

# GAO Highlights

Highlights of [GAO-24-106219](#), a report to congressional requesters

## Why GAO Did This Study

Since 2009, a clause in certain federal contracts requires contractors to use the E-Verify program to confirm their workers' employment eligibility. As of 2023, about 95,000 federal contractors were enrolled in E-Verify. Agencies have obligated hundreds of billions of dollars on contracts that appeared subject to the requirement.

GAO was asked to assess federal agencies' use of the E-Verify clause for federal contractors. This report focuses on the extent to which DOD, DHS, and HHS included the clause in selected contracts and monitored contractor compliance with the clause. It also addresses whether USCIS has taken action when contractors did not follow E-Verify program requirements.

GAO selected the three agencies because they accounted for nearly two-thirds of fiscal year 2021 contract awards that appeared subject to the E-Verify clause, the most recent data available at the time of GAO's review. GAO reviewed fiscal years 2019–2021 contract data, assessed a nongeneralizable sample of 24 contracts, and analyzed data on contractor E-Verify enrollment.

## What GAO Recommends

GAO is making eight recommendations, including that OMB clarify agency responsibilities for monitoring contractor compliance with the E-Verify clause, and that DHS implement a process to refer contractors with terminated accounts to appropriate agency officials. DOD, DHS, HHS, and OMB concurred with the recommendations.

View [GAO-24-106219](#). For more information, contact Timothy J. DiNapoli at (202) 512-4841 or [dinapolit@gao.gov](mailto:dinapolit@gao.gov), or Rebecca Gambler at (202) 512-8777 or [gablerr@gao.gov](mailto:gablerr@gao.gov).

October 2023

## FEDERAL CONTRACTING

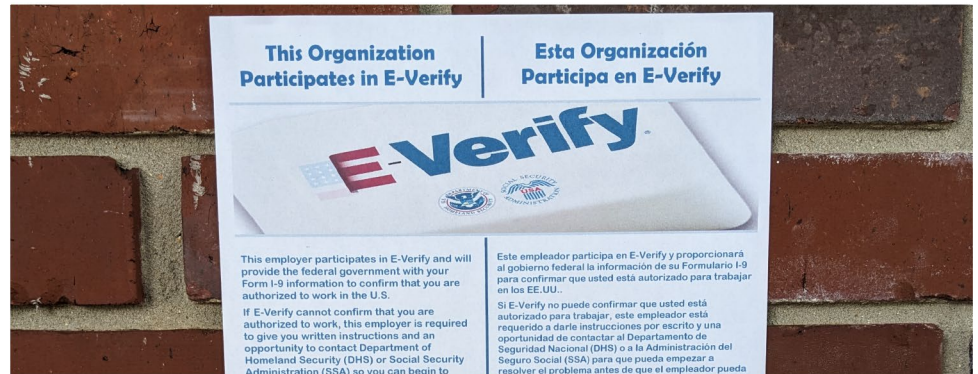
### Agencies Can Better Monitor E-Verify Compliance

## What GAO Found

The E-Verify program allows employers to electronically confirm that their employees are eligible to work in the U.S. The Federal Acquisition Regulation (FAR) requires agencies to include, with certain exceptions, a contract clause directing contractors to enroll in and use the program. The Departments of Defense (DOD), Homeland Security (DHS), and Health and Human Services (HHS) included the clause in 22 of the 24 contracts that GAO reviewed.

However, the three selected agencies' efforts to monitor contractor compliance with the E-Verify clause were inconsistent. Some officials thought they were not responsible for monitoring contractor compliance. The Office of Management and Budget (OMB) office that directs federal procurement policy told GAO that it expects agencies to monitor contractor E-Verify compliance. However, OMB has not clearly communicated this expectation to agencies.

## E-Verify Participation Poster



Source: GAO (photo). | [GAO-24-106219](#)

U.S. Citizenship and Immigration Services (USCIS)—a component of DHS—administers E-Verify. USCIS may terminate E-Verify accounts, including those of federal contractors, for misuse and non-use. Misuse includes unresolved discrepancies that prevent confirmation of an employee's eligibility. Non-use includes not verifying any employees in a specified time frame. From 2020 to March 2023, USCIS terminated almost 300 contractor accounts for misuse and more than 5,000 such accounts for non-use. USCIS no longer terminates contractor accounts for non-use.

However, USCIS lacks a process to refer these contractors for further review, as required. The FAR states that DHS must refer contractors whose E-Verify accounts it terminates to suspension and debarment officials who determine whether contractors should be temporarily disqualified or excluded from government contracting. DHS officials acknowledged USCIS—the component responsible for these referrals—is not meeting this requirement. Agencies' suspension and debarment officials, therefore, are not able to determine whether these federal contractors' misuse of E-Verify merits further action. DHS officials said they plan to address this, but these plans are in the early stages.