



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

May 8, 2013

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

SUBJECT: Audit of the Air Force's Performance-Based Logistics Contracts With the Lockheed Martin Corporation and the Rolls-Royce Corporation for the C-130J Hercules Aircraft (Project No. D2013-D000CH-0157.000)

We plan to begin the subject audit in May 2013. We will perform the audit pursuant to Public Law 110-417, "Duncan Hunter National Defense Authorization Act for Fiscal Year 2009," section 852, "Comprehensive Audit of Spare Parts Purchases and Depot Overhaul and Maintenance of Equipment for Operations in Iraq and Afghanistan." Section 852 requires "thorough audits to identify potential waste, fraud, and abuse in the performance of Department of Defense contracts, subcontracts, and task and delivery orders for (A) depot overhaul and maintenance of equipment for the military in Iraq and Afghanistan; and (B) spare parts for military equipment used in Iraq and Afghanistan." We will evaluate the cost effectiveness of material purchases made for the C-130J Hercules aircraft through performance-based logistics contracts with the Lockheed Martin Corporation and the Rolls-Royce Corporation. We will consider suggestions from management on additional or revised objectives.

We will perform the audit at Robins Air Force Base, Georgia, and at the offices of the Defense Logistics Agency, Lockheed Martin Corporation, and Rolls-Royce Corporation. We may identify additional locations during the audit.

Please provide us with a point of contact for the audit within **10 days** of the date of this memorandum. The point of contact should be a Government employee—a GS-15, pay band equivalent, or the military equivalent. Send the contact's name, title, grade/pay band, phone number, and e-mail address to audacm@dodig.mil.

You can obtain information about the Department of Defense Office of Inspector General from DoD Directive 5106.01, "Inspector General of the Department of Defense (IG DoD)," April 20, 2012; DoD Instruction 7600.02, "Audit Policies," April 27, 2007; and DoD Instruction 7050.3, "Access to Records and Information by the Inspector General, Department of Defense," April 24, 2000. Our website is www.dodig.mil.

If you have any questions, please contact [REDACTED]
[REDACTED]
[REDACTED]

Jacqueline L. Wicecarver
Jacqueline L. Wicecarver
Assistant Inspector General
Acquisition and Contract Management