

AIR FORCE AUDIT AGENCY



AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 PROGRAM EXECUTION – FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION



AUDIT REPORT

F2010-0007-FD1000
24 February 2010



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INTRODUCTION

- **American Recovery and Reinvestment Act of 2009 (Recovery Act)**
 - Signed into law 17 February 2009

- **Purposes**
 - Create and save jobs
 - Jump start economy
 - Address unfunded facility requirements
 - Create foundation for long term economic growth



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INTRODUCTION (Cont'd)

- **Joint Audit Effort**
 - DoDIG directed by Recovery Act to review
 - Service audit agencies assisted

- **Magnitude**
 - 1,548 FSRM projects
 - \$1.15 billion in Recovery Act funds



- **Competition**

- Used to maximum extent practicable
- Existing, competed, fixed-price contracts to obligate funds quickly
- Contract preference to small disadvantaged businesses

- **Quarterly Reports**

- Federal contractors begin reporting 10 October 2009
- Air Force must review and post reports by 30 October 2009
- Quarterly reports also contain estimated jobs created/retained



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BACKGROUND (Cont'd)

- **Project Selection**

- Data call in December 2008 for potential projects
- Potential projects sent to Air Staff for further review
- Preference to quickly executable projects
- Obligate at least 50 percent of funds within 120 days of enactment

- **Federal Business Opportunities (FBO) Website**

- Single government point-of-entry for all procurements over \$25,000
- All contract actions not awarded competitively and firm fixed price



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BACKGROUND (Cont'd)

- **Federal Procurement Data System (FPDS)**
 - Federal government's central source of procurement information
 - Reports all contract actions
- **Project Estimates.** ACES-PM estimates used to allocate and manage Recovery Act funds



- Determine whether Air Force properly managed Recovery Act FSRM requirements
 - Competed Recovery Act contracts
 - Prepared for validation of job creation/retention data
 - Properly selected projects
 - Reported project information (transparency)
 - Included all required FAR clauses in contracts
 - Properly prepared ACES-PM estimates used to allocate Recovery Act funds



AUDIT RESULTS OVERALL

- **Overall Results**

- Generally, Air Force effectively managed Recovery Act FSRM requirements

- **Competition (Results 1, Sld. 13)**

- Properly competed contracts and quickly infused funds into economy
- Competition results in lower costs to government and taxpayers

- **Job Creation/Retention (Results 2, Sld. 15)**

- Air Force officials not ready to verify or validate jobs created/retained
- No assurance goal and intent of Recovery Act achieved



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AUDIT RESULTS OVERALL (Cont'd)

- **Project Selection (Results 3, Sld. 19)**
 - Selected projects in accordance with guidance
 - Projects not always adequately justified, not valid/greatest need, or most urgent requirement
 - Correcting high priority facility problems improves operations and quality of life

- **Transparency (Results 4, Sld. 27)**
 - Did not completely meet transparency requirements
 - Contractual information was not fully available to public



AUDIT RESULTS OVERALL (Cont'd)

- **FAR Clauses (Results 5, Sld. 37)**
 - Did not include all significant FAR clauses in all solicitations or contracts
 - Contractors not completely informed on all contract requirements

- **Project Estimates (Results 6, Sld. 42)**
 - Did not ensure ACES-PM estimates were updated and accurate
 - Did not optimize funds distribution



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Recommendations and Management's Response

- **Recommendations.** We made 5 recommendations and 4 corrective actions were taken during the audit
- **Management's Response.** Management comments addressed the issues raised in the audit results, and corrective actions planned and taken are responsive to the issues and recommendations in this report

Handwritten signature of Robert F. Burks in black ink.

ROBERT F. BURKS
Associate Director
(Engineering and Environment Division)

Handwritten signature of Tony M. Ames in black ink.

