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United States Senate

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS WASHINGTON, DC 20510–6250

May 14, 2013

The Honorable Gene L. Dodaro Comptroller General of the United States United States Government Accountability Office 441 G Street, NW Washington, DC 20548

Dear Mr. Dodaro:

I am writing to request that you review two aspects of the federal government's use of competition in contracting: (1) bridge contracts and (2) class justifications for sole-source contracts.

Agencies may award sole-source contracts to bridge the gap between the end of one contract and the award of a follow-on contract. These contracts, known as bridge contracts, can allow agencies to continue receiving services for a brief period of time while conducting a competition for a follow-on contract. Anecdotally, however, agencies are awarding lengthy bridge contracts and following the award of the bridge contract with another sole-source contract.

The use of bridge contracts raises questions about the government's acquisition planning process and whether the length of bridge contracts is appropriate. I request that GAO review the following:

- (1) What insights do government agencies have into their use of bridge contracts?
- (2) What are the facts and circumstances around the award of selected bridge contracts, including the period of performance and whether follow-on contracts were awarded competitively or on a sole source basis?
- (3) What steps, if any, are agencies taking to manage the use and potential abuse of bridge contracts?

Agencies use class justifications to obtain approval for sole source contracts for more than one contract at a time. For example, several programs and contracts associated with a weapon system may receive sole source approval within only one justification document. Class justifications raises questions about whether it is appropriate to authorize use of a sole source approach to a wide swath of contracts. In light of these concerns, I request that GAO review the following:

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- (1) To what extent are government agencies using class justifications to award sole source contracts, and what is the estimated dollar value of these contracts?
- (2) What are the facts and circumstances around sole source contracts awarded under selected class justifications? For these contracts, what steps were taken to determine that competition was not an option, and what plans, if any, are being taken to award follow-on contracts competitively?

Thank you for your consideration of this request. Please contact Margaret Daum with the Subcommittee staff at (202) 224-7061 with any questions. Please send any official correspondence related to this request to Lauren Corcoran at Lauren Corcoran@hsgac.senate.gov.

Sincerely,

Claire McCaskill

Chairman

Subcommittee on Financial and

Contracting Oversight

cc: Ron Johnson

Ranking Member

Subcommittee on Financial and

Contracting Oversight