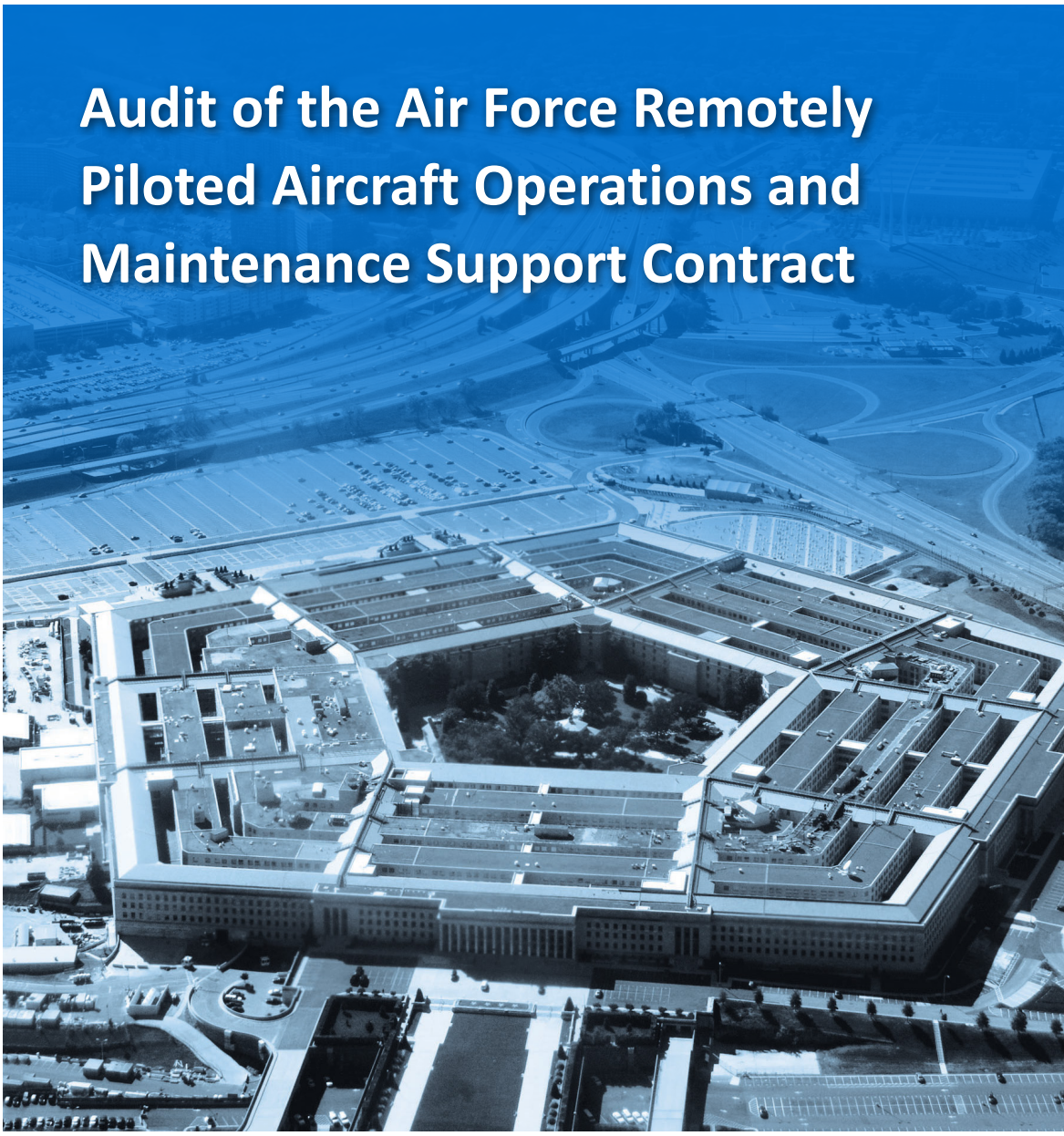
Report No. DODIG-2020-108

INSPECTOR GENERAL

U.S. Department of Defense

AUGUST 3, 2020

Audit of the Air Force Remotely Piloted Aircraft Operations and Maintenance Support Contract



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Results in Brief

Audit of the Air Force Remotely Piloted Aircraft Operations and Maintenance Support Contract

August 3, 2020

Objective

The objective of this audit was to determine whether the Air Combat Command, Acquisition Management and Integration Center's (AMIC's) oversight and management of the Remotely Piloted Aircraft (RPA) Operations and Maintenance Support contract ensured that the contractor complied with required maintenance procedures and performance requirements.

During the audit, we expanded our review to also determine whether AMIC verified the accuracy of contractor invoices prior to payment and only reimbursed the contractor for contractually eligible costs.

Background

AMIC is a subordinate organization of the Air Combat Command and is responsible for the planning, awarding, and managing the Air Combat Command's aircraft maintenance-related contracts. In March 2018, AMIC awarded AECOM Management Services, Inc. a 7-year, indefinite-delivery indefinite-quantity, firm-fixed-price contract with a $961 million ceiling, to provide operations and organizational-level maintenance support to sustain the combat and training capability of the MQ-9 Reaper (MQ-9) and the RQ-4 Global Hawk (RQ-4) RPAs. An RPA is an unmanned aircraft that is piloted from a remote location. Organizational-level maintenance includes routine MQ-9 and RQ-4 maintenance and operations support includes pilot and sensor operator teams responsible for flying missions and performing organizational-level maintenance.

Background (cont'd)

Since March 2018, AMIC has issued eight firm-fixed-price task orders, totaling $133 million, for MQ-9 and RQ-4 RPA operations and maintenance support at 4 overseas locations and 12 continental U.S. locations. Each task order includes the base year and up to six consecutive 12-month option years, for a total of 7 years. The task orders include cost reimbursable contract line items for reimbursable items, including the labor uplift rates for contracted personnel who deploy to contingency locations where danger pay is authorized by the contract, such as Kandahar Airfield, Afghanistan, and expenses for contracted personnel travel to and from a deployed location.

To oversee and manage the RPA contract, AMIC provided a program manager, contracting officer, and contracting officer's representatives (CORs).

The program manager is responsible for developing the performance work statement and the quality assurance surveillance plan, assessing contractor performance, and reviewing the contractor's invoices. The contracting officer awards and administers the contract, approves invoices for payment, monitors the contractor's invoices, and appoints CORs.

The CORs for the RPA contract act as the eyes and ears for the contracting officer and are responsible for monitoring the contractor's performance to verify compliance with the performance work statement requirements.

Finding

AMIC ensured that the RPA contractor complied with contractually required maintenance procedures and performance requirements. Specifically, we determined that for all eight task orders awarded under the RPA base contract for the MQ-9 and RQ-4, AMIC properly:

- appointed active duty airmen with prior aircraft maintenance experience as CORs to perform observations of contractor performance and thoroughly document noncompliance;

Results in Brief

Audit of the Air Force Remotely Piloted Aircraft Operations and Maintenance Support Contract

Finding (cont'd)

- established procedures in a performance work statement and quality assurance surveillance plan to ensure COR oversight of critical contract performance requirements; and
- used award fees to motivate the contractor to meet contract requirements and continuously improve its performance.

