

November 19, 2003



Readiness and Logistics

Effectiveness of Maintenance
Work Performed Under Contract
FA4452-01-C-0001 at Andrews Air
Force Base
(D-2004-021)

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Acronyms

AFB	Air Force Base
AGE	Aerospace Ground Equipment
CAMS	Core Automated Management System
COMBS	Contractor Operated and Maintained Base Supply
COR	Contracting Officer's Representative
FAS	Fuels Automated System
SBSS	Standard Base Supply System



INSPECTOR GENERAL
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November 19, 2003

MEMORANDUM FOR ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)

SUBJECT: Report on Effectiveness of Maintenance Work Performed Under Contract
FA4452-01-C-0001 at Andrews Air Force Base (Report No. D-2004-021)

We are providing this draft report for your information and use. This report is the first in a series of reports being issued by the Inspector General of the Department of Defense that discusses the effectiveness of contract logistics support in maintaining or improving aircraft readiness and DoD weapons systems. We considered management comments on a draft of this report when preparing the final report.

Comments on a draft of this report conformed to the requirements of DoD Directive 7650.3 and left no unresolved issues. Therefore, no additional comments are required.

We appreciate the courtesies extended to the staff. Questions should be directed to Mr. Dennis E. Payne at (703) 604-8907 (DSN 664-8907) or Ms. Catherine M. Schneider at (703) 604-8766 (DSN 664-8766). See Appendix C for the report distribution. The audit team members are listed inside the back cover.

By Direction of the Deputy Inspector General for Auditing:

Kimberly A. Caprio

for Shelton R. Young
Director

Readiness and Logistics Support Directorate

Office of the Inspector General of the Department of Defense

Report No. D-2004-021

(Project No. D2003LH-0115)

November 19, 2003

Effectiveness of Maintenance Work Performed Under Contract FA4452-01-C-0001 at Andrews Air Force Base

Executive Summary

Who Should Read This Report and Why? Civil service and uniformed officers who are involved in inventory management or in overseeing logistics support contracts should read this report. This report discusses contractor compliance at Andrews Air Force Base, Maryland.

Background. This is the first in a series of reports we will issue on the effectiveness of contract logistics support in maintaining or improving aircraft readiness and DoD weapons systems. Andrews Air Force Base obtains contract logistics support under a contract with DynCorp Technical Services, Incorporated. The potential total value of the contract is \$280.5 million over a 10-year period that started on April 1, 2001, with a firm-fixed-price portion of \$268.9 million and an over and above portion not to exceed \$11.6 million. Under the contract, DynCorp Technical Services, Incorporated is required to provide all personnel, equipment, tools, material, supervision, and other items or services necessary to perform the management and operations of the aircraft maintenance and base supply functions. In addition, DynCorp Technical Services, Incorporated is required to provide over and above services including real world contingency support, local manufacturing, dispersals and deployments, and accident investigations. Andrews Air Force Base uses an award term plan process to rate DynCorp Technical Services, Incorporated's performance.

Results. DynCorp Technical Services, Incorporated effectively supported the 89th Airlift Wing mission of providing worldwide airlift and logistical support. In addition, the 89th Airlift Wing contracting officer's representatives performed adequate surveillance over DynCorp Technical Services, Incorporated. Specifically, DynCorp Technical Services, Incorporated effectively managed aerospace ground equipment, aerospace ground equipment bench stock, base supply, fuels, and munitions for the 89th Airlift Wing, with the exception of some minor issues. Effective management occurred because DynCorp Technical Services, Incorporated performed adequate oversight of its subcontractor, Trend Western Technical Corporation, by performing physical inventories throughout the year and by proactively resolving inventory discrepancies in a timely manner. As a result, DynCorp Technical Services, Incorporated has earned more than the required minimum number of points for the first two performance periods under the award term plan process, which makes it eligible to be awarded future performance periods under the contract (finding A).

Overall, DynCorp Technical Services, Incorporated effectively managed aerospace ground equipment, with the exception of some minor issues concerning scheduled inspections and excess equipment. As a result, DynCorp Technical Services,

Incorporated and Trend Western Technical Corporation took corrective action to release two excess pieces of aerospace ground equipment, valued at \$18,603, from inventory for use elsewhere (finding B).

The management controls that we reviewed were effective in that no material management control weakness was identified.

Management Comments. The Air Force concurred with the findings and the potential monetary benefits. See the Finding section of the report for a discussion of management comments and the Management Comments section of the report for the complete text of the comments.

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Background

Contract Logistics Support. Contract logistics support is a contract support method used to provide all or part of logistics support for a system, piece of equipment, or item. Contract logistics support can be used for item, configuration, or data management; supply; distribution; repair; depot-level or organizational-level maintenance (and other levels as negotiated); and many other operations and maintenance tasks normally performed by a local support activity.

Contract Logistics Support for the 89th Airlift Wing. The 89th Airlift Wing, Andrews Air Force Base (AFB), provides worldwide airlift and logistical support for the U.S. President, the Vice President, cabinet members, and other high-ranking U.S. and foreign government officials. The 89th Airlift Wing has 43 aircraft—24 fixed-wing aircraft and 19 helicopters. In addition, the 89th Airlift Wing supports tenant organizations such as the District of Columbia Air National Guard and the 457th Airlift Squadron. The 89th Airlift Wing supported over 6,000 aircraft visits in FY 2002. The 89th Airlift Wing obtains contract logistics support for the management of aircraft maintenance, base supply, fuels, ground equipment, maintenance, and munitions under contract FA4452-01-C-0001 (the Contract), awarded to DynCorp Technical Services, Incorporated (DynCorp) on January 25, 2001. The potential total value of the Contract is \$280.5 million over a 10-year period that started on April 1, 2001, with a firm-fixed-price portion of \$268.9 million and an over and above portion not to exceed \$11.6 million.

DynCorp Technical Services, Incorporated. DynCorp is a provider of landlord services for government and commercial installations. DynCorp has six core capabilities: aviation services, base operations, contingency services, logistics support services, marine services, and range technical services. Aviation services include aircraft repair and maintenance of all types of fighters, helicopters, trainers, and transports. Logistics support for aviation services includes aerospace ground equipment (AGE) maintenance and other ancillary support; aviation engineering and support; information management; and supply. Logistics support services include the management of airfields, equipment maintenance and operation facilities, supply, and transportation. For each performance period under the Contract, DynCorp is required to provide all personnel, equipment, tools, materials, supervision, and other items or services necessary to perform the management and operations of the aircraft maintenance and base supply functions as defined in the performance work statement. In addition, DynCorp is required to provide over and above services including real world contingency support, local manufacturing, dispersals and deployments, and accident investigations.

