



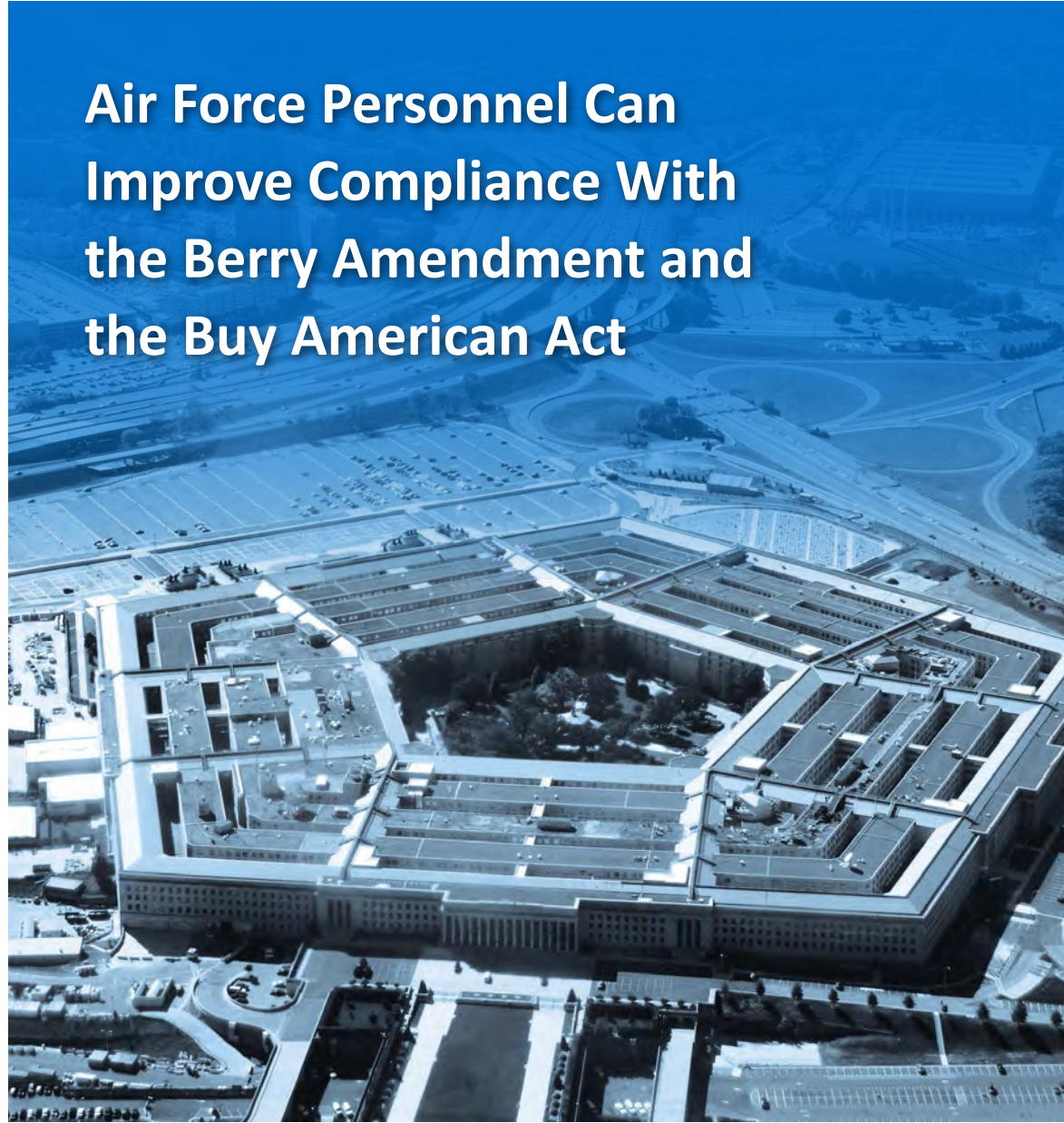
# INSPECTOR GENERAL

*U.S. Department of Defense*

FEBRUARY 24, 2016



## Air Force Personnel Can Improve Compliance With the Berry Amendment and the Buy American Act



INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

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# Results in Brief

## *Air Force Personnel Can Improve Compliance With the Berry Amendment and the Buy American Act*

February 24, 2016

### Objective

We determined whether Air Force personnel complied with the Berry Amendment<sup>1</sup> and the Buy American Act<sup>2</sup> when they purchased covered items such as food, clothing, tents, textiles, and hand or measuring tools. We performed this audit in response to Section 1601 of the National Defense Authorization Act for FY 2014. We reviewed a nonstatistical sample of 54 contracts, valued at \$19.3 million, out of 510 contracts, valued at \$45.4 million, that were awarded from October 1, 2013, through May 15, 2015.

### Findings

Air Force contracting personnel complied with the Berry Amendment for 15 of the 21 contracts reviewed. However, Air Force personnel at four of the seven contracting offices visited did not comply with the Berry Amendment for six contracts, with an obligated value of \$7.1 million. Contracting personnel omitted the Berry Amendment implementing clauses because they were not familiar with the Berry Amendment, relied on their contract writing system, or because of an oversight. As a result, the Air Force had limited assurance that items purchased on six contracts were U.S.-produced items.

Air Force personnel complied with the Buy American Act for 21 of the 33 contracts reviewed. However, Air Force personnel from

### Findings (cont'd)

five contracting offices did not ensure 12 of 33 contracts complied with the Buy American Act. Air Force personnel omitted the Buy American Act contract clauses from 10 contracts because they were unfamiliar with the Buy American Act requirements; relied on previous contracts with similar purchases; did not complete sufficient review of the contract before award; or mistakenly omitted the clause or made an administrative error. As a result, Air Force personnel had limited assurance that purchased items complied with the Buy American Act and suppliers may have provided nondomestically produced items.

Contracting personnel from the 502d Contracting Squadron may have committed a potential Antideficiency Act violation and 10th Contracting Squadron contracting personnel may have committed two potential Antideficiency Act violations when they purchased nondomestically produced items when domestically produced items were available.

Air Force personnel corrected some of the deficiencies identified during the audit. Specifically, they modified two contracts by incorporating Berry Amendment clauses and conducted Buy American Act training.

### Recommendations

We recommend that Air Force officials determine whether noncompliant items were delivered and, when appropriate, obtain compliant replacement items. Officials should also review potential Antideficiency violations.

### Management Comments and Our Response

Air Force officials generally addressed all specifics of the recommendations. However, the Chief of Contracting, 355th Contracting Squadron, partially responded to Recommendations A.1 and B.2. Please see the Recommendations Table on the back of this page.

<sup>1</sup> The Berry Amendment directs DoD personnel to ensure funds appropriated or otherwise available to DoD are not used to procure covered items if the items were not grown, reprocessed, reused, or produced in the United States.

<sup>2</sup> The Buy American Act requires, with certain exceptions, that only articles, materials, and supplies that were mined, produced, or manufactured in the United States are used to fulfill Federal procurement and construction contracts.

## ***Recommendations Table***

Management	Recommendations Requiring Comment	No Additional Comments Required
Assistant Secretary of the Air Force (Financial Management and Comptroller)		B.5.a, B.5.b
Chief of Contracting, 10th Contracting Squadron		B.4
Chief of Contracting, 338th Specialized Contracting Squadron		B.1.a, B.1.b
Chief of Contracting, 355th Contracting Squadron	A.1, B.2	
Chief of Contracting, Air Force Sustainment Center		A.3, B.3
Chief of Systems Support, Contracting Division, Air Force Life Cycle Management Center		A.2

Please provide Management Comments by March 24, 2016.





**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500**

February 24, 2016

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION,  
TECHNOLOGY, AND LOGISTICS  
ASSISTANT SECRETARY OF THE AIR FORCE  
(FINANCIAL MANAGEMENT AND COMPTROLLER)

SUBJECT: Air Force Personnel Can Improve Compliance With the Berry Amendment  
and Buy American Act (Report No. DODIG-2016-051)

We are providing this report for review and comment. For 6 of 21 Berry Amendment contracts reviewed, valued at \$7.1 million, Air Force personnel omitted the Berry Amendment contract clause. For 10 of 33 Buy American Act contracts, valued at \$0.4 million, contracting personnel omitted the Buy American Act contract clauses. Personnel from the 502d Contracting Squadron issued a contract for and received goods from a non-qualifying country resulting in a potential Antideficiency Act violation. Personnel from the 10th Contracting Squadron issued two contracts for and received goods from a non-qualifying country resulting in two potential Antideficiency Act violations. Air Force personnel corrected some of the deficiencies identified during the audit.

This is the third of a series of reports in response to Section 1601 of the National Defense Authorization Act for FY 2014. We conducted this audit in accordance with generally accepted government auditing standards.

We considered management comments on a draft of this report when preparing the final report. The Chief of Contracting, 355th Contracting Squadron, partially responded to Recommendations A.1 and B.2. DoD Instruction 7650.03 requires that recommendations be resolved promptly. We request additional comments on Recommendations A.1 and B.2 by March 24, 2016.

Please send a PDF file containing your comments to [audcmp@dodig.mil](mailto:audcmp@dodig.mil). Copies of your comments must have the actual signature of the authorizing official for your organization. We cannot accept the /Signed/ symbol in place of the actual signature.

We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 604-9187 (DSN 664-9187).

A handwritten signature in blue ink, appearing to read "M. Roark", is positioned above the name of the Assistant Inspector General.

Michael J. Roark  
Assistant Inspector General  
Contract Management and  
Payments Directorate

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# Introduction

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## Objective

We determined whether Air Force personnel complied with the Berry Amendment and the Buy American Act when they purchased covered items such as food, clothing, tents, textiles, and hand or measuring tools. This report is the third in a series of reports on DoD contracting personnel's compliance with the Berry Amendment and Buy American Act. See Appendix A for scope and methodology and prior coverage.

## Background

We performed this audit in response to Section 1601 of the National Defense Authorization Act for FY 2014. The DoD Inspector General is required to conduct periodic audits of contracting practices and policies related to procurement under the Berry Amendment.<sup>3</sup> After we announced an audit of DoD compliance with the Berry Amendment on August 13, 2013, we received inquiries from Congress to amend the audit objective to include a review of the Buy American Act.<sup>4</sup> We included the Buy American Act and used the same Federal Supply Groups (FSGs) as the Berry Amendment for contracts awarded from October 1, 2013, through May 15, 2015.