Furthermore, AMIC verified the accuracy of contractor invoices prior to payment and only reimbursed the contractor for contractually eligible costs.

However, AMIC did not formally document its invoice review process. Instead of having written procedures, AMIC staff stated that they reviewed 100 percent of contractor invoices relying on informal guidance from the contracting officer and program manager to ensure AMIC only paid the contractor for contractually compliant performance and reimbursement costs eligible under the terms of the contract. We reviewed a statistical sample of 33 of 139 firm-fixed-price invoices, and 30 of 70 cost reimbursable invoices, and did not find any instances of the contractor claiming ineligible costs for reimbursement.

As a result of AMIC's contract oversight, AMIC had assurance that the $124 million spent on the RPA contract was for contractually compliant services and only included costs eligible for reimbursement. However, without a documented invoice review process, future contracting and program management staff may inconsistently review invoices, which could result in payments to the contractor for ineligible costs.

Recommendation

We recommend that the AMIC Director direct the RPA Operations and Maintenance Support Contract program manager and contracting officer to develop and implement formal procedures detailing who is responsible for conducting invoice reviews and the methodology for conducting those reviews.

Management Actions Taken

During the audit, we told the program manager and contracting officer that a weakness existed in AMIC's invoice review procedures. This weakness was that AMIC did not formally document who was responsible for invoice reviews and the specific procedures the reviewer would follow. The program manager agreed with our observation; developed invoice review procedures; and immediately informed the officials responsible for conducting the reviews of the newly documented invoice review process. In July 2020, AMIC documented the invoice review procedures in the program management division's Portfolio Management Plan.

Management actions addressed our recommendation; therefore, this recommendation is closed.

Please see the Recommendation Table on the next page for the status of the recommendation.

Recommendation Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Director, Acquisition Management and Integration Center			1

Note: The following categories are used to describe agency management's comments to individual recommendations.

- **Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **Closed** – OIG verified that the agreed upon corrective actions were implemented.


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August 3, 2020

MEMORANDUM FOR COMMANDER, AIR COMBAT COMMAND
DIRECTOR, ACQUISITION MANAGEMENT
AND INTEGRATION CENTER

SUBJECT: Audit of the Air Force Remotely Piloted Aircraft Operations and Maintenance Support Contract (Report No. DODIG-2020-108)

This final report provides the results of the DoD Office of Inspector General's audit. We considered management's comments on a discussion draft copy of this report when preparing this final report. Management's comments and associated actions addressed the recommendation in this report, and we consider the recommendation closed.

We appreciate the cooperation and assistance received during the audit. If you have any questions, please contact me at [redacted].

Richard B. Vasquez
Assistant Inspector General for Audit
Readiness and Global Operations

Contents

Introduction

Objective

The objective of this audit was to determine whether the Air Combat Command (ACC), Acquisition Management and Integration Center's (AMIC's) oversight and management of the Remotely Piloted Aircraft (RPA) Operations and Maintenance Support contract ensured that the contractor complied with required maintenance procedures and performance requirements.

During the audit, we expanded our review to also determine whether AMIC verified the accuracy of contractor invoices prior to payment and only reimbursed the contractor for contractually eligible costs. See Appendix A for a discussion of the scope and methodology.

Background

The Air Force has operationally deployed RPAs to support contingency operations in Afghanistan, Iraq, and several other countries.

The RPA have been an integral part of DoD contingency operations since the September 11, 2001 terrorist attacks on the United States. Specifically, the Air Force has operationally deployed RPAs to support contingency operations in Afghanistan, Iraq, and several other countries. An RPA is an unmanned aircraft that is piloted from a remote ground control station. In this report, we will address two types of RPA: the MQ-9 Reaper (MQ-9) and the RQ-4 Global Hawk (RQ-4).[1]

RPAs rely on two groups of personnel to conduct a mission. The first is the launch and recovery element, which is the support team responsible for launching and landing the RPA. The second is the pilot and sensor operator team, which is responsible for flying the mission while the RPA is over a target or surveillance area.[2]

MQ-9 Reaper

The MQ-9 is an armed RPA used to strike targets and collect intelligence. The MQ-9 can perform missions related to intelligence collection, close air support, combat search and rescue, and precision strikes.[3] Figure 1 shows an MQ-9 flying a combat mission over Afghanistan, armed with laser-guided munitions and Hellfire missiles.

[1] The MQ-9 and the RQ-4 are named in accordance with the following DoD naming convention: the "M" and "R" stand for "multirole" and "reconnaissance," respectively, and the "Q" stands for "unmanned." The number indicates the series for that type of aircraft.

[2] The MQ-9 and RQ-4 use different terms for the pilot and sensor operators. The term for the MQ-9 is a ground control station and the term for the RQ-4 is a mission control element.

[3] Close air support is air action provided by fixed and rotary-wing aircraft against hostile targets in support of a ground mission.

Figure 1. MQ-9 Reaper
Source: The Air Force.

RQ-4 Global Hawk

The RQ-4 provides global all-weather, day or night intelligence collection. The RQ-4 provides persistent near-real-time coverage using imagery intelligence, signals intelligence, and moving target indicator sensors. Figure 2 shows an RQ-4 in flight.

Figure 2. RQ-4 Global Hawk
Source: The Air Force.

RPA Operations and Maintenance Support Contract

In March 2018, AMIC's contracting office awarded a 7-year, single-award, indefinite-delivery indefinite-quantity, firm-fixed-price (FFP) contract with a $961 million ceiling to AECOM Management Services, Inc.[4] The base contract provides operations and organizational-level maintenance support to sustain the combat and training capability of the MQ-9 and RQ-4, which included routine

[4] RPA Operations and Maintenance Support contract FA4890-18-D-0002.

maintenance activities performed by an organization on its assigned equipment.[5] Examples of organizational-level maintenance activities include pre-flight and post-flight inspections, weapons loading and unloading, configuration control, scheduled and unscheduled maintenance, and post-maintenance verification checks. For the MQ-9 and RQ-4, operations support includes pilot and sensor operator teams responsible for flying missions and performing organizational-level maintenance.

Since March 2018, AMIC has issued eight FFP task orders, totaling $133 million, for MQ-9 and RQ-4 RPA operations and maintenance support at 4 overseas locations and 12 continental U.S. locations.

Since March 2018, AMIC has issued eight FFP task orders, totaling $133 million, for MQ-9 and RQ-4 RPA operations and maintenance support at 4 overseas locations and 12 continental U.S. locations. Each task order includes the base year and up to 6 consecutive 12-month option years, for a total of 7 years.[6] The task orders include cost reimbursable contract line items for limited cost-reimbursable items, including the labor uplift rates for contracted personnel who deploy to contingency locations where danger pay is authorized by the contract, such as Kandahar Airfield, Afghanistan, and travel expenses for contracted personnel to and from a deployed location. The contractor submits separate invoices for its FFP and cost reimbursable billings. Between August 2018 and January 2020, the contractor submitted approximately $92 million in invoices. Specifically, 139 FFP invoices with a value of $78 million and 70 cost reimbursable invoices with a value of $14 million. Table 1 shows the eight task orders, valued at $133 million, that AMIC issued since contract award in March 2018 for the operations and organizational-level maintenance support for the MQ-9 and RQ-4 RPAs.