Trend Western Technical Corporation. Trend Western Technical Corporation (Trend Western), a privately owned logistics services provider, is a subcontractor of DynCorp under the Contract. Trend Western's subcontracting services include base supply support, fuel storage and distribution, and transportation services. Trend Western is a current Air Force Standard Base Supply System (SBSS) contractor. Trend Western requisitions; receives; delivers; ships; inventories; and maintains accountability processes for disposal supplies containing hazardous

materials, classified assets, accountable equipment, and mobility support items and weapons.

Objectives

The overall objective for the series of audits is to evaluate the effectiveness of contract logistics support in maintaining or improving aircraft readiness and DoD weapons systems. Specifically, we looked at whether DynCorp was providing adequate logistics support to the 89th Airlift Wing. In addition, we reviewed the management control program as it related to the objective. See Appendix A for a discussion of the scope and methodology, the review of the management control program, and prior coverage related to the audit objectives.

A. Fulfillment of Contract Requirements

DynCorp effectively supported the 89th Airlift Wing mission of providing worldwide airlift and logistical support. In addition, the 89th Airlift Wing contracting officer's representatives (COR¹) performed adequate surveillance over DynCorp. Specifically, DynCorp effectively managed AGE, AGE bench stock, base supply, fuels, and munitions for the 89th Airlift Wing, with the exception of some minor issues. Effective management occurred because DynCorp and Trend Western performed physical inventories throughout the year and proactively resolved inventory discrepancies in a timely manner. As a result, DynCorp has earned more than the required minimum number of points for the first two performance periods under the award term plan process, which makes it eligible to be awarded future performance periods under the Contract.

Guidance

DoD Guidance. DoD Regulation 4140.1-R, "DoD Materiel Management Regulation," May 1998, provides policies for DoD components regarding management of materiel. The regulation states that the DoD component that has physical custody of materiel is responsible to care for and safeguard the materiel and shall maintain quantitative balance records by individual storage location. In addition, DoD components shall conduct annual physical inventories and shall take appropriate actions to ensure that the on-hand quantity and total item property records agree. DynCorp and its subcontractor, Trend Western, are required to follow DoD guidance under the terms of the Contract.

Air Force Guidance. Air Force Manual 23-110, "CD [Compact Disc] Basic USAF Supply Manual," volume 2, April 1, 2003, states, "Inventories of all properties held by Air Force activities will be conducted. [The] purpose of inventory [is to] validate the account [and to] correct errors. . . The process of taking inventory involves the counting of physical property, comparing physical counts to record balances, and adjusting or correcting records so that record balances and quantity of property on hand are identical." DynCorp and Trend Western are required to follow Air Force guidance under the terms of the Contract.

DynCorp Support of 89th Airlift Wing Mission

DynCorp effectively supported the 89th Airlift Wing mission of providing worldwide airlift and logistical support.

89th Airlift Mission. The mission of the 89th Airlift Wing is to provide worldwide airlift and logistical support for the President, the Vice President, cabinet members, and other high-level U.S. dignitaries. In addition, the

¹At the time of our audit, the 89th Airlift Wing had 12 CORs assigned to contract FA4452-01-C-0001.

89th Airlift Wing supports the 99th Airlift Squadron Air Force Two mission and provides aircrew members to augment Air Force One missions. Also, the 89th Airlift Wing provides support to transient aircraft from other Air Force and DoD organizations as well as support to aircraft carrying senior foreign diplomats.

DynCorp Contractual Requirements. DynCorp is contractually obligated to perform the fuels, maintenance, and supply functions to support the 89th Airlift Wing mission. DynCorp is required to maintain all aircraft assigned to the 89th Airlift Wing and to provide transient aircraft maintenance and servicing for all U.S. and foreign aircraft that transit Andrews AFB. DynCorp is required to maintain commercial derivative aircraft in accordance with all Federal Aviation Administration requirements. The Air Force is the responsible agent for the certification of airworthiness. In addition, DynCorp is required to provide sufficient mission capable aircraft, configured in accordance with the daily and weekly flying schedules. Also, DynCorp identifies requirements for support and services that are over and above the basic contractual requirements on work request proposals, which are negotiated and definitized as requirements are identified (see Appendix B).

DynCorp Support of Worldwide Airlift Mission. DynCorp adequately supported the 89th Airlift Wing mission of providing worldwide airlift by maintaining an aircraft departure reliability average of 98.7 percent² for mission, local, and transient aircraft launches in FY 2002. Specifically, DynCorp had fully mission capable aircraft under Federal Aviation Administration standards, which departed on schedule on an average of 98.7 percent of the time. For the first 6 months of FY 2003, the DynCorp departure reliability average was 99.2 percent.

The 89th Airlift Wing COR explained how DynCorp interacted with the Contractor Operated and Maintained Base Supply (COMBS) contractors to support the 89th Airlift Wing mission. While DynCorp performs maintenance on the fixed-wing aircraft to keep them mission ready, DynCorp does not manage the parts. DynCorp obtains the parts from the COMBS contractors. Each COMBS contractor manages parts for a different type of fixed-wing aircraft. COMBS contractors are responsible for having parts on hand for DynCorp to perform maintenance and for repairing the parts that DynCorp turns in. The COR evaluates DynCorp on how well they maintain the aircraft, as shown by the aircraft departure reliability rate and quality reviews that are performed by the performance monitors and the COR. The COR evaluates the COMBS contractors on the availability of parts. If DynCorp could not perform aircraft maintenance because parts were not available, DynCorp would notify the COR, who would work to resolve the situation with the COMBS contractors. That situation would not adversely affect the DynCorp performance evaluation. Conversely, if DynCorp turned in parts to the COMBS contractors that were not in need of repair, the COMBS contractors would notify the COR, who would work with DynCorp to resolve the situation. That situation could adversely affect the DynCorp performance evaluation. According to the COR, the COMBS contractors have not reported any instances where DynCorp had turned in parts that did not need to be repaired.

²The percent is a weighted average combining mission launches, local launches, and transient launches.

