

GAO@100 Highlights

Highlights of [GAO-21-528](#), a report to congressional addressees

Why GAO Did This Study

In response to COVID-19, agencies awarded contracts for goods and services to vendors from a range of industries and with varying levels of federal contracting experience, but some vendors have been unable to deliver under those contracts.

The CARES Act included a provision for GAO to review COVID-19-related federal contracting under the act. This report addresses (1) COVID-19 contract obligations and characteristics of vendors, (2) contracting challenges, including with agency assessments of vendors, and (3) whether lessons learned efforts reflect those challenges.

GAO analyzed federal procurement data on agencies' reported COVID-19 contract obligations through May 31, 2021. GAO examined a nongeneralizable sample of 28 contracts with high dollar values or other characteristics from four agencies—DOD, HHS, USDA, and DHS. GAO interviewed officials, including Office of Management and Budget (OMB) officials about their emergency acquisition guidance.

What GAO Recommends

GAO is making 10 recommendations, including that agencies establish processes to better collect and communicate contracting lessons learned during emergencies such as COVID-19. Agencies agreed with nine recommendations. OMB did not agree to establish time frames for updating its guidance. GAO continues to believe OMB should do so, as discussed in this report.

View [GAO-21-528](#). For more information, contact Marie A. Mak at (202) 512-4841 or makm@gao.gov.

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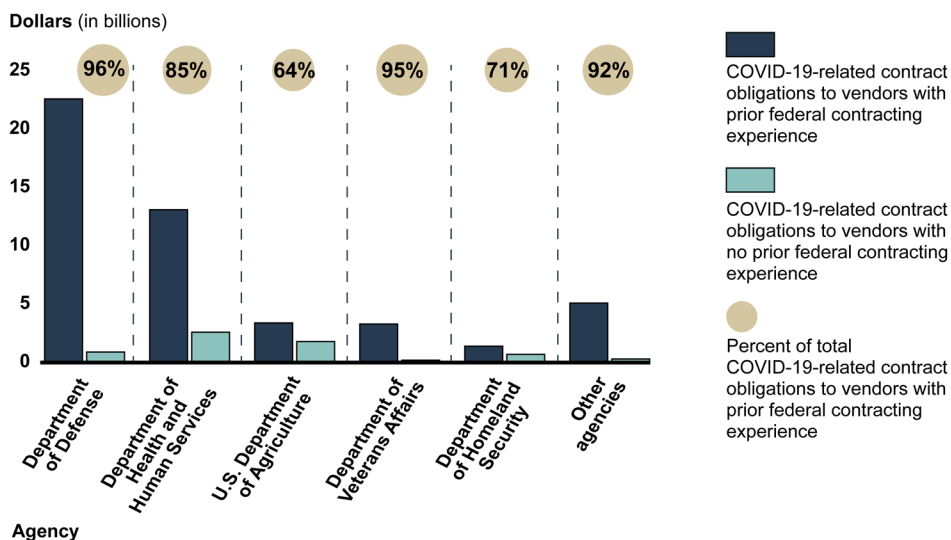
COVID-19 CONTRACTING

Opportunities to Improve Practices to Assess Prospective Vendors and Capture Lessons Learned

What GAO Found

As of May 31, 2021, agencies obligated \$61.4 billion for contracts in response to the COVID-19 pandemic. Agencies cancelled \$4 billion in obligations, in some cases due to contract terminations. The proportion of obligations to vendors with prior federal experience government-wide was 88 percent but varied by agency (see figure). In calendar year 2020, agencies awarded about 5 times as many contracts to vendors without prior federal contracting experience for COVID-19, as compared to contracts awarded overall in preceding calendar years.

COVID-19-Related Contract Obligations to Vendors with or without Prior Federal Contracting Experience for the Five Agencies with the Most Obligations, as of May 31, 2021



Agency
Source: GAO analysis of Federal Procurement Data System data. | GAO-21-528

For the selected contracts GAO reviewed across four agencies—the Departments of Defense (DOD), Health and Human Services (HHS), Agriculture (USDA), and Homeland Security (DHS)—contracting officials identified a number of challenges, including:

- working with vendors new to federal contracting or vendors supplying products they had not previously provided;
- operating under limited time frames to make awards; and
- contracting for supplies and services the agency does not typically buy.

The four agencies are collecting and sharing lessons learned related to their COVID-19 response. However, HHS and DHS have not included contracting lessons learned, even though they identified contracting challenges. Collecting contracting lessons learned could inform future emergency response efforts. Furthermore, although interagency coordination was critical to the response, contracting lessons learned are at risk of not being reflected in formal interagency lessons learned efforts. Without a process to do so, federal agencies risk missing an opportunity to memorialize contracting and coordination practices that were successful, as well as those that were not, for future emergencies.