

# INSPECTOR GENERAL

U.S. Department of Defense

# SEMIANNUAL REPORT to the CONGRESS

APRIL 1, 2020 through SEPTEMBER 30, 2020



INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE

Required by Public Law 95-452

### **Mission**

To detect and deter fraud, waste, and abuse in Department of Defense programs and operations; Promote the economy, efficiency, and effectiveness of the DoD; and Help ensure ethical conduct throughout the DoD

### Vision

Engaged oversight professionals dedicated to improving the DoD



### **Whistleblower Protection** U.S. Department of Defense

Whistleblower Protection safeguards DoD employees against retaliation for protected disclosures that expose possible waste, fraud, and abuse in government programs.

For more information, please visit the Whistleblower webpage at http://www.dodig.mil/Components/Administrative-Investigations/Whistleblower-Reprisal-Investigations/Whistleblower-Reprisal/

or contact the Whistleblower Protection Coordinator at Whistleblowerprotectioncoordinator@dodig.mil



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





Sean W. O'Donnell

I am pleased to submit this Semiannual Report (SAR) summarizing the work of the Department of Defense (DoD) Office of Inspector General (OIG) from April 1 through September 30, 2020. This report describes significant oversight the DoD OIG has performed over the past 6 months.

In the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Congress appropriated \$20 million for the DoD OIG to provide oversight of the \$10.6 billion in additional funding Congress appropriated to the DoD for the coronavirus disease-2019 (COVID-19) reponse for FY 2020. On May 14, 2020, we published the DoD OIG COVID-19 Oversight Plan, which describes the independent audits, evaluations, and investigations that we intend to conduct of DoD programs, operations, and activities being executed in response to COVID-19. As of September 30, 2020, the DoD OIG completed one best practices memorandum and six reports and has 19 ongoing audits or evaluations related to COVID-19.

This report also contains various statistical accomplishments of the DoD OIG during the reporting period, which include 303 recommendations to the DoD for improvement. The DoD OIG also completed multiple criminal investigations, some conducted jointly with other law enforcement organizations, resulting in 109 arrests, 119 criminal charges, 93 criminal convictions, \$808 million in civil judgments and settlements, and \$292 million in criminal fines, penalties, and restitution ordered. In addition, the DoD OIG completed 17 senior official, reprisal, and restriction investigations, and oversaw 239 senior official, reprisal, and restriction investigations completed by the Military Service and Defense agency OIGs. The DoD OIG also issued quarterly reports on

five overseas contingency operations. These accomplishments are discussed in detail throughout the report. As of the end of the reporting period, the DoD OIG had 137 ongoing audits and evaluations, 1,742 ongoing criminal investigations, and 24 ongoing administrative investigations. While the DoD OIG strives to be timely in our work, there are occasions when our access to information is delayed due to circumstances beyond our control. During the reporting period we have experienced significant delays in receiving requested information from the DoD. The delays are a result of screening processes the DoD is using to identify and review information that the DoD asserts is potentially subject to the presidential communications privilege. These delays are discussed in the Other Oversight Matters section of the SAR.

During this reporting period, we issued our fourth Compendium of Open Office of Inspector General Recommendations to the Department of Defense. The DoD has provided supporting documentation that led to the closure of over 2,200 recommendations since the Compendium's original issuance in 2017. However, 936 recommendations reported in previous Compendiums remain open. The 2020 Compendium identified 1,602 recommendations, from DoD OIG reports, that remained open as of March 31, 2020. Among them are 51 open recommendations with potential monetary benefits of \$6.5 billion. The Compendium also highlighted 35 open recommendations that the DoD OIG believes warrant priority attention based on the potential for the recommendations to improve the effectiveness of DoD operations and provide cost savings to the taxpayer. While the overall number of open recommendations has remained relatively steady, the number of aged recommendations has increased by 113 percent since last year's Compendium.

Also during this reporting period, the DoD OIG's Defense Criminal Investigative Service (DCIS), conducted many important criminal and civil

investigations. For example, a DCIS investigation examined allegations that employees of Kikiktagruk Inupiat Corporation Development, LLC (KICD) paid kickbacks and bribes to a U.S. Army Corps of Engineers contract employee in exchange for Small Business Administration set-aside contracts. The criminal investigation determined that the U.S. Army Corps of Engineers employee used his position to steer contracts to KICD. The criminal investigation resulted in convictions of for four individuals who participated in the bribery and kickback conspiracy. KICD and its parent company, Kikiktagruk Inupiat Corporation, entered into a civil settlement agreement and agreed to pay the Government \$2.025 million to resolve allegations that false claims were submitted to the DoD. A civil judgment ordered two conspirators to pay the Government over \$12.7 million for their roles in violating the False Claims Act. Additionally, a conspirator agreed to pay the Government \$600,000 and another conspirator agreed to pay \$435,000 to resolve the civil matter.

The DoD OIG's Alternative Dispute Resolution program continues to contribute significantly to the whistleblower protection mission. The Alternative Dispute Resolution program is an option for resolving whistleblower reprisal complaints. During this voluntary process, the parties have the opportunity to explain their interests and concerns and explore and negotiate potential resolutions. The DoD OIG has made a sustained effort to reduce the number of days taken to investigate whistleblower reprisal complaints. Key elements of that effort included increased staffing, streamlined procedures, and the creation of the Alternative Dispute Resolution program. Together, these efforts resulted in a 34-percent reduction in the number of days to investigate whistleblower reprisal complaints in FY 2019, and an additional 51-percent reduction in FY 2020, with an average age of 184 days. The DoD OIG closed 14 investigations during the reporting period in an average of 213 days. As of the end of the reporting period, the DoD OIG's Alternative Dispute Resolution program had resolved 30 whistleblower reprisal complaints.

The DoD Inspector General, as the Lead Inspector General (IG), works closely with our oversight partner agencies from the Department of State and U.S. Agency for International Development, as well as other partner agencies, to conduct our important oversight of five overseas contingency operations, including operations in Syria, Iraq, and Afghanistan. The Lead IG concept represents a whole-of-government effort that promotes greater transparency of overseas contingency operations.

These are just a few examples of DoD OIG accomplishments and initiatives during this semiannual reporting period. I want to thank DoD OIG employees for their outstanding work in fulfilling the critical mission of the DoD OIG, despite the many challenges presented by COVID-19.

Sean W. O'Donnell Acting Inspector General

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## **SUMMARY OF ACTIVITIES**

The Inspector General Act of 1978, as amended, requires the DoD OIG to prepare semiannual reports summarizing its activities for the preceding 6-month period. These semiannual reports are intended to keep the Secretary of Defense and Congress fully informed of significant findings, progress the DoD has made relating to those findings, and recommendations for improvement.

For the reporting period of April 1, 2020, through September 30, 2020, DoD OIG components issued 56 audit and evaluation reports.

### Audit

Audit issued 38 reports identifying \$8.8 million in questioned costs and \$35.4 million in funds that could be put to better use. The reports addressed the DoD efforts and response to COVID-19, security at medical treatment facilities, reporting of DoD improper payments, contract management, acquisition reforms, DoD artificial intelligence data and technology, protective security details, oversight of overseas contingency operations, the DoD Law Enforcement Support Program, and the management of spare parts.

Audit issued the fourth annual Compendium of Open Office of Inspector General Recommendations to the Department of Defense during the reporting period. The DoD OIG reported that, as of March 31, 2020, the number of open recommendations had grown from 1,581 on March 31, 2019, to 1,602. While the DoD completed actions to close some 2,200 recommendations during the past 3 years, there were still 936 recommendations reported in previous Compendiums that remained open as of March 31, 2020. Additionally, the number of recommendations open more than 5 years jumped to 170, a 113-percent increase over the number or recommendations that were reported as more than 5 years old in last year's Compendium. The DoD OIG believes that the DoD should continue to focus attention on implementing open recommendations and ensure that prompt resolution and action is taken, as required by DoD policy.

In one example of the important reports Audit issued during this reporting period, the DoD OIG determined that the Defense Logistics Agency (DLA) Law Enforcement Support Office (LESO) established controls and provided excess DoD property to law enforcement agencies (LEAs) in accordance with the United State Code. However, 14 of the 15 LEAs reviewed by the DoD OIG obtained controlled and uncontrolled LESO property, such as firearms and tools, that they subsequently were not using to support law enforcement activities. The DLA LESO did not provide adequate oversight to ensure that LEAs made LESO property available for use. As a result of the DLA LESO providing property that did not support law enforcement activities, other Federal or state LEAs may unnecessarily spend funds to procure property that could be obtained through the LESO Program. In addition, the DoD may have been able to sell the excess property and use the proceeds to support DoD requirements.

In another audit, the DoD OIG determined that the Joint Artificial Intelligence Center had taken some steps to develop and implement an artificial intelligence governance framework and standards; however, additional actions were needed. An effective governance framework should result in the ability to enforce compliance with decisions about technology use and procurement, and enable the DoD to develop strong partnerships with commercial, academic, and international allies to help address global defense challenges. Additionally, without consistent application of security controls, malicious actors can exploit vulnerabilities on the networks and systems of DoD Components and contractors and steal information related to some of the Nation's most valuable artificial intelligence technologies. The disclosure of artificial intelligence information developed by the DoD could threaten the safety of the warfighter by exposing the Nation's most valuable advanced defense technology causing the United States to be at a disadvantage against its adversaries.

The DoD OIG determined in another audit that the DoD Components did not recover \$29.1 million in costs for executing security assistance programs in accordance with the Arms Export Control Act and the DoD Financial Management Regulation. Specifically, the DoD Components did not recover their costs for paying DoD civilians to work on the security assistance programs, storing security assistance assets at DoD facilities, or maintaining DoD facilities used to execute security assistance programs. By not recovering their expenses paid with appropriated dollars, DoD Components subsidized the security assistance programs with DoD appropriations and potentially violated the Purpose Statute and the Antideficiency Act. In another audit, the DoD OIG determined that the Military Departments did not fully account for or safeguard pharmaceuticals at several facilities in the U.S. Central Command area of responsibility. As a result of the accountability and safeguarding deficiencies identified, the controlled and non-controlled pharmaceuticals at these locations are susceptible to loss, theft, abuse, and diversion. Controlled pharmaceuticals are particularly vulnerable to diversion for illicit use. Non-controlled pharmaceuticals, which are pilferable and sometimes expensive, may also be used for recreational use. Improper use of these pharmaceuticals can degrade military operations and damage the lives, safety, and readiness of military personnel. Without properly conducted inventories, U.S. Central Command was unable to determine whether losses occurred or determine the exact amount of losses of controlled and non-controlled pharmaceuticals at each of the facilities.

### **Evaluations (EVAL)**

Evaluations (EVAL) issued 18 reports during this reporting period. For example, the DoD OIG determined that DoD officials complied with enhanced end-use monitoring requirements for the Javelin missiles and their command launch units. However, the DoD did not fully comply with enhanced end-use physical inventory requirements for night vision devices until 2018, 4 years after the Armed Forces of Ukraine received them in 2014. As a result, a key database for tracking night vision devices did not have current information about their location or condition. This occurred, in part, because the U.S. defense assistance to Ukraine increased from \$35 million in 2013 to \$400 million in 2019 and was not matched by an increase in U.S. Embassy staff. Moreover, U.S. Embassy officials stated that a U.S. European Command policy required any DoD official who wanted to go east of the Dnieper River to obtain an approved Force Protection Plan. Since the main international airport servicing Kyiv, Ukraine, is east of the Dnieper River, it was difficult for DoD officials to visit Ukraine, making oversight of the enhanced end-use monitoring process more difficult.

In another evaluation, the DoD OIG determined that, between January 1, 2015, and December 31, 2017, DoD Education Activity (DoDEA) administrators did not report 600 serious misconduct incidents that could have been characterized as juvenile-on-juvenile misconduct incidents to DoDEA headquarters, installation commanders, or law enforcement. This occurred because DoDEA policy provided DoDEA administrators the discretion to determine which incidents could be reported to DoDEA headquarters, installation commanders, and law enforcement. As a result, DoDEA headquarters personnel were unaware of at least 522 juvenile-on-juvenile incidents, installation commanders could not hold juvenile offenders accountable, and law enforcement could not conduct investigations of serious juvenile-on-juvenile misconduct incidents.

The DoD OIG determined in another evaluation that the DoD's management of health and safety hazards in Government-owned and Government-controlled military family housing needed improvement. The evaluation identified systemic deficiencies in the management of lead-based paint, asbestos-containing material, and radon at the eight military installations visited. In addition, there were instances where installation officials did not properly manage other health and safety hazards, such as fire safety or drinking water quality. As a result, the potential existed for similar deficiencies in the management of health and safety hazards in Government-owned and Government-controlled military family housing worldwide, which put the health and safety of service members and their families at risk.

In another evaluation, the DoD OIG determined that the DoD did not consistently meet outpatient mental health access to care standards for active duty service members and their families, in accordance with law and applicable DoD policies. In addition, 7 of 13 military treatment facilities (direct care system) or their supporting TRICARE network (purchase care system) did not meet the specialty mental health access to care standard each month. Moreover, an average of 53 percent (4,415 of 8,328 per month) of all active duty service members and their families, identified as needing mental health care and referred to the purchased care system, did not receive care and the Military Health System did not know why. As a result, thousands of active duty service members and their families may have experienced delays in obtaining mental health care, which could increase the risk of jeopardizing patient safety and affect the readiness of the force.

### **Defense Criminal Investigative Service (DCIS)**

Defense Criminal Investigative Service (DCIS) investigations, including those conducted jointly with other law enforcement organizations, resulted in \$1.22 billion in investigative receivables and recoveries. These investigative receivables and recoveries consisted of \$808 million in civil judgments and settlements; \$292 million in criminal fines, penalties, and restitution ordered; \$931,000 of recovered Government property; and \$117.7 million in administrative recoveries, such as contractual agreements and military non-judicial punishment. DCIS had 1,742 ongoing investigations, opened 263 cases, and closed 237 cases during this reporting period. These cases related to criminal allegations of procurement fraud, public corruption, product substitution, health care fraud, illegal technology transfer, and cyber crimes and computer network intrusions.

### Administrative Investigations (AI)

Administrative Investigations (AI) completed 17 senior official, reprisal, and restriction investigations, and oversaw 239 senior official, reprisal, and restriction investigations completed by Military Service and Defense agency OIGs. In addition, the DoD Hotline received 7,683 contacts, opened 3,687 cases, and closed 3,594 cases. The DoD OIG's Alternative Dispute Resolution (ADR) program resolved 30 whistleblower reprisal complaints.

The Hotline received 421 COVID-19 related complaints ranging from leaders or personnel not practicing social distancing and endangering or infecting others to allegations that health care personnel were not being properly used or properly protected from the virus. The most serious cases alleging actual infection were referred to the Centers for Disease Control and Prevention, the Defense Health Agency, and the respective DoD Component. As of September 30, 2020, none of the complaints alleging actual infection were substantiated. The DoD Hotline also received 205 disclosures where DoD contractors self-reported violations in accordance with the DoD Contractor Disclosure Program.

The Whistleblower Reprisal Investigations (WRI) Directorate received 470 reprisal and military restriction cases during the reporting period and was notified about 499 complaints received by Military Service and Defense agency IGs. WRI and the other IGs closed 1,057 cases, 785 of which were evaluated and closed without investigation. The Alternative Dispute Resolution (ADR) program resolved 30 whistleblower reprisal complaints. The Investigations of Senior Officials (ISO) Directorate received 485 complaints about senior official misconduct and closed 446 cases, including investigations, cases closed after initial review, and cases closed after a complaint clarification interview with the complainant and other limited investigative work. Additionally, ISO processed senior official name check requests on a total of 15,566 names during this reporting period to report any adverse information on those senior officials.

### **Overseas Contingency Operations (OCO)**

Overseas Contingency Operations (OCO) coordinated and fulfilled the DoD OIG's Lead IG oversight responsibilities. During the reporting period, the DoD IG was the Lead IG for five OCOs: Operation Inherent Resolve, the effort to defeat the Islamic State of Iraq and Syria (ISIS) in Iraq and Syria, initiated in October 2014; Operation Freedom's Sentinel, the counterterrorism effort and train, advise, and assist mission in Afghanistan, initiated in January 2015; Operation Pacific Eagle–Philippines, the U.S. effort to support the Philippine government in its efforts to counter ISIS and other violent extremist organizations in the Philippines, initiated in November 2017; and the East Africa (EA) Counterterrorism Operation and the North and West Africa (NWA) Counterterrorism Operation, both initiated in February 2018.

During the reporting period, the DoD OIG published two quarterly reports for each operation. The DoD OIG also issued nine individual oversight reports related to the OCOs. For example, the DoD OIG reported on the Air Force's COVID-19 screening and quarantine procedures for personnel entering Al Udeid Air Base, Qatar; DoD oversight of contractors who provide meals and other services to deployed forces and Coalition partners at Resolute Support Headquarters in Afghanistan; and the DoD's oversight of training provided to mobile medical teams prior to deploying to the U.S. Africa Command and U.S. Indo-Pacific Command areas of operations. Lead IG agencies coordinated on 100 open investigations related to Operation Inherent Resolve (OIR) and 64 open investigations related to Operation Freedom's Sentinel (OFS).

## **STATISTICAL HIGHLIGHTS**

Summary of Activities	Total for the Reporting Perio
AUDIT ACTIVITIES	
Reports Issued	38
Recommendations Made With Questioned Costs	\$8.8 Millior
Recommendations Made on Funds Put to Better Use	\$35.4 Millior
Achieved Monetary Benefits	\$55,000
EVALUATIONS	
Evaluations Reports Issued	18
DEFENSE CRIMINAL INVESTIGATIVE SERVICE ACTIVITIES (DOLLARS ARE TRUN	CATED)
Total Investigative Receivables and Recoveries <sup>1</sup>	\$1.22 Billior
Recovered Government Property	\$931,000
Civil Judgments and Settlements	\$808 Millior
Criminal Fines, Penalties, and Restitution Ordered (Excludes Asset Forfeitures)	\$292 Millior
Administrative Recoveries <sup>2</sup>	\$117.7 Millior
Inspector General Subpoenas Issued	559
Investigative Activities	
Arrests	109
Criminal Charges	119
Criminal Convictions	93
Suspensions	61
Debarments	102
Asset Forfeiture Results	
Seized	\$7.94 Millior
Final Orders of Forfeiture	\$34.83 Millior
Monetary Judgments	\$37.86 Millior
ADMINISTRATIVE INVESTIGATIONS	
Publicly Released Reports	2
Complaints Received	
Senior Official	485
Whistleblower Reprisal and Restriction	919
Complaints Closed	
Senior Official	446
Whistleblower Reprisal and Restriction	1057
DoD OIG Investigations Closed	
Senior Official	3
Whistleblower Reprisal and Restriction	14
Service and Defense Agency IG Investigations Closed and Overseen by the DoD OIG	Ì

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Summary of Activities	Total for the Reporting Period
Senior Official	60
Whistleblower Reprisal and Restriction	165
Service and Defense Agency IG Cases Closed and Overseen by the DoD OIG (Includes Investigations, Dismissals, and Withdrawals)	
Senior Official	60
Whistleblower Reprisal and Restriction	554
Whistleblower Protection Coordinator	
Contacts	602
Visits to Whistleblower Rights and Protections Webpage	11,373
DoD Hotline	
Contacts	7,683
Cases Opened	3,687
Cases Closed	3,594
Contractor Disclosures Received	205
Existing and Proposed Regulations Reviewed	148



# 1. Overview



## THE OIG'S MISSION

Established in 1982, the DoD OIG is an independent office within the DoD that conducts oversight of DoD programs and operations. According to the IG Act of 1978, as amended, our functions and responsibilities include the following.

- Recommend policies for and conduct, supervise, or coordinate other activities for the purpose of promoting economy and efficiency, and preventing and detecting fraud, waste, and abuse in DoD programs and operations.
- Serve as the principal advisor to the Secretary of Defense in matters of DoD fraud, waste, and abuse.
- Provide policy direction for and conduct, supervise, and coordinate audits and investigations relating to the programs and operations of the DoD.
- Ensure that the Secretary of Defense and Congress are fully and currently informed of problems in the DoD.
- Review existing and proposed legislation and regulations relating to programs and operations of the DoD in regard to their impact on economy and efficiency and the prevention and detection of fraud, waste, and abuse in the DoD.
- Coordinate relationships with Federal agencies, state, and local government agencies and non-governmental entities in matters relating to the promotion of economy and efficiency and detection of fraud, waste, and abuse.
- Transmit a semiannual report to Congress that is available to the public.

The DoD OIG is authorized "to have timely access to all records, reports, audits, reviews, documents, papers, recommendations, or other material available to [any DoD component] which relate to programs and operations" of the DoD, as stated in section 6(a)(1) of the IG Act.

### **Our Mission**

The DoD OIG's mission is to detect and deter fraud, waste, and abuse in DoD programs and operations; promote the economy, efficiency, and effectiveness of the DoD; and help ensure ethical conduct throughout the DoD.

### **Our Vision**

The DoD OIG's vision is to help improve DoD programs and operations through timely, credible, relevant, impactful, and actionable oversight. Central to this vision is our people. We strive to be an employer of choice, ensuring our people are well-trained, well-equipped, and engaged. We are committed to a culture of performance, disciplined execution, and tangible results. We work together as One OIG to achieve results.

Our independence is key to fulfilling our mission. We align our work with the critical performance and management challenges facing the DoD. We focus on program efficiency, effectiveness, cost, and impact. We regularly follow up on our recommendations to monitor the DoD's implementation of these recommendations and provide assurance that the DoD is acting to address them. Implementing our recommendations helps promote accountability and continuous improvement in the DoD.

We are agile. To remain relevant and impactful, we continually seek to improve our processes and our organization, and to operate more efficiently and effectively. We value innovation and use technology to help deliver timely results.

We seek to be a leader within the DoD and Federal oversight community, collaboratively sharing information, data, and best practices with our oversight colleagues to help improve oversight within the DoD and the Government as a whole.

### **Our Core Values**

Our values define our organizational character and help guide the behaviors necessary to achieve our vision.

- Integrity
- Independence
- Excellence

### **Organizational Structure**

The DoD OIG is headquartered in Alexandria, Virginia, and has more than 50 field offices located in the United States, Europe, Southwest Asia, and South Korea. The DoD OIG carries out its mission with a workforce of approximately 1,800 auditors, evaluators, criminal and administrative investigators, attorneys, support staff, and contractors.



Figure 1.1 DoD OIG Field Offices Located Within the United States

Figure 1.2 DoD OIG Field Offices Located Overseas



### **DoD Office of Inspector General**



### AUDIT

Audit conducts independent, relevant, and timely audits to detect and deter fraud, waste, and abuse; promote economy, efficiency, and effectiveness; and provide actionable recommendations that can help improve DoD programs, operations, and stewardship of resources.

### **EVALUATIONS (EVAL)**

Evaluations conducts independent reviews of DoD operations and activities. These evaluations include classified programs, space and missile programs, construction, safety, health care, and oversight of criminal investigations and audits conducted by other entities within the DoD.

### DEFENSE CRIMINAL INVESTIGATIVE SERVICE (DCIS)

DCIS conducts criminal investigations related to DoD programs and operations, focusing on procurement fraud, public corruption, product substitution, health care fraud, illegal technology transfer, cyber crimes, and computer intrusions.

### ADMINISTRATIVE INVESTIGATIONS (AI)

Al investigates and oversees DoD Components' investigations of allegations of misconduct against senior DoD officials and allegations of whistleblower reprisal and restriction from communication with an IG or Member of Congress. Al also manages the DoD Hotline for confidential reporting of fraud, waste, and abuse and for detecting and preventing threats and danger to the public health and safety related to DoD programs, operations, and employees.

### **OVERSEAS CONTINGENCY OPERATIONS (OCO)**

OCO supports the DoD OIG's Lead IG responsibilities; coordinates the oversight of overseas contingency operations by the DoD OIG, Department of State OIG, U.S. Agency for International Development OIG, Special Inspector General for Afghanistan Reconstruction, and other partner agencies through joint strategic planning and project management; and produces quarterly reports related to each overseas contingency operation.

## SUMMARY OF TOP DOD MANAGEMENT CHALLENGES

Each Inspector General (IG) is required by the Reports Consolidation Act of 2000 to prepare an annual statement that summarizes what the IG considers to be the "most serious management and performance challenges facing the agency" and to assess the agency's progress in addressing those challenges. The law also requires the IG's statement to be included in the agency's financial report.

The following is the DoD OIG's list of the top management and performance challenges facing the DoD in FY 2021. The DoD OIG identified these challenges based on a variety of factors, including DoD OIG oversight work, research, and judgment; oversight work done by other DoD Components; oversight work conducted by the Government Accountability Office; and input from DoD officials. While the DoD OIG reviewed DoD statements, documents, and assessments of these and other critical issues, the DoD OIG identified these top challenges independently.

The DoD OIG also uses this document to determine areas of risk in DoD operations and where to allocate DoD OIG oversight resources. This document is forward-looking and identifies the top challenges facing the DoD in FY 2021 and in the future.

As reflected in this document, the top 10 DoD management and performance challenges for FY 2021 are:

- 1. Maintaining the Advantage While Balancing Great Power Competition and Countering Global Terrorism
- 2. Building and Sustaining the DoD's Technological Dominance
- 3. Strengthening Resiliency to Non-Traditional Threats
- 4. Assuring Space Dominance, Nuclear Deterrence, and Ballistic Missile Defense
- 5. Enhancing Cyberspace Operations and Capabilities and Securing the DoD's Information Systems, Network, and Data
- 6. Transforming Data into a Strategic Asset
- 7. Ensuring Health and Safety of Military Personnel, Retirees, and Their Families
- 8. Strengthening and Securing the DoD Supply Chain and Defense Industrial Base
- 9. Improving Financial Management and Budgeting
- 10. Promoting Ethical Conduct and Decision Making



In the top management challenges document, we discuss each challenge, actions taken by the DoD to address the challenge, and oversight work by the DoD OIG and others related to the challenge.

These challenges are not listed in order of importance or by magnitude of the challenge. All are critically important management challenges facing the DoD.

The full report with details on these challenges can be viewed at:

http://www.dodig.mil/Reports/ Top-DoD-Management-Challenges.

## OTHER OVERSIGHT MATTERS

### **Significantly Delayed Access to Information**

During the reporting period, the DoD OIG has experienced delays in receiving requested information from the DoD. These delays are a result of screening processes the DoD is using to identify and withhold or redact information that is subject to the presidential communications privilege. The DoD Office of General Counsel asserted, after coordinating with the White House, that the presidential communications privilege applies to information related to communications between the President and DoD officials, communications between White House staff and DoD officials, and communications internal to the DoD concerning information received from the White House or staff.

The DoD's processes for reviewing the requested information for potential presidential communications privilege are slow and have significantly delayed our access to the requested information. These delays have prevented us from conducting OIG oversight projects in a timely manner. For example, on January 16, 2020, we began requesting e-mails transmitted to or from 13 DoD officials between July 1, 2018, and December 31, 2019, for the ongoing audit related to the solicitation and administration of a DoD contract. While the DoD has provided all e-mails without potential presidential communication privilege, as of October 15, 2020, we had only received the majority of e-mails for one DoD official and the DoD had not started reviewing the e-mails with potential presidential communications privilege for the other 12 key officials. While the DoD has provided status updates, it has been unable to provide us with an estimated completion date for the reviews. Without the requested e-mails and other related information, we cannot complete our oversight work.

## Compendium of Open Office of Inspector General Recommendations to the Department of Defense

The DoD OIG issued its fourth annual Compendium of Open Office of Inspector General Recommendations to the Department of Defense. As of March 31, 2020, the number of open DoD OIG recommendations increased from 1,581 on March 31, 2019, to 1,602. Of these recommendations, 51 identified potential monetary benefits totaling \$6.5 billion. While the number of open recommendations continued to remain constant this year, the number of unresolved and aged recommendations again increased. The number of recommendations that are more than 5 years old increased to 170. Of the 1,602 open recommendations, all but 156 were agreed to by DoD management. Figure 1.3 illustrates the number of open recommendations that have been reported in each Compendium.





DoD management has taken action or provided documentation that enabled the DoD OIG to close 647 of the 1,581 (41 percent) recommendations listed in the 2019 Compendium, including 5 of the 30 (17 percent) identified as high-priority, and 18 of the 41 (44 percent) with potential monetary benefits, totaling more than \$905 million. The DoD OIG made 871 new recommendations in reports issued between April 1, 2019, and March 31, 2020. During this same timeframe, the DoD OIG closed 850 recommendations based on actions taken and information provided by DoD management. Figure 1.4 summarizes the number of recommendations opened and closed by the DoD OIG since last year's Compendium.

#### Figure 1.4 Number of Open Recommendations



Recommendations Made in Reports Issued Between April 1, 2019, and March 31, 2020

Recommendations Closed Between April 1, 2019, and March 31, 2020

Total Open Recommendations as of March 31, 2020

Since the issuance of the original Compendium in 2017, the DoD took actions that enabled the DoD OIG to close more than 2,200 recommendations, including 98 recommendations with \$36.2 billion in potential monetary benefits. Figure 1.5 shows the age of the 2,200 recommendations at the time they were closed. More than half of the recommendations closed since March 31, 2017, were less than 2 years old.





The number of aged open recommendations continues to grow at an increasing pace, indicating that more attention should be focused on addressing recommendations issued in previous years. This year, the number of open recommendations more than 5 years old jumped to 170, a 113-percent increase over the number of recommendations that were reported as more than 5 years old in last year's Compendium. This is the second year in a row that the number of aged recommendations has increased significantly.

The DoD OIG has also noted an increase in the number of unresolved recommendations, with a 56-percent increase to 156 reported in this year's Compendium. Most (80 percent) of these recommendations are unresolved because the DoD Component did not provide adequate comments in response to either the draft or final report. It is important for DoD Components to provide comments that address each recommendation made in the DoD OIG's reports, indicating agreement or disagreement with the recommendation and explaining how the recommendation will be implemented.

For DoD management to demonstrate progress in addressing open DoD OIG recommendations, the DoD must notify the DoD OIG of actions taken especially for recommendations that were identified as high-priority, those that are aging, and those that have potential monetary benefits. In cases where a recommendation cannot be implemented, DoD management should explain why the recommendation cannot be implemented and propose alternative corrective actions that address the audit finding.

### **DoD COVID-19 Oversight Plan**

On May 12, 2020, the DoD OIG released its initial COVID-19 Oversight Plan describing the audits, evaluations, and investigations that the DoD OIG intended to conduct of DoD programs, operations, and activities being executed in response to in response to COVID-19. The oversight plan is updated on a quarterly basis and contains information on planned, ongoing, and completed oversight work related to COVID-19. As of September 30, 2020, the DoD OIG completed one best practices memorandum and six reports and has 19 ongoing oversight projects related to COVID-19.

### https://www.dodig.mil/COVID-19/Oversight-Plan/

Through the projects in our COVID-19 Oversight Plan, the DoD OIG provides oversight of the nearly \$10.6 billion that Congress appropriated for the DoD to prevent, prepare for, and respond to COVID-19, domestically and internationally. We reviewed the agency-wide distribution of CARES Act funds to plan and coordinate oversight of emerging COVID-19 challenges in DoD operations and programs, such as health care, procurement, force readiness, and cyber and information technology. The DoD OIG completed the following reports related to COVID-19 during the reporting period.

### Evaluation of Department of Defense Medical Treatment Facility Challenges During the Coronavirus Disease-2019 (COVID-19) Pandemic

The DoD OIG determined the challenges and needs that personnel working at DoD medical treatment facilities (MTFs) encountered while responding to the COVID-19 pandemic. This evaluation was a joint effort by the DoD OIG Evaluations and Audit Components. From June 22, 2020, through July 24, 2020, the DoD OIG interviewed key personnel responsible for the MTFs' operations and COVID-19 response at 54 MTFs. The DoD OIG did not validate the information provided by respondents during interviews. This summary of MTF challenges, expressed by key MTF personnel, provided timely and relevant information to assist DoD leadership in improving the MTFs' ability to respond to COVID-19.



National Stockpile cases of dry-rotted and expired N95 masks. Source: MTF interviewed by DoD OIG.

MTF respondents reported challenges in five main areas: personnel, supplies, testing capabilities, information technology, and guidance and lines of authority. In the report, the DoD OIG also discussed MTF best practices and mitigating strategies for responding to COVID-19.

The DoD OIG recommended that the Under Secretary of Defense for Personnel and Readiness, in conjunction with the Assistant Secretary of Defense for Health Affairs and Secretaries of the Military Departments, establish a working group to address the COVID-19 pandemic challenges faced by the Services and the Defense Health Agency. Management agreed with the recommendations.

### Report No. DODIG-2020-133

## Audit of Screening and Quarantine Procedures for Personnel Entering Al Udeid Air Base, Qatar

The DoD OIG determined whether the Air Force implemented screening and quarantine procedures in response to COVID-19 for personnel entering Al Udeid Air Base (AUAB), Qatar, in accordance with applicable guidance.

The DoD OIG determined that the 379th Air Expeditionary Wing Expeditionary Security Forces Squadron (Security Squadron) and the Expeditionary Forces Support Squadron (Support Squadron) developed screening and quarantine procedures for personnel entering AUAB in accordance with applicable guidance in response to COVID-19. The Squadrons implemented most procedures, but improvements were needed. The lack of consistently implemented screening procedures for personnel entering AUAB occurred because screening procedures and a requirement to conduct training, developed by the 379th Air Expeditionary Wing in March 2020, were still evolving and had not been formally documented. Additionally, the initial training provided to personnel performing screenings did not include all of the required screening procedures. Furthermore, Squadron Commanders did not require screening personnel to take refresher training when COVID-19 screening procedures changed or when returning to screening duties after an extended period. If screening procedures are not consistently applied to all personnel entering AUAB, there is a risk that U.S. military, civilian, and contractor personnel may contract and spread COVID-19. If a surge in COVID-19 cases develops, ongoing operations and exercises in Qatar and the U.S. Central Command area of responsibility could be canceled, postponed, or impacted by staffing shortages caused by rapid increases in infected personnel.

The DoD OIG recommended that the 379th Air Expeditionary Wing Commander formalize, through issuance of official documentation with signature, the training, screening, and quarantine procedures. In addition, the DoD OIG recommended that the 379th Security Squadron Commander provide refresher training to Security Squadron personnel. Management agreed with the recommendations.

#### Report No. DODIG-2020-128

### Special Report: Controls Implemented by the Defense Health Agency to Control Costs for TRICARE Coronavirus Disease-2019 Pandemic Related Services

The DoD OIG determined the controls that the Defense Health Agency (DHA) implemented to control costs for health care claims related to the COVID-19 pandemic.

The DoD OIG determined that the DHA and the managed care support contractors planned and took actions to control health care claims payments related to COVID-19, and implemented initiatives to identify potential fraud schemes for COVID-19. The DHA and the managed care support contractors maintained open communication lines, which enabled consistent efforts across all stakeholders to ensure TRICARE beneficiaries and providers received the same information regarding the DHA policies and procedures for COVID-19.

Through these actions, the DHA took steps to reduce the risk of providers exploiting the pandemic for personal gain and potentially prevented improper payments. In addition, these actions also provided more flexibility for providers and beneficiaries during the COVID-19 pandemic, which helped beneficiaries receive the care they needed. Although the DHA implemented controls related to COVID-19 health care claims, the pandemic is dynamic and evolving. The DHA needs to continue to address controlling costs and preventing fraudulent providers from exploiting the health system. Furthermore, DHA officials must continue providing oversight and monitoring of controls to ensure continued success and mitigation of risks identified. This report did not contain recommendations.

#### Report No. DODIG-2020-125

### Special Report on Best Practices and Lessons Learned for DoD Contracting Officials in the Pandemic Environment

This special report identified best practices and lessons learned from audit reports related to disaster responses to help DoD officials minimize opportunities for fraud, waste, and abuse when awarding and overseeing the large number of contracts needed to respond to the COVID-19 pandemic. Some emergency response actions included using indefinite-delivery indefinite-quantity or requirements contracts, establishing sufficient contract planning and lead times to prevent gaps in coverage, and using multiple teams that are geographically dispersed to award and administer contracts. The lessons learned are related to communication and coordination, documentation, consistency in contracting processes, staffing, and training, as well as the use of undefinitized contract actions that DoD contracting officials should consider now and for future disaster or pandemic response efforts. These best practices and lessons learned from past reports can help DoD officials avoid fraudulent activity and provide better contractor oversight to help ensure funds are spent on the intended purpose. This report did not contain recommendations.

#### Report No. DODIG-2020-085

### Special Report on Protecting Patient Health Information During the COVID-19 Pandemic

This special report identified best practices for implementing security measures that decrease the risk of unauthorized access to, and disclosure of, protected health information at military medical treatment facilities. Measures such as multifactor authentication, vulnerability management, and data encryption decrease the risk of unauthorized access to patient information. Furthermore, limiting access to patient information to users with a mission-related need to know and implementing active and passive security surveillance measures reduce the capability of insiders to intentionally compromise networks and systems that contain protected heath information. As medical treatment facilities and alternate care facilities experience increased volumes of patients seeking treatment during the COVID-19 pandemic, DoD health care leaders, medical treatment facility chief information officers, network administrators, and users must protect the confidentiality, integrity, and availability of protected health information. This report did not contain recommendations.

### Report No. DODIG-2020-080

### COVID-19 Expenditures — Lessons Learned Regarding Awareness of Potential Fraud, Waste, and Abuse Risk

This memorandum shared best practices and lessons learned during previous oversight work that can help the DoD use CARES Act funds effectively, while also seeking to prevent fraud, waste, and abuse.

## Evaluation of the U.S. Africa Command's Response to the Coronavirus Disease-19

The DoD OIG determined how U.S. Africa Command and its component commands executed the pandemic response plan, and identified the challenges encountered in implementing the pandemic response plan and the impact to operations resulting from COVID-19.

The report findings and recommendations are classified.

Report No. DODIG-2020-132

### Data Analysis of Opioid Prescriptions to DoD Beneficiaries

The DoD OIG Data Analytics Team uses advanced analytics to increase the DoD OIG's ability to identify and focus oversight resources on high-risk areas within the DoD.

During this reporting period, the Data Analytics Team issued a memorandum to the Defense Health Agency providing the results and algorithm of the DoD OIG's analysis of opioid prescriptions to DoD beneficiaries. This analysis identified more than 53,000 beneficiaries with opioid prescribing patterns that potentially did not comply with opioid safety standards, and could lead to an increased risk of addiction, overdose, or death. The memorandum advised DHA that the DoD could use a similar algorithm to refine how it monitors in real-time the universe of opioid prescriptions and improve the health and safety of beneficiaries.

### Response to House Report 116-120, to accompany the National Defense Authorization Act for FY 2020, "Measure Officer Accountability"<sup>1</sup>

On March 4, 2020, the DoD OIG provided a response to the Chairman and Ranking Member of the House Armed Services Committee on a reporting requirement contained in House Report 116-120, "Report of the Committee on Armed Services, to accompany the National Defense Authorization Act for Fiscal Year 2020." The report contained a provision titled "Measure Officer Accountability," which expressed concern that, despite currently in place to enable victims of sexual assault and sexual harassment to formally report perceived instances of retaliation, perceived instances of retaliation remain high. The report required the DoD IG to collect data regarding the number of allegations related to the mishandling of reports sexual harassment and assault, and substantiated retaliatory actions.

### Review of DoD Office of Net Assessment Contract Management<sup>2</sup>

On June 27, 2019, the DoD OIG issued a memorandum to the Director of the Office of Net Assessment (ONA) providing the findings and recommendations resulting from a DoD OIG review of allegations that ONA contracts were used to support partisan political or other improper or wasteful activities. The DoD OIG conducted the review based on a request from Senate Finance Committee Chairman Charles Grassley. The DoD OIG determined that, between May 30, 2012, and September 26, 2016, Washington Headquarters Services (WHS) contracting officers awarded—and ONA approved—four contracts, valued at \$1.05 million, to a university professor to perform studies on China and Russia. Under all four contracts, ONA contracting officer's representatives (CORs) did not require the professor to submit justification to obtain approval before traveling, nor to submit any evidence that he interviewed personnel cited in his proposals and statements of work. Furthermore, on two of the four contracts, the professor did not have receipts to support reimbursement for his travel expenses. According to ONA personnel, these discrepancies were not unique to these four contracts. In addition, the ONA CORs did not maintain documentation of the work performed by the professor nor any communication that ONA personnel had with him and therefore could not provide sufficient documentation that he conducted all of his work in accordance with applicable laws and regulations. Without adequate documentation, the ONA CORs could not be certain that payments related to the professor's travel complied with OMB Circular A-123, Appendix C.

Among other recommendations, the DoD OIG recommended that the ONA Director require that the contracting file constitute a complete record and include documentation required by the Federal Acquisition Regulation, and require the COR to maintain a record of all communication with the contractor throughout the life of the contract. The DoD OIG also recommended that the ONA Director require COR oversight to validate the contractor performed their work in accordance with the statement of work by implementing measures of support for people interviewed. Management agreed with the recommendations.

<sup>1</sup> This memorandum was completed during the FY 2020 SAR period from October 1, 2019, through March 31, 2020.

<sup>2</sup> This memorandum was completed during the FY 2020 SAR period from April 1, 2019, through September 30, 2019.

# 2. CORE MISSION AREAS



## AUDIT

The DoD OIG's Audit Component conducts audits of DoD operations, systems, programs, and functions. The Audit Component consists of four operating directorates:

- Acquisition, Contracting, and Sustainment;
- Cyberspace Operations;
- Financial Management and Reporting; and
- Readiness and Global Operations.

The DoD OIG completed the following audit reports during the reporting period.

# Acquisition, Contracting, and Sustainment

### Audit of Excess Property Issued Through the Department of Defense Law Enforcement Support Program

The DoD OIG determined whether the DoD provided excess property to law enforcement agencies (LEAs) in accordance with the Law Enforcement Support Office (LESO) Program. The LESO Program is implemented through guidance in the United States Code, Defense Logistics Agency (DLA) Instruction 4140.11, memorandums of agreement, and state plans of operation. Congress allowed for the transfer of excess DoD property to LEAs across the United States and its territories, with preference for supporting counter-drug, counter-terrorism, and border security activities. The DoD determines that property is excess when it is no longer needed for its particular use.

The DoD OIG determined that the DLA LESO established controls and provided excess DoD property to LEAs that enhanced their capabilities to perform law enforcement activities in accordance with the United State Code. However, 14 of the 15 LEAs that the DoD OIG reviewed obtained controlled and uncontrolled LESO property, such as firearms and tools, that they subsequently were not using to support law enforcement activities. This occurred because the DLA LESO did not provide adequate oversight to ensure that LEAs made LESO property available for use. As a result of the DLA LESO providing property that did not support law enforcement activities, other Federal or state LEAs may unnecessarily spend funds to procure property that could be obtained through the LESO Program. In addition, the DoD may have been able to sell the excess property and use the proceeds to support DoD requirements.



Allegan County Sheriff's Office MRAP Vehicle Obtained Through the LESO Program Source: The DoD OIG.

The DoD OIG recommended that the Director of DLA Disposition Services require the DLA LESO to:

- reevaluate how LEAs are selected for program compliance reviews, identify ways to increase the review of uncontrolled LESO property without reducing oversight of the firearms, and add criteria to the program compliance review process related to the LEAs making LESO property available for use;
- implement additional controls to enforce allocation limits that ensure the equitable and fair distribution of LESO property;
- provide materials from the annual LESO Program training conference to all State Coordinators and require those individuals who do not attend to self-certify that they have read the material;
- strengthen the controls within the memorandum of agreement related to the State Coordinator's approval of property justifications, providing LEAs with the best practices on property acceptance and performing the annual physical inventory of LESO property and to self-certify upon completion, and preventing the personal use of all LESO property; and
- review the updated state plans of operations to ensure that the requirements in the memorandum of agreement are included.

Management agreed with the recommendations.

Report No. DODIG-2020-129

### Audit of Protective Security Details in the Department of Defense

The DoD OIG examined the use of protective security details (PSDs) throughout the DoD and also determined whether DoD Components provided this protection consistently. PSDs consist of specially trained protective security personnel (military or civilian) who are capable of providing protection for individuals designated as high-risk personnel (HRP). DoD HRP are senior service members and civilian DoD employees who, by nature of their positions, are considered critical to the conduct of DoD operations and functions.

The DoD OIG determined that protection-providing organizations (PPOs) protected HRP based on the HRP position instead of specific threats to the HRP, and that HRP were allowed to decline protection without a documented reason. Providing protection based on position instead of the PPO's assessment of the threat to HRP may result in the overuse of resources required and allowing HRP to decline protection may leave individuals serving in the DoD's highest offices vulnerable to threats. The DoD OIG also determined that the PPOs did not provide PSDs consistently throughout the DoD. For example, the PPOs did not consistently use advance personnel for missions and, at times, used more days to perform advance work than each PPO's guidance or the general rule suggested. In addition, the PPOs did not consistently use security control rooms on PSD missions and did not, as recommended by DoD Instruction O-2000.22, consistently use the assistance of the other PPOs and field agents local to the mission location to reduce costs and the need for large standing details on PSDs, or to increase joint operations for the missions the DoD OIG reviewed. These inconsistencies could increase the costs to protect the HRP and result in inconsistent protection for similar HRP.