DynCorp Logistical Support. DynCorp effectively supported the 89th Airlift Wing mission of providing logistical support by efficiently managing AGE, AGE bench stock, base supply, fuels, and munitions.

AGE Inventory Records

DynCorp adequately managed the AGE inventory, with the exception of meeting inspection requirements and having excess equipment on-hand (finding B). DynCorp tracked 224 pieces of AGE, valued at about \$6.4 million. We performed a 100 percent physical inventory of the AGE listed on the R14 Report, "Custodian Auth/Receipt Products" (R14), June 5, 2003, and the R15 Report, "Organizational Visibility List" (R15), June 2, 2003, which were extracted from SBSS. We were able to physically locate all AGE listed in the reports. DynCorp and Trend Western implemented adequate procedures to achieve accurate inventory records. DynCorp personnel stated that, by reviewing the R14 on a regular basis, approximately every 90 days, DynCorp and Trend Western were able to correct discrepancies as they were found. In addition, DynCorp used an internal Microsoft Excel™ spreadsheet that listed all the data found in the R14 and more to identify individual items of AGE, to track individual items, and to ensure that all items were accounted for. Also, DynCorp personnel stated that they physically locate equipment on a daily basis as part of the daily service inspections.

AGE Bench Stock

Trend Western adequately managed the AGE bench stock inventory used to maintain and support AGE for the 89th Airlift Wing air operations at Andrews AFB. To evaluate the subcontractor's performance in safeguarding and accounting for AGE bench stock inventory, we performed a physical inventory and a review of the inventory accounting controls and found two minor errors.

Bench Stock. Air Force Manual 23-110, volume 2, defines bench stock as a group of items used regularly by maintenance activities. So that frequently used items are readily available, base supply moves repair parts from the supply warehouse to where the item will be used within the maintenance shop. Items classified as AGE bench stock and maintained by Trend Western included items such as batteries, bolts, filters, and tires. The unit cost of AGE bench stock items ranged from \$0.13 to \$399.00. The dollar threshold amount is established by the commander of the supported organization. The 89th Airlift Wing set a maximum per unit threshold of \$500.00 for bench stock materiel.

Authorized Stock Quantity Levels. Air Force Manual 23-110, volume 2, requires stock quantity levels to be established for each bench stock item held in inventory in each maintenance shop. According to the manual, the authorized stock level is approved by base supply and reviewed semi-annually to determine if the level is appropriate for repair requirements. As new equipment is acquired, a revised authorized stock quantity level of bench stock items is approved. In addition, any non-stocked items that are requisitioned are tracked to determine the

rate of use and whether the item is a potential candidate to add to inventory as a bench stock item. The 89th Airlift Wing is authorized to maintain a level of bench stock inventory that is up to 200 percent of the item's authorized quantity.

AGE Bench Stock Inventory Control. Trend Western implemented effective inventory controls. We performed a physical count of AGE bench stock stored in designated locations and compared it to the on-hand balances shown in SBSS inventory records for 45 sample records. See Appendix A for a breakdown of the population and sample by strata. We found that 27 of the 45 items were over or under the authorized stock levels, but within 200 percent of the item's authorized quantity. However, there were two items that exceeded the 200 percent authorized quantity, but those items totaled less than \$5. Those items represent a 4.44 percent error rate. DoD Manual 4000.25-2-M, "Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP)," September 19, 2001, states that statistical sampling techniques must provide reasonable assurance that the property accountability records are accurate with a 95 percent level of confidence, accuracy level of 85 percent, and a maximum margin of error of 2 percent. If the sample inventory results do not satisfy the above criteria, a complete physical inventory of the population from which the sample was selected should be performed. However, given that the two errors totaled less than \$5 and inventory controls were otherwise effective, we determined that the error was not material and did not justify performing a complete physical inventory of AGE bench stock.

Base Supply

Trend Western, a current Air Force SBSS contractor, effectively managed and controlled items stored in the base supply warehouse. We performed a physical count of items stored in the base supply warehouse and compared it to the on-hand balances shown in SBSS inventory records for 304 sample records. See Appendix A for a breakdown of the population and sample by strata. We found no errors in the base supply inventory sample. Therefore, we concluded that Trend Western was properly accounting for and managing items in base supply. Trend Western personnel performed annual physical inventories as required by DoD Regulation 4140.1-R and Air Force Manual 23-110. Trend Western inventory officials provided us with their annual physical inventory and validation schedule for FY 2003. We accompanied a Trend Western official on an annual inventory of one of their supply points. We observed that everything reconciled with no errors found. In addition, the 89th Airlift Wing supply COR conducts monthly surveillance of Trend Western to ensure that the contractor is properly performing its physical inventory function.

Fuels

Trend Western adequately managed and controlled the fuel³ inventory used to support operations at Andrews AFB. The 89th Airlift Wing Fuel COR stated that

³Fuels includes JP8 aviation fuel, diesel fuel, and gasoline.

he and the accountable officer provide oversight; they ensure compliance throughout each process by monitoring all aspects regarding the Contract statement of work. Trend Western is responsible for all accounting activities related to fuel from receipt of the fuel to distribution to the customer. Fuel accounting begins with the receipt of fuel from the Defense Energy Support Center and ends with the distribution to the customer. Automated and manual processes provide for the cross checks necessary to ensure accountability. Trend Western personnel explained that Andrews AFB maintains fuel inventories on a “full tank” premise rather than a “just in time” premise. That is, Andrews AFB does not attempt to forecast the demand for fuel; rather, they keep the tanks filled. We reviewed procedures and inventory controls for accounting, administration, quality control, and distribution and found that Trend Western adequately managed and controlled the fuel inventory used to support operations at Andrews AFB.

Accounting. Trend Western maintained accurate records of on-hand fuel balances. Trend Western personnel stated that its Accounting Section interfaces with each functional area and receives all hard copy transaction documents to validate against the automated registers; these documents are maintained as an audit trail. The Accounting Section uses two automated systems for managing the fuel inventories: the Fuels Automated System (FAS) and the Defense Fuels Enterprise Server. Trend Western uses FAS to maintain and validate the data prior to sending it to the Defense Energy Support Center-owned and maintained Defense Fuels Enterprise Server. We reviewed and validated the daily reconciliation of inventory records for the months of April and May 2003. The inventory balances were consistent on a monthly basis, but because of the nature of the mission at Andrews AFB, daily and weekly activities fluctuated. For both months, the ending inventories were about 1.9 million gallons of JP8 aviation fuel, valued at about \$1.7 million. The average monthly sales for JP8 aviation fuel were 2.3 million gallons, valued at about of \$1.97 million.