TONY M. AMES
Deputy Assistant Auditor General
(Support and Personnel Audits)



AUDIT RESULTS 1

COMPETITION

- **Condition (Positive)**

- Competitively awarded 91 (73 percent) of 124 projects-remaining 33 sole sourced to small, disadvantaged businesses
- Awarded 198 (89 percent) of 223 projects reviewed
- Awarded 80 (65 percent) of 124 projects to small, disadvantaged businesses

- **Example.** Tinker AFB personnel:

- Competitively awarded 28 of 34 locally managed projects
- Awarded all 34 projects to small, disadvantaged businesses



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AUDIT RESULTS 1

COMPETITION (Cont'd)

- **Cause** Air Force provided guidance stressing use of competition for Recovery Act projects to extent possible and prudent

- **Impact**
 - Air Force quickly infused more than \$850 million of Recovery Act funds into economy

 - Maintained high level of competition and awarded to small businesses

 - Competition resulted in lower costs to government and taxpayers

- **Audit Comment.** No corrective actions required



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AUDIT RESULTS 2

JOB CREATION/RETENTION

- **Condition**

- Air Force not prepared to validate jobs created/retained
- 14 (74 percent) of 19 locations did not plan to verify/validate job reports starting in October 2009

- **Cause**

- Air Force did not issue guidance related to validation of job reports
- Air Force delayed release of guidance on verification and validation of job creation and retention goals pending OSD guidance
- Unable to see Recovery.gov website format
- Did not know what data fields contractors should complete



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AUDIT RESULTS 2

JOB CREATION/RETENTION (Cont'd)

- **Impact**

- Job creation/retention primary measure of Recovery Act's success
- No assurance Recovery Act goal and intent was achieved

- **Corrective Action. SAF/AQC:**

- Distributed OSD 30 September 2009 guidance
- Issued specific guidance on reviewing contractor's reports for job creation/retention



AUDIT RESULTS 2

JOB CREATION/RETENTION (Cont'd)

- **Recommendation 1.** SAF/AQC should continue to maintain quarterly report guidance on central repository with other Recovery Act guidance and expand information dissemination to field units through multiple communication means

- **Management Comments.** SAF/AQC concurred with the finding and recommendation and stated: “SAF/AQ has/will:
 - a) “Distributed OSD 30 September 2009 guidance. Closed.

 - b) “Distributed USD(AT&L/DPAP) 16 Dec 2009 guidance to field on 23 December 2009 detailing specific contracting officer guidance on reviewing contractor’s reports for job creation/retention. Closed.

 - c) “Expand information dissemination to field units through multiple communication means including new Sharepoint site. Estimated Completion Date: 30 June 2010.”



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AUDIT RESULTS 2

JOB CREATION/RETENTION (Cont'd)

- **Evaluation of Management Comments.** Management comments addressed the issues raised, and actions taken and planned are responsive



AUDIT RESULTS 3

PROJECT SELECTION

- **Condition**

- Air Force selected Recovery Act projects in accordance with guidance; however,
- Did not always choose adequately justified projects or projects representing valid, most urgent requirement or greatest need
 - 18 (6 percent) of 297 projects were either low priority projects, had inadequate justification or did not meet intent of Act (Table 1)

Low Priority	Weak Justification	High Pay Back Period	Did Not Meet Intent of Act	Total
11	4	2	1	18

Table 1. Project Selection



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AUDIT RESULTS 3

PROJECT SELECTION (Cont'd)

- **Examples**

- McEntire JNGB: Similar higher priority project with lower cost not selected
- Tinker AFB: Parking lot maintenance project changed to complete reconstruction without justification
- Luke AFB: Project had over 20-year payback period
- Hickam AFB: Wake Island project used foreign workers versus Americans as required by Recovery Act



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AUDIT RESULTS 3

PROJECT SELECTION (Cont'd)

- **Cause**
 - MAJCOMs and installations not required to choose high priority projects
 - Directed to choose quickly executable projects with emphasis on infrastructure and energy

- **Impact.** Correcting high priority facility problems
 - Helps improve Air Force operations
 - Increases Airmen's quality of life



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AUDIT RESULTS 3

PROJECT SELECTION (Cont'd)

- **Corrective Action**

- Hickam AFB and Air Staff personnel took action to cancel foreign worker's project at Wake Island
- Air Force's internal review process identified and cancelled 19 unjustified projects



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AUDIT RESULTS 3

PROJECT SELECTION (Cont'd)