[5] As of 2017, the Air Force began phasing out the MQ-1 Predator; therefore, this report focuses on the contracted support provided for the MQ-9 and RQ-4. However, the ACC AMIC included operations and maintenance support for the MQ-1 Predator in the RPA contract until the Air Force phase-out of the MQ-1 was complete.

[6] The ACC AMIC justified its award of FFP single-award task orders in accordance with the requirements of the Federal Acquisition Regulation Part 16, "Types of Contracts," Subpart 16.5, "Indefinite-Delivery Contracts," Section 16.504, "Indefinite-Quantity Contracts," which requires the head of the agency to determine in writing that only a single source can reasonably perform the work because the work is so integrally related.

Table 1. Overview of RPA Operations and Maintenance Task Orders

Task Order	RPA and Locations Supported	Period of Performance	Cost Reimbursable	Firm Fixed Price	Total Task Order Value [2] (in U.S. $)
F7001	MQ-9 Operations Kandahar Airfield, Afghanistan	August 1, 2018 – June 30, 2025	$5,085,780	$7,542,499	$12,628,279
F7002	MQ-9 Aircraft Maintenance Kandahar Airfield, Afghanistan	August 1, 2018 – June 30, 2025	$15,581,926	$33,552,084	$49,134,010
F7003	MQ-9 Operations Muwaffaq Salti Air Base, Jordan	August 1, 2018 – June 30, 2025	$843,892	$2,952,943	$3,796,834
F7004	RQ-4 Aircraft Maintenance Naval Air Station, Sigonella	July 1, 2018 – June 30, 2025	$6,173,036	$10,626,113	$16,799,148
F7005	MQ-9 GCS and Aircraft Maintenance Creech AFB, Nevada, and Nellis AFB, Nevada[1]	August 1, 2018 – June 30, 2025	$22,000	$15,400,602	$15,422,602
F7007	MQ-9 GCS Maintenance Whiteman AFB, Missouri; Shaw AFB, South Carolina; and Ellsworth AFB, South Dakota	August 1, 2018, – June 30, 2025	$10,000	$8,674,204	$8,684,204
F7008	MQ-9 GCS Maintenance Seven U.S.-Based Air National Guard sites	August 1, 2018, – June 30, 2025	$22,000	$12,304,628	$12,326,628
F7009	RQ-4 Aircraft Maintenance Andersen AFB, Guam	November 1, 2018 – June 30, 2025	$4,069,341	$10,582,137	$14,651,479
Totals[3]			**$31,807,976**	**$101,635,211**	**$133,443,186**

[1] Nellis AFB includes only GCS maintenance support; no aircraft maintenance support.

[2] The total task order value includes the base year and the first option year only.

[3] Totals may not equal the actual sum because of rounding.

Legend

AFB Air Force Base

GCS Ground Control Station

Source: AMIC.

According to AMIC officials, the contractor is contractually required to service up to a maximum number of MQ-9 and RQ-4 RPAs at each maintenance site. The actual number of RPAs assigned to the contractor at a given site is driven by mission requirements. Table 2 compares the maximum number of MQ-9 and RQ-4 RPAs the contractor may be contractually required to service per site compared to the number of RPAs the contractor actually serviced per site from February 2020 through July 2020. The four sites noted in table 2 are the only locations where the MQ-9 and RQ-4 are stored and maintained. The task orders shown in Table 1 include 12 ground control stations where no aircraft maintenance is performed.

Table 2. Contractor-Serviced RPAs per Site

RPA and Maintenance Site Serviced*	Maximum Number of RPAs Contractually Required to Be Serviced	RPAs Serviced from February 2020 through July 2020
MQ-9 Kandahar Airfield, Afghanistan	64	29
MQ-9 Creech Air Force Base, Nevada	8	8
RQ-4 Naval Air Station, Sigonella	6	4
RQ-4 Andersen Air Force Base, Guam	6	4
Total	**84**	**45**

*These four sites are the only locations where the MQ-9 and RQ-4 are contracted for aircraft maintenance. The task orders shown in Table 1 include 12 ground control stations where aircraft maintenance is not performed.

Source: AMIC.

Air Force Oversight Responsibilities for Contractor Performance

The ACC, headquartered at Joint Base Langley-Eustis, Virginia, is one of 10 major commands in the Air Force and is the primary provider of air combat forces to warfighting commanders. The ACC provides conventional and information warfare forces to all combatant commands to ensure air, space, cyber, and information superiority for warfighters and national decision makers. AMIC is a subordinate organization of the ACC and is responsible for the planning, award, and management of ACC aircraft maintenance-related contracts. For the RPA contract, AMIC provided the program manager, the contracting officer, the quality assurance manager, and contracting officer's representatives (CORs).

Program Manager

According to Air Force Instruction 63-138, the program manager leads a multifunctional team responsible for:

- developing contract requirements, primarily the performance work statement (PWS);
- developing the quality assurance surveillance plan (QASP);
- assessing contractor performance, including providing input to the contractor performance assessment reports;
- managing the service acquisition and contract performance; and
- conducting contract surveillance.[7]

In addition, according to the RPA QASP, the program manager is responsible for coordinating and prioritizing resources, managing the overall risk and performance of the program, and for the successful completion of the contract.

Contracting Officer

The contracting officer works closely with the program manager to ensure successful delivery of the contracted requirements. The Federal Acquisition Regulation (FAR) states that contracting officers are responsible for ensuring compliance with the terms of the contract and safeguarding the interests of the Government in its contractual relationships.[8] Furthermore, the FAR outlines the specific contract administration functions that a contracting officer delegates and specifies that when contract administration functions are not delegated, they remain the contracting officer's responsibility.[9] Contracting officers award the contract and make changes through contract modifications. In addition, contracting officers are responsible for the issuance of nonconformance reports and annual completion of contractor performance assessment reports. Finally, contracting officers are responsible for monitoring invoices, approving final invoice payment, and designating CORs to monitor contractor performance.

Quality Assurance Manager and Contracting Officer's Representatives

For the RPA contract, the quality assurance manager serves as a supervisory quality assurance specialist for contracted aircraft maintenance operations and is responsible for organizing, supervising, and managing the CORs' oversight of contract services.

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[7] Air Force Instruction 63-138, "Acquisition of Services," September 30, 2019.

[8] FAR Part 1, "Federal Acquisition Regulation System," Subpart 1.6, "Career Development, Contracting Authority, and Responsibilities," Section 1.602-2, "Responsibilities."

[9] FAR Subpart 42.3, "Contract Administration Office Functions."

