

FDIC Office of Inspector General

Oversight of the Infrastructure Support Services Contract

Office of Audits

January 2026 | AUD-26-02



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Notice

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Executive Summary

Oversight of the Infrastructure Support Services Contract (AUD-26-02)

January 30, 2026

What We Did

The FDIC relies on contractor support to accomplish its mission. Therefore, it is important that the FDIC ensure effective contract oversight and compliance with its acquisition policies and that contractors deliver goods or services according to the terms of the contract.

Our objective was to determine whether the FDIC provided effective oversight of the Infrastructure Support Services (ISS) contract to ensure compliance with service level metrics, invoice review and approval procedures, and data protection and security controls.

Impact on the FDIC

If contractor oversight is not effective, the FDIC cannot be certain its employees will receive the services or support defined in the contract, it will have limited assurance that payments and service level credits are reasonable and proper, and its sensitive data may not be protected.

What We Found

In January 2021, the FDIC awarded a \$300 million Basic Ordering Agreement to provide day-to-day information technology operational support for its infrastructure facilities, hardware, software, and systems. The services provided under the agreement are a critical component of the FDIC's capability to sustain normal operations and respond to bank failures in a timely and effective manner.

While the FDIC made significant progress to address the weaknesses identified during the audit, we determined the FDIC did not provide effective oversight to ensure key contract personnel and the Contractor complied with internal policies and procedures, or the ISS contract terms and conditions. Specifically, we found that the FDIC did not always:

- Monitor contractor performance against agreed upon metrics nor enforce the requirement for the Contractor to provide the supporting data needed to verify compliance with service level metrics and to determine the accuracy of the service level credits due to the FDIC.
- Review and verify the accuracy of invoice charges and service level credits for Critical Service Level defaults nor consistently retain supporting data for invoices.
- Verify that all contractors completed training prior being granted privileged access to the FDIC's network and systems and ensure the Contractor reported a data leakage incident in accordance with internal policy.

What We Recommended

We made eight recommendations intended to improve the FDIC's oversight of ISS contracts. We also identified (b) (5) in funds to be put to better use and (b) (5) in questioned costs. The FDIC concurred with the eight recommendations and plans to complete all corrective actions by December 31, 2026.



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Oversight of the Infrastructure Support Services Contract

OBJECTIVE

The objective of our audit was to determine whether the Federal Deposit Insurance Corporation (FDIC) provided effective oversight of the Infrastructure Support Services (ISS) contract to ensure compliance with service level metrics, invoice review and approval procedures, and data protection and security controls.

We conducted this performance audit from September 2024 through December 2025 in accordance with the Government Accountability Office's (GAO) Generally Accepted Government Auditing Standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. [Appendix 1](#) of this report includes additional details about our objective, scope, and methodology.

BACKGROUND

On January 27, 2021, the FDIC awarded a \$300 million Basic Ordering Agreement (BOA)¹ to provide day-to-day Information Technology (IT) operational support for its infrastructure facilities, hardware, software, and systems. The services provided under the agreement are a critical component of the FDIC's capability to sustain normal operations and respond to bank failures in a timely and effective manner. These services are provided through seven areas (i.e., service towers):²

- **Data Center Operations (DCO).** Provide data center and facilities management for all FDIC locations, to include support for over 5,500 servers, 1,500 terabytes³ (TB) of storage capacity, and about 3,000 TB of data, respectively.

¹ A written agreement between the FDIC and a contractor for future delivery of goods and services. A BOA becomes a contract when a task order is issued for the acquisition of goods and services.

² The descriptions for each service tower are high-level summaries and are not inclusive of all services. Additionally, the numbers are based on the FDIC's infrastructure as of March 1, 2021.

³ A term used to describe large storage capacity to back up and store a significant amount of data, including systems, files, etc. For example, one TB can store around 85 million documents.



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- **Network Services (NET).** Manage and monitor over 820 network devices,⁴ wireless services, network upgrades, installation and relocation of network devices, and network security.
- **Unified Communication (UC).** Provide, maintain, and configure all software, equipment and facilities infrastructure. For example, UC supports approximately 8,900 licenses for accounts and other tools to collaborate, share documents and files, and manage meetings.
- **Cross-Functional Services (CFS).** Develop processes for incident, configuration, and change management; and ensure compliance with security requirements, the FDIC's policies and procedures, and other guidance relating to privacy and confidentiality for the FDIC information technology (IT) environment.
- **Client Services (CS).** Provide on-site support services, to include conventional and mobile devices, training and conference rooms, travel and telework, and walk-up kiosk. CS supports about 8,900 users at over 80 locations. CS also provides support for 7,500 laptops, 1,200 desktops, 140 tablets, 3,500 cellphones, and 627 printers.
- **Service Desk (SD).** Provide 24x7x365 personnel and tools to support the FDIC's employees and contractors. SD typically receives over 3,000 tickets per month for technical assistance, such as password reset, account restoration, and troubleshooting.
- **Monitoring and Event Management (MEM).** Provide the FDIC with tools to capture availability, utilization, and performance data for the data center, network, and unified communications.

The FDIC issued a Primary Task Order (PTO) effective March 1, 2021 to the Contractor to provide the services. The PTO consists of a 5-year base period of performance and ten 3-month option periods for a total fixed ceiling price of \$256,820,789. The base period expires on February 28, 2026, and the FDIC did not exercise the option periods.⁵ As of November 2025, the total contract spend was \$220,590,950.34 (86 percent) of the contract award amount.⁶ On November 24, 2025, the FDIC Board of Directors authorized an extension of the current contract as an interim measure while they prepare to execute the new ISS contract.

⁴ Network devices include routers, switches, load balancers, and firewalls.

⁵ PTO, Section 7.5.5-01 and 7.5.13-06, *Option Periods and Compensation Ceiling*.

⁶ CIOO Contracts Dashboard, November 17, 2025.



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Managed Services Contract

To maximize the FDIC's infrastructure investments and to ensure that continuous improvements are incorporated into the ISS contract, the FDIC employed a managed services approach. The objectives included, but are not limited to:

- A contract structure that provided the FDIC flexibility to alter and customize its IT services over the contract term to satisfy evolving needs.
- A contractor's commitment to work with the FDIC to guarantee the availability of technology and to provide continuous improvement.
- Service Level Agreements (SLA) with appropriate incentives for the contractor to recommend new and innovative approaches with value measurements.

