

the date that is three years after the date of the enactment of the Carl Levin and Howard P. ‘Buck’ McKeon National Defense Authorization Act for Fiscal Year 2015 [Dec. 19, 2014].

“(2) CONTINUING EFFECT OF CLAUSES INCLUDED BEFORE SUNSET.—Any clause described by subsection (a)(2) that is included in a contract, grant, or cooperative agreement pursuant to this section before the date specified in paragraph (1) shall remain in effect in accordance with its terms.”

#### EXEMPTION OF FUNCTIONS

Functions with respect to purchases authorized to be made outside limits of United States or District of Columbia under Foreign Assistance Act of 1961, as amended, as exempt, see Ex. Ord. No. 11223, May 12, 1965, 30 F.R. 6635, set out as a note under section 2393 of Title 22, Foreign Relations and Intercourse.

#### FOREIGN CONTRACTORS

Secretaries of Defense, Army, Navy, or Air Force, or their designees, to determine, prior to exercising authority provided in amendment of this section by Pub. L. 89-607 to exempt certain contracts with foreign contractors from requirement of an examination-of-records clause, that all reasonable efforts have been made to include such examination-of-records clause, as required by par. (11) of Part I of Ex. Ord. No. 10789, and that alternate sources of supply are not reasonably available, see par. (11) of Part I of Ex. Ord. No. 10789, Nov. 14, 1958, 23 F.R. 8897, as amended, set out as a note under section 1431 of Title 50, War and National Defense.

### § 2313a. Defense Contract Audit Agency: annual report

(a) REQUIRED REPORT.—The Director of the Defense Contract Audit Agency shall prepare an annual report of the activities of the Agency during the previous fiscal year. The report shall include, at a minimum—

- (1) a description of significant problems, abuses, and deficiencies encountered during the conduct of contractor audits;
- (2) statistical tables showing—
  - (A) the total number of audit reports completed and pending;
  - (B) the priority given to each type of audit;
  - (C) the length of time taken for each type of audit;
  - (D) the total costs of sustained or recovered costs both as a total number and as a percentage of questioned costs; and
  - (E) an assessment of the number and types of audits pending for a period longer than allowed pursuant to guidance of the Defense Contract Audit Agency;

(3) a summary of any recommendations of actions or resources needed to improve the audit process;

(4) a description of outreach actions toward industry to promote more effective use of audit resources; and

(5) any other matters the Director considers appropriate.

(b) SUBMISSION OF ANNUAL REPORT.—Not later than March 30 of each year, the Director shall submit to the congressional defense committees the report required by subsection (a).

(c) PUBLIC AVAILABILITY.—Not later than 60 days after the submission of an annual report to the congressional defense committees under sub-

section (b), the Director shall make the report available on the publicly available website of the Agency or such other publicly available website as the Director considers appropriate.

(Added Pub. L. 112-81, div. A, title VIII, § 805(a), Dec. 31, 2011, 125 Stat. 1486; amended Pub. L. 114-92, div. A, title VIII, § 893(b), Nov. 25, 2015, 129 Stat. 952; Pub. L. 114-328, div. A, title VIII, § 824(d)(1), Dec. 23, 2016, 130 Stat. 2279.)

#### AMENDMENT OF SUBSECTION (a)

*Pub. L. 114-328, div. A, title VIII, § 824(d), Dec. 23, 2016, 130 Stat. 2279, provided that, effective Oct. 1, 2018, subsection (a) of this section is amended:*

*(1) by redesignating paragraphs (4) and (5) as paragraphs (6) and (7), respectively; and*

*(2) by inserting after paragraph (3) the following new paragraphs (3) and (4) [sic]:*

*“(3) a summary, set forth separately by dollar amount and percentage, of indirect costs for independent research and development incurred by contractors in the previous fiscal year;*

*“(4) a summary, set forth separately by dollar amount and percentage, of indirect costs for bid and proposal costs incurred by contractors in the previous fiscal year;”*

*See 2016 Amendment note below.*

#### AMENDMENTS

2016—Subsec. (a). Pub. L. 114-328 added par. (3), relating to summary of indirect costs for independent research and development, and par. (4) and redesignated former pars. (4) and (5) as (6) and (7), respectively.

2015—Subsec. (a)(2)(D). Pub. L. 114-92, § 893(b)(1), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: “the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs); and”.

Subsec. (a)(4), (5). Pub. L. 114-92, § 893(b)(2)–(4), added par. (4) and redesignated former par. (4) as (5).

#### EFFECTIVE DATE OF 2016 AMENDMENT

Pub. L. 114-328, div. A, title VIII, § 824(d)(2), Dec. 23, 2016, 130 Stat. 2279, provided that: “The amendments made by this subsection [amending this section] shall take effect on October 1, 2018.”

### § 2314. Laws inapplicable to agencies named in section 2303 of this title

Sections 6101 and 6304 of title 41 do not apply to the procurement or sale of property or services by the agencies named in section 2303 of this title.

(Aug. 10, 1956, ch. 1041, 70A Stat. 133; Pub. L. 96-513, title V, § 511(78), Dec. 12, 1980, 94 Stat. 2927; Pub. L. 103-160, div. A, title VIII, § 822(b)(2), Nov. 30, 1993, 107 Stat. 1706; Pub. L. 111-350, § 5(b)(16), Jan. 4, 2011, 124 Stat. 3843; Pub. L. 113-291, div. A, title X, § 1071(a)(4), Dec. 19, 2014, 128 Stat. 3504.)

#### HISTORICAL AND REVISION NOTES

Revised section	Source (U.S. Code)	Source (Statutes at Large)
2314 .....	41:160.	Feb. 19, 1948, ch. 65, § 11(b), 62 Stat. 25.

#### AMENDMENTS

2014—Pub. L. 113-291 substituted “Sections 6101” for “Sections 6101(b)–(d)”.