## *The Berry Amendment*

The Berry Amendment promotes the purchase of goods produced in the United States by directing how DoD uses funds to purchase items such as fabrics, food, and hand tools. The Amendment applies to end items and components<sup>5</sup> for purchases over the simplified acquisition threshold of \$150,000. The Berry Amendment directs DoD personnel to ensure funds appropriated or otherwise available to DoD are not used to procure covered items from the following FSGs if the items were not grown, reprocessed, reused, or produced in the United States.

- FSG 51 – hand tools
- FSG 52 – measuring tools

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<sup>3</sup> Enacted under section 2533a, title 10, United States Code (10 U.S.C. § 2533a) and implemented by Defense Federal Acquisition Supplement (DFARS) Subpart 225.7002-1, "Restrictions."

<sup>4</sup> Re-codified under 41 U.S.C. § 8301-8305 (2010) and implemented under the Federal Acquisition Regulation (FAR) Part 25, "Foreign Acquisition" and DFARS Part 225, "Foreign Acquisition."

<sup>5</sup> According to DFARS clause 252.225-7012, "Preference for Certain Domestic Commodities," component means any item supplied to the Government as part of an end product or of another component. End products refer to supplies delivered under a line item of this contract.

- FSG 83 – textiles, leather, furs,<sup>6</sup> apparel, and shoes
- FSG 84 – clothing, individual equipment and insignia
- FSG 89 – subsistence (food)

If these items are purchased without complying with the Berry Amendment, the purchase may result in a potential Antideficiency Act violation because contracts are funded directly with appropriated funds. With certain exceptions, these funds are not available for the procurement of non-U.S.-produced items.

### ***The Buy American Act***

The Buy American Act of 1933 was enacted to foster and protect American industries and workers. The Act requires, with certain exceptions, that only articles, materials, and supplies that were mined, produced, or manufactured in the United States are used to fulfill Federal procurement and construction contracts. The Buy American Act does not apply to services.

The Buy American Act is a Government-wide requirement and applies to contracts that exceed the \$3,000 micro-purchase (small purchase) threshold. Federal regulations<sup>7</sup> include a two-part test to define a manufactured domestic end product: (1) the end product must be manufactured in the United States, and (2) the cost of U.S. and qualifying country components must exceed 50 percent of the cost of all of the components. Table 1 shows key differences between the Berry Amendment and the Buy American Act.

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<sup>6</sup> All items subject to the Berry Amendment are contained in the five FSGs. However, the FSGs contain some items that are not subject to the Berry Amendment, such as leather and furs.

<sup>7</sup> FAR Part 25, “Foreign Acquisition,” and DFARS Part 225, “Foreign Acquisition,” respectively.

Table 1. *Berry Amendment and Buy American Act Comparison*

	Berry Amendment	Buy American Act
<b>Applies to</b>	<b>DoD</b>	<b>Government-wide</b>
Covered Items	Primarily federal supply groups 51, 52, 83, 84, and 89	Generally, most supplies—not just those from FSGs 51, 52, 83, 84, and 89
Thresholds	Greater than the simplified acquisition threshold (\$150,000) <sup>1</sup>	Greater than micro-purchase threshold (\$3,000)
Domestic content	100 percent	Must exceed 50 percent
Applicable DFARS clauses	252.225-7012, 252.225-7015	252.225-7001, 252.225-7002, 252.225-7035
Place of production or manufacture	United States	United States <sup>2</sup>
Where item will be used	Anywhere	United States <sup>3</sup>
Contractor certification	No	Yes

Source: DoD OIG

<sup>1</sup> The Berry Amendment applies unless acquisitions are at or below the simplified acquisitions threshold, a domestic nonavailability determination, or an exception to compliance applies. The exceptions are established in DFARS 225.7002-2.

<sup>2</sup> The Buy American Act applies unless a waiver to compliance is granted or an exception to compliance applies.

<sup>3</sup> The Buy American Act does not apply to the purchase of items whose intended use is outside of the United States.

## Contracts Reviewed

We queried the Federal Procurement Data System–Next Generation (FPDS-NG) and identified 114 Berry Amendment contract actions,<sup>8</sup> valued at \$29.9 million, and 396 Buy American Act contract actions, valued at \$15.6 million. The Air Force issued the contracts from October 1, 2013, through May 15, 2015. We nonstatistically selected four Air Force locations with the most contracts subject to the Berry Amendment, and we nonstatistically selected Buy American Act contracts at those sites to ensure coverage within the selected FSGs.

We visited:

- 10th Contracting Squadron, United States Air Force Academy (USAFA), Colorado Springs, Colorado;
- 338th Specialized Contracting Squadron, Joint Base San Antonio (JBSA), Texas;
- 355th Contracting Squadron, Davis-Monthan Air Force Base (AFB), Tucson, Arizona;

<sup>8</sup> This includes 68 contract actions, valued at \$3.7 million, awarded under mandatory-use indefinite-delivery indefinite-quantity contracts.

- 502d Contracting Squadron, JBSA, Texas;
- 771st Enterprise Sourcing Squadron (ESS), JBSA, Texas;
- Air Force Life Cycle Management Center (AFLCMC), Robins AFB, Georgia; and
- Air Force Sustainment Center (AFSC), Robins AFB, Georgia.

We reviewed a nonstatistical sample of 21 Berry Amendment contracts totaling \$17.7 million and 33 Buy American Act contracts totaling \$1.5 million. Of the 21 Berry Amendment contracts, 771st ESS awarded 4 indefinite-delivery indefinite-quantity (IDIQ) contracts and four contracting offices awarded 9 orders from the 4 IDIQ contracts in our sample. See Appendix B for Berry Amendment contracts reviewed and Appendix C for Buy American Act contracts reviewed. Table 2 shows the number and total obligated value of Berry Amendment and Buy American Act contracts reviewed at each site.

*Table 2. Berry Amendment and Buy American Act Contracts Reviewed*

Contracting Organization	Berry Amendment Contracts		Buy American Act Contracts	
	Number of Actions	Dollars Obligated	Number of Actions	Dollars Obligated
10th Contracting Squadron	7	\$1,458,016	13	\$726,949
338th Specialized Contracting Squadron	–	–	1	3,071
355th Contracting Squadron	5	1,236,938	5	133,763
502d Contracting Squadron	2	1,174,414	10	404,406
771st ESS <sup>1</sup>	4	3,735,530	–	–
AFLCMC	2	6,863,274	–	–
AFSC	1	3,268,000	4	270,008
<b>Total</b>	<b>21</b>	<b>\$17,736,172<sup>2</sup></b>	<b>33</b>	<b>\$1,538,197<sup>2</sup></b>

<sup>1</sup> Contracting officials at 771st ESS awarded four IDIQ contracts that were required to comply with the Berry Amendment because the total dollar value for each contract was over the simplified acquisition threshold of \$150,000.

<sup>2</sup> Totals may not equal the actual sum because obligated values are rounded.

## Review of Internal Controls

DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013, requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and evaluates the effectiveness of the controls. We identified weaknesses with Air Force internal controls for awarding contracts in compliance with the Berry Amendment and the Buy American Act. Air Force personnel did not include the applicable Berry Amendment and Buy American Act contract clauses and may have purchased goods from foreign countries. Personnel from the 502d Contracting Squadron issued one contract to purchase goods from a non-qualifying country, resulting in a potential Antideficiency Act violation. Personnel from the 10th Contracting Squadron improperly used two determinations of findings for nonavailability to purchase goods from a non-qualifying country, resulting in two potential Antideficiency Act violations. We will provide a copy of the report to the senior officials responsible for internal controls in the Air Force.

## Finding A

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### Air Force Personnel Can Improve Compliance With the Berry Amendment

Air Force contracting personnel complied with the Berry Amendment for 15 of the 21<sup>9</sup> contracts reviewed, with an obligated value of \$17.7 million. Personnel from the 10th Contracting Squadron complied with the Berry Amendment for seven contracts, with an obligated value of \$1.5 million. In addition, 771st ESS personnel properly issued four IDIQ contracts with an obligated amount of \$3.7 million. Air Force contracting personnel from four offices properly issued nine orders using the IDIQ contracts. Three other contracting offices complied with the Berry Amendment for four contracts. Contracting personnel took appropriate steps before awarding these contracts to ensure the items procured complied with the Berry Amendment requirements.

However, Air Force personnel at the 355th Contracting Squadron, AFLCMC, AFSC, and 502d Contracting Squadron did not comply with the Berry Amendment for six contracts, with an obligated value of \$7.1 million. Specifically:

- for three contracts, a 355th Contracting Squadron contracting officer omitted the Berry Amendment implementing clause because he stated that he was not familiar with the Berry Amendment;
- for two contracts, AFLCMC and AFSC contracting personnel omitted the specific Berry Amendment implementing clause for tools because the contracting officers relied on their contract writing system and were not familiar with the Berry Amendment; and
- for one contract, 502d Contracting Squadron personnel omitted the Berry Amendment implementing clause because of an oversight.

As a result, the Air Force had limited assurance that items purchased on six contracts were produced in the United States.

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<sup>9</sup> Total contracts do not include nine orders placed using the four IDIQ contracts.

### 10th Contracting Squadron Personnel Complied With the Berry Amendment

Contracting personnel from the 10th Contracting Squadron complied with the Berry Amendment for all seven contracts reviewed, with a total obligated value of \$1.5 million. Contracting personnel took appropriate action to ensure suppliers



could provide U.S.-produced items by using market research to verify that vendors were able to comply with the Berry Amendment requirements. Further, contracting officers included the Berry Amendment implementing clause in the solicitation and required suppliers to submit a Berry Amendment compliance certification before contract award. Finally, the 10th Contracting Squadron contracting officers included the Berry Amendment DFARS implementing clause in the contract awards.

## **771st Enterprise Sourcing Squadron Contracting Personnel Complied With Berry Amendment When They Issued Four IDIQ Contracts**

Contracting personnel at the 771st ESS complied with the Berry Amendment when they awarded four IDIQ contracts, with a total obligated amount of \$3.7 million, for items covered by the Berry Amendment and used across the Air Force. These items include body armor, combat shirts, utility belts, handcuffs, batons, and other items. By including the appropriate DFARS clause in the solicitations and contracts, 771st ESS personnel complied with the Berry Amendment requirements.