Administration. The Trend Western fuels manager, along with the Trend Western operations manager, performed adequate oversight of all stages of fuel operations. The Trend Western managers worked closely with the 89th Airlift Wing COR and the accountable officer to ensure compliance throughout the process. Given the nature of activity at Andrews AFB, Trend Western cross-trained all employees to provide a steady flow of fuel. The fuel manager had the responsibility for oversight of the compliance and environmental supervisor. According to Air Force Instruction 23-201, “Fuels Management,” August 1, 1999, “no-notice” and semi-annual checks are required to be conducted. We reviewed 10 “no-notice” checks that were conducted during the month of April 2003; all checks were scored as “Pass”. According to the Instruction, resolution of any discrepancies noted is required and re-inspections must be documented within specified time frames.

Trend Western exceeded the efficiency standards for customer response time. The Air Mobility Command and the 89th Airlift Wing set standards based on aircraft priority. Standard response time for presidential, presidential support, and priority one aircraft is 15 minutes. Standard response time for priority two, three, and four aircraft is 30 minutes. Trend Western’s average response time for all aircraft, January through June 2003, was approximately 8.7 minutes.

Quality Control. Trend Western provided quality control of fuel at Andrews AFB. Because the fuel at Andrews AFB is provided to Air Force One and other aircraft that carry high-ranking U.S. and foreign government officials, Trend Western operates a fuel lab at Andrews AFB that is unique because it provides more extensive on-site testing than on other Air Force bases. The Defense Energy Supply Center has an agreement with Trend Western to locally test all fuel coming into Andrews AFB. Once the fuel is tested and is considered contaminant-free, or within Air Force tolerance limits, it is transferred into holding tanks. The Trend Western fuel lab conducts additional quality checks of the fuel indirectly by testing the fuel dispensing equipment. If, at any time, the fuel or fuel dispensing equipment contains contaminants higher than the Air Force tolerance limits, the contaminated fuel can be segregated and drained and the exposed equipment can be decontaminated.

Distribution. Trend Western adequately tracked and accounted for the distribution of fuel. Distribution of fuel can occur in multiple ways: stationary hydrants (JP8 aviation fuel) located on the flight line, tanker trucks (JP8 aviation fuel) dispatched to the flight line, ground fuels (diesel or gasoline) via tanker trucks, and ground fuels (diesel or gasoline) at one of the two base service stations. Each distribution method requires documentation for the accountability of the fuel. All pumps, tanker trucks, hydrants, and service stations are metered. The readings from the meters must match the distribution logs from the various areas. If pilferage were to occur, the accounting section would be able to detect it because of the multiple layers of records. Trend Western explained that its Resource Control Center manages fuel distribution. The Resource Control Center receives and processes the request, determines the best means for distribution, and dispatches the fuel to complete the mission. To test compliance with the operating procedures for the distribution of fuel, we observed activities on June 3, 2003, at the two service stations. The fuels representative was able to demonstrate to us how he complied with current operating procedures for distributing fuel at the two service stations.

Trend Western effectively managed the fuel operations at Andrews AFB with minimal oversight from DynCorp. DynCorp hired Trend Western as the subcontractor and tasked it with the fuels operation. The 89th Airlift Wing COR and accountable officer monitored Trend Western performance directly.

Munitions

DynCorp adequately managed the munitions operation at Andrews AFB. Munitions support under the Contract includes receiving, inspecting, storing, reconditioning, shipping, issuing, and maintaining of all munitions. In addition, munitions support requires controlling inventory, accounting for items, computing requirements, determining allowances, and identifying munitions supplies and equipment. To evaluate the contractors performance in safeguarding and accounting for munitions inventory, we reviewed inventory, compatibility, and access controls.

Munitions Inventory Controls. DynCorp implemented effective inventory controls by accurately accounting for and safeguarding munitions. Air Force

Instruction 21-201, "Management and Maintenance of Non-Nuclear Munitions," January 13, 2003, states that proper inventory control procedures require that inventories are periodically reviewed to validate the accuracy of accounting records by reconciling national stock number quantity, lot number, condition code, and location of assets. During the audit, we performed a 100 percent physical inventory of DynCorp-controlled munitions, valued at \$717, 205. The type of munitions included small caliber ammunition, anti-personnel mines, rockets, and fragmentation grenades. In total, there were 102 different items that DynCorp requisitioned, inventoried, and managed.

During our physical inventory, we found a total of four discrepancies between the physical count and the record count. However, DynCorp personnel were able to reconcile each discrepancy by providing documentation to show the accounting differences between the physical count and the record count. In addition to conducting a physical inventory, we observed and recorded general inventory control procedures. Specifically, we found the following items:

- Munitions were properly stored. All munitions were segregated by lot number, all munitions were elevated off the floor, side-to-side clearance was maintained to allow for adequate ventilation, and munitions were positioned to discharge away from the flight-line and other occupied building structures in the event of accidental explosions.
- Munitions were properly marked. All storage boxes were stenciled to denote national stock number and lot number.
- Munitions were properly secured. All storage bays are individually padlocked and alarmed.
- Compatibility guidelines were followed.

Munitions Compatibility Controls. DynCorp complied with Air Force compatibility guidelines when storing munitions. Air Force Manual 91-201, "Explosives Safety Standards," October 18, 2001, outlines the safety precautions and rules for storing explosives. We used the base munitions inventory report to review the storage compatibility code that is assigned to each item on the stock listing and compared the codes against the storage compatibility chart to check for evidence of storage compatibility violations. We found no munitions compatibility issues in our review of inventory records. In addition, we checked for compatibility violations during our physical inventory; however, none were observed.

Access Controls. DynCorp implemented adequate access controls to the munitions areas. The munitions area consisted of a central administration building, a maintenance building, and four ammunition storage bunkers. Each of the four storage bunkers were divided into storage bays. In total, there were 120 storage bays where ammunition was stored. Of that, the 89th Airlift Wing occupied and used 45 bays to store munitions that were under its custodianship. The other bays were used by tenant organizations. The tenant organizations that share the munitions facility at Andrews AFB are the 113th District of Columbia Air National Guard, the 459th Air Wing, and the Naval Air Facility-Washington.