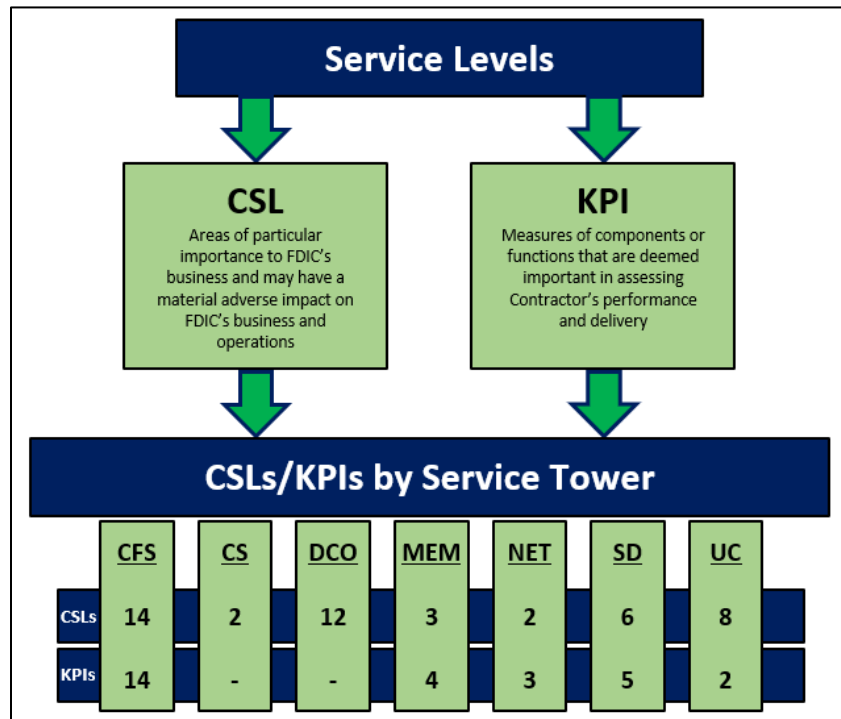
Service Levels Metrics

The contract includes the service levels the Contractor must meet or exceed. These service levels are critical because they define (1) Contractor performance standards and requirements, (2) measures used to assess performance, (3) duties and responsibilities of each party, (4) remedies or penalties for service level defaults, and (5) protocols for adding and removing metrics.

There are two types of service levels for the ISS contract – Critical Service Levels (CSLs) and Key Performance Indicators (KPIs). CSLs are those that have a material adverse impact on the FDIC's business operations. KPIs are components or functions that are deemed important in assessing the Contractor's performance and delivery of services. **Figure 1** illustrates the original 47 CSLs and 28 KPIs for the 7 service towers established at contract award. See **Figure 2** for a timeline of the additions, removals, and edits to CSLs and KPIs.

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Figure 1: ISS Contract Service Levels Overview



Source: OIG analysis of the ISS contract service levels established in the BOA.

Invoice Charges and Service Level Credit Structure

Three methodologies are used to calculate charges payable to the Contractor for services provided to the FDIC: (1) Unit-based charges are applied monthly for the performance of services determined by multiplying the unit rate⁷ by the actual volume of resources units (RU) used, (2) Full-time Equivalents (FTE) charges are calculated by multiplying the number of FTEs by the FTE rates,⁸ and (3) fixed recurring charges are payable on a periodic basis. As an offset, the FDIC receives service level credits, which require the Contractor to deduct money from the monthly invoice when the Contractor fails to meet any of the CSLs or KPIs.

⁷ A price established in the BOA based on the category and volume of resources used.

⁸ A rate based on the positions, skill sets, experience, work location, and other qualifications identified in the contract.



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The Contractor is required to maintain an accurate and up-to-date record of RU quantities and to track and report the number of RUs consumed by the FDIC. The Contractor will prepare monthly invoices that consist of the number of RUs consumed, FTEs, any applicable recurring charges, and any service level credits due. The FDIC is required to review and approve the invoice data.⁹

Key Contract Personnel

The FDIC Divisions and Offices involved in the ISS contract that were the subject of this audit include:

- **Division of Administration (DOA).** DOA establishes the FDIC's acquisition policies and procedures in the *Acquisition Procedures and Guidance Manual* (February 2025) (APGM). The Acquisition Services Branch (ASB) within DOA is responsible for the overall management of the FDIC's acquisition activities. The ASB also assigns Contracting Officers (CO) to work closely with the Program Office on each acquisition. The CO has sole authority to solicit proposals and negotiate, award, administer, modify, or terminate contracts on behalf of the FDIC.¹⁰
- **Chief Information Officer Organization (CIOO).** The CIOO Division of Information Technology (DIT) provides IT leadership and services in support of the FDIC. The CIOO works closely with the ASB and program clients and assigns an Oversight Manager (OM) and Technical Monitors (TM) to monitor and evaluate contractor performance and ensure that the contractor delivers the required goods and/or performs the work according to the contract. Additionally, the CIOO develops guidelines to protect and safeguard FDIC sensitive financial, regulatory, and personally identifiable information (PII).

In addition, several FDIC Divisions and Offices play a supporting role in contract administration. Specifically, the Contracts and Risk Management Unit of the Legal Division provides legal advice on the drafting, award, and administration of certain contracting and procurement actions, and the Division of Finance (DOF) provides accounting, budget, and financial services.

⁹ BOA, Attachment J13, *Charges Methodology*.

¹⁰ The CO ensures the performance of all actions necessary for efficient and effective contracting, ensuring compliance with the terms of contracts, and protecting the interests of the FDIC in all its contractual relationships.



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Issues Identified in the Planning Phase

During our planning phase, we identified issues indicating the FDIC did not enforce the requirement for the Contractor to provide performance data sufficient to support its compliance with contractual requirements. This affected the FDIC's ability to monitor the Contractor's performance and determine the accuracy of contractor invoices, including service level credits due to the FDIC. Further, the FDIC executed a contract modification that paused the Contractor's obligation to report KPI data for contract oversight purposes. The modification also temporarily suspended the FDIC's right to pursue any contractual remedies if the Contractor failed to meet KPI performance levels.

We communicated these issues to the FDIC and significant progress was made to address them. For example, the FDIC executed another contract modification, effective March 1, 2025, that:

- Resumed KPI reporting that was paused by an earlier contract modification.
- Retired 13 of the 26 KPIs and 6 of 43 CSL service level metrics (considered obsolete or unmeasurable).
- Directed the Contractor to retroactively report performance for KPIs that were in place from March 2022 through February 2025.
- Revised SLA targets and associated credit pool points effective 60 days from the date notification.

Further, the contract modification states, "*in no event does the retirement of SLAs remove the ability of the FDIC to recover credits for any prior service level defaults that were not properly identified as part of previous invoices.*"

As of May 2025, the Contractor provided the KPI performance data for FDIC review and as of December 2025, DIT is working to reconcile service level credit discrepancies, and ASB and the Legal Division will collaborate and assist with attempts to recoup potential service level credits.

RESULTS

While the FDIC made significant progress to address the weaknesses identified during the audit, we determined the FDIC did not provide effective oversight to ensure key contract



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personnel and the Contractor complied with internal policies and procedures, or the ISS contract terms and conditions. Specifically, we found that the FDIC did not always:

- Monitor Contractor performance against agreed-upon metrics nor enforce the requirement for the Contractor to provide the supporting data needed to verify compliance with service level metrics and to determine the accuracy of the service level credits due to the FDIC.
- Review and verify the accuracy of invoice charges and service level credits for CSL defaults nor consistently retain supporting data for invoices; and
- Verify that all Contractors completed training prior to being granted privileged access to the FDIC network and systems and ensure the Contractor reported a data leakage¹¹ incident in accordance with internal policy.

As a result, the FDIC cannot be certain its employees will receive the services or support defined in the contract. Also, the FDIC has limited assurance that invoice payments are reasonable and proper, and the agency may not be able to collect the total amount of service level credits due. Further, if data leakages are not reported, the FDIC's risks of financial losses, reputational damage, and legal consequences increase. Finally, if privileged access training is not completed, authorized users may not be aware of their role and responsibility for identifying and addressing threats and vulnerabilities that could impact critical operations, assets, and employees. We identified (b) (5) in funds to be put to better use for service level credits due to the FDIC and (b) (5) in questioned costs because the FDIC did not retain the data to support those charges on the ISS contract invoices.

Finding 1

Lack of Service Level Monitoring

We found that the FDIC did not monitor Contractor performance against all agreed upon metrics and did not enforce the requirement for the Contractor to provide all of the supporting data needed to (1) verify compliance with service level metrics or (2) determine the accuracy of the service level credits due to the FDIC. Additionally, the FDIC did not enforce the requirement for the Contractor to review and update service level metrics annually.