Among other recommendations, the DoD OIG recommended that the Under Secretary of Defense for Policy eliminate the preassigned levels of protection for HRP and assign protection for HRP based on recommendations supported in the individual HRP personal security vulnerability assessments or nominations. The DoD OIG also recommended that the Under Secretary establish a working group including representatives from each PPO to revise DoD policy, to include guidance on whether and when HRP can decline protection, the number of personnel and days of advance work needed for PSD missions, and the use of security control rooms, and that the policy require and validate that the Assistant Secretary of Defense for Homeland Defense and Global Security reviews the PPOs' performance of PSDs annually.

In addition, the DoD OIG recommended that the Commanding Generals of the U.S. Army Criminal Investigation Command and the Air Force Office of Special Investigations and the Director of the Naval Criminal Investigative Service develop and issue policy consistent with DoD Instruction O-2000.22, emphasizing the use of assistance from other PPOs and local field agents when conducting PSDs. Management agreed with all recommendations except for one. The Deputy Assistant Secretary of Defense for Defense Continuity and Mission Assurance, responding for the Under Secretary of Defense for Policy, disagreed with the recommendation to eliminate the preassigned levels of protection for permanent HRP in DoD Instruction O-2000.22. However, the Deputy Assistant Secretary of Defense proposed to review the preassigned permanent HRP protection levels listed in DoD Instruction O-2000.22 and perform assessments of HRP during coordination of the revised DoD Instruction O-2000.2. The DoD OIG acknowledges the proposed action to review the preassigned permanent HRP protection levels for the positions listed in DoD Instruction O-2000.22. However, the DoD OIG requested that the Under Secretary of Defense for Policy reconsider his position on the recommendation and provide comments on the final report regarding assessing the need for preassigned protection levels.

### Report No. DODIG-2020-097

### Audit of the Department of Defense's Processes to Identify and Clear Munitions and Explosives of Concern During Construction on Guam

The DoD OIG determined whether DoD personnel implemented safety standards and quality assurance controls for addressing munitions and explosives of concern (MEC) during military construction (MILCON) projects on Guam, and whether DoD personnel properly managed safety concerns and readiness related to munitions and explosives of concern on Guam in accordance with military standards and risk-management instructions. The DoD OIG reviewed the overall MEC clearance process for MILCON projects at Joint Region Marianas, the joint U.S. military command on Guam. MEC is unexploded ordnance, discarded military munitions, and munitions constituents present in concentrations high enough to pose an explosive hazard.

The DoD OIG determined that DoD personnel did not properly plan and manage the MEC program at Joint Region Marianas. Specifically, DoD personnel did not consistently implement safety standards and quality assurance controls during MILCON projects. In addition, DoD personnel did not establish adequate plans and processes for managing MEC clearance requirements and safety concerns for MILCON projects on Guam. From FYs 2015 through 2017, DoD personnel did not adequately plan for and implement MEC standards; as a result, Joint Region Marianas personnel incurred cost increases of about \$100 million directly related to MEC clearance for MILCON projects. DoD officials responsible for executing MILCON projects also continued to have difficulty completing projects within the planned costs and schedules because of the need to address MEC. In addition, because of the delays in completing critical MILCON projects, DoD officials were unable to conduct joint exercises in the region, decreasing readiness and negatively impacting DoD operations. Furthermore, because of inadequate staffing and resources, MEC quality assurance personnel were unable to conduct adequate quality assurance over MEC clearance activities, resulting in safety concerns for DoD personnel, contractors, and civilians on Guam.

Among other recommendations, the DoD OIG recommended that the Under Secretary of Defense for Acquisition and Sustainment issue guidance for estimating and presenting MEC clearance costs that will enable personnel to assess the accuracy of the MEC budget and enable DoD leaders to refine future MILCON projects. The DoD OIG also recommended that the Chief of Naval Operations conduct analysis to determine whether a more efficient process exists to approve deviation requests from installation commanders in a timely manner to reduce further schedule delays and associated cost increases for MILCON projects. In addition, the DoD OIG recommended that the Commander of Naval Facilities and Engineering Command perform a review of staffing levels and equipment required to perform adequate contract oversight at Naval Facilities and Engineering Command Marianas and identify potential solutions to address vacant positions, and conduct an analysis to examine potential funding sources to determine whether a more accurate and equitable method is available for quality assurance of MEC clearance activities. Management agreed with the recommendations.

### Report No. DODIG-2020-093

### Followup Audit on Recommendations to Correct Building Deficiencies at the Naval Station Great Lakes Fire Station

The DoD OIG conducted this followup audit to determine whether Navy officials corrected deficiencies identified in Report No. DODIG-2012-132, "Project

Planning Resulted in Outstanding Building Deficiencies and Decreased Functionality of the Main Fire Station at Naval Station Great Lakes," September 14, 2012. In addition, the DoD OIG determined whether other fire station building deficiencies existed and whether the Commander of Navy Region Mid-Atlantic established oversight procedures to ensure that firefighters had access to safe and compliant facilities. The DoD OIG also received a DoD Hotline complaint that alleged that the issues identified at building 106 in Report No. DODIG-2012-132 remained unresolved and did not comply with the Unified Facilities Criteria, which provide a standard for all technical criteria and specifications related to planning, designing, constructing, operating, and maintaining real property facilities.

During this followup audit, the DoD OIG determined that Navy officials had taken some corrective actions in response to the five recommendations made in Report No. DODIG-2012-132. Specifically, Navy officials:

- partially implemented the prior report's recommendation to correct 24 of 31 building deficiencies, but did not take sufficient actions to correct the remaining 7 deficiencies;
- fully implemented the prior report's recommendation to issue guidance for officials reviewing and approving Military Construction Data forms by updating project planning guidance in the Business Management System;
- did not implement the prior report's recommendation to require use of the economic analysis checklist and instead relied on the use of training, which is not required, to reinforce the use of the economic analysis checklist; and
- fully implemented the prior report's recommendations by addressing the performance of the personnel who did not exercise due diligence when planning the building 106 renovation project and taking appropriate administrative actions.

In addition to the building deficiencies identified in the prior report, in this followup audit, the DoD OIG identified 17 new deficiencies at building 106 and a lack of oversight procedures for Navy personnel to ensure proper maintenance of the building. Navy officials did not identify 7 of the 17 deficiencies during their inspections of the same facility because they did not perform a complete building assessment in April 2012, as recommended. Navy officials did not identify the other 10 deficiencies because they did not ensure that a building monitor was designated and properly trained



### A Sinkhole Located Outside of Building 106 Source: The DoD OIG.

to maintain building 106, in accordance with Navy policy. Furthermore, the DoD OIG identified potential health and safety concerns similar to those identified previously for building 106 at a second Naval Station Great Lakes fire station, building 2801. While Navy officials have made improvements to building 106, the outstanding health and safety deficiencies continue to expose personnel living and working there to potential illness and injury, such as exposure to vehicle exhaust fumes and increased trip and fall hazards.

Among other recommendations, the DoD OIG recommended that the Commander of Navy Region Mid-Atlantic and the Commanding Officer of Naval Station Great Lakes coordinate with the Public Works Department Great Lakes to assess and correct the deficiencies identified to ensure compliance with current Unified Facilities Criteria and National Fire Protection Association requirements. In addition, the DoD OIG recommended that the Public Works Officer of the Public Works Department Great Lakes coordinate with the Director of the Facilities Management Division to develop and implement a building monitor training program in accordance with Navy policy. The DoD OIG also recommended that the Commander of Navy Region Mid-Atlantic, in coordination with the Public Works Officer of the Public Works Department Great Lakes, inspect building 2801 for noncompliance with current Unified Facilities Criteria and National Fire Protection Requirements and take corrective actions as necessary to ensure compliance. Management agreed with the recommendations.

### Report No. DODIG-2020-113

### Audit of the Safety and Security of Radioactive Materials at Department of Defense Medical Treatment Facilities

The DoD OIG determined whether DoD and military medical treatment facility (MTF) management properly trained personnel, conducted inspections and program reviews, and accounted for inventory levels for the safety and security of radioactive materials. In addition, Defense Health Agency (DHA) management officials requested that the DoD OIG identify any best practices for their consideration as they assume administration and management responsibility of all MTFs within the DoD.

The DoD OIG determined that DoD MTF management properly trained personnel, conducted inspections and program reviews, and received, secured, accounted for, and disposed of radioactive materials, and took measures such as conducting surveys and monitoring occupational exposure to ensure patient and employee safety at the eight facilities visited. The DoD OIG identified multiple best practices for the DHA to consider implementing as it assumes administration and management responsibility of all MTFs within the DoD.

The DoD OIG recommended that the DHA Director coordinate with radiation safety officers to conduct external audits of other MTFs radiation safety programs to expedite the sharing of best practices across the Military Services and MTFs, and implement supplemental guidance to instruct the MTFs steps to take after a failed quality control test. The DoD OIG also recommended that the DHA Director conduct a study to determine the benefits and feasibility of directly connecting the MTFs' nuclear medicine information systems to survey instruments. Furthermore, the DoD OIG recommended that the DHA Director review and revise, as necessary, the dosimetry processing procedures that record and measure radiation exposure to occupational employees and the occupational dosimetry program to limit monitoring to only those individuals likely to be exposed to radiation. Management agreed with the recommendations.

#### Report No. DODIG-2020-088

### Audit of Contractor Employee Qualifications for Defense Health Agency-Funded Information Technology Contracts

The DoD OIG determined whether contractor employees met the labor qualifications for Defense Health Agency (DHA) information technology (IT) and telecommunications contracts.

The DoD OIG determined that 76 of 383 contractor employees it reviewed did not meet minimum labor qualifications required by DHA IT and telecommunications contracts. Specifically, DHA and Naval Information Warfare Center Atlantic contracting officers approved 16 key personnel and contractors approved 60 non-key personnel who did not meet minimum labor qualifications. In addition, the DHA contracting office could not demonstrate whether an additional 143 contractor employees met the minimum labor qualifications because the contracting office and contractor did not provide employee résumés to the audit team. Finally, an additional four contractor employees may not have been gualified for key personnel positions in a U.S. Army Medical Research Acquisition Activity contract because the contracting officer did not make the minimum requirements in the contract specific enough for the audit team to determine whether the contractor employees were qualified for the key personnel positions.

As a result, the DHA and Naval Information Warfare Center Atlantic contracting officers authorized approximately \$3.52 million in questioned costs between April 2018 and March 2019 for work performed by the 76 contractor employees who did not meet minimum qualifications. Furthermore, a DHA contracting officer may have authorized an additional \$5.3 million in questioned costs for 143 contractor employees the DoD OIG did not review because the contracting office did not provide résumés. The DoD OIG did not quantify potential improper payments for the four contractor employees who did not have specific requirements in the U.S. Army Medical Research Acquisition Activity contract because the employees worked on a firm-fixed-price contract, which is paid based on contract deliverables and not based on individuals working on the contract. The DoD OIG identified a total of \$8.81 million in questioned costs. Overall, contractor employees who did not have the required education or years of work experience were paid for providing IT services that support health care delivery to more than 9 million beneficiaries. While no performance or service problems were documented for the contracts the DoD OIG reviewed, having unqualified contractor employees on IT service contracts could disrupt health care for service members and their beneficiaries.

Among other recommendations, the DoD OIG recommended that the contracting offices develop policy requiring the contracting officers to revalidate all key personnel annually, as well as review a sample of non-key personnel quarterly, to reduce the potential of improper payments. The DoD OIG also recommended that the contracting offices develop an oversight program, requiring a higher-level reviewer to select a sample of key personnel approvals to ensure that contracting officers are approving employees in accordance with contract requirements. Furthermore, the DoD OIG recommended that the contracting officers maintain documentation in the contract files that demonstrates their review and approval of initial and replacement contractor employees in key personnel positions. Additionally, the DoD OIG recommended that the appropriate contracting officers or technical experts determine whether the contractor employees referenced in this report met the minimum labor qualifications specified in the contracts, and, if not, take appropriate corrective action, including recovering improper payments. Management agreed with the recommendations.

#### Report No. DODIG-2020-091

## Audit of Physical Security Controls at Department of Defense Medical Treatment Facilities

The DoD OIG determined whether DoD medical treatment facilities (MTFs) implemented physical security controls to prevent unauthorized access to facilities, equipment, and sensitive areas.

The DoD OIG determined that DoD MTFs generally implemented physical security controls, as required by DoD Instruction 5200.08, "Security of DoD Installations and Resources and the DoD Physical Security Review Board," December 10, 2005, (Incorporating Change 3, November 20, 2015). However, the DoD OIG also determined that security weaknesses existed. The DoD OIG visited eight MTFs and found that all had implemented local physical security measures. However, the DoD OIG identified security weaknesses at all eight MTFs that could allow unauthorized access to DoD MTFs and controlled or restricted areas within the MTFs. As a result of these security weaknesses, the restricted areas where medical equipment and pharmaceuticals were stored were vulnerable to unauthorized access, and the MTFs were vulnerable to incidents of violence, sabotage, or terrorism. Based on the findings at the MTFs the DoD OIG visited and the lack of minimum physical security standards, the DoD OIG concluded that these weaknesses may also exist at other DoD MTFs.

Among other recommendations, the DoD OIG recommended that the Defense Health Agency (DHA) Director:

- issue guidance for all MTFs under DHA control to require security personnel to remove access permissions for unauthorized staff, and conduct quarterly system reviews to ensure that access to sensitive areas is limited to authorized personnel;
- determine whether community-based clinics under DHA control have established a baseline level of protection for leased facilities as required by DoD guidance, and established access controls based on risk to limit entry to authorized personnel only;
- assess generator and fuel storage security at each MTF under DHA control and implement controls that meet the DoD Unified Facilities Criteria requirements for generator facilities and fuel storage tanks, working with installation commanders when necessary; and
- issue guidance that requires personnel to enter and exit MTFs through specific sets of doors, such as main entrance or emergency room doors.

Management agreed with the recommendations

### Report No. DODIG-2020-078

### Audit of the Department of Defense's Sustainment, Restoration, and Modernization of Military Medical Treatment Facilities

The DoD OIG identified issues that the Defense Health Agency (DHA) will need to address after it assumes responsibility for the sustainment, restoration, and modernization of military medical treatment facilities (MTFs) within the Military Health System.

The DoD OIG determined that DHA Facilities Enterprise personnel will need to develop and implement procedures to address issues at the military MTFs after assuming responsibility for their sustainment, restoration, and modernization. Delays in addressing more than \$552 million of unfunded requirements for 60 military MTFs on the six installations reviewed could worsen their overall condition, readiness, use, functionality, and services provided. In addition, the DHA will need to address \$14.8 billion in unfunded requirements that were reported as of September 2019 for the more than 576 military hospitals and clinics and 87 dental facilities worldwide. Furthermore, unless DHA officials ensure the quality of facilities data is improved, the DHA may rely on less than accurate information related to future maintenance requirements when planning for short-term and long-term sustainment, restoration, and modernization.

The DoD OIG recommended that the DHA Director develop and implement guidance that establishes uniform funding thresholds for sustainment, restoration, and modernization requirements for all MTF unfunded requirements; standard procedures to prioritize unfunded requirements; guidance for updating the DHA information systems data to reflect the status of repair as reported and grant the information system access to local facility management personnel; and standard training for facility management personnel to use the DHA information systems to manage facility maintenance. Management agreed with the recommendations.

### Report No. DODIG-2020-103

### Special Report: Lessons Learned for Department of Defense Acquisition Officials During Acquisition Reform

This special report provides lessons learned identified in audit reports related to the DoD acquisition process. From FY 2014 through April 2020, the DoD OIG issued 36 reports related to acquisitions. These reports identified common weaknesses related to developing and meeting performance requirements, funding acquisition programs, determining procurement quantity, and testing and evaluation. Using these weaknesses, the DoD OIG identified best practices and developed lessons learned that should be implemented by DoD acquisition officials during acquisition reform. The DoD OIG identified three lessons learned for addressing performance management issues. Acquisition officials should:

 develop performance requirements early in the acquisition process and continually evaluate the requirements to ensure that capability gaps will be resolved;

- demonstrate that the acquisition program can meet the performance requirements through rigorous testing to ensure weapon systems are capable of meeting mission requirements; and
- monitor and resolve developmental deficiencies that prevent acquisition programs from successfully meeting performance requirements prior to milestone decisions to ensure the weapon system can perform as intended.

The DoD OIG identified three lessons learned for addressing funding issues. DoD acquisition officials should:

- determine the correct type and amount of funding for acquisition programs, as the amount of funding determines the oversight requirements;
- evaluate and reevaluate throughout the acquisition the technical requirements, schedule, and required quantities to ensure affordability constraints are met; and
- cancel or modify the program if affordability constraints cannot be met and DoD officials cannot make tradeoffs within or outside the portfolio.

Lessons learned for addressing the procurement quantity issues included that acquisition officials should conduct the appropriate procurement quantity analysis to increase assurance that the program office will procure the correct amount of weapon systems without being wasteful of DoD resources. Finally, lessons learned related to addressing test and evaluation issues included that acquisition officials should update the testing plan for each stage of testing, and use the testing plan as a management tool tailored to meet program needs.

Officials in the Office of the Under Secretary of Defense for Acquisition and Sustainment have been institutionalizing the last few years of congressional acquisition reforms and updating defense acquisition guidance to improve process effectiveness and implement the adaptive acquisition framework. However, DoD acquisition reform is still a work in progress. Some acquisition reform policies remained to be published, while not enough time had passed to evaluate the implementation of new policies. Unless acquisition officials commit to fundamental acquisition principles like those discussed in this report, the DoD will continue to experience acquisition challenges that will inhibit its ability to execute the National Defense Strategy. This report did not contain recommendations.

### Report No. DODIG-2020-109

### Audit of Military Department Management of Undefinitized Contract Actions

The DoD OIG determined whether the Military Departments properly managed undefinitized contract actions (UCAs) by obligating funds within required limits, ensuring profit was adjusted for cost incurred, and definitizing actions within required time limits. UCAs are agreements that allow a contractor to begin work and incur costs before the Government and the contractor have reached a final agreement on contract terms, specifications, or price.

The DoD OIG determined that Military Department contracting officers generally followed requirements when obligating funds for the 116 UCAs the DoD OIG reviewed, valued at \$10.9 billion. However, some contracting officers did not fully comply with requirements for adjusting profit or definitizing UCAs. In addition, the DoD OIG determined that some contractors took up to 542 days from award of the contract to provide qualifying proposals for the 116 UCAs reviewed. Furthermore, while selecting the sample of UCAs, the DoD OIG conducted a reconciliation of the contract actions identified as UCAs in the Federal Procurement Data System–Next Generation to the UCAs reported to Defense Pricing and Contracting for inclusion in the semiannual UCA report to Congress. While this reconciliation covered only the seven contracting offices in the sample, the DoD OIG found that contracting officers did not report accurate or complete information in the Federal Procurement Data System–Next Generation for 402 contract actions, valued at \$12.8 billion, or to Defense Pricing and Contracting for 17 UCAs, valued at \$2.1 billion. This occurred because the Military Departments did not have controls in place to reconcile the Federal Procurement Data System-Next Generation data to the UCA information they reported semiannually to Defense Pricing and Contracting and Congress. As a result, the DoD assumed more contract risk and potentially paid \$4.6 million more profit than necessary for 12 UCAs. Also, contracting officers could not fully incentivize contractors to submit timely qualifying proposals and control their costs before definitization. In addition, the Defense Pricing and Contracting Principal Director and Congress were not aware of the DoD's use and management of 17 UCAs, valued at \$2.1 billion, that were not reported to Defense Pricing and Contracting.

Among other recommendations, the DoD OIG recommended that the Defense Pricing and Contracting Principal Director update the Defense Federal Acquisition Regulation Supplement to clarify that, when considering the reduced cost risks associated with allowable incurred costs on a UCA, it is appropriate to apply separate and differing contract risk factors for allowable incurred costs and estimated costs to complete according to the United States Code. The DoD OIG also made various recommendations to the Army, Navy, and Air Force, including a recommendation to implement a process by which contracting officers who have not received a qualifying proposal in accordance with the UCA definitization schedule immediately report to the head of their contracting activity on how they plan to obtain the qualifying proposal within 60 days or less, and whether payments will be withheld. The Army, Navy, and Air Force took actions during the audit to correct contract action reports in the Federal Procurement Data System-Next Generation. Management agreed with the other recommendations.

#### Report No. DODIG-2020-084

### Audit of Purchases of Ammonium Perchlorate Through Subcontracts With a Single Department of Defense-Approved Domestic Supplier

The DoD OIG determined whether DoD subcontractors properly evaluated the commercial item determination and whether DoD contracting officers properly evaluated fair and reasonable pricing determinations for ammonium perchlorate. Ammonium perchlorate, grade 1 (AP1), is an oxidizer chemical used in solid rocket propellants that is sold as a commercial product. The only DoD-approved domestic AP1 supplier is the American Pacific Corporation (AMPAC). AMPAC's status as the only DoD-approved domestic source for AP1 presents a unique challenge to contracting officers, who must consider both a reduced industrial supplier base and a noncompetitive contracting environment. The Military Services and DoD agencies manage multiple weapon systems that use AP1 in solid rocket motor propellants.

The DoD OIG determined that ATK Launch Systems Incorporated and Aerojet Rocketdyne, first-tier rocket motor subcontractors, followed procedures and properly determined that AP1 was a commercial item. In addition, the Army and Navy contracting officers appropriately relied on the subcontractors' price analysis to determine that proposed AP1 prices supporting the Guided Multiple Launch Rocket System, Standard Missile, and Trident II D5 programs were fair and reasonable in accordance with the Federal Acquisition Regulation. The DoD OIG determined that Army and Navy contracting officers did not evaluate the reasonableness of the AP1 subcontract cost as an individual cost element because AP1 represented a small portion of the prime production contracts and the Federal Acquisition Regulation does not require the contracting officer to evaluate every cost element of the prime contract price. Based on DoD OIG analysis of AP1 prices subcontractors paid, AP1 prices were stable from FYs 2014 to 2018, with the exception of a purchase for an unplanned requirement in 2017. However, relying on previous prices alone presents a risk of paying excessive prices to a single supplier if the previous prices have not been substantiated through competition.

The DoD OIG recommended that the Deputy Assistant Secretary of Defense for Industrial Policy monitor and assess the AP1 industrial base to identify cost-effective AP1 alternative sources and assist the Military Services and Defense agencies on strategies related to AP1 pricing, capability, and capacity. The DoD OIG also recommended that the Executive Director of the Army Contracting Command–Redstone, Commander of the Naval Sea Systems Command, and the Director of the Navy Strategic Systems Programs require all contracting officers who negotiate a prime production contract for weapon systems involving AMPAC subcontracts that provide AP1 under Government prime contracts to request uncertified cost data and perform a cost analysis of AP1 subcontract price unless adequate pricing information is available to establish that the price for AP1 included in the prime contractor's proposal is fair and reasonable.

The Deputy Assistant Secretary of Defense for Industrial Policy partially concurred with our recommendation, stating that part of the recommendation should be redirected to the DoD program offices that use ammonium perchlorate in their systems. On behalf of the Assistant Secretary of the Army for Acquisition, Logistics, and Technology, the Office of the Deputy Assistant Secretary of the Army (Procurement) concurred with our recommendations. The Commander of the Naval Sea Systems Command and the Navy Strategic Systems Program Director disagreed with our recommendations, stating that the submission of uncertified cost and pricing data would not likely result in subcontract savings.

#### Report No. DODIG-2020-095

### **Cyberspace Operations**

### Audit of Governance and Protection of Department of Defense Artificial Intelligence Data and Technology

The DoD OIG determined the DoD's progress in developing an artificial intelligence (AI) governance framework and standards and whether the DoD Components implemented security controls to protect AI data and technologies from internal and external cyber threats. In June 2018, at the direction of the Deputy Secretary of Defense, the DoD Chief Information Officer established the Joint Artificial Intelligence Center (JAIC) to facilitate AI governance, policy, ethics, and cybersecurity.

The DoD OIG determined that, as of March 2020, the JAIC had taken some steps to develop an AI governance framework and standards, such as building the JAIC workforce, developing National Mission objectives, and adopting ethical principles. However, to ensure that the JAIC meets the responsibilities outlined in the FY 2019 National Defense Authorization Act, DoD AI Strategy, and DoD guidance, the JAIC should also include a standard definition of AI and regularly, at least annually, consider updating the definition; develop a security classification guide to ensure the consistent protection of AI data, a process to accurately account for AI projects, and capabilities for sharing data; include standards for legal and privacy considerations; and develop a formal strategy for collaboration between the Military Services and DoD Components on similar Al projects.

The DoD OIG also identified that the four DoD Components and two contractors the DoD OIG reviewed did not consistently implement security controls to protect the data used to support AI projects and technologies from internal and external cyber threats. Without consistent application of security controls, malicious actors can exploit vulnerabilities on the networks and systems of DoD Components and contractors and steal information related to some of the Nation's most valuable AI technologies. The disclosure of AI information developed by the DoD could threaten the safety of the warfighter by exposing the Nation's most valuable advanced defense technology and causing the United States to be at a disadvantage against its adversaries.

The DoD OIG recommended that the JAIC Director establish an AI governance framework that, among other things, includes a standard definition of AI, a central repository for AI projects, a security classification guide, and a strategy for identifying similar AI projects and for promoting the collaboration of AI efforts across the DoD. The DoD OIG also recommended that the Army, Marine Corps, Navy, and Air Force Chief Information Officers develop and implement a plan to correct the security control weaknesses related to using strong passwords, monitoring networks and systems for unusual activity, locking systems after inactivity, and implementing physical security controls. Lastly, the DoD OIG recommended that the contracting officer for the Defense Threat Reduction Agency and the Strategic Capabilities Office Security and Program Protection Director, in coordination with their DoD requiring activities, develop and implement a plan to verify that contractors correct the security control weaknesses identified in this report. Management agreed with the recommendations.

### Report No. DODIG-2020-098

## Audit of the Supply Chain Risk Management for the Navy's Nuclear Weapons Delivery System

The DoD OIG determined whether the DoD implemented supply chain risk management for a U.S. nuclear weapons delivery system in accordance with DoD requirements. This was the fourth in a series of audits on supply chain risk management for DoD Strategic Capabilities. The DoD OIG conducted these audits in response to a congressional reporting requirement contained in House Report 114-537 to accompany the National Defense Authorization Act for FY 2017.

The report findings and recommendations are classified.

### Report No. DODIG-2020-122

### Summary of Reports and Testimonies Regarding Department of Defense Cybersecurity From July 1, 2018, Through June 30, 2019

The DoD OIG summarized 46 unclassified and classified reports issued and 3 testimonies provided to Congress regarding DoD cybersecurity by the DoD OIG, the Government Accountability Office, and other DoD oversight organizations between July 1, 2018, and June 30, 2019; identified cybersecurity risk areas based on the summarized reports and testimonies; and identified the open DoD cybersecurity-related recommendations.

The DoD OIG determined that the DoD Components implemented corrective actions necessary to close 200 of the 530 cybersecurity-related recommendations

from issued reports included in this summary report and our prior summary reports. Those corrective actions are intended to mitigate or remediate risks and weaknesses to the DoD systems and networks. However, as of September 30, 2019, the DoD had 330 cybersecurity-related recommendations that remained open, dating back to 2011.

The DoD OIG also determined that, despite numerous improvements made by the DoD over the past year, recently issued cybersecurity reports demonstrated that the DoD continued to face significant challenges in managing cybersecurity risks to its systems and networks. The majority of the identified risks and weaknesses related to the National Institute for Standards and Technology (NIST) Cybersecurity Framework categories of Governance, Asset Management, Risk Assessment, Information Protection Processes and Procedures, Awareness and Training, and Identity Management and Access Control. These risks generally occurred because the DoD either did not establish policies and procedures to implement minimum standards or they did not effectively implement the necessary controls in accordance with DoD and Federal guidance.

Although the DoD OIG did not make new recommendations to DoD management in this summary report, it is vital to the DoD's overall cybersecurity posture that management implement in a timely manner comprehensive corrective actions that addresses the open cybersecurity-related recommendations. DoD adversaries, terrorist groups, hacktivists, and other independent malicious actors can exploit these cybersecurity vulnerabilities to gain unauthorized access to systems and networks and use sensitive and classified information to collect intelligence, target the DoD critical infrastructures, manipulate information, and conduct cyber attacks. Therefore, the DoD must ensure that it periodically identifies and manages its cybersecurity-related risks appropriately, has a skilled workforce capable of conducting necessary cyber missions, and implements processes to monitor and protect the DoD Information Network.

Additionally, as of December 31, 2019, the DoD had more than 1,500 open information technology notices of findings and recommendations as a result of the FY 2018 and FY 2019 financial statement audits. The DoD OIG determined that some of these NFRs identified weaknesses relating to the NIST Cybersecurity Framework. The majority of the NFRs reviewed related directly to the concepts covered in the Protect function of the NIST Cybersecurity Framework, including the categories of Identity Management and Access Control, Information Protection Processes and Procedures, Protective Technology, and Data Security. This report contained no recommendations.

Report No. DODIG-2020-089

# Financial Management and Reporting

### Audit of the Department of Defense's Compliance in Fiscal Year 2019 With Improper Payments Elimination and Recovery Act Requirements

The DoD OIG determined whether the DoD complied with the requirements of three laws related to identifying and reporting on improper payments in the DoD. The three laws are Public Law No. 107-300, "Improper Payments Information Act of 2002," November 26, 2002, as amended by Public Law No. 111-204; "Improper Payments Elimination and Recovery Act (IPERA) of 2010"; and Public Law No. 112-248, "Improper Payments Elimination and Recovery Improvement Act of 2012."

The DoD OIG determined that the DoD complied with four of the six IPERA requirements by publishing all required information in the Payment Integrity section of the Agency Financial Report; conducting program-specific risk assessments; publishing corrective action plans; and reporting an improper payment rates of less than 10 percent for each of the eight programs that included an improper payment estimate in the FY 2019 Agency Financial Report. However, while the DoD continued to make improvements in its FY 2019 reporting of IPERA requirements, the DoD did not comply with the remaining two IPERA requirements. Specifically, the DoD published unreliable improper payment estimates for five programs and missed its annual improper payment reduction targets for three programs. As a result of these actions, the DoD did not fully comply with improper payment reporting requirements for the eighth consecutive year. In FY 2019, the DoD improper payment estimate increased by \$7.5 billion. The Agency Financial Report attributed the majority of this increase, \$7.1 billion, to the DoD implementing a more extensive improper payment review of the Military Pay program. By not effectively implementing the corrective actions related to improper payment estimates and reduction targets from prior year audit recommendations for all its programs, the DoD continued to report unreliable improper payment estimates for five of the eight programs and continued

to miss opportunities to promptly detect, prevent, and recover improper payments. When improper payment estimates are unreliable, DoD leadership and Congress cannot accurately determine whether the DoD has the necessary resources and the appropriate measures in place to reduce its improper payments.

The DoD OIG recommended that the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD:

- coordinate with the Defense Finance and Accounting Service and other DoD Components to update the Travel Pay sampling and estimation plans, including the population of travel payments processed through the Defense Travel Modernization system; and
- submit to the Office of Management and Budget and Congress, within 30 days of this report's issuance, the required report and planned corrective actions based on DoD program noncompliance with IPERA.

Additionally, the DoD OIG recommended that the Deputy Director of Enterprise Audit Support for the Defense Finance and Accounting Service develop and implement internal controls to ensure that the development of the Military Retirement program's improper payment estimate is complete and accurate, and develop and implement complete standard operating procedures of the Military Retirement improper payment review process. Management agreed with the recommendations.

### Report No. DODIG-2020-083

### Audit of Department of Defense Use of Security Assistance Funds and Asset Accountability

The DoD OIG determined whether the DoD Components recovered their costs for executing security assistance programs and distinguished their assets from those of the security assistance programs. The Arms Export Control Act and the Foreign Assistance Act authorize the U.S. Government to provide security assistance to foreign customers in the form of defense articles, military education and training, and other defense-related services to advance national policies and objectives. The Arms Export Control Act and the DoD Financial Management Regulation require the DoD to recover its costs for providing support to foreign customers.

The DoD OIG determined that the DoD Components did not recover \$29.1 million in costs for executing security assistance programs in accordance with the Arms Export Control Act and the DoD Financial Management Regulation. Specifically, the DoD Components did not recover their costs for paying DoD civilians to work on the security assistance programs; storing security assistance assets at DoD facilities; or maintaining DoD facilities used to execute security assistance programs. We consider the \$29.1 million in unrecovered expenses to be a potential monetary benefit to the DoD. By not recovering their expenses paid with appropriated dollars, DoD Components subsidized the security assistance programs with DoD appropriations and potentially violated the Purpose Statute and the Antideficiency Act.

The DoD OIG also determined that DoD Component personnel did not maintain accountability of DoD assets or maintain accurate Special Defense Acquisition Fund inventory records in accordance with Office of Management and Budget Circular No. A-123 or the Defense Security Assistance Management Manual. DoD Components need to implement effective controls to prevent or detect the unauthorized use or disposition of an entity's assets. Without accurate locations or quantities of Special Defense Acquisition Fund inventory, DoD personnel will not know what the DoD has in storage, which may lead to a shortage of materiel necessary to meet the needs of our foreign partners. Conversely, the DoD may order materiel that the DoD already owns, which could be a waste of funds.

The DoD OIG made 23 recommendations to the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, including recommendations to:

- recover all security assistance-related salary, storage, and operating costs that the DoD Components did not recover between FYs 2014 and 2019;
- develop, document, and implement Component-level policies and procedures to recover the expenses in future years; and
- work with the appropriate personnel in the Army, Navy, Air Force, and Defense Logistics Agency to perform a preliminary review of potential Antideficiency Act violations that may have occurred within their organizations by subsidizing security assistance-related expenses with appropriated funds.

The DoD OIG also recommended that the Deputy Secretary of Defense identify and direct the appropriate official to perform a comprehensive analysis of the functions performed by DoD Components and determine whether the current administrative rates charged to foreign customers are adequate for the DoD to recover its costs for providing security assistance support, and develop, document, and implement detailed guidance to the DoD Components that identifies which costs should be covered and the process for recovering the costs. Management agreed with the recommendations.

#### Report No. DODIG-2020-114

### **DoD Service Provider Examinations**

Service providers that provide common services to multiple entities under audit obtain an Independent Public Accounting (IPA) firm examination on the service providers controls. The DoD OIG and two IPA firms conducted six examinations in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 18, "Attestation Standards: Clarification and Recodification," and issued findings and rendered an opinion in a System and Organization Controls Report (SOC 1) Report. Results of these examinations can be used by other auditors as evidence that the service provider's controls are or are not designed and operating effectively. This reduces redundant testing of controls by auditors of other reporting entities, saving both time and money.

Auditors draw conclusions on the service provider's presentation, the suitability of the design, and the operating effectiveness of the controls (as applicable) to achieve the related control objectives stated in management's description of the services provided. The attestation opinion and the DoD OIG transmittal are included in the service provider's SOC 1 Report. In FY 2020, the DoD OIG and IPA firms issued SSAE 18 opinions on the SOC 1 reports for six service providers, including the:

- Army's General Fund Enterprise Business System,
- Army's Munitions Inventory Management Services,
- Defense Logistics Agency's (DLA) Wide Area Workflow,
- DLA's Defense Automatic Addressing System,
- DLA's Defense Agencies Initiative, and
- U.S. Air Force's Defense Enterprise Accounting and Management System.

### Report Nos. DODIG-2020-099, DODIG-2020-100, DODIG-2020-116, DODIG-2020-117, DODIG-2020-118, and DODIG-2020-124

### Naval Ordnance Data Classification Issues Identified During the Oversight of the U.S. Navy General Fund Financial Statement Audit for FY 2020

The report findings and recommendations are For Official Use Only.

Report No. DODIG-2020-101

### Readiness and Global Operations

### Audit of Management of Pharmaceuticals in Support of the U.S. Central Command Area of Responsibility

The DoD OIG determined whether the Military Departments properly accounted for and safeguarded pharmaceuticals at locations supporting overseas contingency operations in the U.S. Central Command (USCENTCOM) area of responsibility. The DoD OIG visited eight medical treatment facilities (MTFs); four MTF medical logistics facilities; a U.S. Army Medical Materiel Center–Southwest Asia (USAMMC-SWA) warehouse; and three USAMMC-SWA Forward Logistics Elements (FLEs) located in Qatar, Kuwait, and Afghanistan.

The Military Departments did not fully account for or safeguard pharmaceuticals at seven MTFs, four MTF medical logistics facilities, one USAMMC-SWA warehouse, and two USAMMC-SWA FLEs in the USCENTCOM area of responsibility. As a result of the accountability and safeguarding deficiencies identified, the controlled and non-controlled pharmaceuticals at these locations are susceptible to loss, theft, abuse, and diversion. Controlled pharmaceuticals are particularly vulnerable to diversion for illicit use. Non-controlled pharmaceuticals, which are pilferable and sometimes expensive, may also be used for recreational use. Improper use of these pharmaceuticals can degrade military operations and damage the lives, safety, and readiness of military personnel. Without properly conducting inventories, USCENTCOM would not be able to determine whether losses occurred or determine the exact amount of losses of controlled and non-controlled pharmaceuticals at each MTF, MTF medical logistics facility, and USAMMC-SWA FLE.

During the audit and while the audit team was on site, MTF, MTF medical logistics facility, and USAMMC-SWA FLE personnel initiated corrective actions, including documenting patient returns of controlled pharmaceuticals and expired controlled pharmaceuticals on their accountability



Non-Controlled Pharmaceuticals in the Camp Buehring TMC Pharmacy Source: The DoD OIG.

records, and updating or completing forms listing authorized medical personnel (Department of the Army Form 1687). USAMMC-SWA FLE Kuwait personnel added controlled pharmaceuticals to their accountability records, and the amounts were verified during the May 2020 disinterested officer inventory. In addition, several security improvements have been completed or initiated since the audit team site visits.

The DoD OIG recommended that the USCENTCOM Theater Pharmacist coordinate with the USCENTCOM Surgeon to establish or update policies and procedures to clarify the requirements for external reviewers and action officers when conducting disinterested officer inventories, and include in the policy requirements for the minimum level of security required for controlled and non-controlled pharmaceuticals for deployed MTFs within the USCENTCOM area of responsibility. The DoD OIG also recommended that the USCENTCOM Theater Pharmacist develop a tracking mechanism to verify that Department of Army Forms 1687 are completed and updated and that inventories by external reviewers are completed monthly. Finally, the DoD OIG recommended that the USCENTCOM Theater Pharmacist update the site visit review checklist to include requirements to verify that Department of Army Forms 1687 are completed and updated, non-controlled pharmaceutical inventories

are completed, security procedures are followed, and security deficiencies are addressed. Management agreed with the recommendations and took immediate action to address each recommendation. All recommendations are now closed.

### Report No. DODIG-2020-120

### Audit of the F-35 Program Office's Beyond Economical Repair Process for Parts

The DoD OIG determined the extent that the F-35 Program Office's Beyond Economical Repair (BER) process identified parts that were damaged and determined whether a part could be economically repaired, and whether a DoD official approved the contractor's determination that a part could not be economically repaired.

The DoD OIG determined that the F-35 Program Office did not implement a BER process that ensured that the decision to either replace or repair damaged parts was the most economical decision. Specifically, from October 2001 through December 2019, F-35 Program Officials had not implemented a beyond economical repair process that identified the replacement cost for repairable parts, established a threshold for use in determining whether it was economical to repair a part, or required DoD approval for replacing damaged parts that the contractor determined could not be economically repaired. As a result, from January 2016 through June 2019, the prime contractor reported that it disposed of at least 688 parts, categorized as beyond economical repair and valued at \$34.5 million, without DoD oversight or approval to ensure that replacing the part was the most economical action. Another result from the delay in implementing a process is that, as of February 2020, the F-35 Program Office had more than 500 parts waiting for a DoD official to approve the contractor's determination that replacing the damaged part is the most economical decision. A nonfunctioning BER process contributes to the reduction of available spare parts when a backlog of parts waiting for BER approval accumulate, which delays the final repair or replace decision and negatively affects warfighter readiness. The lack of available spare parts prevents the F-35 fleet from performing required operational and training missions.

The DoD OIG recommended that the Under Secretary of Defense for Acquisition and Sustainment develop DoD-wide BER guidance, aligned with existing DoD guidance on repairing repairable parts, including considering non-cost factors. In addition, the DoD OIG recommended that the F-35 Program Executive Officer direct officials to fully develop and formalize a BER process with specific goals, procedures, and metrics;
update sustainment contracts to incentivize repairing of repairable spare parts within specific timeframes; and determine accurate costs for DoD replacement parts to use in making BER determinations. Management agreed with the recommendations.

### Report No. DODIG-2020-123

## Audit of Coalition Partner Reimbursement of Dining Facility Services at Resolute Support Headquarters, Kabul, Afghanistan

The DoD OIG determined whether the DoD sought full reimbursement from Coalition partners at Resolute Support Headquarters (RSHQ), Kabul, Afghanistan, for dining facility services provided under the Logistics Civil Augmentation Program (LOGCAP) contract. LOGCAP is an Army program that uses contractors to provide elements of logistics support, supplies, and services, such as dining facilities, to deployed forces, including Coalition partners. The DoD provides logistics support, supplies, and services to Coalition partners on a reimbursable basis under Acquisition and Cross-Servicing Agreement (ACSA) authority.

The DoD OIG determined that U.S. Forces-Afghanistan (USFOR-A) did not seek full reimbursement for dining facility services provided to Coalition partners at RSHQ through the LOGCAP contract. ACSA coordinators did not initiate bills or consistently calculate the amount owed in accordance with USFOR-A guidance because the ACSA program manager did not ensure that all bills were initiated and prepared in accordance with USFOR-A guidance or develop a training program for ACSA coordinators that addressed processing of ACSA transactions in Afghanistan. In addition, the ACSA coordinators did not establish the terms and conditions, including rate and calculation method, with each Coalition partner before services were provided. As a result of USFOR-A not initiating billing, between January 2016 and September 2019, DoD contractors provided an estimated \$6.3 million in dining facility services to Coalition partners that was never billed to Coalition partners. In addition, by not using correct rates, USFOR-A under-billed Coalition partners \$2.9 million. ACSA Global Automated Tracking and Reporting System records indicate that ACSA coordinators initiated bills for only \$4.7 million, and as of October 2019, Coalition partners had reimbursed the DoD only \$880,000. Unless USFOR-A establishes terms and conditions with Coalition partners before providing services, develops training specific to Afghanistan, and performs oversight, the DoD will continue to not initiate bills for the full reimbursable amount for dining facility services provided under the anticipated LOGCAP V contract.

The DoD OIG recommended that the USFOR-A Multinational Logistics Branch Chief:

- develop agreements with each Coalition partner detailing the terms and conditions for dining facility services at RSHQ before providing services;
- determine the months for which ACSA orders were not initiated and negotiate collection with each Coalition partner for services provided;
- develop and implement a process for overseeing ACSA coordinators; and
- update the training program provided to ACSA coordinators to include training related to providing logistics support, supplies, and services in Afghanistan.

The DoD OIG also recommended that the U.S. Army Central Multinational Logistics Branch Chief update the Multinational Logistics Standard Operating Procedures to define the oversight roles and responsibilities of the ACSA program manager. Management agreed with the recommendations.

### Report No. DODIG-2020-096

## Audit of Training of Mobile Medical Teams in the U.S. Indo-Pacific Command and U.S. Africa Command Areas of Responsibility

The DoD OIG determined whether the Defense Health Agency and the Military Departments provided effective training to mobile medical teams to improve trauma care before teams deployed to the U.S. Indo-Pacific Command (USINDOPACOM) and U.S. Africa Command (USAFRICOM) areas of responsibility. The Army, Navy, and Air Force deploy conventional force mobile medical teams in response to combatant commander requests for forces. Mobile medical teams typically consist of a general surgeon, an emergency physician, a critical care nurse, a surgical technician, and additional trauma care professionals. They provide life-saving care, including surgery, to wounded military personnel in the field before arrival at a military medical treatment facility.

The DoD OIG determined that the Military Departments provided team, environmental, and equipment training to mobile medical team members before they deployed to the USINDOPACOM and USAFRICOM areas of responsibility. However, based on interviews, survey results, and reviews of after-action reports and training certificates, the DoD OIG determined that the Military Departments needed to improve surgical and tactical training to better prepare mobile medical teams for deployment to austere environments. Surgical and tactical training were not always provided to mobile medical team members before deployment and, when provided, were often reported as ineffective. Additionally, personnel across the Military Departments stated that their home station military medical treatment facility positions did not have the sufficient trauma caseloads to prepare them to be a member of a mobile medical team. Surgical training should include treating trauma injuries and participating in rotations to trauma centers. Tactical training should include weapons qualifications and practice on night vision equipment so medical teams can be prepared for potential medical emergencies or operations at night.