- **Audit Comment**

- Remaining low priority projects already started, no recommendation to cancel
- New asset management system—AMPs and BCAMPs
 - Will provide standardized roadmap for planning, programming, and prioritizing projects
 - Should allow for quicker funding execution of high priority projects



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AUDIT RESULTS 3

PROJECT SELECTION (Cont'd)

- **Recommendation 2.** AF/A4/7 should:
 - a. Use AMPs and BCAMPs to select highest priority projects for:
 - 1. Future Recovery Act projects and
 - 2. Emergency, unplanned, or end-of-year fallout money projects
 - b. Develop set of project selection criteria selecting most urgent requirements while still meeting Recovery Act goals



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AUDIT RESULTS 3

PROJECT SELECTION (Cont'd)

- **Management Comments.** AF/A7C concurred with the finding and recommendation and stated: “AF/A7C will:
 - a) “Continue to develop the asset management processes and tools to help make the most effective resource investment decisions. “Spiral 1” installation-level Asset Management Plans (AMPs) and Base Comprehensive Asset Management Plans (BCAMPs) are available for use, however the underlying data requires further refinement to provide actionable outcomes at this time. Engineering judgment is a critical component to the current use of AMPS and BCAMPS and will remain an important factor in the refinement of the data systems. Engineering judgment will play a vital role in project selection, guided by the AMPs and BCAMPs, during unplanned and emergency situations where there are additional factors that cannot be accounted for during AMPs and BCAMPs development. Estimated Completion Date: 15 January 2011



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AUDIT RESULTS 3

PROJECT SELECTION (Cont'd)

- b) “Continue to stress the importance of selecting higher priority projects that meet OMB and OSD guidance. AF/A7C has stressed the importance of selecting priority projects during ARRA bid-savings project calls. OSD ARRA bid-savings policy continues to evolve. AF/A7C will provide additional guidance to the MAJCOMs in all future ARRA bid-savings project calls. Estimated Completion Date: 30 September 2010”

- **Evaluation of Management Comments.** Management comments addressed the issues raised, and actions taken and planned are responsive



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AUDIT RESULTS 4

TRANSPARENCY

- **Condition**

- Transparency requirements not met at 13 (65 percent) of 20 locations
- 13 locations incorrectly posted projects (Table 2 and Exhibits 1 and 2):
 - 50 (27 percent) of 182 lacked pre-solicitation notices on FBO
 - 42 (26 percent) of 163 lacked award notices on FBO
 - 21 (11 percent) of 198 awarded projects not on FPDS



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AUDIT RESULTS 4

TRANSPARENCY (Continued)

Installation	FBO Pre-Solicitation		FBO Award		FPDS
	Not Posted	Incomplete	Not Posted	Incomplete	Not Posted
Beale AFB	0	0	0	2	0
Cannon AFB	0	0	1	0	2
Dover AFB	0	8	0	3	1
Dyess AFB	1	0	0	1	0
Eielson AFB	9	11	0	13	0
Hickam AFB	0	2	1	6	2
Holloman AFB	3	0	0	1	1
Indian Mtn LRRS	0	1	0	1	0
March ARB	0	0	0	0	4
McEntire JNGB	0	0	0	0	1
Robins AFB	0	14	0	13	6
Savannah ANG	0	1	0	0	1
Seymour Johnson AFB	0	0	0	0	3
Totals	50		42		21

Table 2. Transparency Errors



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AUDIT RESULTS 4

TRANSPARENCY (Cont'd)

- **Examples**

- Eielson AFB: Pre-solicitation to repair HVAC system not posted
- Dover AFB: No clear description of work required to repair pavement
- Cannon AFB: Task order award notice to repair privacy fencing not posted
- Dyess AFB: Contractor's full name/address for hanger door repair not shown
- Robins AFB: Contract action to replace perimeter fence not posted



AUDIT RESULTS 4

TRANSPARENCY (Cont'd)

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[Buyers: Login | Register](#) [Vendors: Login | Register](#)



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RECOVERY CZQZ090087 Replace CO and Smoke Detectors Cmw

