.	1
4.803 (A)(2)	Justifications and approvals, determinations and findings and associated documents.	4
4.803 (A)(5)	List of sources solicited, and a list of any firms whose request for copies of the solicitation were denied, together with the reasons for denial.	13
4.803 (A)(6)	Set aside decisions including the type and extent of market research conducted.	10
4.803 (A)(7)	Government estimate of contract price.	8

¹⁰ The sample counting is the number of samples missing the documentation for the attribute tested.

FAR Ref	Missing Documentation	Sample Counting ¹⁰
4.803 (A)(8)	A copy of the solicitation and all amendments thereto.	12
4.803 (A)(10)	A copy of each offer or quotation, any related abstract, and records of determinations concerning late offers or quotations.	7
4.803 (A)(11)	Contractors' representations and certifications. (Representations and certifications must reference the date of System for Award Management verification in the contract file to satisfy contract file documentation requirements of FAR 4.803(a)(11)).	6
4.803 (A)(13)	Source selection documentation (e.g., final ratings, email notification to the winning bidder, evaluation criteria).	4
4.803 (A)(19)	Cost or price analysis.	4
4.803 (A)(22)	Justification for type of contract.	2
4.803 (A)(25)	Notice of award.	11
4.803 (A)(26)	The original of: The signed contract or award; all contract modifications; and documents supporting modifications executed by the contracting office.	3
4.803 (A)(28)	Notice to unsuccessful quoters or offerors and record of any debriefing.	6
4.803 (A)(32)	Notice to proceed, stop orders, and any overtime premium approvals granted at the time of award.	1
4.803 (A)(37)	Contract completion documents.	30
4.803 (A)(38)	Documentation regarding termination actions for which the contracting office is responsible.	1
4.803 (A)(42)	When limiting competition, or awarding on a sole source basis, to EDWOSB concerns or WOSB concerns eligible under the WOSB Program in accordance with subpart 19.15, include documentation.	1

FAR Ref	Missing Documentation	Sample Counting ¹⁰
4.803 (B)(7)	Consent to subcontract or purchase.	1

Cause

BEP management confirmed that 9 of the 13 missing file cabinets in the sample were not set up in the eFiling system. For the other 4 file cabinets, BEP management stated they were in the eFiling system and provided screenshots as evidence. However, supporting documentation was provided by BEP after fieldwork. Therefore, additional testing was not conducted.

For 24 of 30 files with incomplete documentation, BEP management concurred that all or some of the listed documents are missing. With respect to the remaining 6 files, BEP management indicated that information for 1 file identified as missing is located in the base contract file that is outside the scope of the audit. However, the location was not referenced as such in the individual file checklist within the cabinet. For the remaining 5 files, BEP management indicated that the listed documents are not applicable. However, we noted that although the documents may not be applicable, the checklist in the individual file cabinets were not marked as such.

Effect

Without complete and accurate contract award files within the eFiling system, BEP is not in full compliance with relevant FAR and DTAP requirements, and BEP internal policies and procedures for storing complete and accurate contract award files and/or providing a complete history of the contract award files. Noncompliance with FAR requirements may expose BEP to potential bid protests or challenges to the terms of award, and corresponding penalties.

Recommendation

We recommend the Director of BEP ensures that BEP performs periodic internal reviews to ensure that contract award files within the eFiling system are complete, accurate, and in compliance with the FAR and BEP’s internal policies.

Management Response

BEP management concurred with our recommendation. Management stated that BEP will perform periodic internal reviews to ensure that contract files in e-Filing are complete, accurate, and in compliance with the FAR and BEP’s policies. Furthermore, management stated that the OCPO is in the process of deploying robotic process automation to achieve this objective.

Auditor Evaluation

Management's response and planned actions meet the intent of our recommendation. Management will need to incorporate the estimated date for completing its planned corrective actions in JAMES, Treasury's audit recommendation tracking system.

Appendix 1: Objective, Scope and Methodology

Our objective was to assess the Bureau of Engraving and Printing's (BEP) transition from Lektriever (paper files) to eFiling (electronic files) and management of contract award file documents in the eFiling system for compliance with applicable documentation and record keeping requirements of the of the Federal Acquisition Regulation (FAR), Department of the Treasury (Treasury) Procedures (DTAP), BEP's policies and procedures, and any other applicable Federal requirements. The scope of this audit was contracts BEP awarded for the period beginning January 2017 through December 2019.

To accomplish the objective of the audit, Williams Adley identified the applicable criteria against which to assess BEP's transition and management of contract award file documents in the eFiling system. In addition, we virtually met with BEP management and the Treasury Office of Inspector General to conduct an entrance conference. As part of gaining an understanding of the organization, we inquired about investigations or legal proceedings involving BEP's eFiling system and prior audits of the eFiling system, and reviewed the applicable internal policies and procedures.

We reviewed the eFiling system's standard operating procedures (SOP) and performed walkthroughs with personnel involved in the transition process and in charge of the system to get an understanding of controls over the processes such as the transition from paper files to the eFiling system, naming conventions, file structure, and controls in place over new awards.

To ensure the completeness of the file conversion, we performed the following activities:

- We compared the universe of contract numbers between the paper-based and electronic systems.
- We reviewed BEP procedures and made inquiries of management to determine how BEP safeguards sensitive information, such as Personally Identifiable Information,¹¹ contractor bid or proposal information, or source selection information in the eFiling system.
- We compared the requirements of FAR 4.803 and DTAP Subpart 1004.802-704 (4) with BEP's policies and procedures to determine if all the requirements are included in BEP's File Checklist.