The CORs for the RPA contract act as the eyes and ears for the contracting officer and are responsible for monitoring the contractor's performance to verify compliance with the PWS and QASP requirements. The FAR defines the PWS as a statement of work for performance-based acquisitions, and which describes the required contract results in clear, specific, and objective terms with measurable outcomes.[10] According to the RPA contract, the contractor is responsible for contract performance in accordance with the RPA PWS. According to Air Force Instruction 21-101, the purpose of a QASP is to provide a planned process for surveilling actual performance and comparing that performance against contractual requirements to determine conformity with the technical requirements of the contract. The QASP identifies what is to be inspected, the method of inspection, and the frequency of inspections.[11] According to the delegation letters of the RPA contract, CORs are responsible for a variety of contract oversight duties, including:

- coordinating with the contractor on contract-related matters;
- performing inspection and acceptance of contracted services for the Government in accordance with the QASP, ensuring performance is in accordance with contract requirements, terms, and conditions; and
- reporting to the contracting officer, in writing, any performance problems or delays by the contractor.

In addition, the Air Force uses the Integrated Maintenance Data System (IMDS) to alert contractor and military maintenance personnel of required maintenance procedures and to document pre- and post-flight performance, as well as maintenance history for each RPA. Therefore, the RPA CORs' oversight responsibility also includes validation of the RPA contractor's IMDS inputs.

Review of Internal Controls

DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.[12] We identified that AMIC did not formally document its invoice review process; instead, relied on verbal instructions to conduct its invoice reviews. We will provide a copy of the report to the senior official responsible for internal controls in AMIC.

[10] FAR Part 2, "Definitions of Words and Terms," "Subpart 2.1, "Definitions."

[11] Air Force Instruction 21-101, "Aircraft and Equipment Maintenance Management," May 21, 2019.

[12] DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

Finding

AMIC Ensured RPA Contract Requirements Were Met and Ensured Correct Payment of Invoices but Should Establish Written Procedures

AMIC ensured that the RPA contractor complied with contractually required maintenance procedures and performance requirements. Specifically, we determined that for all eight task orders awarded under the RPA base contract for the MQ-9 and RQ-4, AMIC properly:

- appointed active duty airmen with prior aircraft maintenance experience as CORs to perform observations of contractor performance and thoroughly document noncompliance;
- established procedures in a PWS and QASP to ensure COR oversight of critical contract performance metrics; and
- used award fees to motivate the contractor to meet contract requirements and continuously improve its performance.

Furthermore, AMIC verified the accuracy of contractor invoices prior to payment and only reimbursed the contractor for contractually allowable costs.

However, AMIC did not formally document its invoice review process. Instead of using written procedures, AMIC staff stated they reviewed 100 percent of contractor invoices relying on informal guidance from the contracting officer and program manager to ensure AMIC only paid the contractor for contractually compliant performance and only reimbursed the contractor for costs eligible under the terms of the contract. We reviewed a statistical sample of 33 of 139 FFP invoices, and 30 of 70 cost reimbursable invoices, and did not find any instances of the contractor claiming unallowable costs for reimbursement.[13]

As a result of AMIC's contract oversight, AMIC had assurance that the $124 million spent on the RPA contract was for contractually compliant services and only included costs eligible for reimbursement. However, without a documented invoice review process, future contracting and program management staff may inconsistently review invoices, which could result in payments to the contractor for ineligible costs.

[13] See Appendix A for an explanation of the statistical samples and a detailed description of the results.

AMIC Oversight Ensured RPA Contractor Performed in Accordance With Contract Requirements

AMIC ensured that the RPA contractor complied with contractually required maintenance procedures and performance metrics and verified the accuracy of contractor invoices prior to payment. Specifically, AMIC trained and appointed full-time CORs with several years of aircraft maintenance experience, included procedures in a QASP to ensure COR oversight of critical contract performance metrics, and used award fees to improve contractor performance.

AMIC Appointed Experienced Trained Contracting Officer's Representatives

AMIC trained and appointed active duty airmen with several years of aircraft maintenance experience as CORs to perform observations of contractor performance and thoroughly document noncompliance. According to DoD Instruction 5000.72, CORs must have relevant technical experience, which includes practical experience in technical fields that is appropriate for the oversight responsibilities they will be assigned.[14] Prior DoD OIG reports on contract oversight found weaknesses in COR assignments specifically relating to CORs with inadequate technical expertise.[15] Therefore, we reviewed each RPA COR's nomination, designation, and training completion records to determine if AMIC designated RPA CORs in accordance with Federal and DoD requirements. Our review determined that the contracting officer appointed CORs with the practical experience and training commensurate with their oversight responsibilities. For example, AMIC trained and appointed a civilian with 7 years of RPA senior enlisted maintenance management experience as the lead COR to oversee 13 full-time CORs, each with between 5 and 17 years of aircraft maintenance experience. Table 3 summarizes the CORs' technical experience and years of aircraft maintenance experience.

[14] DoD Instruction 5000.72, "DoD Standard for COR Certification," August 31, 2018.

[15] Report No. DODIG-2018-074, "The U.S. Navy's Oversight and Administration of the Base Support Contracts in Bahrain," February 13, 2018. Report No. DODIG-2018-119, "DoD Oversight of Logistics Civil Augmentation Program in Afghanistan Invoice Review and Payment," May 11, 2018.

Table 3. RPA CORs' Technical Experience and Years of Aircraft Maintenance Experience

COR	Technical Experience	Years of Experience
RQ-4 Global Hawk CORs		
1	Advanced Fighter Avionics Craftsman	5 years
2	RPA Maintenance Craftsman	11 years
3	Fighter Piloted Tactical Aircraft	13 years
4	RPA Maintenance Craftsman	17 years
MQ-9 Reaper CORs		
5	RPA Maintenance Craftsman	9 years
6	Avionics Craftsman	9 years
7	Avionics Craftsman	12 years
8	Crew Chief	14 years
9	Crew Chief	15 years
10	Aircraft Armament Systems Craftsman	16 years
11	Aircraft Armament Systems Craftsman	17 years
12	Aircraft Armament Systems Craftsman	17 years
13	Aircraft Armament Systems Craftsman	17 years

Source: The DoD OIG.

The number of CORs assigned to the RPA contract and their collective experience and training enabled more thorough, knowledgeable oversight of contractor performance. Specifically, the CORs' technical experience and knowledge of aircraft operations and maintenance enabled them to perform detailed observations of the contractor's daily performance. This technical experience and knowledge of aircraft operations and maintenance resulted in the CORs taking actions to proactively identify numerous errors that could have led to major instances of nonconformance impacting mission, safety of personnel or equipment, cost, schedule, or performance. For example, the CORs issued 330 nonconformance reports across the eight task orders from July 2018 to December 2019. Of the 330 nonconformance reports, 298 were for minor errors, such as:

- improperly marking the number of wrenches in a toolkit, or
- omitting aircraft part identification numbers.

The CORs' extensive technical knowledge allowed them to document and ensure the contractor corrected administrative errors like the two above examples, that could have otherwise caused foreign object damage to the aircraft from missing tools or loss of integrity in the aircraft's configuration when part numbers cannot be verified.