RECOVERY

Solicitation Number: FA4855-06-D-0001-5003
Agency: Department of the Air Force
Office: Air Force Special Operations Command
Location: 27 SOCONS

Recovery Markings

Notice Details

Packages

Interested Vendors List

Print

Complete View

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[Original Synopsis](#)

Presolicitation
May 29, 2009
1:48 pm

Solicitation Number:
FA4855-06-D-0001-5003

Notice Type:
Award

[Changed](#)

Jun 23, 2009
5:59 pm

Contract Award Date:
June 29, 2009

[Changed](#)

Jun 24, 2009
2:44 pm

Contract Award Number:
FA4855-06-D-0001-5003-05

[Award](#)

Jun 30, 2009
8:52 am

Contract Award Dollar Amount:
\$184,613.00

Contractor Awarded Name:
Ameritac, Inc.

Contractor Awarded Address:
2280 Diamond BLVD, STE 360

Concord, California 94520
United States

Key Items:

Contract Number

Award Amt

Contractor Name and Address

Additional Description by Including the Statement of Work

"Information Purposes Only"

Project Description

Rationale for Sole Source

Synopsis:

Added: May 29, 2009 1:48 pm Modified: Jun 23, 2009 5:59 pm [Track](#)

[Changes](#)

RECOVERY - CZQZ090087 THIS NOTICE IS PROVIDED FOR INFORMATION PURPOSES ONLY. THIS OPPORTUNITY IS AVAILABLE ONLY TO THE CONTRACTOR UNDER THE CURRENT 8(A) SOLE SOURCE GENERAL MAINTENANCE SERVICE IDIQ: # FA4855-06-D-0001 WITH AMERITAC INC. AT CANNON AFB, NM.

THIS PROJECT CALLS FOR INSTALLATION OF CO2 AND SMOKE DETECTORS IN THE BASE MILITARY HOUSING UNITS LISTED IN THE PRESOLICITATION TITLE. THE GOVERNMENT INTENDS TO MODIFY THE CURRENT DELEVERY ORDER TO THE PRIME CONTRACTOR UNDER THE PRE-EXISTING INDEFINITE DELIVERY INDEFINITE QUANTITY (IDIQ) GENERAL CONSTRUCTION/SERVICES CONTRACT. IT WAS DETERMINED THIS CONTRACTOR IS THE MOST SUITABLE TO PERFORM THIS TASK, BECAUSE THEY ARE ALREADY AUTHORIZED TO WORK IN OCCUPIED MILITARY HOUSING UNITS. THE EXISTING CO2 AND SMOKE DETECTORS WERE ORIGINALLY INSTALLED IN 1994. THE LIFE EXPECTANCY OF THE UNITS IS 15 YEARS, AND ARE REACHING THE END OF USEFUL LIFE IN 2009. THE EXISTING DETECTORS AND CURRENT INSTALLATION DOES NOT MEET CURRENT FIRE-SAFETY CODE REQUIREMENTS. INSTALLATION OF NEW CO2 AND SMOKE DETECTOR WILL PROVIDE A SAFER LIVING ENVIROMENT FOR MILITARY FAMILY MEMEBERS RESIDEING IN MILITARY FAMILY HOUSING UNITS.

Please consult the list of [document viewers](#) if you cannot open a file.

Statement of Work

Type: Other (Draft RFPs/RFIs, Responses to Questions, etc.)
Posted Date: May 29, 2009

[Attachment 1 SOW.doc](#) (45.00 Kb)

Description: Attachment 1 Statement of Work Project #CZQZ090087, Replace Carbon Monoxide and Smoke Detectors

Exhibit 1. Example of a Good FBO Posting



AUDIT RESULTS 4 TRANSPARENCY (Cont'd)

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buyers: [login](#) | [register](#)



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RECOVERY-Paint Exterior O&M Facilities

RECOVERY

Solicitation Number: FA4497-06-D-0005-XXX2
Agency: Department of the Air Force
Office: Air Mobility Command
Location: 436th CONS

Notice Details

Packages

Complete View

[Return To Opportunities List](#)