¹¹ The intentional or unintentional release of information to an untrusted environment.



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CSL Metrics

From June 2021 to January 2022, the Contractor did not report the results of its performance against 43 CSLs. Additionally, from January 2022 to August 2024, the Contractor did not provide the supporting performance data necessary to calculate its performance against the service level metrics and to verify service level credits issued on the monthly invoices.¹²

KPI Metrics

From June 2021 to July 2024, the Contractor did not report the results of its performance to the FDIC for 24 of the 28 KPIs and did not issue service level credits for KPI defaults. For example, one KPI requires the Contractor to perform a root cause analysis¹³ within 5 days of a service level default. In 2022, the Contractor reported ten service level defaults over 10 consecutive months;¹⁴ however, the Contractor did not complete the root cause analyses for the defaults until January 31, 2023, and did not issue required service level credits on monthly invoices.¹⁵

Additionally, although the Contractor reported data for four KPIs – one KPI from February 2022 to July 2024 and three KPIs from October 2023 to March 2024, the Contractor did not provide supporting data for the KPIs and did not issue any required service level credits on the monthly invoice.

The Contractor is required to implement and provide real-time access to measurement and monitoring tools, data, and procedures to measure and report performance of the services provided against the applicable service levels. The tools and procedures should include sufficient detail to verify the Contractor's compliance with the service levels.¹⁶

¹² According to the BOA, Attachment J2, *Service Level Methodology*, Section 2.6(A), service level credits for CSL defaults are calculated based on the assigned service level credit points multiplied by the amount at risk, which cannot exceed 12 percent of the monthly invoice charge.

¹³ According to the BOA, Attachment J2, *Service Level Methodology*, Section 2.5, in the event of a service level default, the contractor will a) investigate; b) collect and preserve data, and report on the causes of the problem; c) advise FDIC of the status of remedial efforts; d) minimize the impact of, correct the problem, and begin meeting the service level; and e) take appropriate preventive measures so that the problem does not recur.

¹⁴ Service level defaults occurred from March through December 2022.

¹⁵ According to the BOA, Attachment J2, *Service Level Methodology*, Section 2.6(B), if in any month there are service level defaults for 20 percent but less than 40 percent of the total KPIs, the credit will be \$10,000, and for 40 percent or more of the total KPIs, the credit will be \$20,000.

¹⁶ BOA, Attachment J2, *Service Level Methodology*, Section 2.3(A), Measurement Tools.



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Service Level Metrics Review

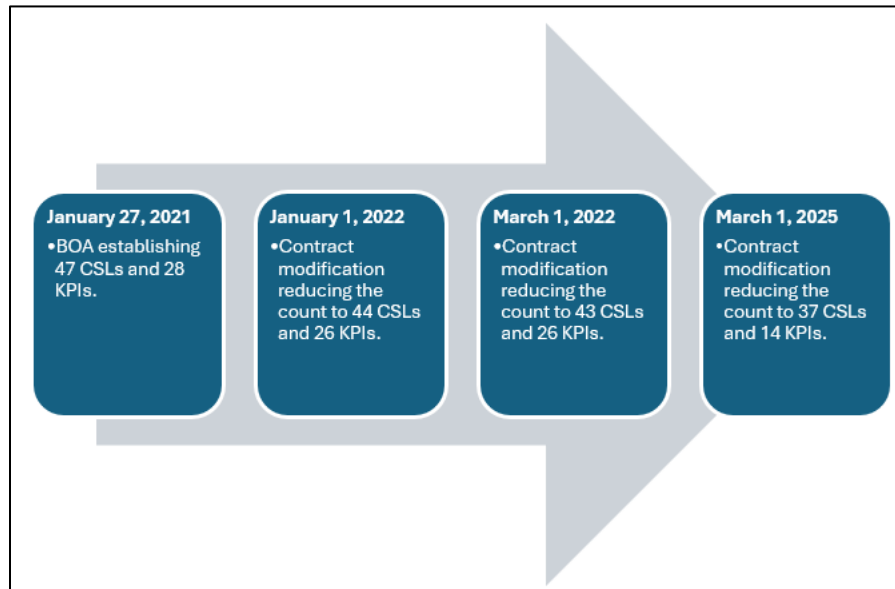
The FDIC did not enforce the requirement for the Contractor to annually review and assess all service levels and related measurement tools to determine whether any changes are required to collect and accurately reflect contractor performance and related data.¹⁷ Based on our analysis, the Contractor reviewed service levels in May 2021, 3 months after contract award. The only changes made to the existing service levels were the removal of five and the addition of two CSLs.

Additionally, the FDIC suspended service level credits and required the Contractor to document definitions for all service levels outlined in the contract and collaborate with the FDIC to revise and document service levels based upon organizational and technological changes. However, the Contractor only changed the metrics for one of the CSLs and combined two other CSLs. See **Figure 2** for an illustration of the service level revisions.

¹⁷BOA, Attachment J2, *Service Level Methodology*, Section 2.3(C), Measurement Tools.

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Figure 2: Timeline for Service Level Updates



Source: OIG analysis of the ISS contract modifications.

Our analysis of the service level metrics that were developed and contractually agreed upon revealed that the Contractor could not accurately measure three CSLs.¹⁸ The inability to measure the three CSLs was due to the fact that the metrics' descriptions, calculations, and/or data sources were unreliable. Further, these service levels and their measuring tools were never reviewed, assessed, or retired. Instead, the Contractor reported, calculated, and issued a service level credit on the monthly invoices for one and never reported, calculated, or issued credits for the other two.

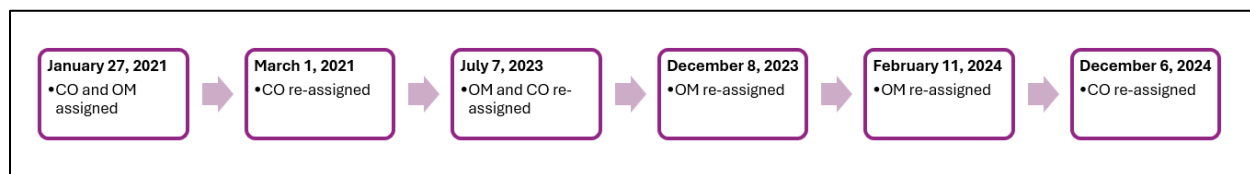
Several issues made it difficult for the FDIC to understand how to measure and report performance using service level metrics (i.e., CSLs and KPIs) and how to use this data to monitor compliance. These issues included:

¹⁸ Fulfillment Time Moving Average Convergence/Divergence (CSL 1.7.7), Endpoint Product & Software Version Compliance (CSL 1.1.10), and Satisfaction Survey (CSL1.7.8).

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- **Complexity of the ISS Contract:** The ISS contract is the FDIC's largest service contract that includes seven categories of services with over 300 specific requirements or functions to be provided by the Contractor. Additionally, each service tower has a different pricing structure that is used to calculate monthly invoice charges for approximately [REDACTED] RUs and [REDACTED] contract employees. Finally, to verify the monthly invoice charges, each service tower must use various data sources and methods to collect data.
- **New Contract Type:** While the FDIC historically utilized time and materials contracts, the ISS contract is a managed services contract in which the Contractor is responsible for the IT infrastructure and end-user systems. Managed service contracts use SLAs to define, measure, and report a contractor's expected level of performance.
- **High Turnover:** From March 2021 to June 2025, the ISS contract had four COs, three OM, and over 35 TMs.¹⁹ The frequent turnover resulted in gaps in knowledge of contract requirements and functions. **Figure 3** illustrates the timeline of key contract personnel changes.