As a result of gaps in surgical training and a lack of exposure to trauma cases, mobile medical team personnel are at risk of not gaining and maintaining essential surgical experience necessary for medical readiness. Additionally, according to a USAFRICOM component command official, without better tactical training, teams may not be able to defend themselves and their patients and they may become a liability to the forces they are intended to support. Lack of standardization in training also means that combatant commanders are not fully aware of the capabilities of mobile medical teams when they deploy with inconsistent skill levels.

The DoD OIG recommended that the Joint Trauma Education and Training Branch Chief continue efforts to complete and implement standardized medical training, including an austere surgical resuscitative course. In addition, the DoD OIG recommended that the Surgeons General of the Army, Navy, and Air Force issue guidance implementing the Joint Trauma Education and Training Branch's standardized training program for all mobile medical teams; update training curriculums at the military medical training commands, for tactical training of mobile medical teams; and require all mobile medical team personnel to complete the standardized post-deployment after action report and submit the report to the Joint Lessons Learned Information System. Finally, the DoD OIG recommended that the Joint Trauma System Chief and the Joint Trauma System Performance Improvement Branch Chief develop a standardized post-deployment after-action report template to gather information on the effectiveness of training provided to mobile medical team members. Management agreed with the recommendations.

### Report No. DODIG-2020-087

### Audit of Army Contracting Command– Afghanistan's Award and Administration of Contracts

The DoD OIG determined whether the Army Contracting Command–Afghanistan (ACC-A) awarded and administered contracts in accordance with applicable Federal regulations and Army Contracting Command procedures.

The DoD OIG determined that the ACC-A did not award and administer any of the 15 contracts in the DoD OIG sample in accordance with applicable Federal regulations and Army Contracting Command procedures. In addition, the DoD OIG determined that ACC-A contracting officials did not have the knowledge, training, or experience needed to award and administer contracts in accordance with regulations and procedures. The DoD OIG also determined that ACC-A contracting officials could not always access the Army's contract award and administration systems to perform their duties, resulting in missed deadlines for mission-critical functions. As a result, the ACC-A deployed contracting officials to Afghanistan with limited knowledge and experience of contingency contracting requirements and tasked them with using electronic recordkeeping and contract management systems that were not reliably accessible. Therefore, the ACC-A did not have reasonable assurance that it successfully mitigated contracting risks, such as non-performance, improper payments, and mismanagement of Government property.

The DoD OIG recommended that the Commanding General of Army Contracting Command identify and coordinate with theater officials to develop and implement a force structure or similar manpower authorization document for the ACC-A that identifies the staffing levels, positions, roles, and responsibilities of ACC-A personnel. Additionally, the DoD OIG recommended that the ACC-A Commander develop and implement a plan to improve the hiring process for civilian contracting personnel. Finally, the DoD OIG recommended that the Deputy Assistant Secretary of the Army for Procurement:

 develop and implement a written plan to engage the Army Contracting Command Headquarters in developing and testing the new Army Contract Writing System to ensure that the new system provides contingency contracting personnel with the capabilities necessary to effectively award and administer contracts in a contingency environment; and  provide contracting officials access to the Army Contract Writing System in the field for testing before the system achieves full operational capability to identify any potential issues or challenges unique to the contingency operating environment, including the ability to operate the system effectively under unreliable network conditions.

Management disagreed with the recommendations to develop and implement a force structure or similar document, partially agreed with the recommendation to develop and implement a plan to improve the hiring process for civilian contracting personnel, and agreed with the other recommendations.

#### Report No. DODIG-2020-094

# Audit of U.S. Special Operations Command Testing and Evaluation

The DoD OIG determined whether the U.S. Special Operations Command (USSOCOM) fielded Special Operations–Peculiar (SO-P) equipment that met performance requirements during test and evaluation (T&E). SO-P equipment is unique to USSOCOM units, and funded and managed by USSOCOM. SO-P equipment is defined as equipment, material, supplies, and services required for special operations missions for which there is no common Military Service requirement.

The DoD OIG determined that, for the programs reviewed, USSOCOM officials did not verify that all SO-P equipment met performance requirements during T&E before fielding. The DoD OIG reviewed a nonstatistical sample of 10 of 28 USSOCOM SO-P programs that received full or conditional Fielding and Deployment Releases (F&DR) during FYs 2017 through 2019. The DoD OIG determined that USSOCOM personnel followed command policy to verify key performance parameters (KPPs) that passed T&E, or to issue a conditional F&DR identifying the KPPs that did not pass T&E, prior to fielding for four programs reviewed, valued at \$494.1 million. KPPs are the equipment attributes that are most critical for mission effectiveness. For the remaining six programs, valued at \$815.8 million, USSOCOM officials did not verify that SO-P equipment passed all required T&E. Despite not verifying that the SO-P equipment met KPPs via T&E, USSOCOM personnel issued full or conditional F&DRs that did not identify unverified KPPs for the six programs. As a result, USSOCOM purchased and fielded SO-P equipment for the six programs, valued at \$815.8 million, without verifying that the equipment

met user needs. Without verification through T&E, USSOCOM had no assurance that the SO-P equipment for these six programs met the KPPs.

The DoD OIG recommended that the USSOCOM Commander develop internal controls to ensure that USSOCOM program managers develop and maintain a requirements correlation matrix for each program that clearly matches KPPs to T&E, integrate the requirements correlation matrix into T&E, and document the results in the requirements correlation matrix. The DoD OIG also recommended that the USSOCOM Commander update USSOCOM directives to require a completed requirements correlation matrix before issuing an F&DR for SO-P programs, and require that conditional F&DRs identify the KPPs that were not met, outline any limitations on how the equipment is to be used, and the work required before issuing a full F&DR. Management agreed with the recommendations.

#### Report No. DODIG-2020-111

## Audit of Combined Security Transition Command– Afghanistan's Implementation of the Core Inventory Management System Within the Afghan National Defense and Security Forces

The DoD OIG determined whether Combined Security Transition Command–Afghanistan's (CSTC-A's) implementation of the Core Inventory Management System (CoreIMS) had improved weapon and vehicle accountability in Afghanistan since 2016. The audit focused on Afghan National Defense and Security Forces (ANDSF) weapon and vehicle records maintained in CoreIMS from August 2016 through August 2019.

The DoD OIG determined that, while CSTC-A's implementation of CoreIMS had improved the accountability of weapons and vehicles at the ANDSF's national warehouses, it had not led to full accountability at the ANDSF local sites. Specifically, in August 2016, CSTC-A implemented a process that captured the serial numbers and locations of more than 95 percent of weapons and vehicles provided to the ANDSF by the DoD between October 2016 and August 2019. However, the DoD OIG also determined that the ANDSF did not use CoreIMS at 78 of its 191 (41 percent) local sites. The ANDSF did not use CoreIMS to account for weapons and vehicles held at all local sites because CSTC-A did not fully consider the level of difficulty the challenges of the operational environment, such as lack of or limited Internet connectivity and electrical power at local sites, would have on the implementation of CoreIMS. As a result

of the ANDSF's inability to consistently use CoreIMS at all ANDSF sites, CSTC-A will not be able to assist the ANDSF in identifying some instances of weapon and vehicle theft, help the ANDSF plan its future equipment requirements, and reduce duplicate issuance of weapons and vehicles. In addition, CSTC-A continues to expend resources on implementing CoreIMS without a strategy for sites that do not have the capability to implement CoreIMS. Therefore, the ANDSF will continue to rely on CSTC-A to train, advise, and assist the ANDSF in improving logistics capabilities.

The DoD OIG recommended that the CSTC-A Commander work with the ANDSF, as part of CSTC-A's train, advise, and assist mission, to develop a formal process and alternate mechanism to feed weapon and vehicle information from the local sites where CoreIMS cannot be used into. The CSTC-A Commander should also conduct an assessment to determine the specific challenges that are preventing each of the 78 local sites from adopting CoreIMS, and identify specific resources needed to adopt CoreIMS at those local sites, before expending any further resources on enhancing CoreIMS. Management agreed with the recommendations.

### Report No. DODIG-2020-104

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

The DoD OIG determined whether the Air Combat Command, Acquisition Management and Integration Center's (AMIC's) oversight and management of



DoD-Provided Weapons Source: CSTC-A.

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, the DoD OIG expanded its review to also determine whether AMIC verified the accuracy of contractor invoices before making payments and only reimbursed the contractor for contractually eligible costs.



DoD-Provided Vehicles Source: CSTC-A.



#### MQ-9 Reaper Source: The Air Force.

The DoD OIG determined that AMIC ensured that the RPA contractor complied with contractually required maintenance procedures and performance requirements. Furthermore, AMIC verified the accuracy of contractor invoices before 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 and relied on informal guidance from the contracting officer and program manager to ensure that AMIC only paid the contractor for contractually compliant performance and reimbursement costs. The DoD OIG 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.

The DoD OIG recommended 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 agreed with the recommendations.

#### Report No. DODIG-2020-108

## Followup Audit on Department of Defense and Military Department Corrective Actions Taken in Response to Department of Defense Office of Inspector General Reports on Military Housing

The DoD OIG conducted this followup audit to determine whether the DoD corrected previously identified deficiencies related to policies and instructions, preventative maintenance, and environmental health and safety in prior military housing reports.

Between FYs 2014 and 2017, the DoD OIG issued eight reports addressing problems with DoD military housing. The objective of these reports was to determine whether the DoD and Military Departments followed Federal and DoD environmental health and safety policies and standards for military housing. The DoD OIG identified 110 recommendations (19 recommendations open and 91 recommendations closed) in the 8 reports. The DoD OIG selected a nonstatistical sample of 16 recommendations from 5 reports to assess whether policies and controls over the maintenance and inspection of Government-owned and privatized housing were in place to ensure the safety of service members and their families. Of the 16 recommendations reviewed, 10 recommendations remained open, and 6 recommendations were closed (3 recommendations were closed when the audit started and the DoD OIG followed up to verify that corrective action was taken and 3 recommendations were closed as a result of the verification the DoD OIG performed during the audit.)

The DoD OIG determined that additional improvements are needed to ensure that service members and their families have access to safe housing. The DoD OIG reviewed 16 recommendations from 5 previous DoD OIG reports and determined that while the DoD and Military Departments took several corrective actions related to health and safety policy for military housing, many deficiencies in radon and mold remediation, comprehensive inspections, and repairs to identified healthy and safety deficiencies still existed.

The DoD OIG determined that the DoD and Military Departments took corrective actions, such as updating housing policy and preparing inspection and maintenance plans, to address 6 of the 16 recommendations. However, the DoD and Military Departments did not fully implement agreed-upon corrective actions to address the remaining 10 recommendations. Overall, the DoD and Military Departments have made some improvements regarding military housing that are related to updating housing policy, using a joint-Service working group to identify improvements in facility inspection and maintenance programs across the DoD, and preparing inspection and maintenance plans as a result of addressing recommendations in prior DoD OIG evaluation reports. However, many agreed-upon recommendations related to the DoD or Service-level housing policies and procedures, performing annual inspections, and completing repairs remain uncorrected by the DoD. If DoD management does not address previous recommendations to improve military housing, the DoD will continue to expose military families to health and safety hazards at installations around the world.

Although the DoD OIG did not make any new recommendations, 10 of the 16 resolved recommendations the DoD OIG reviewed during this followup audit remained open. In addition, the DoD OIG encouraged the DoD to implement corrective actions to address the open recommendations from all 8 reports. The recommendations involved updating internal procedures or DoD-wide guidance for military housing to ensure safe living standards for military families; addressing preventative maintenance and inspections; and addressing mold, asbestos, lead, polychlorinated biphenyls, radon, pest control, fire protection, electrical protection, and water quality issues. Management agreed with the recommendations.

### Report No. DODIG-2020-086

# **Ongoing Audit Oversight**

### **Ongoing Work**

At the close of the reporting period, the DoD OIG had 91 ongoing audits, including audits to determine whether the:

- U.S. Army Corps of Engineers solicited and awarded contract W912PL-20-C-004 to design and build border infrastructure in accordance with Federal procurement laws and regulations;
- TransDigm Group, Inc. business model affects the DoD's ability to pay fair and reasonable prices for spare parts;
- DoD planned infrastructure projects supporting rotational forces in Australia in accordance with applicable laws and DoD regulations and U.S. Indo-Pacific Command's operational requirements;
- actions taken by the DoD and Department of Veterans Affairs to acquire and implement a common, commercial electronic health record system and supporting architecture will achieve interoperability among the Departments and with external heath care providers (this is a joint audit with the Department of Veterans Affairs OIG);
- DoD is implementing the DoD Cyberspace Workforce Strategy and maximizing the use of hiring authorities to recruit and retain its cyber workforce;
- DoD officials cleaned and disinfected DoD facilities that were occupied by individuals suspected of, or confirmed as being positive for COVID-19 in accordance with Federal and DoD policies and procedures;
- DoD stored and secured its munitions in the U.S. European Command in accordance with applicable policy;
- DoD planned and executed activities to implement memorandums between the DoD and the Department of Homeland Security regarding cybersecurity and cyberspace operations;
- DoD Agency-Wide Basic Financial Statements as of September 30, 2020, and September 30, 2019, taken as a whole, were presented fairly, in all material respects, and in conformity with accounting principles generally accepted in the United States of America;

- DoD followed guidance and implemented procedures to prevent and reduce the spread of COVID-19 at basic military training facilities, while maintaining military readiness;
- Defense Finance and Accounting Service accurately identified and reported improper payments from payments processed through the Mechanization of Contract Administration Services system; and
- DoD paid fair and reasonable prices for laboratory equipment and personal protective equipment procured in response to the COVID-19 pandemic.

# **EVALUATIONS**

The DoD OIG's Evaluations Component conducts evaluations of DoD operations and activities. These evaluations include classified programs, space and missile programs, construction, safety, health care, and oversight of criminal investigations and audits conducted by other entities within the DoD.

The Evaluations component consists of two operating directorates:

- Program, Combatant Command (COCOM), and Overseas Contingency Operations (OCO), and
- Space, Intelligence, Engineering, and Oversight.

The following are DoD OIG evaluation reports completed during the reporting period.

# Program, COCOM, and OCO

# Evaluation of Medical Protocols and Deaths of Recruits in the Department of Defense

The DoD OIG reviewed the effectiveness of medical protocols at recruit training centers (RTCs) in the DoD, as required by section 566 of the National Defense Authorization Act for FY 2020. Section 566 directed the DoD OIG to conduct "an assessment of the deaths of recruits at facilities under the jurisdiction of the Secretaries of the military departments, and the effectiveness of the current medical protocols on the training bases."

During the past 5 years, from January 1, 2015, through December 31, 2019, the four Military Services conducted basic training for over 1 million recruits at eight RTCs, and the Services reported that 18 recruits died during basic training. None of the deaths described in this report were reported to be the result of negligence. The DoD OIG further identified the guidelines and resources in place to monitor sick recruits at each of the RTCs and provided answers to the questions identified in the legislation.

The DoD OIG did not make any recommendations.

### Report No. DODIG-2020-131

## Evaluation of the Department of Defense Regional Centers for Security Studies

The DoD OIG reviewed the operations and practices of the DoD Regional Centers for Security Studies (RCs) related to the vetting of foreign faculty, nondisclosure agreements, travel, and the payment of fees for guest lecturers (honoraria). The DoD OIG also determined whether the DoD and the RCs implemented the recommendations from a prior Government Accountability Office oversight report to develop measures of effectiveness.

The DoD OIG determined that RCs complied with regulations governing the vetting of foreign faculty, nondisclosure agreements, and the payment of honoraria from 2014 through 2018. However, RCs did not have measures of effectiveness to indicate progress toward achievement of their stated goals, objectives, or strategic outcomes. In addition, RCs did not follow regulations for the management of their travel programs. As a result, RCs could not quantify their contributions to DoD strategic objectives, and the DoD was unable to assess the RCs' progress in supporting DoD and geographic combatant command priorities. Moreover, certifying officers at the RCs assumed financial liability for travel payments without proper authority or training-increasing the risk of improper payments.

The DoD OIG recommended that the Under Secretary of Defense for Policy, in coordination with the Defense Security Cooperation Agency Director, provide the RCs the technical assistance and subject matter expertise required by DoD Instruction 5132.14 to develop and implement measures of effectiveness that track progress on achieving program outcomes. The DoD OIG further recommended that the Defense Security Cooperation Agency Director develop and implement a plan to execute its executive agent responsibilities over the RCs' travel program, as required by DoD Directive 5200.41E. The DoD OIG also recommended that the Directors of the RCs develop an inspection process to verify that their travel program complies with DoD regulations. The Under Secretary of Defense for Policy did not provide comments on the draft or final report; therefore, the

recommendation to provide the Regional Centers with the technical assistance and subject matter expertise is unresolved. Management agreed with the remaining recommendations.

### Report No. DODIG-2020-090

## Followup Evaluation of Report DODIG-2016-078, Evaluation of the Department of Defense's Biological Select Agents and Toxins Biosafety and Biosecurity Program Implementation

The DoD OIG validated whether the DoD implemented recommendations from Report No. DODIG-2016-078, "Evaluation of DoD Biological Safety and Security Implementation," April 27, 2016, and determined whether the actions taken by the Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD[A&S]) and the Secretary of the Army as the DoD Executive Agent (EA) for the DoD Biological Select Agents and Toxins (BSAT) Biosafety and Biosecurity Programs met the intent of the recommendations.

The DoD OIG determined that the OUSD(A&S) and the EA for the DoD BSAT Biosafety and Biosecurity Programs implemented actions that met the intent of 9 of the 13 recommendations from Report No. DODIG-2016-078. However, 4 of the 13 recommendations from the previous report had not been fully implemented. The OUSD(A&S) did not issue policy requiring all DoD BSAT-registered laboratories to implement an internal technical and scientific peer review function that addresses both biosafety and biosecurity. In addition, the EA did not conduct standardized oversight of the BSAT-registered laboratories, or track all internal and external inspection results. Moreover, the Department of the Army Inspector General did not develop and implement training for BSAT laboratory inspectors and subject matter expert inspection team members. As a result, incomplete and inconsistent oversight of the DoD BSAT Biosafety and Biosecurity Programs remained an issue, which increases the risk of exposing DoD BSAT laboratories, personnel, and the public to the hazards associated with BSAT.

The DoD OIG made three new recommendations (two of the recommendations from the 2016 report were combined into one new recommendation). Specifically, the DoD OIG recommended that the OUSD(A&S) issue policy requiring all DoD BSAT-registered laboratories to implement an internal technical and scientific peer review function that addresses both biosafety and biosecurity. The DoD OIG also recommended that the DoD EA for the BSAT Biosafety and Biosecurity Programs, in coordination with the BSAT Biorisk Program Office, develop a plan to conduct standardized oversight of the DoD BSAT Biosafety and Biosecurity Programs and BSAT-registered laboratories, including tracking all internal and external inspection results. The DoD OIG recommended that the Department of the Army Inspector General Technical Inspections Division, in coordination with the EA for the DoD BSAT Biosafety and Biosecurity Programs, develop and implement training requirements for biological select agents and toxins laboratory inspectors and inspection team subject matter expert augmentees. Management agreed with the recommendations.

### Report No. DODIG-2020-105

## Evaluation of Security Controls for Intelligence, Surveillance, and Reconnaissance Supply Chains

The DoD OIG determined whether DoD Components followed established DoD security controls and supply chain risk management requirements for intelligence, surveillance, and reconnaissance sensors.

The report findings and recommendations are classified.

Report No. DODIG-2020-106

# Evaluation of Access to Mental Health Care in the Department of Defense

The DoD OIG determined whether the DoD met outpatient mental health access to care standards for active duty service members and their families, in accordance with law and applicable DoD policies. Integrated health care is offered to active duty service members and their families through military medical treatment facilities (MTFs), known as the direct care system, and through networks of civilian providers operated by civilian managed care support contractors, known as the purchased care system. Active duty service members and their families enrolled to an MTF use the purchased care system if the MTF does not have an available appointment due to lack of capability or capacity.

The DoD OIG determined that the DoD did not consistently meet outpatient mental health access to care standards for active duty service members and their families, in accordance with law and applicable DoD policies. Specifically, for the December 2018 to June 2019 time period, the DoD OIG found that:

 7 of 13 MTFs (direct care system) or their supporting TRICARE network (purchased care system) did not meet the specialty mental health access to care standard each month; and  an average of 53 percent (4,415 of 8,328 per month) of all active duty service members and their families, identified as needing mental health care and referred to the purchased care system, did not receive care and Military Health System (MHS) personnel did not know why.

Additionally, during our site visits between August and October 2019, 9 of 13 MTFs reported the inability to meet evidence-based treatment (treatment proven successful in controlled studies) or monitor the prescribed behavioral health treatment dosage (including visit frequency) in accordance with Defense Health Agency Procedural Instruction 6490.02, which means the patient's followup treatment may have been delayed or did not occur.

The Defense Health Agency lacked an MHS-wide model to identify appropriate levels of staffing in direct and purchased care, published inconsistent and unclear access to mental health care policies, and did not have visibility of patients who attempted, but were unable, to obtain mental health appointments in the purchased care system. In addition, the Defense Healthy Agency measured the 28-day specialty access to care standard differently between the direct and purchased care systems, both of which included only those patients who were able to get an appointment, excluded patients who self-referred, and considered only the patients' first appointment. As a result, thousands of active duty service members and their families may have experienced delays in obtaining mental health care. The delays may have involved numerous members not being able to: (1) see the right provider at the right time, (2) obtain mental health care at all, or (3) receive timely followup treatment. All of these types of delays in mental health care increase the risk of jeopardizing patient safety and affecting the readiness of the force.

The DoD OIG made 14 recommendations to the Assistant Secretary of Defense for Health Affairs and the Defense Health Agency Director to improve access to mental health care in the DoD. Management agreed with 7 of the 14 recommendations. The seven other recommendations are unresolved.

Report No. DODIG-2020-112

### Evaluation of Department of Defense Enhanced End-Use Monitoring of Equipment Transferred to the Government of Ukraine

The DoD OIG determined whether the DoD's transfer of military equipment requiring enhanced end-use monitoring (EEUM) to the Government of Ukraine was done in accordance with law and DoD guidance, and whether Ukraine's security and accountability of U.S.-provided military equipment requiring EEUM met the criteria prescribed by law and regulation.

The DoD OIG determined that DoD officials generally complied with EEUM requirements for Javelin missiles and their associated command launch units. The DoD OIG also found that Ukraine's storage facilities for Javelin anti-armor missiles and their associated command launch units met physical security requirements set forth in letters of offer and acceptance (LOAs). However, the DoD did not fully comply with EEUM requirements for night vision devices (NVDs) until 2018, the year the Office of Defense Cooperation–Ukraine began conducting required EEUM physical inventories in Ukraine. As late as January 2020, however, information in the DoD's Security Cooperation Information Portal database about the quantity, location, and condition of NVDs was not accurate because the Armed Forces of Ukraine did not always report the loss, theft, or destruction of its U.S-provided EEUM-designated NVDs in a timely manner, as required by the LOAs. Serial number stickers on some U.S.-supplied NVDs became illegible or fell off, especially during operational deployments or combat, making it difficult to conduct serialized inventories of these articles. As a result, the DoD could not determine the status of all of the NVDs transferred to Ukraine.

The DoD OIG recommended that the Defense Security Cooperation Agency (DSCA) Director:

- withhold the Defense Security Cooperation Agency's recommendation that the Government of Ukraine receive additional U.S.-provided NVDs until Armed Forces of Ukraine officials provide loss reports in a timely manner as described by the terms of the LOA;
- develop a new information field within the Security Cooperation Information Portal to indicate when an article is lost pending an official report;



Engraved Serial Number on an NVD Source: General Staff of the Armed Forces of Ukraine.

- develop a process, in coordination with the Commanding General of U.S. Army Security Assistance Command, to place permanent serial numbers on each NVD provided to the Government of Ukraine;
- establish a frequency for compliance assessment visits for countries identified as high risk, according to the criteria established in the Security Assistance Management Manual, with intervals between compliance assessment visits not to exceed a maximum time specified by the DSCA; and
- reschedule a compliance assessment visit to Ukraine within 12 months of publication of this report.

The DoD OIG also recommended that the Chief of the Office of Defense Cooperation–Ukraine request written guidance and procedures from the DSCA addressing how and when compensatory measures can replace LOA-directed requirements specified in the NVD storage facility physical security checklist and update their EEUM standard operating procedures to reflect that guidance. Management agreed with all recommendations, except one. For that recommendation, management proposed an alternative course of action that met the intent of the recommendation.

### Report No. DODIG-2020-121

# Space, Intelligence, Engineering, and Oversight

## System Review Report of the Defense Logistics Agency Office of the Inspector General Audit Organization

The DoD OIG conducted a quality control review to determine whether the system of quality control for the audit functions of the Defense Logistics Agency Office of the Inspector General (DLA OIG) audit organization in effect for the 3-year period that ended September 30, 2019, conformed to the Government Auditing Standards. A system of quality control covers the DLA OIG audit organization's structure, the policies adopted, and procedures established to provide the DLA with reasonable assurance of conformity with the Government Auditing Standards.

The DoD OIG determined that the system of quality control for the DLA OIG audit organization in effect for the 3-year period that ended in September 30, 2019, was suitably designed to provide reasonable assurance that performance of and reporting from the DLA OIG audit organization was in conformity with applicable professional standards in all material respects. However, the DoD OIG found that the DLA OIG audit organization did not monitor the quality of the work completed on audits. In addition, the scope and methodology in one audit report did not identify the number of task orders reviewed.

Audit organizations can receive a rating of pass, pass with deficiencies, or fail. The DLA OIG audit organization received an external peer review rating of pass.

### Report No. DODIG-2020-081

### Evaluation of the DoD's Management of Health and Safety Hazards in Government-Owned and Government-Controlled Military Family Housing

The DoD OIG determined whether the DoD effectively managed health and safety hazards in Government-owned and Government-controlled (GO-GC) military family housing. For this report, management is defined as the policies and procedures used by DoD officials to identify, mitigate or minimize, monitor, disclose, and oversee health and safety hazards in GO-GC military family housing.

The DoD OIG determined that the DoD's management of health and safety hazards in GO-GC military family housing needed improvement. The DoD OIG identified systemic deficiencies in the management of lead-based paint, asbestos-containing material, and radon at the eight military installations visited. In addition, the DoD OIG found instances where installation officials did not properly manage other health and safety hazards, such as fire safety or drinking water quality. As a result, the DoD OIG determined that a potential exists for similar deficiencies in the management of health and safety hazards in GO-GC military family housing worldwide, and the health and safety of service members and their families could be at risk.

The DoD OIG recommended that the Under Secretary of Defense for Acquisition and Sustainment (USD[A&S]) and the Under Secretary of Defense for Personnel and Readiness collaboratively establish or revise appropriate DoD policy(s) to address health and safety hazards-including lead-based paint, asbestos-containing material, radon, fire and electrical safety, drinking water quality, window fall prevention, mold, carbon monoxide, and pest managementin military family housing to manage health, safety, and environmental risks to acceptable levels for military family housing residents. Additionally, the DoD OIG recommended that the Services revise all housing-related policies to align with recommended DoD policy revisions. Furthermore, the DoD OIG recommended that the Services develop oversight policies and procedures to assess the management of health and safety hazards in GO-GC military family housing. Finally, the DoD OIG recommended that the Services direct installation officials to correct the specific lead-based paint, asbestos-containing material, radon, fire safety, and drinking water quality health and safety hazard management deficiencies discussed in the report.

Management partially agreed with the recommendation to establish or revise appropriate DoD policy(s) to address health and safety hazards in military family housing, but did not provide any details on what specific action(s) would be taken or when the action(s) would be taken, leaving the recommendation unresolved. Management agreed to implement the remaining recommendations.

#### Report No. DODIG-2020-082

# Summary Evaluation of External Peer Reviews at the Department of Defense Audit Organizations

This DoD OIG identified and summarized systemic deficiencies in peer reviews of DoD audit organizations completed between April 4, 2017, and January 15, 2020, and determined whether improvements were made since the previous summary Report No. DODIG-2016-031, "Summary Report on Audit Quality at the DoD Audit Organizations," December 14, 2015.

The DoD OIG determined that, of the 21 audit organizations that were reviewed during this time period, 16 received a rating of pass, 4 received a rating of pass with deficiencies, and 1 received a rating of fail. Five audit organizations improved since the previous peer review, and one audit organization's peer review rating declined. Deficiencies reported in the DoD audit organizations' peer review reports related to policies and procedures, continuing professional education, independence, planning, evidence and documentation, supervision, and quality control policies and procedures. The recommendations in the peer review reports can serve as lessons learned, providing the DoD audit organizations with an understanding of why deficiencies occurred and highlighting the improvements needed for their quality control systems. The deficiencies presented in the peer review reports can be corrected when the DoD audit organization implements the peer review teams' recommendations. The DoD OIG did not provide additional recommendations.

#### Report No. DODIG-2020-092

## Quality Control Review of the Tate & Tryon Fiscal Year 2016 Single Audit of American Society for Engineering Education

The DoD OIG conducted this quality control review to determine whether Tate & Tryon, P.C. (Tate & Tryon) performed the FY 2016 single audit of the American Society for Engineering Education in accordance with auditing standards and Federal requirements.

The DoD OIG determined that the Tate & Tryon auditors did not comply with auditing standards and Federal requirements when performing the FY 2016 single audit of the American Society for Engineering Education. Specifically, Tate & Tryon auditors did not perform sufficient procedures to support conclusions on the American Society for Engineering Education's compliance with the Program Income, Eligibility, and Allowable Cost compliance requirements; document the basis for determining which compliance requirements were not direct and material to the major programs being audited; or report audit findings consistent with the audit documentation. As a result, additional audit procedures need to be performed before Federal agencies can rely on the FY 2016 American Society for Engineering Education single audit. Furthermore, the DoD OIG determined that the American Society for Engineering Education did not comply with the Program Income compliance requirement on one major program because it did

not use the income generated by the program to reduce the allowable expenses before requesting reimbursement from the Government.

The DoD OIG recommended that the auditors perform additional audit procedures for the review of Program Income, Eligibility, and Allowable Cost compliance requirements for the American Society for Engineering Education FY 2016 single audit, and to determine whether compliance requirements identified as not direct and material were properly excluded from the audit. In addition, the DoD OIG recommended that the auditors review and update the FY 2016 single audit report to include all reportable conditions that are supported by the audit documentation and to reflect the additional audit procedures performed. Management agreed with the recommendations.

#### Report No. DODIG-2020-102

### Evaluation of U.S. Air Force Air Refueling Support to the U.S. Strategic Command's Nuclear Deterrence Mission

The DoD OIG determined whether the U.S. Air Force had mission capable aircraft and aircrew to meet U.S. Strategic Command's Operation Global Citadel air refueling requirements. Specifically, the evaluation focused on KC-135 aircraft nuclear mission readiness, associated aircrew nuclear mission readiness, and the required installation support needed to meet the operation order requirements.

This report findings and recommendations are classified.

### Report No. DODIG-2020-110

## Evaluation of the United States Military Support of Department of Homeland Security Southern Border Security Operations Under Title 10 Authority

The DoD OIG determined whether the use of DoD title 10 personnel to support Department of Homeland Security (DHS) southern border security operations was authorized by Federal laws and consistent with DoD policies, and whether the DoD's support of DHS southern border security operations complied with applicable Federal laws and was consistent with DoD policies. The DoD OIG also determined whether DoD title 10 personnel supporting the DHS were provided adequate training consistent with Federal laws and DoD policies on the Standing Rules for the Use of Force (SRUF) and on potential reaction to contact with civilians or migrants. (Title 10 personnel are active duty military as well as reserve military members and national guardsmen called to active duty Federal service.) Finally, the DoD OIG determined whether the use of funds for DoD title 10 support to DHS southern border security operations complied with applicable Federal laws and DoD policies.

The DoD OIG determined that the use of DoD title 10 personnel to support DHS southern border security operations was authorized by Federal laws and was consistent with DoD policies. Specifically, in all nine DHS Requests for Assistance that contained a request for DoD title 10 personnel, the Secretary of Defense approved activities that were authorized by Federal laws and DoD policies, including show of force, crowd control, temporary detention, conducting cursory searches, and detection and monitoring. The DoD OIG also found that, between October 24, 2018, and December 31, 2019, DoD title 10 personnel supporting DHS southern border security operations complied with applicable Federal laws and DoD policies and only performed duties that were approved by the Secretary of Defense in a DHS Request for Assistance. Additionally, the DoD OIG determined that DoD title 10 personnel had limited contact with civilians or migrants and contact that did occur was acceptable under DoD policy. The DoD OIG also determined that the DoD developed adequate training on the SRUF for DoD title 10 personnel supporting DHS southern border security operations. Specifically, the training curriculum for the SRUF included title 10 authorities allowed or limited by Federal laws and DoD policies. Although the DoD did not adequately document when 20 of 54 (37 percent) DoD title 10 personnel completed SRUF training, the DoD OIG determined that 50 of 54 (93 percent) of the DoD title 10 personnel in our sample were provided adequate SRUF training and could generally describe the SRUF to us. The remaining four DoD title 10 personnel in our sample were not provided the SRUF training, as required. Furthermore, some unit commanders and noncommissioned officers provided additional informal SRUF training to DoD title 10 personnel.

The DoD OIG also determined that the DoD obligated title 10 funds for DoD title 10 support to DHS southern border security operations in accordance with Federal laws and consistent with DoD policies. Specifically, the Secretary of Defense waived reimbursement for DoD title 10 support to DHS southern border security operations in accordance with Federal laws and consistent with DoD policy. Additionally, the DoD OIG determined that, between October 2018 and December 2019, the Army, Air Force,



MSC Equipment Operated by DoD Title 10 Personnel Source: United States Border Patrol.

and Marine Corps obligated and tracked the use of \$144.3 million of the respective Service's Operations and Maintenance funds in accordance with the DoD Financial Management Regulation 7000.14 R and other DoD policy. Additionally, the Services used Operations and Maintenance funds for categories of expenses authorized in the DoD Financial Management Regulation. Finally, the Services tracked the funds obligated using standard financial codes in accordance with DoD policy.

The DoD OIG recommended that the Commander of the U.S. Northern Command provide training on the SRUF to any DoD title 10 personnel who were not provided the training before deploying to support DHS southern border security operations, as required by DoD policy. The DoD OIG also recommended that the Commander establish procedures to ensure that commanders document training for DoD title 10 personnel supporting DHS southern border security operations and a process to verify that all DoD title 10 personnel have received required training before deploying to support DHS southern border security operations. Management agreed with the recommendations.

### Report No. DODIG-2020-115

### Followup Evaluation of DODIG-2014-083, Insufficient Infrastructure Support to the Fixed Submarine Broadcast System

This DoD OIG determined whether the Navy adequately implemented recommendations from Report No. DODIG-2014-083, "Insufficient Infrastructure Support to the Fixed Submarine Broadcast System," June 23, 2014, to ensure that the infrastructure, maintenance, modernization, and management of the Fixed Submarine Broadcast System is sufficient to perform required functions.

This report findings and recommendations are classified.

#### Report No. DODIG-2020-119

# Evaluation of the Air Force's Certification of Space Launch Vehicles

This DoD OIG determined whether Air Force Space and Missile Systems Center (SMC) officials complied with the Air Force Launch Services New Entrant Certification Guide (NECG) when certifying the launch system designs for the National Security Space Launch (NSSL)-class (formerly known as the Evolved Expendable Launch Vehicle-class) SpaceX Falcon family of launch vehicles. Additionally, during the evaluation, the DoD OIG expanded the objective to also determine whether SMC officials applied the design validation approach in the NECG to three other space launch providers' new entrant launch vehicles that were in development: Northrop Grumman Innovation Systems, United Launch Alliance, and Blue Origin, LLC. During the evaluation, these three launch providers' certification processes were still in progress.

The DoD OIG determined that SMC officials generally complied with the Air Force's Launch Services NECG and its implementing instruction, SMC Operating Instruction 17-001, when certifying the capabilities of SpaceX and its Falcon family of launch vehicles. Additionally, in preparation for future launch vehicle contract competitions, SMC officials generally complied with the NECG to accomplish the design validation assessments of the three other potential launch vehicle providers' new entrant launch vehicles that were still in development. There were no recommendations in the final report.

### Report No. DODIG-2020-126

### Evaluation of the Department of Defense and Department of Defense Education Activity Responses to Incidents of Serious Juvenile-on-Juvenile Misconduct on Military Installations

The DoD OIG determined whether the DoD and the DoD Education Activity (DoDEA) have adequate policies and procedures to respond to incidents of serious juvenile-on-juvenile misconduct, including sexual assault and sexual harassment. The DoD OIG also determined whether the DoD and DoDEA referred serious juvenile-on-juvenile misconduct incidents to DoD law enforcement organizations and military and civilian child advocacy and health services.

The DoD OIG determined that DoDEA administrators did not report all misconduct incidents that could have been categorized as serious juvenile-on-juvenile misconduct incidents to DoDEA headquarters (HQ), installation commanders, or law enforcement. Between January 1, 2015, and December 31, 2017, there were 600 incidents that could have been reported as serious juvenile-on-juvenile misconduct incidents that occurred at DoDEA schools. Of the 600 incidents, DoDEA administrators did not report 522 (87 percent) incidents to DoDEA HQ, 593 (99 percent) incidents to the installation commander, or 524 (88 percent) incidents to law enforcement. DoDEA policy provided DoDEA administrators the discretion to determine which incidents could be reported to DoDEA HQ, installation commanders, and law enforcement. As a result, DoDEA HQ personnel were unaware of at least 522 juvenile-on-juvenile incidents, installation commanders could not hold juvenile offenders accountable, and law enforcement could not conduct investigations of serious juvenile-on-juvenile misconduct incidents.

Additionally, the DoD OIG determined that DoD installation personnel relied on the Family Advocacy Program (FAP) to provide counseling services, but DoD policy only required the FAP to provide counseling support services to victims of suspected child abuse. As a result, victims of juvenile-on-juvenile incidents may not have been provided counseling services. Furthermore, the DoD OIG determined that the DoD had not established a policy that specifies how installation commanders should address serious juvenile-on-juvenile misconduct incidents including parameters for holding juvenile offenders accountable. As a result, installation commanders may have responded inconsistently in holding juvenile offenders accountable.

The DoD OIG also reviewed a statistical sample of 126 of the 401 Military Law Enforcement Organizations (MLEO) and Military Criminal Investigative Organizations (MCIO) investigations of serious juvenile-on-juvenile misconduct that occurred at DoDEA schools or other locations on the installation between January 1, 2015, and December 31, 2017. The DoD OIG determined that 100 percent of the investigations were conducted in accordance with respective MLEO and MCIO law enforcement policies. However, MLEO and MCIO investigative case files did not consistently specify whether juvenile offenders were referred to the appropriate officials to be held accountable. As a result, the DoD OIG could not determine whether civilian legal authorities and installation commanders took legal action or administrative action.

The DoD OIG recommended that the DoDEA Director perform a review to assess DoDEA Administrators' use of discretion when determining whether to report an incident as a serious juvenile-on-juvenile misconduct incident. Additionally, the DoD OIG recommended that the Under Secretary of Defense for Personnel and Readiness develop policy that specifies how installation commanders should address serious juvenile-on-juvenile misconduct incidents. Furthermore, the DoD OIG recommended that the Under Secretary of Defense for Personnel and Readiness should develop policy that identifies which DoD agency will provide counseling support services to victims and offenders of serious juvenile-on-juvenile misconduct incidents. Finally, the DoD OIG recommended that the Secretaries of the Army, Navy, and Air Force update MLEO and MCIO policies to require personnel to document in all investigative case files all notifications to civilian legal authorities and installation commanders and when possible, the legal and administrative actions taken. Management agreed with the recommendations.

### Repot No. DODIG-2020-127

## Review of the Naval Criminal Investigative Service's Internal Control Systems for Criminal Investigations and Supporting Programs.

During the reporting period, the DoD OIG's Evaluations Component completed a quality assurance review of the Naval Criminal Investigative Service's internal control systems for criminal investigations and supporting programs.

This report is For Official Use Only.

# **Ongoing Evaluations Oversight**

### Other Ongoing Work

At the close of the reporting period, the DoD OIG had 46 ongoing evaluations, including evaluations to determine:

• whether U.S. Africa Command and U.S. Special Operations Command established and followed targeting procedures in the U.S. Africa Command area of operations to reduce civilian casualties and collateral damage, and whether U.S. Africa Command and U.S. Special Operations Command followed civilian casualty reporting procedures;

- whether the National Security Agency has integrated artificial intelligence into signals intelligence operations, in accordance with DoD and Intelligence Community guidance for artificial intelligence;
- how U.S. Africa Command, U.S. Central Command, U.S. European Command, U.S. Indo-Pacific Command, U.S. Southern Command, and their component commands executed pandemic response plans and the impact to operations resulting from COVID-19;
- whether DoD Components are complying with DoD policy and guidance when conducting lifetime buys of parts used in intelligence, surveillance, and reconnaissance systems and whether lifetime buys reduce DoD supply chain risks;
- the extent that the Navy's airborne support to the survivable nuclear command and control system is meeting the requirements in the Chairman of the Joint Chiefs of Staff Operation Order 2-18 and the U.S. Strategic Command Operational Plan 801X;
- the extent that the DoD has taken steps to identify, mitigate, and remediate contamination from perflouroalkyl and polyflouroalkyl substances (PFAS) at DoD installations, and identify and inform populations exposed to PFAS at DoD installations of the associated health and safety concerns;
- whether the DoD has ground test and evaluation facilities with the capability and capacity to support environmental testing for the DoD's planned hypersonic weapon systems;
- whether the Office of the Under Secretary of Defense for Research and Engineering is monitoring and mitigating foreign influence in the DoD's research and development programs; and
- whether the DoD complied with relevant environmental and related laws, interagency and municipal agreements, and policy at sites where the DoD conducts or has conducted open burning of excess conventional ammunition and explosives at locations in the United States and its territories.

# **DCIS INVESTIGATIONS**

DCIS is the law enforcement arm of the DOD OIG. DCIS conducts highly relevant, objective, professional investigations of matters critical to DoD property, programs, and operations that provide for our national security with emphasis on life, safety, and readiness. DCIS has seven field offices: Northeast, Mid-Atlantic, Southeast, Southwest, Western, Cyber, and Transnational. DCIS investigative priorities include cases in the following areas:

- Procurement Fraud
- Public Corruption
- Product Substitution and Financial Crimes
- Health Care Fraud
- Illegal Technology Transfer
- Cyber Crimes and Computer Network Intrusion

The following investigations were conducted by DCIS and its Federal law enforcement partners during the reporting period.

# **Procurement Fraud**

Procurement fraud investigations are a major portion of DCIS cases. Procurement fraud includes, but is not limited to, cost and labor mischarging, defective pricing, price fixing, bid rigging, and defective and counterfeit parts. The potential damage from procurement fraud extends well beyond financial losses. This crime poses a serious threat to the DoD's ability to achieve its objectives and can undermine the safety and operational readiness of the warfighter losses.

# Contractor Agreed to Pay \$2 Million to Resolve False Claims Act Allegations

DCIS, the Federal Bureau of Investigation, Army Criminal Investigation Command, and the Small Business Administration OIG jointly investigated allegations that employees of Kikiktagruk Inupiat Corporation Development, LLC (KICD) participated in an illegal bribery scheme to obtain Government contracts.

In 2010, a civil lawsuit alleged that KICD was paying illegal kickbacks and bribes to James Tuskan, a U.S. Army Corps of Engineers contract employee, in exchange for Small Business Administration sole-source Government contracts, also known as "set-aside" contracts. KICD and its parent company, Kikiktagruk Inupiat Corporation (KIC), were approved small businesses that were eligible to obtain Government set-aside contracts under the SBA Alaskan Native Corporation program.

A criminal investigation determined that Tuskan used his position to steer contracts to KICD, and that he provided the company with confidential Government information to ensure that the contract was awarded to the company. In 2015, Tuskan pleaded guilty to conspiracy and was sentenced to 15 months in prison. In 2016, three KICD employees—Anthony Acri, Christine Hayes, and Earl Hall—pleaded guilty to conspiracy for their roles in the scheme and were all sentenced to confinement. At the conclusion of the criminal investigation, the civil investigation resumed in an effort to recover Government funds that were lost due to the bribery scheme.

This investigation was initiated as a result of a civil lawsuit filed under the qui tam provisions of the False Claims Act. The Act permits private individuals, called relators, to sue on behalf of the Government those who falsely claim Federal funds. The relator receives a share of any funds recovered through the lawsuit.

On May 1, 2019, KIC and KICD entered into a civil settlement agreement with the Department of Justice and agreed to pay the Government \$2.025 million to resolve allegations that false claims were submitted to the DoD. In June 2020, a civil judgement ordered Tuskan and Hall to pay the Government over \$12.7 million for their roles in violating the False Claims Act. In the same month, Acri agreed to pay the Government \$600,000. Additionally, in July 2020, Hayes agreed to pay \$435,000 to resolve the civil matter.