The Department of the Air Force, Office of the Assistant Secretary, issued memorandums to the Air Force personnel purchasing these types of items mandating the use of the four IDIQ contracts, thereby ensuring the items ordered complied with the Berry Amendment requirements. Contracting personnel from four contracting offices issued nine orders from the four IDIQ contracts. These nine orders complied with the Berry Amendment because 771st ESS contracting personnel had qualified vendors and included the Berry Amendment clause in the contracts.

## **Air Force Contracting Personnel at Four Contracting Offices Did Not Consistently Ensure Compliance With the Berry Amendment**

Air Force contracting personnel did not comply with the Berry Amendment for 6 of 21 contracts reviewed, with a combined obligated value of \$7.1 million. Personnel at the 355th Contracting Squadron did not take action to ensure that they purchased U.S.-produced goods for three contracts because the contracting officer was not familiar with the Berry Amendment requirements. AFLCMC and AFSC contracting personnel included the general Berry Amendment DFARS clause in two contracts but omitted

Personnel . . . did not . . . ensure that they purchased U.S.-produced goods for three contracts because the contracting officer was not familiar with the Berry Amendment requirements.

the DFARS clause specific to purchasing tools.<sup>10</sup> In addition, a 502d Contracting Squadron contracting officer omitted the DFARS clause from one contract, stating that the omission was an oversight. Inclusion of the proper clause is important because it explicitly notifies the contractor to provide goods that meet the domestic-content requirements specified in the Berry Amendment. Table 3 shows the contracts the Air Force contracting personnel issued without the proper clause.

Table 3. Air Force Contracting Personnel Omitted the Appropriate Berry Amendment DFARS Clause

Contract Number	Base Value	Item	Included Berry Amendment Clause in Award
FA4877-15-P-BJ19	\$ 159,262	Flight wear	No
FA4877-14-P-B101	220,123	Deployment gear	No
FA4877-14-P-B095	409,295	Structure kits and replacements	No
FA8526-14-C-0003	2,338,146	Tube swage kit	No*
FA8517-14-C-0003	3,268,000	Swaging tool kits	No*
FA3047-14-C-0033	754,294	Parachute system	No

\* AFLCMC and AFSC contracting officers did not include the applicable DFARS clause related to tools.

**355th Contracting Squadron Personnel Omitted Berry Amendment Implementing Clause**

Contract personnel from the 355th Contracting Squadron did not take action to ensure they procured U.S.-produced goods on three of the five contracts reviewed because the contracting officer was not familiar with the Berry Amendment requirements. For the three contracts, valued at \$788,679, the contracting officer did not assess whether suppliers could provide U.S.-produced items and omitted the Berry Amendment implementing DFARS clause from the solicitations and the contracts. The 355th Contracting Squadron contracting officer stated that he was unfamiliar with the Berry Amendment and its requirements.

The Office of Defense Procurement and Acquisition Policy identified<sup>11</sup> market research and inclusion of Berry Amendment contract clauses in the solicitation as a best practice to both identify and notify vendors of the requirement to purchase items produced domestically. Further, DFARS 225.7002-3, “Contract clauses,” states that, unless an exception applies, contracting officers should use the clause at 252.225-7012 in solicitations and contracts that exceed the simplified

<sup>10</sup> DFARS 252.225-7015, “Restriction on Acquisition of Hand or Measuring Tools.”  
<sup>11</sup> Defense Acquisition University Continuing Learning Module 125 (2007).

acquisition threshold of \$150,000. If the contracting officer had included the clause, potential suppliers would have been informed that the contracts had a domestic-content requirement.<sup>12</sup> Without the inclusion of the Berry Amendment implementing clause, the Government is at risk of purchasing and receiving non-U.S.-produced items.

The 355th Contracting Squadron contracting officer, who awarded a total of five contracts for Berry Amendment items, stated that he had a team of contract specialists who prepared the contract documentation for him to review. He added that the team of contract specialists had an average of less than a year of contracting experience. Further, the contracting officer stated that he was not familiar with the Berry Amendment and its requirements. The contracting officer stated that the AbilityOne vendor purchased many of the items through Defense Logistics Agency vendors and trusted the vendor to comply with the terms of the contract; however, he omitted the Berry Amendment DFARS clause from three contracts.

- **Contract FA4877-15-P-BJ19.** The 355th Contracting Squadron contracting officer did not include the Berry Amendment contract clause in the solicitation or the base contract when he purchased \$159,262 in flight wear, jackets, combat shirts, and boots.
- **Contract FA4877-14-P-B101.** The 355th Contracting Squadron contracting officer did not include the Berry Amendment contract clause in the solicitation or the base contract when he purchased \$220,123 of deployment gear.
- **Contract FA4877-14-P-B095.** The 355th Contracting Squadron contracting officer did not include the Berry Amendment contract clause in the solicitation or the base contract when he purchased structure kits and replacements for a total obligated amount of \$409,295.

We are not recommending that the Chief of Contracting from the 355th Contracting Squadron modify the above contracts to add the Berry Amendment DFARS clause because the items purchased were delivered. Further, as a result of our audit, the 355th Contracting Squadron provided training in July 2015; therefore, we are not making a recommendation to implement training on the Berry Amendment. The Chief of Contracting from the 355th Contracting Squadron should determine whether noncompliant Berry Amendment items were delivered on these contracts and, when appropriate, obtain replacement items that comply with the Berry Amendment.

<sup>12</sup> The Berry Amendment is implemented through DFARS 225.7002, "Restrictions on food, clothing, fabrics, and hand or measuring tools," which requires contracting officers to include the following clauses in contracts exceeding the simplified acquisition threshold unless an exception applies: DFARS 252.225-7012, "Preference for Certain Domestic Commodities," or DFARS 252.225-7015, "Restriction on Acquisition of Hand or Measuring Tools."

### ***Air Force Sustainment Center and Air Force Life Cycle Management Center Contracting Personnel Omitted the Applicable DFARS Clause***

AFLCMC and AFSC contracting personnel omitted the applicable DFARS clause on two of the three contracts reviewed, with an obligated total of \$5.6 million. AFLCMC and AFSC contracting personnel included the general DFARS 252.225-7012<sup>13</sup> to implement the Berry Amendment when purchasing tools for two contracts. However, DFARS 225.7002-3 states that, unless an exception applies, contracting officers should use the clause at 252.225-7015<sup>14</sup> in contracts for hand or measuring tools that exceed the simplified acquisition threshold.

#### ***AFLCMC and AFSC Contracting Officers Relied on Contract Writing System***

AFLCMC and AFSC contracting officers omitted the applicable clause because they stated that they relied on the contract writing system to insert the proper clauses. AFLCMC and AFSC contracting personnel stated that the contract writing system used clause logic to provide clauses depending on the type of items being purchased and the characteristics of the purchase. A technical officer stated that the clause logic was meant to assist the contracting officer when preparing the contract; however, it did not replace the contracting officers' knowledge of the regulations. Contracting personnel further stated that the clause logic worked properly when it added DFARS clause 252.225-7012; however, the contracting officer needed to know to add DFARS clause 252.225-7015. Therefore, the contracting officers were not familiar enough with the Berry Amendment requirements to know that the purchase of tools required a particular DFARS clause. Specifically:

- **Contract FA8526-14-C-0003.** An AFLCMC contracting officer incorrectly included DFARS clause 252.225-7012 instead of DFARS clause 252.225-7015 in the solicitation and contract award. This contract was for the purchase of a tube swage kit for a total obligated amount of \$2,338,146.
- **Contract FA8517-14-C-0003.** An AFSC contracting officer incorrectly included DFARS clause 252.225-7012 instead of DFARS clause 252.225-7015 in the solicitation and contract award. This contract was for the purchase of swaging tool kits for a total obligated amount of \$3,268,000.

We are not recommending that the Chief of Systems Support, Contracting Division, at AFLCMC and the Director of Contracting at AFSC modify the above contracts because the contracting officers already modified the contracts to include the

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<sup>13</sup> DFARS 252.225-7012, "Preference for Certain Domestic Commodities."

<sup>14</sup> DFARS 252.225-7015, "Restriction on Acquisition of Hand or Measuring Tools."

correct DFARS clause as a result of our audit. Further, as a result of our audit, AFSC and AFLCMC contracting personnel issued training slides reiterating contracting officers should not rely solely on the contract writing system and conducted formal training in November 2015. Therefore, we are not making a recommendation to implement training on the Berry Amendment. The Chief of Systems Support, Contracting Division at AFLCMC and the Director of Contracting at AFSC should determine whether noncompliant Berry Amendment items were delivered on the above contracts and, when appropriate, obtain replacement items that comply with the Berry Amendment.

### ***502d Contracting Squadron Contracting Officer Erroneously Omitted Implementing Clause***

A 502d Contracting Squadron contracting officer omitted the DFARS clause 252.225-7012 in the solicitation and contract award for the purchase of a parachute system for a total obligated amount of \$754,294. For contract FA3047-14-C-0033, the contracting officer included Berry Amendment language stating that “items must be Berry Amendment compliant in accordance with 10 U.S.C. § 2533a;” however, he did not include the implementing clause in the contract. DFARS 225.7002-3 states that, unless an exception applies, contracting officers should:

use the clause at 252.225-7012, “Preference for Certain Domestic Commodities,” in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial items, that exceed the simplified acquisition threshold.

The contracting officer stated that it was an oversight that the contract did not have the clause.

As a result of our audit, the 502d Contracting Squadron personnel took corrective action and determined that delivered items complied with the Berry Amendment. Additionally, the 502d Contracting Squadron personnel planned squadron-wide training on the use of the Berry Amendment clauses and random checks to ensure personnel are clear on the use of the clauses. We are not recommending that the Chief of Contracting from the 502d Contracting Squadron modify contract FA3047-14-C-0033 because the items purchased were delivered.

## Conclusion

Air Force contracting personnel from five contracting offices generally complied with the Berry Amendment for the 15 of 21 contracts reviewed. Personnel identified suppliers capable of supplying domestically produced items during market research, and included the appropriate DFARS clause in the solicitation and in the contracts. However, for six contracts, contracting personnel omitted the required clauses and may have received noncompliant items.