DynCorp used badges and keys to control access to the gates that enclose the munitions compound. Entry into the munitions area is via a gate for vehicles or a gate for foot traffic. There were 24 gate keys in circulation, and they were issued to designated personnel. The keys cannot be easily replicated. The only vehicles allowed inside the gate, with the exception of commercial semi-truck traffic that is either picking up or delivering ammunition cargo, were government vehicles. Individuals not authorized full access to the munitions area are required to be escorted while in the compound. In addition, all munitions bays under the control of DynCorp were secured with a high security padlock and were individually alarmed. There were no reported access violations in the munitions area that were logged in the security forces blotter by the 89th Base Security Force between March 27, 2002, and September 23, 2003.

Inspection by Others. The Andrews AFB Safety Office performed semi-annual inspections of the munitions facility. The reviewer checked such items as accountability, compatibility, document control, and housekeeping. The most recent safety inspection was conducted in June 2003. The following elements were highlighted in that report.

- Required explosive facility licenses and waivers were available and up-to-date.
- Housekeeping and the physical appearance throughout the storage area was excellent.
- Proper fire and chemical symbols were posted.
- All required inspections were being conducted and properly documented.
- Explosive items were properly isolated. A physical count of all explosive items was performed and items on-hand matched inventory records.

The Andrews AFB Safety Office safety inspectors found no discrepancies in the areas they reviewed.

Award Term Plan Process

DynCorp has earned more than the required minimum number of points for the first two performance periods under the award term plan process, making it eligible for future performance periods under the Contract. The award term plan process is a method that the 89th Airlift Wing uses to evaluate DynCorp's performance on the Contract to determine whether DynCorp will be awarded additional performance periods under the Contract. DynCorp can earn up to a maximum of six additional performance periods for a total contract period not to exceed 10 years. The award term plan process includes criteria and procedures, a points structure, and performance monitoring.

Criteria and Procedures. The 89th Airlift Wing may extend the contract period based on its evaluation of DynCorp's performance using the criteria of quality, process improvements/cost savings, responsiveness, schedule, small business subcontracting management, and transition from government to contractor performance.⁴ Each of the criteria was assigned a different percentage weight in the evaluation methodology. The 89th Airlift Wing performance monitors and CORs continually evaluate DynCorp's performance and report their findings to the Award Term Review Board. The performance monitors maintain written records of the contractor's performance in their assigned evaluation area. The Award Term Review Board recommends award term points to the Term Determining Official who makes the final decision. The 89th Airlift Wing will determine whether DynCorp will be awarded the first additional performance period after they evaluate DynCorp's performance for FY 2003.

Points Structure. DynCorp will earn award term points based on its performance during each evaluation period. Each evaluation period is one year in duration running from October 1 to September 30, except period one which ran from April 1, 2001, to September 30, 2001, and period eight which will run from October 1, 2007, to March 31, 2008. The following table shows the number of required points and the additional performance periods that DynCorp can earn.

Points Needed For Additional Contract Performance Period		
<u>Evaluation Period</u>	<u>Minimum Required</u>	<u>Earned Contract Period</u>
Period 1 through 3 April 1, 2001 thru Sep 30, 2003	198	Period 6 Oct 1, 2005 – Sep 30, 2006
Period 4 Oct 1, 2003 – Sep 30, 2004	81	Period 7 Oct 1, 2006 – Sep 30, 2007
Period 5 Oct 1, 2004 – Sep 30, 2005	81	Period 8 Oct 1, 2007 – Sep 30, 2008
Period 6 Oct 1, 2005 – Sep 30, 2006	81	Period 9 Oct 1, 2008 – Sep 30, 2009
Period 7 Oct 1, 2006 – Sep 30, 2007	81	Period 10 Oct 1, 2009 – Sep 30, 2010
Period 8 Oct 1, 2007 – Mar 31, 2008	81	Period 11 Oct 1, 2010 – Mar 31, 2011

DynCorp can earn a maximum of 100 points for each evaluation period, plus an additional 10 points based on process improvements and cost savings. DynCorp must earn a total of 198 points for periods 1 through 3 to be awarded a 1-year

⁴Transition from government to contractor performance was considered as an evaluation criteria only for periods 1 and 2 because transition was completed by the end of period 2.

award term extension after period 5. The 198 points is based on a minimum of 51 points for period 1, a minimum of 66 points for period 2, and a minimum of 81 points for period 3. The 89th Airlift Wing will total the award term points earned at the end of period 3 to determine whether they will award period 6 to DynCorp. For each additional period that DynCorp earns a minimum of 81 points, the 89th Airlift Wing will award an additional performance period up to a maximum of 11 performance periods. If, at the end of a performance period, DynCorp did not earn the required points, then DynCorp would not be awarded additional performance periods and the award term plan will cease.

Performance Monitoring. As part of overseeing the contractor, the 89th Airlift Wing performance monitors perform random, unscheduled spot checks throughout the year to rate the quality of the services that DynCorp and Trend Western provide under the Contract. In FY 2002, the performance monitors conducted 8,335 random spot checks of DynCorp and Trend Western and found 361 (4.3 percent) major discrepancies. From October 2002 through March 2003, the performance monitors conducted 2,413 random spot checks of DynCorp and Trend Western and found 37 (1.5 percent) major discrepancies. A major discrepancy is a negative event that effects the contractor's evaluation and can affect the number of points awarded to the contractor. DynCorp's improved performance between FY 2002 and the first 6 months of FY 2003 indicated that DynCorp was proactively working to achieve a higher level of performance in order to ensure the continuation of the award term plan.

Documentation of the Process. We determined that the award term process was adequately documented and that the evaluations by the 89th Airlift Wing performance monitors justified the points awarded to DynCorp for the first two evaluation periods—April 1, 2001, through September 30, 2001, and FY 2002. We reviewed detailed information compiled by the performance monitors for each of the evaluation criteria. We determined the accuracy of the performance monitors' total point recommendations by recalculating the total points following the methodology prescribed in the plan. We compared the performance monitors' recommendations with the points that the Award Term Review Board awarded to DynCorp and determined that there was no substantial variation between the points recommended and the points awarded. The Award Term Review Board awarded 1 more point than was recommended for period 1 and 2.2 points less than was recommended for period 2.