Figure 3: Key Contract Personnel Changes



Source: OIG analysis of the ISS contract modifications.

Additionally, the ISS Contract Management Plan (CMP)²⁰ did not include the level of oversight necessary to ensure the CO and OM effectively managed key contract vulnerabilities and performance risks inherent in the complex service contract. For example, the CMP lacked the following controls:

¹⁹ Due to the numerous TM changes, we did not include these dates in the illustration.

²⁰ The CMP ensures that all key contractor personnel have a clear understanding of their roles and responsibilities for ongoing contract oversight and administration. The CMP should be tailored based on the complexity of the contract, approved before the post-award conference, and updated as necessary throughout the term of the contract.



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- While the CMP assigned the OM, with assistance from TMs, to monitor contractor performance and review and approve monthly SLA reports, the CMP did not identify the techniques and tools to review and approve the metrics data.
- The CMP did not identify how the OM will inspect and verify deliverables and the method for documenting acceptance or rejection of the deliverables, instead the CO included general language from the contract's Inspection and Acceptance clause.
- The CMP did not include a plan or process (e.g., instructions, certifications, documentation, etc.) for sampling, reviewing, and approving invoice data.

Because the FDIC did not always enforce requirements to monitor, review, and report Contractor performance against agreed upon metrics, it cannot be certain its employees will receive the services or support defined in the contract. For example, in 2023, the FDIC had to issue a letter to the Contractor to address employees' concerns with lengthy call wait times, ticket quality, and responsiveness for Service Desk and Client Service support.

(b) (5)

²¹ However, service level credits due are subject to review and approval by DIT, DOA, and the Contractor to determine the amount that the FDIC will receive. The estimated amount represents potential cost savings to the FDIC; therefore, the OIG is recommending funds to be put to better use²² of (b) (5) for service level credits due.

²¹ The FDIC provided multiple data for this initial estimate that included an analysis of contract years 2 through 4 from March 2022 through February 2025; overpayments or underpayments of service level credits; and KPI service level credits based on a \$20,000 monthly default amount. The data excluded previous service level credits reconciled through October 2022.

²² 5 U.S.C. § 405(a)(5). The term "recommendation that funds be put to better use means a recommendation by the Office [of Inspector General] that funds could be used more efficiently if management of an establishment took actions to implement and complete the recommendation...."



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Recommendation 1:

We recommend that the **Director, Division of Administration**, in coordination with the **Director, Division of Information Technology**, update procedures and provide training to Contracting Officers, Oversight Managers, and Program Office personnel overseeing contracts that use service level metrics that outlines how to a) draft effective and measurable service level metrics, b) monitor contractor compliance with performance requirements and review performance data, and c) review and assess service level metrics to ensure they accurately reflect contractor performance.

Recommendation 2:

We recommend that the **Director, Division of Administration**, in coordination with the **Director, Division of Information Technology**, recover service level credits totaling **(b) (5)**, so that the funds can be put to better use or provide documentation to justify uncollected credits.

Recommendation 3:

We recommend that the **Director, Division of Administration**, in coordination with the **Director, Division of Information Technology**, ensure Contract Management Plans include the controls that will be used by key contract personnel to oversee and manage complex service contracts.



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Finding 2

Deficiencies in Review and Approval of Contractor Invoices

We found the FDIC did not always review and verify the accuracy of invoice charges and service level credits for CSL defaults. Additionally, the FDIC did not always retain supporting data for the ISS contract invoices. We identified issues related to incorrect charge rates and penalty calculations²³ for service level credits.

Incorrect Charge Rates

According to the APGM, the OM is responsible for ensuring charges contained on each invoice are within the contract terms and conditions and for reviewing documentation required by the contract to ensure that it adequately supports the invoice. Additionally, the FDIC's *Contractor Invoice Review Standard Operating Procedures* (SOP) (October 2024) states the OM is responsible for coordinating with the TM(s) to ensure (1) proper payment for goods and services received; (2) services performed and/or deliverables received are in accordance with the contract; (3) mathematical calculations are understandable and accurate, and (4) that appropriate invoice deductions or credits are made.

We judgmentally selected a sample of seven invoices²⁴ and found that two included charges that did not align with internal policies and procedures and contract terms and requirements. Specifically, we found two instances in which the Contractor applied either the incorrect RU charge rates based on the contract year or the incorrect RU volume,²⁵ resulting in erroneous contract payments. See **Table 1** for the data used to calculate the invoice payment, the correct rates that should have been applied, and the over or under payment error amount.

²³ The amount of the applicable service level credit payable to the FDIC for a CSL default will increase by 25 percent upon the fourth and each subsequent CSL default, up to a maximum of three increments, or a multiplier of 1.75.

²⁴ We selected the invoices for the following months: March 2023, May 2023, August 2023, March 2024, June 2024, September 2024, and November 2024. See Appendix 1 for more details on the selection methodology.

²⁵ According to the BOA, Attachment J13, *Charge Methodology*, Section 2.3(E), the total charges for any RU within a particular volume range should not be greater than the lowest potential total charges for the RU category in the next higher volume range for that RU category.



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Table 1: Invoice Payment Errors

Invoice	Line Item	Invoice RU Quantity	Invoice RU/Fixed Rate	Invoice Payment Total	RU/Fixed Rate IAW Contract Terms	Correct Payment Amount	Payment Error Amount
(b) (5)							

^a This rate amount was rounded to get the invoice payment amount.

Source: OIG analysis of Contractor invoices, ISS BOA, and contract modifications.

Incorrect Service Level Credits

We identified 13 instances where the OM and TM did not verify that the Contractor applied the correct service level credits and penalty amounts. **Table 2** shows the invoice data for the CSL defaults and associated credits.

- Nine instances where the FDIC did not receive service level credits totaling (b) (5) for CSL defaults.
- Two instances where the FDIC received service level credits totaling (b) (5) for CSLs that passed their service level metrics.
- Two instances where the service level credits received by the FDIC did not fully reflect the additional penalty amounts for service level defaults:
 - One CSL failed for 5 consecutive months. The credit should have been calculated with an additional penalty of 50 percent, but no penalty was applied.
 - Another CSL failed for 10 consecutive months. So, an additional penalty of 75 percent should have been applied; however, the credit was calculated using a penalty amount of 50 percent.



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Table 2: Incorrect Service Level Credits

	Invoice Date	CSL Default	Credit Received	Credit That Should Have Been Received
(b) (5)				

Source: OIG analysis of Contractor invoices, ISS BOA, and Service Level Performance Report.

According to key FDIC contract personnel, the complexity of the contract and the manual invoice review process made it difficult for them to (1) understand the level of detail, including the methodology to calculate KPI and CSL pass/fail determinations, and (2) verify the completeness and accuracy of the monthly ISS invoices, which include over 42 RU categories across seven service towers.

During our audit, the FDIC adopted a secure, web-based, e-invoicing platform²⁶ that will allow the FDIC to move away from manual invoice processing and move towards electronic intake and processing. The pilot began in March 2025 and includes a multi-phased approach over 2 years, concluding in September 2027 with all contracts using the electronic platform.

²⁶ The invoicing processing platform is offered by U.S. Treasury as a shared service and is intended to improve the efficiency and effectiveness of invoice processing and accounting via better tools and data visibility for internal users and external vendors.