## Management Comments on the Recommendations and Our Response

Although not required to comment, the Deputy Assistant Secretary (Contracting), Assistant Secretary (Acquisition), provided the following comments on the recommendations. For the full text of the comments, see the Management Comments section of the report.

### *Assistant Secretary (Contracting), Assistant Secretary (Acquisition)*

The Deputy Assistant Secretary (Contracting), Assistant Secretary (Acquisition) stated that he agreed with DoD Inspector General's request for responses directly from each contracting unit, as it is the most appropriate level for oversight and management. Contracting units will respond with comments and provide corrective actions where appropriate. In addition to the unit level actions, the Assistant Secretary of the Air Force for Acquisition will reinforce existing procedures and controls on Air Force contracting compliance with the Berry Amendment and the Buy American Act. The Deputy Assistant Secretary further stated that he will emphasize compliance and will include compliance with the Berry Amendment and the Buy American Act as a topic at future engagements with the Air Force contracting workforce.

### *Our Response*

We believe the actions proposed by the Deputy Assistant Secretary will help to ensure that Air Force contracting personnel procure Berry Amendment and the Buy American Act compliant items.



## Recommendations, Management Comments, and Our Response

### **Recommendation A.1**

**We recommend the Chief of Contracting from the 355th Contracting Squadron determine whether noncompliant Berry Amendment items were delivered on contracts FA4877-15-P-BJ19, FA4877-14-P-B101, and FA4877-14-P-B095 and, when appropriate, obtain replacement items that are compliant with the Berry Amendment.**

#### *Chief of Contracting, 355th Contracting Squadron*

The Director of Business Operations, responding for the Chief of Contracting, 355th Contracting Squadron, agreed, stating that the 355th Contracting Squadron has completed training on the identified problems.

#### *Our Response*

Comments from the Director partially addressed the recommendation. We request that the Chief of Contracting from the 355th Contracting Squadron determine whether noncompliant Berry Amendment items were delivered on contracts FA4877-15-P-BJ19, FA4877-14-P-B101, and FA4877-14-P-B095 and, when appropriate, obtain replacement items that comply with the Berry Amendment. Please provide additional comments by March 24, 2016.

### **Recommendation A.2**

**We recommend the Chief of Systems Support, Contracting Division at the Air Force Life Cycle Management Center determine whether noncompliant Berry Amendment items have been delivered on contract FA8526-14-C-0003 and, when appropriate, obtain replacement items that are compliant with the Berry Amendment.**

#### *Chief of Systems Support, Contracting Division, Air Force Life Cycle Management Center*

Chief of Systems Support, Contracting Division, Air Force Life Cycle Management Center, agreed, stating that they completed a review of the items delivered under contract FA8526-14-C-0003 and determined the items complied with the Berry Amendment.

### *Our Response*

Comments from the Chief of Systems Support addressed all specifics of the recommendation, and no further comments are required.

### **Recommendation A.3**

**We recommend the Director of Contracting at the Air Force Sustainment Center determine whether noncompliant Berry Amendment items have been delivered on contract FA8517-14-C-0003 and, when appropriate, obtain replacement items that are compliant with the Berry Amendment.**

### *Director of Contracting, Air Force Sustainment Center*

The Deputy Director of Contracting, responding for the Director of Contracting, Air Force Sustainment Center, agreed, stating that their review confirmed that items delivered under contract FA8517-14-C-0003 complied with the Berry Amendment.

### *Our Response*

Comments from the Deputy Director addressed all specifics of the recommendation, and no further comments are required.

## Finding B

### Air Force Personnel Can Improve Compliance With the Buy American Act

Air Force personnel complied with the Buy American Act for 21 of the 33 contracts reviewed, with an obligated value of \$1.5 million. Contracting personnel took appropriate steps before awarding these 21 contracts to ensure the items procured complied with the Buy American Act requirements. However, for 12 of the contracts, valued at \$0.45 million, Air Force contracting personnel did not comply with the Buy American Act. Specifically, Air Force personnel from the:

- 338th Specialized Contracting Squadron, the 355th Contracting Squadron, the 502d Contracting Squadron, and AFSC omitted the Buy American Act contract clause from 10 contracts. Contracting personnel omitted the clauses because they:
  - believed the items were purchased for deployment;
  - relied on previous contracts with similar purchases;
  - did not complete a sufficient review of the contract before award; or
  - omitted the clause mistakenly or made an administrative error.
- 10th Contracting Squadron purchased nondomestically produced items on two contracts reviewed because the contracting officer completed two determinations and findings of nonavailability to purchase foreign-made brand name items when domestic sources could have fulfilled the requirement.

As a result, Air Force personnel had limited assurance that purchased items complied with the Buy American Act and suppliers may have provided noncompliant items. The contracting personnel from the 502d Contracting Squadron committed a potential Antideficiency Act violation when they procured nondomestically produced items. In addition, contracting personnel from the 10th Contracting Squadron may have committed two potential Antideficiency Act violations when they purchased nondomestically produced items that were available from domestic or qualifying sources.

## **Air Force Personnel Complied With the Buy American Act on 21 Contracts**

Air Force contracting personnel from three contracting offices complied with the Buy American Act for 21 of the 33 contracts reviewed, valued at \$1.5 million. Contracting personnel from the 10th Contracting Squadron complied with the Buy American Act for 11 of 13 contracts reviewed.<sup>15</sup> Personnel from the 502d Contracting Squadron and 355th Contracting Squadron included the applicable DFARS clause on 10 of 15 contracts reviewed.

Air Force contracting personnel generally considered the Buy American Act while they performed appropriate market research for Buy American Act contracts. Even though some contracting personnel were unfamiliar with the requirement to procure domestic made items, Air Force personnel employed different market research techniques based on the nature and size of the procurements. The FAR<sup>16</sup> requires contracting officers to conduct market research appropriate to circumstances.

Market research for these contracts included reviewing previous buys, contacting potential suppliers, publishing sources sought, and reviewing contractor certifications and place of performance in System for Award Management (SAM). Contracting personnel also used required sources when possible. In addition, Air Force personnel stated that they relied upon the completed contractor's assertions<sup>17</sup> to determine the place of manufacture and to assess whether the contractor could comply with the requirements.

## **Air Force Contracting Personnel Did Not Ensure Compliance With the Buy American Act on 12 Contracts**

Air Force contracting personnel did not consistently comply with the Buy American Act for 12 contracts, with a combined value of \$453,000 of the 33 contracts reviewed. Air Force personnel from the 338th Specialized Contracting Squadron, 355th Contracting Squadron, 502d Contracting Squadron, and AFSC omitted the Buy American Act contract clause from 10 contracts. The Buy American Act is implemented through DFARS<sup>18</sup> and requires contracting officers to include the applicable clause<sup>19</sup> in the contract. Inclusion of the proper

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<sup>15</sup> Contracting officers properly justified two determination and findings of nonavailability.

<sup>16</sup> FAR 10.001, "Policy."

<sup>17</sup> Through DFARS 252.225-7000, "Buy American—Balance of Payments Certificate."

<sup>18</sup> DFARS Subpart 225.1.

<sup>19</sup> For example, DFARS clause 252.225-7001, "Buy American and Balance Payments Program," DFARS clause 252.225-7021, "Trade Agreements," or DFARS clause 252.225-7035, "Buy American Act – Free Trade Agreements – Balance and Payments Certificate."

clause is important because it explicitly notifies the contractor to provide goods that meet the domestic-content requirements specified in the Buy American Act. Air Force personnel from the 10th Contracting Squadron at USAFA purchased nondomestically produced football jerseys after preparing two improper determination and findings of nonavailability. Table 4 presents the Buy American Act deficiencies by Air Force contracting office location.

*Table 4. Buy American Act Deficiencies by Location*

Location(s)	Implementing Clause Omitted	Improper Nonavailability Determination	Total Contracts
10th Contracting Squadron, USAFA	0	2*	13*
338th Specialized Contracting Squadron, JBSA	1	0	1
355th Contracting Squadron, Davis-Monthan AFB	2	0	5
502d Contracting Squadron, JBSA	3	0	10
AFSC	4	0	4
<b>Total</b>	<b>10</b>	<b>2</b>	<b>33</b>

\* 10th Contracting Squadron personnel issued four determination and findings for nonavailability.

### ***Air Force Personnel From the 338th Specialized Contracting Squadron Omitted Implementing Clause***

Contracting personnel from the 338th Specialized Contracting Squadron did not include DFARS 252.225-7001 in contract FA3002-15-P-0008, with an obligated value of \$3,071, to procure coveralls. The contracting officer stated that she mistakenly omitted the DFARS clause during this expedited purchase.

We are not recommending that the Chief of Contracting from the 338th Specialized Contracting Squadron modify contract FA3002-15-P-0008 because the non-recurring-buy items were delivered. The Chief of Contracting from the 338th Specialized Contracting Squadron should determine whether noncompliant Buy American Act items were delivered on the contract and, when appropriate, obtain replacement items that comply with the Buy American Act. The Chief of Contracting should also require that contracting personnel receive training on the requirement to include the Buy American Act implementing clause.

### ***Air Force Personnel From the 355th Contracting Squadron Did Not Include the Required Contract Clause***

Personnel from the 355th Contracting Squadron did not include the Buy American Act clause in two of the five contracts reviewed because of inexperienced personnel and reliance on previous contracts for similar purchases to determine which clauses to include.

- **Contract FA4877-15-P-B032.** The contracting officer did not include DFARS 252.225-7001 in the contract to procure a 5-ton environmental control unit, valued at \$52,681. The contracting officer stated that he omitted the clause because he relied on an inexperienced contract specialist and did not complete a sufficient review of the contract before award.
- **Contract FA4877-14-P-A090.** The contracting officer did not include DFARS 252.225-7001 in the contract to purchase uniform jackets and trousers, with an obligated value of \$20,195. The contracting officer stated that he omitted the clause because he relied on previous contracts with similar purchases to determine which clauses to include.