# University Agreed to Pay \$200,000 to Resolve False Claims Act Allegations

DCIS, the Air Force Office of Special Investigations, the National Aeronautics and Space Administration OIG, and the National Science Foundation OIG jointly investigated allegations that a professor at Lehigh University fraudulently obtained Federal grants.

Dr. Yujie Ding, a professor at Lehigh University, created a company called ArkLight in order to apply for Small Business Innovation Research (SBIR) grants. The SBIR program awards grants to encourage American small businesses to engage in research on behalf of the Government. In the proposals submitted to the Government, Ding's wife, Yuliya Zotova, was listed as ArkLight's principal investigator, who is responsible for leading all research efforts. Ding was not eligible to act as the principal investigator under SBIR rules. Lehigh University served as a subcontractor for ArkLight's grants. The investigation revealed that the work ArkLight claimed it completed was actually completed by Lehigh University graduate students and others who worked in Ding's university laboratory under his supervision. SBIR rules require small businesses to conduct the majority of the research work. In 2016, Ding and Zotova were convicted for their roles in the fraud scheme and were each ordered to pay \$72,000 in restitution. Ding was sentenced to 1 year in prison and Zotova was sentenced to 3 months in prison.

The Government alleged that, although Lehigh University did not know about Ding's fraudulent activities, it failed to detect and prevent the fraudulent conduct. The Government also alleged that the university was ineligible to receive approximately \$1 million in payment because there was not a small business that served as the primary contractor.

On July 31, 2020, Lehigh University entered into a settlement agreement with the Department of Justice and agreed to pay \$100,000 to the Government to resolve the false claims allegations, as well as \$100,000 in restitution. Additionally, Lehigh University agreed to enhance its Federal grant compliance program.

# Contractor Agreed to Pay \$500,000 to Settle False Claims Allegations

DCIS, the Air Force Office of Special Investigations, the Army Criminal Investigation Command, and the Department of Homeland Security OIG examined allegations that J.P. Industries, Inc. (JPI) falsely certified its labor hours in violation of the False Claims Act.

JPI is a non-profit corporation that was awarded Government janitorial service contracts through the AbilityOne program, a Government initiative that promotes the employment of the blind and individuals with significant disabilities. In order to participate in the AbilityOne Program, JPI must annually certify that it employs individuals with severe disabilities for 75 percent of its overall direct labor hours.

It is alleged that, from 2012 to 2016, JPI falsely certified that it complied with the labor hours requirement, and received contracts that it was not eligible to receive from the Army, Air Force, and Department of Homeland Security.

On April 15, 2020, JPI entered into a settlement agreement with the Department of Justice and agreed to pay \$500,000 to the Government to resolve the false claims allegations.

### Subcontractor Agreed to Pay \$1.35 Million to Resolve the Government's Claims Under the False Claims Act

DCIS and the Army Criminal Investigation Command jointly investigated allegations that a DoD subcontractor inflated expenses for reimbursement. Wyle Laboratories, Inc. (Wyle) was awarded a delivery order under a DoD contract related to military working dogs in support of Army missions regarding explosives, improvised explosive devices, and enhanced threat detection.

Wyle employed a subcontractor, Vohne Liche Kennels, Inc. (VLK), to fulfill the delivery order. Wyle paid VLK based on the invoices that VLK submitted. Wyle submitted invoices to the DoD, and the DoD paid Wyle for VLK's labor hours and other expenses.

From November 2012 through March 2013, VLK allegedly inflated the number of labor hours that were billed for training sessions that were held at VLK's Denver, Indiana, facility and the Army Yuma Proving Ground in Yuma, Arizona. VLK also allegedly inflated the number of labor hours that were performed in Afghanistan by field service representatives, and VLK allegedly submitted inflated invoices for expenses such as dog food, labor, vehicle rentals, and lodging.

On August 14, 2020, VLK agreed to pay \$1.35 million to resolve allegations of violations of the False Claims Act for fraudulently submitting claims for labor hours. Under the settlement, VLK agreed to repay \$900,000 that it received for the fraudulently billed claims, and VLK agreed to pay a civil penalty of \$450,000.

# **Product Substitution and Financial Crimes**

DCIS investigates criminal and civil cases involving counterfeit, defective, substandard, or substituted products introduced into the DoD supply chain that do not conform with contract requirements. Nonconforming products can threaten the safety of military and Government personnel and other end users, compromise readiness, and waste economic resources. In addition, when substituted products are provided to the DoD, mission-critical capabilities can be compromised until the substituted products are removed from the supply chain. DCIS works with Federal law enforcement partners, supply centers, and the Defense industrial base in working groups and task forces to investigate allegations that DoD contractors are not providing the correct parts and components to meet contract requirements. Financial crimes range

from theft to fraud committed by illicit individuals involving the unlawful conversion of the ownership of money or property for their own personal use and benefit. Financial crimes include money laundering, forgery, and counterfeiting.

## Contractor Incurred Over \$19 Million in Non-billed Repair Costs to Remedy a Nonconformance Issue on a Fleet of F-35s

DCIS and the Air Force Office of Special Investigations jointly investigated allegations provided by the Defense Contract Management Agency (DCMA) that Lockheed Martin Aeronautic Company (LMAC) used inappropriate fluorosilicone insulation foam that was applied to the polyalphaolefin tubes within its F-35 Joint Strike Fighter (JSF) platform.

Fluorosilicone insulation foam is a critical material that is necessary for heat insulation. The fluorine material was missing and not used in the fluorosilicone insulation, which ultimately caused the insulation to crumble within F-35 JSF fuselage fuel tanks and led to the suspension of flight for 57 Air Force F-35As. The investigation revealed that LMAC provided a certificate of compliance from Hanna Rubber Company, Inc., to Aero Arc, Inc., which certified that the insulation material used contained fluorosilicone. Hanna Rubber Company purchased the material from DeVoll's Rubber. DeVoll's Rubber indicated that, at the time of purchase in 2014, Hanna Rubber Company was informed that the product that was shipped contained fluorosilicone. However, DeVoll's Rubber later discovered that this was not the case.

The Department of Justice did not pursue penalties against LMAC, Hanna Rubber Company, Aero Arc, or DeVoll's Rubber. However, DCMA calculated that LMAC incurred a non-billed cost of over \$19.34 million to remedy the nonconforming part issue and replace the insulation foam with the appropriate material.

## Contractor Agreed to Pay \$330,000 to Resolve Alleged Violations of the False Claims Act

DCIS, the Army Criminal Investigation Command, the Federal Bureau of Investigation, the Air Force Office of Special Investigations, the General Services Administration OIG, and the Naval Criminal Investigative Service examined allegations that Austin Tele-Services Partners, L.P. (ATS) provided counterfeit and nonconforming computer networking and telecommunications equipment manufactured by Cisco Systems, Inc. (Cisco) to the Government. ATS provides information technology, internet protocol, and telecommunications equipment to various Government agencies, including the DoD. Allegedly, ATS falsely represented that certain used or refurbished Cisco products sold to the Government were new, unaltered, and backed by Cisco warranties as well as valid software licenses. The investigation revealed that five Cisco switches were previously purchased by foreign entities and were altered. Additionally, the Cisco products that ATS provided allegedly performed in a lesser functionality than what was required, and the product serial numbers were allegedly altered to make it appear as though the equipment met Government contract requirements.

On April 13, 2020, ATS entered into a civil settlement agreement with the Department of Justice and agreed to pay the Government \$330,000 to resolve alleged violations of the False Claims Act. The settlement payments include \$214,928 in restitution and \$115,072 to the Department of Justice.

## Contractor Agreed to Pay \$450,000 to Resolve Allegations That It Knowingly Caused False Claims to Federal Agencies

DCIS, the Naval Criminal Investigative Service, and the Department of Energy OIG jointly investigated allegations that G.A. Blanco & Sons, Inc. (G.A. Blanco) caused a now-defunct company, Essential Business Products, Inc. (EBP), to submit false claims for payment to the Government in connection with small businesses' set-aside contracts.

G.A. Blanco was previously certified by the Small Business Administration as a small disadvantaged business, but the company exceeded the program income threshold in May 2006 and became ineligible to obtain small business set-aside contracts. The following year, G.A. Blanco approached one of its employees and suggested that the employee start a minority-owned small business to bid on set-aside contracts and use G.A. Blanco as a supplier.

G.A. Blanco helped the employee prepare the necessary paperwork to form EBP and to obtain Small Business Administration certification. In 2007, in connection with the SBA certification process, G.A. Blanco prepared a letter that falsely represented that its employee had resigned; however, the employee continued to perform work for G.A. Blanco from 2007 through 2018. G.A. Blanco also helped run EBP by setting the prices for EBP's products, preparing its bids for Government contracts, and maintaining signature authority for its bank account. Although on paper the two companies had separate offices, both companies shared office space. EBP dissolved in September 2019.

On May 6, 2020, G.A. Blanco entered into a civil settlement agreement with the Department of Justice and agreed to pay the Government \$450,000 to resolve alleged violations of the False Claims Act.

# Business Owner Pleaded Guilty to Lying to the DoD

DCIS, the Federal Bureau of Investigation, the Air Force Office of Special Investigations, the Naval Criminal Investigative Service, and the Army Criminal Investigation Command jointly investigated allegations that Richard Hyde and his company, Vista Machining Company (VMC), provided nonconforming parts to the Defense Logistics Agency.

Since 2008, VMC has received approximately 7,900 contracts, worth more than \$31 million. The investigation revealed that VMC substituted nonconforming aluminum, which was used to manufacture wiper back retainers for military aircraft. Wiper back retainers are used to keep hydraulic fluid in the device that catches airplanes on an aircraft carrier. The Government conducted testing and confirmed that the aluminum that VMC supplied did not conform to the Government contract requirements. Hyde admitted that he invoiced the Navy for aircraft components that the DoD later discovered were constructed from a different metal than the one his company said it would use.

Hyde previously pleaded guilty to making a false claim against the Government. On July 16, 2020, Hyde was sentenced to 55 months in prison and 3 years of supervised release. Hyde was ordered to pay \$12,897.50 in restitution, a \$100,000 fine, and a special assessment fee of \$100.00.

### Couple Indicted for \$86,511 Veteran Unemployment Compensation Benefit Fraud

DCIS, the Department of Labor OIG, and the U.S. Postal Inspection Service jointly investigated allegations that Federal unemployment funds were distributed based upon fraudulent certificates of release or discharge from active duty forms (DD Form 214).

Earl Lafayette Hall, with the assistance of his wife, Renita Blunt, allegedly applied for veteran unemployment compensation benefits under the identities of eight individuals. They submitted the false applications to the Department of Labor in Harrisburg, Pennsylvania, and Honolulu, Hawaii, between January 2013 and July 2014. Hall and Blunt inappropriately received monetary unemployment benefits under the Unemployment Compensation for Ex-Service Members Program. The program, commonly known as "The UCX Program," is a Department of Labor program that is administered by the states. Under this Federal-State partnership, states pay unemployment insurance benefits to veterans, and states are reimbursed by branches of the military. Benefits are based on the service member's pay grade and wages at the time of his or her separation from the military.

Hall was previously convicted of money laundering, identity theft, and mail fraud. Blunt was previously convicted of identity theft and mail fraud. In January and February 2018, Hall and Blunt were sentenced to prison and were ordered to pay monetary penalties. However, in July 2019, a district court granted a Motion for Severance which overturned the sentences. Hall and Blunt were re-tried in November 2019 and were convicted of the same violations.

Blunt pleaded guilty to mail fraud, and on May 27, 2020 she was sentenced to time served, which consisted of 17 months of her previous 29-month prison sentence. Blunt was also ordered to pay a \$100 special assessment. On June 9, 2020, Hall was sentenced to 101 months in prison and 3 years of supervised release, and he was ordered to pay a \$2,800 special assessment and \$96,431 in restitution, including \$2,252 in restitution jointly and severally with Blunt. Hall was also ordered to forfeit \$96,431.

# **Public Corruption**

Corruption by public officials can undermine public trust in the Government, threaten national security, compromise the safety of DoD systems and personnel, and waste tax dollars. DCIS combats public corruption through its criminal investigations, including using investigative tools such as undercover operations, court-authorized electronic surveillance, and forensic audits.

### Business Owner Sentenced for Defrauding the Department of Agriculture's DoD Fresh Fruit and Vegetable Program

DCIS investigated allegations that Joseph Richard Roby, the owner and president of Roby's Country Garden, Inc., participated in a kickback scheme to defraud the Department of Agriculture's DoD Fresh Fruit and Vegetable Program. Administered by the DoD, the program enables public schools to purchase fresh produce under the umbrella of a DoD contract, conceivably to allow the schools to receive a better rate. Roby's Country Garden allegedly submitted false claims to the Government, including fraudulent statements and requests for payment. Roby's Country Garden allegedly did not disclose that it received monetary rebates from produce vendors, which is a disclosure that is required by the contract, and it failed to credit these rebates to the Government.

Previously, Roby and Roby's Country Garden entered into a civil settlement and agreed to pay the Government over \$3.1 million. Roby also pleaded guilty to one count of Federal program fraud. On July 7, 2020, Roby was sentenced to 1 year of supervised release as well as a \$250,000 fine, and he was ordered to pay a special assessment fee of \$100.

### Retired Army Colonel and Former Government Contractor Sentenced for Bribery

DCIS, the Army Criminal Investigation Command, and the Small Business Administration OIG jointly investigated allegations that retired Army Colonels Anthony Roper and Anthony Williams steered Government contracts for cash.

The investigation revealed that Roper and Williams, while on active duty, accepted bribes to steer Army contracts worth more than \$50 million. Roper and Williams accepted bribes from Calvin Lawyer, a retired Army colonel and the owner of Communications, Research, Engineering, and Consultants Group, LLC (CREC). Roper and Williams also accepted bribes from Joseph Young, a retired colonel and the owner of JY and Associates.

Based on alleged false representations made by Lawyer and Dwayne Fulton, a former regional supervisor for defense contractor KRATOS Technology and Training Solutions, the Small Business Administration designated CREC as a small disadvantaged business. CREC used its status as a small disadvantaged business to gain a competitive advantage in contracting. It was also revealed that Vaughn Moffett, the former Deputy Director of the Army Signal Network Enterprise Center at Fort Gordon, Georgia, knowingly disclosed source selection information to CREC before the award of a Federal agency procurement contract. The investigation determined that Fulton, Lawyer, and others conspired to obstruct justice by creating false and fraudulent documents as part of an effort to cover up Lawyer's bribe payments to Roper.

Moffett previously pleaded guilty to false statements and Young previously pleaded guilty to conspiracy. On July 21, 2020, Moffett was sentenced to 20 months in prison, and he was suspended from federal contracts. On August 12, 2020, Young was sentenced to 60 months in prison, and he was ordered to pay over \$1.13 million in restitution. Previously, Roper was sentenced to 5 years imprisonment, 3 years of supervised release, and a \$200,000 fine. Roper is debarred from all Government contracts until January 3, 2028. Williams was sentenced to 5 years imprisonment, 3 years supervised release, and a money judgement in the amount of approximately \$1.2 million. Williams is suspended from all federal contracts.

# Bribery Scheme at Federally Recognized Indian Tribe

DCIS, the Federal Bureau of Investigation, the Small Business Administration OIG, the General Services Administration OIG, the Internal Revenue Service Criminal Investigation, Army Criminal Investigation Command, and the Naval Criminal Investigative Service jointly investigated allegations that employees and board members of the Alabama-Quassarte Tribal Town (AQTT) and its affiliated companies engaged in a theft and bribery conspiracy.

From 2012 to 2019, Aaron Dewayne Terry helped the AQTT in Wetumka, Oklahoma, establish numerous companies that contracted with the DoD to provide business management, engineering, technical, and logistics solutions. The companies were designated by the Small Business Administration as 8(a) small or disadvantaged businesses, which enabled the companies to compete for set aside or sole-source contracts limited to participating 8(a) companies. AQTT's companies received contracts worth over \$200 million from the DoD. As an executive of the companies, Terry participated in a scheme to divert AQTT funds for his personal use. In furtherance of the scheme, Terry bribed George Tiger, the former Principal Chief of the Muskogee-Creek Nation and Chairman of AQTT's Economic Development Authority Board, who was responsible for identifying, planning, initiating, and developing economic strategies on behalf of the AQTT.

In October 2019, Terry pleaded guilty to one count of theft by an agent of an Indian tribal government receiving Federal funds, one count of bribery concerning programs receiving Federal funds, one count of conspiracy to commit bribery, and two counts of personal tax fraud. In September 2019, Tiger pleaded guilty to bribery concerning programs receiving Federal funds. On August 13, 2020, Tiger was sentenced to 1 year and 1 day in prison and 2 years of supervised release as well as a \$10,000 fine. On the same date, Terry was sentenced to 4 years in prison and 3 years of supervised release, and he was ordered to pay restitution in the amount of \$1.25 million. Terry was also sentenced to 3 years in prison, 1 year of supervised release, suspension from contracts, and restitution in the amount of \$105,069 for Federal tax charges. Terry's sentences are to run concurrently.

# Retired Army Sergeant First Class Sentenced and Debarred for Stealing Government Property

DCIS and the Army Criminal Investigation Command jointly investigated allegations regarding the theft of Government funds. Retired Army Sergeant First Class William Chamberlain admitted he conspired with the former members of his Special Forces team— Chief Warrant Officer Deric Harper; Sergeants First Class Barry Walls, Jeffrey Cook, and Cleo Autry; and other personnel—to steal approximately \$200,000 in Government funds. These funds were under the team's control during a deployment with the 3rd Special Forces Group to Forward Operating Base Fenty, Afghanistan, from July 2009 to January 2010. Chamberlain served as the team's noncommissioned officer in charge during their deployment.

Chamberlain and his team divided the stolen funds into equal shares, converted some of the proceeds to postal money orders, and concealed and smuggled the remaining funds back to the United States. Between September 2009 and January 2010, these five soldiers purchased 121 money orders totaling \$102,048 from military post offices in Afghanistan. The money orders were subsequently deposited into their own bank accounts.

On January 13, 2020, Chamberlain pleaded guilty to conspiracy to steal Government funds and receiving stolen Government property. On July 7, 2020, Chamberlain was sentenced to 3 years of probation, and he was ordered to pay \$40,000 in restitution as well as a \$200 special assessment fee. Chamberlain was also ordered to forfeit \$40,000.

On July 17, 2020, the Army Procurement Fraud Division debarred Chamberlain from contracting with the Executive Branch until July 7, 2025. The Suspension and Debarment Official's decision to debar Chamberlain for longer than 3 years was based on the seriousness of his crimes and the aggravating factors in this case. Previously, Harper, Barry, Cook, and Autry were sentenced for their participation in the scheme.

# **Health Care Fraud**

DCIS conducts a wide variety of investigations involving health care fraud in the DoD's TRICARE system, including investigations of health care providers involved in corruption or kickback schemes, overcharging for medical goods and services, marketing or prescribing drugs for uses not approved by the U.S. Food and Drug Administration, and approving unauthorized individuals to receive TRICARE health care benefits. DCIS also proactively targets health care fraud through coordination with other Federal agencies and participation in Federal and state task forces.

### Conspirator Convicted in \$6.5 Million TRICARE Fraud and Money Laundering Conspiracies

DCIS, the Federal Bureau of Investigation, the Florida Department of Law Enforcement, and the Florida Department of Financial Services Fraud Investigations Division jointly investigated allegations that compounding pharmacy owner Michael Burton and others engaged in a compounded medication health care fraud and money laundering conspiracy.

Between January 2014 and December 2015, Michael Burton conspired with others to defraud TRICARE and other insurance companies out of more than \$6.5 million through fraudulent claims for compounded medication prescriptions. Burton provided co-defendant Brad Hodgson with the personally identifiable and insurance information of TRICARE and private insurance beneficiaries. Hodgson forged medically unnecessary compounded medication prescriptions for the individuals, who were not patients of the Georgia doctor's practice where Hodgson worked.

Although Hodgson was not licensed to write prescriptions, he issued and forwarded prescriptions to Physician Specialty Pharmacy (PSP) in Pensacola, Florida, without the individuals ever interacting with a doctor. PSP billed TRICARE and other insurance companies, and PSP paid Burton a 50-percent commission for each compounded medication prescription that was paid by an insurance company. Burton recruited co-defendant Marie Ann Smith to assist Hodgson with processing and submitting prescriptions, and Burton earned over \$1.4 million in commissions from fraudulent prescriptions.

Hodgson previously pleaded guilty to conspiracy to commit health care fraud, wire fraud, conspiracy to unlawfully receive health care kickbacks, and identity theft. On July 10, 2020, Hodgson was sentenced to serve 6 months of home confinement and 5 years of supervised release. Hodgson was also ordered to jointly pay over \$8.45 million in restitution to TRICARE with the co-conspirators, including Burton, Brad Pounds, and Heather Pounds. Actual restitution amounts vary by individual; however, each will contribute to the repayment amount.

## Executive Sentenced in \$70 Million TRICARE Health Care Fraud Scheme

DCIS and the Federal Bureau of Investigation jointly investigated allegations that CMGRX received over \$70 million in fraudulent TRICARE reimbursements due to a compounded pain and scar cream scheme.

From May 2014 through February 2016, John Paul Cooper and others conspired to pay and receive kickbacks for compounded medication prescriptions covered by TRICARE. Cooper and Richard Robert Cesario founded and operated CMG RX, LLC (CMGRX). The company, based in Dallas, Texas, primarily marketed compounded pain and scar creams to current and former U.S. military members and their families on behalf of various compounding pharmacies.

CMGRX paid multiple doctors to write prescriptions for patients after brief telephone calls, although the doctors did not have prior relationships with the patients. Cooper and Cesario instructed the doctors to send the signed prescriptions directly to CMGRX instead of to the patients, and the company forwarded the prescriptions to partner pharmacies. In exchange for prescription referrals, the pharmacies billed TRICARE for the medications and kicked back a percentage of the reimbursement to CMGRX. From September 2014 through May 2015, CMGRX caused over \$124 million in claims to be billed to TRICARE, \$70 million of which were paid.

Previously, John Cooper was found guilty of one count of conspiracy to commit health care fraud, one count of receipt of illegal kickbacks, and six counts of payment of illegal kickbacks. On July 30, 2020, Cooper was sentenced to 12 years in prison and 3 years of supervised release. On August 4, 2020, Cooper was ordered to pay TRICARE over \$68.32 million in restitution as well as an \$800 special assessment. Previously, Lizbet Valdez pled guilty to one count of misprision of a felony. On September 24, 2020, Valdez was sentenced to 3 years of probation and a fine of \$72,000.

### Former Air Force Major Sentenced for Taking Kickbacks Involving Compounding Pharmacies

DCIS, the Air Force Office of Special Investigations, and the Federal Bureau of Investigation jointly investigated allegations that former Air Force Major Romeatrius Moss, a nurse, accepted kickbacks for referring TRICARE beneficiaries to compounded drug pharmacies.

It was determined that Moss accepted kickbacks from Supreme Medical Solutions to recruit TRICARE beneficiaries for a fraud scheme that involved the prescription of compounded medications. Moss and her marketers provided TRICARE beneficiaries with prescription forms, which the beneficiaries took to their medical providers to receive compound medication prescriptions. The signed prescription forms were returned to Moss, who forwarded the forms to various pharmacies, at the direction of Supreme Medical Solutions, for fulfillment. Moss received kickbacks for every prescription she forwarded. Moss previously pleaded guilty to one count of illegal remunerations involving Federal health care plans.

On August 10, 2020, as a result of her plea agreement, Moss was sentenced to 2 years in prison, 3 years supervised release, and a suspension from Federal contracts. She received an other than honorable discharge and was ordered to pay \$622,459 in restitution to TRICARE.

### Physician Agreed to Pay \$2.85 Million to Settle Health Care Fraud and False Claims Allegations

DCIS, the Department of Health and Human Services OIG, and the Washington State Attorney General's Office Medicaid Fraud Unit jointly investigated allegations that Dr. Frank Danger Li, the owner of Seattle Pain Center and Northwest Analytics Laboratory (NAL), billed Government entities for medically unnecessary urine drug tests.

Li owned a drug-testing laboratory and eight pain clinics across Washington state. In July 2013, Li allegedly instituted a policy that required nearly every Seattle Pain Center patient to have a full urine drug test panel every time that he or she was seen by a provider. This policy resulted in thousands of medically unnecessary tests. The state recommended random testing up to four times per year.

Li allegedly started Northwest Analytics Laboratory to capture the revenue generated by urine drug testing conducted for Seattle Pain Center patients. However, Northwest Analytics Laboratory was not licensed or accredited to perform urine drug testing. Li's eight pain clinics closed in July 2016, when the Washington State Medical Quality Assurance Commission suspended his medical license for improperly monitoring prescriptions for powerful opioids.

On April 21, 2020, Li entered into a settlement agreement with the Department of Justice and agreed to pay \$2.85 million to settle health care fraud and false claims allegations. The Defense Health Agency will receive \$123,000 of the \$2.85 million settlement.

# Largest Compounding Pharmacy Fraud Scheme in Mississippi History

DCIS, Internal Revenue Service Criminal Investigation, the Federal Bureau of Investigation, and the Mississippi Bureau of Narcotics jointly investigated allegations that Medworx Compounding Pharmacy (Medworx) committed health care fraud.

From approximately May 2014 through January 2016, Marco Bisa Hawkins Moran co-owned and operated Medworx Compounding, LLC and Custom Care Pharmacy. Moran and co-conspirators mass produced high-yield compounded medications on behalf of the pharmacies. Rather than formulating compounded medications based on the needs of individual patients, Jason May and Glenn Beach selected formulas to maximize profit based upon reimbursement amounts from TRICARE and other health care benefit programs. In order to further their scheme, Moran and his co-conspirators took measures to conceal their waiver of beneficiary co-payments from TRICARE and other health care benefit programs.

Acting on behalf of Medworx and Custom Care, Moran and his co-conspirators paid kickbacks and bribes to marketers and physicians to obtain prescriptions for compounded medications. As a result of this conspiracy, TRICARE and other health care benefit programs paid Moran, Medworx, Custom Care and other conspirators approximately \$234 million in fraudulent claims. This compounding pharmacy scheme has yielded 12 charges, 9 convictions, and over \$277 million in TRICARE restitution.

On July 9, 2020, Wade Walters pleaded guilty to conspiracy to commit health care fraud and conspiracy to commit money laundering. Gregory Parker and Brantley Nichols previously pleaded guilty to conspiracy to commit health care fraud. On July 21, 2020, Parker was sentenced to 18 months in prison and 3 years of supervised release, and he was ordered to pay over \$566,000 in restitution as well as a money judgment of \$300,000. Nichols was sentenced to 1 year and 1 day in prison and 3 years of supervised release and ordered to pay \$696,026 in restitution and a \$75,000 fine. Beach and Hope Thomley both previously pleaded guilty to conspiracy to commit health care fraud and conspiracy. On July 23, 2020, Beach was sentenced to 13 years in prison and 3 years of supervised release, and he was ordered to pay \$185.4 million in restitution as well as a money judgment of over \$9.1 million. Hope Thomley was sentenced to 14 years in prison and 3 years of supervised release, and ordered to pay over \$189.2 million in restitution as well as a money judgment of over \$29.24 million and all of the assets listed in the Agreed Preliminary Order of Forfeiture.

Howard Thomley previously pleaded guilty to conspiracy to commit health care fraud and health care fraud. On July 23, 2020, Howard Thomley was sentenced to 8 years in prison and 3 years of supervised release and ordered to pay \$3.65 million in restitution as well as a money judgment of \$3.65 million and all of the assets listed in the Agreed Preliminary Order of Forfeiture.

On July 28, 2020, Jason May was sentenced to 1 year and 1 day in prison and 3 years of supervised release. He was ordered to pay \$182.5 million in restitution. Out of the restitution amounts ordered for subjects, Parker, Nichols, Howard Thomley, Hope Thomley, and May were jointly and severally liable to pay the Defense Health Agency restitution of \$42.3 million.

As of September 30, 2020, the compound pharmacy investigation into the Medworx, Custom Care, and co-conspirators scheme has totaled 20 convictions and TRICARE restitution of \$286 million.

# **Illegal Technology Transfer**

DCIS investigates theft and the illegal exportation or diversion of strategic technologies and U.S. Munitions List items to banned nations, criminal enterprises, and terrorist organizations. This includes the theft or illegal transfer of defense technology, weapon systems, and other sensitive components and program information.

# Business Owner Sentenced After Pleading Guilty to Export Violations

DCIS, the Department of Commerce Office of Export Enforcement (DOC-OEE), and Homeland Security Investigations jointly investigated allegations that Aiden Davidson (also known as Hamed Aliabadi) and his business, Golden Gate International, LLC exported surplus DoD assets to Iran without the requisite licenses from the U.S. Government.

Davidson, originally a citizen of Iran, became a naturalized U.S. citizen and changed his name from

Aliabadi. The investigation indicated that GGI, a New Hampshire-based DoD contractor, conducted business with a Turkish freight forwarding firm that was known to do business in Iran. The investigation also indicated that a shipping container that was carrying surplus DoD items was exported from GGI to end users in Iran.

The investigation revealed that Davidson purchased approximately 2,700 surplus DoD items through a Defense Logistics Agency Disposition Services marketplace known as Government Liquidation. The majority of these surplus items were subject to the Export Administration Regulations and some DoD items were classified on the Commerce Control List.

On September 2, 2018, DOC-OEE agents arrested Davidson at the Hartsfield-Jackson Atlanta International Airport for conspiracy to willfully violate the Iranian Transactions and Sanctions Regulations. On January 31, 2020, Davidson pleaded guilty to two counts of smuggling goods from the United States. On July 16, 2020, Davidson was sentenced to 46 months in prison and 1 year of supervised release as well as a \$200 special assessment fee.

## **Asset Forfeiture Division**

The DCIS Asset Forfeiture Division provides civil and criminal forfeiture support to DCIS investigations. Forfeiture counts are included in indictments, criminal information, and consent agreements when warranted by the evidence. The Division seeks to deprive criminals of proceeds and property used or acquired through illegal activity, both in the United States and overseas.

During this 6-month reporting period, DCIS seized assets totaling \$7.94 million, consisting of cash or currency, financial instruments, real property, and vessels. In addition, DCIS obtained final orders of forfeiture totaling \$34.83 million, and money judgments in the amount of \$37.86 million.

## CORE MISSION AREAS



#### Figure 2.1 Asset Forfeiture Program as of September 30, 2020

### Figure 2.2 Seized Assets by Type April 1, 2020 – September 30, 2020



## DCIS Investigations of Cases Involving Senior Government Employees

DCIS, the Federal Bureau of Investigation, and the Department of Commerce OIG jointly investigated conflict of interest and bribery allegations against a former GS-15 employee of the Department of Commerce. The investigation revealed that the former employee solicited and received bribes for steering contracts to specific companies. On September 8, 2017, the former employee was sentenced to 4 years of imprisonment, 2 years of supervised release, and ordered to pay a \$200 special assessment. Additionally, the former employee was ordered to pay jointly with a co-conspirator \$1,079,346.49 in forfeiture, processed by the FBI.

# Subpoena Program

The DoD OIG's authority to issue subpoenas is based on sections 6 and 8 of the IG Act of 1978, as amended. A DoD OIG subpoena request must meet three criteria:

- the subpoena can only be issued for investigations within the legal authority of the IG;
- the information sought must be reasonably relevant to the IG investigation, audit, or evaluation; and
- the subpoena cannot be unreasonably broad or unduly burdensome.

According to the IG Act, the DoD OIG can issue subpoenas to obtain business, personnel, financial, and state and local government records. Records obtained by subpoena may also be used to locate witnesses, confirm statements made by witnesses or subjects, and provide other relevant information.



### Figure 2.3 DoD OIG Subpoenas Issued in Second Half of FY 2020



### Figure 2.4 Subpoenas Issued in Second Half of FY 2020 by Type of Investigation

# ADMINISTRATIVE INVESTIGATIONS

Administrative Investigations (AI) investigates and oversees DoD Component allegations of misconduct by senior DoD officials, and allegations of whistleblower reprisal and restriction from communication with an IG or Member of Congress, and provides a confidential DoD Hotline for reporting fraud, waste, and abuse and for detecting and preventing threats and danger to the public health and safety of the DoD.

The DoD OIG's AI Component consists of three directorates.

- DoD Hotline
- Whistleblower Reprisal Investigations
- Investigations of Senior Officials

# **DoD Hotline**

The mission of the DoD Hotline is to provide a confidential, reliable means to report violations of law, rule, or regulation; fraud, waste, and abuse; mismanagement; trafficking in persons; serious security incidents; or other criminal or administrative misconduct that involves DoD personnel and operations, without fear of reprisal. The DoD Hotline also manages the Contractor Disclosure Program.

Using the Priority Referral Process, the DoD Hotline receives and triages cases, then assigns priorities and refers cases to the Office of the Secretary of Defense (OSD), DoD agencies and field activities, the Military Services, DoD OIG components, and other agencies outside the DoD based on the following DoD Hotline referral prioritization criteria.



# Priority 1: Immediate Action/Referred Within 1 Day:

- Intelligence matters, including disclosures under the Intelligence Community Whistleblower Protection Act
- Significant issues dealing with the DoD nuclear enterprise
- Substantial and specific threats to public health or safety, pandemics, DoD critical infrastructure, or homeland defense
- Unauthorized disclosure of classified information

# Priority 2: Expedited Processing/Referred Within 3 Days:

- Misconduct by DoD auditors, evaluators, inspectors, investigators, and IGs
- Senior official misconduct
- Whistleblower reprisal
- Allegations originating within a designated Overseas Contingency Operation area

## Priority 3: Routine/Referred Within 10 Days:

• All other issues

From April 1, 2020, through September 30, 2020, the DoD Hotline received 7,683 contacts. Figure 2.5 shows the contacts received by origin.





From April 1, 2020, through September 30, 2020, DoD Hotline webpages received 78,926 views, a 7-percent increase compared to the previous 6 months. We believe this increase is due to changes made to DoD Hotline webpages that increased page visibility and accessibility. In addition, in July 2020, as part of Contractor Disclosure Program (CDP) outreach, the Hotline disseminated information on Twitter to inform contractors about the CDP. The tweets reminded contractors of the requirement to submit timely disclosures in accordance with Federal Acquisition Regulation 52.203-13, "Contractor Code of Business Ethics and Conduct," clause, and provided a link to the DoD OIG CDP webpage for additional information, including how to submit a disclosure. Figure 2.6 shows the number of visits to various fraud, waste, and abuse information pages on the DoD OIG website.





A DoD Hotline contact becomes a case when the DoD Hotline opens and refers the case for action or information to the OSD, DoD agencies and field activities, the Military Services, DoD OIG components, and other agencies outside the DoD. A case referred for action requires the receiving DoD agency to conduct an investigation. The DoD Hotline case is not closed until the DoD Hotline receives and approves a Hotline Completion Report. A case referred for information that the recipient agency deems appropriate. The DoD Hotline closes cases referred for information upon verifying receipt by the intended agency.

From April 1, 2020, through September 30, 2020, the DoD Hotline opened 3,687 cases and closed 3,594 cases.

Figures 2.7 through 2.10 and Tables 2.1 and 2.2 show the referrals the DoD Hotline made to the OSD, DoD agencies and field activities, the Military Services, and DoD OIG components. Cases with no DoD affiliation were transferred to non-DoD agencies.

The DoD Hotline opened a total of 170 cases and closed 173 cases referred to the OSD.

Figure 2.7 DoD Hotline Cases Opened and Closed—Office of the Secretary of Defense, April 1, 2020 – September 30, 2020



The DoD Hotline opened a total of 457 cases and closed 413 cases referred to DoD agencies and field activities.

Table 2.1 DoD Hotline Cases Opened and Closed-	–DoD Agencies and Field Activities	, April 1, 2020 – September 30, 2020

Agency	Opened	Closed
DCMA	169	127
DHA	68	67
DCSA	51	55
DFAS	24	24
DLA	30	24
DECA	24	23
DCAA	13	13
DODEA	14	13
MDA	7	10
DISA	7	9
WHS	8	8
AAFES	6	7

## CORE MISSION AREAS

The DoD Hotline opened a total of 1,759 cases and closed 1,739 cases referred to the Military Services.



Figure 2.8 DoD Hotline Cases Opened and Closed—Military Services, April 1, 2020 – September 30, 2020

The DoD Hotline opened 1,088 cases and closed 1,099 cases referred to DoD OIG components.





The DoD Hotline transferred 213 cases to non-DoD agencies and 170 of the transferred cases are closed. The DoD Hotline closes cases transferred to non-DoD agencies once the agency confirms receipt and informs the DoD Hotline of any action taken.

Agency	Opened	Closed
CDP Stakeholders	95	54
State or Local LEO	26	26
FBI	16	16
CDC	14	14
VA	14	13
DHS	10	10
USSS	7	7
DOS	5	4
GSA	4	4
HHS	4	4
FAA	3	3
GAO	2	2

Agency	Opened	Closed
U.S. Capitol Police	2	2
ED	2	2
DOTR	2	2
DOI	1	1
NSF	1	1
DNI IG	1	1
DOJ	1	1
DOL	1	1
SBA	1	1
USAID	1	1
Total	213	170

Table 2.2 Non-DoD Cases Opened and Closed, April 1, 2020 – September 30, 2020

From April 1, 2020, through September 30, 2020, the DoD Hotline received 421 contacts and referred 519 cases regarding the COVID-19 pandemic. Allegations ranged from leaders or personnel not practicing social distancing and endangering or infecting others to allegations that health care personnel were not being properly used or properly protected from the virus. The most serious cases alleging actual infection were referred to the Centers for Disease Control and Prevention, the Defense Health Agency (DHA), and the respective DoD Component. As of September 30, 2020, none of the complaints alleging actual infection were substantiated.





From April 1, 2020, through September 30, 2020, the majority of allegations the DoD Hotline received were related to personal misconduct and ethical violations, personnel matters, and reprisal-related matters. Figure 2.11 details the types of allegations in the cases the DoD Hotline opened in this reporting period.





### Significant DoD Hotline Cases and Cost Savings

The following are examples of significant results from DoD Hotline cases in this semiannual period.

- Subsequent to a complaint to the DoD Hotline, an Air Force investigation substantiated the allegation of hazing practices by multiple members of flight leadership involving the use of duct tape, carrying members to the eyewash station to splash them with water, and tacking on rank and insignia (pressing the insignia pins into the skin). The commander of the flight leadership implemented corrective actions to avoid future hazing violations including the enactment of leadership policies and principles that are rooted in Air Force core values, "which do not allow for any discrimination or unprofessionalism including hazing and bullying." The command presented these principles at the initial Commanders Call and newcomers' brief. Additionally, these leadership policies and principles are currently part of the initial feedback with all company grade officers, chiefs, and first sergeants, and are reiterated at each climate survey feedback session.
- Subsequent to a complaint to the DoD Hotline, a Naval Criminal Investigative Service investigation substantiated alleged theft by a Navy civil service employee who stole goods from a Military Sealift Command warehouse in San Diego, California. The civil service employee was sentenced in Federal court to 2 years of imprisonment for stealing more than \$2.5 million in goods from the U.S. Navy warehouse where he worked. He was ordered to forfeit \$57,656.69, and pay \$2,536,293.63 in restitution to the Navy.

### **Contractor Disclosure Program**

A contractor disclosure is a written disclosure by a DoD contractor or subcontractor to the DoD OIG that addresses credible evidence that the contractor or subcontractor has committed a violation in connection with the award, performance, or closeout of a contract or subcontract. Such disclosures are required by Federal Acquisition Regulation 52.203-13. From April 1, 2020, through September 30, 2020, the DoD OIG received 205 contractor disclosures, which identified approximately \$4,820,454 of potential monetary recovery for the Government.

### Significant Contractor Disclosure Program Cases and Cost Savings

In August 2017, a DoD contractor disclosed that an employee was inconsistently following technical specifications required during the inspection tests on helicopter rotor blades. It was determined that several parts needed to be reinspected prior to final delivery. The employee was dismissed and the contractor agreed to deploy personnel to conduct necessary inspections on the fielded aircraft. The Government conducted an investigation and debarred the terminated employee. The Government recently received the remanufactured aircraft, which failed a retest. As a result, the remaining aircraft need to be grounded while the Government conducts an extensive quality review of the contractor's plant procedures. The contractor is continuing to research its archives to determine the full extent of the problem.



Figure 2.12 Types of Allegations Received by the DoD Hotline Contractor Disclosure Program, April 1, 2020 – September 30, 2020

# Whistleblower Reprisal Investigations

The Whistleblower Reprisal Investigations (WRI) Directorate investigates allegations of whistleblower reprisal made by:

- members of the Armed Forces;
- appropriated fund (civilian) employees of the DoD, including members of the DoD intelligence community and DoD employees with access to classified information;
- employees of DoD contractors, subcontractors, grantees, sub-grantees, and personal service contractors; and

 non-appropriated fund instrumentality employees who are paid from non-appropriated funds generated by Military Service clubs, bowling centers, golf courses, and other activities.

The WRI Directorate also conducts oversight reviews of whistleblower reprisal cases handled by the Services or DoD agency OIGs.

In addition, the WRI Directorate investigates and oversees investigations of allegations that service members were restricted from communicating with a Member of Congress or an IG.

The WRI Directorate conducts these investigations under the authority of the IG Act of 1978, Presidential Policy Directive 19, and 10 U.S.C. §§ 1034, 1587, and 2409.

### Alternative Dispute Resolution Program

The DoD OIG's Alternative Dispute Resolution (ADR) program, in the Whistleblower Reprisal Investigations Directorate, offers a voluntary process in which parties use mediation or facilitated settlement negotiations to mutually resolve complaints, at any point during the handling of the complaint, instead of going through what can be a lengthy investigative process. Voluntary resolutions through ADR provide timely relief for whistleblowers, can help reduce the time for resolving cases, and can allow limited investigative resources to be allocated to completing other investigations in a timely manner.

The ADR process is facilitated by neutral third parties, ADR attorneys, who help the parties resolve the complaint. If both parties in a complaint (the complainant and employer) agree to participate in ADR, the ADR attorney helps the parties explain their interests and concerns, explore possible solutions, and negotiate a resolution. Examples of resolutions include monetary relief, expungement of negative personnel records, neutral references, re-characterizing discharge as resignation, temporary reinstatement until new employment is secured, agency personnel training, debt forgiveness, reassignment, leave restoration, and improved working relationships.

During the reporting period, as a result of the DoD OIG's ADR process, 30 cases involving allegations of whistleblower reprisal were voluntarily resolved by the complainants and their employers. This is approximately a 58-percent increase over the previous 6-month period. As of the end of the reporting period, the DoD OIG had 24 cases in the ADR process.

### **Reprisal and Military Restriction Investigations**

During the reporting period, the DoD OIG received 919 complaints alleging reprisal or restriction of a service member from communicating with a Member of Congress or an IG.



Figure 2.13 Complaints Received DoD-Wide

Tables 2.3 and 2.4 show the status of complaints, as of September 30, 2020, that WRI received through the Hotline at the DoD OIG and the Service and DoD agency OIGs during this reporting period. Of the 919 complaints received during this period, 470 were received at the DoD OIG and 449 were received at either a Service or DoD agency OIG and then reported to the DoD OIG.

Of the 470 complaints received by the DoD OIG during this reporting period:

- 72 were under review or investigation by the DoD OIG,
- 328 were dismissed as having insufficient evidence to warrant an investigation or were withdrawn,
- 4 were resolved through the ADR process,
- 42 were referred to either a Service or DoD agency OIG, and
- 24 were pending in ADR at the DoD OIG.

#### Table 2.3 Reprisal and Restriction Complaints Processed by the DoD OIG, Received April 1, 2020 – September 30, 2020

		Status as of September 30, 2020						
	Received at the DoD OIG	Complaint Evaluation	Retained for DoD OIG Investigation	Dismissed Complaint Evaluation	Resolved*	Open ADR	Referred to Component**	
Complaint Type	Processed by the DoD OIG							
Military Reprisal	226	44	1	141	0	0	40	
NAFI Reprisal	11	2	0	5	0	4	0	
Defense Contractor Reprisal	62	8	0	33	4	17	0	
Civilian Reprisal	134	4	0	129	0	1	0	
Defense Intelligence (PPD-19) Reprisal	30	8	1	18	0	2	1	
Subtotal FY 2020 (2nd Half)	463	66	2	326	4	24	41	
Military Restriction	7	2	2	2	0	0	1	
Total FY 2020 (2nd Half)	470	68	4	328	4	24	42	

\* These figures represent all complaints the Components reported to the DoD OIG as having been received.

\*\* Cases were initially evaluated by the DoD OIG and later referred to Component IGs for further action.