Not only did the CORs' experience allow them to identify administrative errors, but their level of experience gave them the proficiency to be able to designate 32 of the 330 nonconformance reports as a major nonconformance having the potential to impact mission; safety of personnel or equipment; and cost, schedule, and performance. All 32 major nonconformance reports were closed after the COR, program manager, and contracting officer evaluated the contractor's corrective action. For example, one of the nonconformance incidents caused damage to ground equipment and in another incident the contractor drained aircraft batteries after personnel failed to follow technical data. The comprehensiveness of the experienced CORs' inspections enabled the contractor to make corrections and ensure its performance complied with the contract. For example, CORs issued four major nonconformance reports at Andersen Air Force Base in November 2018 for the contractor failing to provide adequate RQ-4 maintenance support; this resulted in Air Force personnel temporarily taking over from the contractor and providing RQ-4 contracted services.

AMIC immediately took action to hold the contractor accountable to ensure AMIC did not pay for services it did not receive. Specifically, in December 2018, AMIC reduced the contractor's December and January 2019 payments by $212,411 and $279,996 respectively. Subsequently, in both period two and period three award fee briefings, after the price decrement, the program manager reported improvements in the contractor's performance at Andersen Air Force Base. The program manger stated that the contractor hired more personnel qualified to perform maintenance on the RQ-4 and replaced their site lead at Andersen Air Force Base.

AMIC immediately took action to hold the contractor accountable to ensure AMIC did not pay for services it did not receive. Specifically, in December 2018, AMIC reduced the contractor's December and January 2019 payments by $212,411 and $279,996 respectively.

AMIC Established Quality Assurance Surveillance Procedures

AMIC established procedures in the RPA PWS and QASP to ensure consistent COR oversight of critical contract performance metrics across maintenance locations and RPA types. The FAR states that the QASP should be prepared in conjunction with the PWS, which defines a contract's performance requirements, and that the plan should specify all work requiring surveillance and the method of surveillance.[16] In accordance with the FAR, the RPA PWS included a service summary appendix detailing the specific results the contractor was required to achieve in performance of the RPA contract. Examples of these requirements include the desired rates for

[16] FAR Part 46, "Quality Assurance," Subpart 46.4, "Government Contract Quality Assurance," Section 46.401, "General."

mission capable aircraft, total flight abort rate, and repeating error rates. Table 4 shows a sample of the service summary thresholds that AMIC established in the contract and the contractor's achieved average in 2020.

Table 4. Sample of Service Summary Requirements in the RPA Contract

Service Category	Desired Threshold MQ-9	2020 Contractor MQ-9 Average	Desired Threshold RQ-4	2020 Contractor RQ-4 Average*
Mission Capable Rate	> 85 percent	95 percent	> 75 percent	73 percent
IMDS Accuracy Rate	> 85 percent	98 percent	> 85 percent	98 percent
Total Non-Mission Capable Rate	< 10 percent	3 percent	< 17 percent	16 percent
Total Mission Abort Rate	< 5 percent	3 percent	< 10 percent	4 percent
Repeating or Recurring Rate	< 5 percent	1 percent	< 3 percent	20 percent

*These figures are based on the 2020 calendar year through May 31, 2020.

Source: AMIC.

The RPA QASP requires CORs to ensure the contractor is meeting the mission and service summary requirements in the PWS as shown in Table 4. Specifically, the program manager explained that the contractor is responsible for a monthly report documenting its actual performance compared with the contract service summary requirements and the lead COR explained that the monthly report is based on data the contractor enters into aircraft forms and the IMDS.[17] According to the RPA contract and in accordance with Air Force Instruction 21-101, the contractor is required to document all maintenance actions manually on aircraft forms and electronically in the IMDS.[18] If the contractor correctly enters the data on both aircraft forms and the IMDS, both sets of information should match, and the contractor's monthly service summary requirements report will be accurate. The CORs explained that they routinely inspect aircraft forms and the IMDS for accuracy and that when aircraft forms do not match the IMDS, they write a nonconformance report. Our review of the 330 nonconformance reports identified 92 instances of the COR reporting aircraft forms, the IMDS, and other documentation errors. In addition, an RPA pilot and sensor operator each stated that they review aircraft forms as part of their pre-flight inspections. Although

[17] Aircraft forms are preformatted, numbered documents used by the Air Force to document a variety of administrative and operational actions. In this report, aircraft forms refers to hardcopy maintenance documents the Air Force uses to ensure maintenance procedures are properly documented and which are required to be kept with the aircraft. Each aircraft will have a collection of aircraft forms detailing its maintenance history.

[18] Air Force Instruction 21-101, "Aircraft and Equipment Maintenance Management," May 21, 2019.

the pilot and sensor operators are not responsible for contract oversight, this additional check of the aircraft forms by Government personnel provides the CORs another level of assurance that the data on the forms are accurate.

The contractor's accurate input of MQ-9 and RQ-4 operations and maintenance actions in aircraft forms and the IMDS are critical not only to establish contractor compliance with requirements, but to ensure a complete discrepancy, maintenance, and flying history for each RPA. For example, if an aircraft malfunctions, the Air Force Aircraft Accident Investigation Board reviews the IMDS historical records to determine if maintenance documentation was a factor in the aircraft's malfunction.[19] Based on the 330 nonconformance reports we reviewed, we conclude the CORs' inspections of aircraft forms and the IMDS records ensured accuracy of the service summary report by detecting inconsistencies between aircraft forms and the IMDS. For example, in September 2018, a COR issued a nonconformance report because he determined a contractor incorrectly stated on the aircraft form that an engine wash task had been completed when, in fact, it was not complete. In another example, a COR noted that the contractor had completed a maintenance task and appropriately completed the aircraft form, but failed to document completion of the task in the IMDS. Therefore, we conclude that the CORs implemented thorough oversight procedures of the contractor's aircraft forms and the IMDS inputs as required by the RPA PWS and QASP to help ensure that the contractor accurately reported its performance.

AMIC Used Award Fees as Performance Improvement Incentive

AMIC appropriately used award fees to motivate the contractor to meet contract requirements and continuously improve its performance. The RPA Operations and Maintenance Support contract includes an award fee which is based on the contractor's performance. The award fee is designed to incentivize the contractor to achieve the highest level of quality and performance possible, and to improve services for the remainder of the contract. To determine the award fee, AMIC uses a formula comprising five objective and subjective factors on contractor performance at all task order locations. The award fee starts at $0; the contractor earns a higher award fee as its performance factors improve. The five factors, each accounting for 20 percent of the total award fee, include:

- the contractor's ability to meet the service summary requirements;
- operational units' feedback on contractor performance through warfighter surveys;

[19] An accident investigation board conducts a legal investigation to inquire into the facts surrounding Air Force aircraft and aerospace accidents; to prepare a publicly-releasable report; to gather and preserve evidence for use in litigation, claims, disciplinary actions, and administrative proceedings; and for other purposes.

- the contractor's hiring and retention rates;
- special interest items;[20] and
- the program manager's subjective opinion of the contractor's performance.