We are not recommending the Chief of Contracting from the 355th Contracting Squadron modify the above contracts because the items purchased were delivered. Further, as a result of our audit, the 355th Contracting Squadron implemented training in July 2015; therefore, we are not making a recommendation to implement training on the Buy American Act. The Chief of Contracting from the 355th Contracting Squadron should determine whether noncompliant Buy American Act items were delivered on these contracts and, when appropriate, obtain replacement items that comply with the Buy American Act.

### ***Air Force Personnel From the 502d Contracting Squadron Omitted Proper Buy American Act Clauses***

Personnel from the 502d Contracting Squadron did not include the proper Buy American Act clause in 3 of the 10 contracts reviewed. Though personnel were aware of the requirement to buy domestically produced items, they erroneously omitted the proper clause.

- **Contract FA3047-14-P-0232.** The contracting officer did not include DFARS 252.225-7001 in the contract to purchase a fitness timing system, with an obligated value of \$7,180. The contracting officer stated that he omitted the proper clause because of an oversight. In December 2015 the 502d contracting personnel verified that noncompliant Buy American Act items were delivered from China, a non-qualifying country.<sup>20</sup>

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<sup>20</sup> DFARS 252.225-7001, "Buy American and Balance of Payments Program" defines a qualifying country as a country with a reciprocal defense procurement memorandum of understanding or international agreement with the United States in which both countries agree to remove barriers to purchases of supplies produced in the other country or services performed by sources of the other country, and the memorandum or agreement complies, where applicable, with the requirements of . . . the Arms Export Control Act (22 U.S.C. Chapter 39).



- **Contract FA3047-14-P-0238.** The contracting officer did not include DFARS 252.225-7001 in the contract to purchase parachute drop bags, with an obligated value of \$28,538. Instead, the contracting officer included the incorrect Buy American Act FAR clause 52.225-1.<sup>21</sup> The contracting officer indicated on the contract review checklist that the contract contained the proper clause; however, he stated that he included the incorrect clause because of an administrative error.
- **Contract FA3047-14-P-0345.** The contracting officer did not include DFARS 252.225-7001 in the contract to purchase shelter systems, with an obligated value of \$36,063. The contracting officer stated that she omitted the proper clause because she believed the shelter systems were purchased for deployment and the Buy American Act does not apply for items purchased for use outside the United States.

As a result of our audit, the 502d Contracting Squadron personnel took corrective action and determined whether noncompliant items were delivered. Additionally, the 502d Contracting Squadron personnel planned squadron-wide training on the use of the Buy American Act clauses and implemented random checks to ensure personnel are clear on the use of the clauses. We are not recommending that the Chief of Contracting from the 502d Contracting Squadron modify the above contracts because the items purchased were delivered.

### ***Air Force Personnel From the Air Force Sustainment Center Were Unaware of Requirement***

AFSC contracting personnel did not include the required DFARS clause in any of the four contracts reviewed. Contracting personnel incorrectly inserted similar but inapplicable FAR or DFARS clauses. Contracting officers and contract specialists stated that omission of the proper clauses was an administrative oversight. However, the Chief, Policy and Review Branch, stated that contracting personnel included the wrong clauses because personnel were not sufficiently familiar with the Buy American Act or relied upon the contract writing system to insert the proper clauses.

- **Contract FA8501-14-P-0020.** The contracting officer did not include DFARS 252.225-7001 in the contract for firefighting personnel protective equipment, valued at \$66,509. The contracting officer explained that he omitted the Buy American Act clause because he thought it was not required because the contract included FAR clause 52.204-7.<sup>22</sup> The contracting officer interpreted the SAM clause to mean that if the SAM was accurate and could be relied upon, then he could rely on the SAM certifications and the Buy American Act clauses were not needed.

<sup>21</sup> FAR clause 52.225-1, "Buy American Act—Supplies."

<sup>22</sup> FAR clause 52.204-7, "System for Award Management."

- **Contract FA8501-14-P-0046.** The contracting officer did not include DFARS 252.225-7001 in the contract for impregnated Kevlar cloth, with an obligated value of \$60,420. The contracting officer was not available to meet with us, however; the contract specialist stated that she did not include the correct Buy American Act clause because of an oversight.
- **Contract FA8501-14-P-0076.** The contracting officer did not include DFARS 252.225-7001 in contract for the purchase of epoxy fiberglass fabric, with an obligated value of \$59,875. Instead, the contracting officer included the incorrect DFARS 252.225-7036.<sup>23</sup> The contracting officer stated that she included the wrong clause because of an administrative oversight.
- **Contract FA8501-14-P-0050.** The contracting officer did not include DFARS 252.225-7001 in the contract for the purchase of quartz materiel and a temperature recorder, with an obligated value of \$83,204. Instead, the contracting officer included the incorrect Buy American Act FAR clause 52.225-1. The contracting officer retired before our visit and other contracting personnel could not comment on why she excluded the clause.

We are not recommending that the AFSC Director of Contracting modify the above contracts because the items purchased were delivered. Further, as a result of our audit, AFSC contracting personnel issued training slides reiterating contracting officers should not rely solely on the contract writing system and conducted formal Buy American Act training in November 2015. Therefore, we are not making a recommendation to implement training on the Buy American Act. The AFSC Director of Contracting should determine whether noncompliant Buy American Act items were delivered on these contracts and, when appropriate, obtain replacement items that comply with the Buy American Act.

### ***Air Force Personnel Improperly Used Determination and Findings for Nonavailability***

Personnel from the 10th Contracting Squadron purchased non-U.S.-produced football uniforms because the contracting officer completed two determination and findings for nonavailability to purchase foreign-made brand name items when domestic sources could have fulfilled the requirement. The contracting officer stated that she previously issued a sources-sought notice for multiple sports equipment items to identify Buy American Act-compliant vendors but was unsuccessful. However, the sources-sought notice was for female soccer uniforms and not men's football uniforms.

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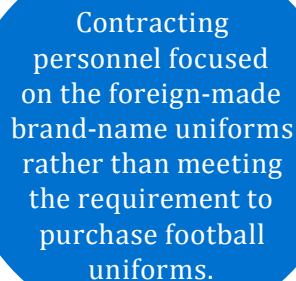
<sup>23</sup> DFARS 252.225-7036 Alternate 1, "Buy American Act—Free Trade Agreements—Balance of Payments Program."

Using simplified acquisition procedures, contracting personnel conducted oral requests for quotes for brand-name-or-equal jerseys and pants and received three quotes. All three vendors proposed the foreign-made brand-name item. Based on three quotes, contracting personnel completed two determinations and findings for nonavailability that concluded that the name-brand football uniforms that were manufactured in the United States were not reasonably available in commercial quantities of satisfactory quality.

The contracting officer awarded contract FA7000-14-P-0129 for non-U.S.-produced home uniforms on August 14, 2014, and contract FA7000-14-P-0137 for non-U.S.-produced away uniforms on August 20, 2014. The obligated value for each contract was \$17,675. FAR Subpart 25.103<sup>24</sup> states that the contracting officer may acquire a foreign product without regard to restrictions of the Buy American Act statute when the nonavailability exception applies. The FAR further states:

The head of contracting activity may make a determination that an article, material, or supply is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality.

Air Force contracting personnel's procurement of non-U.S.-produced football uniforms was improper. Contracting personnel determined that U.S.-produced brand name uniforms were not available based on the three vendor's quotes for brand-name-or-equal uniforms.



Contracting personnel focused on the foreign-made brand-name uniforms rather than meeting the requirement to purchase football uniforms.

However, contracting personnel did not perform market research or issue a request for quotes for U.S.-produced Buy American Act compliant football uniforms similar to the foreign brand-name uniforms. Instead, contracting personnel focused on the foreign-made brand-name uniforms rather than meeting the requirement to purchase football uniforms.

We identified several vendors who advertised U.S.-manufactured football uniforms during the time of the acquisitions, but the contract file contained no documentation to show whether a U.S.-produced equivalent was reasonably available or even considered.

We are not recommending that the Chief of Contracting from 10th Contracting Squadron modify the above contracts because the items purchased were delivered. The Chief of Contracting from 10th Contracting Squadron should require that contracting personnel establish procedures or undergo additional training for procurements subject to the Buy American Act.

<sup>24</sup> FAR Subpart 25.103, "Exceptions."

### ***Deficiencies Could Result in Antideficiency Act Violations***

Air Force contracting personnel purchased foreign-made items on three contracts. Purchasing items using DoD appropriations without using required contract clauses and assuring the purchases comply with the Buy American Act may result in potential Antideficiency Act violations. Antideficiency Act violations occur when expenditures do not comply with the annual statutory restriction on appropriated funds, which must be expended in compliance with the Buy American Act.

Department of Defense annual appropriations acts contain a recurring restriction on the use of appropriated funds in violation of the Buy American Act. For example, the Consolidated Appropriations Act<sup>25</sup> states:

None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term “Buy American Act” means chapter 83 of title 41, United States Code.[<sup>26</sup>]

The Assistant Secretary of the Air Force (Financial Management and Comptroller) should initiate a preliminary review of these potential Antideficiency Act violations for contracts FA3047-14-P-0232, FA7000-14-P-0129, and FA7000-14-P-0137.

### **Conclusion**

Air Force personnel from five contracting offices did not consistently comply with the Buy American Act. Personnel at four contracting offices were not sufficiently familiar with the Buy American Act DFARS requirements. Personnel relied upon the contract writing system, previously issued contracts, or the SAM clause when ordering subject items and as a result may have ordered and received noncompliant items. A 502d contracting officer committed a potential Antideficiency Act violation when he issued a contract and goods were accepted from a non-qualifying country. Contracting personnel at the 10th Contracting Squadron improperly purchased foreign-made items when domestic-made items were available. Procurement on noncompliant items is a potential violation of the Antideficiency Act. Personnel from the 355th Contracting Squadron took some corrective actions during the audit by completing Buy American Act training and amending standard operating procedures and internal processes to improve compliance with the Buy American Act.

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<sup>25</sup> Consolidated Appropriations Act, 2014, Public Law 113-76, section 8035(a).

<sup>26</sup> DoD annual appropriations acts for FY 2013, FY 2014, and FY 2015, contain an identical provision.

## Management Comments on the Recommendations and Our Response

Although not required to comment, the Deputy Assistant Secretary (Contracting), Assistant Secretary (Acquisition), provided the following comments on the recommendations. For the full text of the comments, see the Management Comments section of the report.