Table 2.4 Reprisal and Restriction Complaints Processed by Component OIG, with DoD OIG Oversight, Received April 1, 2020 – September 30, 2020

	Status as of September 30, 2020						
	Received at Component OIG*	Assumed by DoD OIG	Submitted to DoD OIG for Review	Closed by DoD OIG (Complainant Notification Pending)	Closed by DoD OIG (Complainant Notified)	Open at Component	
Complaint Type	Processed by Component OIG, With DoD OIG Oversight						
Military Reprisal	394	30	4	17	147	196	
Defense Contractor Reprisal	0	0	0	0	0	0	
Civilian Reprisal	0	0	0	0	0	0	
Defense Intelligence (PPD-19) Reprisal	10	5	0	0	2	3	
Subtotal FY 2020 (2nd Half)	404	35	4	17	149	199	
Military Restriction	45	0	0	0	19	26	
Total FY20 (2nd Half)	449	35	4	17	168	225	
Grand Total FY 2020 (2nd Half)	919						

\*These figures represent all complaints the Components reported to the DoD OIG as having been received.

Of the 449 complaints received at a Service or DoD agency IG and then reported to the DoD OIG that, as of September 30, 2020:

- 35 were assumed by the DoD OIG for review and investigation,
- 4 were submitted to and under review at the DoD OIG,
- 17 were closed by the DoD OIG pending the investigating IG's notification to the complainant,
- 168 were closed by the DoD OIG and the complainant notified, and
- 225 were still open.

Table 2.5 shows the number and type of complaints closed by the DoD OIG and the Service and DoD agency OIGs during this reporting period. Of the 1,057 complaints closed this period:

- 785 were dismissed without an investigation,
- 63 were withdrawn,
- 30 were resolved through the ADR process, and
- 179 were closed following full investigation by either the DoD OIG or a Service or Defense agency OIG.
Of the 179 investigations closed, 154 involved whistleblower reprisal (19 substantiated) and 25 involved restriction from communicating with a Member of Congress or an IG (12 substantiated).

	Total Closed	Dismissed	Withdrawn	Resolved*	Investigated	Substantiated Cases	Substantiation Rate	Referred to Component**
Complaint Type		Processed by the DoD OIG						
Military Reprisal	211	189	13	1	8	2	25%	40
NAFI Reprisal	25	16	2	6	1	1	100%	0
Defense Contractor Reprisal	92	66	4	20	2	0	0%	0
Civilian Reprisal	141	138	2	1	0	0	0%	0
Defense Intelligence (PPD-19) Reprisal	29	26	1	2	0	0	0%	1
Subtotal FY 2020 (2nd Half)	498	435	22	30	11	3	27%	41
Military Restriction	5	1	1	0	3	2	0%	1
Total FY 2020 (2nd Half)	503	436	23	30	14	5	36%	42
Complaint Type		P	rocessed by (	Component C	DIG, With DoD	OIG Oversight		
Military Reprisal	498	324	36	0	138	16	12%	
Civilian Reprisal	1	0	0	0	1	0	0%	
Defense Intelligence (PPD-19) Reprisal	6	2	0	0	4	0	0%	
Subtotal FY20 (2nd Half)	505	326	36	0	143	16	11%	
Military Restriction	49	23	4	0	22	10	45%	
Total FY 2020 (2nd Half)	554	349	40	0	165	26	16%	

Table 2.5 Reprisal and Restriction Complaints Closed April 1, 2020 – September 30, 2020

\* Resolved denotes cases that underwent the ADR process and resulted in a settlement between the complainant and the employer.

179

31

30

\*\* Cases were initially evaluated by DoD OIG and referred to the Component IG for further handling.

63

Grand Total FY 2020

(2nd Half)

1057

785

17%

Tables 2.6 and 2.7 show the number and type of open complaints with the DoD OIG and the Service and DoD agency OIGs at the end of this reporting period. Of the 683 total complaints as of September 30, 2020:

- 30 were being reviewed under the ADR process at the DoD OIG,
- 107 were being analyzed by the DoD OIG,
- 537 were being analyzed by a Service or DoD agency OIG, and
- 9 were submitted by a Service or Defense agency OIG to the DoD OIG for review

### Table 2.6 Reprisal and Restriction Complaints Processed by the DoD OIG Open at the End of This Reporting Period\* on September 30, 2020

		Status as of September 30, 2020			
	Total	Ongoing	Colorette d'Est		
	Open	Referred from the DoD OIG	Recieved at the Component IG	Submitted for Oversight Review	
Complaint Type		Processed by the (	Component IG, with I	DoD OIG Oversight	
Military Reprisal	479	80	391	8	
Civilian Reprisal	3	0	3	0	
Defense Intelligence (PPD-19) Reprisal	18	7	11	0	
Subtotal FY20 (2nd Half)	500	87	405	8	
Military Restriction	46	2	43	1	
Total FY20 (2nd Half)	546	89	448	9	
Grand Total FY20 (2nd Half)	683				

\*Open complaints include those received during this reporting period as well as prior reporting periods.

### Table 2.7 Reprisal and Restriction Complaints Processed by Component OIG, with DoD OIG Oversight Open at the End of This Reporting Period\* on September 30, 2020

		Status as of September 30, 2020			
	Total	Ongoin			
	Open	Referred from the DoD OIG	Recieved at the Component IG	Submitted for Oversight Review	
Complaint Type		Processed by the Component IG, with DoD OIG Oversig			
Military Reprisal	479	80	391	8	
Civilian Reprisal	3	0	3	0	
Defense Intelligence (PPD-19) Reprisal	18	7	11	0	
Subtotal FY20 (2nd Half)	500	87	405	8	
Military Restriction	46	2	43	1	
Total FY20 (2nd Half)	546	89	448	9	
Grand Total FY20 (2nd Half)	683				

\*Open complaints include those received during this reporting period as well as prior reporting periods.

#### Substantiated Whistleblower Reprisal Cases Closed by the DoD OIG and Service and DoD Agency OIGs

The following describe all the substantiated allegations of reprisal closed during the period.

- An Air Force senior master sergeant directed the downgrade of a subordinate staff sergeant's quarterly award package and another Air Force senior master sergeant issued the staff sergeant a letter of reprimand in reprisal after the staff sergeant made protected communications to the Equal Opportunity Office, IG, and chain of command regarding a hostile work environment and violations of the Air Force Physical Fitness Test program. Both senior master sergeants received a written reprimand.
- An Air National Guard lieutenant colonel failed to review an Air National Guard master sergeant's temporary withdrawal of authority to bear firearms, recommended the master sergeant for an indefinite withdrawal of authority to bear firearms, and denied the master sergeant reenlistment in reprisal after the master sergeant made or was perceived to have made protected communications to a Member of Congress, IG, and the chain of command regarding toxic leadership, malicious treatment, abuse of authority, reprisal, and restriction. Corrective action is pending. This investigation was initiated following a complaint filed with the DoD Hotline.
- An Army captain issued an Army sergeant a suspension of favorable personnel actions and threatened the sergeant with non-judicial punishment in reprisal after the sergeant made protected communications to the IG and the Equal Opportunity Office that the captain failed to treat soldiers with dignity and respect, forced enlisted soldiers to stay late and work through lunch, and failed to take action when the sergeant was threatened. The captain received a letter of counseling.
- An Army major gave an Army staff sergeant an unfavorable noncommissioned officer evaluation report in reprisal after the staff sergeant made protected communications against the major to the Equal Opportunity Office, chain of command, and law enforcement alleging that the major created a toxic work environment and assaulted, sexually harassed, and discriminated against the staff sergeant. The major received a written reprimand. This investigation was initiated following a complaint filed with the DoD Hotline.

- An Air Force civil service employee negatively influenced the chain of command to give an Air Force Reserve technical sergeant a letter of reprimand in reprisal after the technical sergeant made protected communications and provided testimony as a participant in a commander-directed investigation in which the civil service employee was the subject. The civil service employee received a letter of counseling.
- An Army Reserve lieutenant colonel initiated two investigations, directed two negative counseling sessions, and attempted to have an Army Reserve first lieutenant removed from a deployment in reprisal for the first lieutenant helping a soldier file a sexual harassment complaint with the Sexual Assault Response Coordinator against the lieutenant colonel and for making negative comments about command leadership to an investigating officer during a sensing session. Corrective action is pending.
- Two Army National Guard colonels and a supervisory civil service employee downgraded an Army lieutenant colonel's officer evaluation report and attempted to remove the lieutenant colonel from duties and responsibilities in reprisal after the lieutenant colonel made protected communications and filed multiple allegations of favoritism, adultery, inappropriate relationships, and security violations to the chain of command and the Equal Opportunity Office. Corrective action is pending. This investigation was initiated following a complaint filed with the DoD Hotline.
- An Air Force technical sergeant did not recommend an end of tour award for an Air Force staff sergeant in reprisal after the staff sergeant made a protected communication to the chain of command regarding a military judge advocate making unprofessional and demeaning remarks about female attorneys. The technical sergeant received a verbal counseling.
- An Army lieutenant colonel and captain issued an Army sergeant first class an unfavorable noncommissioned officer evaluation report, removed the sergeant first class from duties, relieved the sergeant first class for cause, and recommended the sergeant first class be returned early from deployment in reprisal after the sergeant first class made protected communications to the Equal Opportunity Office regarding a hostile and toxic work environment. Corrective action is pending.

- An Air National Guard chief master sergeant influenced the Air Force Specialty Code decertification and the opening of a Security Information File (SIF) for an Air National Guard staff sergeant in reprisal after the staff sergeant made protected communications to an IG regarding unit safety violations. An Air National Guard lieutenant colonel ordered the staff sergeant be given two letters of counseling and a letter of reprimand, entered information into the staff sergeant's security information file, and recommended the staff sergeant be decertified for the job in reprisal for the staff sergeant's protected communications to the IG. Corrective action is pending.
- An Army Reserve command sergeant major and lieutenant colonel issued an unfavorable noncommissioned officer evaluation to an Army Reserve sergeant first class in reprisal after the sergeant first class made protected communications to the Equal Opportunity Office and the IG regarding gender discrimination and toxic leadership. Corrective action is pending.
- A DoD agency Senior Executive Service (SES) member significantly altered the duties and responsibilities of an Army colonel in reprisal after the colonel made protected communications to the chain of command and the chief ethics officer regarding abuse of authority, undue command influence, and violations of the Joint Ethics Regulation. Corrective action is pending. This investigation was initiated following a complaint filed with the DoD Hotline.
- An Air Force first lieutenant denied an end of tour award for an Air Force staff sergeant in reprisal after the staff sergeant made protected communications to the chain of command regarding the mismanagement of training and unit leadership deficiencies. The lieutenant received a letter of counseling.
- An Air Force technical sergeant issued an unfavorable enlisted performance report and placed a negative memorandum in the personnel information file of an Air Force staff sergeant in reprisal after the staff sergeant made protected communications to the chain of command regarding a service member being bullied and receiving unfair treatment, and regarding a toxic work environment. Corrective action is pending.
- A Marine Corps colonel issued a negative counseling to a Marine Corps staff sergeant in reprisal after the staff sergeant made protected

communications to the chain of command and the IG regarding a hostile work environment, and to a Member of Congress regarding mistreatment by unit leadership. Corrective action is pending. This investigation was initiated following a complaint filed with the DoD Hotline.

 An Air National Guard lieutenant colonel threatened to withhold and then withheld a position recommendation from an Air National Guard lieutenant colonel in reprisal after the lieutenant colonel made protected communications to the chain of command that the lieutenant colonel and a squadron commander damaged historic memorabilia. Corrective action is pending.

#### Substantiated Military Restriction Cases Closed by the DoD OIG and Service and DoD Agency OIGs

The following are descriptions of all substantiated allegations of restriction closed during the period.

- A Navy chief petty officer stated to a Navy seaman during a verbal counseling session, "If you go to the IG and go outside of the chain of command, you could be sent to mast and face consequences." The chief petty officer's statement created a negative effect on the willingness of the seaman to freely prepare or make protected communications to the IG. The chief petty officer received a letter of counseling and special training.
- An Air National Guard colonel stated during a weekly meeting with full-time Active Guard Reserve staff, "If anyone is going to talk to the IG, I want to know prior. I always find out anyway." This was intended to restrict meeting attendees from preparing or making protected communications to the IG, in particular to members of an IG inspection team scheduled to perform an upcoming unit inspection. The colonel's statement caused a negative effect that clearly intended to impede subordinates from communicating with the IG. Corrective action is pending.
- An Army National Guard lieutenant colonel and command sergeant major made comments, took actions, and established a command climate within the unit that was intended to restrict subordinates from preparing or making protected communications to the IG. Corrective action is pending.
- A DoD agency SES member presented an Army colonel a letter of expectations that included comments attempting to restrict the colonel from

communicating with an IG. Corrective action is pending. This investigation was initiated following a complaint filed with the DoD Hotline.

- An Army National Guard command sergeant major made restrictive comments during an annual leadership conference that had a negative effect on the willingness of subordinates to prepare or make protected communications to the IG. Corrective action is pending.
- An Army first sergeant restricted or attempted to restrict an Army private from communicating with an IG multiple times by stating, "No, you cannot go see the IG." Corrective action is pending.
- An Air National Guard lieutenant colonel appeared in the IG's office as an airman was preparing to make a complaint and asked the airman, "Did you miss something from our earlier conversation?" The statement created an atmosphere of fear, causing a negative effect that clearly intended to impede the airman from filing a complaint with the IG. Corrective action is pending.
- An Air Force captain restricted an Air Force master sergeant from communicating with the IG or a Member of Congress by telling the master sergeant to never go above the captain with concerns. Corrective action is pending.

Table 2.8 shows the number and types of reprisal and restriction allegations substantiated since October 1, 2012. Of the 502 substantiated allegations, 392 have had corrective action decisions reported and 110 are still pending reports to the DoD OIG of corrective actions taken.

Allegation	Total Substantiated	Decision on Corrective Action Reported	Corrective Action Pending	Pending Rate
Military Reprisal	325	243	82	25%
NAFI Reprisal	13	13	0	0%
Defense Contractor Reprisal	10	10	0	0%
Civilian Reprisal	16	16	0	0%
Defense Intelligence (PPD-19) Reprisal	18	17	1	6%
Subtotal FY13 to FY20 (2nd Half)	382	299	83	22%
Military Restriction	120	93	27	23%
Total FY13 to FY20 (2nd Half)	502	392	110	22%

#### Table 2.8 Reprisal and Restriction Allegations Substantiated in FY 2013 – FY 2020 with Corrective Action Status

Note: Allegations against multiple subjects may be included in a single case.

Table 2.9 shows the number and types of reprisal complaints substantiated since October 1, 2012. Of the 284 substantiated complaints, 69 have had remedy decisions reported and 215 are still pending reports to the DoD OIG of remedial actions taken.

Allegation	Total Substantiated	Decision on Remedy Reported	Remedy Pending	Pending Rate
Military Reprisal	246	36	210	85%
NAFI Reprisal	9	9	0	0%
Defense Contractor Reprisal	6	6	0	0%
Civilian Reprisal	9	9	0	0%
Defense Intelligence (PPD-19) Reprisal	14	9	5	36%
Total FY13 to FY20 (2nd Half)	284	69	215	76%

#### Corrective and Remedial Actions Reported During the Period for Substantiated Reprisal and Restriction Cases Closed in Prior Reporting Periods

The following are remedial and corrective actions reported to the DoD OIG by Components for substantiated reprisal and restriction cases that were closed in prior reporting periods.

- An Army Reserve first sergeant issued an Army Reserve staff sergeant an unfavorable noncommissioned officer evaluation report in reprisal after the staff sergeant made protected communications to the first sergeant and other members of the chain of command regarding hazing, bullying, and trainee abuse, and for protected communications to an Army investigating officer appointed to investigate the trainee abuse complaint. The first sergeant received a written reprimand. The report of investigation was issued February 5, 2020.
- An Air Force senior master sergeant threatened to give an airman first class disciplinary "paperwork" and influence involuntarily separation of the airman first class from the Air Force in reprisal after the airman first class made protected communications to the chain of command regarding a hostile and toxic work environment created by a supervisor in the chain of command. The senior master sergeant received a letter of counseling. The report of investigation was issued April 3, 2020.
- An Army Reserve lieutenant colonel and command sergeant major recommended reduction in rank of an Army Reserve staff sergeant in reprisal after the staff sergeant made protected communications to the DoD Hotline regarding Special Duty Assignment Pay violations. The lieutenant colonel and command sergeant major received a written reprimand. This investigation was initiated following a complaint filed with the DoD Hotline. The report of investigation was issued March 18, 2020.
- An Air Force lieutenant colonel and senior master sergeant failed to recommend an Air Force staff sergeant for reenlistment in reprisal after the staff sergeant filed three separate unrestricted reports of sexual assault to the Sexual Assault Response Coordinator and the chain of command. The senior master sergeant received a letter of admonishment.

- Corrective action is pending for the lieutenant colonel. The report of investigation was issued January 24, 2020.
- An Air Force senior master sergeant issued an unfavorable enlisted performance report to an Air Force technical sergeant in reprisal after the technical sergeant made protected communications to the chain of command regarding the senior master sergeant creating an unfavorable work environment and abuse of authority. The senior master sergeant received a downgraded retirement decoration. The report of investigation was issued March 27, 2020.
- An Army National Guard lieutenant colonel and command sergeant major restricted an Army National Guard staff sergeant from communicating with the IG through intimidation and by actions and words. The lieutenant colonel received a written reprimand. The command sergeant major received a written reprimand and removal from position. The report of investigation was issued April 9, 2020.
- An Air Force lieutenant colonel made comments to subordinate personnel that were intended to restrict them from preparing or making protected communications to the IG. The lieutenant colonel received verbal counseling. The report of investigation was issued March 26, 2020.

#### Substantiated Reprisal Cases Closed in Prior Reporting Periods for which Corrective Action Was Not Taken

The following case was substantiated by the DoD OIG in previous reporting periods, but the DoD declined to take corrective action because DoD officials did not agree that the allegations were substantiated.

• The DoD OIG concluded that DoD contractor Valiant Government Services terminated the employment of a civilian subcontractor in reprisal for reporting an assault. The DoD OIG recommended that the Secretary of the Army order the company to reinstate the employee, correct the employee's personnel record, expunge the termination letter, award compensatory damages to the employee, and reimburse the employee for reasonable expenses incurred. The Secretary of the Army disagreed with the substantiation of the complaint and declined to take further action. The report of investigation was issued October 15, 2019. Tables 2.10 and 2.11 show the number and type of corrective actions reported for reprisal and restriction allegations substantiated against subjects since October 1, 2012. Of the 390 decisions reported, 57 involved declinations to take action, and 333 were corrective actions taken against the subject.

Table 2.10 Corrective Actions Reported for Reprisal and Restriction Allegations Substantiated against Subjects
in FY 2013 – FY 2020

Allegation	Total	Declined to Take Action	Fired or Terminated	Letter of Counseling	Other	Reduced Rank or Grade
Military Reprisal	251	43	0	40	20	2
NAFI Reprisal	6	0	1	0	4	0
Defense Contractor Reprisal	7	2	0	0	5	0
Civilian Reprisal	14	4	0	1	0	0
Defense Intelligence (PPD-19) Reprisal	16	1	1	3	2	0
Subtotal FY13 to FY20 (2nd Half)	294	50	2	44	31	2
Military Restriction	96	7	3	14	4	0
Total FY13 to FY20 (2nd Half)	390	57	5	58	35	2

### Table 2.11 Corrective Actions Reported for Reprisal and Restriction Allegations Substantiated against Subjects in FY 2013 – FY 2020 (cont'd)

Allegation	Removed From Assignment	Retired	Suspended Without Pay	Verbal Counseling	Written Reprimand
Military Reprisal	19	10	3	27	87
NAFI Reprisal	0	1	0	0	0
Defense Contractor Reprisal	0	0	0	0	0
Civilian Reprisal	1	4	0	1	3
Defense Intelligence (PPD-19) Reprisal	0	3	1	1	4
Subtotal FY13 to FY20 (2nd Half)	20	18	4	29	94
Military Restriction	8	3	0	24	33
Total FY13 to FY20 (2nd Half)	28	21	4	53	127

Note: Multiple corrective actions may be reported for a single subject.

Tables 2.12 and 2.13 show the number and type of remedies reported for reprisal complaints substantiated since October 1, 2012. Of the 85 remedial decisions reported, 16 complaints involved management declining to take action or the military complainant opting not to petition a board for the correction of military records. Sixty-nine complaints resulted in remedies implemented to make the complainant whole.

Allegation	Total	Back Pay	Correct Evaluation	Expunge LOC/LOE	Expunge Evaluation	Reinstate
Military Reprisal	40	1	3	5	10	2
NAFI Reprisal	11	1	0	0	0	0
Defense Contractor Reprisal	16	0	0	0	0	0
Civilian Reprisal	10	0	1	1	2	0
Defense Intelligence (PPD-19) Reprisal	8	1	3	0	0	1
Total FY13 to FY20 (2nd Half)	85	3	7	6	12	3

Table 2.12 Remedies Reported for Reprisal Complaints Substantiated in FY 2013 – FY 2020

#### Table 2.13 Reprisal Complaints Remedies for Substantiated in FY 2013 to FY 2020 (cont'd)

Allegation	Grant Award	Other	Promote	Restore Security Clearance	Grant Reassignment	No Action Taken	Department Disagreed with Conclusion
Military Reprisal	1	14	3	0	1	0	0
NAFI Reprisal	0	4	0	0	0	0	6
Defense Contractor Reprisal	0	7	0	0	0	0	9
Civilian Reprisal	2	2	0	1	0	1	0
PPD-19	0	2	0	0	1	0	0
Total FY13 to FY20 (2nd Half)	3	29	3	1	2	1	15

Note: Multiple remedies may be reported for a single complainant.

In accordance with the requirement established in Senate Report 116-48 to accompany S. 1790, National Defense Authorization Act for Fiscal Year 2020, June 11, 2019, Tables 2.14 and 2.15 list the reports of investigation substantiating military reprisal cases during this reporting period that meet the following criteria.

- More than 180 days have elapsed since the relevant IG provided the report of investigation to the Secretary concerned, without response.
- More than 180 days have elapsed between the date on which the relevant IG provided the report of investigation to the Secretary concerned and the date on which the Secretary's response was received by the IG.
- The Secretary's response takes issue with the IG's determination that an act of reprisal occurred.

Table 2.14 shows that, for four cases, more than 180 days have elapsed without a response from the Secretary concerned. Table 2.15 shows five cases for which responses were received, but after more than 180 days had elapsed after issuance of the report of investigation. We have no cases to report in which the Secretary's response took issue with the IG's determination that an act of reprisal occurred.

Table 2.14 Cases in which More than 180 Days have Elapsed since the Date a Report Substantiating Military Reprisal wasProvided to the Secretary Concerned without Response

Case Name	Secretary Concerned	Date Report Provided to Secretary Concerned	Number of Days Elapsed
20190412-057470-CASE-01	Navy	11/22/2019	313
20181024-054444-CASE-01	Air Force	1/24/2020	250
20190619-058662-CASE-01	Army	3/5/2020	209

Table 2.15 Cases in which the Response Received from the Secretary Concerned Exceeded 180 Days from the Date a ReportSubstantiating Military Reprisal was Provided

Case Name	Secretary Concerned	Date Report Provided to Secretary Concerned	Date Response Received	Number of Days Elapsed	
20180116-049071-CASE-01	Army	10/9/2019	6/30/2020	265	
20170427-043652-CASE-01	Army	8/13/2019	4/23/2020	254	
20170428-043682-CASE-01	Army	2/13/2020	9/30/2020	230	
20190214-056358-CASE-01	Army	10/9/2019	4/23/2020	197	
20190328-057180-CASE-01	Army	1/23/2020	7/30/2020	189	

#### Whistleblower Reprisal Investigations Closed as Not Substantiated Involving Subjects in the Grade or Rank of Colonel (0-6) and Above, and Federal Employees in Grades GS-15 and Above

The following are whistleblower reprisal investigations closed as not substantiated involving subjects in the grade or rank of colonel (O-6) and above, and Federal employees in grades GS-15 and above.

- A Marine Corps lance corporal alleged that a Marine Corps colonel threatened to place the lance corporal on temporary assignment to another unit, disapproved an expedited transfer request, lowered a transfer proficiency and conduct evaluation, and did not recommend promotion to corporal in reprisal after the lance corporal filed a complaint with an Equal Opportunity Office official regarding harassment and ostracism; reported sexual assault to a command investigation investigating officer; filed unrestricted reports of sexual assault with the Sexual Assault Response Coordinator and Naval Criminal Investigative Service; and filed a reprisal complaint with an IG. This investigation was initiated following a complaint filed with the DoD Hotline.
- An Army colonel alleged that a DoD agency SES member recommended that the colonel be removed from a duty position and another SES member removed the colonel from the position in reprisal after the colonel made protected communications to the chain of command regarding violations of the Joint Ethics Regulation, abuse of authority, and undue command influence regarding a firing action. This investigation was initiated following a complaint filed with the DoD Hotline.

#### Whistleblower Restriction Investigations Closed as Not Substantiated Involving Subjects in the Grade or Rank of Colonel (0-6) and Above, and Federal Employees in Grades GS-15 and Above

No whistleblower restriction investigations were closed as not substantiated involving subjects in the grade or rank of colonel (O-6) and above, or Federal employees in grades GS-15 and above during the reporting period.

# Whistleblower Protection Coordinator

The Whistleblower Protection Coordinator (WPC) employs a comprehensive strategy to educate all DoD employees—including military service members, defense contractors, subcontractors, grantees, sub-grantees, civilian appropriated fund and nonappropriated fund instrumentality employees, and employees within the DoD intelligence community about prohibitions on retaliation for protected disclosures and remedies for retaliation. The strategy includes the use of media platforms, face-to-face engagements, and training packages to:

- educate DoD employees about retaliation, including the means by which employees can seek review of reprisal allegations, and educate employees about the roles of the DoD OIG, Office of Special Counsel, Merit Systems Protection Board, and other Federal agencies that review whistleblower reprisal;
- provide general information about the timeliness of such cases, the availability of any alternative dispute resolution mechanisms, and avenues for potential relief;
- help the DoD OIG promote the timely and appropriate handling and consideration of protected disclosures and allegations of reprisal, to the extent practicable; and
- help the DoD OIG facilitate communication and coordination with the Office of Special Counsel, the Council of the Inspectors General on Integrity and Efficiency (CIGIE), Congress, and other agencies that review whistleblower reprisals regarding the timely and appropriate handling and consideration of protected disclosures, allegations of reprisal, and general matters regarding the implementation and administration of whistleblower protection laws, rules, and regulations.

During this reporting period, the WPC continued to provide information to DoD employees regarding the whistleblower protection statutes and avenues they can seek for review of reprisal allegations. Additionally, the WPC engaged with 602 contacts and recorded 11,373 visits to the WPC and Whistleblower Reprisal Complaint and Investigation webpages.

### **Investigations of Senior Officials**

The Investigations of Senior Officials (ISO) Directorate investigates allegations of misconduct against the most senior DoD officers (three-star and above general and flag officers) DoD political appointees, senior officials in the Joint or Defense Intelligence Community, and SES members, as well as allegations not suitable for assignment to Military Service or DoD agency IGs.

The ISO Directorate also conducts oversight reviews of Military Service and DoD agency IG investigations of misconduct involving active duty, retired, Reserve, or National Guard military officers in the rank of one-star general or flag officer and above; officers selected for promotion to the grade of one-star general or flag officer whose names are on a promotion board report forwarded to the Military Department Secretary; SES members; SES members of the Defense Intelligence Community; and DoD political appointees.

As noted above, the WRI Directorate also investigates allegations of reprisal involving senior officials and oversees DoD Component investigations of these allegations.

As of September 30, 2020, the DoD OIG had 283 open senior official cases. From April 1, 2020, through September 30, 2020 the DoD OIG received 485 complaints of senior official misconduct and closed 446 cases. Of the 446 cases closed, 383 were closed after an intake review was performed, which includes complaints that were closed upon the initial review and complaints that were closed after a complaint clarification interview with the complainant and other limited investigative work. The remaining 63 cases were closed following a formal investigation by the DoD OIG, Military Service IGs, DoD agency IGs, or other organizations with oversight review by the DoD OIG. In 19 of the formal investigations, allegations of misconduct were substantiated.

Table 2.16 shows the number of complaints received, and the number of cases closed and substantiated.

Service or Agency in which the Allegations Occurred	DoD OIG Workload		Cases Closed from April 1, 2020 – September 30, 2020				Cases Remaining Open as of September 30, 2020			
	Cases Open on April 1, 2020	Complaints Received since April 1, 2020	Closed at DoD OIG after Intake Review	DoD OIG Investigations	DoD OIG Oversight Review of Component Investigations	Substantiated Investigations* (Substantiation Rate**)	DoD OIG Intake	DoD OIG Investigations	DoD OIG Oversight Review of Component Investigations	Component Investigations
Air Force	14	60	51	0	7	2 (29%)	11	0	0	6
Army	61	154	101	0	25	6 (24%)	57	0	4	26
Marine Corps	12	27	20	0	4	0 (0%)	11	0	0	5
Navy	59	117	113	0	7	2 (29%)	38	1	1	15
COCOM/ Defense Agency/ Other	98	127	98	3	17	9 (45%)	48	3	4	53
Total	244	485	383	3	60	19 (30%)	165	4	9	105

#### Table 2.16 Senior Official Complaints Closed April 1, 2020 – September 30, 2020

\* These include both DoD OIG and Component Investigations.

\*\* The substantiation rate is a percentage, which equals the Substantiated Investigations divided by the total number of DoD OIG Investigations and DoD OIG Oversight Review of Component Investigations.

#### **Senior Official Name Checks**

When senior officials are pending confirmation by the Senate or are considered for promotion, awards (including Presidential Rank Awards), assignments, and retirements, DoD officials must submit name check requests to the DoD OIG to determine whether the DoD OIG has any reportable adverse information. The DoD OIG processed requests on a total of 15,566 names during this reporting period.

#### Substantiated or Significant Senior Official Cases Closed by the DoD OIG

Three substantiated or significant senior official cases were closed by the DoD OIG during the reporting period.

 The DoD OIG initiated a review of the DoD Joint Enterprise Defense Infrastructure (JEDI) Cloud procurement and an investigation into allegations that former DoD officials engaged in ethical misconduct related to the JEDI Cloud procurement. Specifically, the DoD OIG reviewed the DoD's decision to award the JEDI Cloud contract to a single contractor, the development of the requirements in the Request for Proposals, the DoD's source selection process, the disclosures of source selection and proprietary information after contract award, and whether the JEDI Cloud source selection was influenced by outside pressure. The DoD OIG also investigated allegations of ethical misconduct relating to JEDI, including allegations that DoD officials had financial interests that conflicted with duties related to the JEDI Cloud procurement, failed to comply with standards that govern seeking post-Government employment, and improperly disclosed procurement information. The DoD OIG substantiated the allegations that two DoD officials involved participated personally and substantially in a particular matter. The DoD OIG also substantiated that other DoD officials disclosed source selection information, Technical Evaluation Reports, and proprietary information after the award of the JEDI Cloud contract.

 The DoD OIG initiated an investigation upon receipt of allegations that a DoD SES member, since retired, assigned to an agency subordinate to the Under Secretary of Defense for Research and Engineering, sexually harassed subordinate agency employees. The DoD OIG concluded that the SES member violated DoD and agency civil service zero tolerance policies regarding the equal employment opportunity anti-sexual harassment program. This occurred when, over a 7-year period, he repeatedly sought out and made deliberate, unwelcomed physical contact with subordinate employees. He also made inappropriate comments about this unwanted physical contact to a subordinate employee. His unwanted physical contact and comments caused subordinate employees to avoid him in the workplace, to the extent possible. The SES member's actions and comments created an intimidating, hostile, and offensive work environment for agency employees. The SES member retired before the DoD OIG investigation concluded. The DoD OIG completed its investigation and provided the final report to the DoD agency head for appropriate action, and notified the Office of Personnel Management of the substantiated allegations.

 The DoD OIG initiated an investigation upon receipt of allegations that a DoD SES member was having a "sexual affair" with two subordinate Government employees, sexually harassed a subordinate employee, and improperly used personal e-mail for official DoD communications. The DoD OIG did not find evidence to substantiate that the SES member engaged in a sexual affair with the subordinates, but found that the SES member established and maintained a close and unduly familiar relationship with a subordinate Government employee that created a widespread perception of an inappropriate relationship and favoritism. The DoD OIG did not find sufficient evidence to determine that the SES member's conduct toward another employee constituted sexual harassment. The DoD OIG also concluded that the SES member used personal e-mail accounts to conduct official DoD business in violation of DoD policies. The DoD OIG completed its investigation and provided the final report to the DoD agency head for appropriate action. The SES member received a letter of counseling.

#### Examples of Substantiated or Significant Senior Official Cases Closed by Service and DoD Agency IGs

 A Defense Intelligence Senior Executive Service (DISES) member engaged in sexually harassing behavior with female subordinates. The DISES member talked about living a "swinger" lifestyle and invited his subordinates to join him and his wife. He also gave his subordinates unwanted hugs, commented about their physical appearance and attributes, repeatedly asked them out for drinks even after they declined, and used classified or sensitive matters as ruses to get them alone in his office. Additionally, the DISES member had a close personal relationship with a female contractor, creating the appearance of favoritism or preferential treatment. The DISES member resigned.

- An SES member violated the Privacy Act and misused his official position when he improperly disclosed employee personnel matters contained in a system of records and released official investigative documents protected by the Privacy Act, against the advice provided by his Government attorneys. Corrective action is pending.
- An SES member engaged in unprofessional conduct when he impugned the character of a subordinate by making false claims about the employee's work performance and falsely accusing the employee of committing ethical violations. The SES member was issued a written letter of reprimand and removed from assignment.
- An SES member did not accurately track compliance with training and certification requirements, did not revoke information assurance functions or privileged access to information systems from employees who lacked proper training or certification, and failed to verify that contract employees had the necessary certification before onboarding. Corrective action is pending.
- An Army colonel engaged in unprofessional behavior when he made multiple derogatory and discriminatory comments that were based on race, age, and sex. The colonel's comments included the following: (1) said his son was dating "some brown girl," and that he "really wished she was blond"; (2) referred to COVID-19 as the "ching chong virus"; (3) commented on the "attractiveness" of female personnel; and (4) said "Basketball is mainly a ghetto sport, played in the inner cities." Corrective action is pending.
- A DISES member engaged in an inappropriate romantic relationship with his subordinate. In furtherance of the romantic relationship, the member conducted two official TDY trips with her, flew on the same flights, and stayed in the same hotels. The DISES member testified that he became romantically involved with his subordinate and they lived together after he finalized his divorce. Corrective action is pending.
- An SES member improperly directed that the centrally-billed unit travel card be used to obtain cash in the amount of \$11,000, which would then be handed directly to a foreign transportation

company representative. When the unit travel cardholders were unable to withdraw the entire amount on a single card, the SES member advised them to use a "split transaction" to pay the vendor. Corrective action is pending.

- An SES member failed to use official time in an honest effort to perform official duties when he golfed during the workday on three occasions without taking leave. Corrective action is pending.
- An Army major general engaged in an inappropriate relationship with a married subordinate while he was also married. He used both unclassified and classified computer systems to exchange inappropriate e-mails and to conduct and conceal his inappropriate relationship. The major general was issued a written letter of reprimand.
- An Army brigadier general misused Government resources by using his Government-issued phone as his personal phone. Examples of his unauthorized use unrelated to his military role or to any official purpose included: (1) group text messages that were not work-related; (2) participation in a

#### Figure 2.14 Types of Substantiated Misconduct



Note: Multiple allegations may be reported for a single case.

Yahoo.com fantasy football pool; and (3) streaming videos from the internet, including videos from YouTube and episodes of Columbo and The Andy Griffith Show. Corrective action is pending.

- An Air National Guard major general improperly directed an internal commander-directed investigation of a reported sexual assault of a title 32 National Guard member in violation of DoD and National Guard Bureau regulations. Only law enforcement organizations or the National Guard Bureau Office of Complex Investigations can investigate sexual assault allegations. Corrective action is pending.
- An Air Force brigadier general failed to exercise good judgment and behavior while alcohol-impaired, which hindered his ability to manage a situation involving a female civil service employee while she was in his hotel room. The brigadier general was issued a written letter of reprimand.

Figure 2.14 shows the types of substantiated allegations against senior officials since April 1, 2020.

### Administrative Investigations Outreach and Training

During this period, AI canceled or rescheduled 10 outreach events due to COVID-19. Outreach events that were canceled included the Annual Hotline Worldwide Outreach, a WPC presentation at the Air Force Global Strike Command Conference, a WPC presentation at the Army Training and Doctrine Command Conference, and multiple Whistleblower Reprisal Investigations courses.

#### Whistleblower Reprisal Investigations Course

Al canceled five and rescheduled three Whistleblower Reprisal Investigations courses for DoD Service components, DoD agencies, and other Federal agency IG representatives due to COVID-19 travel restrictions. The courses discuss the history and content of whistleblower statutes; how to conduct a thorough complaint intake, gather evidence, interview, and write reports; and procedures for closing a case.

#### **Hotline Working Groups**

 The DoD Hotline hosted two virtual Hotline Working Groups (HWG), on May 14, 2020 and August 27, 2020. The May session included 151 attendees from a combination of 24 DoD agencies and 9 other Federal agencies. The HWG discussed COVID-19 complaint categories; social distancing, and maintaining operations during the pandemic; Military Criminal Investigation Organization substantiated allegations; corrective action and DoD Hotline Completion Reports; DoD Consolidated Adjudications Facility (CAF) reporting; timely completion of Priority 1 referrals; and investigative guidance available from the DoD OIG. The August session included 120 virtual attendees from 24 DoD agencies and 16 other Federal agencies. The topics included DoD Components' responsibilities regarding reporting substantiated allegations to the DoD CAF; Army Regulation 15-6, **Commander Directed Investigations; Manual** of the Judge Advocate General investigations; the Contractor Disclosure Program; resourcing hotlines; and referrals to DoD Components.

## LEAD INSPECTOR GENERAL

The DoD OIG's Overseas Contingency Operations Component supports the DoD OIG's Lead IG responsibilities and oversight coordination related to designated contingency operations. The DoD Inspector General, as the Lead Inspector General (IG), coordinates with the senior representatives from the Department of State (DoS) OIG, the U.S. Agency for International Development (USAID) OIG, and other OIGs to fulfill responsibilities to coordinate oversight, develop interagency strategic oversight plans, and produce quarterly reports.

According to the FY 2020 National Defense Authorization Act, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Chair must designate a Lead IG 30 days after receiving notification from the Secretary of Defense of an overseas contingency operation that will exceed or had exceeded 60 days, or after an overseas contingency operation otherwise exceeded 60 days. The Lead IG must be designated from among the IGs for the DoD, DoS, and USAID. The OIGs for these agencies are responsible for staffing and supporting the Lead IG, ensuring that they provide comprehensive oversight of and reporting on all aspects of the overseas contingency operation. Lead IG requirements and authorities specified cease at the end of the first fiscal year after the commencement or designation of the overseas contingency operation in which the total amount appropriated for the contingency operation is less than \$100 million.



During this reporting period, the Lead IG agencies reported on five overseas contingency operations: Operation Inherent Resolve (OIR), Operation Freedom's Sentinel (OFS), Operation Pacific Eagle–Philippines (OPE-P), the East Africa (EA) Counterterrorism Operation, and the North and West Africa (NWA) Counterterrorism Operation.

OIR's mission is to counter the terrorist threat posed by the Islamic State of Iraq and Syria (ISIS) in Iraq, Syria, the region, and the broader international community. The U.S. counter-ISIS strategy includes support to military operations associated with OIR, as well as diplomacy, governance, security programs and activities, and humanitarian assistance. The Secretary of Defense announced the initiation of OIR on October 17, 2014 and on December 17, 2014 the CIGIE Chair designated the DoD IG as the Lead IG for this operation.

OFS has two complementary missions: (1) the U.S. counterterrorism mission against al Qaeda, ISIS-Khorasan, and their affiliates in Afghanistan; and (2) the North Atlantic Treaty Organization (NATO)-led Resolute Support mission ("Resolute Support") to train, advise, and assist Afghan security forces. The Secretary of Defense announced the initiation of OFS on December 28, 2014 and on April 1, 2015 the CIGIE Chair designated the DoD IG as the Lead IG for this operation.

OPE-P supports the Philippine government and military in their efforts to isolate, degrade, and defeat affiliates of ISIS and other terrorist organizations in the Philippines. The Secretary of Defense announced the initiation of OPE-P on September 1, 2017, and on November 16, 2017, the CIGIE Chair designated the DoD IG as the Lead IG for this operation.

The DoD IG was designated as the Lead IG for the EA and NWA counterterrorism operations in 2018. The EA and the NWA counterterrorism operations seek to degrade al Qaeda and ISIS affiliated terrorists in specific sub-regions throughout the continent.

Lead IG responsibilities with respect to OPE-P and the EA and NWA counterterrorism operations met the sunset provision of Section 8L of the Inspector General Act at the end of FY 2020. The Lead IG will issue final reports on OPE-P and EA and NWA counterterrorism operations in early FY 2021, reflecting coverage of the last quarter of FY 2020. Oversight of activities related to OPE-P and EA and NWA counterterrorism operations, as well as Operation Yukon Journey, a classified operation related to counterterrorism in the Middle East, will continue under the individual statutory authorities of the DoD, DoS, and USAID OIGs, respectively.

### **Quarterly Reporting**

The three Lead IG agencies publish a quarterly report to Congress for each Lead IG-designated overseas contingency operation. The report discusses each operation and current, ongoing, and future oversight work conducted by the Lead IG and its partner agencies. These quarterly reports can be accessed online at: <u>https://www.dodig.mil/Reports/</u> Lead-Inspector-General-Reports/

During this reporting period, the three Lead IG agencies published unclassified quarterly reports on OIR, OFS, OPE-P, and the EA and NWA counterterrorism operations. The unclassified reports are summarized further below.

Restrictions imposed in response to COVID-19 prevented the Lead IG agencies from preparing classified appendixes for all five Lead IG-designated operations during the first half of the reporting period. The Lead IG agencies resumed classified reporting for the last quarter of FY 2020, and will provide those appendixes to relevant agencies and congressional committees upon completion.

#### **Operation Inherent Resolve**

During the period, the Lead IG agencies reported that the COVID-19 pandemic complicated U.S. and Coalition efforts to combat ISIS and develop Iraqi and Syrian partner forces. These efforts took place against a backdrop of continued uncertainty about how many U.S. forces would remain in Iraq and Syria, and for how long.

Iraq's parliament approved a new government after 5 months of political deadlock. The U.S. and Iraqi governments made no firm commitments on the size of the U.S.-led Coalition force in Iraq. However, both sides agreed that the Coalition continues to play an important role in addressing the continued ISIS threat. ISIS sought to exploit restrictions on security force operations due to COVID-19, and continued a series of attacks throughout the period, including a surge of attacks during Ramadan.

Due to COVID-19, the Coalition provided much of its support and training to Iraqi and Syrian partner forces virtually. Combined Joint Task Force–OIR (CJTF-OIR) officials stated that partner forces in both Iraq and Syria continued to conduct counter-ISIS operations.







A concern in Syria was the increasing pressure from Russia and the Syrian regime on the Syrian Democratic Forces (SDF) to break from the United States. A large numbers of ISIS prisoners remained in ad hoc detention centers in Syria because their countries of origin were unwilling to repatriate them or bring them to justice. Riots erupted at one detention facility, and the SDF renewed calls for an international solution to the detainee crisis. CJTF-OIR officials described ISIS detainees across northeast Syria as "an enduring and ever-increasing risk to mission."

The international community struggled to provide services and security at internally displaced persons camps, and to repatriate the tens of thousands of Syrians, Iraqis, and other nationals. COVID-19 has slowed the delivery of services, according to DoS and USAID officials, and there are ongoing concerns about the potential spread of the virus in the camps.

#### **Operation Freedom's Sentinel**

During the reporting period, the Lead IG agencies reported that the United States reduced its forces in Afghanistan to 8,600 under the terms of the U.S.-Taliban agreement signed on February 29, 2020. A complete withdrawal by April 2021 is predicated on the Taliban meeting its obligations under the agreement, such as preventing terrorists from using Afghanistan to threaten the United States or its allies, and holding peace talks with the Afghan government.

The Taliban ceased attacks against U.S. and Coalition targets, but increased the frequency of attacks against Afghan security forces and the Afghan government. The Taliban and Afghan government remained in a stalemate throughout the period, due to continued disputes over the release of prisoners and increased levels of violence. However, toward the end of the period Taliban leaders and a delegation representing the Afghan government and other influential community members met in Qatar to begin peace talks.

In addition, the Taliban had not yet demonstrated that it was upholding its commitment to dissociate from terrorist organizations in Afghanistan. UN and U.S. officials reported that the Taliban maintained close ties with al-Qaeda, even to the point of working together to attack Afghan security forces. Because the terrorist threat remained, the U.S. Central Command (USCENTCOM) Commander said the conditions were not met for the United States to withdraw all its forces.

COVID-19 spread throughout Afghanistan, disrupting coalition and Afghan security initiatives and further stressing the country's fragile economy. The NATO-led coalition ceased face-to-face train, advise, and assist efforts in order to prevent the disease's spread between coalition advisors and their Afghan counterparts. According to the Combined Security Transition Command–Afghanistan, reduced train, advise, and assist efforts hindered Afghan capabilities in areas such as ground vehicle maintenance.

