

and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

### § 3843. [Reserved]

(Added Pub. L. 116-283, div. A, title XVIII, § 1835(e)(1), Jan. 1, 2021, 134 Stat. 4241; amended Pub. L. 117-81, div. A, title XVII, § 1701(i)(7)(B)(i), Dec. 27, 2021, 135 Stat. 2142.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 3843, added Pub. L. 85-861, § 1(94), Sept. 2, 1958, 72 Stat. 1483; amended Pub. L. 86-559, § 1(23), June 30, 1960, 74 Stat. 271; Pub. L. 99-145, title XIII, § 1303(a)(20)(A), Nov. 8, 1985, 99 Stat. 739, related to transfer or discharge of reserve commissioned officers below grade of major general, prior to repeal by Pub. L. 103-337, div. A, title XVI, §§ 1629(a)(3), 1691(b)(1), Oct. 5, 1994, 108 Stat. 2963, 3026, effective Oct. 1, 1996. See sections 14509 and 14510 of this title.

##### AMENDMENTS

2021—Pub. L. 117-81, § 1701(i)(7)(B)(i), amended Pub. L. 116-283, § 1835(e)(1), which enacted this section, by adding section 3843 designation and catchline “[Reserved]” and striking out former section 3843 designation and catchline “Contractor internal audit reports: Department of Defense access to, use of, and safeguards and protections for”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2021 AMENDMENT

Amendment made to Pub. L. 116-283 by Pub. L. 117-81, resulting in omission of this section, applicable as if included in the enactment of title XVIII of Pub. L. 116-283 as enacted, see section 1701(a)(2) of Pub. L. 117-81, set out in a note preceding section 3001 of this title and Effective Date note below.

##### EFFECTIVE DATE

Section effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as an Effective Date of 2021 Amendment note preceding section 3001 of this title.

### § 3844. [Reserved]

(Added Pub. L. 116-283, div. A, title XVIII, § 1835(e)(1), Jan. 1, 2021, 134 Stat. 4241; amended Pub. L. 117-81, div. A, title XVII, § 1701(i)(7)(B)(i), Dec. 27, 2021, 135 Stat. 2142.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 3844, added Pub. L. 85-861, § 1(94), Sept. 2, 1958, 72 Stat. 1484; amended Pub. L. 86-559, § 1(24), June 30, 1960, 74 Stat. 271, related to transfer or discharge of certain reserve major generals and brigadier generals who are 62 years old, prior to repeal by Pub. L. 103-337, div. A, title XVI, §§ 1629(a)(3), 1691(b)(1), Oct. 5, 1994, 108 Stat. 2963, 3026, effective Oct. 1, 1996. See section 14511 of this title.

##### AMENDMENTS

2021—Pub. L. 117-81, § 1701(i)(7)(B)(i), amended Pub. L. 116-283, § 1835(e)(1), which enacted this section, by adding section 3844 designation and catchline “[Reserved]” and striking out former section 3844 designation and catchline “Contractor business systems”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2021 AMENDMENT

Amendment made to Pub. L. 116-283 by Pub. L. 117-81, resulting in omission of this section, applicable as if included in the enactment of title XVIII of Pub. L. 116-283 as enacted, see section 1701(a)(2) of Pub. L. 117-81, set out in a note preceding section 3001 of this title and Effective Date note below.

##### EFFECTIVE DATE

Section effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as an Effective Date of 2021 Amendment note preceding section 3001 of this title.

### § 3845. Contractor inventory accounting systems: standards

(a) The Secretary of Defense shall prescribe in regulations—

(1) standards for inventory accounting systems used by contractors under contract with the Department of Defense; and

(2) appropriate enforcement requirements with respect to such standards.

(b) The regulations prescribed pursuant to subsection (a) shall not apply to a contract that is for an amount not greater than the simplified acquisition threshold.

(c) The regulations prescribed pursuant to subsection (a) shall not apply to a contract for the purchase of commercial products.

(Added Pub. L. 100-456, div. A, title VIII, § 834(a)(1), Sept. 29, 1988, 102 Stat. 2024, § 2410b; amended Pub. L. 103-355, title IV, § 4102(h), title VIII, § 8105(i), Oct. 13, 1994, 108 Stat. 3341, 3393; Pub. L. 104-106, div. D, title XLIII, § 4301(a)(1), Feb. 10, 1996, 110 Stat. 656; Pub. L. 104-201, div. A, title X, § 1074(b)(3), Sept. 23, 1996, 110 Stat. 2660; Pub. L. 111-350, § 5(b)(28), Jan. 4, 2011, 124 Stat. 3845; Pub. L. 115-232, div. A, title VIII, § 836(e)(6), Aug. 13, 2018, 132 Stat. 1870; renumbered § 3845 and amended Pub. L. 116-283, div. A, title XVIII, § 1835(c), (d)(2), Jan. 1, 2021, 134 Stat. 4240.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 3845, added Pub. L. 85-861, § 1(94), Sept. 2, 1958, 72 Stat. 1484; amended Pub. L. 100-456, div. A, title XII, § 1234(a)(1), Sept. 29, 1988, 102 Stat. 2059, related to transfer or discharge of certain officers of Army National Guard of United States who are 64 years of age, prior to repeal Pub. L. 103-337, div. A, title XVI, §§ 1629(a)(3), 1691(b)(1), Oct. 5, 1994, 108 Stat. 2963, 3026, effective Oct. 1, 1996. See section 14512(a) of this title.