Original Synopsis

Presolicitation

Mar 19, 2009
1:39 pm

Solicitation Number:
FA4497-06-D-0005-XXX2

Notice Type:
Award

Award

Jul 24, 2009
3:02 pm

Contract Award Date:
July 24, 2009

Contract Award Number:
FA4497-06-D-0005-0010

Contract Award Dollar Amount:
\$512,521.98

Contractor Awarded Name:
EVCO National, Inc

Synopsis:

Added: Mar 19, 2009 1:39 pm

RECOVERY-THIS NOTICE IS PROVIDED FOR INFORMATION PURPOSES ONLY. THIS OPPORTUNITY IS ONLY AVAILABLE TO CONTRACTORS UNDER DOVER AIR FORCE BASE, DEALWARE'S REQUIREMENTS CONTRACT (FA4497-06-D-0005).

Added: Jul 24, 2009 3:02 pm

RECOVERY -- This action has been awarded under the American Recovery and Reinvestment Act of 2009. In compliance with the Act, the Government posts this notice that award has been made. The Contract is not a new award. The original Requirements Contract was awarded competitively. The delivery order award is made against that basic contract.

Problems:

- No contractor address
- No description of the work to be done
- Vague title

Exhibit 2. Example of an Incomplete FBO Posting



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AUDIT RESULTS 4

TRANSPARENCY (Cont'd)

- **Cause**

- Air Force piecemealed information (emailed) as it came available rather than providing consolidated listing
- Difficult for contracting personnel to understand/keep track of changes
- Information posted on Air Force portal was not adequately advertised
- Local computer issues at March ARB, Dover AFB, and McEntire JNGB
- Prevented from posting contract actions on FPDS



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AUDIT RESULTS 4

TRANSPARENCY (Cont'd)

- **Impact**

- All Recovery Act contractual information was not available to public
- Timely and accurate reporting of funds distribution is crucial to success of Recovery Act and easing taxpayer concerns

- **Audit Comment**

- Personnel at Eareckson AFS and Eielson AFB took corrective actions-- posted missing and incomplete information to FBO and FPDS
- Other locations were unable to take action due to local system issues



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AUDIT RESULTS 4

TRANSPARENCY (Cont'd)

- **Recommendation 3.** SAF/AQC should:
 - a. Expand advertisement of Air Force Portal Contracting website containing Recovery Act information and implement change notification at earliest opportunity
 - b. Assist three installations in resolving local system issues and in posting contract actions to FPDS



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AUDIT RESULTS 4

TRANSPARENCY (Cont'd)

- **Management Comments.** SAF/AQC concurred with the finding and recommendation and stated:
 - a) “SAF/AQC will expand advertisement of Air Force Portal Contracting website containing Recovery Act information and implement change notification at earliest opportunity using new Sharepoint site features. Estimated Completion Date: 30 June 2010.
 - b) “A number of contracting offices were unable to create Contract Action Reports (CARs) for over one month because of an unintended consequence stemming from installation of enhanced firewall protection on local computer systems. That issue was resolved and, as of June 2009, contracting offices have been able to create CARs that, in turn, flow the data into FPDS-NG. Closed.”



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AUDIT RESULTS 4

TRANSPARENCY (Cont'd)

- **Evaluation of Management Comments.** Management comments addressed the issues raised, and actions taken and planned are responsive



AUDIT RESULTS 5

FAR CLAUSES

- **Condition**
 - Six locations did not include all significant FAR clauses in 42 (19 percent) of 222 solicitations or contracts
 - 42 (19 percent) of 222 projects were missing 77 required FAR clauses (Table 3)
- **Example.** Cannon AFB personnel did not include:
 - Whistleblower or subcontracts for commercial items clauses in either of their two contracts
 - Recovery Act reporting requirements clause in one contract



AUDIT RESULTS 5 FAR CLAUSES (Cont'd)

Installation	Required FAR Clauses (Part 52)					
	203-15	204-11	215-2	225-21/22	222-6	244-6
Beale AFB	2	2	0	0	0	0
Cannon AFB	2	1	0	1	0	2
Dover AFB	0	0	0	0	0	4
Hickam AFB	9	5	4	10	5	19
Holloman AFB	1	1	0	1	0	0
Tinker AFB	0	0	0	0	0	8
Totals	14	9	4	12	5	33