Conclusion

DynCorp did an effective job in providing contract logistics support for the 89th Airlift Wing. Specifically, DynCorp and its subcontractor, Trend Western, effectively managed inventories of AGE, AGE bench stock, base supply, fuels, and munitions in accordance with the terms of the Contract and applicable DoD and Air Force regulations. The continued contract logistics support provided by DynCorp is critical to the successful completion of the 89th Airlift Wing mission of providing worldwide airlift and logistical support for U.S. and foreign government officials and transient aircraft. Although we found a few areas that could be improved upon (finding B), we have no recommendations because of the effectiveness of DynCorp's management of Air Force assets at Andrews AFB.

B. Management of Aerospace Ground Equipment

Overall, DynCorp effectively managed AGE, with the exception of some minor issues that DynCorp addressed during the audit. Specifically, DynCorp did not meet Air Force inspection requirements for 13 of 224 pieces (6 percent) of AGE and had 11 pieces of AGE in excess of the Air Force Materiel Command authorized requirements. The inability to meet inspection requirements for AGE occurred because either DynCorp did not comply with Air Force regulations or because the inspections had taken place but the inspection records were incomplete. The excess pieces of AGE occurred because of a lack of coordination between DynCorp and Trend Western. As a result, AGE could break down and not be available when needed. During our audit, DynCorp and Trend Western took corrective action to reduce the excess AGE to two pieces, valued at \$18,603. The two pieces of equipment were released from inventory that was managed by DynCorp for use elsewhere.

Air Force Guidance

Air Force Instruction 21-101, "Aerospace Equipment Maintenance Management," October 1, 2002, requires that maintenance personnel comply with written guidance to ensure that all required repairs, inspections, and documentation are completed in a safe, timely, and effective manner. Technical Manual TO 00-20-1, "Aerospace Equipment Maintenance Inspection, Documentation, Policies, and Procedures," June 2003, provides equipment maintenance inspection and documentation guidance. TO 00-20-1 identifies equipment work cards as a valid source for equipment inspection requirements. The work cards list the applicable inspection criteria associated with each type of equipment. According to the work cards, periodic scheduled inspections are required to take place every 6 months. The date of the actual scheduled inspections is written on "AFTO [Air Force Technical Order] Form 244" (Form 244), which is entered into the Core Automated Maintenance System (CAMS). DynCorp and its subcontractor, Trend Western, are required to follow Air Force guidance under the terms of the Contract.

AGE Inspection Requirements

DynCorp did not meet Air Force inspection requirements for 13 of 224 pieces (6 percent) of AGE. Based on Form 244 and CAMS inspection data available, the 13 pieces of AGE did not receive 1 of the 2 regularly scheduled inspections within 12 months as required by the applicable equipment work cards. Even though DynCorp performed a scheduled inspection of all equipment within the last 6 months, the available records indicated that 4 items had no prior inspection record; and the inspection history for 9 items listed an inspection interval of 12 months or more, instead of the required 6 months. The inability to meet inspection requirements for 13 pieces of AGE occurred either because DynCorp

staff did not fully comply with standard regulations or because the inspections had taken place but the inspection records were incomplete. When DynCorp could not provide the completed Form 244, DynCorp staff queried CAMS to obtain additional data. However, DynCorp's attempts to retrieve information from CAMS proved to be time-consuming because the system could only be queried in 30-day intervals and had a tendency to disconnect the user from the system. As a result, we were unable to obtain a full maintenance history on the 13 pieces. Therefore, we could not determine whether an inspection took place or whether the data was lost.

Overall, the controls were effective in ensuring that inspections were up-to-date. The 89th Airlift Wing COR conducted spot checks of the DynCorp inspections and maintenance processes to ensure that proper equipment inspections and maintenance had been performed. A missed inspection of AGE equipment could result in faulty equipment that could break down; whereas, missing data would prevent the user from having a complete history of inspections and maintenance work performed on AGE. Scheduled inspections ensure that equipment remains in proper working order. Missing an inspection can result in a defect going undetected, which can lead to an equipment outage. Keeping a complete history of equipment maintenance records is important to the upkeep of the equipment. The 89th Airlift Wing stated that they planned to work with DynCorp to ensure that all scheduled inspection requirements are met and that inspection records are maintained in a more accessible manner. Because of the 89th Airlift Wing's timely response to our suggestions, we are not making a recommendation.

Excess Pieces of AGE

DynCorp had 11 pieces of AGE, valued at \$560,765, in excess of the Air Force Materiel Command's authorized requirements. Based on our analysis of the R14 provided by Trend Western and data obtained from the Air Force Equipment Management System,⁵ we found 11 pieces of AGE in the inventory that were not authorized by Air Force Materiel Command. The excess pieces of equipment in the AGE inventory occurred because of a lack of communication between the Trend Western Equipment Management Section and the DynCorp AGE equipment custodian. Specifically, the Trend Western Equipment Management Section is responsible for ensuring that only authorized items appear on the R14, and the DynCorp AGE Equipment Custodian is responsible for submitting the proper documentation to obtain authorization if the item is required. However, DynCorp had not submitted the proper paperwork to Trend Western. If the item is not required, one of three things will happen to it:

- If the item is still serviceable, it is placed back into the base supply inventory.
- If the item is unserviceable, it is forwarded to the Defense Reutilization Material Office.

⁵The Air Force Equipment Management System contains all of the equipment data that is maintained by Air Force Materiel Command.

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- If the item has a ND4⁶ designation, it is considered a depot item and the item manager is contacted for further disposition instructions.

DynCorp incurred unnecessary costs to maintain the unauthorized AGE.

Corrective Action Taken on Excess Pieces of AGE

During our audit, Trend Western coordinated with DynCorp and provided the necessary documentation to show proper updates in the Air Force Equipment Management System for all 11 pieces of unauthorized AGE.

- Eight pieces, valued at \$539,913, were added to the list of authorized AGE in the Air Force Equipment Management System after DynCorp determined that the equipment was required and had submitted the necessary documentation.
- One piece, valued at \$2,250, was listed on the R14 in error and was removed from the inventory list.
- One piece, valued at \$2,881, was turned in to base supply for use elsewhere.
- One piece, valued at \$15,722, was transferred from DynCorp's inventory to the 1st Helicopter Squadron's inventory at Andrews AFB.

As a result of the immediate action that DynCorp and Trend Western took, the issue has been resolved, and no recommendation is required.

