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

Our mission is to provide independent, relevant, and timely oversight of the Department of Defense that supports the warfighter; promotes accountability, integrity, and efficiency; advises the Secretary of Defense and Congress; and informs the public.

Vision

Our vision is to be a model oversight organization in the Federal Government by leading change, speaking truth, and promoting excellence—a diverse organization, working together as one professional team, recognized as leaders in our field.
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 and the Buy American Act 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 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.

Findings (cont’d)

1 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.

2 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**

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

Please provide Management Comments by March 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. 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).

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

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. 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.

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 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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3 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.”
5 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, 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 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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6 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.

7 FAR Part 25, “Foreign Acquisition,” and DFARS Part 225, “Foreign Acquisition,” respectively.
Table 1. Berry Amendment and Buy American Act Comparison

<table>
<thead>
<tr>
<th></th>
<th>Berry Amendment</th>
<th>Buy American Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applies to</td>
<td>DoD</td>
<td>Government-wide</td>
</tr>
<tr>
<td>Covered Items</td>
<td>Primarily federal supply groups 51, 52, 83, 84, and 89</td>
<td>Generally, most supplies—not just those from FSGs 51, 52, 83, 84, and 89</td>
</tr>
<tr>
<td>Thresholds</td>
<td>Greater than the simplified acquisition threshold ($150,000)¹</td>
<td>Greater than micro-purchase threshold ($3,000)</td>
</tr>
<tr>
<td>Domestic content</td>
<td>100 percent</td>
<td>Must exceed 50 percent</td>
</tr>
<tr>
<td>Place of production or manufacture</td>
<td>United States</td>
<td>United States²</td>
</tr>
<tr>
<td>Where item will be used</td>
<td>Anywhere</td>
<td>United States³</td>
</tr>
<tr>
<td>Contractor certification</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: DoD OIG

¹ 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.

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

³ 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,¹ 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;

¹ 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

<table>
<thead>
<tr>
<th>Contracting Organization</th>
<th>Berry Amendment Contracts</th>
<th>Buy American Act Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Actions</td>
<td>Dollars Obligated</td>
</tr>
<tr>
<td>10th Contracting Squadron</td>
<td>7</td>
<td>$1,458,016</td>
</tr>
<tr>
<td>338th Specialized Contracting Squadron</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>355th Contracting Squadron</td>
<td>5</td>
<td>1,236,938</td>
</tr>
<tr>
<td>502d Contracting Squadron</td>
<td>2</td>
<td>1,174,414</td>
</tr>
<tr>
<td>771st ESS¹</td>
<td>4</td>
<td>3,735,530</td>
</tr>
<tr>
<td>AFLCMC</td>
<td>2</td>
<td>6,863,274</td>
</tr>
<tr>
<td>AFSC</td>
<td>1</td>
<td>3,268,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21</strong></td>
<td><strong>$17,736,172²</strong></td>
</tr>
</tbody>
</table>

¹ 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.

² 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.
Air Force contracting personnel complied with the Berry Amendment for 15 of the 21 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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### 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
the DFARS clause specific to purchasing tools.\textsuperscript{10} 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>
<thead>
<tr>
<th>Contract Number</th>
<th>Base Value</th>
<th>Item</th>
<th>Included Berry Amendment Clause in Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>FA4877-15-P-BJ19</td>
<td>$159,262</td>
<td>Flight wear</td>
<td>No</td>
</tr>
<tr>
<td>FA4877-14-P-B101</td>
<td>220,123</td>
<td>Deployment gear</td>
<td>No</td>
</tr>
<tr>
<td>FA4877-14-P-B095</td>
<td>409,295</td>
<td>Structure kits and replacements</td>
<td>No</td>
</tr>
<tr>
<td>FA8526-14-C-0003</td>
<td>2,338,146</td>
<td>Tube swage kit</td>
<td>No*</td>
</tr>
<tr>
<td>FA8517-14-C-0003</td>
<td>3,268,000</td>
<td>Swaging tool kits</td>
<td>No*</td>
</tr>
<tr>
<td>FA3047-14-C-0033</td>
<td>754,294</td>
<td>Parachute system</td>
<td>No</td>
</tr>
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</table>

* 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\textsuperscript{11} 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

\textsuperscript{10} DFARS 252.225-7015, “Restriction on Acquisition of Hand or Measuring Tools.”