### *Assistant Secretary (Contracting), Assistant Secretary (Acquisition)*

The Deputy Assistant Secretary (Contracting), Assistant Secretary (Acquisition) stated that he agreed with DoD Inspector General's request for responses directly from each contracting unit, as it is the most appropriate level for oversight and management. Contracting units will respond with comments and provide corrective actions where appropriate. In addition to the unit level actions, the Assistant Secretary of the Air Force for Acquisition will reinforce existing procedures and controls on Air Force contracting compliance with the Berry Amendment and the Buy American Act. The Deputy Assistant Secretary further stated that he will emphasize compliance and will include compliance with the Berry Amendment and the Buy American Act as a topic at future engagements with the Air Force contracting workforce.

### *Our Response*

We believe the actions proposed by the Deputy Assistant Secretary will help to ensure that Air Force contracting personnel will procure Berry Amendment and the Buy American Act compliant items.

## Recommendations, Management Comments, and Our Response

### ***Recommendation B.1***

**We recommend the Chief of Contracting from the 338th Specialized Contracting Squadron:**

- a. **Determine whether noncompliant Buy American Act items for a non-recurring buy were delivered on contract FA3002-15-P-0008 and, when appropriate, obtain replacement items that are compliant with the Buy American Act.**
- b. **Establish procedures or additional training for procurements subject to the Buy American Act.**

*Chief of Contracting, 338th Specialized Contracting Squadron*

The Commander, 338th Specialized Contracting Squadron, responding for the Chief of Contracting, 338th Specialized Contracting Squadron, stated that the contracting officer mistakenly omitted the clause during an expedited purchase and all items were delivered and accepted by the customer. The Commander further stated that the items were purchased from the Lighthouse for the Blind and were compliant with the Buy American Act. The Commander agreed with Recommendation B.1.b, stating that additional training will be provided for procurements subject to the Buy American Act.

*Our Response*

Comments from the Commander addressed the intent of the recommendations, and no further comments are required.

**Recommendation B.2**

**We recommend the Chief of Contracting from the 355th Contracting Squadron determine whether noncompliant Buy American Act items were delivered on contracts FA4877-15-P-B032 and FA4877-14-P-A090 and, when appropriate, obtain replacement items that are compliant with the Buy American Act.**

*Chief of Contracting, 355th Contracting Squadron*

The Director of Business Operations, responding for the Chief of Contracting, 355th Contracting Squadron, agreed, stating that training was completed on the identified problems.

*Our Response*

The Director partially addressed the specifics of the recommendation. We request that the Chief of Contracting from the 355th Contracting Squadron determine whether noncompliant Buy American Act items were delivered on contracts FA4877-15-P-B032 and FA4877-14-P-A090, and, when appropriate, obtain replacement items that comply with the Buy American Act. Please provide additional comments by March 24, 2016.



### ***Recommendation B.3***

**We recommend the Director of Contracting from Air Force Sustainment Center determine whether noncompliant Buy American Act items were delivered on contracts FA8501-14-P-0050, FA8501-14-P-0076, FA8501-14-P-0020, and FA8501-14-P-0046 and, when appropriate, obtain replacement items that are compliant with the Buy American Act.**

#### ***Director of Contracting, Air Force Sustainment Center***

The Deputy Director of Contracting, Air Force Sustainment Center, responding for the Director of Contracting, agreed, stating that a review conducted of items delivered under contracts FA8501-14-P-0050, FA8501-14-P-0076, FA8501-14-P-0020, and FA8501-14-P-0046 confirmed that the items comply with the Buy American Act.

#### ***Our Response***

Comment from the Deputy Director addressed all specifics of the recommendation, and no further comments are required.

### ***Recommendation B.4***

**We recommend that Chief of Contracting from the 10th Contracting Squadron establish procedures or additional training for procurements subject to the Buy American Act.**

#### ***Chief of Contracting, 10th Contracting Squadron***

The Vice Superintendent, Air Force Academy, responding for the Chief of Contracting, 10th Contracting Squadron, agreed, stating that the 10th Contracting Squadron will provide Buy American Act procurement compliance training to squadron personnel with an estimated completion date of April 30, 2016.

#### ***Our Response***

Comments from the Vice Superintendent addressed all specifics of the recommendation, and no further comments are required.

### ***Recommendation B.5***

**We recommend that the Assistant Secretary of the Air Force (Financial Management and Comptroller):**

- a. Initiate a preliminary review in accordance with DoD 7000.14-R, “DoD Financial Management Regulation,” volume 14, chapter 3 to determine whether reportable violations of the Antideficiency Act occurred as a result of noncompliant Buy American Act items purchased on contracts FA3047-14-P-0232, FA7000-14-P-0129 and FA7000-14-P-0137, in violation of the Buy American Act.**
- b. Complete the preliminary review as required by regulation and provide the results to the DoD Office of Inspector General. If an Antideficiency Act violation has occurred, determine which officials are responsible and recommend corrective actions.**

#### ***Assistant Secretary of the Air Force (Financial Management and Comptroller)***

The Director, Reporting and Compliance, Financial Operations, responding for the Assistant Secretary of the Air Force (Financial Management and Comptroller), agreed, stating that he will initiate Air Force ADA Case P16-01 to review the contracts. Once the review is complete, he will communicate his findings to the DoD Inspector General.

#### ***Our Response***

Comments from the Director addressed all specifics of the recommendation, and no further comments are required.

## Appendix A

### Scope and Methodology

We conducted this performance audit from May 2015 through January 2016 in accordance with generally accepted government auditing standards. Those 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our scope was limited to contracts issued by the Air Force with FSG codes of 51, 52, 83, 84, and 89 from October 1, 2014, through May 15, 2015, to determine whether Air Force personnel complied with the Berry Amendment and Buy American Act when they purchased covered items such as food, clothing, tents, textiles, and hand or measuring tools. With certain exceptions these funds are not available for the procurement of non-U.S.-made items. We did not review classified contracts.

This is the third of a series of reports in response to Section 1601 of the National Defense Authorization Act for FY 2014, which required DoD Office of the Inspector General (DoD OIG) to conduct periodic audits of contracting practices and policies related to procurements under the Berry Amendment. We announced the first audit in August 2013 as the “Audit of DoD Compliance with the Berry Amendment.” Shortly after the announcement, we received inquiries from Congress to amend the audit objective to include a review of the Buy American Act. We re-announced a new audit in October 2013 as the “Audit of DoD Compliance with the Berry Amendment and the Buy American Act for Selected Items.” In February 2014 DoD OIG management decided we would issue separate reports for each Service and the Defense Logistics Agency.

### Review of Documentation and Interviews

We evaluated documentation against applicable criteria including:

- 10 U.S.C. § 2533a, “Requirement to buy certain articles from American sources; exceptions;”
- 31 U.S.C. § 1341, “Limitations on expending and obligating amounts;”
- 41 U.S.C. § 8302, “American materials required for public use;”
- Public Law 113-76, “Consolidated Appropriations Act, 2014;”
- FAR part 10, “Market Research;”
- FAR part 25, “Foreign Acquisitions;”

- FAR 52.225-2, “Buy American Act Certificate;”
- DFARS part 225, “Foreign Acquisition;”
- DFARS 252.225-7001, “Buy American Act and Balance of Payments Program;”
- DFARS 252.225-7012, “Preference for Certain Domestic Commodities;” and
- DFARS 252.225-7015, “Restriction on Acquisition of Hand or Measuring Tools.”

To obtain command policy and guidance related to the audit objective, we interviewed contracting and oversight officials from:

- 10th Contracting Squadron, USAFA, Colorado Springs, Colorado;
- 338th Specialized Contracting Squadron, JBSA, Texas;
- 355th Contracting Squadron, Davis-Monthan AFB, Tucson, Arizona;
- 502d Contracting Squadron, JBSA, Texas;
- 771st Enterprise Sourcing Squadron, JBSA, Texas;
- Air Force Life Cycle Management Center, Robins AFB, Georgia; and
- Air Force Sustainment Center, Robins AFB, Georgia.

We interviewed Air Force personnel to discuss procedures that were completed when they awarded Berry Amendment and Buy American Act contracts. We obtained copies of contract documentation issued by Air Force personnel including:

- purchase requests;
- market research;
- synopsis and solicitation information;
- contract memorandums;
- basic contracts;
- representation and certification reports;
- determination and findings of nonavailability; and
- modifications to issued contracts.

We also interviewed item-accepting personnel at USAFA and Davis-Monthan AFB to determine what acceptance procedures were conducted when the goods were received. We physically inspected a nonstatistical sample of the items delivered on 8 of 20 USAFA contracts and on 1 of 10 Davis-Monthan AFB contracts for indications of compliance with domestic sourcing requirements.

## Universe and Sample Information

We used FPDS-NG to identify contracts issued by Air Force personnel. We limited the queries to actions covered by the Berry Amendment and Buy American Act issued on contracts awarded from October 1, 2014, through May 15, 2015, coded with a “product or service code” beginning with 51, 52, 83, 84, or 89. We limited our site selection to locations that awarded two or more contracts subject to the Berry Amendment, with obligations totaling more than \$1 million. We selected sites that awarded the most contracts subject to the Berry Amendment and Buy American Act and provided the most varied mix of FSGs to review. Specifically, we selected seven Air Force Components to visit at four different locations:

- 10th Contracting Squadron, USAFA;
- 338th Specialized Contracting Squadron, JBSA;
- 355th Contracting Squadron, Davis-Monthan AFB;
- 502d Contracting Squadron, JBSA;
- 771st ESS, JBSA;
- AFLCMC, Robins AFB; and
- AFSC, Robins AFB.

We selected a nonstatistical sample of contracts from those awarded by each of the seven Components subject to the Berry Amendment and Buy American Act. We selected Berry Amendment contracts and Buy American Act contracts based on different FSG groups, dollar amounts, and FPDS-NG codes depicting non-domestic manufacture designations.

We identified 114 Berry Amendment contract actions,<sup>27</sup> valued at \$29.9 million, and 396 Buy American Act contract actions, valued at \$15.6 million. We selected 21 Berry Amendment contracts and 33 Buy American Act contracts totaling \$17.7 million and \$1.5 million, respectively. We did not review classified contracts or contracts covered by the Buy American Act in which the intended use was outside the United States.