In response to COVID-19, USAID reprogrammed some of its assistance to Afghanistan and added supplemental funds to support health programs. However, USAID implementing partners in Afghanistan had difficulty acquiring personal protective equipment, which resulted in the suspension of some USAID-funded activities.

#### **Operation Pacific Eagle-Philippines**

During the reporting period, the Lead IG agencies reported that ISIS–East Asia (ISIS-EA), the Philippine faction of the terrorist group, sought to capitalize on COVID-19's impact. While ISIS-EA carried out its most deadly attack in 15 months, levels of violence in the Philippines were similar to previous quarters.

ISIS-EA continued to carry out sporadic, mostly small-scale attacks, but there was little change in the group's capabilities, size, financing, and operations. With U.S. support, the Armed Forces of the Philippines conducted counterterrorism operations to keep ISIS-EA from spreading, relying on U.S.-provided intelligence, air assets, and other support to conduct counterterrorism operations. In general, efforts to reduce extremism in the Philippines had not made a substantial difference since the launch of OPE-P. These groups continued to operate in the southern Philippines where separatist groups and extremist groups have existed for decades—largely due to economic, social, and political conditions in that part of the country.

At the onset of the period, the Philippine government suspended its termination of the Visiting Forces Agreement between the Philippines and the United States. If the Philippine government does not rescind the termination process before December 1, 2020, it could end some of the support the DoD provides to the Philippines. While USAID prioritized COVID-19 response efforts in the Philippines, only 3 percent of the \$22 million USAID allocated for COVID-19 activities in the Philippines had been disbursed.

## East Africa Counterterrorism Operation and the North and West Africa Counterterrorism Operation

During the reporting period, the Lead IG agencies reported that the United States and its international partners made limited progress this quarter toward the goals of these two operations. In East Africa, al-Shabaab moved freely and launched attacks in Somalia and Kenya, and there was no change in the amount of territory controlled by al-Shabaab or the Somali government.

In North Africa, ISIS-Libya resumed small-scale attacks in the southern desert region of Libya. The ongoing civil war intensified as more foreign fighters and mercenaries deployed to Libya to fight on both sides of the conflict. United States Africa Command (USAFRICOM) withdrew its small number of counterterrorism forces from Libya in 2019 due to instability caused by the civil war.

In West Africa, where al-Qaeda and ISIS affiliates operate in the Sahel and Lake Chad regions, violence continued at high levels and expanded to new territories. A French-led, U.S.-supported operation in Mali killed the highest-ranking al-Qaeda leader in Africa, Abdelmalek Droukdal. In August, the United States suspended military cooperation with Mali following political crisis, in which soldiers mutinied against the government, resulting in the Malian president's resignation.

The spread of COVID-19 across the African continent did not appear to slow violent extremist organizations (VEO) activity. The pandemic exacerbated many of the underlying conditions that foster VEO growth, including economic and food insecurity. The United Nations reported that in the Sahel, VEOs capitalized on the virus to undermine state government authority and continue their attacks.

In response to the pandemic, USAFRICOM reduced advising of partner forces, conducting only remote advising in some locations. U.S. airstrikes in Somalia continued, as did several partner-led counterterrorism operations. The Department of State continued diplomatic activities in Africa, despite having reduced staffing at some of its embassies due to COVID-19.

### **Oversight Planning** and Coordination

The Lead IG agencies coordinate their oversight through the quarterly Overseas Contingency Operations Joint Planning Group. This quarterly meeting informs planning activities and coordinates projects among oversight entities. It serves as a venue to coordinate audits, inspections, and evaluations for OIR and OFS, as well as other projects related to other Lead IG oversight activities. The group is also a forum for information sharing and coordination of the broader whole-of-government oversight community, including the Military Service IGs and Service audit agencies, the Government Accountability Office, the Special Inspector General for Afghanistan Reconstruction, and OIGs from the Departments of Justice, Treasury, and Homeland Security. The DoD OIG Deputy IG for Overseas Contingency Operations is the Chair of the Overseas Contingency Operations Joint Planning Group.

The three Lead IG agencies—the DoD, DoS, and USAID—develop and carry out joint strategic plans for comprehensive oversight of each contingency operation. Through this coordination, the agencies develop an annual compendium of all ongoing and planned oversight projects called the Comprehensive Oversight Plan for Overseas Contingency Operations (COP-OCO). The Comprehensive Oversight Plan, discussed below, contains the Joint Strategic Oversight Plans for OIR and OFS, as well as other projects related to previous Lead IG Contingency Operations.

### Comprehensive Oversight Plan for Overseas Contingency Operations

Pursuant to Section 8L of the Inspector General Act, the Lead IG develops and implements a joint strategic plan to guide comprehensive oversight of programs and operations for each operation. This effort includes reviewing and analyzing completed oversight, management, and other relevant reports to identify systemic problems, trends, lessons learned, and best practices to inform future oversight projects. The Lead IG issued the most recent plan, the FY 2021 Comprehensive Oversight Plan for Overseas Contingency Operations (COP-OCO), to Congress in October 2020.

The FY 2021 COP-OCO describes specific projects that the Lead IG agencies and the Overseas Contingency Operations Joint Planning Group members expect to conduct during FY 2021. This joint planning process provides whole-of-government oversight of contingency operations, and represents an unprecedented interagency model. This is the sixth annual joint strategic oversight plan from the Lead IG for Overseas Contingency Operations. This comprehensive oversight plan contains 240 ongoing and planned oversight projects for FY 2021, some of which apply to multiple overseas contingency operations. The projects are informed by past oversight work and management challenges identified by the Lead IG agencies and partner agencies. The FY 2021 COP-OCO also includes oversight projects for contingency operations that will sunset at the end of FY 2020, but had not yet been completed by the plan's publication.

### Lead IG Oversight Work

During the reporting period, the COVID-19 global pandemic affected the three Lead IG agencies' ability to conduct individual audits and evaluations related to overseas contingency operations. Due to the evacuation of most deployed staff and country-imposed travel restrictions, some oversight projects by Lead IG agencies were delayed, suspended, revised, or deferred.

Despite these limitations, the three Lead IG agencies published 22 reports on completed oversight projects during this reporting period. Table 2.17 lists the final report title, report number, and date of issuance for the nine reports that the DoD OIG completed during the reporting period for OIR, OFS, OPE-P, and the EA and NWA counterterrorism operations. The full final report summaries for these projects are included in the Audit and Evaluation sections of this report.

Report	Report Number	Release Date				
Department of Defense Office of Inspector General						
Audit of Screening and Quarantine Procedures for Personnel Entering Al Udeid Air Base, Qatar	DODIG-2020-128	September 24, 2020				
Audit of Management of Pharmaceuticals in Support of the U.S. Central Command Area of Responsibility	DODIG-2020-120	August 28, 2020				
Evaluation of DoD Intelligence, Surveillance, and Reconnaissance Supply Chains	DODIG-2020-106	July 22, 2020				
Audit of Combined Security Transition Command–Afghanistan's Implementation of the Core Inventory Management System Within the Afghan National Defense and Security Forces	DODIG-2020-104	July 10, 2020				
Audit of Coalition Partner Reimbursement of Dining Facility Services at Resolute Support Headquarters, Kabul, Afghanistan	DODIG-2020-096	June 24, 2020				
Audit of Army Contracting Command–Afghanistan's Award and Administration of Contracts	DODIG-2020-094	June 18, 2020				
Audit of Training of Mobile Medical Teams in the U.S. Indo-Pacific Command and U.S. Africa Command Areas of Responsibility	DODIG-2020-087	June 8, 2020				

#### Table 2.17 DoD OIG Lead IG Oversight Reports Issued During the Period

### **Ongoing Work**

 As of the end of this reporting period, the OIGs of the DoD, DoS, and USAID were conducting 29 OIR, 24 OFS, and 11 OPE-P audits, assessments, and evaluations, as well as 23 audits, assessments, and evaluations for the EA and NWA counterterrorism operations. The following is a listing of the objectives of ongoing DoD OIG oversight work related to the current overseas contingency operations.

#### OIR

- The DoD OIG is conducting an evaluation of U.S. Central Command's civilian casualty evaluation and reporting procedures to determine whether there are accurate accounts of potential civilian casualties resulting from OIR airstrikes.
- The DoD OIG is conducting an audit to determine whether the Military Services' pre-deployment training to counter an adversary's use of unmanned aircraft systems is done in accordance with the geographic combatant commands' operational requirements.

#### OFS

- The DoD OIG is evaluating whether U.S. Central Command properly screened, documented, and tracked DoD service members suspected of sustaining a traumatic brain injury to determine whether they received adequate care before returning to duty.
- The DoD OIG is conducting an evaluation of target development and prosecution processes and civilian casualty evaluation and reporting procedures to determine whether there are accurate accounts of potential civilian casualties resulting from OFS airstrikes.

#### **OPE-P**

• The DoD OIG is conducting an audit to determine whether the Defense Intelligence Agency and Military Services counterintelligence program supports U.S. Indo-Pacific Command mission requirements in its area of responsibility.

#### **EA and NWA Counterterrorism Operations**

 The DoD OIG is conducting an audit to determine whether the DoD provided and accounted for Global Train and Equip Fund equipment to U.S. Africa Command partners in accordance with congressional appropriations and U.S. law.

### Lead IG Investigations

- The investigative components of the Lead IG agencies and their partner agencies continued to conduct investigations related to OCOs during the semiannual reporting period. The Lead IG agencies used investigators in Bahrain, Egypt, Iraq, Kuwait, Qatar, Saudi Arabia, and the United Arab Emirates, as well as in Germany and Washington, D.C., to conduct OIR or OFS related investigations. However, due to the COVID-19 pandemic, DCIS temporarily removed investigative personnel from Afghanistan, Djibouti, Iraq, and Qatar.
- During this reporting period, Lead IG investigative agencies coordinated on 100 open investigations related to OIR, 64 open investigations related to OFS, 4 open investigations related to OPE-P, and 14 open investigations related to the EA and NWA counterterrorism operations. The open investigations involve procurement and grant fraud, corruption, computer intrusion, theft, and human trafficking. The Lead IG agencies and partners continue to coordinate their investigative efforts through the Fraud and Corruption Investigative Working Group, which consists of representatives from DCIS, the Lead IG agencies, and its partners. During this reporting period, the Fraud and Corruption Investigative Working Group conducted 29 fraud awareness briefings for 404 participants.

### Lead IG Hotline Activities

• Each Lead IG agency has a dedicated hotline to receive complaints and contacts specific to its agency. However, the DoD OIG has assigned a DoD Hotline investigator to coordinate contacts received from the Lead IG agencies and others, as appropriate. During the reporting period, the investigator opened 155 cases in support of OIR and 107 cases in support of OFS. There was no DoD Hotline activity for OPE-P and the EA and NWA counterterrorism operations during the reporting period. These cases were referred within the DoD OIG, to the Lead IG agencies, or to other investigative organizations for review and, as appropriate, investigation. The majority of the cases opened during the reporting period were related to procurement and contract administration, criminal allegations, personal misconduct, personnel matters, Government resources, safety, trafficking in persons, reprisal, and security.



# **3. ENABLING MISSION AREAS**



## **CONGRESSIONAL TESTIMONY AND BRIEFINGS**

The DoD OIG participates in congressional hearings and briefings, and responds to letters, phone calls, and e-mails from congressional committees, individual Members of Congress, and congressional staff.



On July 22, 2020, Theresa Hull, the Assistant Inspector General for Audit for Acquisition, Contracting, and Sustainment, testified before the House Committee on Oversight and Reform at its hearing on "F-35 Joint Strike Fighter: Ensuring Safety and Accountability in the Government's Trillion Dollar Investment." Source: The DoD OIG.

### Hearing(s)

On July 22, 2020, Theresa Hull, the Assistant Inspector General for Audit for Acquisition, Contracting, and Sustainment, testified before the House Committee on Oversight and Reform at its hearing on "F-35 Joint Strike Fighter: Ensuring Safety and Accountability in the Government's Trillion Dollar Investment." In her testimony, Ms. Hull discussed the DoD OIG's audit of F-35 ready-for-issue (RFI) spare parts and sustainment performance incentive fees, which determined that the DoD received F-35 spare parts that did not meet contract requirements and paid performance incentive fees on sustainment contracts based on inflated and unverified F-35 aircraft availability hours. Ms. Hull testified that the DoD's F-35 Joint Program Office did not conduct adequate oversight of Lockheed Martin's performance related to receiving F-35 spare parts and verifying aircraft availability hours. As a result, the DoD received non-RFI spare parts and spent up to \$303 million between 2015 and 2018 on labor costs for DoD personnel to bring the spare parts to RFI condition, and could continue to pay an estimated cost of up to \$55 million annually to resolve issues related to non-RFI

parts. Ms. Hull also told the Committee that, by not independently collecting and verifying aircraft availability hours, the DoD has potentially overpaid \$10.6 million in performance incentive fees.

The written statement for Ms. Hull's hearing testimony is available at:

https://media.defense.gov/2020/Jul/22/2002460779/-1/-1/1/F-35%20JOINT%20STRIKE%20FIGHTER%20HEARING.PDF



The U.S. Capitol Source: iStock.

### **Meetings With Congressional Members and Staff**

During the reporting period, the DoD OIG conducted more than 50 meetings and teleconferences with congressional staff and Members of Congress. Topics of discussion involved pending legislation and DoD OIG oversight efforts, such as:

- meetings with staff from the House Armed Services Committee (HASC), Subcommittee on Readiness, to discuss a report requirement in House Report 116-333 to accompany the FY 2020 National Defense Authorization Act (NDAA) for an audit of sole-source contracts for commercial depot maintenance;
- briefings for the staff of Senator (Sen.) Tammy Duckworth and Representative (Rep.) Dan Kildee on Report No. DODIG-2020-082, "Evaluation of the DoD's Management of Health and Safety Hazards in Government-Owned and Government-Controlled Military Family Housing";
- a meeting with staff for Rep. Ed Case to discuss concerns regarding ground-based training ranges in the U.S. Indo-Pacific Command area of responsibility;
- a meeting with staff from the Senate Armed Services Committee (SASC) and HASC to discuss a report
  requirement included in both the House and Senate versions of the FY 2021 NDAA for an audit of the medical
  conditions of eligible privatized military housing tenants who lived in unsafe or unhealthy housing units;
- a meeting with staff from the HASC Subcommittee on Tactical Air and Land Forces to discuss report requirements in House Report 116-442 to accompany the House version of the FY 2021 NDAA requiring a report on whether Navy and Marine Corps F/A-18 squadrons adhered to maintenance and repair technical directives and policies;
- a meeting with staff from the HASC Subcommittee on Readiness to discuss report requirements in House Report 116-442 to accompany the House version of the FY 2021 NDAA requiring a briefing to Congress on matters related to DoD fuel contracting;
- meetings with Senate Finance Committee staff to discuss matters related to the audit of the DoD Agency-Wide Basic Financial Statements, DoD Education Activity, Office of Net Assessment, and recommendations in Report No. DODIG-2020-079, "Report on the Joint Enterprise Defense Infrastructure (JEDI) Cloud Procurement";
- a meeting with staff for Sen. Kirsten Gillibrand and Rep. Jackie Speier to discuss their request for a DoD OIG investigation into the circumstances related to the disappearance and death of Army Specialist Vanessa Guillén at Fort Hood, Texas;
- a meeting with staff for Rep. Madeleine Dean to discuss allegations of sexual harassment and retaliation at Horsham Air Guard Station in Hatboro, Pennsylvania; and
- a briefing to SASC staff on Report No. DODIG-2020-127, "Evaluation of the Department of Defense and Department of Defense Education Activity Responses to Incidents of Serious Juvenile-on-Juvenile Misconduct on Military Installations."

### **Congressional Requests**

The DoD OIG's Office of Legislative Affairs and Communications (OLAC) serves as the point of contact in the DoD OIG for communications with Congress. During the reporting period, OLAC received 91 congressional inquiries, assisted in the preparation for one congressional hearing, and reported on audits, evaluations, and investigations in response to congressional interest and legislative mandates. In addition, OLAC proactively informs congressional staff about DoD OIG reports and DoD OIG work. OLAC publishes the DoD OIG's monthly newsletter, which summarizes the reports and investigations released by the DoD OIG in the previous month, as well as reports that are anticipated to be released in the coming month. The newsletter also includes project announcements and additional news releases highlighting investigations conducted by the Defense Criminal Investigative Service. The newsletters are available at:

http://www.dodig.mil/Reports/Newsletter

### **Council of the Inspectors General on Integrity and Efficiency**



The CIGIE was established as an independent entity within the Executive Branch by the Inspector General Reform Act of 2008. Its purpose is to address integrity, economy, and effectiveness issues that transcend individual Government agencies, and to increase the

professionalism and effectiveness of personnel by developing policies, standards, and approaches to aid in the establishment of a well-trained and highly skilled workforce in the Offices of Inspectors General. The DoD OIG is an active participant in CIGIE activities, attending monthly CIGIE meetings and participating as a member in the weekly CIGIE Pandemic Response and Accountability Committee meetings. The DoD OIG is also active participant in the many committees and working groups that the CIGIE operates throughout the year including the Audit, Technology, Inspections and Evaluation, and Investigations committees and the Disaster Assistance and Enterprise Risk Management (ERM) working groups.

#### **Defense Council on Integrity and Efficiency**

The Defense Council on Integrity and Efficiency (DCIE) is chaired by the DoD Inspector General and meets on a periodic basis to ensure coordination and cooperation among the DoD oversight community, which includes the DoD OIG; the DoD agency IGs; and the internal audit, inspection, and investigative organizations of the Military Departments. The DCIE has seven standing committees: Audit, Administrative Investigations, Criminal Investigations, Data Analytics, Technology, Inspections and Evaluations, and the Defense Intelligence and Special Programs Oversight Committee.

During the reporting period, the DCIE committees focused on followup activity and the DoD's financial statement progress, and expanded participation in the Certified Defense Cybersecurity Auditor Program to other Federal IGs. In addition, DCIE committees discussed matters involving COVID-19-related corruption and coordinated with investigative partners to address fraud involving foreign influence over research and technology transfer grants. DCIE committees also worked collaboratively with the DoD Components to compile COVID-19 data to develop efficient processes and provide effective oversight. Committee meetings focused on developing virtual training during the COVID-19 pandemic and the status of upcoming training events open to all Service components and agencies.

# **4.** SERVICES



## MILITARY SERVICE AUDIT AND INVESTIGATIVE AGENCIES

The Military Services' audit and investigative agencies are key components of the DoD oversight community. These agencies conduct audits and investigations of activities, programs, functions, and criminal activity solely within their Military Service.

Included in this section are the submissions from the Services summarizing significant audit reports issued by the U.S. Army Audit Agency (USAAA), the Naval Audit Service (NAVAUDSVC), and the Air Force Audit Agency (AFAA). Appendix B provides a full list of audit reports issued by the DoD OIG and the Service audit agencies.

This section also includes submissions by the military criminal investigative organizations (MCIOs) describing the results of significant investigations performed by the MCIOs that resulted in criminal, civil, and administrative actions. The MCIOs are the Army Criminal Investigation Command (Army CID), the Naval Criminal Investigative Service (NCIS), and the Air Force Office of Special Investigations (AFOSI).

## ARMY

### **U.S. Army Audit Agency**

To accomplish its mission, the U.S. Army Audit Agency (USAAA) relies on a workforce of approximately 500 employees that provides audit support to all aspects of Army operations.

The USAAA's goal is to be a highly sought after and integral part of the Army by providing timely and valued services that focus on the evolving needs of Army leaders. To ensure its audits are relevant to the needs of the Army, the USAAA aligned its audit coverage with the Army's highest priorities and high-risk areas as determined by its enterprise-level risk assessment and input from Army senior leaders.

During the reporting period, the USAAA published 50 reports, made more than 156 recommendations, and identified about \$119.7 million in potential monetary benefits. Here are summaries from a few of the USAAA's significant reports:

## Audit of Safety Policies at Army Depots and Plants

The USAAA determined whether the U.S. Army Materiel Command's (AMC) safety program was sufficient to mitigate the risk of death or injury to personnel when they handled ammunition and other hazardous material at Army depots and plants. The former Acting Assistant Secretary of the Army for Installations, Energy, and Environment requested this audit due to concerns about the safety program at Army depots and plants after three work-related fatalities in FY 2018.

The USAAA determined that the AMC's safety program was generally sufficient to mitigate the risk of death or injury to personnel when they handled ammunition and other hazardous material at depots and plants. AMC ensured that Government-owned, Government-operated (GOGO) facilities and Government-owned, contractor-operated (GOCO) sites were aware of and emphasized key requirements of its safety program. Specifically, all 13 GOGO sites the USAAA reviewed had a sufficient safety program in place. Additionally, the seven GOCO sites the USAAA reviewed used contract language from U.S. Army Joint Munitions Command's standard performance work statement for safety operations management. These conditions happened primarily because AMC had sufficient processes in place to oversee its safety program and to ensure its major subordinate commands and facilities implemented and executed the program as intended. There were no reported fatalities at the GOGO or GOCO sites in FY 2019. Furthermore, the GOCO facilities consistently handled ammunition and other hazardous material better than similar operations or establishments as determined by the Department of Labor's Bureau of Labor Statistics. Because the USAAA results were generally positive, the report contained no recommendations. Management agreed with the report.

#### Report No. A-2020-0048-FIZ

#### Fuel and Water Distribution - Korea

The USAAA determined whether units responsible for fuel and water delivery in Korea had the proper equipment and trained personnel to support contingency operations. The USAAA focused on equipment availability, maintenance, storage, and training. The Eighth Army Commander requested this audit.

The USAAA determined that units responsible for fuel delivery in Korea did not appropriately store the Inland Petroleum Distribution System (IPDS) fuel-handling equipment assigned to them. Also, most unit personnel did not receive realistic training on the IPDS. The USAAA also determined that units responsible for water delivery in Korea had mission-ready equipment to purify and distribute water, and personnel were properly trained for their mission. However, units did not have enough bulk water storage equipment to fully meet requirements in a contingency operation.

To improve Eighth Army's fuel delivery operations, the USAAA recommended that the units responsible for fuel delivery in Korea either return the IPDS segment to U.S. Army Materiel Command for proper storage, or maintain and store the equipment in accordance with standards, as well as ensure soldiers and the Korean Service Corps receive realistic annual IPDS training. The USAAA also recommended the U.S. Army Materiel Command determine whether resources should be shifted to emphasize returning the equipment to serviceable condition earlier than the equipment's current 3-year or 6-year inspection and maintenance schedule would allow. To ensure the Army is positioning its water delivery equipment appropriately, the USAAA recommended the Deputy Chief of Staff, G-3/5/7, review the Army's current inventory of 40,000-gallon water storage and distribution systems to ensure equipment is aligned with Army priorities. Management agreed with the recommendations.

#### Report No. A-2020-0049-BOZ

#### Per- and Polyfluoroalkyl Substances (PFAS) Contamination on Army Installations

The USAAA determined whether Army installations took actions to mitigate and remediate contamination levels of per-and polyfluoroalkyl substances (PFAS) and whether they conducted quarterly assessments to monitor contamination levels. PFAS are a group of manmade chemicals that includes perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA). Both of these chemicals have been found in water on Army installations, and there is evidence that continued exposure to them may lead to adverse health effects.

The USAAA determined that installations took actions to mitigate contaminants and to meet the Environmental Protection Agency's lifetime health

advisory limits. As of November 2017, the Army identified 13 installations with drinking water that exceeded these limits. The USAAA reviewed 7 of 13 installations and determined that all took actions to reduce contamination levels of PFOS and PFOA to meet the Environmental Protection Agency's advisory limits, which the Army adopted as guidance. Also, although most installations generally completed quarterly assessments to monitor contamination levels, one installation did not. Furthermore, 32 of 64 installations with Army-owned water systems did not have their assessments recorded in the DoD's official system of record for PFOS and PFOA results. As a result, the health of soldiers, families, and Department of Army civilians is at risk, as is the Army's reputation if the Army cannot ensure that its installations are providing safe drinking water that meets Environmental Protection Agency limits for PFOS and PFOA contamination levels.

The USAAA recommended that the Deputy Chief of Staff, G-9:

- update, consolidate, and establish PFAS guidance to include a specific timeframe and several methods for installations to notify all affected users about contaminated drinking water; and
- clarify drinking water assessments, and provide PFAS sampling results to the U.S. Army Public Health Center to be entered into the Defense Occupational and Environmental Health Readiness System, including privatized and municipality water systems, if available.

The USAAA also recommended that the Commander, U.S. Army Materiel Command and the Director of the Army National Guard ensure that the required assessments are completed and reported in Defense Occupational and Environmental Health Readiness System. Management agreed with the recommendations.

#### Report No. A-2020-0050-FIZ

## Fiscal Closeout of Civil Works Projects – U.S. Army Corps of Engineers

The USAAA determined whether the U.S. Army Corps of Engineers (USACE) took the necessary actions to fiscally close out its completed civil works projects in a timely way. The USAAA reviewed 37 projects, valued at about \$5.2 billion, managed by 20 districts. The Office of the Assistant Secretary of the Army for Civil Works requested this audit. The USAAA determined that USACE did not take the necessary actions to fiscally close out all of its physically completed civil works projects in a timely way. Twenty-one of the 37 projects had extended fiscal closeout periods-ranging from 7 months to 20 years—and there were not valid reasons to justify the extended closeout period. In addition, USACE's Program Management Automated Information System (commonly called the P2 System), which maintains closeout data, did not have complete and accurate data for many of its civil works projects. Delays closing out projects could increase the Government's liability and costs for civil works construction projects not turned over to non-Federal sponsors. They could also prevent USACE from identifying available unused funds for other unfunded projects. With the data available, the USAAA could not determine how much funding remained for 11 completed projects that were not fiscally closed out and did not have valid reasons. However, any remaining funds could be applied toward the \$96 billion in unfunded requirements identified by USACE personnel as of June 2019 for uncompleted civil works projects. Furthermore, the significant discrepancies in the P2 System call into question the validity of project closeout information reported to the Assistant Secretary of the Army for Civil Works and other external agencies.

The USAAA made eight recommendations, including recommendations to the USACE Commander to direct district commanders to comply with existing requirements for fiscally closing out cost-shared projects, and direct responsible districts to fiscally closeout 11 cost-shared projects and take action to deobligate or reprogram unneeded funds. The USAAA also recommended that the USACE Commander establish guidance with closeout procedures for 100-percent federally funded projects, and issue or update guidance to include requirements and necessary controls for using a specific system to track and report project closeout data. Management agreed with the recommendations.

#### Report No. A-2020-0056-FIZ

#### **Expeditionary Contracting Material Weakness**

The USAAA determined whether the Army had taken necessary actions to mitigate risks associated with its expeditionary contracting material weakness. The Assistant Secretary of the Army for Acquisition, Logistics, and Technology (ASA[ALT]) requested this audit. The USAAA determined that, while the Army took actions to address the material weakness, it needed to take additional steps before downgrading or removing the weakness from annual statements of assurance. Specifically, the Army deferred a decision on recommended solutions from the capabilities-based assessment—a key part of the current corrective action plan for the material weakness—and some elements from previous corrective action plans were never implemented. In addition, since the Army first reported the weakness in 2008, expeditionary contracting has taken personnel cuts, absorbed the Defense Contract Management Agency's mission for Contingency Contracting Administration Services, and stood down the U.S. Army Expeditionary Contracting Command.

The USAAA recommended that the ASA(ALT) redefine the expeditionary contracting material weakness based on current conditions, and update the corrective action plan and associated milestones. The USAAA also recommended that the Deputy Chief of Staff, G-3/5/7, review the role of contracting in the next Total Army Analysis (as an independent body), taking into account the expeditionary contracting material weakness. Additionally, the USAAA recommended that the U.S. Army Contracting Command report the expeditionary contracting material weakness in feeder statements to the U.S. Army Materiel Command, including in the annual statement of assurance; enhance the deployable civilian cadre program to mitigate risks associated with the material weakness; and review and extend the memorandum of agreement with the Defense Contract Management Agency to get maximum support during contingency operations. Management agreed with the recommendations.

#### Report No. A-2020-0059-BOZ

#### Non-Army Installation Support – Japan

The USAAA determined whether Army activities and personnel stationed on other Services' installations in Japan received sufficient support from the other Services in accordance with regulatory guidance and agreements. The Commanding General of U.S. Army Japan and the U.S. Army Pacific Assistant Chief of Staff, G-8, requested this audit.

The USAAA visited three installations, publishing reports for two installations during this period. At those two installations, the USAAA determined that Army activities and personnel were not receiving sufficient support from the other Services in accordance with regulatory guidance and agreements. The USAAA will publish the third report in FY 2021.

#### Naval Air Facility Atsugi, Japan

The USAAA determined that U.S. Army Aviation Battalion Japan (USAABJ) did not receive sufficient support from its host, Naval Air Facility Atsugi, Japan. The USAABJ occupied part of Hangar 187. The hangar covers about 50,000 square feet, including about 2,500 square feet (5 percent) of administrative space designated for use by the USAABJ and another 8,400 square feet of shared space available to the USAABJ to store and maintain its aircraft. The Navy used the rest of the hangar space for storage. Hangar 187 was in poor condition with life, health, and safety issues that posed a threat to unit personnel and aircraft. Issues included insufficient fire suppression capability and weakened structural integrity that could result in the ceiling collapsing. Navy personnel performed limited preventive and corrective maintenance on the hangar because, according to Navy facilities personnel, the Navy did not foresee a future need for the hangar and considered it for demolition. Additionally, support agreements were not in place to identify roles and responsibilities for the host and tenant with regard to facility repair processes. As a result, the hangar presented significant life, health, and safety issues to military and civilian personnel. The poor condition of the hangar also presented the potential for property damage to Army aircraft valued at about \$12 million.

The USAAA recommended that U.S. Army Pacific coordinate with Naval Facilities Engineering Command Far East to either relocate the unit or take action to resolve the safety issues, and to establish a support agreement that clearly identifies the host and tenant roles and responsibilities for all support requirements. Management agreed with the recommendations and planned actions.

#### Kadena Air Base, Okinawa, Japan

The USAAA determined that the 1st Battalion, 1st Air Defense Artillery Regiment (1-1 ADA), and the 10th Support Group (10th SG) received sufficient support from their host, the Air Force's 18th Wing, at Kadena Air Base, Okinawa, Japan, for most of the categories of service received. Specifically, 1-1 ADA had 39 categories of support in its agreement and 10th SG had 28 categories of support in its agreement. Both units only had issues with two categoriesfacility maintenance and project needs. According to 18th Wing facilities personnel, Kadena Air Base had significant facility sustainment issues, causing a backlog of about 4,100 work orders and 800 facility projects, delaying the wing's ability to properly maintain all facilities on Kadena, including the facilities occupied by the Army units. As a result, 1-1 ADA personnel did

not have adequate facilities to effectively execute their day-to-day operations and 10th SG had to store munitions in deteriorated facilities that posed potential safety and security risks for personnel and munitions. Problems the USAAA observed included inoperable exhaust system in a maintenance bay, and inoperable maintenance bay doors.

To get safety and mission-unique requirements completed faster, the USAAA recommended the two Army units coordinate with 18th Wing to establish an alternate process that allows the units to get required installation support from external suppliers or contracts, in accordance with Army Regulation 5-9. Management agreed with the recommendations and planned actions.

#### Report Nos. A-2020-0061-BOZ and A-2020-0073-BOZ

#### **Civilian Incentive Programs**

The USAAA determined whether incentive payments were properly supported. Army commands and activities use recruitment, retention, and relocation incentives to build and sustain a high-quality workforce.

The USAAA determined that civilian incentive pay actions were not properly supported. This occurred because the Army did not issue implementing instructions for its incentive programs and Army activities did not prepare incentive plans to justify incentives and prescribe internal controls for incentive payments. The USAAA reviewed 242 retention, recruitment, and relocation incentives issued at three Army commands from October 2016 to January 2019. The three Army commands did not properly support the 242 incentives in accordance with statutory requirements or with Federal, DoD, and Army policies. The Army commands did not have service agreements, had insufficient service agreements, did not compute the incentive amount correctly or justify the need for incentives, and did not retain required supporting documentation. Because of the lack of sufficient support, the Army improperly paid about \$1.9 million in incentive payments.

The USAAA recommended that the Assistant Secretary of the Army for Manpower and Reserve Affairs and the Deputy Chief of Staff, G-1, develop implementing instructions to standardize the retention, recruitment, and relocation incentive programs, and clarify U.S. Army Civilian Human Resources Agency and personnel center's roles and responsibilities to standardize the retention, recruitment, and relocation incentives process and include quality control reviews. Management agreed with the recommendations.

#### Report No. A-2020-0065-BOZ

#### **Noncommissioned Officer Baseline Certifications**

The USAAA determined whether information technology noncommissioned officers obtained the required baseline certifications to perform their assigned information assurance (IA)/cybersecurity mission. The U.S. Army Forces Command's Deputy Chief of Staff, G-6, requested this audit.

The USAAA determined that the Army did not know which soldiers required IA/cybersecurity certifications. The Army's system to track training and certifications was inaccurate and unreliable. By making improvements to the management of IA/cybersecurity certification requirements, the Army could realize about \$2.3 million in savings annually.

The USAAA recommended that the Army Chief Information Officer, G-6:

- properly codify all military IA/cybersecurity positions;
- clarify and update Department of Army Pamphlet 25-2-7 and issue interim guidance to all Army activities to review, revise, and reissue appointment orders for IA/cybersecurity personnel;
- issue guidance to all Army activities to emphasize the requirement for unit managers to conduct quarterly reviews of the Army Training and Certification Tracking System and to ensure these reviews are included in the organizational inspection programs; and
- issue guidance to all Army activities to emphasize the IA/cybersecurity certification pathway as outlined in Training Circular 6-02-01.

In addition, the USAAA recommended that the U.S. Army Training and Doctrine Command coordinate with the Army Chief Information Officer,G-6, and establish a consolidated regular reporting mechanism to identify and track pass/fail rates by regional signal training site location and students for all IA/cybersecurity certifications, and then provide those results to the Army Chief Information Officer, G-6. Management agreed with the recommendations.

#### Report No. A-2020-0067-AXZ

#### Armored Brigade Combat Teams' Field-Level Maintenance

The USAAA determined whether armored brigade combat teams maintained equipment within established goals to sustain intended readiness levels. Army policy measures equipment readiness in terms of fully mission capable (FMC) status, with a minimum acceptable readiness goal of 90-percent FMC for reportable ground systems.

The USAAA determined that 10 (about 67 percent) of 15 fleets did not meet readiness goals. In addition, actual rates were likely lower than reported. The USAAA reviewed the 13-month average mission capability rate of 15 fleets of equipment, observed vehicle inspections with assistance from an Army subject-matter expert, and analyzed maintenance records in the Global Combat Support System-Army. Brigades reported vehicles as FMC despite identifying a deadline fault (a condition that makes the vehicle not FMC) or changed the equipment's status to FMC before parts to repair the fault were recorded as received. The FMC goals were not met primarily because of an absence of command oversight to reinforce maintenance discipline. In addition, maintenance personnel had limited knowledge and proficiency to conduct field-level maintenance and did not have protected time to perform maintenance.

The USAAA recommended nine corrective actions to U.S. Army Forces Command to enforce maintenance discipline at the brigade commander level and below. Key recommendations included requiring commanders to certify through the chain of command that equipment meets the maintenance standards in Technical Manual-10 and -20, updating training for maintenance operations and the Command Maintenance Discipline Program, conducting a study of maintenance workload compared to manpower capability, and identifying sources of maintenance services to mitigate gaps based on the study's results. Management agreed with the recommendations, and issued an operations order in March 2020 that implemented eight of the nine corrective actions.

#### Report No. A-2020-0078-AXZ

#### Accounting for the Army Environmental Restoration Program: Funding Personnel Requirements

The USAAA determined whether Army activities appropriately used program management (personnel) funding from the Defense Environmental Restoration Program (DERP) to restore contaminated sites. Of the three commands that used the Army's \$71.6 million in DERP funding for personnel costs during FY 2018 and FY 2019, the USAAA focused on selected activities from the two largest users—U.S. Army Corps of Engineers (USACE) and U.S. Army Installation Management Command (IMCOM). The Office of the Deputy Assistant Secretary of the Army for Environment, Safety, and Occupational Health requested this audit.

The USAAA determined that the two USACE activities the USAAA reviewed appropriately used their allocated DERP funds in accordance with program guidance. However, several IMCOM activities inappropriately used DERP funding for non-DERP-related projects and vice-versa. Specifically, the Environmental Center and eight garrisons inappropriately used DERP funding for Army civilian personnel to work on non-DERP projects. In addition, 27 garrisons (24 additional garrisons and 3 from above) inappropriately used non-DERP funding for Army civilian personnel to work on DERP projects. USACE had assurance that its activities appropriately used the \$46 million it was allocated for DERP program management. By contrast, IMCOM and its activities, which were allocated \$21.2 million, may have potentially violated the Antideficiency Act (ADA) by about \$2 million as a result of misinterpreting guidance and not differentiating the time personnel spent between managing DERP and non-DERP projects.

The USAAA recommended that the Deputy Chief of Staff, G-9, issue Army-wide guidance to clearly establish the proper use of environmental funding sources to avoid potential ADA violations. This should include a fiscal review of the laws and guidance related to the applicable environmental program management decision packages. In addition, the USAAA recommended that the G-9 require IMCOM and other commands to establish controls and processes to appropriately account for labor costs. The USAAA also recommended that the IMCOM Commander submit flash reports to the Assistant Secretary of the Army for Financial Management and Comptroller, in accordance with Army ADA policy, and initiate corrective actions for the potential ADA violations. Management agreed with the recommendations and command's planned actions.

#### Report No. A-2020-0082-FIZ

## Streamlining Army Contracting Policies and Processes, Acquisition Reform Initiative #6

The USAAA determined whether the Army streamlined contracting policies and processes in accordance with Acquisition Reform Initiative (ARI) 6, "Streamlining Army Contracting Policies and Procedures," and whether those actions were effectively designed. The USAAA conducted this audit to comply with the Office of the Secretary of the Army mandate that the USAAA conduct audits to determine the extent of the Army's compliance with ARIs.

The USAAA determined that the Army is making progress toward implementing policy changes and streamlining contracting processes to implement this ARI. However, it needed to take additional actions to ensure that it fully established the process frameworks necessary to achieve strategic goals. Of the 16 tasks reviewed, the USAAA verified that the Army completed or closed 13, while actions continued on the remaining 3. The USAAA also evaluated actions to achieve process improvements for eight tasks and determined that the Army effectively designed actions to achieve process improvements for two tasks, such as centralizing procurement policy and delegating approval authority. However, the Army did not effectively design actions to achieve process improvements for six tasks. Three of these tasks involved developing policy and processes for requiring activities to improve their contract requirements packages.

The USAAA recommended the Assistant Secretary of the Army for Acquisition, Logistics, and Technology:

- update the status of two ARI tasks to critical issues and actively engage other senior leaders for resolution;
- engage with the National Guard Bureau's head of contracting activity to determine whether a policy exception, system change, or other alternatives are needed to appropriately manage cooperative agreements within the Virtual Contracting Enterprise or future contracting system(s);
- include required use of Virtual Contracting Enterprise-Paperless Contract Files (including entering acquisition milestones) as a metric tracked by head of contracting activities during contracting enterprise review;
- reevaluate the number of mandatory acquisition milestones in Virtual Contracting Enterprise-Paperless Contract Files, obtaining input from a broad range of contracting stakeholders, and update the system as determined and continue to reassess required milestones over time;
- amend the Army Federal Acquisition Regulation Supplement to require that peer reviews be conducted for a sample of contracts valued at less than the current \$50 million threshold based on associated risk factors; and

 develop and issue interim guidance articulating roles and responsibilities of program integrators during the contracting process and incorporate this guidance into future revisions of Army Regulation 70-1 (Army Acquisition Policy) and the planned Army-wide contracting regulation.

Management agreed with the recommendations and actions planned for each recommendation.

#### Report No. A-2020-0083-BOZ

## Metrics for the Army's Permanent Change of Station Process

The USAAA determined whether the Army had measurable metrics for each primary change of station (PCS) initiative announced at the 2019 Association of the United States Army (AUSA) Annual Meeting. The Secretary of the Army requested this audit. The USAAA focused on seven different PCS process areas that aligned with initiatives introduced at the Annual Meeting. The Army has since updated these initiatives in its Quality of Life Campaign Plan as of May 2020. The USAAA coordinated with Army leaders and garrison personnel at 17 locations to determine whether they had data and metrics to evaluate the progress of these initiatives against baseline data from FYs 2017 through 2019.

The USAAA determined that, though the Army had data available to measure the seven initiative areas of the PCS process, it did not have metrics or a process to monitor the progress of the initiatives. The Army did not have metrics to monitor the progress of all of the PCS initiatives because it did not have an official process to gather and consolidate performance data and compare metrics against goals. During the review, the USAAA also identified opportunities to enhance actions the Army has already taken to improve the PCS experience for soldiers and families. These opportunities included issuing PCS orders in a timely manner. The USAAA determined that soldiers took an average of 88 days to submit required forms to their garrison directorate of human resources, accounting for 77 percent of the time from soldier receipt of PCS notification to orders issuance. Because the directorate did not receive the forms timely from the soldiers, it could not finalize orders to meet the goal of soldiers receiving PCS Orders 120 days before they report to the receiving garrison. Only 6 of the 17 garrisons that the USAAA visited met this standard. Soldiers' part of the PCS process consumed much of the time because there were not standard processes at garrisons to ensure

timely soldier attendance at levy briefings and monitor a soldier's progress through the different processing steps for PCS orders.

The USAAA recommended that the Deputy Chief of Staff, G-1, standardize levy briefings to ensure complete, consistent, and accurate information is shared with all soldiers going through the PCS process. Additionally, the USAAA recommended that the Deputy Chief of Staff, G-4, establish a process to measure and monitor the progress of each Army initiative and include specific information regarding mandatory levy briefings as well as various benefits information in the Army PCS Move smartphone application. Also, the USAAA recommended that the Director of the Army Staff issue a message to Army leaders reinforcing the need to allow soldiers enough time to attend levy briefings and complete their required PCS move documentation. Similarly, the USAAA recommended that the Commander of the U.S. Army Installation Management Command establish a time standard or goal for soldiers to submit their required PCS documents. Management agreed with the recommendation and issued a message to Army leaders on September 14, 2020, to begin taking action to improve the PCS process for soldiers, and, in June 2020, tasked the Deputy Chiefs of Staff, G-1 and G-4, and the Commander of the Installation Management Command to begin taking actions to implement the other recommendations.

#### Report No. A-2020-0089-FIZ

#### Army Trademark Licensing Program

The USAAA determined whether the Army managed its trademark licensing program operations effectively to collect licensing fees and pay expenses in accordance with license agreements and contracts. The USAAA also determined whether the program accounted for and used trademark license fees in accordance with laws and regulations. The intent of the trademark program is to protect marks, such as Army symbols and insignia, from improper use and ensure that licensees pay the Army fees that reduce the program's cost. The Army Chief of Public Affairs requested this audit.

The USAAA determined that the Army Trademark Licensing Program (ATLP) generally managed Army trademarks and collected licensing fees in accordance with license agreements and contracts. The program had 301 trademark licenses. Beanstalk Group, LLC, a licensing agency, managed 203 licenses and the ATLP managed the remaining 98 licenses with the assistance of contracted administrative support personnel from International Global Solutions, LLC. The USAAA statistically sampled 51 of 203 licenses Beanstalk managed during FYs 2017 through 2019. The ATLP received all licensing fees due to the Army (about \$4.1 million of the \$6.7 million collected by Beanstalk), based on criteria in the license agreements. However, based on a statistical sample of 41 of 98 internally managed licenses for the same period, the ATLP did not collect the correct amount for about 10 percent of the licensees. It also did not approve \$122,300 of licensing agency costs in advance as required by the contract, and it paid about \$300,000 in payments to the administrative support contractor even though the contractor did not complete all contracted tasks. These conditions occurred primarily because the minimal staff dedicated to program operations left gaps in the program's ability to implement key internal control procedures. To operate and manage the program, the Army assigned only one full-time employee who served as the manager and had the director serve as the contracting officer's representative. With that limited staff, the ATLP did not invoice correct royalty fees, establish a process to preapprove contractor expenses, and hold contractors accountable for performing contractual tasks.