We reviewed the award fee determination letters and award fee briefings for each of the three award fee periods, between July 2018 and December 2019, and found that as contractor performance improved, AMIC authorized a higher award fee.

For example, we found in award fee period three that, the contractor received its highest average warfighter survey rating, highest program manager subjective evaluation, and the fewest number of major nonconformance reports.

For example, we found in award fee period three that the contractor received its highest average warfighter survey rating, highest program manager subjective evaluation, and the fewest number of major nonconformance reports. Collectively, these three improvements demonstrate improved contractor performance throughout the contract's period of performance. Specifically, since award fee period one, the average warfighter survey rating increased from .91 to 1.48; the program manager's subjective opinion of the contractor's performance increased from 40 percent to 85 percent; and the number of major nonconformance reports written in award fee period three compared to award fee period one decreased from 12 to 5.[21] Collectively, these three metrics demonstrate overall contractor improvement since the first award fee period when the contractor only received 42 percent of the total award fee available. The improvements made by the contractor in the third award fee period resulted in an award fee of $996,182 (77 percent of the total award fee available), which was an increase from the $696,246 awarded in period two (63 percent of the total award fee available), and an increase from $401,511 (42 percent of the total award fee available) awarded in period one. Therefore, we conclude that AMIC's use of the award fee resulted in improvements in the contractor's performance. Table 5 summarizes the three award fee periods on the contract and shows the available award fee amounts, awarded amount, and select service metrics indicating improved contractor performance.

[20] Special interest items are contract areas the program manager would like to focus on for a given award period. For example, in the first award fee period, the program manager identified the contractor's performance during contract transition as the special interest item.

[21] Major nonconformance reports are documented as Corrective Action Reports; AMIC defines major nonconformance as the potential to negatively impact mission accomplishment, the safety of personnel, or the cost, schedule, and performance of the contract. AMIC considers major nonconformance reports under the contractor's ability to meet service summary requirements in calculating the award fee; therefore, we included them as an example of improved performance.

Table 5. Award Fees Awarded by AMIC

Award Fee Period	Total Award Fee Amount Available	Amount and Percentage of Available Fee Awarded	Average Warfighter Survey Rating[1]	Program Manager Subjective Opinion[2]	Major Nonconformance Reports Issued
1 (July 1-December 31, 2018)	$966,304	$401,511 (42 percent)	0.91	40 percent	12
2 (January 1-June 30, 2019)	$1,100,000	$696,246 (63 percent)	1.36	70 percent	15
3 (July 1-December 31, 2019)	$1,300,000	$996,182 (77 percent)	1.48	85 percent	5
Total	**$3,366,304**	**$2,093,939 (62 percent)**			

[1] AMIC distributes the Warfighter Survey to operational Commanders who rely on the contractor's service at each place of performance. The survey respondents award a rating of -1 (unsatisfactory), 0 (satisfactory), 1 (good), or 2 (outstanding); AMIC averages the ratings and awards a corresponding dollar value.

[2] The program manager's subjective opinion is based on information available to him, including major positive or negative incidents, operational unit feedback, and factors addressed in other areas of the award fee plan, such as service summary requirements.

Source: The DoD OIG.

We conclude that AMIC's performance oversight corrected COR-identified instances of contractor noncompliance with contract requirements because CORs maintained comprehensive documentation of contractor noncompliance and corrective actions taken, AMIC withheld payment when the contractor failed to meet contract requirements, and AMIC used award fees to motivate contractor performance.

AMIC Ensured Correct Payment of Invoices but Should Establish Written Procedures

AMIC verified the accuracy of contractor invoices prior to payment and only reimbursed the contractor for contractually eligible costs. According to the contracting officer, AMIC reviews each invoice to ensure that AMIC paid the correct amount for FFP services and paid only for costs allowable for reimbursement on cost reimbursable invoices. Approximately $105 million of the contract's value is FFP and the approximate value of the cost reimbursable contract line items on the contract is $32 million. The FFP elements of the contract include payment for the personnel and management necessary to provide operations and maintenance support of the MQ-9 and RQ-4 in accordance with the RPA contract. The reimbursable costs include labor uplift rates for contracted personnel who deploy to contingency locations where danger pay is authorized by the contract, such as Kandahar Airfield, and travel expenses for contracted personnel to and from a deployed location.

According to the program manager and the contracting officer, AMIC reviews each invoice. Specifically, for FFP invoices, AMIC divides the task order value by the period of performance to arrive at the monthly payment amount. For cost reimbursable invoices, AMIC reviews each invoice the contractor submits to ensure the claimed costs are allowable per the contract. Contracting office personnel review supporting documents, such as airline receipts and time cards, based on verbal and informal internal AMIC instructions.

We reviewed a statistical sample 33 of 139 FFP invoices, and 30 of 70 cost reimbursable invoices, the objective of the sample was to test whether AMIC's invoice review procedures resulted in correct, authorized payment for FFP and cost reimbursable invoices. We determined that AMIC paid the correct amount in all 33 FFP instances. For the 30 cost reimbursable invoices, we did not identify any unallowable costs for which AMIC reimbursed the contractor. Therefore, we conclude that the invoice review procedures of AMIC's program management personnel and contracting officer ensured that AMIC is paying only for contractually agreed-upon costs. Table 6 summarizes the contractor-submitted invoices for the FFP and cost reimbursable invoices we reviewed from August 2018 to January 2020.

Table 6. Firm-Fixed-Price and Cost Reimbursable Invoice Samples

Type of Invoice	Number of Invoices Reviewed	Universe	Percentage of Universe Reviewed	Value Reviewed
Firm-Fixed-Price	33	139 Invoices	24 percent	$14,534,493
Cost Reimbursable	30	70 Invoices	43 percent	$6,385,675

Note: The objective of the sample was to test whether AMIC's invoice review procedures resulted in correct, authorized payment for FFP and cost reimbursable invoices. The sample did not include a projection for the total invoice values. Our review determined that with 90-percent confidence the full population of invoices will contain no more than 5 percent of incorrectly paid invoices.

Source: The DoD OIG.

However, we determined that AMIC did not have formally written invoice review procedures. AMIC contracting and program management personnel explained that their process was to review all invoices based on informal, verbal instructions; AMIC did not have formally written invoice review procedures. DoD criteria regarding invoice reviews does not definitively require formally written invoice review procedures. The only criteria we identified was established in the Defense Contingency COR Handbook, which states that only the contracting officer can approve final payment and is responsible for monitoring invoice and voucher payments according to the terms and conditions of the contract as well as in

accordance with local policies and guidance.[22] We did not identify any negative effects as a result of these verbally established invoice review procedures; however, if AMIC experiences personnel turnover, it could lose the consistency and thoroughness of its invoice reviews. Therefore, to strengthen its financial oversight procedures, we recommend that the AMIC Director ensure the program manager and contracting officer work together to develop written procedures establishing who is responsible for invoice reviews, and the specific procedures those personnel should follow when performing an invoice review.