Potential Monetary Benefits

We initially identified 11 pieces of equipment in excess of Air Force Materiel Command requirements. However, after DynCorp and Trend Western took corrective action, we determined that the potential monetary benefit was \$18,603 for the two pieces of equipment that were released from inventory managed by DynCorp to be use elsewhere.

Management Comments on the Finding and Potential Monetary Benefits

The Department of the Air Force concurred with the finding and the potential monetary benefits of \$18,603. Specifically, the 89th Airlift Wing stated that it would work with DynCorp to ensure that all scheduled inspection requirements are met and that inspection records are maintained in a more accessible manner.

⁶ND4 designates a centrally managed, non-consumable item that is depot reparable.

Appendix A. Scope and Methodology

We performed this audit at Andrews AFB, Maryland. We reviewed contract logistics support provided under contract FA4452-01-C-0001 by DynCorp and its subcontractor, Trend Western, to the 89th Airlift Wing during FY 2003 for a firm-fixed price of about \$29.4 million. In addition, we reviewed the validity of work designated as over and above tasks that DynCorp performed from April 1, 2001 through May 21, 2003, valued at about \$1.5 million. We reviewed DoD and Air Force regulations regarding policies, responsibilities, and procedures for accounting for and controlling materiel. Under the terms of the Contract, DynCorp was required to comply with all applicable DoD and Air Force regulations. To determine whether DynCorp and Trend Western adequately accounted for and controlled equipment and materiel, we physically inventoried AGE, AGE bench stock, base supply, and munitions and reviewed management controls over fuels.

AGE. DynCorp had 224 pieces of equipment valued at about \$6.4 million. We conducted a 100 percent inventory of all AGE and collected data on the last two scheduled inspections for each item. In addition, we reviewed the authorized equipment listing in the Air Force Equipment Management System.

AGE Bench Stock. DynCorp had 315 bench stock inventory records, valued at \$13,398. We conducted an inventory of AGE bench stock based on a statistical sample of 45 records.

Base Supply. Trend Western had 7,945 records, valued at \$10.3 million. We conducted an inventory of base supply based on a statistical sample of 304 records.

Fuels. In May 2003, Trend Western had sales of 2.5 million gallons of JP8 aviation fuel and had an ending balance of about 2 million gallons, valued at about \$1.7 million. We performed a validation of these records by comparing the information found in the Trend Western Resource Control Center Daily Summary and Ground Fuels Data reports to the May 2003 End-of-Month Operating Gain/Loss Report.

Munitions. DynCorp reported 305 munitions line items, valued at \$630,053. We conducted a 100 percent inventory of munitions that DynCorp had not transferred to custodial accounts, using a report generated from the Combat Ammunition System-Base system.

We evaluated the COR surveillance over DynCorp through the award term plan process. In addition, we conducted extensive interviews with DynCorp and Trend Western personnel to gain an understanding of how they maintained and accounted for the Government property entrusted to them. Further, we met with the 89th Airlift Wing CORs to obtain further information on their role in overseeing DynCorp and ensuring that DynCorp complied with the terms of the Contract. We reviewed documentation dated from April 1989 through October 2003. We performed this audit from May through October 2003 in accordance with generally accepted government auditing standards.

Sample Design. We used a stratified random sampling design to select the samples from the base supply warehouse and AGE bench stock inventories. The strata were defined based on the unit price, as reported in the June 5, 2003, SBSS inventory records, and shown in the following tables.

Table A-1. Base Supply Population and Sampling				
Base Supply Warehouse	Population		Sample	
	Items	Dollars	Items	Dollars
strata 1=> 100,000 <= 1,000,000	14	\$ 2,397,649.52	14	\$2,397,649.52
strata 2=> 10,000 <= 99,999	181	4,411,208.90	120	2,939,399.51
strata 3 => 1,000 <= 9,999	873	2,913,729.38	120	371,497.65
strata 4 => 100 <= 999	1,369	477,580.06	30	9,961.77
strata 5 > 0 <= 99	5,508	98,409.18	20	372.15
Total	7,945	\$10,298,577.04	304	\$5,718,880.60

The base supply inventory universe generated by SBSS contained 20,483 records. However, we removed 12,538 records* that did not have a warehouse location and had a unit price of zero. The adjusted universe contained 7,945 records valued at about \$10.3 million.

Table A-2. Bench Stock Population and Sampling				
AGE Bench Stock	Population		Sample	
	Items	Dollars	Items	Dollars
strata 1 => 100	33	\$ 7,607.17	30	\$7,104.17
strata 2 < 100	282	5,790.81	15	264.70
Total	315	\$13,397.98	45	\$7,368.87

Sample Results. The base supply inventory was accurate, but the AGE bench stock inventory was not completely accurate. We found no errors in the base supply sample. We found two errors in the AGE bench stock sample. The 2 errors (0.6 percent of the total inventory) came to a total value of less than \$5.

*DynCorp loaded the 12,538 records in anticipation of having to maintain a new type of aircraft.

However, because of the high relative precision of the AGE bench stock inventory, we are unable to make a valid statistical projection.

Use of Computer-Processed Data. We relied on computer-processed data from five systems to perform this audit. The Air Force Equipment Management System defines the authorized equipment levels for AGE. The Combat Ammunition System-Base is a standard system used for management of munitions. CAMS is a maintenance information system. The FAS manages fuels inventory to maintain fuels accounts. SBSS is the standard Air Force system for managing supply.

The reliability of the systems utilized varied. The Combat Ammunition System-Base, FAS, and SBSS systems appeared to be reliable when compared to our physical inventory counts. However, the results on the scheduled inspections obtained from CAMS may not be fully accurate. According to DynCorp personnel, CAMS is not user friendly because data query options are unreliable. We could not obtain a complete inspection history for all AGE items; therefore, we could not determine whether the scheduled inspections took place.

In addition, we relied on computer-processed data from the Air Force Equipment Management System to determine the authorized quantities of AGE. Although we did not perform a formal reliability assessment of this computer-processed data, the Trend Western staff considered it to be the authority on equipment requirements because it is a standard Air Force system that is maintained by Air Force Materiel Command. We did not identify any errors that would preclude the use of the computer-processed data to meet the audit objectives or that would change the conclusions in this report.

Use of Technical Assistance. Research analysts from the Quantitative Methods Division of the Office of the Inspector General of the Department of Defense provided assistance in designing the statistical sampling plan for selecting inventory records for review and projecting the results for AGE bench stock and base supply inventories.

