



Report in Brief

February 27, 2018

Background

The Census Investigative Services office, formerly the Census Hiring and Employment Check office, is responsible for vetting all prospective Census Bureau employees and contractors. The Bureau employs both full-time and part-time permanent and temporary employees, as well as contractors, at various locations. To complete ongoing surveys, decennial census operations, and decennial field tests throughout each decade, temporary employees, who typically work out of their homes, visit millions of U.S. households each year. In the interests of national security, all persons hired for a federal job undergo, at a minimum, a basic background check to ensure that they are “reliable, trustworthy, of good conduct and character, and of complete and unswerving loyalty to the United States.” The Bureau relies on effective background checks to ensure public safety and that sensitive household data are safeguarded.

Why We Did This Review

Our objectives were to (1) assess the Bureau’s internal policies and procedures for conducting background checks on temporary employees, as well as any other Census Bureau employees; and (2) determine whether the Bureau has a plan in place to conduct background checks for temporary employees who will be hired during the 2020 Census tests and decennial field operations that will occur as part of the actual decennial enumeration.

CENSUS BUREAU

2020 Census: The Bureau’s Background Check Office Is Not Fully Prepared for the 2020 Census

OIG-18-015-A

WHAT WE FOUND

We found that the Bureau has developed policies and procedures for conducting background checks on temporary employees, but quality assurance weaknesses jeopardize the effectiveness of those procedures. Specifically, we found the following:

- 1. Escalating costs and inadequate quality assurance practices pose risks to 2020 Census background check activities.** Since October 2010, the Bureau has used a series of time-and-materials (T&M) and labor-hour contracts—at a cost of \$16.7 million—to support its background check activities. These types of contracts are considered high-risk because the price is not fixed and depends on the number of labor hours that contractors need to complete the requirements. There is no incentive to the contractor to control the cost or ensure labor efficiency.
- 2. The Bureau is not adequately monitoring contractor activities.** We identified issues specifically related to the manner in which program officials are currently managing contractors, as well as the manner in which both program officials and contracting officials are administering the current T&M contract. Unless program officials begin performing required oversight and surveillance, the expenditures scheduled for the remainder of the first option period and remaining three option periods (\$11,132,002.56) may be considered funds to be put to better use.
- 3. Program officials are not always allocating background check costs to the correct fund.** Program officials did not understand that costs for specific activities, such as processing background checks for decennial census applicants, should be charged against the correct funding sources. As a result, between January 2016 and April 2017, a total of 22,704 hours, at a cost of \$1.1 million, were allocated to the wrong project codes.

WHAT WE RECOMMEND

We recommend that the Director of the U.S. Census Bureau do the following:

1. Use available data to estimate the number of staff needed to complete background checks to support the 2020 Census workload and assess whether a T&M contract is needed or if there are other, more efficient methods to control costs.
2. Develop written policies and procedures that address supervisory and employee responsibilities in approving background check applications.
3. Evaluate whether the current contract is being managed as a personal services contract and make the necessary changes required to prevent circumventing the Federal Acquisition Regulation.
4. Train contracting and program officials to ensure they perform proper oversight and surveillance of service contracts.
5. Train program officials to charge salary costs appropriately.
6. Verify the obligation of appropriated funds for background checks and determine whether they have been apportioned and allotted correctly.