\textsuperscript{11} 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. 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.

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12 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\(^\text{13}\) 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\(^\text{14}\) 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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\(^{13}\) DFARS 252.225-7012, “Preference for Certain Domestic Commodities.”

\(^{14}\) 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. 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 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 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 and requires contracting officers to include the applicable clause in the contract. Inclusion of the proper

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15 Contracting officers properly justified two determination and findings of nonavailability.
16 FAR 10.001, “Policy.”
18 DFARS Subpart 225.1.
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**

<table>
<thead>
<tr>
<th>Location(s)</th>
<th>Implementing Clause Omitted</th>
<th>Improper Nonavailability Determination</th>
<th>Total Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td>10th Contracting Squadron, USAFA</td>
<td>0</td>
<td>2*</td>
<td>13*</td>
</tr>
<tr>
<td>338th Specialized Contracting Squadron, JBSA</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>355th Contracting Squadron, Davis-Monthan AFB</td>
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<td>5</td>
</tr>
<tr>
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<tr>
<td>AFSC</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10</strong></td>
<td><strong>2</strong></td>
<td><strong>33</strong></td>
</tr>
</tbody>
</table>

* 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.\(^\text{20}\)

\(^{20}\) 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. 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. 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.

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21 FAR clause 52.225-1, “Buy American Act—Supplies.”
22 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. 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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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\(^{24}\) states that the contracting officer may acquire a foreign product without regard to restrictions of the Buy American Act statue 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. 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.

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\(^{24}\) 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\(^\text{25}\) 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.\(^\text{26}\)

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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\(^{26}\) 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):


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;”
- 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,\(^{27}\) 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.

\(^{27}\) 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. Unrestricted DoD OIG reports can be accessed at http://www.dodig.mil/pubs/index.cfm.

GAO


DoD OIG


### Appendix B

### Berry Amendment Contracts Reviewed

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Obligated Contract Value</th>
<th>Item Description</th>
<th>Considered Berry Amendment Requirements in Market Research</th>
<th>Implementing Clause</th>
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<tr>
<td>1</td>
<td>FA7000-14-D-0002</td>
<td>Bathrobes and pajamas</td>
<td>Yes</td>
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<tr>
<td>2</td>
<td>FA7000-14-D-0003</td>
<td>Caps and hats</td>
<td>Yes</td>
<td>Yes</td>
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<tr>
<td>3</td>
<td>FA7000-14-D-0004</td>
<td>Running jackets and trousers</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>4</td>
<td>FA7000-14-P-0049</td>
<td>Sock kits</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>5</td>
<td>FA7000-15-D-0002</td>
<td>Athletic jackets and parkas</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>FA7000-15-D-0003</td>
<td>Sock kits and socks</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>7</td>
<td>FA7000-15-P-0052</td>
<td>T-shirts, jerseys and shorts</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>355th Contracting Squadron – Davis-Monthan Air Force Base</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>FA4877-14-P-B010</td>
<td>Various items including but not limited to safety glasses, hoods, belts, backpacks and gloves</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>9</td>
<td>FA4877-14-P-B095</td>
<td>Alaska structures kits and replacements</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>10</td>
<td>FA4877-14-P-B101</td>
<td>Deployment gear</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>11</td>
<td>FA4877-15-P-BJ02</td>
<td>Deployment gear</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>12</td>
<td>FA4877-15-P-BJ19</td>
<td>Flight gear</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>502d Contracting Squadron, Joint Base San Antonio</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>13</td>
<td>FA3047-14-C-0029</td>
<td>Clothing and equipment</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>14</td>
<td>FA3047-14-C-0033</td>
<td>Parachute system</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>
## Berry Amendment Contracts Reviewed (cont’d)