Our nonstatistical sample was limited to specific contracts, and our results should not be projected across other contracts issued by the 10th Contracting Squadron, 338th Specialized Contracting Squadron, 355th Contracting Squadron, 502d Contracting Squadron, 771st ESS, AFLCMC, AFSC, or other Air Force-issued contracts.

<sup>27</sup> Actions include 68 contract actions valued at \$3.7 million, awarded under mandatory-use IDIQ contracts.

## Use of Computer-Processed Data

We did not use computer-processed data to perform this audit.

## Use of Technical Assistance

We developed the nonstatistical plan with the assistance of personnel from the DoD OIG's Quantitative Methods Division.

## Prior Coverage

During the last 5 years, the Government Accountability Office (GAO) and DoD OIG issued four reports discussing the award of contracts for items that are subject to Berry Amendment and Buy American Act review. Unrestricted GAO reports can be accessed at [www.gao.gov](http://www.gao.gov). Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/pubs/index.cfm>.

### **GAO**

Report No. GAO-13-57R, "Warfighter Support: Army's and Defense Logistics Agency's Approach for Awarding Contracts for the Army Combat Shirt," February 14, 2013

Report No. GAO-11-682R, "Military Uniforms: Issues Related to the Supply of Flame Resistant Fibers for the Production of Military Uniforms," June 30, 2011

### **DoD OIG**

Report No. DODIG-2015-161, "Naval Personnel Can Improve Compliance With the Berry Amendment and the Buy American Act," August 12, 2015

Report No. DODIG-2015-026, "Army Personnel Complied With the Berry Amendment But Can Improve Compliance With the Buy American Act," November 7, 2014

## Appendix B

### Berry Amendment Contracts Reviewed

	Contract Number	Obligated Contract Value	Item Description	Considered Berry Amendment Requirements in Market Research	Implementing Clause
<b>10th Contracting Squadron – United States Air Force Academy</b>					
1	FA7000-14-D-0002	\$ 264,552	Bathrobes and pajamas	Yes	Yes
2	FA7000-14-D-0003	283,730	Caps and hats	Yes	Yes
3	FA7000-14-D-0004	190,394	Running jackets and trousers	Yes	Yes
4	FA7000-14-P-0049	158,904	Sock kits	Yes	Yes
5	FA7000-15-D-0002	213,608	Athletic jackets and parkas	Yes	Yes
6	FA7000-15-D-0003	172,039	Sock kits and socks	Yes	Yes
7	FA7000-15-P-0052	174,790	T-shirts, jerseys and shorts	Yes	Yes
<b>355th Contracting Squadron – Davis-Monthan Air Force Base</b>					
8	FA4877-14-P-B010	295,052	Various items including but not limited to safety glasses, hoods, belts, backpacks and gloves	No	Yes
9	FA4877-14-P-B095	409,295	Alaska structures kits and replacements	No	No
10	FA4877-14-P-B101	220,123	Deployment gear	No	No
11	FA4877-15-P-BJ02	153,207	Deployment gear	No	Yes
12	FA4877-15-P-BJ19	159,262	Flight gear	No	No
<b>502d Contracting Squadron, Joint Base San Antonio</b>					
13	FA3047-14-C-0029	420,120	Clothing and equipment	Yes	Yes
14	FA3047-14-C-0033	754,294	Parachute system	Yes	No

## Berry Amendment Contracts Reviewed (cont'd)

	Contract Number	Obligated Contract Value	Item Description	Considered Berry Amendment Requirements in Market Research	Implementing Clause
<b>771st Enterprise Sourcing Squadron, Joint Base San Antonio</b>					
15	FA8054-14-D-0001	87,675	Nylon utility belt, handcuff case, and other nylon duty gear	Yes	Yes
16	FA8054-14-D-0002	1,438,053	Whistle, baton, handcuffs, flashlight, holsters, and body armor	Yes	Yes
17	FA8054-14-D-0003	738,488	Non-flame resistant combat shirt	Yes	Yes
18	FA8054-14-D-0004	1,471,315	Rifleman's kit with harness, belt inserts, and pouches	Yes	Yes
<b>Air Force Life Cycle Management Center, Robins Air Force Base</b>					
19	FA8528-14-C-0006	4,525,128	High-altitude coveralls and torso retainers	Yes	Yes
20	FA8526-14-C-0003	2,338,146	Tube swage kit	No	No
<b>Air Force Sustainment Center, Robins Air Force Base</b>					
21	FA8517-14-C-0003	3,268,000	Swaging tool kits	No	No
	<b>Total</b>	<b>\$ 17,736,172*</b>			

\* Totals may not equal the actual sum because obligated values are rounded.



## Appendix C

### Buy American Act Contracts Reviewed

	Contract Number	Contract Value	Item Description	Considered Buy American Act Requirements in Market Research	Implementing Clause
<b>10th Contracting Squadron, United States Air Force Academy</b>					
1	FA7000-14-P-0051	\$95,055	Swimsuit	Yes	Yes
2	FA7000-15-P-0057	62,797	Sweatshirts and sweatpants	Yes	Yes
3	FA7000-14-P-0040	60,464	Athletic jersey and shorts	Yes	Yes
4	FA7000-14-P-0043	98,744	Personalized T-shirts	Yes	Yes
5	FA7000-15-P-0046	40,884	Insignia	Yes	Yes
6	FA7000-14-P-0142	15,700	Pin-puller actuator	Yes	Yes
7	FA7000-15-P-0061	70,592	Shoulder boards/marks	Yes	Yes
8	FA7000-14-P-0034	118,543	Running shoes and cross trainers	Yes	Yes
9	FA7000-15-P-0058	115,912	Running shoes and cross trainers	Yes	Yes
10	FA7000-14-P-0110	5,748	Helmet	Yes	N/A <sup>2</sup>
11	FA7000-14-P-0046	7,160	Gloves	Yes	N/A <sup>2</sup>
12	FA7000-14-P-0137 <sup>1</sup>	17,675	Football jerseys and pants	Yes	N/A <sup>2</sup>
13	FA7000-14-P-0129 <sup>1</sup>	17,675	Football jerseys and pants	Yes	N/A <sup>2</sup>
<b>338th Specialized Contracting Squadron, Joint Base San Antonio</b>					
14	FA3002-15-P-0008	3,071	Coveralls	Yes	No
<b>355th Contracting Squadron, Davis-Monthan Air Force Base</b>					
15	FA4877-15-P-B032	52,681	Alaska 5-ton environmental control unit	No	No
16	FA4877-15-P-B013	26,370	Harnesses	N/A <sup>3</sup>	Yes

<sup>1</sup> Potential Antideficiency Act violation.

<sup>2</sup> Determination and findings of nonavailability.

<sup>3</sup> Sole source or mandatory government source.

## Buy American Act Contracts Reviewed (cont'd)

	Contract Number	Contract Value	Item Description	Considered Buy American Act Requirements in Market Research	Implementing Clause
17	FA4877-14-P-B108	14,696	Helmet replacement parts	N/A <sup>3</sup>	Yes
18	FA4877-14-P-A090	20,195	Propper ABU coat and pants	N/A <sup>3</sup>	No
19	FA4877-14-P-B059	19,821	Ski boots	N/A <sup>3</sup>	Yes
<b>502d Contracting Squadron, Joint Base San Antonio</b>					
20	FA3047-14-P-0232	\$7,180	Fitness timing system	N/A <sup>3</sup>	No
21	FA3047-14-P-0313	36,154	Optical fiber identifier and other tools	N/A <sup>3</sup>	Yes
22	FA3047-14-P-0345	36,063	CAMSS 18TAC35 shelter system	No	No
23	FA3047-15-P-0085	10,890	Perm swage head assembly	No	Yes
24	FA3047-14-P-0238	28,538	Parachute drop bag	No	No
25	FA3047-14-P-0331	119,576	Hydration bladder and other safety items	N/A <sup>3</sup>	Yes
26	FA3047-15-P-0050	37,900	Blue cotton blanket	No	Yes
27	FA3047-14-P-0375	46,666	Hand and measuring tools	No	Yes
28	FA3047-15-P-0062	58,439	Tops and pants	N/A <sup>3</sup>	Yes
29	FA3089-14-P-0092	23,000	Sling kit	N/A <sup>3</sup>	Yes
<b>Air Force Sustainment Center, Robins Air Force Base</b>					
30	FA8501-14-P-0046	60,420	Impregnated kevlar cloth	No	No
31	FA8501-14-P-0050	83,204	Quartz material and temperature recorder	No	No
32	FA8501-14-P-0020	66,509	Firefighting personal protective equipment	Yes	No
33	FA8501-14-P-0076	59,875	Impregnated epoxy fiberglass fabric	Yes	No
	<b>Total</b>	<b>\$1,538,197<sup>4</sup></b>			

<sup>3</sup> Sole source or mandatory government source.

<sup>4</sup> Totals may not equal the actual sum because obligated values are rounded.

## Management Comments

### Department of the Air Force Comments



OFFICE OF THE ASSISTANT SECRETARY

DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC

JAN 20 2016

MEMORANDUM FOR DoD IG

FROM: SAF/AQC

SUBJECT: DoD IG Audit Project No. D2015-D000CF-0188.000, Air Force Personnel Can Improve Compliance with the Berry Amendment and the Buy American Act

This memorandum is provided in response to the DoD IG request for SAF/AQ's comment regarding the subject audit.

SAF/AQC has reviewed the findings and recommendations included in the audit. The DoD IG has requested responses directly from each contracting unit. SAF/AQC concurs with this approach as it is the most appropriate level for oversight and management. Affected contracting units will respond accordingly with comments and/or provide corrective action to include establishing unit level procedures and training.

In addition to the unit level actions, SAF/AQC will reinforce existing procedures and controls on Air Force Contracting compliance with the Berry Amendment and the Buy American Act. Emphasis on compliance will be highlighted in my AQC Leadership Blog and included as a topic at future engagements with the Air Force Contracting workforce.