Additionally, the Army, in coordination with the Defense Finance and Accounting Service, accounted for and used the ATLP trademark licensing fees in accordance with laws and regulations in effect before FY 2020. In FYs 2017 through 2019, the Army used a suspense account to accurately record about \$6.4 million of licensing fee deposits and almost \$7 million of withdrawals made in the last year of the funds' availability as permitted by laws and guidance. Also, the Army properly used about \$2.4 million in ATLP licensing fees in FYs 2017 through 2019 to pay for trademark expenses and transferred about \$4.6 million of fees in excess of those expenses to the Army's Morale, Welfare, and Recreation Program. In response to a 2016 DoD OIG report, the DoD issued a memorandum in August 2019 to stop using suspense accounts beginning in FY 2020. During the USAAA audit, an Army working group was developing a new accounting process using the General Fund Enterprise Business System to account for the ATLP license fee collections. Because the working group expected the Army to implement the new process by the end of FY 2020, USAAA did not make any recommendations to address the discontinued use of suspense accounts. The USAAA recommended that the Chief of Public Affairs establish an overall management plan for the ATLP, a process that ensures the ATLP manager properly collects the amounts due for internally managed licenses, and a process that requires the ATLP's preapproval of the licensing agency's monthly expenses before the agency deducts the expenses from licensing fees. The USAAA also recommended that the Chief of Public Affairs ensure that the ATLP contractors are held accountable for contract task performance. Management agreed with the recommendations.

Report No. A-2020-0090-FIZ

## U.S. ARMY CRIMINAL INVESTIGATION COMMAND

### **Significant Investigative Cases**

## Soldier Convicted of Sexual Assault and Indecent Video Recording

The Army Criminal Investigation Command (CID) initiated this investigation following a report that Private First Class Tyler Jansen sexually assaulted a female soldier on several occasions. The Army CID investigation revealed that Private First Class Jansen also took indecent video and photographs of the female soldier without her consent. On July 29, 2020, in a general court-martial at Fort Eustis, Virginia, Private First Class Jansen was found guilty of sexual assault and indecent video recording and viewing. He was sentenced to 9 months' confinement and a dishonorable discharge and will be required to register as a sex offender.

## Soldier Convicted of Abusive Sexual Contact and Assault

The Army CID initiated this investigation upon notification that Private Mison Mickle had choked, forcibly kissed, and attempted to sexually assault a female soldier. The Army CID investigation identified a second female soldier that Private Mickle had assaulted by grabbing her neck and buttocks. On July 25, 2020, in a general court-martial at Fort Lee, Virginia, Private Mickle pleaded guilty to abusive sexual contact, attempted sexual contact, and assault. He was sentenced to 12 months' confinement, reduction in grade to E-1, and a dishonorable discharge, and will be required to register as a sex offender.

## Soldier Convicted of Rape, Burglary, and Aggravated Assault

The Army CID initiated this investigation upon notification that a female soldier had been raped at gunpoint by an unknown assailant who broke into her residence. The female solder suspected the assailant might have been her neighbor, Specialist Nigua Mack. Specialist Mack was interviewed by Army CID Agents and denied raping the female soldier or visiting her residence. The U.S. Army Criminal Investigation Laboratory examined physical evidence collected from the victim and the crime scene. Analysis of the sexual assault forensic examination kit found Specialist Mack's DNA on the victim's body, fiber evidence from the victims residence on Specialist Mack's clothing, and DNA from the victim on a handgun recovered from Specialist Mack. On June 19, 2020, in a general court-martial at Fort Leonard Wood, Missouri, Specialist Mack pleaded guilty to rape, burglary, and aggravated assault. He was sentenced to 21.5 years' confinement, reduction in grade to E-1, and a dishonorable discharge, and will be required to register as a sex offender.

## NAVY

### **Naval Audit Service**

In support of Sailors, Marines, civilians, and families, the Naval Audit Service's (NAVAUDSVC) mission is to provide Department of the Navy senior leadership with independent and objective audit and investigative support services targeted to improve program and operational efficiency and effectiveness while mitigating risk. Each year, the NAVAUDSVC develops an annual audit plan based on the review of key strategic documents and input from Navy and Marine Corps leadership. During the last 6 months of FY 2020, NAVAUDSVC published 19 reports, made 85 recommendations, and identified approximately \$192 million in potential monetary benefits. All NAVAUDSVC audit work is designed to address significant Department of Navy issue areas that merit additional oversight. NAVAUDSVC published audits that address significant and potentially high-profile areas, such as training for security forces and protection of personally identifiable information.

## Personally Identifiable Information at Navy Exchanges

The NAVAUDSVC determined whether selected Navy Exchange Service Command (NEXCOM) facilities adequately protected customer personally identifiable information (PII) from unauthorized disclosure.

The NAVAUDSVC determined that, although NEXCOM established a Privacy Program and has controls in place, opportunities existed for strengthening internal control procedures to safeguard and/or protect PII. NEXCOM Headquarters and 41 selected facilities did not always properly execute other requirements of the Navy Privacy Program to sufficiently protect customer PII from unauthorized disclosure. The NAVAUDSVC found instances where PII was not properly safeguarded. Specifically, NAVAUDSVC found: (1) a complete inventory listing of information technology properties containing PII was not maintained; (2) Privacy Impact Assessments were not conducted for all information technology properties that collect, maintain, or disseminate PII; (3) the Forms Management Program was not adhered to; and (4) semiannual spot checks were not conducted as required. These conditions existed due to personnel not always following policies and procedures, insufficient monitoring, and a misinterpretation of guidance. When the Navy Privacy Program is not properly executed, customer PII is at greater risk for compromise.

The NAVAUDSVC made four recommendations to address weaknesses and to enhance the management, execution, and oversight of the NEXCOM Privacy Act Program. NEXCOM concurred with each of the recommendations and planned actions meet the intent of the recommendations.

#### Report No. N2020-0021

## Sufficiency of Law Enforcement Training for Navy Security Force Personnel

The NAVAUDSVC determined whether Navy Security Force (NSF) training was sufficient for performing required law enforcement duties. Specifically, the audit focused on Master-at-Arms (MA) personnel apprentice training.

The NAVAUDSVC determined law enforcement training provided at MA "A" School was insufficient, which created a gap in knowledge, skills, and actions for military police personnel and restricted the NSF's ability to effectively perform required law enforcement duties. The NAVAUDSVC identified deficiencies in minimum law enforcement training standards, apprentice training program accreditation, training content, training delivery methods, and supplemental law enforcement training standardization. Due to these deficiencies, the potential exists for negative impacts on NSF law enforcement operational readiness and effectiveness at installations and aboard ships, senior MA personnel with no or little law enforcement experience being placed in law enforcement supervisory roles, the violation of an individual's Constitutional rights, and increased risk of death or injury to NSF personnel, suspects, and bystanders. Overall, this could result in significant legal liability to the Navy, hinder prosecutions of criminal cases, and result in adverse media coverage if the Navy was found negligent during an incident due to insufficient law enforcement training. These deficiencies existed, in part, due to the Navy's shift in priorities from law enforcement to antiterrorism/force protection after the September 2001 terrorist attacks, and the Navy's MA community structure.

The NAVAUDSVC made four recommendations to address MA apprentice training curriculum deficiencies and to implement a strategy to address law enforcement training policy, oversight, and resourcing insufficiencies within the NSF community. The Navy is planning to implement a law enforcement "C" School [advanced job training] beginning in November 2020, which will mitigate the deficiencies within the MA "A" school [initial job training]. The "C" school will provide six weeks of law enforcement focused training which will meet minimum DoD law enforcement training requirements. Accreditation of the law enforcement "C" school is expected by December 2022. Management concurred with each of the recommendations. Additionally, actions taken and planned meet the intent of the recommendations.

#### Report No. N2020-0023

## Department of the Navy Civilian Time and Attendance for Navy Reserve Duty

The NAVAUDSVC determined whether the Navy was appropriately accounting for Navy civilian time and attendance for employees on Navy Reserve duty.

The NAVAUDSVC identified seven civilians who improperly collected both civilian pay and Navy Reserve pay while on active duty, totaling \$27,213. The NAVAUDSVC also found six civilians who improperly charged military leave totaling \$2,261. This was in contrast to Federal law and DoD policy, which state that military members may not receive additional pay for other Federal service unless specifically authorized by law. These improper transactions occurred for several reasons, including employees and supervisors not understanding policy, lack of a checkout process for mobilizations and supervisor failure to follow procedures, and some Budget Submitting Offices not maintaining documentation as required. As a result, the NAVAUDSVC projected \$805,000 was improperly collected by civilians while on active duty, and \$34,500 was improperly charged in military leave, for a total of \$839,500. Over the course of the next 5 years, total potential monetary benefits could be about \$4.2 million.

The NAVAUDSVC made 16 recommendations to eight Budget Submitting Offices to investigate improper payments to determine causes, and take corrective actions to strengthen internal controls as well as recoup funds, and report findings and corrective actions to NAVAUDSVC. In addition, the NAVAUDSVC recommended the Assistant Secretary of the Navy for Manpower and Reserve Affairs issue guidance to ensure Budget Submitting Offices, and employees who are in the Navy Reserve, understand policies for time and attendance for military duty. Management concurred with each of the recommendations. Additionally, actions taken and planned meet the intent of the recommendations.

Report No. N2020-0022

#### Department of Navy's Use of Cybersecurity Reciprocity within the Risk Management Framework Process

The NAVAUDSVC determined whether Department of the Navy commands were leveraging cybersecurity reciprocity to reduce redundant test and assessment efforts when authorizing information technology within the Risk Management Framework (RMF) process.

The NAVAUDSVC determined that Department of the Navy activities were leveraging cybersecurity reciprocity to reduce redundant test and assessment efforts when authorizing information technology through the RMF process. However, the NAVAUDSVC found opportunities for improvement for the Department of the Navy's RMF cybersecurity reciprocity processes. The NAVAUDSVC identified that the Navy and the Marine Corps lacked assurance that four information technology systems authorized to operate via cybersecurity reciprocity within the RMF process were operating with an appropriate level of security. Without predetermined agreements in place, system capability and mission execution may be hindered due to a lack of assigned security responsibilities. This occurred because the

Navy and Marine Corps accepted these systems without executing a documented agreement that established accountability for the maintenance and monitoring of the security posture of the systems. The NAVAUDSVC also identified that Marine Corps had a diminished capability to support cybersecurity reciprocity within the RMF process, as described by DoD Instruction 8510.01. Without meeting DoD requirements, it is more difficult for Department of the Navy commands and more broadly, other DoD Components, to assess whether they can exercise cybersecurity reciprocity with Marine Corps systems. This occurred because Marine Corps guidance did not completely align with DoD Instruction 8510.01

The NAVAUDSVC made four recommendations to address improvements to the Department of the Navy's RMF cybersecurity reciprocity processes. Management concurred with each of the recommendations. Additionally, actions taken and planned meet the intent of the recommendations.

#### Report No. N2020-0019

## Government Commercial Purchase Card Program at Naval Air Systems Command

The NAVAUDSVC determined whether Naval Air Systems Command (NAVAIR) was managing and executing its Government Commercial Purchase Card (GCPC) Program effectively and efficiently.

The NAVAUDSVC determined that NAVAIR generally managed and executed their GCPC program effectively and efficiently. To determine the sufficiency of documentation, compliance with applicable guidance, and existence and effectiveness of selected GCPC program internal controls, the NAVAUDSVC judgmentally selected a sample of 175 GCPC transactions posted in FY 2018, valued at approximately \$1.7 million, at four NAVAIR activities/offices. The NAVAUDSVC determined that cardholders had sufficient documentation for their purchases and that they had proper authority to use the GCPC and used it properly to purchase authorized goods from mandatory sources of supply. The NAVAUDSVC did not identify any improper or fraudulent purchases from the 175 transactions reviewed, and were able to verify the existence of all 16 of the pilferable/questionable items, totaling \$69,982, selected from the sample. The NAVAUDSVC concluded that the Agency Program Coordinators and Approving Officials managed and provided proper program oversight of the NAVAIR GCPC program.

However, the NAVAUDSVC found that contractors were performing purchase cardholder duties at one NAVAIR site, which is not authorized by Navy purchase card policy. Specifically, the contractors were obtaining receipts for all the GCPC purchases, preparing and maintaining the purchase log, and reconciling all documentation against the GCPC credit card statements. This occurred because language in a contract at the activity required the contractor to perform the cardholder duties of obtaining receipts and reconciling documentation. Furthermore, the contracting officer's representative did not provide sufficient surveillance to prohibit the contractor from preparing and maintaining the purchase log. The Government may have incurred liability by allowing the contractor to perform work outside the scope of the contract.

The NAVAUDSVC made two recommendations to NAVAIR to address the contracting deficiencies and strengthen internal controls over contractor oversight. Management concurred with the recommendations and the completed actions met the intent of the recommendations, which are now closed.

#### Report No. N2020-0030

## Navy Military Construction Projects Proposed for Fiscal Year 2021

The NAVAUDSVC determined whether the project scope requirements were supported sufficiently for selected Navy Military Construction (MILCON) projects contained in the Navy's proposed FY 2021 MILCON program. The NAVAUDSVC conducts a recurring, annual audit on the MILCON program. The NAVAUDSVC performed the audit to identify potential scoping issues before projects are designed, potentially saving the Navy time and money by avoiding redesigns. Redesigns result in expenditure of additional MILCON design funds, which are currently very limited, and cause delays that could impact execution.

The NAVAUDSVC reviewed nine Navy MILCON projects with a total cost of \$532.7 million that were proposed for FY 2021 funding, and found that all nine projects were valid requirements. The NAVAUDSVC found eight of the nine Navy MILCON projects were over-scoped by \$191.8 million. Five of these projects had over-scoped line items totaling \$10.4 million, while the other three projects, worth \$181.3 million, were removed from the FY 2021 MILCON budget during the audit. Total funds put to other use in FY 2021 were \$191.8 million. Five of the nine projects had under-scoped line items totaling \$26.0 million.
Additionally, at the request of the Naval Facilities Engineering Command, the NAVAUDSVC reviewed one FY 2023 Navy MILCON project with a value of \$107.4 million. The NAVAUDSVC found the project was valid; however, the project had over-scoped line items totaling \$15.9 million. While the Navy provided sufficient guidance for the preparation of MILCON project requests, project scoping was incorrect because of insufficient and/or unsupported documentation, incorrect application of criteria, and inclusion of unnecessary line items. The NAVAUDSVC found projects that were not sized in accordance with Unified Facilities Criteria and/or included items that were not required. The NAVAUDSVC audit findings identified results from the analysis of the initial DD Forms 1391 (MILCON Project Data Forms) provided by Naval Facilities Engineering Command headquarters. MILCON projects are continuously refined over the course of a lengthy Program Objectives Memorandum cycle and include multiple versions of DD Forms 1391, leading up to enactment.

For the FYs 2021 and 2023 projects reviewed, the NAVAUDSVC made three recommendations to Commander, Navy Installations Command (CNIC), to reduce the over-scoped projects and validate the under-scoped line items. The CNIC agreed to over-scopes of \$191.8 million after the removal of three projects from the FY 2021 MILCON budget submission. For the FY 2023 project, due to changes in the scope of the project, the agreed upon savings between NAVAUDSVC and CNIC was \$528,640. Overall, CNIC concurred with the recommendations and took appropriate corrective actions that meet the intent of the recommendations.

Report No. N2020-0029

## NAVAL CRIMINAL INVESTIGATIVE SERVICE

## **Significant Investigative Cases**

## Naval Criminal Investigative Service Obtains Confession from USMC Serial Child Sex Offender and Child Pornographer

The Naval Criminal Investigative Service (NCIS) initiated this investigation in December 2019 upon notification that a dependent child had been sexually assaulted by Lance Corporal Brandyn Taylor at Camp Butler, Japan. During the course of the investigation, NCIS identified three more military family member children sexually assaulted by Lance Corporal Taylor. NCIS obtained a confession from Lance Corporal Taylor for multiple sexual assaults, as well as for soliciting pornographic images from the children over social media. On June 15, 2020, in a general court-martial at U.S. Marine Corps Barracks, Camp Butler, Japan, Lance Corporal Taylor pleaded guilty to sexual assault of a child, sexual abuse of a child, and solicitation of production and distribution of child pornography for various events involving four minors. He was sentenced to 8 years' confinement, reduction to E-1, total forfeitures of all pay and allowances, and a dishonorable discharge, and will be required to register as a sex offender.

## Naval Criminal Investigative Service Solves a 40-Year-Old Rape and Murder Cold Case

In September 1980, Kathleen Doyle was found deceased in her home in Norfolk, Virginia. Ms. Doyle was married to a Navy fighter pilot who was deployed aboard the USS Eisenhower at the time of the murder. The Norfolk Police Department was the lead investigative agency and determined that Ms. Doyle had been the victim of a violent sexual assault that resulted in her death. The Norfolk Police Department exhausted all plausible investigative leads at that time. In April 2018, NCIS special agents assigned to the NCIS Cold Case Homicide Unit contacted Norfolk Police Department to review prior investigative efforts. A review of the case material by NCIS identified an item of foreign deoxyribonucleic acid (DNA) on the bed sheet that was tested, NCIS identified Dennis Bowman as a possible suspect. Bowman was a Navy reservist on active duty orders to Norfolk, Virginia, at the time of the murder. NCIS compared a sample of Bowman's DNA to DNA on evidence obtained from the crime scene and confirmed that Bowman was the source of the DNA collected at the murder scene in 1980. Because of NCIS's investigative efforts, in November 2019, Bowman was arrested in Michigan and confessed to the murder of Ms. Doyle. In June 2020, Bowman pleaded guilty in Virginia Circuit Court in Norfolk, Virginia to the first-degree murder, rape, and burglary of Ms. Doyle. Bowman was sentenced to two life sentences for the rape and murder, and received an additional 20-year prison sentence for the burglary of the Doyle residence.

## Naval Criminal Investigative Service Identifies Serial Sex Offender at U.S. Naval Academy

NCIS initiated this investigation in October 2018 upon receiving notification alleging that a female midshipman had been sexually assaulted by Midshipman Nixon Keago in the victim's dormitory room at the U.S. Naval Academy. In March 2019, while conducting witness interviews in support of the original investigation, a second victim, also a U.S. Naval Academy midshipman, made two additional allegations of sexual assault against Midshipman Keago. A third U.S. Naval Academy Midshipman victim was identified in May 2019. All three victims alleged that Midshipman Keago entered their sleeping area without their permission and sexually assaulted them. On July 22, 2020, in a general court-martial at the U.S. Naval Academy, Annapolis, Maryland, Midshipman Keago was found guilty of sexual assault, burglary, and obstruction of justice. He was sentenced to 25 years' confinement, a dismissal, and forfeiture of all pay and allowances, and will be required to register as a sex offender.

## AIR FORCE

## **Air Force Audit Agency**

The Air Force Audit Agency's (AFAA) mission is to provide timely, relevant, and quality audit services enabling Department of the Air Force leadership to make informed decisions. These services focus on independent, objective, and quality audits that include reviewing and promoting the economy, effectiveness, and efficiency of operations; assessing and improving Department of the Air Force fiduciary stewardship and the accuracy of financial reporting; and evaluating programs and activities to assist management with achieving intended results. The AFAA is committed to the core values: Integrity First, Service Before Self, and Excellence In All We Do. To support Department of the Air Force decision makers and customers at all levels, the AFAA conducts enterprise-level audits to support Air and Space Force senior leaders, while installation-level audit teams also provide audit services to local commanders. To execute its mission, the AFAA has 639 personnel authorized at nearly 50 worldwide locations.

During FY 2020, the AFAA continued to focus audit planning efforts on top Department of the Air Force priorities. The FY 2020 AFAA Audit Plan provided prioritized audit topics that align with the Secretary of the Air Force and Senior Leader goals, concerns, and operational priorities. The AFAA's primary focus is to provide leadership continual updates and assessments on the enterprise portfolio perspective by providing ongoing status of open audit recommendations; identifying conditions impacting the Air Force and Space Force enterprises; and highlighting continuing issues within the portfolio requiring attention.

By partnering with DoD agencies and Government Accountability Office officials, AFAA facilitated closure of 11 GAO recommendations, to include resolving three non-concurrences. Additionally, AFAA partnered with Air and Space professionals and DoD OIG officials to facilitate the closure of 30 DoD OIG recommendations and resolve 7 disagreements, enabling management to better implement corrective actions and eliminate negative conditions. By following up on audit recommendations, AFAA assists the Secretary of the Air Force, Chief of Staff, and Chief of Space Operations in implementing the National Defense Strategy by reforming the Department.

From April 1, 2020, through September 30, 2020, the AFAA published 38 enterprise-level audit reports that included 114 recommendations and \$0 in audit-estimated potential monetary benefits to Department of the Air Force senior officials. Further, installation-level audit teams published 218 audit reports with 931 recommendations and an additional \$62.1 million in audit-estimated potential monetary benefits to installation commanders. The following paragraphs highlight a few of the most significant AFAA Enterprise-level audit reports issued during the period.

## Basic Allowance for Subsistence and Essential Station Messing

The AFAA reviewed Basic Allowance for Subsistence (BAS) and Essential Station Messing (ESM) entitlements to determine whether Air Force personnel properly authorized and paid BAS and ESM entitlements.

The AFAA determined that Air Force personnel did not properly authorize and pay BAS and ESM. Specifically, Air Force personnel provided 1,046 airmen unauthorized BAS and ESM entitlements and did not provide 67 airmen authorized entitlements, totaling \$299,342 and \$203,019, respectively. This occurred because Air Force personnel did not comply with guidance or provide training to prevent entitlement errors. Furthermore, because the requirement for BAS validation was only required annually, it allowed errors to continue without timely detection and correction. As a result, only authorizing and paying BAS and ESM when required ensures airmen receive needed subsistence benefits and maximizes use of Air Force funds. Implementing corrective action will save the Air Force an estimated \$2.26 million over the Future Years Defense Program.

The AFAA recommended that the Deputy Chief of Staff for Manpower, Personnel, and Services remind unit commanders of the requirements to conduct BAS validations, installation food service officials of the requirement to conduct monthly ESM validations, and, installation financial services personnel to run weekly Defense Travel System reports. Additionally, personnel should coordinate with the Assistant Secretary for Financial Management and Comptroller to require monthly BAS validations. Management agreed to take appropriate corrective actions.

#### Report No. F2020-0005-040000

### Channel Airlift Operations United States Air Forces Central Command

The AFAA reviewed the Ninth Air Force (Air Forces Central) (9AF/AFCENT) channel airlift operations to determine whether personnel properly authorized commercial air transportation and initiated reimbursement for the Patriot Express.

The AFAA determined that personnel authorized commercial air transportation for 54 (42 percent) of 130 travelers reviewed, without assessing Patriot Express availability or documenting a critical mission requirement. Furthermore, personnel did not initiate reimbursement for 33 (49 percent) of 67 Patriot Express passengers reviewed. These conditions occurred due to noncompliance, inadequate guidance and conflicting travel guidance. Fully utilizing the Patriot Express could have prevented the Department of the Air Force from paying unnecessary and unjustified commercial travel expenses.

The AFAA recommended that the 9 AF/AFCENT Commander reinforce the requirement to obtain supporting documentation for travelers booked commercially, review and resolve discrepancies within policy requirements, and direct traffic management personnel to coordinate with Department of the Air Force passenger policy personnel to revise Air Force Instruction 24-602. Management agreed to take appropriate corrective actions.

#### Report No. F2020-0004-030000

### **Organic Shop Flow Days**

The AFAA evaluated the Organic Shop Flow Days to determine whether Air Force personnel properly managed supporting spare part requirement computations.

The AFAA determined that Air Force personnel did not properly manage organic shop flow days supporting spare part requirement computations. Specifically, Air Force personnel used inaccurate shop flow days to calculate buy and repair requirements for 53 (56 percent) of the 94 sampled reparable parts reviewed. This condition occurred because logistics personnel did not coordinate with maintenance personnel when average actual shop flow days were not indicative of actual repair conditions. Properly managing shop flow days allows logistics personnel to more accurately determine future buy and/or repair requirements needed to support the Air Force mission. Correcting the errors identified during the AFAA audit would allow the Air Force to reallocate \$6.1 million to satisfy other Working Capital Fund requirements over the Future Years Defense Program.

The AFAA recommended that the 448th Supply Chain Management Wing Director direct the 638th, 748th, and 848th Supply Chain Management Groups to adjust the organic shop flow days for the items identified during audit to correct the understated and overstated buy and repair requirements, achieving approximate \$6.1 million in potential monetary benefits. In addition, the AFAA recommended personnel establish a control environment that emphasizes the importance of evaluating significant changes in shop flow days, coordinating with maintenance personnel to obtain additional information concerning shop flow data, and making the associated adjustments to requirement computations, as needed. Management agreed with the audit results.

#### Report No. F2020-0006-L20000

### **Funds Execution: Operation and Maintenance**

The AFAA determined whether Department of the Air Force personnel properly managed funding execution for Operation and Maintenance appropriation Miscellaneous Obligation Reimbursement Documents (MORD).

The AFAA determined personnel properly tracked and reported on corrective action plans for MORD deficiencies impacting the financial statements. However, they did not fully develop and execute action plans created for obligation document deficiencies impacting the financial statements. Specifically, Department of the Air Force personnel did not include a proper root cause analysis for 4 (67 percent) of 6 action plans and did not address all elements from the findings in 3 (50 percent) of 6 action plans. This occurred because personnel did not have business rules in place to properly prepare root cause analyses and comprehensive action plans. An effective action plan process provides a mechanism for addressing risk and correcting deficiencies.

During the audit, Department of the Air Force personnel developed new business rules by creating a new action plan template. The new template requires the establishment of a complete, comprehensive action plan, to include requiring the Office of Primary Responsibility to complete a detailed Root Cause Analysis Worksheet located within the new template. Furthermore, personnel re-accomplished the root cause analyses and updated the deficient action plans. Management's actions addressed the condition and the cause; therefore, the AFAA did not make any additional recommendations. Management agreed with the audit results.

### Report No. F2020-0009-L10000

### Secondary Spare Parts Non-Recurring Additives

The AFAA determined whether Air Force personnel properly managed non-recurring additives and accurately computed and adequately supported non-recurring additives.

The AFAA determined that logistics personnel did not accurately compute or properly support 12 of 102 (12 percent) sampled non-recurring additives, overstating buy and repair requirements by approximately \$1 million. This occurred due to noncompliance, training, and oversight control weaknesses. Correcting the overstated requirements will allow the Air Force to make \$992,262 of funds available to satisfy other priorities.

The AFAA recommended that the Commander of the Air Force Materiel Command direct logistics management personnel to perform required quarterly reviews, complete Secondary Item Requirements System training, and establish an oversight control to ensure inventory management specialists follow established guidance. Management agreed with the audit results.

### Report No. F2020-0010-L40000

## AIR FORCE OFFICE OF SPECIAL INVESTIGATIONS

## **Significant Investigative Cases**

### Office of Special Investigations Recovered \$1.3 Million From an AAFES Contractor Following a Qui Tam Action

The Air Force Office of Special Investigations (AFOSI) initiated this joint investigation with DCIS following a whistleblower allegation under the False Claims Act. Darling Ingredients, Inc., a contractor for the Army Air Force Exchange Service (AAFES), was contracted to remove used vegetable oil from AAFES restaurants and other facilities. The whistleblower alleged that Darling Ingredients was under-reporting the quantity of used vegetable oil removed under their contract. The false claim resulted in a loss of rebate revenue to AAFES and other DoD entities. Financial audits estimated damages of \$1.7 million between 2011 and 2019. Due to an unavailability of records at Darling Ingredients, an exact accounting of damages was not possible. Darling Ingredients, the whistleblower, and AAFES entered into a civil settlement agreement for Darling Ingredients to pay \$1.375 million to the U.S. Government, of which \$687,500 was restitution.

### Airman Convicted for Sexual Abuse of Stepdaughter

AFOSI initiated this investigation following notification from a medical professional that Senior Airman Timothy Shaw had sexually assaulted his stepdaughter in their home. The victim alleged that Senior Airman Shaw inappropriately touched her and made her watch as he touched himself on numerous occasions. During a pretext phone call with the victim's mother, Senior Airman Shaw admitted that he had an addiction to pornography and had inappropriately touched the victim. On July 16, 2020, in a general court-martial at Eglin Air Force Base, Florida, Senior Airman Shaw was found guilty of sexual assault of a child and was sentenced to 6 years' confinement, reduction in grade to E-1, and a dishonorable discharge, and will be required to register as a sex offender.

## Airman Convicted for Sexual Assault of Teenage Stepdaughter

AFOSI initiated this investigation following a domestic violence incident between a teenage female and an active duty airman. The teenage female alleged that her stepfather, Staff Sergeant Travis Pullings, had exchanged sexually explicit text messages with her and, on multiple occasions, sexually assaulted her between the fall of 2017 and December 2018. On May 27, 2020, in a general court-martial at Moody Air Force Base, Georgia, Staff Sergeant Pullings was found guilty of the sexual assault of a child and was sentenced to 13 years' confinement. However, based on a pretrial agreement, Staff Sergeant Pullings received 8 years' confinement, reduction in grade to E-1, and a dishonorable discharge, and will be required to register as a sex offender.



# 5. Appendixes



## **REPORTING REQUIREMENTS**

The Inspector General Act of 1978, as amended, states that each Inspector General shall no later than April 30 and October 31 of each year prepare semiannual reports summarizing the activities of the office during the immediately preceding 6-month periods ending March 31 and September 30. The IG Act specifies reporting requirements for semiannual reports. The requirements are listed below and indexed to the applicable pages. The Inspector General Empowerment Act of 2016, Public Law 114-317, Section 4(c), amended Section 5(a) of the IG Act to require additional reporting requirements.

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REFERENCES	REQUIREMENTS	PAGE
Section 4(a)(2)	"review existing and proposed legislation and regulationsmake recommendations"	84-85
Section 5(a)(1)	"description of significant problems, abuses, and deficiencies"	8-82
Section 5(a)(2)	"description of recommendations for corrective actionwith respect to significant problems, abuses, and deficiencies"	8-82
Section 5(a)(3)	"identification of each significant recommendation described in previous semiannual reports on which corrective action has not been completed"	122-155
Section 5(a)(4)	"a summary of matters referred to prosecutive authorities and the prosecution and convictions which have resulted."	40-47
Section 5(a)(5)	"a summary of each report made to the [Secretary of Defense] under section 6(b)(2)" "instances where information requested was refused or not provided."	N/A
Section 5(a)(6)	"a listing, subdivided according to subject matter, of each audit report, inspection report, and evaluation report issued" showing dollar value of questioned costs and recommendations that funds be put to better use.	117
Section 5(a)(7)	"a summary of each particularly significant report"	8-82
Section 5(a)(8)	"statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the total dollar value of questioned costs"	117
Section 5(a)(9)	"statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the dollar value of recommendations that funds be put to better use by management"	118
Section 5(a)(10)	"a summary of each audit report, inspection report, and evaluation report issued before the commencement of the reporting period —	
	(A) for which no management decision has been made by the end of the reporting period (including the date and title of each such report), an explanation of the reasons such management decision has not been made, and a statement concerning the desired timetable for achieving a management decision on each such report;	
	(B) for which no establishment comment was returned within 60 days of providing the report to the establishment; and	
	(C) for which there are any outstanding unimplemented recommendations, including the aggregate potential cost savings of those recommendations."	122-155
Section 5(a)(11)	"a description and explanation of the reasons for any significant revised management decision"	N/A
Section 5(a)(12)	"information concerning any significant management decision with which the Inspector General is in disagreement"	N/A
Section 5(a)(13)	"information described under section 804(b) of the Federal Financial Management Improvement Act of 1996" (instances and reasons when an agency has not met target dates established in a remediation plan)	N/A
Section 5(a)(14)	"an appendix containing the results of any peer review conducted by another Office of Inspector General during the reporting period"	171
Section 5(a)(15)	"a list of any outstanding recommendations from any peer review conducted by another Office of Inspector General that have not been fully implemented, including a statement describing the status of the implementation and why implementation is not complete"	171
Section 5(a)(16)	"a list of any peer reviews conducted by [DoD OIG] of another Office of Inspector General during the reporting period, including a list of any outstanding recommendations made from any previous peer reviewthat remain outstanding or have not been fully implemented"	171

REFERENCES	REQUIREMENTS	PAGE
Section 5(a)(17)	"statistical tables showing—	
	(A) the total number of investigative reports issued during the reporting period;	
	(B) the total number of persons referred to the DOJ for criminal prosecution during the reporting period;	
	(C) the total number of persons referred to State and local prosecuting authorities for criminal prosecution during the reporting period; and	
	(D) the total number of indictments and criminal informations during the reporting period that resulted from any prior referral to prosecuting authorities"	172
Section 5(a)(18)	"a description of the metrics used for developing the data for the statistical tables under paragraph (17)"	172
Section 5(a)(19)	"a report on each investigation conducted by the Office involving a senior Government employee where allegations of misconduct were substantiated, including a detailed description of –	
	(A) the facts and circumstances of the investigation; and	
	(B) the status of the disposition of the matter, including –	
	(i) if the matter was referred to the DOJ, the date of the referral; and	
	(ii) if the DOJ declined the referral, the date of the declination" [Senior Government Employee – GS-15 or O-6] and above]	48-172
Section 5(a)(20)	"a detailed description of any instance of whistleblower retaliation, including information about the official found to have engaged in retaliation, and what, if any, consequences the establishment imposed to hold the official accountable"	54-67
Section 5(a)(21)	"a detailed description of any attempt by the establishment to interfere with the independence of the Office, including—	
	(A) with budget constraints designed to limit capabilities of the Office; and	
	(B) incidents where the establishment has resisted or objected to oversight activities of the Office or restricted or significantly delayed access to information, including the justification of the establishment for such action; and"	N/A
Section 5(a)(22)	"detailed description of the particular circumstances of each— inspection, evaluation, and audit conducted by the Office that is closed and was not disclosed to the public; and	
	investigation conducted by the Office involving a senior Government employee that is closed and was not disclosed to the public."	N/A
Section 5(b)(2)	"statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the dollar value of disallowed costs"	118
Section 5(b)(3)	"statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the dollar value of recommendations that funds be put to better use by management agreed to in a management decision"	118
Section 5(b)(4)	"a statement with respect to audit reports on which management decisions have been made but final action has not been taken, other than audit reports on which a management decision was made within the preceding year"	122-155
Section 5 note	"an annex on final completed contract audit reportscontaining significant audit findings"	156-170
Section 8(f)(1)	"(A) information concerning the number and types of contract audits"	
	"(B) information concerning any Department of Defense audit agency thatreceived a failed opinion from an external peer review or is overdue for an external peer review"	120-171
	opinion nom an external peer review of is over due for an external peer review	120-17

## AUDIT, EVALUATION, AND INVESTIGATION REPORTS ISSUED

DoD OIG http://www.dodig.mil/reports.html/ Army Audit Agency

## <u>www.army.mil/aaa</u>

### Naval Audit Service

www.secnav.navy.mil/navaudsvc/Pages/default.aspx

## Air Force Audit Agency

www.afaa.af.mil

	DoD OIG	Military Departments	Total
Countering China, Russia, Iran, and North Korea	3	0	3
Countering Global Terrorism	4	10	14
Ensuring the Welfare and Well-being of Service Members and Their Families	5	19	24
Ensuring Ethical Conduct	3	9	12
Financial Management: Implementing Timely and Effective Actions to Address Financial Management Weaknesses Identified During the First DoD-Wide Financial Statement Audit	12	28	40
Enhancing DoD Cyberspace Operations and Capabilities	2	6	8
Enhancing Space-Based Operations, Missile Detection and Response, and Nuclear Deterrence	3	0	3
Improving Supply Chain Management and Security	1	17	18
Acquisition and Contract Management: Ensuring that the DoD Gets What It Pays For On Time, at a Fair Price, and With the Right Capabilities	10	16	26
Providing Comprehensive and Cost-Effective Health Care	11	0	11
Other	1	2	3
Total	55	107	162

## Countering China, Russia, Iran, and North Korea

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-090	Evaluation of the Department of Defense Regional Centers for Security Studies	6/10/2020
DoD OIG	DODIG-2020-119	Followup Evaluation of DODIG-2014-083, Insufficient Infrastructure Support to the Fixed Submarine Broadcast System	8/21/2020
DoD OIG	DODIG-2020-121	Evaluation of Department of Defense Enhanced End-Use Monitoring for Equipment Transferred to the Government of Ukraine	8/27/2020

Partially fulfills the requirement of the Inspector General Act of 1978, as amended, 5 U.S.C. Appendix, § 5(a)(6).

## **Countering Global Terrorism**

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-104	Audit of Combined Security Transition Command-Afghanistan's Implementation of the Core Inventory Management System Within the Afghan National Defense and Security Forces	7/10/2020
DoD OIG	DODIG-2020-105	Followup Evaluation of Report DODIG-2016-078, Evaluation of the Department of Defense's Biological Select Agents and Toxins Biosafety and Biosecurity Program Implementation	7/16/2020
DoD OIG	DODIG-2020-106	Evaluation of Security Controls for Intelligence, Surveillance, and Reconnaissance Supply Chains	7/22/2020
DoD OIG	DODIG-2020-115	Evaluation of the United States Military Support of Department of Homeland Security Southern Border Security Operations Under Title 10 Authority	8/14/2020
USAAA	A-2020-0054-FIZ	Audit of U.S. Army Reserve Mobilization	5/6/2020
USAAA	A-2020-0061-BOZ	Non-Army Installation Support-Naval Air Facility Atsugi, Japan	6/16/2020
USAAA	A-2020-0073-BOZ	Non-Army Installation Support, Kadena Air Base, Okinawa, Japan	8/14/2020
USAAA	A-2020-0078-AXZ	Armored Brigade Combat Teams' (ABCTs') Field-Level Maintenance, U.S. Army Forces Command	9/1/2020
USAAA	A-2020-0081-FIZ	Timeliness of Individual Mobilization Orders for Reserve Soldiers	9/8/2020
USAAA	A-2020-0084-AXZ	Maintenance of Theater Provided Equipment, U.S. Army Central	9/14/2020
USAAA	A-2020-0085-AXZ	Workload Survey, Authorized Stockage Lists	9/3/2020
USAAA	A-2020-0087-AXZ	Army Prepositioned Stocks-5 (APS-5), Issuance and Return	9/1/2020
USAAA	A-2020-0088-FIZ	Followup Audit of Reception Battalion In-Processing Procedures (Followup to A-2017-0027-MTT)	9/24/2020
USAAA	A-2020-0092-AXZ	Area Maintenance Support Activities, U.S. Army Reserve Command	9/28/2020

# **Ensuring the Welfare and Well-being of Service Members and Their Families**

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-082	Evaluation of the DoD's Management of Health and Safety Hazards in Government-Owned and Government-Controlled Military Family Housing	4/30/2020
DoD OIG	DODIG-2020-086	Followup Audit on Department of Defense and Military Department Corrective Actions Taken in Response to Department of Defense Office of Inspector General Reports on Military Housing	6/5/2020
DoD OIG	DODIG-2020-113	Followup Audit on Recommendations to Correct Building Deficiencies at the Naval Station Great Lakes Fire Station	8/13/2020
DoD OIG	DODIG-2020-128	Audit of Screening and Quarantine Procedures for Personnel Entering Al Udeid Air Base, Qatar	9/24/2020
DoD OIG	DODIG-2020-132	Evaluation of the U.S. Africa Command's Response to the Coronavirus Disease-2019	9/30/2020
USAAA	A-2020-0048-FIZ	Audit of Safety Policies at Army Depots and Plants	4/20/2020
USAAA	A-2020-0050-FIZ	Perfluoroalkyl Substances (PFAS) Contamination on Army Installations	5/1/2020
USAAA	A-2020-0089-FIZ	Metrics for the Army's Permanent Change of Station (PCS) Process	9/22/2020
USAAA	A-2020-0094-FIZ	Lead Remediation	9/30/2020
USAAA	A-2020-0096-FIZ	Army Bridge Inspection Program	9/30/2020
NAVAUDSVC	N2020-0021	Personally Identifiable Information at Navy Exchanges	5/14/2020
NAVAUDSVC	N2020-0023	Sufficiency of Law Enforcement Training for Navy Security Force Personnel	5/22/2020
NAVAUDSVC	N2020-0032	Protection of Personal Identifiable Information at Selected United States Marine Corps Commands	8/14/2020
AFAA	F-2020-0006-040000	Aeromedical Evacuation Readiness	4/13/2020
AFAA	F-2020-0005-040000	Basic Allowance for Subsistence and Essential Station Messing	4/13/2020
AFAA	F-2020-0005-020000	Fall Prevention Safety Measures	4/30/2020
AFAA	F-2020-0007-L20000	Foreign Disclosure and Technology Transfer Program	6/26/2020
AFAA	F-2020-0007-040000	Enlisted Evaluation System	7/6/2020

Agency	Report Number	Report Title	Date
AFAA	F-2020-0008-A00900	Intelligence, Surveillance, and Reconnaissance Force Management	8/12/2020
AFAA	F-2020-0008-040000	Federal Wage Surveys	9/2/2020
AFAA	F-2020-0009-020000	Military Construction Planning - Level II	9/16/2020
AFAA	F-2020-0005-030000	Pilot Production Capacity and Resourcing	9/17/2020
AFAA	F-2020-0010-020000	Flight Safety Risk Acceptance	9/22/2020
AFAA	F-2020-0011-020000	Special Duty Assignment Pay	9/29/2020

## **Ensuring Ethical Conduct**

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-097	Audit of Protective Security Details in the Department of Defense	6/30/2020
DoD OIG	DODIG-2020-127	Evaluation of the Department of Defense and Department of Defense Education Activity Responses to Incidents of Serious Juvenile-on-Juvenile Misconduct on Military Installations	9/4/2020
DoD OIG	DODIG-2020-129	Audit of Excess Property Issued Through the Department of Defense Law Enforcement Support Program	9/30/2020
USAAA	A-2020-0052-BOZ	Nonaudit Service: Global Combat Support System-Army (GCSS-A) Data, Fort Bragg	4/29/2020
USAAA	A-2020-0057-BOZ	Nonaudit Service: Government Purchase Card Transactions; Melbourne, Florida	5/15/2020
USAAA	A-2020-0060-BOZ	Nonaudit Service: Government Purchase Card Transactions; Melbourne, Florida	6/8/2020
USAAA	A-2020-0071-BOZ	Nonaudit Service: Serial Number History, Fort Sill	7/28/2020
USAAA	A-2020-0091-AXZ	Integrated Visual Augmentation System—Insider Threat	9/23/2020
NAVAUDSVC	N2020-0022	Department of the Navy Civilian Time and Attendance for Navy Reserve Duty	5/14/2020
NAVAUDSVC	N2020-0031	U.S. Marine Corps Civilian Employee Overtime in California	8/14/2020
NAVAUDSVC	N2020-0035	Internal Controls Over Morale, Welfare and Recreation Program Onboard the USS John C. Stennis	9/24/2020
NAVAUDSVC	N2020-0036	Navy's Housing Allowances within Navy Regions Europe, Africa, Central	9/30/2020

## Financial Management: Implementing Timely and Effective Actions to Address Financial Management Weaknesses Identified During the First DoD-Wide Financial Statement Audit

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-081	System Review Report on the Defense Logistics Agency Office of the Inspector General Audit Organization	4/28/2020
DoD OIG	DODIG-2020-083	Audit of the Department of Defense's Compliance in Fiscal Year 2019 With Improper Payments Elimination and Recovery Act Requirements	5/1/2020
DoD OIG	DODIG-2020-092	Summary Evaluation on External Peer Reviews at the Department of Defense Audit Organizations	6/11/2020
DoD OIG	DODIG-2020-099	Transmittal of the Independent Services Auditor's Report on the Army's System Supporting the Delivery of Munitions Inventory Management Services for the Period October 1, 2019, Through March 31, 2020	6/26/2020
DoD OIG	DODIG-2020-100	Transmittal of the Independent Service Auditor's Report on the Army's System Supporting the Delivery of General Fund Business System Administrative, Operational, and Transaction Processing Support Services for the Period October 1, 2019, Through March 31, 2020	6/26/2020
DoD OIG	DODIG-2020-102	Quality Control Review of the Tate & Tryon Fiscal Year 2016 Single Audit of American Society for Engineering Education	7/2/2020
DoD OIG	DODIG-2020-114	Audit of Department of Defense Use of Security Assistance Funds and Asset Accountability	8/17/2020
DoD OIG	DODIG-2020-116	Transmittal of the Independent Service Auditor's Report on the SSAE 18 Examination of DEAMS as of June 30, 2020	8/14/2020