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Missing Invoice Supporting Data

We also found the FDIC did not always retain supporting data for the ISS contract invoices. Specifically, although the total RU volume exists on the SharePoint site,²⁷ we found 16 instances from July 2021 through April 2022 where the OM did not retain supporting data for RU volumes for three of the seven service towers. See **Table 3** for the service tower, the invoice month, and RU charges that lacked supporting data. Furthermore, prior to November 2023, the OM did not upload supporting data to the CEFile.²⁸

²⁷ Used by the ISS Contractor to maintain, track, and report RU quantities consumed by the FDIC.

²⁸ An application that allows users to view and maintain contract files.



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Table 3: RU Charges that Lack Supporting Data

Service Tower	Month	RU Charges
(b)	(5)	

^a 5 U.S.C. § 405(a)(4)(b). The term "questioned cost" means a cost that is questioned because of a finding that, at the time of the audit, the cost is not supported by adequate documentation.

Source: OIG analysis of ISS Contract RU SharePoint site and July 2021 – April 2022 invoices.

The BOA Inspection and Acceptance clause requires the Contractor to maintain an inspection system that covers the services to be delivered or performed. Additionally, the clause states that all services are always subject to inspection and test by OM's during the term of the award. Furthermore, the CEFfile Job Aid No. 5 *CEFfile Contract File Maintenance Responsibilities, CO and OM CEFfile Documentation Checklist/Guidance* (October 2023), states the *Invoice Related Documents sub-folder* will continue to be appropriate for OM's to file back-up documentation that may not have been submitted with the original invoice.

The prior OM stated (1) that RU data were migrated to a different SharePoint site in 2022, and some supporting data was inadvertently deleted during migration, and (2) they did not upload data to the CEFfile because they believed the guidance required them to only upload correspondence related to invoice discrepancies.



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As a result of these issues, the FDIC has limited assurance that previous and/or future payments and service level credits are reasonable and proper, which may increase the risk for waste of FDIC funds. Additionally, because the FDIC did not retain the data to support the RU volumes, the OIG is questioning the total RU charges valued at (b) (5).

Recommendation 4:

We recommend the **Director, Division of Finance**, in coordination with the **Director, Division of Information Technology**, use the e-invoicing platform to replace manual invoice processing for future Infrastructure Support Services contracts.

Recommendation 5:

We recommend the **Director, Division of Administration**, in coordination with the **Director, Division of Information Technology**, require Contracting Officers, Oversight Managers, and Program Office personnel to document the methodology for service level metrics calculations on all future managed service contracts before contract award or prior to implementing credits on invoices.

Recommendation 6:

We recommend the **Director, Division of Information Technology**, ensure that Oversight Managers upload the supporting data for invoices to the contract electronic file application and determine whether the (b) (5) in questioned costs for resource unit charges are supported and allowable.



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Finding 3

Protecting FDIC Data

We found the FDIC did not always monitor and ensure the Contractor reported a data leakage incident in accordance with internal policy²⁹ and contract requirements.³⁰ Furthermore, we found two Contractor employees did not complete their required privileged user training timely.

Sensitive FDIC Data Emailed Outside of the FDIC Network

The Contractor developed a Concepts of Operations (CONOPS) document that included an overview of the ISS program, objectives, vision, operating model, and a detailed organization chart. Additionally, for the seven services provided, the document outlined:

- **Execution Methodology** – the objectives and tasks for each service tower.
- **Inputs and Tools** – the resources (e.g., cybersecurity tools, other systems and data) used to achieve the objectives of each service tower.
- **Dependencies** – the strategies, constraints affecting the services, and interactions among participants and stakeholders.
- **Output** – clearly defined reports, procedures, and configuration documentation for each service tower.

Additionally, the Contractor established an internal communication channel to review and edit the CONOPS document. A service tower lead for the Contractor emailed the link and granted access to the non-secure CONOPS document to two team members' company email accounts. One recipient downloaded the CONOPS document onto a company-provided laptop.³¹ We reviewed on-boarding and training records and found that this Contractor employee received the CONOPS document before officially on-boarding, completing the required Cybersecurity and Privacy Awareness (CPAT) training, and receiving an official FDIC laptop. Lastly, this incident

²⁹ FDIC Directive 1360.09: Protecting Information, Section B, Physical, Administrative, and Technical Controls. To minimize security and privacy risks, authorized users must protect information in accordance with its sensitivity by storing electronic information only on FDIC-authorized systems.

³⁰ ISS BOA, Clause 7.4.2-02 – Offsite Processing and Storing FDIC Information. The Contractor shall report a suspected or confirmed breach in any medium or form, as soon as possible and without unreasonable delay.

³¹ OIG Hotline Complaint dated July 21, 2021. Complaint acknowledged a Contractor performed FDIC work on open email and internet. This was done in the form of multiple PowerPoint based CONOPS.



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was not self-reported by the Contractor to the FDIC Security Response Team (SRT), as required by FDIC policy.

According to SRT Cybersecurity Administrators and the Data Loss Prevention (DLP) user manual, common terms such as “CONOPS” will return too many false positives and overwhelm the DLP tool. Therefore, they did not configure the tool to scan links in emails and search for this common term. Additionally, the prior OM stated that because they were not a recipient of the email and were not aware of this issue until our audit, they could not ascertain why the Contractor emailed the link and granted access to the CONOPS document in a non-secure manner to non-FDIC e-mail addresses. Also, they could only assume the Contractor intended for its recently hired information security expert to provide input on the CONOPS document.

If data leakages are not effectively managed and reported, FDIC employees, contractors, or other insiders may intentionally or unintentionally compromise data security, which could result in the disclosure of sensitive data, internal security structures, or system weaknesses. This could adversely impact the FDIC’s ability to carry out its programs and provide the privacy to which individuals are entitled.

To modernize the data loss prevention process, and improve data identification, tagging, and protection, the FDIC initiated the Enterprise Data Security Assessment to evaluate current data governance practices, identify division-specific needs and requirements, and assess tools, technologies, and processes.³² Because the FDIC is proactively taking steps to evaluate its DLP tool, we are not making a recommendation at this time.

Privileged User and Role Based Training Requirements

We sampled 15 ISS Contractor employees to determine whether they completed their required privileged user training timely.³³ We found that two Contractor employees did not complete Help Desk Role Based training prior to being granted privileged access to the FDIC’s network and systems, as required by policy.³⁴ Cybersecurity and privileged access training ensures authorized users achieve and maintain awareness of threats and vulnerabilities that could impact FDIC information technology resources, data, and systems. Privileged user access

³² Chief Information Officer Council Meeting, Enterprise Data Security Assessment, June 12, 2025.

³³ During the audit, we also selected a sample to determine if Contractor employees completed the required CPAT training and no exceptions were noted.

³⁴ According to FDIC Directive 1360.16, *Cybersecurity and Privacy Awareness Training, Section A.2, Privileged User and Role Based Training*, authorized users must complete Privileged User and Role Based training before gaining privileged access to the FDIC’s network and systems and review and agree with the roles and responsibilities for the system(s) to which they are granted elevated access or permission.



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allows Contractors to perform security-relevant functions that ordinary users are not authorized to perform. For example, Contractor employees assigned to the Service Desk handle about 15,000 password reset requests per year and perform end-to-end Incident Management.³⁵ Based on our analysis, the Contractor employees' onboard dates were April 1, 2024 and July 15, 2024, and they worked with privileged access for 10 and 7 months, respectively, before completing their Help Desk Role Based training.