Conclusion

As a result of AMIC's performance and financial oversight, AMIC had assurance that the $124 million spent on the RPA contract was for contractually compliant services and only included costs eligible for reimbursement. Table 7 summarizes the total amount AMIC spent on the RPA contract for contractor-submitted invoices and award fees awarded to the contractor.

Table 7. Contractor-Submitted Invoices and Award Fees Awarded (in Millions)

August 2018 through May 2020 Invoices	Total Invoice Amount
Firm-Fixed-Price Invoices	$98 million
Cost Reimbursable Invoices	$24 million
Award Fee Period	**Award Fee Amount Awarded**
July 1–December 31, 2018	$0.4 million
January 1–June 30, 2019	$0.7 million
July 1–December 31, 2019	$1 million
Total	**$124 million***

*Total does not equal the actual sum because of rounding.
Source: The DoD OIG.

For example, AMIC's monthly inspections and award fee plan ensured the contractor met contractually required mission capable rates for the MQ-9 for every month since January 2019 and enabled AMIC to immediately hold the contractor accountable when RQ-4 performance did not meet the contractual requirements. In addition, AMIC ensured the contractor did not claim ineligible costs for reimbursement under the cost reimbursable elements of the RPA contract.

[22] Defense Contingency COR Handbook, Chapter 7, "Contract Administration," Addendum 1, "Voucher and Invoice Review," June 11, 2019.

Recommendation

Recommendation 1

We recommend that the Director of the Acquisition Management and Integration Center direct the Remotely Piloted Aircraft Operations and Maintenance Support Contract program manager and contracting officer to develop and implement formal procedures detailing who is responsible for conducting invoice reviews and the methodology for conducting those reviews.

Management Actions Taken

During the audit we told the program manager and contracting officer that a weakness existed in AMIC's invoice review procedures. We explained that AMIC did not formally document who was responsible for invoice reviews and the specific procedures the reviewer would follow. The program manager agreed with our observation; developed documented invoice review procedures; and immediately informed the officials responsible for conducting invoice reviews of the newly documented invoice review procedures. We reviewed the procedures and determined that they satisfied the intent of the recommendation. For example, the new invoice review procedures identify the program management office as responsible for reviewing invoices for accuracy. The specific checks include reviewing the contractor's monthly cost reimbursable reports to ensure the reports match the overall amount of the contractor's invoices, validating that the contractor is using current Department of State allowances for danger pay, and the procedures establish random sampling methodologies to identify contractor travel allowances. In July 2020, AMIC included the invoice review procedures in its program management division's Portfolio Management Plan.

Management's actions addressed our recommendation; therefore, the recommendation is closed. We are not requesting additional comments in response to the final report.

Appendix A

Scope and Methodology

We conducted this performance audit from February 2020 through July 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We conducted this audit at AMIC offices at Joint Base Langley-Eustis, Virginia. Although DoD travel restrictions in response to the coronavirus disease–2019 pandemic prevented us from our planned site visits to U.S.-based and overseas RPA maintenance locations, we do not believe this impacted our ability to conduct the audit. Specifically, we reviewed the RPA Operations and Maintenance Support contract, task orders, performance work statement, QASP, and CORs' surveillance methods and documentation to determine whether AMIC ensured the contractor provided services in accordance with contract requirements. In addition, to determine contract oversight responsibilities of program management and contracting officials, we reviewed the FAR, DoD Instructions, the DoD COR handbook, and the following Air Force criteria:

- Air Force Instruction 63-138, "Acquisition of Services," September 30, 2019, and
- Air Force Instruction 21-101, "Aircraft and Equipment Maintenance Management," May 21, 2019.

Furthermore, to determine oversight roles, responsibilities, and processes we interviewed RPA Operations and Maintenance Support contract oversight personnel, including the contracting officer, program manager, quality assurance manager, and five CORs. We obtained 330 nonconformance reports written to the contractor from July 2018 to December 2019. We reviewed the nonconformance reports to identify the severity of the nonconformance and corrective actions taken by the contractor. We also reviewed the RPA performance requirements summaries compiled by the contractor from July 2018 to May 2020.[23]

[23] Our review of the nonconformance reports and performance requirements summaries cover different time periods. During our audit, we used all nonconformance reports and performance requirements summaries issued through the end of 2019. When we drafted this report, we used updated performance requirements summaries through May 2020 to show more current information. We did not extend the period of nonconformance reports because we believed we had a sufficient number of nonconformance reports on which to base our analysis.

Finally, to determine that amounts paid to the contractor were allowable under the contract, we reviewed a statistical sample of 33 of a total of 139 FFP invoices valued at $14.5 million, and 30 of a total of 70 cost reimbursable invoices valued at $6.4 million, from August 2018 to January 2020. The objective of our testing was to determine whether AMIC's invoice review procedures resulted in correct, authorized payment for FFP and cost reimbursable invoices. The sample did not include a projection for the total invoice values. Our review determined that with 90-percent confidence the full population of invoices will contain no more than 5 percent of incorrectly paid invoices. To determine that AMIC paid the correct amounts for FFP invoices, we calculated the expected monthly payment amounts for each task order by dividing the total value of the task order's period of performance by the number of months in the period of performance. We then compared the calculated expected amount to the actual invoice amount and verified the amounts matched. We asked AMIC to provide an explanation for any discrepancy between our calculation and the actual amount paid and we reviewed AMIC's documentation for each discrepancy to confirm that the amount paid was correct. For the cost reimbursable invoices, we reviewed each invoice in our sample to determine that the contract line items on the invoice were authorized on the corresponding task order. In addition, we matched supporting evidence for each cost reimbursable invoice in our sample to verify that line items we selected had documents such as receipts to support the claimed expense. Specifically, we non-statistically selected 25 line items valued at $175,000, and reviewed the supporting documentation. We selected line items from multiple cost categories, including travel and relocation expenses valued at over $800.

Use of Computer-Processed Data

We did not rely on computer-processed data to support our audit conclusions. However, we used RPA performance data provided by AMIC to document the contractor's achieved IMDS performance metrics. The IMDS is designed to support aircraft communications, electronics, and equipment maintenance activities worldwide. The RPA contract requires the contractor to document all maintenance actions in the IMDS. Due to travel restrictions, we were unable to test the data that reside on the IMDS. Therefore, we interviewed and reviewed surveillance records of AMIC CORs responsible for ensuring contract compliance. Through our interviews and review of surveillance documentation, we validated that as part of their monthly oversight, the CORs trace source documentation to IMDS inputs to ensure data accuracy. Therefore, we determined that the RPA performance data were sufficiently reliable for the purposes of this report.

Use of Technical Assistance

The DoD OIG's Quantitative Methods Division developed the statistical sample plan for our review of the contractor's FFP and cost reimbursable invoices and advised us on projecting the samples' results.

Appendix B

Prior Coverage

During the last 5 years, the DoD OIG and the Air Force issued 10 reports discussing RPA operations and maintenance support. Unrestricted DoD OIG reports can be accessed at https://www.dodig.mil/reports.html/. Unrestricted Air Force Audit Agency reports can be accessed at https://efoia.milcloud.mil/App/ReadingRoom.aspx.