My point of contact for this memorandum is [REDACTED] SAF/AQCP. She may be reached at [REDACTED], Comm [REDACTED]

CASEY D. BLAKE, Major General, USAF  
Deputy Assistant Secretary (Contracting)  
Assistant Secretary (Acquisition)

## Department of the Air Force Comments (cont'd)



DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC

OFFICE OF THE ASSISTANT SECRETARY

27 January 2016

MEMORANDUM FOR DoD OIG

FROM: SAF/FMFA  
1500 West Perimeter Road, Suite 3100  
Joint Base Andrews, MD 20762

SUBJECT: DoD IG Audit Project No. D2015-D000CF-0188.000, Air Force Personnel Can  
Improve Compliance with the Berry Amendment and the Buy American Act

This memorandum is in reply to your memorandum, dated 29 December 2015, requesting management comments. Air Force provides the following:

**Recommendation B.5:** We recommend that the Assistant Secretary of the Air Force (Financial Management and Comptroller):

- a. Initiate a preliminary review in accordance with DoD 7000.14-R, "DoD Financial Management Regulation," volume 14, chapter 3 to determine whether reportable violations of the Antideficiency Act occurred as a result of noncompliant Buy American Act items purchased on contracts FA3047-14-P-0232, FA7000-14-P-0129, and FA7000-14-P-0137, in violation of the Buy American Act.
- b. Complete the preliminary review as required by regulation and provide the results to the DoD Office of Inspector General (DoD OIG). If an Antideficiency Act violation has occurred, determine which officials are responsible and recommend corrective actions.

**Response:** Air Force concurs with the recommendation, and will initiate Air Force ADA Case P16-01 to review the aforementioned contracts. Once complete, we will communicate our findings to DoD OIG.

If you have any questions, please contact me at [REDACTED] or via email at [REDACTED]

FREDRICK E. CARR  
Director, Reporting & Compliance  
Financial Operations  
(Financial Management)

"Financing the Fight"

## Department of the Air Force Comments (cont'd)



DEPARTMENT OF THE AIR FORCE  
355TH CONTRACTING SQUADRON (ACC)  
DAVIS-MONTHAN AIR FORCE BASE, ARIZONA

3 Feb 2016

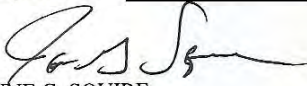
MEMORANDUM FOR SAF/AQC [REDACTED]

FROM: 355 CONS/CD

SUBJECT: Draft report "Air Force Personnel Can Improve Compliance With the Berry Amendment and the Buy American Act" (DoDIG Project No. D2015-D000CG-0188.000)

We concur with the Audit Results and recommendations and have completed training on identified issues for the AFAA Draft Report of Audit. No additional comments are required.

If you have any questions or concerns with our comments, please contact [REDACTED]  
[REDACTED] or email: [REDACTED] or myself at [REDACTED]

  
JOANNE G. SQUIRE  
Director Business Operations

*Global Power for America*

## Department of the Air Force Comments (cont'd)



**DEPARTMENT OF THE AIR FORCE**  
AIR FORCE LIFE CYCLE MANAGEMENT CENTER  
ROBINS AIR FORCE BASE

JAN 27 2016

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MEMORANDUM FOR DODIG

FROM: AFLCMC/PZK (Robins)

SUBJECT: Management Comments for Department of Defense Inspector General (DoD IG), Project No. D2015-D000CG-0188.000, *Air Force Personnel Can Improve Compliance with the Berry Amendment and the Buy American Act*

1. AFLCMC/PZK (Robins) has completed its review of the audit and takes no exception to the findings contained therein.

2. The following recommendation was received and our response is as follows:

Recommendation A.2. *We recommend the Chief of Systems Support, Contracting Division at the Air Force Life Cycle Management Center determine whether noncompliant Berry Amendment items have been delivered on contract FA8526-14-C-0003 and, when appropriate, obtain replacement items that are compliant with the Berry Amendment.*

Response A.2. Concur. A review of the items delivered under contract FA8526-14-C-0003 has been completed and the subject items are deemed to be in compliance with the Berry Amendment. As a result, no further action is required.

3. Our point of contact for this information is [REDACTED], AFLCMC/PZK, [REDACTED]

A handwritten signature in cursive script, reading "Michele W. Cranford".

MICHELE W. CRANFORD  
Chief, Systems Support Contracting Division

## Department of the Air Force Comments (cont'd)



**DEPARTMENT OF THE AIR FORCE**  
AIR FORCE SUSTAINMENT CENTER (AFMC) OPERATING LOCATION  
ROBINS AIR FORCE BASE GEORGIA

UNCLASSIFIED//FOR OFFICIAL USE ONLY

JAN 19 2016

MEMORANDUM FOR DODIG

FROM: AFSC/PK

SUBJECT: Management Comments for Department of Defense Inspector General (DoD IG),  
Project No. D2015-D000CG-0188.000, Air Force Personnel Can Improve Compliance with the  
Berry Amendment and the Buy American Act

1. AFSC/PK has reviewed the report of audit and provides the following comments:


Recommendation A.3. *We recommend the Director of Contracting at the Air Force Sustainment Center determine whether noncompliant Berry Amendment items have been delivered on contract FA8517-14-C-0003 and, when appropriate, obtain replacement items that are compliant with the Berry Amendment.*

Response A.3. Concur. A review conducted of items delivered under contract FA8517-14-C-0003 confirmed that the items are compliant with the Berry Amendment. This action is complete.

Recommendations B.3. *We recommend the Director of Contracting from Air Force Sustainment Center determine whether noncompliant Buy American Act items were delivered on contracts FA8501-14-P-0050, FA8501-14-P-0076, FA8501-14-P-0020, and FA8501-14-P-0046, and, when appropriate, obtain replacement items that are compliant with the Buy American Act.*

Response B.3. Concur. A review conducted of items delivered under contracts FA8501-14-P-0050, FA8501-14-P-0076, FA8501-14-P-0020, and FA8501-14-P-0046 confirmed that the items are compliant with the Buy American Act. This action is complete.

2. Our point of contact for this information is [REDACTED] AFSC/PKXA, [REDACTED]

  
JASON J. BOCK, COL, USAF  
Deputy Director of Contracting

## Department of the Air Force Comments (cont'd)



DEPARTMENT OF THE AIR FORCE  
AIR FORCE INSTALLATION CONTRACTING AGENCY

1 Feb 2016

MEMORANDUM FOR DoD Inspector General

FROM: 338 SCONS/CC  
2035 First Street West, Ste 1  
JBSA-Randolph TX 78150-4304

SUBJECT: DoD Inspector General, Project No. D2015-D000CG-0188.000

1. This letter is in response to the DoD IG discussion draft report, "*Air Force Personnel Can Improve Compliance With the Berry Amendment and the Buy American Act*", received on 12 Nov 2015. Submission procedures were not specified and a timely response was submitted via e-mail on 20 Nov 2015 to [REDACTED], OIG DoD. On 1 Feb 2016, AFIMSC/RMFS Audit Workflow indicated DoD IG requires a properly signed and dated memorandum. The following captures the 12 Nov 2015 submission.
2. DoD IG findings/recommendations and 338 SCONS response/corrective action:

FINDING: 338th SCONS omitted the Buy American Act contract clause.

RECOMMENDATION B.1.a: Determine whether noncompliant Buy American Act items for a non-recurring buy were delivered on contract FA3002-15-P-0008, and, when appropriate, obtain replacement items that are compliant with the Buy American Act.

RESPONSE: When the Contracting Officer identified she mistakenly omitted the clause (during this expedited purchase in support of Foreign Military Sales students) the items were already delivered and accepted by the customer. Further, the items purchased (coveralls) were purchased from the Lighthouse for the Blind which is Buy American Act compliant.

CORRECTIVE ACTION: N/A

RECOMMENDATION B.1.b: Establish procedures or additional training for procurements subject to the Buy American Act.

RESPONSE: Concur.

CORRECTIVE ACTION: Additional training will be providing for procurements subject to the Buy American Act.

NEMMERS.VICTORIA.L  
RIA.L [REDACTED]  
VICTORIA L. NEMMERS, Lt Col, USAF  
Commander, 338 SCONS

Digitally signed by  
NEMMERS.VICTORIA



## Department of the Air Force Comments (cont'd)



DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS UNITED STATES AIR FORCE ACADEMY

22 JAN 2016

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

FROM: HQ USAFA/CV  
2304 Cadet Drive, Suite 3300  
USAF Academy CO 80840-5001

SUBJECT: Initial Management Comment, Draft Report of Audit, Air Force Personnel Can Improve Compliance With the Berry Amendment and the Buy American Act, 10th Air Base Wing, United States Air Force Academy, CO (Project: D2015-D000CG-0188.000).

1. The following initial management comment is provided in response to the Department of Defense Inspector General Draft Report of Audit, Air Force Personnel Can Improve Compliance With the Berry Amendment and the Buy American Act, containing one USAFA recommendation.

The Director, 10th Contracting Squadron (10 CONS) should:

- **Recommendation B.4.** Establish procedures or additional training for procurements subject to the Buy American Act.
- **Response to Recommendation B.4.** Concur with the audit results and recommendation. 10 CONS will provide Buy American Act procurement compliance training to Squadron personnel. Estimated Completion Date: 30 April 2016.

2. Point of contact for this memorandum is [REDACTED] Financial Management Quality Assurance, [REDACTED]

DOUGLAS K. LAMBERTH, Brig Gen, USAF  
Vice Superintendent

*Developing Leaders of Character*

## Acronyms and Abbreviations

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<b>AFB</b>	Air Force Base
<b>AFLCMC</b>	Air Force Life Cycle Management Center
<b>AFSC</b>	Air Force Sustainment Center
<b>ESS</b>	Enterprise Sourcing Squadron
<b>DFARS</b>	Defense Federal Acquisition Regulation Supplement
<b>FAR</b>	Federal Acquisition Regulation
<b>FPDS-NG</b>	Federal Procurement Data System-Next Generation
<b>FSG</b>	Federal Supply Group
<b>IDIQ</b>	Indefinite-Delivery Indefinite-Quantity
<b>JBSA</b>	Joint Base San Antonio
<b>SAM</b>	System for Award Management
<b>U.S.C.</b>	United States Code
<b>USAFA</b>	United States Air Force Academy

# **Whistleblower Protection**

## **U.S. DEPARTMENT OF DEFENSE**

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