According to prior and current COs and OMs, they do not have access to contractor training records and do not believe it is necessary to review training records because the TM for the Service Desk tower reviews training records on a routine basis and if a contract employee is not in compliance with FDIC Help Desk Role Based training policy, their account is disabled. However, they were not aware that the two Contractor employees received privileged access months before completing their Help Desk Role Based training until we requested the training records. Consequently, the FDIC disabled the Contractor employees' accounts until they completed the Help Desk Role Based training on February 13, 2025.³⁶

Ensuring that those with access to the FDIC network and systems complete this training reduces the risk to critical operations, assets, and employees due to unauthorized access, use, disclosure, disruption, or destruction of data and systems. For example, in June 2021, an ISS Contractor employee performed FDIC-contracted work using a non-FDIC email account and equipment that contained core FDIC Infrastructure tools and configurations. This was done 3 weeks before the Contractor employee completed the required training.

Recommendation 7:

We recommend the **Director, Division of Administration**, in coordination with the **Director, Division of Information Technology**, ensure that Oversight Managers communicate to Contractor personnel their responsibilities to follow FDIC policies to safeguard data and procedures for self-reporting related incidents.

Recommendation 8:

We recommend the **Chief Learning Officer and Director, Corporate University**, in coordination with the **Director, Division of Information Technology**, ensure

³⁵ The steps taken to identify, analyze, and resolve network and/or system issues.

³⁶ The FDIC changed the name of the training to Privileged User Rules of Behavior, as referenced in recommendation 8.



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Contracting Officers and Oversight Managers have the appropriate access to review and verify that contractors complete the required Privileged User Rules of Behavior training.



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FDIC COMMENTS AND OIG EVALUATION

On January 21, 2026, the FDIC Chief Information Officer, Chief Privacy Officer, and Director, Division of Information Technology; Director, Division of Administration; Director, Division of Finance; and Chief Learning Officer and Director, Corporate University provided a written response to a draft of this report, which is presented in its entirety in [Appendix 2](#).

In its response, the FDIC concurred with all 8 recommendations and plans to complete corrective actions by December 31, 2026. The OIG assessed the FDIC's proposed corrective actions and determined they were sufficient to address the intent of the recommendations. We consider these recommendations to be resolved.

The recommendations in this report will remain open until we confirm the corrective actions have been completed and the actions are responsive. A summary of the FDIC's corrective actions is contained in [Appendix 3](#).



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APPENDIX 1: OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

Our objective was to determine whether the FDIC provided effective oversight of the ISS contract to ensure compliance with service level metrics, invoice review and approval procedures, and data protection and security controls.

We conducted this performance audit from September 2024 through December 2025 in accordance with the GAO's Generally Accepted Government Auditing Standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Scope and Methodology

We focused on three areas, including contract administration and oversight, review and approval of Contractor invoices, and protecting the FDIC's data and network. To accomplish our objective, we conducted the following procedures:

- Interviewed key ISS contract personnel.
- Reviewed key contract information, such as:
 - ISS BOA (awarded January 27, 2021),
 - ISS PTO (effective March 1, 2021),
 - Service level metrics documentation and data,
 - Contract modifications,
 - CMP (January 4, 2023),
 - Relationship Management Plan committee meeting minutes from April 2021 through October 2021 and January 2024 through June 2024, and
 - Corrective Action Plan (CAP) (February 2023).
- Assessed whether the FDIC took action to address preliminary issues identified in our planning phase.
- Selected a judgmental sample of invoices from February 2023 through December 2024 to include invoices following the CAP. A random sample generator was used to select invoices. We evaluated each sampled invoice to verify the FDIC:



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- Reviewed the invoice to ensure it complied with contract terms and requirements.
- Verified the accuracy of RU quantities, fixed cost, credits, and mathematical calculations are understandable and accurate.
- Validated the supporting data for all charges and credits.
- Assessed whether the FDIC followed internal policies and procedures, including:
 - *Acquisition Procedures, Guidance, and Information* (November 2023);
 - *Contractor Invoice Review SOP* (October 2024); and
 - FDIC Circular 1360.09, *Protecting Information* (July 2023).
- Assessed whether the FDIC included the appropriate security clauses in the ISS contract to protect FDIC sensitive data.
- Selected judgmental samples of contractors assigned to the ISS contract from January 2022 through August 2024 to verify that Contractor employees completed the required CPAT and Helpdesk Role Based Security Awareness trainings according to internal policy. Because we did not use statistical techniques to select the 15 Contractor employees, the results of our analysis could not be projected to the population.
- Determined and verified whether sensitive data leakage issues occurred during the contract.

Internal Controls

Internal controls were significant to the audit objective. We reviewed the FDIC acquisition policies and procedures to obtain an understanding of the FDIC's established internal controls for contract administration and oversight, review and approval of invoices, and protecting FDIC data and network. We assessed the FDIC's compliance with its contractual obligations and policies and procedures. Additionally, we reviewed the FDIC's actions to address identified preliminary issues related to service levels and the issuance of a contract modification that paused service level reporting requirements. The results of our audit were summarized and presented within this report.

In conducting this audit, we obtained an understanding of internal controls necessary to meet our audit objective. We assessed the components of internal control and identified the key components and underlying principles that were significant to achieving the audit objective as described in **Table 4**.

Table 4: Internal Control Components and Principles Identified as Significant



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Components	Principles
Control Environment	Exercise Oversight Responsibility Establish Structure, Responsibility, and Authority
Control Activities	Implement Control Activities
Information and Communication	Use Quality Information Communicate Internally Communicate Externally
Monitoring	Perform Monitoring Activities Remediate Deficiencies

Source: OIG analysis of internal control components and principles from the GAO, Standards for Internal Control in the Federal Government (GAO-14-704G, September 2014).

Internal control deficiencies identified during the audit that are significant within the context of the audit objectives are presented in this report.

Computer Processed Data/Data Reliability

We relied on computer processed information to generate contractor training records and review compliance with performance metrics. The data and information are available in FDIC systems and dashboards, and a report can be generated to show results. Additionally, we relied on the approved ISS contract for invoices and other relevant data. To assess the reliability of this data, we observed and interviewed FDIC officials knowledgeable about the contract, and performed tests to confirm the completeness, reasonableness, and accuracy of the data.

We also conducted email vault searches on key personnel involved in contract administration and oversight. These email search results were corroborated by, and used to corroborate, key personnel interview statements and data, and to establish a timeline of events that occurred during the contract performance period. As a result, we determined that the information is sufficiently reliable for the purposes of our report.



Oversight of the Infrastructure Support Services Contract

Prior Office of Inspector General Reports

We reviewed the following FDIC OIG reports related to the audit findings:

- [*The FDIC's Adoption of Cloud Computing Services*](#) (Report No. AUD-23-003) (July 2023), assessed whether the FDIC has an effective strategy and governance processes to manage its cloud computing services. We found the FDIC did not develop CMPs for all 17 contract actions for cloud services valued at over \$546 million. We recommended that the FDIC develop and implement CMPs for all active contract actions, to include contracts, basic ordering agreements, and related task orders, as required by FDIC policy.
- [*FDIC OIG Top Management and Performance Challenges*](#) report issued in February 2024 identified contract management as a Top Management and Performance Challenge facing the FDIC.