DoD OIG

Report No. DODIG-2019-036, "Defense Hotline Allegations Concerning the MQ-9 Block 5 Reaper Unmanned Aerial System," December 12, 2018

> The DoD OIG determined that the Air Force was appropriately charged for MQ-9 Block 5 aircraft repairs prior to accepting the aircraft and was using MQ-9 Block 5 aircraft for operational missions. However, the Air Force procured excess MQ-9 Block 5 aircraft spare parts. Specifically, MQ-9 Program Management Office officials procured an available inventory of 5,456 MQ-9 Block 5 aircraft spare parts, valued at $92.6 million, that included 3,746 excess spare parts, valued at $30.9 million.

Report No. DODIG-2018-146, "Hotline Allegations Regarding the Acceptance and Testing of the MQ-9 Reaper Aircraft," August 16, 2018

> The DoD OIG evaluated a DoD Hotline complaint regarding the acceptance and testing. Specifically, the DoD OIG evaluated an allegation that an Air Force lead engineer incorrectly categorized and inappropriately accepted nonconforming material, and an allegation that Air Force personnel performed flight tests early in the morning to prevent the aircraft from overheating and obtain favorable flight test results. The evaluation did not substantiate either allegation.

Air Force

Report No. F2019-0016-RA0000, "Remotely Piloted Aircraft Maintenance and Support Equipment, 768th Expeditionary Air Base Squadron, Air Base 101, Niger," January 11, 2019

> The objective of this audit was to determine whether personnel timely accomplished maintenance actions and accounted for remotely piloted aircraft support equipment and information technology assets. The audit team found that Air Force personnel did not accurately account for remotely piloted aircraft support equipment and information technology assets. Specifically, personnel did not accurately account for 20 assets valued at $409,230.

Report No. F2019-0014-RA0000, "Remotely Piloted Aircraft Maintenance and Support Equipment, 324th Expeditionary Reconnaissance Squadron, Naval Air Station Sigonella, Italy," January 9, 2019

The objective of this audit was to determine whether 324th Expeditionary Reconnaissance Squadron personnel timely accomplished maintenance actions and accounted for remotely piloted aircraft support equipment and information technology assets. The audit team found that squadron personnel accounted for information technology assets but did not account for 12 remotely piloted aircraft support equipment items valued at $240,634, including 10 unrecorded and 2 missing assets.

Report No. F2019-0008-RA0000, "Remotely Piloted Aircraft Maintenance and Support Equipment, 12th Expeditionary Special Operations Squadron, Chabelley Airfield, Djibouti," December 18, 2018

The objective of this audit was to determine whether the 12th Expeditionary Special Operations Squadron personnel timely accomplished maintenance actions and accounted for remotely piloted aircraft support equipment and information technology assets. The audit team found that the 12th Expeditionary Special Operations Squadron personnel timely accomplished maintenance actions and accounted for RPA support equipment. However, they did not properly account for 46 information technology assets valued at $129,097.

Report No. F2017-0047-RWN000, "Follow-On Audit, General Fund Military Equipment–Remotely Piloted Aircraft in the Continental United States and Overseas, 9th Reconnaissance Wing, Beale Air Force Base California," May 16, 2017

The objective of this follow-on audit was to determine whether management implemented the two recommendations in Report No. F2013-0018-RWN000, "General Fund Military Equipment–Remotely Piloted Aircraft in the Continental United States and Overseas," November 20, 2012. The previous report identified that 9th Reconnaissance Wing personnel did not reconcile remotely piloted aircraft asset locations within applicable inventory systems to accurately reflect assets on hand for the Air Force financial records. In the follow-on audit, the audit team found that 9th Reconnaissance Wing personnel did not implement one of two recommendations associated with validation procedures.

Report No. F2017-0033-RA0000, "Follow-On Audit Remotely Piloted Aircraft Accountability and Maintenance 380th Air Expeditionary Wing, Southwest Asia," May 16, 2017

The objective of this follow-on audit was to determine whether management implemented the two recommendations identified in Report No. F2013-0013-RA0000, "Remotely Piloted Aircraft Accountability and Maintenance," February 20, 2013. The previous report identified issues with managing the Global Hawk program. Specifically, 380th Air Expeditionary Wing personnel did not properly account for support equipment assets and timely perform time compliance technical orders. In the follow-on audit, the audit team found that 380th Air Expeditionary Wing personnel did not implement one of two recommendations associated with timely accomplishing maintenance actions.

Report No. F2017-0032-RA0000, "Follow-On Audit, Remotely Piloted Aircraft Maintenance and Accountability, 451st Air Expeditionary Group, Kandahar Airfield, Afghanistan," May 16, 2017

The objective of this follow on audit was to determine whether management implemented the five recommendations identified in Report No. F2013-0015-RA0000, "Remotely Piloted Aircraft Maintenance and Accountability," February 20, 2013. The audit team was unable to determine whether four of five recommendations were implemented due to the period of time between the original audit and the follow-on audit, frequent turnover of personnel, and non-availability of supporting documentation from 2013. Furthermore, the audit team found that the Air Force did not implement one of five recommendations because Air Force personnel did not develop an action plan to address and implement the recommendation.

Report No. F2017-0031-RWS000, "Close-Out Audit, Remotely Piloted Aircraft, 147th Reconnaissance Wing, Air National Guard Ellington Field Joint Reserve Base Texas," April 6, 2017

The objective of this audit was to determine the effectiveness of actions taken in response to recommendations in Report No. F2013-0066-RWS000, "Remotely Piloted Aircraft," July 22, 2013. Specifically, the audit team determined whether the 147th Reconnaissance Wing personnel properly accounted for RPA equipment assets and identified RPA equipment requirements based on mission needs. The audit team found that 147th Reconnaissance Wing personnel did not effectively manage the RPA program. Although personnel properly accounted for all 211 RPA equipment assets reviewed, they could not substantiate the RPA equipment requirements based on mission needs.

Report No. F2017-0023-RWS000, "Follow-On Audit, Remotely Piloted Aircraft, 147th Reconnaissance Wing, Air National Guard Ellington Field Joint Reserve Base Texas," February 15, 2017

The objective follow-on audit to determine whether management implemented the seven recommendations associated with maintenance actions, equipment requirements, and accountability in report F2013-0066-RWS000, "Remotely Piloted Aircraft," July 22, 2013. The previous report concluded that Air Force personnel did not timely perform maintenance actions, properly identify equipment requirements, and account for all equipment assets. On the follow-on audit, the audit team found that Air Force personnel implemented all seven recommendations.

Acronyms and Abbreviations

ACC	Air Combat Command
AMIC	Acquisition Management and Integration Center
COR	Contracting Officer's Representative
FAR	Federal Acquisition Regulation
FFP	Firm-Fixed-Price
IMDS	Integrated Maintenance Data System
MQ-9	MQ-9 Reaper
PWS	Performance Work Statement
QASP	Quality Assurance Surveillance Plan
RPA	Remotely Piloted Aircraft
RQ-4	RQ-4 Global Hawk

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