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UNITED STATES GENERAL ACCOUNTING OFFICE
REGIONAL OFFICE
ROOM 403 U S CUSTOMHOUSE 610 SOUTH CANAL STREET
CHICAGO, ILLINOIS 60607

FEB 22 1973

Captain R D Fisher
Commanding Officer
Defense Contract Administration Services Region
O'Hare International Airport
P. O Box 66475
Chicago, Illinois 60666

Dear Captain Fisher

We recently completed a limited review of the preaward survey program of the Defense Contract Administration Services Region (DCASR), Chicago, to determine whether the program was being carried out effectively. We reviewed 80 randomly selected preaward survey reports issued during fiscal year 1972 by the Chicago Operations Division and the Milwaukee and Indianapolis District Offices. These three offices accounted for 798 of the 925 reports issued during fiscal year 1972 by the several offices within the Chicago region.

We found a number of preaward survey reports that were not fully responsive to the request of the procuring activity. For example, in some instances the survey did not include an appropriate determination of quality or financial capability, and, in other instances we noted that the reports contained some errors and inconsistencies.

Each of the survey reports which, in our opinion, included a weakness was discussed in detail with responsible members of your staff. Although some corrective action has been initiated, we believe that additional emphasis by management is needed to improve the quality and responsiveness of preaward survey reports. We believe that management should (1) emphasize to the survey team the need for accuracy, clarity, and completeness, and, (2) strengthen the review process so that errors and omissions might be disclosed and corrected prior to release of the survey reports to the procuring activities.

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Additionally, we observed that surveys were made (1) repetitively for the same contractors, (2) for low dollar value procurements, and (3) for commercial-type items. We recognize that these matters are the responsibility of the requesting procurement activities, however, you may wish to pursue these matters further to reduce the number of surveys made by your staff.

We would like to express our appreciation for the assistance provided to us during our review. Also, we would appreciate your informing us of corrective actions taken regarding the weaknesses discussed with your staff.

Sincerely yours,

M. R. Wolfson
M. R. Wolfson
Regional Manager

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