GAO Reports

- [*Financial Audit: Federal Deposit Insurance Corporation Funds' 2022 and 2021 Financial Statements*](#) (Report GAO-23-105570) (February 2023) which is the annually issued opinion on financial statements of FDIC insurance funds and on related internal controls. The GAO audit continued to identify deficiencies in contract documentation and payment review processes that collectively represented a significant deficiency in the FDIC's internal control over financial reporting. Specifically, the FDIC did not consistently implement controls over contract documentation and payment review processes.
- [*Financial Audit: Federal Deposit Insurance Corporation Funds' 2023 and 2022 Financial Statements*](#) (Report GAO-24-106490) (February 2024) included a response from the FDIC that "[the FDIC] effectively remediated a significant deficiency in internal control over contract documentation and contract payment review processes." This includes creating targeted training and procedures for reviewing and approving contractor invoices.



Oversight of the Infrastructure Support Services Contract

APPENDIX 2: FDIC COMMENTS



MEMO

TO: Luke A. Itnyre
Acting Assistant Inspector General for Audits
Office of Inspector General

FROM: Sylvia W. Burns
Chief Information Officer, Chief Privacy Officer, and
Director, Division of Information Technology

Jennifer Schoen
Director, Division of Administration

Donna Saulnier
Director, Division of Finance

Felita N. Boldin
Chief Learning Officer and Director, Corporate University

CC: Mark F. Mulholland, Deputy Chief Information Officer for Management
Sheena Burrell, Deputy Chief Information Officer for Technology
Shanna Webbers, Deputy Director, Division of Administration, Acquisition Services Branch

DATE: January 21, 2026

RE: Draft Office of Inspector General Audit Report, Entitled *Oversight of the Infrastructure Support Services Contract* (2024-013)

Digital Signatures:

- SYLVIA BURNS**: Digitally signed by SYLVIA BURNS, Date: 2026.01.21 09:35:14 -05'00'
- JENNIFER SCHOEN**: Digitally signed by JENNIFER SCHOEN, Date: 2026.01.21 09:42:37 -05'00'
- DONNA SAULNIER**: Digitally signed by DONNA SAULNIER, Date: 2026.01.21 09:38:50 -05'00'
- FELITA BOLDIN**: Digitally signed by FELITA BOLDIN, Date: 2026.01.21 12:26:12 -05'00'

Thank you for the opportunity to review and comment on the subject draft audit report. The Office of Inspector General (OIG) issued the report entitled, *Oversight of the Infrastructure Support Services Contract*, on December 22, 2025. The objective of the audit was to determine whether the FDIC provided effective oversight of the FDIC's Infrastructure Support Services (ISS) contract to ensure compliance with service level metrics, invoice review and approval procedures, and data protection and security controls.

The ISS contract provides essential information technology (IT) services to support the FDIC's day-to-day business operations. This includes the management and operation of the agency's data centers, laptops and mobile devices, IT network, cloud-based infrastructure services, and service desk. In November 2025, the FDIC Board of Directors authorized the competitive award of a follow-on ISS contract to one of the three companies that currently have agreements with the FDIC to receive ISS work. This follow-on contract will serve as an interim measure while the Division of Information Technology (DIT) plans and executes a new longer-term procurement to replace the ISS contract. To help inform the longer-term procurement, the FDIC's Office of Risk Management and Internal Controls will conduct an internal review of the existing ISS contract to identify lessons learned and make recommendations for improvement. FDIC management will also consider the results of the OIG's audit of the ISS contract.



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The OIG found that although the FDIC made significant progress in addressing the weaknesses identified during the audit, oversight of the ISS contract was not effective in ensuring key federal contract oversight personnel and the Contractor complied with internal policies and procedures, and the terms and conditions of the ISS contract. The report describes weaknesses in service level metric monitoring, review and approval of contractor invoices, and practices for protecting data and ensuring timely completion of role-based training for contractor personnel. The report contains eight recommendations to strengthen controls in these areas.

FDIC management concurs with all eight of the report's recommendations. A summary of management's planned and completed corrective actions follows.

Recommendation 1

We recommend that the Director, Division of Administration, in coordination with the Director, Division of Information Technology:

Update procedures and provide training to Contracting Officers, Oversight Managers, and Program Office personnel overseeing contracts that use service level metrics that outline how to: a) draft effective and measurable service level metrics, b) monitor contractor compliance with performance requirements and review performance data, and c) review and assess service level metrics to ensure they accurately reflect contractor performance.

Management Decision: Concur

Corrective Action: Division of Administration (DOA), Acquisition Services Branch (ASB) will update procedures and require training for Contracting Officers, Oversight Managers, and Technical Monitors who manage contracts that use service level metrics. The training will address how to draft effective and measurable metrics, monitor contractor compliance and review performance data, and assess metrics to ensure they accurately reflect contractor performance. To inform these efforts, ASB is conducting research on best practices (including procedures and training) pertaining to service level metrics and will leverage this research when updating our procedures and identifying training to meet this requirement.

Estimated Completion Date: December 31, 2026

Recommendation 2

We recommend that the Director, Division of Administration, in coordination with the Director, Division of Information Technology:

Recover service level credits totaling (b) (5) so that the funds can be put to better use or provide documentation to justify uncollected credits.

Management Decision: Concur

Corrective Action: DOA, in coordination with DIT and the Legal Division, will determine the amount of service level credits that can be recovered and take appropriate action. The FDIC will document a justification for uncollected credits.

Estimated Completion Date: December 31, 2026

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Recommendation 3

We recommend that the Director, Division of Administration, in coordination with the Director, Division of Information Technology:

Ensure Contract Management Plans include the controls that will be used by key contract personnel to oversee and manage complex service contracts.

Management Decision: Concur

Corrective Action: DOA will update the Contract Management Plan template to include guidance on documenting appropriate controls for use by key contract personnel to oversee complex service contracts. DOA will also establish a requirement for a program office supervisor to review and approve Contract Management Plans for complex service contracts.

Estimated Completion Date: October 30, 2026

Recommendation 4

We recommend that the Director, Division of Finance, in coordination with the Director, Division of Information Technology:

Use the e-invoicing platform to replace manual invoice processing for future Infrastructure Support Services contracts.

Management Decision: Concur

Corrective Action: The Division of Finance (DOF) will ensure that invoices for future ISS contracts, once awarded, are processed in the electronic (b) (7)(E) [REDACTED]. Conversations between staff in DOF, DIT, and ASB are already underway related to schedule lines and ensuring that the relevant [REDACTED] clause will be included in the future contract award documentation.

Estimated Completion Date: June 30, 2026

Recommendation 5

We recommend that the Director, Division of Administration, in coordination with the Director, Division of Information Technology:

Require Contracting Officers, Oversight Managers, and Program Office personnel to document the methodology for service level metrics calculations on all future managed service contracts before contract award or prior to implementing credits on invoices.

Management Decision: Concur

Corrective Action: ASB will update the Acquisition Procedures and Guidance Manual to require that Contract Management Plans for managed service contracts include the methodology for service level metric calculations prior to contract award.

Estimated Completion Date: October 30, 2026

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Recommendation 6

We recommend that the Director, Division of Information Technology:

Ensure that Oversight Managers upload the supporting data for invoices to the contract electronic file application and determine whether the (b) (5) in questioned costs for resource unit charges are supported and allowable.