Table 3. Missing FAR Clauses

- See Appendix I for FAR clauses reviewed



AUDIT RESULTS 5

FAR CLAUSES (Cont'd)

- **Cause**

- Air Force piecemealed information (emailed) as it came available rather than providing consolidated listing
- Difficult for contracting personnel to understand /keep track of changes
- Air Force personnel not aware information was on central repository

- **Impact**

- Contractors were not informed of Recovery Act requirements
- May be unable to fulfill or adhere to requirements



AUDIT RESULTS 5

FAR CLAUSES (Cont'd)

- **Audit Comment.** Beale, Cannon, and Tinker AFBs took corrective action-- added missing FAR clauses to contracts and delivery orders
- **Recommendation 4.** SAF/AQC should continue to maintain significant FAR clauses and changes related to Recovery Act on a central repository with other Recovery Act information and expand information dissemination to field units through multiple communication means



AUDIT RESULTS 5

FAR CLAUSES (Cont'd)

- **Management Comments.** SAF/AQC concurred with the finding and recommendation and stated: “SAF/AQC will:
 - a) “Maintain significant FAR clauses and changes related to Recovery Act on a central repository (AQC Portal) with other Recovery Act information. Closed.
 - b) “Expand information dissemination to field units through multiple communication means including new Sharepoint site. Estimated Completion Date: 30 June 2010.”

- **Evaluation of Management Comments.** Management comments addressed the issues raised, and actions taken and planned are responsive



AUDIT RESULTS 6

PROJECT ESTIMATES

- **Condition**

- Personnel did not ensure ACES-PM estimates were updated and accurate
- 51 (35 percent) of 147 contract awards reviewed were overestimated or underestimated by at least 25 percent (Table 4)

	Number of Projects	Estimated Amount (\$000)	Award Amount (\$000)	Percentage Difference
Overestimated by at least 25 percent	38	\$40,718	\$21,692	47
Underestimated by at least 25 percent	13	\$11,152	\$16,867	51
All Projects	147	\$186,292	\$166,334	11

Table 4. Breakout of Project Estimates



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AUDIT RESULTS 6

PROJECT ESTIMATES (Cont'd)

- **Examples**

- Paint project at Hickam AFB estimated at \$323,000--awarded for \$52,000 (84 percent lower)
- Roofing project at Tinker AFB estimated at \$256,000--awarded for \$606,000 (137 percent higher)

- **Cause.** Air Force had not established guidance regarding entering project estimates into ACES-PM
- **Impact.** Air Force did not optimize funds distribution to MAJCOMs and installations



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AUDIT RESULTS 6

PROJECT ESTIMATES (Cont'd)

- **Recommendation 5.** AF/A4/7 should direct Civil Engineer to update AFI 32-1032 to include:
 - a. Inputting cost estimates developed by Civil Engineering personnel into ACES-PM
 - b. Periodically updating those estimates



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AUDIT RESULTS 6

PROJECT ESTIMATES (Cont'd)

- **Management Comments.** AF/A7C concurred with the finding and recommendation and stated: “AF/A7C will:
 - a) “Incorporate language into AFI 32-1032 during the on-going revision cycle. Currently, AFI 32-1032, Attachment 4: Facility Investment Metrics (Section A4.5.1.2) requires an annual review of ACES-PM to ensure “projects are current and accurate in accordance with this AFI and AFI 65-601, Volume 1.” Future editions of AFI 32-1032 will move this requirement to a more prominent position and will include language that stresses the importance of accurate data to the overall effective implementation of our asset management approach to installation management. Comments will be applicable to ACES-PM as well as future information technology systems. Estimated Completion Date: 15 January 2011



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AUDIT RESULTS 6

PROJECT ESTIMATES (Cont'd)