##### AMENDMENTS

2021—Pub. L. 116-283, § 1835(c), renumbered section 2410b of this title as this section.

Subsec. (c). Pub. L. 116-283, § 1835(d)(2), struck out “(as defined in section 103 of title 41)” after “commercial products”.

2018—Subsec. (c). Pub. L. 115-232 substituted “commercial products” for “commercial items”.

2011—Subsec. (c). Pub. L. 111-350 substituted “section 103 of title 41” for “section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))”.

1996—Subsec. (a)(2). Pub. L. 104-106, as amended by Pub. L. 104-201, struck out “certification and” after “appropriate”.

1994—Subsecs. (a), (b). Pub. L. 103-355, § 4102(h), designated existing provisions as subsec. (a) and added subsec. (b).

Subsec. (c). Pub. L. 103-355, § 8105(i), added subsec. (c).

## EFFECTIVE DATE

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 2021 AMENDMENT

Amendment by Pub. L. 116-283 effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as a note preceding section 3001 of this title.

## EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-232 effective Jan. 1, 2020, subject to a savings provision, see section 836(h) of Pub. L. 115-232, set out as an Effective Date of 2018 Amendment; Savings Provision note under section 453b of Title 6, Domestic Security.

## EFFECTIVE DATE OF 1996 AMENDMENT

For effective date and applicability of amendment by Pub. L. 104-106, see section 4401 of Pub. L. 104-106, set out as a note under section 2220 of this title.

## EFFECTIVE DATE OF 1994 AMENDMENT

For effective date and applicability of amendment by Pub. L. 103-355, see section 10001 of Pub. L. 103-355, set out as a note under section 8752 of this title.

## REGULATIONS

Pub. L. 100-456, div. A, title VIII, § 834(b), Sept. 29, 1988, 102 Stat. 2025, provided that:

“(1) The Secretary of Defense shall prescribe the regulations required by paragraph (1) of section 2410b of title 10, United States Code [now 10 U.S.C. 3845(a)(1)], as added by subsection (a), not later than 30 days after the date of the enactment of this Act [Sept. 29, 1988].

“(2) The Secretary of Defense shall prescribe the regulations required by paragraph (2) of section 2410b of title 10, United States Code [now 10 U.S.C. 3845(a)(2)], as added by subsection (a), not later than 180 days after the date of the enactment of this Act.”

**§ 3846. [Reserved]**

(Added Pub. L. 116-283, div. A, title XVIII, § 1835(e)(2), Jan. 1, 2021, 134 Stat. 4241; amended Pub. L. 117-81, div. A, title XVII, § 1701(i)(7)(B)(ii), Dec. 27, 2021, 135 Stat. 2142.)

**Editorial Notes**

## PRIOR PROVISIONS

A prior section 3846, added Pub. L. 85-861, § 1(94), Sept. 2, 1958, 72 Stat. 1484, related to transfer or discharge of reserve first lieutenants, captains, and majors not recommended for promotion by two selection boards, prior to repeal by Pub. L. 103-337, div. A, title XVI, §§ 1629(a)(3), 1691(b)(1), Oct. 5, 1994, 108 Stat. 2963, 3026, effective Oct. 1, 1996. See section 14501 et seq. of this title.

## AMENDMENTS

2021—Pub. L. 117-81, § 1701(i)(7)(B)(ii), amended Pub. L. 116-283, § 1835(e)(1), which enacted this section, by adding section 3846 designation and catchline “[Reserved]” and striking out former section 3846 designation and catchline “Defense Contract Audit Agency: legal resources and expertise”.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 2021 AMENDMENT

Amendment made to Pub. L. 116-283 by Pub. L. 117-81, resulting in omission of this section, applicable as if included in the enactment of title XVIII of Pub. L. 116-283 as enacted, see section 1701(a)(2) of Pub. L. 117-81, set out in a note preceding section 3001 of this title and Effective Date note below.

Section effective Jan. 1, 2022, with additional provisions for delayed implementation and applicability of existing law, see section 1801(d) of Pub. L. 116-283, set out as an Effective Date of 2021 Amendment note preceding section 3001 of this title.

**§ 3847. 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 and dollar value of audit reports completed and pending, set forth separately by type of audit;

(B) the priority given to each type of audit;

(C) the length of time taken for each type of audit, both from the date of receipt of a qualified incurred cost submission and from the date the audit begins;

(D) the sustained questioned costs, set forth separately by type of audit, both as a total value and as a percentage of the total questioned costs for the audit;

(E) the total number and dollar value of incurred cost audits completed, and the method by which such incurred cost audits were completed;

(F) the aggregate cost of performing audits, set forth separately by type of audit;

(G) the ratio of sustained questioned costs to the aggregate costs of performing audits, set forth separately by type of audit; and

(H) the total number and dollar value of audits that are pending for a period longer than one year as of the end of the fiscal year covered by the report, and the fiscal year in which the qualified submission was received, set forth separately by type of audit;

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

(4) 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;

(5) 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;

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

(7) 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-