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

* Totals may not equal the actual sum because obligated values are rounded.
## Appendix C

### Buy American Act Contracts Reviewed

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Contract Value</th>
<th>Item Description</th>
<th>Considered Buy American Act Requirements in Market Research</th>
<th>Implementing Clause</th>
</tr>
</thead>
<tbody>
<tr>
<td>FA7000-14-P-0051</td>
<td>$95,055</td>
<td>Swimsuit</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-15-P-0057</td>
<td>62,797</td>
<td>Sweatshirts and sweatpants</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-14-P-0040</td>
<td>60,464</td>
<td>Athletic jersey and shorts</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-14-P-0043</td>
<td>98,744</td>
<td>Personalized T-shirts</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-15-P-0046</td>
<td>40,884</td>
<td>Insignia</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-14-P-0142</td>
<td>15,700</td>
<td>Pin-puller actuator</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-15-P-0061</td>
<td>70,592</td>
<td>Shoulder boards/marks</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-14-P-0034</td>
<td>118,543</td>
<td>Running shoes and cross trainers</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-15-P-0058</td>
<td>115,912</td>
<td>Running shoes and cross trainers</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>FA7000-14-P-0110</td>
<td>5,748</td>
<td>Helmet</td>
<td>Yes</td>
<td>N/A²</td>
</tr>
<tr>
<td>FA7000-14-P-0046</td>
<td>7,160</td>
<td>Gloves</td>
<td>Yes</td>
<td>N/A²</td>
</tr>
<tr>
<td>FA7000-14-P-0137¹</td>
<td>17,675</td>
<td>Football jerseys and pants</td>
<td>Yes</td>
<td>N/A²</td>
</tr>
<tr>
<td>FA7000-14-P-0129¹</td>
<td>17,675</td>
<td>Football jerseys and pants</td>
<td>Yes</td>
<td>N/A²</td>
</tr>
<tr>
<td>FA3002-15-P-0008</td>
<td>3,071</td>
<td>Coveralls</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>FA4877-15-P-B032</td>
<td>52,681</td>
<td>Alaska 5-ton environmental control unit</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>FA4877-15-P-B013</td>
<td>26,370</td>
<td>Harnesses</td>
<td>N/A³</td>
<td>Yes</td>
</tr>
</tbody>
</table>

¹ Potential Antideficiency Act violation.
² Determination and findings of nonavailability.
³ Sole source or mandatory government source.
### Buy American Act Contracts Reviewed (cont’d)

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Contract Value</th>
<th>Item Description</th>
<th>Considered Buy American Act Requirements in Market Research</th>
<th>Implementing Clause</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>FA4877-14-P-B108</td>
<td>14,696 Helmet replacement parts</td>
<td>N/A³</td>
<td>Yes</td>
</tr>
<tr>
<td>18</td>
<td>FA4877-14-P-A090</td>
<td>20,195 Propper ABU coat and pants</td>
<td>N/A³</td>
<td>No</td>
</tr>
<tr>
<td>19</td>
<td>FA4877-14-P-B059</td>
<td>19,821 Ski boots</td>
<td>N/A³</td>
<td>Yes</td>
</tr>
<tr>
<td>20</td>
<td>FA3047-14-P-0232</td>
<td>$7,180 Fitness timing system</td>
<td>N/A³</td>
<td>No</td>
</tr>
<tr>
<td>21</td>
<td>FA3047-14-P-0313</td>
<td>36,154 Optical fiber identifier and other tools</td>
<td>N/A³</td>
<td>Yes</td>
</tr>
<tr>
<td>22</td>
<td>FA3047-14-P-0345</td>
<td>36,063 CAMSS 18TAC35 shelter system</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>23</td>
<td>FA3047-15-P-0085</td>
<td>10,890 Perm swage head assembly</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>24</td>
<td>FA3047-14-P-0238</td>
<td>28,538 Parachute drop bag</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>25</td>
<td>FA3047-14-P-0331</td>
<td>119,576 Hydration bladder and other safety items</td>
<td>N/A³</td>
<td>Yes</td>
</tr>
<tr>
<td>26</td>
<td>FA3047-15-P-0050</td>
<td>37,900 Blue cotton blanket</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>27</td>
<td>FA3047-14-P-0375</td>
<td>46,666 Hand and measuring tools</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>28</td>
<td>FA3047-15-P-0062</td>
<td>58,439 Tops and pants</td>
<td>N/A³</td>
<td>Yes</td>
</tr>
<tr>
<td>29</td>
<td>FA3089-14-P-0092</td>
<td>23,000 Sling kit</td>
<td>N/A³</td>
<td>Yes</td>
</tr>
<tr>
<td>30</td>
<td>FA8501-14-P-0046</td>
<td>60,420 Impregnated kevlar cloth</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>31</td>
<td>FA8501-14-P-0050</td>
<td>83,204 Quartz material and temperature recorder</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>32</td>
<td>FA8501-14-P-0020</td>
<td>66,509 Firefighting personal protective equipment</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>33</td>
<td>FA8501-14-P-0076</td>
<td>59,875 Impregnated epoxy fiberglass fabric</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,538,197</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