- b) “Incorporate language into AFI 32-1032 during the on-going revision cycle. Currently, AFI 32-1032, Attachment 4: Facility Investment Metrics (Section A4.5.1.2) requires an annual review of ACES-PM to ensure “projects are current and accurate in accordance with this AFI and AFI 65-601, Volume 1.” Future editions of AFI 32-1032 will move this requirement to a more prominent position and will include language that stresses the importance of accurate data to the overall effective implementation of our asset management approach to installation management. Comments will be applicable to ACES-PM as well as future information technology systems. Estimated Completion Date: 15 January 2011”

- **Evaluation of Management Comments.** Management comments addressed the issues raised, and actions taken and planned are responsive



FAR CLAUSES REVIEWED

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- FAR 52.203-15, Whistleblower Protection Under the American Recovery and Reinvestment Act of 2009
- FAR 52.204-11, Recovery Act Reporting Requirements
- FAR 52.215-2 (or 52.214-26), Audit and Records – Negotiation (or Sealed Bidding)
- FAR 52.225-21/22/23/24, Required Use of American Iron, Steel, and Manufactured Goods – Buy American Act – Construction Materials/Trade Agreements
- FAR 52.244-6, Subcontracts for Commercial Items and Commercial Components
- FAR 52.222-6, Davis-Bacon Act
- FAR 52.212-4/5, Contract Terms and Conditions – Commercial Items; and Contract Terms and Conditions Required to Implement Statutes or Executive Orders – Commercial Items
- FAR 52.213-4, Terms and Conditions – Simplified Acquisitions (Other Than Commercial Items)



GLOSSARY OF TERMS AND ACRONYMS

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Term	Glossary of Terms
A4/7	Chief of Staff for Logistics, Installations, & Mission Support
ACES-PM	Automated Civil Engineer System - Project Management
AF IMT 332	Air Force Information Management Tool 332, Civil Engineer Work Request
AFCEE	Air Force Center for Excellence and the Environment
AFI 32-1032	Air Force Instruction 32-1032, <i>Planning and Programming Appropriated Funded Maintenance, Repair, and Construction Projects</i> , 15 October 2003
AMP	Activity Management Plan
ANG	Air National Guard
ARB	Air Reserve Base
BCAMP	Base Comprehensive Activity Management Plan
CRIS	Commander's Resource Integration System
DD Form 1391	Department of Defense Form 1391, Military Construction Project Data
DoD	Department of Defense
DoDIG	Department of Defense Inspector General
EDA	Electronic Document Access
FAR	Federal Acquisition Regulation
FBO	Federal Business Opportunities
FPDS	Federal Procurement Data System



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GLOSSARY OF TERMS AND ACRONYMS (Cont'd)

Term	Glossary of Terms
FSRM	Facilities Sustainment, Restoration, and Modernization
HQ	Headquarters
JNGB	Joint National Guard Base
LRRS	Long Range Radar Site
MAJCOM	Major Command
OMB	Office of Management and Budget
OSD	Office of Secretary of Defense
Recovery Act	Recovery and Reinvestment Act of 2009
SAF/AQC	Secretary of the Air Force, Acquisition Contracting



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AUDIT SCOPE and PRIOR AUDIT COVERAGE

- **Audit Coverage**

- Performed audit at 22 locations
- Accomplished audit fieldwork from 20 July through 3 September 2009
- Used documentation dated October 1992 through August 2009
- Issued draft report (slide presentation) in December 2009



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AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- **Work Performed**

- Recovery Act Goals

- Reviewed contract files
 - Discussed level of competition and award status
 - Discussed with contracting plans to verify and validate quarterly reports



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AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- Project Selection

- Reviewed DD Forms 1391, AF IMT 332, and other documentation
- Discussed criteria used to select projects and whether projects represent most urgent requirements and greatest needs

- Transparency

- Reviewed FBO and FPDS listings for each project
- Discussed issues with contracting personnel



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AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- FAR Clauses
 - Reviewed solicitations and contracts for each applicable FAR clause
 - Discussed issues with contracting personnel



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AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- **Sampling Methodology**

- Selected 22 locations
 - All 6 locations with projects over \$7.5 million
 - Seven locations using simple random sample
 - Nine locations requested by DoDIG--predictive analysis using critical risk factors
- Reviewed 100 percent of projects at 18 locations
- Reviewed only Military Family Housing projects at four locations