Management Decision: Concur

Corrective Action: DIT will issue a communication to its Oversight Managers emphasizing the policy requirement to upload supporting data for invoices to the contract electronic file application. In addition, the Oversight Manager for the ISS contract will coordinate with the ISS Technical Monitors to ensure available source documentation and other deliverables supporting invoice charges are uploaded to the contract electronic file application. Further, DIT will coordinate with DOA and the Legal Division to determine the extent to which the (b) (5) in questioned costs for resource unit charges are supported and allowable. The FDIC will take appropriate action to address any portion of this amount determined to be unsupported and unallowable.

Estimated Completion Date: July 31, 2026

Recommendation 7

We recommend that the Director, Division of Administration, in coordination with the Director, Division of Information Technology:

Ensure that Oversight Managers communicate to Contractor personnel their responsibilities to follow FDIC policies to safeguard data and procedures for self-reporting related incidents.

Management Decision: Concur

Corrective Action: FDIC contractor personnel are required under the terms of their contract to follow agency policies for safeguarding data and properly reporting incidents. The FDIC reminds contractor personnel, including ISS contractor personnel, of these requirements through global corporate emails, mandatory Cybersecurity and Privacy Awareness training, post award conferences, and other communications. DOA and DIT will provide the OIG with documentation supporting these actions as part of the audit resolution process. In addition, DOA, in coordination with DIT Oversight Managers, will continue to communicate to contractor personnel their obligation to follow FDIC security policies and report incidents in accordance with contractual requirements.

Completed: October 31, 2025

Recommendation 8

We recommend that the Chief Learning Officer and Director, Corporate University, in coordination with the Director, Division of Information Technology:

Ensure Contracting Officers and Oversight Managers have the appropriate access to review and verify that contractors complete the required Privileged User Rules of Behavior training.

Management Decision: Concur



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Corrective Action: The Corporate University will establish a dashboard and expectation for Contracting Officers and Oversight Managers to monitor completion of required Privileged User Rules of Behavior training for contractor personnel.

Estimated Completion Date: April 30, 2026



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APPENDIX 3: SUMMARY OF THE FDIC'S CORRECTIVE ACTIONS

This table presents management's response to the recommendations in the report and the status of the recommendations as of the date of report issuance.

Rec. No.	Corrective Action: Taken or Planned	Expected Completion Date	Monetary Benefits	Resolved: ^a Yes or No	Open or Closed ^b
1	DOA, ASB will update procedures and require training for COs, OMs, and TMs who manage contracts that use service level metrics. The training will address how to draft effective and measurable metrics, monitor contractor compliance and review performance data, and assess metrics to ensure they accurately reflect contractor performance. To inform these efforts, ASB is conducting research on best practices (including procedures and training) pertaining to service level metrics and will leverage this research when updating its procedures and identifying training to meet this requirement.	December 31, 2026	\$0	Yes	Open
2	DOA, in coordination with DIT and the Legal Division, will determine the amount of service level credits that can be recovered and take appropriate action. The FDIC will document a justification for uncollected credits.	December 31, 2026	(b) (5)	Yes	Open
3	DOA will update the CMP template to include	October 30, 2026	\$0	Yes	Open

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Rec. No.	Corrective Action: Taken or Planned	Expected Completion Date	Monetary Benefits	Resolved: ^a Yes or No	Open or Closed ^b
	guidance on documenting appropriate controls for use by key contract personnel to oversee complex service contracts. DOA will also establish a requirement for a program office supervisor to review and approve CMPs for complex service contracts.				
4	DOF will ensure that invoices for future ISS contracts, once awarded, are processed in the electronic (b) (7)(E) [REDACTED] Conversations between staff in DOF, DIT, and ASB are already underway related to schedule lines and ensuring that the relevant (b) (7)(E) clause will be included in the future contract award documentation.	June 30, 2026	\$0	Yes	Open
5	ASB will update the APMG to require that CMPs for managed service contracts include the methodology for service level metric calculations prior to contract award.	October 30, 2026	\$0	Yes	Open
6	DIT will issue a communication to its OMs emphasizing the policy requirement to upload supporting data for invoices to the contract electronic file application. In addition, the OM for the ISS contract will coordinate with the ISS TMs to ensure available source	July 31, 2026	(b) (5) [REDACTED]	Yes	Open



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Rec. No.	Corrective Action: Taken or Planned	Expected Completion Date	Monetary Benefits	Resolved: ^a Yes or No	Open or Closed ^b
	documentation and other deliverables supporting invoice charges are uploaded to the contract electronic file application. Further, DIT will coordinate with DOA and the Legal Division to determine the extent to which the (b) (5) in questioned costs for resource unit charges are supported and allowable. The FDIC will take appropriate action to address any portion of this amount determined to be unsupported and unallowable.				
7	FDIC contractor personnel are required under the terms of their contract to follow agency policies for safeguarding data and properly reporting incidents. The FDIC reminds contractor personnel, including ISS contactor personnel, of these requirements through global corporate emails, mandatory Cybersecurity and Privacy Awareness training, post award conferences, and other communications. DOA and DIT will provide the OIG with documentation supporting these actions as part of the audit resolution process. In addition, DOA, in coordination with DIT OMs, will continue to communicate to contractor	October 31, 2025	\$0	Yes	Open



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Rec. No.	Corrective Action: Taken or Planned	Expected Completion Date	Monetary Benefits	Resolved: ^a Yes or No	Open or Closed ^b
	personnel their obligation to follow FDIC security policies and report incidents in accordance with contractual requirements.				
8	CU will establish a dashboard and expectation for COs and OMs to monitor completion of required Privileged User Rules of Behavior training for contractor personnel.	April 30, 2026	\$0	Yes	Open

^a Recommendations are resolved when —

1. Management concurs with the recommendation, and the OIG agrees the planned corrective action is consistent with the recommendation.
2. Management does not concur or partially concurs with the recommendation, but the OIG agrees that the proposed corrective action meets the intent of the recommendation.
3. For recommendations that include monetary benefits, management agrees to the full amount of OIG monetary benefits or provides an alternative amount, and the OIG agrees with that amount.

^b Recommendations will be closed when the OIG confirms that corrective actions have been completed and are responsive.



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APPENDIX 4: ACRONYMS AND ABBREVIATIONS

APGM	Acquisition Procedures and Guidance Manual
ASB	Acquisition Services Branch
BOA	Basic Ordering Agreement
CAP	Corrective Action Plan
CFS	Cross-Functional Services
CIOO	Chief Information Officer Organization
CMP	Contract Management Plan
CO	Contracting Officer
CONOPS	Concepts of Operations
CPAT	Cybersecurity and Privacy Awareness Training
CS	Client Services
CSL	Critical Service Level
DCO	Data Center Operations
DIT	Division of Information Technology
DLP	Data Loss Prevention
DOA	Division of Administration
FDIC	Federal Deposit Insurance Corporation
FTE	Full-Time Equivalent
GAO	Government Accountability Office
ISS	Infrastructure Support Services
IT	Information Technology
KPI	Key Performance Indicator
MEM	Monitoring and Event Management
NET	Network Services



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OIG	Office of Inspector General
OM	Oversight Manager
PTO	Primary Task Order
RU	Resource Unit
SD	Service Desk
SLA	Service Level Agreement
SOP	Standard Operating Procedures
SRT	Security Response Team
TB	Terabyte
TM	Technical Monitor
UC	Unified Communication



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The OIG's mission is to prevent, deter, and detect waste, fraud, abuse, and misconduct in FDIC programs and operations; and to promote economy, efficiency, and effectiveness at the agency.

To report allegations of waste, fraud, abuse, or misconduct regarding FDIC programs, employees, contractors, or contracts, please contact us via our [Hotline](#) or call 1-800-964-FDIC.

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