³ Sole source or mandatory government source.
4 Totals may not equal the actual sum because obligated values are rounded.
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].

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


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 P15-01 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"
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] or email: [Redacted] or myself at [Redacted]

JOANNE G. SQUIRE
Director Business Operations

Global Power for America
DEPARTMENT OF THE AIR FORCE
AIR FORCE LIFE CYCLE MANAGEMENT CENTER
ROBINS AIR FORCE BASE

JAN 27, 2016

UNCLASSIFIED//FOR OFFICIAL USE ONLY

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.

Michele W. Cranford
Chief, Systems Support Contracting Division
Department of the Air Force Comments (cont’d)

UNCLASSIFIED/FOR OFFICIAL USE ONLY

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/PK.

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


VICTORIA L. NEMMERS, Lt Col, USAF
Commander, 338 SCONS
Department of the Air Force Comments (cont’d)

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

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


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

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFB</td>
<td>Air Force Base</td>
</tr>
<tr>
<td>AFLCMC</td>
<td>Air Force Life Cycle Management Center</td>
</tr>
<tr>
<td>AFSC</td>
<td>Air Force Sustainment Center</td>
</tr>
<tr>
<td>ESS</td>
<td>Enterprise Sourcing Squadron</td>
</tr>
<tr>
<td>DFARS</td>
<td>Defense Federal Acquisition Regulation Supplement</td>
</tr>
<tr>
<td>FAR</td>
<td>Federal Acquisition Regulation</td>
</tr>
<tr>
<td>FPDS-NG</td>
<td>Federal Procurement Data System-Next Generation</td>
</tr>
<tr>
<td>FSG</td>
<td>Federal Supply Group</td>
</tr>
<tr>
<td>IDIQ</td>
<td>Indefinite-Delivery Indefinite-Quantity</td>
</tr>
<tr>
<td>JBSA</td>
<td>Joint Base San Antonio</td>
</tr>
<tr>
<td>SAM</td>
<td>System for Award Management</td>
</tr>
<tr>
<td>USAFA</td>
<td>United States Air Force Academy</td>
</tr>
</tbody>
</table>
Whistleblower Protection
U.S. Department of Defense

The Whistleblower Protection Enhancement Act of 2012 requires the Inspector General to designate a Whistleblower Protection Ombudsman to educate agency employees about prohibitions on retaliation, and rights and remedies against retaliation for protected disclosures. The designated ombudsman is the DoD Hotline Director. For more information on your rights and remedies against retaliation, visit www.dodig.mil/programs/whistleblower.

For more information about DoD IG reports or activities, please contact us:

Congressional Liaison
congressional@dodig.mil; 703.604.8324

Media Contact
public.affairs@dodig.mil; 703.604.8324

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