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AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- **Computer Assisted Auditing Tools and Techniques.** Used Excel pivot tables, COUNTIF, IF/THEN, and SUM functions to summarize:
 - Missing and incomplete data
 - Cost estimates versus actual award amounts



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AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- **Data Reliability**

- Relied on information contained in CRIS and EDA
- Did not evaluate system's general and application controls
- Established data reliability by comparing CRIS reports and contracts in EDA with physical evidence maintained in contract/project files and available manual records
- Determined data was sufficiently reliable to support audit conclusions



U.S. AIR FORCE

AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- **Auditing Standards**

- Accomplished audit work in accordance with generally accepted government auditing standards
- Included tests of management controls over:
 - Documentation of transactions
 - Document retention
 - Management oversight



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AUDIT SCOPE and PRIOR AUDIT COVERAGE (Cont'd)

- **Prior Audit Coverage.** No reports issued within past 5 years with same objectives as this report
 - Air Force Audit Agency
 - DoD Inspector General
 - Government Accountability Office



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Locations Audited/ Reports Issued

Organization/Location	Installation Level Reports Issued
<u>Air Force Center for Excellence and the Environment (AFCEE)</u>	
HQ AFCEE Brooks City Base TX	F2010-0006-FDS000 19 October 2009
<u>Air Combat Command</u>	
4th Fighter Wing Seymour Johnson AFB NC	F2009-0072-FDM000 17 September 2009
7th Bomb Wing Dyess AFB TX	F2010-0006-FBS000 29 October 2009
9th Reconnaissance Wing Beale AFB CA	F2010-0009-FBN000 26 October 2009
49th Fighter Wing Holloman AFB NM (including Boles Annex)	F2010-0005-FBS000 20 October 2009
<u>Air Force Material Command</u>	
72d Air Base Wing Tinker AFB OK	F2010-0004-FCT000 21 October 2009
96th Air Base Wing Eglin AFB FL	F2010-0001-FDD000 5 October 2009
434th Air Refueling Wing Grissom ARB IN	F2010-0011-FCW000 18 November 2009



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Locations Audited/ Reports Issued

Organization/Location	Installation Level Reports Issued
<u>Air Force Reserve Command</u>	
452d Air Mobility Wing March ARB CA	F2009-0069-FBS000 16 September 2009
Warner Robins Air Logistics Center Robins AFB GA	F2010-0002-FCR000 23 October 2009
<u>Air Force Space Command</u>	
45th Space Wing Patrick AFB FL	F2010-0007-FDM000 20 October 2009
<u>Air Force Special Operations Command</u>	
27 Special Operations Wing Cannon AFB NM	F2009-0064-FBS000 15 September 2009
<u>Air Mobility Command</u>	
22d Air Refueling Wing McConnell AFB CA	F2009-0089-FBL000 9 September 2009
60th Air Mobility Wing Travis AFB CA	F2010-0002-FBN000 9 October 2009
436th Airlift Wing Dover AFB DE	F2010-0012-FDN000 8 December 2009



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Locations Audited/ Reports Issued

Organization/Location	Installation Level Reports Issued
<u>Air National Guard</u>	
165th Airlift Wing Savannah ANG GA	F2009-0067-FCR000 14 September 2009
169th Fighter Wing McEntire JNGB SC	F2009-0076-FDM000 18 September 2009
United States Property and Fiscal Office Atlanta GA	F2009-0077-FCR000 17 September 2009
United States Property and Fiscal Office Columbia SC	F2009-0071-FDM000 17 September 2009
<u>Pacific Air Forces</u>	
3rd Wing Elmendorf AFB AK	F2010-0022-FBN000 10 December 2009
15th Airlift Wing Hickam AFB HI	F2010-009-FBP000 21 December 2009
354th Fighter Wing Eielson AFB AK	F2010-0027-FBN000 11 December 2009
611th Air Support Group Elmendorf AFB AK	F2010-0012-FBN000 3 November 2009



Final Report Distribution

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We accomplished this audit under project number F2009-FD1000-0516.000



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