¹¹ Personally identifiable information includes, but is not limited to, full name, Social Security number, driver's license number, bank account number, passport number, and email address.

To determine whether adequate access controls exist within the eFiling system, we conducted walkthrough meetings with BEP and inquired about policies and procedures regarding access control management including access provisioning, de-provisioning, and annual recertification of user access. In addition, we obtained and inspected the BEP SOP, manually generated reports, and screenshots obtained from the walkthrough meetings.

To determine contract file compliance with the applicable regulations, we performed the following:

We selected a sample of contracts from the listing of contracts awarded between January 2017 and December 2019 from the contract writing system. The population size of the contracts BEP awarded is 3,044. The sample size was determined using the statistical method of attribute sampling with a confidence level of 90 percent, tolerable deviation rate of 5 percent and expected deviation rate of 0 percent. Our sample size was determined to be 45 contracts. We then randomly selected 45 contracts from the Contract Writing system to determine if these contracts were properly transitioned to eFiling and complied with requirements from the DPTAP and FAR.

We tested the selected samples to determine whether the files had been created in the eFiling system. Additionally, we identified 19 attributes for testing to determine the completeness of information housed in each cabinet based on the requirements contained in the FAR and DTAP. We also reviewed the file cabinets to determine whether the file cabinets contained the documentation of the identified 19 attributes from FAR 4.803.

We assessed the reliability of the eFiling data by (1) performing testing of required data elements, (2) reviewing existing information about the data, and (3) interviewing agency officials knowledgeable about the data. In addition, we traced a statistically random sample of data to source documents. We determined the data was sufficiently reliable for the purposes of this report.

We assessed the significance of internal controls by (1) reviewing BEP's SOPs; and (2) performing walkthroughs with personnel involved in the transition process and in charge of the system to get an understanding of controls over the process such as the transition from paper files to the eFiling system, naming conventions, file structure, access control management including access provisioning, de-provisioning, and annual recertification, as well as controls in place over new awards.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform

the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix 2: Management Response



DEPARTMENT OF THE TREASURY
BUREAU OF ENGRAVING AND PRINTING
WASHINGTON, D.C. 20228

March 16, 2022

Deborah L. Harker
Assistant Inspector General for Audit
Office of the Inspector General
U.S. Department of the Treasury

Dear Ms. Harker:

We have reviewed the Department of the Treasury, Office of Inspector General's (OIG) draft audit report entitled "Performance Audit of the Bureau of Engraving and Printing's (BEP) eFiling System." We appreciate the hard work that went into this audit and the creation of this report. Overall, we concur with the recommendations in the report. Please find our management response to the audit recommendations below.

Finding 1 – Recommendation 1:

We recommend the Director of BEP ensures that BEP documents and implements formal Standard Operating Procedures (SOPs) related to access controls including user provisioning, deprovisioning, and periodic review for the eFiling system.

Management Response

BEP concurs with the recommendation. The OCPO will partner with the CIO Directorate to document and ensure adequate controls are in place relative to access controls including user provisioning, deprovisioning, and periodic review for the eFiling system.

Finding 2 – Recommendation 2:

We recommend the Director of BEP ensures that BEP revises the checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803. This will ensure that BEP contract award files are complete and in compliance with the requirements of the DTAP and FAR.

Management Response

BEP concurs with the recommendation and will revise the checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803.BEP.

Finding 3 – Recommendation 3:

We recommend the Director of BEP ensures that BEP performs periodic internal reviews to ensure that contract award files within the eFiling system are complete, accurate, and in compliance with the FAR and BEP's internal policies.

Management Response

BEP concurs with the recommendation and will perform periodic internal reviews to ensure that contract files in e-Filing are complete, accurate, and in compliance with the FAR and BEP's policies. Furthermore, the Office of the Chief Procurement Officer is in the process of deploying robotic process automation which will serve as an effective tool to achieve this objective.

We appreciate the opportunity to respond to the formal draft report.

Sincerely,

Leonard  Digitally signed by
Leonard R. Olijar
Date: 2022.03.17
14:26:26 -04'00'

Leonard R. Olijar
Director

cc: Patricia Greiner, Deputy Director (Chief Administrative Officer), BEP
Charlene Williams, Deputy Director (Chief Operating Officer), BEP
Steven A. Fisher, Associate Director (Chief Financial Officer), BEP
Randall Burleson, Chief Procurement Officer, BEP
Constance Thomas, Deputy Chief Procurement Officer, BEP
Adam Veney, Chief, Office of Compliance, BEP

Appendix 3: Report Distribution

Department of the Treasury

Secretary
Deputy Secretary
Office of Strategic Planning and Performance Improvement
Office of the Deputy Chief Financial Officer, Risk and Control Group

Bureau of Engraving and Printing

Director
Chief Procurement Officer
Office of Compliance

Office of Management and Budget

OIG Budget Examiner

U.S. Senate

Chairman and Ranking Member
Committee on Banking, Housing, and Urban Affairs

U.S. House of Representatives

Chairman and Ranking Member
Committee on Financial Services

Chairman and Ranking Member
Subcommittee on Monetary Policy and Trade

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