General Accounting Office High-Risk Area. The General Accounting Office has identified several high-risk areas in DoD. This report provides coverage of the high risk areas of contract management and improving the quality of logistics support.

Management Control Program Review

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, and DoD Instruction 5010.40, "Management Control (MC) Program Procedures," August 28, 1996, require DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of the Review of the Management Control Program. We reviewed the adequacy of management controls over contract logistics support for the 89th Airlift Wing, Andrews AFB, Maryland. Specifically, we reviewed the

adequacy of DynCorp and Trend Western management controls over the accountability and control of AGE, AGE bench stock, base supply, fuels, and munitions. In addition, we reviewed the adequacy of 89th Airlift Wing's management controls over the processing of over and above work requests. Because we did not identify a material weakness, we did not assess management's self-evaluation.

Adequacy of Management Controls. The 89th Airlift Wing, DynCorp, and Trend Western management controls that we reviewed were adequate; we identified no material management control weaknesses.

Prior Coverage

During the last 5 years, the Inspector General of the Department of Defense (IG DoD), and the Air Force Audit Agency have issued two reports discussing contract logistics support for Andrews AFB. Unrestricted IG DoD reports can be accessed at <http://www.dodig.osd.mil/audit/reports>.

IG DoD

IG DoD Report No. 99-077, "Allegations to the DoD Hotline on Contract Maintenance for the C-20 Aircraft," February 4, 1999

Air Force

Air Force Audit Agency Report F2002-0068-EA0000, "Aircraft Maintenance Contract Payments 89th Airlift Wing Andrews AFB MD," September 18, 2002

Appendix B. Other Matters of Interest

Over and Above Tasks

Three over and above tasks were definitized during the period from April 1, 2001 to May 21, 2003, valued at about \$1.5 million. We determined that the work was valid and met the Contract definition of over and above work. However, one work request proposal was not submitted in writing and none of the three work requests were definitized before 40 percent of the work was complete, as required by the Contract.

Work Request Proposals. DynCorp did not prepare and submit the required written work request proposal for the first over and above task for Operation Noble Eagle. The Contract states that the contractor shall prepare and submit work request proposals for necessary over and above items. A work request proposal should include the contract number and task order number; program title; date of submission; a description of the proposed work; work request number; and a total proposed firm-fixed-price supported by a breakdown of labor, parts and materials, and direct travel costs.

The work, maintenance, and supply support of Operation Noble Eagle, was proposed and accepted through a verbal dialog between the contractor and the COR office. DynCorp officials stated that the failure to submit a written work request was the result of the sudden and unusual circumstances surrounding the events of September 11, 2001. We determined that appropriate work request proposals were submitted for the two subsequent over and above tasks.

Work Request Definitization. The 89th Airlift Wing did not definitize the three work requests before 40 percent of the work was complete. The Contract states that negotiations for the work requests and definitization of a firm-fixed-price must be accomplished prior to 40 percent completion of the work effort unless otherwise approved in writing by the contracting officer. Personnel at the 89th Airlift Wing and DynCorp stated that there would be a joint effort to improve the negotiating process so that over and above work requests are definitized in a timely manner.

Appendix C. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition, Technology, and Logistics
Deputy Under Secretary of Defense (Logistics and Materiel Readiness)
Assistant Deputy Under Secretary of Defense (Maintenance Policy, Programs, and Resources)
Assistant Under Secretary of Defense (Logistics, Plans, and Programs)
Under Secretary of Defense (Comptroller)/Chief Financial Officer
Deputy Chief Financial Officer
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Joint Staff

Director, Joint Staff

Department of the Army

Auditor General, Department of the Army

Department of the Navy

Naval Inspector General
Auditor General, Department of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Auditor General, Department of the Air Force
Commander, Air Mobility Command
Commander, 89th Airlift Wing, Andrews Air Force Base

Unified Command

Inspector General, U.S. Joint Forces Command

Other Defense Organizations

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Non-Defense Federal Organization

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Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Reform
House Subcommittee on Government Efficiency and Financial Management, Committee on Government Reform
House Subcommittee on National Security, Emerging Threats, and International Relations, Committee on Government Reform
House Subcommittee on Technology, Information Policy, Intergovernmental Relations, and the Census, Committee on Government Reform

Department of the Air Force Comments



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON, DC

29 OCT 2003

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING, OFFICE
OF THE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE

FROM: HQ USAF/IL

SUBJECT: DOD IG Draft Report, Effectiveness of Maintenance Work Performed Under
Contract FA4452-01-C-0001 at Andrews Air Force Base, (Project Code D2003LH-
0115)

This is in reply to your memorandum requesting that the Assistant Secretary of the Air
Force (Financial Management and Comptroller) provide Air Force comments on subject report.

The Air Force concurs with the finding in this report. We accept the potential monetary
benefit estimate of \$18,603. Our detailed responses are attached. We consider this finding
closed. If you do not agree, please advise us. My point of contact is Major Jim Krajewski,
AF/ILGP, extension 697-2431


MICHAEL E. ZETTLER
Lieutenant General, USAF
DCS/Installations & Logistics

Attachment:
Detailed Audit Response

cc:
SAF/FMPF

Air Force Response to DOD IG Draft Audit Report D2003LH-0115, Effectiveness of Maintenance Work Performed Under Contract FA4452-01-C-0001 at Andrews Air Force Base

Finding B. Management of Aerospace Ground Equipment

AGE Inspection Requirements.

Response: Concur. The 89th Airlift Wing committed to work with DynCorp to ensure that all scheduled inspections requirements are met and inspection records are maintained in a more accessible manner. We consider this item closed.

Excess Pieces of AGE.

Response: Concur. DynCorp and Trend Western took immediate action to resolve this issue. Eight pieces of AGE were added to the list of authorized AGE; one piece was listed in error and removed from the inventory list; one piece was turned in to base supply; and one piece was transferred to another unit's inventory. We consider this item closed.

Point of Contact: Maj Jim Krajewski, AF/ILGP, 697-2431, 24 Oct 03

Team Members

The Readiness and Logistics Support Directorate, Office of the Deputy Inspector General for Auditing of the Department of Defense prepared this report. Personnel of the Office of the Inspector General of the Department of Defense who contributed to the report are listed below.

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