## APPENDIX B

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-117	Transmittal of the Independent Service Auditor's Report on the SSAE 18 Examination of Wide Area Workflow for the Period October 1, 2019, Through June 30, 2020	8/14/2020
DoD OIG	DODIG-2020-118	Transmittal of the Independent Service Auditor's Report on the SSAE 18 Examination of the Defense Automatic Addressing System for the Period October 1, 2019, Through June 30, 2020	8/14/2020
DoD OIG	DODIG-2020-124	Transmittal of the Independent Service Auditor's Report on the SSAE 18 Examination of Defense Agencies Initiative System for the Period October 1, 2019, Through June 30, 2020	9/2/2020
DoD OIG	DODIG-2020-130	Independent Auditor's Report on the Agreed-Upon Procedures for Reviewing the FY 2020 Civilian Payroll Withholding Data and Enrollment Information	9/29/2020
USAAA	A-2020-0053-BOZ	Independent Auditor's Attestation Examination of Implemented FY 18 Business Process CAPs (CAP# GM-2018-12-01, ARNG, Reconciliation of Defense Joint Military Pay System—Reserve Component Payroll Activity to General Fund Enterprise Business System and Standard Finance System)	4/30/2020
USAAA	A-2020-0055-BOZ	Independent Auditor's Attestation Examination of Implemented FY 18 Business Process CAPs (GD-2018-02 CHRA-Europe, Reconciling Foreign Forces Payroll Office Records to Defense Civilian Personnel Data Systems)	5/11/2020
USAAA	A-2020-0056-FIZ	Fiscal Closeout of Civil Works Projects, U.S. Army Corps of Engineers	5/29/2020
USAAA	A-2020-0062-BOZ	Independent Auditor's Report on the Agreed-Upon Procedures Attestation of Small Business Pass Through	7/1/2020
USAAA	A-2020-0063-BOZ	Independent Auditor's Attestation Examination of Implemented FY 18 Business Process CAPs (CAP# GF-2018-08-01)	7/7/2020
USAAA	A-2020-0064-BOZ	Independent Auditor's Report on the Examination of the Global Combat Support System (GCSS)-Army	7/14/2020
USAAA	A-2020-0065-BOZ	Civilian Incentive Programs	7/17/2020
USAAA	A-2020-0068-BOZ	Independent Auditor's Report on the Examination of the General Fund Enterprise Business System (GFEBS)	7/30/2020
USAAA	A-2020-0069-BOZ	Independent Auditor's Attestation of Implemented FY 18 Business Process CAPs (GR-2018-04-USAFMCOM-SSO)	7/28/2020
USAAA	A-2020-0070-BOZ	Audit of the Manager's Internal Control Program (MICP)	8/13/2020
USAAA	A-2020-0074-BOZ	Independent Auditor's Attestation Examination of Implemented FY 18 Business Process CAPs (PR17-DASA-FOA-02)	8/4/2020
USAAA	A-2020-0076-BOZ	Implementing the Managers' Internal Control Program (MICP)	8/20/2020
USAAA	A-2020-0079-BOZ	Active Component Incentive Payments	9/14/2020
USAAA	A-2020-0090-FIZ	Army Trademark Licensing Program	9/24/2020
USAAA	A-2020-0095-BOZ	Independent Auditor's Attestation Examination of Implemented FY 18 Business Process CAPs (GC-2018-05)	9/28/2020
NAVAUDSVC	N2020-0020	Allocation of Depot Maintenance Workload Between Public and Private Sectors at U.S. Marine Corps	5/8/2020
NAVAUDSVC	N2020-0024	Allocation of Depot Maintenance Workload Between Public and Private Sectors at Naval Sea Systems Command	6/12/2020
NAVAUDSVC	N2020-0025	Allocation of Depot Maintenance Workload Between Public and Private Sectors at Commander, U.S. Pacific Fleet	6/16/2020
NAVAUDSVC	N2020-0026	Independent Attestation Report: Agreed Upon Procedures for Existence and Completeness of Navy Vessels (Ships and Submarines)	6/30/2020
NAVAUDSVC	N2020-0027	Independent Attestation Report: Agreed-Upon Procedures for Existence and Completeness of Navy Satellites	7/2/2020
NAVAUDSVC	N2020-0028	Allocation of Depot Maintenance Workload Between Public and Private Sectors at Naval Supply Systems Command	8/3/2020
NAVAUDSVC	N2020-0033	Naval Audit Service Input for the Fiscal Year 2020 Statement of Assurance	9/4/2020
NAVAUDSVC	N2020-0034	Allocation of Depot Maintenance Workload Between Public and Private Sectors within the Department of the Navy Summary Report	9/11/2020

Agency	Report Number	Report Title	Date
AFAA	F-2020-0011-010000	Ground Fuels	4/17/2020
AFAA	F-2020-0008-L10000	Agreed Upon Procedures, Inventory and Operating Materials and Supplies-Base Possessed – ToD and T	6/3/2020
AFAA	F-2020-0010-L10000	Centralized Asset Management (CAM) Funds Execution	7/30/2020
AFAA	F-2020-0009-L10000	Funds Execution: Operation & Maintenance	7/30/2020
AFAA	F-2020-0014-010000	Agreed-Upon Procedures, Unit Training Assembly Processing System Web–Test of Design and Effectiveness	8/13/2020

## **Enhancing DoD Cyberspace Operations and Capabilities**

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-089	Summary of Reports and Testimonies Regarding Department of Defense Cybersecurity From July 1, 2018, Through June 30, 2019	6/11/2020
DoD OIG	DODIG-2020-098	Audit of Governance and Protection of Department of Defense Artificial Intelligence Data and Technology	6/29/2020
USAAA	A-2020-0067-AXZ	Baseline Certifications for IT Noncommissioned Officers (NCOs)	7/23/2020
NAVAUDSVC	N2020-0019	Department of Navy's Use of Cybersecurity Reciprocity within the Risk Management Framework Process	4/9/2020
NAVAUDSVC	N2020-0037	Submarine Cybersecurity Inspections and Assessments	9/30/2020
AFAA	F-2020-0010-010000	Industrial Control Systems Access Controls	4/17/2020
AFAA	F-2020-0013-010000	Section 508 of the Rehabilitation Act	7/14/2020
AFAA	F-2020-0010-A00900	Classified	8/25/2020

# Enhancing Space-Based Operations, Missile Detection and Response, and Nuclear Deterrence

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-110	Evaluation of U.S. Air Force Air Refueling Support to the U.S. Strategic Command's Nuclear Deterrence Mission	8/3/2020
DoD OIG	DODIG-2020-122	Audit of the Supply Chain Risk Management for the Navy's Nuclear Weapons Delivery System	9/1/2020
DoD OIG	DODIG-2020-126	Evaluation of the Air Force's Certification of Space Launch Vehicles	9/4/2020

## Improving Supply Chain Management and Security

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-123	Audit of the F-35 Program Office's Beyond Economical Repair Process for Parts	9/4/2020
USAAA	A-2020-0049-BOZ	Fuel and Water Distribution, Korea	5/1/2020
USAAA	A-2020-0077-AXZ	Disposal of Parts Below the National Level	8/19/2020
AFAA	F-2020-0007-L40000	Suspended Assets	3/30/2020
AFAA	F-2020-0004-L20000	Spares Readiness Targets	4/20/2020
AFAA	F-2020-0008-L40000	U-2 Spare Parts Management	4/20/2020
AFAA	F-2020-0005-L20000	Repair Network Integration Fulfilment	4/23/2020
AFAA	F-2020-0012-010000	Classified	4/24/2020
AFAA	F-2020-0006-L20000	Organic Shop Flow Days	5/1/2020
AFAA	F-2020-0009-L40000	Non-Airborne Readiness Spares	5/4/2020

Agency	Report Number	Report Title	Date
AFAA	F-2020-0004-030000	Channel Airlift Operations	7/1/2020
AFAA	F-2020-0010-L40000	Secondary Spare Parts Non-Recurring Additives	7/22/2020
AFAA	F-2020-0011-L40000	Support Equipment Readiness	7/29/2020
AFAA	F-2020-0012-L40000	Depot Level Reparable Condemnations	8/25/2020
AFAA	F-2020-0007-020000	Classified	8/31/2020
AFAA	F-2020-0008-020000	Residential Utility Allowance Program	9/14/2020
AFAA	F-2020-0013-L40000	On Loan Assets	9/16/2020
AFAA	F-2020-0006-030000	Channel Airlift Operations	9/28/2020

## Acquisition and Contract Management: Ensuring that the DoD Gets What It Pays For On Time, at a Fair Price, and With the Right Capabilities

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-079	Report on the Joint Enterprise Defense Infrastructure (JEDI) Cloud Procurement	4/13/2020
DoD OIG	DODIG-2020-084	Audit of Military Department Management of Undefinitized Contract Actions	5/11/2020
DoD OIG	DODIG-2020-085	Special Report on Best Practices and Lessons Learned for DoD Contracting Officials in the Pandemic Environment	6/2/2020
DoD OIG	DODIG-2020-093	Audit of the Department of Defense's Processes to Identify and Clear Munitions and Explosives of Concern During Construction on Guam	6/16/2020
DoD OIG	DODIG-2020-094	Audit of Army Contracting Command-Afghanistan's Award and Administration of Contracts	6/18/2020
DoD OIG	DODIG-2020-095	Audit of Purchases of Ammonium Perchlorate Through Subcontracts With a Single Department of Defense-Approved Domestic Supplier	7/9/2020
DoD OIG	DODIG-2020-096	Audit of Coalition Partner Reimbursement of Dining Facility Services at Resolute Support Headquarters, Kabul, Afghanistan	6/24/2020
DoD OIG	DODIG-2020-108	Audit of the Air Force Remotely Piloted Aircraft Operations and Maintenance Support Contract	8/3/2020
DoD OIG	DODIG-2020-109	Special Report: Lessons Learned for Department of Defense Acquisition Officials During Acquisition Reform	7/31/2020
DoD OIG	DODIG-2020-111	Audit of U.S. Special Operations Command Testing and Evaluation	8/12/2020
USAAA	A-2020-0046-BOZ	U.S. Army Corps of Engineers Construction Management, Honolulu District	4/1/2020
USAAA	A-2020-0058-BOZ	U.S. Army Corps of Engineers (USACE) Disaster Response Mission	6/26/2020
USAAA	A-2020-0059-BOZ	Expeditionary Contracting Material Weakness	7/9/2020
USAAA	A-2020-0066-BOZ	Korea Battle Simulation Center, Korea	7/21/202
USAAA	A-2020-0072-AXZ	Army's Efforts to Implement Test and Evaluation Reform Initiative, ARI #4	8/21/202
USAAA	A-2020-0075-BOZ	Followup Audit of Oversight and Execution of Nonmedical Grants (Followup to A-2018-0054-FMX)	8/25/2020
USAAA	A-2020-0080-AXZ	Army Oil Analysis Program (AOAP)	9/1/2020
USAAA	A-2020-0082-FIZ	Accounting for the Army Environmental Restoration Program—Funding Personnel Requirements	9/15/2020
USAAA	A-2020-0083-BOZ	Streamlining Army Contracting Policies and Processes, Acquisition Reform Initiative (ARI) #6	9/10/202
USAAA	A-2020-0086-AXZ	Army Airfield and Heliport Support	9/24/202
USAAA	A-2020-0093-AXZ	Depot-Level Maintenance Workload Reporting—FY 19	9/28/202
NAVAUDSVC	N2020-0030	Government Commercial Purchase Card Program at Naval Air Systems Command	8/14/202
AFAA	F-2020-0006-O20000	Installation Water Resiliency and Access Rights	7/7/2020
AFAA	F-2020-0006-A00900	Contract Security Classification Specifications Process	7/15/202
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Agency	Report Number	Report Title	Date
AFAA	F-2020-0007-A00900	Classified	7/20/2020
AFAA	F-2020-0009-A00900	Classified	8/17/2020

## Providing Comprehensive and Cost-Effective Health Care

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-078	Audit of Physical Security Controls at Department of Defense Medical Treatment Facilities	4/6/2020
DoD OIG	DODIG-2020-080	Special Report on Protecting Patient Health Information During the COVID-19 Pandemic	4/23/2020
DoD OIG	DODIG-2020-087	Audit of Training of Mobile Medical Teams in the U.S. Indo-Pacific Command and U.S. Africa Command Areas of Responsibility	6/8/2020
DoD OIG	DODIG-2020-088	Audit of the Safety and Security of Radioactive Materials at Department of Defense Medical Treatment Facilities	6/10/2020
DoD OIG	DODIG-2020-091	Audit of Contractor Employee Qualifications for Defense Health Agency-Funded Information Technology Contracts	6/15/2020
DoD OIG	DODIG-2020-103	Audit of the Department of Defense's Sustainment, Restoration, and Modernization of Military Medical Treatment Facilities	7/8/2020
DoD OIG	DODIG-2020-112	Evaluation of Access to Mental Health Care in the Department of Defense	8/10/2020
DoD OIG	DODIG-2020-120	Audit of Management of Pharmaceuticals in Support of the U.S. Central Command Area of Responsibility	8/28/2020
DoD OIG	DODIG-2020-125	Special Report: Controls Implemented by the Defense Health Agency to Control Costs for TRICARE Coronavirus Disease-2019 Pandemic Related Services	9/3/20 20
DoD OIG	DODIG-2020-131	Evaluation of Medical Protocols and Deaths of Recruits in the Department of Defense	9/29/2020
DoD OIG	DODIG-2020-133	Evaluation of Department of Defense Medical Treatment Facility Challenges During the Coronavirus Disease-2019 (COVID-19) Pandemic	9/30/2020

## Other

Agency	Report Number	Report Title	Date
DoD OIG	DODIG-2020-101	Naval Ordnance Data Classification Issues Identified During the Oversight of the U.S. Navy General Fund Financial Statement Audit for FY 2020	7/2/2020
USAAA	A-2020-0051-ZBX	Independent Auditor's Report on the Agreed Upon Procedures Attestation of Crane Army Ammunition Activity (CAAA) Internal Auditor Competencies	4/28/2020
NAVAUDSVC	N2020-0029	Navy Military Construction Projects Proposed for Fiscal Year 2021	8/6/2020

## **REPORTS WITH QUESTIONED COSTS AND FUNDS RECOMMENDED TO BE PUT TO BETTER USE**

Reports Issued	Date	Questioned Costs	Unsupported Costs	Funds Put to Better Use
DODIG-2020-091 Audit of Contractor Employee Qualifications for Defense Health Agency-Funded Information Technology Contracts	6/15/2020	\$8,808,629	\$0	\$0
DODIG-2020-095 Audit of Purchases of Ammonium Perchlorate Through Subcontracts With a Single Department of Defense-Approved Domestic Supplier	Subcontracts With a Single 7/9/2020 Cannot be estimated			
DODIG-2020-096 Audit of Coalition Partner Reimbursement of Dining Facility Services at Resolute Support Headquarters, Kabul, Afghanistan	6/24/2020	\$0	\$0	\$6,300,000
DODIG-2020-114 Audit of Department of Defense Use of Security Assistance Funds and Asset Accountability	8/17/2020	\$0	\$0	\$29,100,000
DODIG-2020-129 Audit of Excess Property Issued Through the Department of Defense Law Enforcement Support Program	9/30/2020	20 Cannot be estimated		
Total		\$8,808,629	\$0	\$35,400,000

Partially fulfills the requirement of the Inspector General Act of 1978, as amended, 5 U.S.C. Appendix, § 5(a)(6).

## **FOLLOWUP ACTIVITIES**

Decision status of DoD OIG issued audit, inspection, and evaluation reports and dollar value of recommendations that funds be put to better use.

Status	Number	Funds Put to Better Use (in thousands)
A. For which no management decision had been made by the beginning of the reporting period.	0	\$0
<ul> <li>B. Which were issued during the reporting period.</li> <li>Subtotals (A+B)</li> </ul>	55 55	\$44,209 <sup>1</sup> \$44,209
<ul> <li>C. For which a management decision was made during the reporting period.</li> <li>(i) dollar value of recommendations that were agreed to by management.</li> <li>- based on proposed management action</li> <li>- based on proposed legislative action</li> <li>(ii) dollar value of recommendations that were not agreed to by management.</li> </ul>	55	\$44,209 <sup>2,3</sup> 0
D. For which no management decision has been made by the end of the reporting period.	0	0
Reports for which no management decision was made within 6 months of issue (as of September 30, 2020).	0	0

1. The DoD OIG issued audit reports during the period involving \$8.8 million in "questioned costs."

2. On these audit reports management has agreed to take the recommended actions, but the amount of agreed monetary benefits cannot be determined until those actions are completed.

3. Includes \$8.8 million in "questioned costs."

Fulfills requirements of the Inspector General Act of 1978, as amended, 5 U.S.C., Appendix, §§ 5(a)(8),(9) and (10).

## **STATUS OF ACTION ON CENTRAL INTERNAL AUDITS AS OF SEPTEMBER 30, 2020**

Status	Number	Funds Put to Better Use (in thousands)
DoD OIG		
Number of Reports Open as of April 1, 2020	310	\$0
Number of Reports Issued During April 1, 2020 – September 30, 2020	55	\$44,209 <sup>1</sup>
Number of Reports Closed During April 1, 2020 – September 30, 2020	44	\$55²
Number of Reports Open as of September 30, 2020	321	\$0
Military Departments		
Number of Reports Open as of April 1, 2020	399	\$3,747,044 <sup>3</sup>
Number of Reports Issued During April 1, 2020 – September 30, 2020	119	\$192,445
Number of Reports Closed During April 1, 2020 – September 30, 2020	139	\$192,636
Number of Reports Open as of September 30, 2020	379	\$1,762,757

1. The DoD OIG opened audit reports during the period involving \$8.8 million in "questioned costs."

2. On certain reports with estimated monetary benefits of \$6.5 billion, the DoD OIG agreed that the resulting monetary benefits can only be estimated after completion of management action, which is ongoing.

3. Incorporates retroactive adjustments.

Partially fulfills requirements of the Inspector General Act of 1978, as amended, 5 U.S.C., Appendix, §§ 5(b)(2), and (3).

## **CONTRACT AUDIT REPORTS ISSUED<sup>1</sup>**

### April 1, 2020 through September 30, 2020

Type of Audit <sup>2</sup>	Reports Issued	Dollars Examined (in millions)	Questioned Costs <sup>3</sup> (in millions)	Funds Put to Better Use (in millions)
Incurred Costs, Ops Audits, Special Audits	974	\$120,110.5	\$1,030.7	\$ <b>-</b> <sup>4</sup>
Forward Pricing Proposals	401	122,002.0	_	\$4,059.1 <sup>5</sup>
Cost Accounting Standards	171	11.7	7.3	-
Defective Pricing	13	(Note 6)	172.6	-
Totals	1,559	\$242,124.2	\$1,210.6	\$4,059.1

- 1. This schedule represents Defense Contract Audit Agency (DCAA) contract audit reports issued during the six months ended September 30, 2020. This schedule includes any audits that DCAA performed on a reimbursable basis for other government agencies and the associated statistics may also be reported in other OIGs' Semiannual Reports to Congress. Both "Questioned Costs" and "Funds Put to Better Use" represent potential cost savings. Because of limited time between availability of management information system data and legislative reporting requirements, there is minimal opportunity for DCAA to verify the accuracy of reported data. Accordingly, submitted data is subject to change based on subsequent DCAA authentication. The total number of assignments completed during the six months ended September 30, 2020 was 4,612. Some completed assignments do not result in a report issued because they are part of a larger audit or because the scope of the work performed does not constitute an audit or attestation engagement under generally accepted government auditing standards, so the number of audit reports issued is less than the total number of assignments completed.
- 2. This schedule represents audits performed by DCAA summarized into four principal categories, which are defined as:

Incurred Costs – Audits of direct and indirect costs charged to Government contracts to determine that the costs are reasonable, allocable, and allowable as prescribed by the Federal Acquisition Regulation, Defense Federal Acquisition Regulation Supplement, and provisions of the contract. Also included under incurred cost audits are Operations Audits, which evaluate a contractor's operations and management practices to identify opportunities for increased efficiency and economy; and Special Audits, which include audits of terminations and claims.

Forward Pricing Proposals – Audits of estimated future costs of proposed contract prices, proposed contract change orders, costs for redeterminable fixed-price contracts, and costs incurred but not yet covered by definitized contracts.

Cost Accounting Standards – A review of a contractor's cost impact statement required due to changes to disclosed practices, failure to consistently follow a disclosed or established cost accounting practice, or noncompliance with a CAS regulation.

Defective Pricing – A review to determine whether contracts are based on current, complete and accurate cost or pricing data (the Truth in Negotiations Act).

- 3. Questioned costs represent costs that DCAA has questioned because they do not comply with rules, regulations, laws, and/or contractual terms.
- 4. Represents recommendations associated with Operations Audits where DCAA has presented to a contractor that funds could be used more effectively if management took action to implement cost reduction recommendations.
- 5. Represents potential cost reductions that may be realized during contract negotiations.
- 6. Defective pricing dollars examined are not reported because the original value was included in the audits associated with the original forward pricing proposals.

Fulfills requirements of the Inspector General Act of 1978, as amended, 5 U.S.C., Appendix, §§ 5(a)(8),(9) and (10).

## STATUS OF ACTION ON POST-AWARD CONTRACT AUDITS<sup>1</sup>

	Number of Reports	Costs Questioned <sup>7</sup> (in millions)	Costs Sustained <sup>8</sup> (in millions)
Open Reports			
Within Guidelines <sup>2</sup>	479	\$2,256.7	N/A <sup>9</sup>
Overage, greater than 6 months <sup>3</sup>	739	\$4,810.4	N/A
Overage, greater than 12 months <sup>4</sup>	547	\$4,373.1	N/A
Under Criminal Investigation <sup>5</sup>	72	\$142.8	N/A
In Litigation <sup>6</sup>	215	\$1,319.0	N/A
Total Open Reports	2,052	\$12,902.0	N/A
Dispositioned (Closed) Reports	289	\$1,145.5	\$275.6 (24.1%) <sup>10</sup>
All Reports	2,341	\$14,047.5	N/A

 We are reporting on the status of significant post-award contract audits in accordance with DoD Instruction 7640.02, "Policy for Follow-up on Contract Audit Reports," April 15, 2015. The data in the table represents the status of Defense Contract Audit Agency post-award reports, including reports on incurred costs, defective pricing, equitable adjustments, accounting and related internal control systems, and Cost Accounting Standard noncompliances. The DoD Components provided the data. We have not verified the accuracy of the provided data.

2. Contracting officers assigned to take action on these reports met the resolution and disposition time frames established by OMB Circular A-50, "Audit Follow-up," and DoD Instruction 7640.02. OMB Circular A-50 and DoD Instruction 7640.02 require that contracting officers resolve audit reports within 6 months. Generally, contracting officers resolve an audit when they determine a course of action that they document in accordance with agency policy. DoD Instruction 7640.02 also requires that a contracting officer disposition an audit report within 12 months. Generally, contracting officers disposition a report when they negotiate a settlement with the contractor, or they issue a final decision pursuant to the Disputes Clause.

- 3. Contracting officers have not resolved these overage reports within the 6-month resolution requirement.
- 4. Contracting officers have not dispositioned these overage reports within the 12-month disposition requirement.
- 5. Contracting officers have deferred action on these reports until a criminal investigation is complete.
- 6. Contracting officers have deferred action on these reports until related ongoing litigation is complete.
- 7. Costs Questioned represents the amount of audit exception, potential cost avoidance, or recommended price adjustment in the audit report.
- 8. Costs Sustained represents the questioned costs, potential cost avoidance, or recommended price adjustment sustained by contracting officers. Contracting officers report Cost Sustained when they disposition a report.
- 9. Not applicable
- For the 6-month period ended September 30, 2020, contracting officers sustained \$275.6 million (24.1 percent) of the \$1,145.5 million questioned in the dispositioned reports. The 24.1 percent sustention rate represents a decrease from the 54.4 percent rate reported for the period ended March 31, 2020.

#### Fulfills requirement of DoD Instruction 7640.02, Enclosure 2, Section (1)(d).

## **STATUS OF REPORTS WITH ACTION PENDING AS OF SEPTEMBER 30, 2020**

- **Report:** D-2006-077, DoD Personnel Security Clearance Process at Requesting Activities, 4/19/2006
- **Description of Action:** Update DoD Personnel Security Clearance Program policies to include information on security clearance systems and training requirements.
- **Reason Action Not Completed:** Awaiting the issuance of revised Army related guidance, Army Regulation 380-67, which is undergoing a legal sufficiency review.
- Principal Action Office: Army

**Report:** D-2009-062, Internal Controls Over DoD Cash and Other Monetary Assets, 3/25/2009

- **Description of Action:** Develop policy to ensure the U.S. Treasury account symbols are used only as intended and revise the DoD Financial Management Regulation to reflect implementation of the related changes.
- **Reason Action Not Completed:** Waiting to receive evidence that new U.S. Treasury Accounts (deposit accounts) were established for each Military Service and Treasury Index 97 (Other Defense Organization) to document the balance of disbursing officers' cash held outside of the U.S. Treasury, or that these new accounts have been added to the U.S. Treasury's Federal Account Symbols and Titles Book.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** D-2010-026, Joint Civilian Orientation Conference Program, 12/9/2009
- **Description of Action:** Update DoD Instruction 5410.19 to clarify how to administer and manage the Joint Civilian Orientation Conference program.
- **Reason Action Not Completed:** Extensive time required to coordinate revision of DoD Instruction 5410.19. Completion of a DoD Office of General Counsel legal sufficiency review has been delayed due to an ongoing revision of the Joint Ethics Regulation, which may impact the reference content of DoD Instruction 5410.19.
- Principal Action Office: Assistant Secretary of Defense for Public Affairs

- **Report:** D-2011-060, Marine Corps Inventory of Small Arms Was Generally Accurate but Improvements Are Needed for Related Guidance and Training, 4/22/2011
- **Description of Action:** Update the small arms accountability guidance in Marine Corps Order 5530.14A.
- Reason Action Not Completed: Delayed while awaiting the release of DoD Directive 5210.56, "Arming and the Use of Force," DoD Instruction 5200.08, "Security of DoD Installations and Resources," and DoD Instruction 5200.08-R "Physical Security Program." These DoD policy documents provide DoD-level physical security policy to the Services and influence the entire content of Marine Corps Order 5530.14A.

Principal Action Office: Marine Corps

- **Report:** DODIG-2012-017, U.S. Naval Academy Officials Did Not Adhere to Contracting and Gift Policies, 11/7/2011
- **Description of Action:** Record all in-kind gifts into the Naval History and Heritage Command inventory system and require the U.S. Naval Academy Museum Director to use the software system.
- **Reason Action Not Completed:** The U.S. Naval Academy Museum does not have access to the Department of the Navy Heritage Asset Management System because a cloud-based server was lost due to a major hardware failure. Chief Information Officer and Space and Naval Warfare Systems Command technicians and the contractor are in the process of installing and reconfiguring the system software to ensure the application is available to all system users.

### Principal Action Office: Navy

**Report:** DODIG-2012-082, DoD Can Improve Its Accounting for Residual Value From the Sale of U.S. Facilities in Europe, 5/4/2012

**Description of Action:** Revise DoD Instruction 4165.69 to require that future residual value settlement negotiations analyze and document how the residual value settlement amount was determined.

Fulfills requirements of the Inspector General Act of 1978, as amended, 5 U.S.C., Appendix, § 5(b)(4). For this reporting period, there were disallowed costs of \$3.1 billion on reports over 12 months old with final action pending.

- **Reason Action Not Completed:** Corrective actions are ongoing to revise DoD Instruction 4165.69.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment
- **Report:** DODIG-2012-107, Defense Finance and Accounting Service Needs to Improve the Process for Reconciling the Other Defense Organizations' Fund Balance With Treasury, 7/9/2012
- Description of Action: The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD and Defense Finance and Accounting Service are jointly developing a systems infrastructure to enhance the current solution used to reconcile Funds Balance with Treasury. Both organizations are piloting the use of ADVANA to ingest feeder systems, accounting systems, reporting systems and the Central Accounting Reporting System (CARS) used by the U.S. Treasury. This system infrastructure will allow reconciliations from the financial statements and CARS to the detailed voucher level transactions. The Defense Finance and Accounting Service will be able to examine transactions that are in transit (disbursed, collected, but not posted) and unmatched (disbursed, paid, but unable to match to a source transaction). The solution will also include funding authorizations and other transactions associated with budget actions.
- **Reason Action Not Completed:** Corrective actions are ongoing. The estimated completion date is first quarter FY 2021.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** DODIG-2012-122, DoD Should Procure Compliant Physical Access Control Systems to Reduce the Risk of Unauthorized Access, 8/29/2012
- **Description of Action:** Revise Chief of Naval Operations Instruction 5530.14E to require installation security personnel to be involved during site surveys.
- **Reason Action Not Completed:** Corrective actions are ongoing to revise Chief of Naval Operations Instruction 5530.14E.
- Principal Action Office: Department of the Navy

- **Report:** DODIG-2013-005, Performance Framework and Better Management of Resources Needed for the Ministry of Defense Advisors Program, 10/23/2012
- **Description of Action:** Develop a performance management framework to cover Ministry of Defense Advisors' program office responsibilities, including advisor recruiting, training, and deployment performance indicators to assess progress and measure program results.
- Reason Action Not Completed: Long term corrective actions are ongoing.
- Principal Action Office: Defense Security Cooperation Agency

**Report:** DODIG-2013-031, Audit of the F-35 Lightning II Autonomic Logistics Information Systems (ALIS), 12/10/2012

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: F-35 Joint Program Office

- **Report:** DODIG-2013-050, Recovering Organizational Clothing and Individual Equipment From Civilians and Contractor Employees Remains a Challenge, 2/22/2013
- **Description of Action:** Complete the records review and perform final adjudication of unreturned organizational clothing and individual equipment issued to civilians and contractors. Require DoD Components to include proper language in new contracts and modify existing contracts to hold contracting companies liable for unreturned organizational clothing and individual equipment.
- **Reason Action Not Completed:** DoD OIG has not received evidence that demonstrates the implementation of corrective actions.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment
- **Report:** DODIG-2013-070, Defense Agencies Initiative Did Not Contain Some Required Data Needed to Produce Reliable Financial Statements, 4/19/2013
- **Description of Action:** Revise DoD Financial Management Regulation guidance to require costs of programs reported in the Statement of Net Cost to be accounted for by program costs and not by appropriation, enabling the use of the Program Indicator Code attribute.

- **Reason Action Not Completed:** The Director, Business Processes and Systems Modernization disagreed, stating that until the majority of DoD systems are upgraded to collect costs based on missions and output performance measures, revision of the DoD Financial Management Regulation to report the Statement of Net Cost in any other manner would be misleading or confusing. Coordination on followup discussion between the Office of Business Processes and Systems Modernization and the OIG is ongoing.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** DODIG-2013-072, Data Loss Prevention Strategy Needed for the Case Adjudication Tracking System, 4/24/2013
- **Description of Action:** Move the back-up servers to an approved location outside of the geographic region that complies with Federal and DoD information assurance requirements. If moving the back-up servers is not immediately feasible, request an interim waiver from the Designated Approving Authority and develop a time-phased plan to move the back-up servers outside of the geographic region.
- **Reason Action Not Completed:** The Defense Counterintelligence and Security Agency is working with the National Background Investigation System and Defense Information Systems Agency to set-up the permanent continuity of operations infrastructure at the Defense Information Systems Agency Defense Enterprise Computing Center.
- Principal Action Office: Defense Counterintelligence and Security Agency

**Report:** DODIG-2013-082, Hotline Allegation Regarding the Failure to Take Action on Material Management and Accounting System (MMAS) Audit Findings, 5/29/2013

**Description of Action:** Re-evaluate the determination that the costs of complying with Standard 2 outweigh the benefits, and document adequate rationale for any disagreements with the auditor in accordance with DoD Instruction 7640.02. Reassess the appropriateness of the March 15, 2013, agreement with the contractor on the master production schedule accuracy calculation.

**Reason Action Not Completed:** Resolution of agreed-upon corrective actions to implement two report recommendations remains ongoing.

Principal Action Office: Navy

**Report:** DODIG-2013-097, Improvements Needed in the Oversight of the Medical-Support Services and Award-Fee Process Under the Camp As Sayliyah, Qatar, Base Operation Support Services Contract, 6/26/2013

- **Description of Action:** Revise Army Regulation 40-68, "Clinical Quality Management," to align the regulation with supervision requirements set forth in Federal Acquisition Regulation 37.4.
- **Reason Action Not Completed:** Extensive time required to coordinate and issue revised guidance.

Principal Action Office: Army

**Report:** DODIG-2013-100, Contract Administration of the Subsistence Prime Vendor Contract for Afghanistan Improved, but Additional Actions are Needed, 7/2/2013

- **Description of Action:** Initiate corrective actions to recover premium transportation fees and provide a refund to the Army after litigation is completed.
- **Reason Action Not Completed:** Armed Services Board of Contract Appeals litigation recently concluded and implementation of corrective actions to comply with the legal decision are still ongoing.

Principal Action Office: Defense Logistics Agency

**Report:** DODIG-2013-102, Improved Oversight of Communications Capabilities Preparedness Needed for Domestic Emergencies, 7/1/2013

- **Description of Action:** Establish oversight procedures, including performance metrics, to verify that National Guard units report the readiness status of personnel and equipment for the Joint Incident Site Communications Capability system in a timely manner.
- **Reason Action Not Completed:** Awaiting supporting documentation to verify distribution of updated standard operating procedures to the 54 states, territories, and Washington, D.C. Estimated completion date is first quarter FY 2021.

Principal Action Office: National Guard Bureau

**Report:** DODIG-2013-112, Assessment of DoD Long-Term Intelligence Analysis Capabilities, 8/5/2013

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Under Secretary of Defense for Intelligence and Security **Report:** DODIG-2013-119, Better Procedures and Oversight Needed to Accurately Identify and Prioritize Task Critical Assets, 8/16/2013

- **Description of Action:** Develop and implement a Defense Critical Infrastructure Program net-centric approach to facilitate asset information sharing among the DoD Components and Defense Critical Infrastructure Sector Lead Agents.
- **Reason Action Not Completed:** DoD management has taken action to address the recommendation and provided supporting documentation to the DoD OIG that is currently under review.
- Principal Action Office: Assistant Secretary of Defense for Homeland Defense and Global Security

**Report:** DODIG-2013-123, Army Needs To Improve Mi-17 Overhaul Management and Contract Administration, 8/30/2013

Description of Action: Report is For Official Use Only.

**Reason Action Not Completed:** Extensive time required to implement corrective actions.

Principal Action Office: Army

- **Report:** DODIG-2013-130, Army Needs to Improve Controls and Audit Trails for the General Fund Enterprise Business System Acquire-to-Retire Business Process, 9/13/2013
- **Description of Action:** Develop and implement functionality in the General Fund Enterprise Business System to produce an Army-wide real property universe that reconciles to the financial statements by general ledger account codes, including the Army National Guard real property data.
- **Reason Action Not Completed:** Real property assets that failed specific business rules and were subject to a specific action need to be provided and validated. The Installation Management community is still validating and correcting the nine plant replacement value data elements. Final costs reported in the General Fund Enterprise Business System as depreciation expense are yet to be provided.
- Principal Action Office: Army

**Report:** DODIG-2014-001, MV-22 Squadrons Could Improve Reporting of Mission Capability Rates and Readiness, 10/23/2013

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Navy

- **Report:** DODIG-2014-038, Air Force Life Cycle Management Center Could Not Identify Actual Cost of F119 Engine Spare Parts Purchased From Pratt and Whitney, 2/10/2014
- **Description of Action:** Develop a process to identify and document actual spare part costs for 2010 and each subsequent year for use in determining fair and reasonable prices.
- **Reason Action Not Completed:** Actions to implement the Defense Property Accountability System with the contractor's Special Access Program system (System, Applications & Products in Data Processing) that the Air Force will use to capture actual historical cost/price information are ongoing.

Principal Action Office: Air Force

**Report:** DODIG-2014-049, DoD Considered Small Business Innovation Research Intellectual Property Protections in Phase III Contracts, but Program Improvements Are Needed, 3/27/2014

- **Description of Action:** Address inconsistencies between the Defense Federal Acquisition Regulation Supplement and the Small Business Administration Policy Directive regarding intellectual property; and address proposed revisions to the Defense Federal Acquisition Regulation Supplement clauses to clarify and better implement the initiation and extension of the protection period as provided in the Small Business Administration Small Business Innovation Research Policy Directive.
- **Reason Action Not Completed:** Small Business Administration is developing a policy directive on intellectual property protections and published a Notice of Proposed Amendments in the Federal Register. Once comments are adjudicated, a rule is published in the Federal Register, and the policy directive is finalized, the DoD will make any necessary changes to the DoD Federal Acquisition Regulation Supplement.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Research and Engineering
- **Report:** DODIG-2014-055, Investigation of a Hotline Allegation of a Questionable Intelligence Activity Concerning the Joint Improvised Explosive Device Defeat Organization Counter-Improvised Explosive Device Operations/Intelligence Integration Center, 4/4/2014

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Defense Threat Reduction Agency

- **Report:** DODIG-2014-060, An Assessment of Contractor Personnel Security Clearance Processes in the Four Defense Intelligence Agencies, 4/14/2014
- **Description of Action:** Develop and issue an overarching policy governing operation of the System of Record for Personnel Security Clearances, including identification of the categories of investigations to be titled and indexed, and the retention criteria.
- **Reason Action Not Completed:** DoD OIG awaits a status report on actions taken to finalize the overarching policy that addresses the agreed-upon recommendations.
- Principal Action Office: Under Secretary of Defense for Intelligence and Security, DoD Office of the General Counsel

**Report:** DODIG-2014-066, Logistics Modernization Program System Not Configured to Support Statement of Budgetary Resources, 5/5/2014

- **Description of Action:** Approve the baseline configuration of the Logistics Modernization Program system Budget-to-Report business process based on Army certification that the Army has implemented the appropriate DoD United States Government Standard General Ledger Transaction Library transactions for recording budgetary accounts for the Army Working Capital Fund.
- Reason Action Not Completed: Long-term corrective actions are ongoing.

Principal Action Office: Army

- **Report:** DODIG-2014-090, Improvements Needed in the General Fund Enterprise Business System Budget-to-Report Business Process, 7/2/2014
- **Description of Action:** Implement a timely review of the current General Fund Enterprise Business System general ledger account postings, and ensure the general ledger account postings comply with the U.S. Standard General Ledger.
- **Reason Action Not Completed:** The Army has not validated that general ledger account postings programmed in the General Fund Enterprise Business System comply with the U.S. Standard General Ledger.
- Principal Action Office: Army

**Report:** DODIG-2014-093, Inspection of the Armed Forces Retirement Home, 7/23/2014

**Description of Action:** Under the authority given to the Secretary of Defense in section 411(d)(3), title 24, United States Code, issue a directive type memorandum for immediate action (followed by a revision of DoD Instruction 1000.28, "Armed Forces Retirement Home," February 1, 2010) to codify the results.

**Reason Action Not Completed:** Revision of DoD Instruction 1000.28 is in the process of being finalized and published.

Principal Action Office: DoD Chief Management Officer

**Report:** DODIG-2014-096, Improvements Needed in Contract Administration of Mi-17 Cockpit Modification Task Order, 7/28/2014

Description of Action: Report is For Official Use Only.

Reason Action Not Completed: Report is For Official Use Only.

Principal Action Office: Army

- **Report:** DODIG-2014-100, Assessment of DoD Wounded Warrior Matters: Selection and Training of Warrior Transition Unit and Wounded Warrior Battalion Leaders and Cadre, 8/22/2014
- **Description of Action:** Provide the action plan on future Wounded Warrior Regiment staffing and manning requirements.
- **Reason Action Not Completed:** Moratorium on approval of new U.S. Marine Corps Table of Organization and Equipment (TOE) change requests has delayed publishing of new Wounded Warrior Regiment TOE. Once published it will reflect an increased active component structure. Until the TOE change request is approved the Office of the Deputy Commandant for Manpower and Reserve Affairs will continue to support the Wounded Warrior mission with reserve component personnel as a mitigation action. Target completion date is September 2021.

Principal Action Office: Marine Corps

**Report:** DODIG-2014-101, Delinquent Medical Service Accounts at Brooke Army Medical Center Need Additional Management Oversight, 8/13/2014

**Description of Action:** Send dispute letters to Texas Medicaid and Healthcare Partnership for all claims denied for missing the 95-day filing requirement; provide U.S. Army Medical Command all Medicaid-eligible claims denied by Texas Medicaid Health Partnership for missing the 95-day filing requirement to identify the value and impact of those claims to Brooke Army Medical Center; and meet with Department of Health and Human Services to discuss difficulties Brooke Army Medical Center has encountered with denied claims and reimbursement levels from the Texas Medicaid and Healthcare Partnership.

**Reason Action Not Completed:** Defense Health Agency and U.S. Army Medical Command are working together to develop a plan to review and process the delinquent medical service accounts debt.

#### Principal Action Office: Army

**Report:** DODIG-2014-118, Improvements Needed in Contract Award of Mi-17 Cockpit Modification Task Order, 9/19/2014

- **Description of Action:** Review all locally issued policies for consistency, currency, accuracy, elimination and streamlining. Also recoup payments made to contractor for Mi-17 manuals not accepted or delivered to the Government.
- **Reason Action Not Completed:** Awaiting results of review on locally issued policies and corrective actions taken or updated guidance issued. Final legal decision on whether the \$216,345 identified as potential monetary benefits will be recouped from the contractor has not been determined.

#### Principal Action Office: Army

Report: DODIG-2014-121, Military Housing Inspections -Japan, 9/30/2014

- **Description of Action:** Develop and issue a DoD-wide policy for control and remediation of mold; and radon evaluation and mitigation.
- **Reason Action Not Completed:** There is no DoD-wide policy or guideline on mold mitigation and control; and no DoD-wide policy radon surveillance, mitigation, and control. In addition, current guidance on radon is for accompanied housing but not for unaccompanied housing.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness

**Report:** DODIG-2015-001, Assessment of the Department of Defense Prisoner of War/Missing in Action Accounting Community, 10/17/2014

**Description of Action:** Under Secretary of Defense for Personnel and Readiness will establish DoD-wide policy regarding the disinterment of unknowns from past conflicts.

- **Reason Action Not Completed:** DoD OIG awaits a status report on the final issuance of the updated Mortuary Affairs policy.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness
- **Report:** DODIG-2015-002, Assessment of DoD-Provided Healthcare for Members of the United States Armed Forces Reserve Components, 10/8/2014
- **Description of Action:** Develop Defense Health Affairs line-of-duty forms to provide procedural instructions to implement controls outlined in DoD Instruction 1241.01.
- **Reason Action Not Completed:** Publication of Defense Health Agency procedural instruction has been impacted by section 702 of the Fiscal Year 2017 National Defense Authorization Act, which resulted in changes to responsibilities and authorities of the Defense Health Agency and the Military Department Surgeons General, and required further updates to Department Heath Agency guidance. Publication of the Department Health Agency-Procedural Instruction and issuance of new line-of-duty forms is anticipated in FY 2021.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness
- **Report:** DODIG-2015-004, Assessment of DoD Long-Term Intelligence Analysis Capabilities Phase II, 10/10/2014
- Description of Action: Report is classified.
- Reason Action Not Completed: Report is classified.
- Principal Action Office: Under Secretary of Defense for Intelligence and Security

**Report:** DODIG-2015-006, Policy Changes Needed at Defense Contract Management Agency to Ensure Forward Pricing Rates Result in Fair and Reasonable Contract Pricing, 10/9/2014

Description of Action: Provide training to the administrative contracting officer community on:
1) the need to document in the contract case file the cost analysis performed and the data and information related to the contracting officer's determination of fair and reasonable Forward Pricing Rate Recommendation and Forward Pricing Rate Agreement rates; 2) use of the revised Pre-negotiation Memorandum template; and 3) any revisions made to Defense Contract Management Agency Instruction 809, "Records

Management," to ensure the Government contract case file is sufficient to constitute a complete history of a Forward Pricing Rate Recommendation and Forward Pricing Rate Agreement transaction.

- **Reason Action Not Completed:** Corrective actions are ongoing as training is being offered and submittal of documentation that training course material includes required use of the Pre-negotiation Memorandum template is pending.
- Principal Action Office: Defense Contract Management Agency
- **Report:** DODIG-2015-011, Evaluation of the Defense Criminal Investigative Organizations' Defense Incident-Based Reporting System Reporting and Reporting Accuracy, 10/29/2014
- **Description of Action:** Incorporate processes to ensure accuracy and completeness of the Defense Incident-Based Reporting System data into the Naval Justice Information System. Comply with Defense Incident-Based Reporting System reporting requirements and ensure data submitters are providing accurate and complete data submissions within 15 workdays after the end of each month.
- **Reason Action Not Completed:** Deployment of the Naval Justice Information System has been delayed due to data migration issues between the system and the Consolidated Law Enforcement Operations Center database.
- **Principal Action Office:** Under Secretary of Defense for Intelligence and Security, Navy, and Defense Criminal Investigative Service
- Report: DODIG-2015-013, Military Housing Inspections -Republic of Korea, 10/28/2014
- **Description of Action:** Develop and issue a DoD-wide policy for control and remediation of mold; and radon evaluation and mitigation.
- **Reason Action Not Completed:** There is no DoD-wide policy or guideline on mold mitigation and control; and no DoD-wide policy radon surveillance, mitigation, and control. In addition, current guidance on radon is for accompanied housing but not for unaccompanied housing.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness

- **Report:** DODIG-2015-016, Department of Defense Suicide Event Report (DoDSER) Data Quality Assessment, 11/14/2014
- **Description of Action:** Revise DoD and Service guidance to provide policy and procedures for data collection, and for submission and reporting of suicide events data.
- **Reason Action Not Completed:** DoD Instruction 6490.16, "Defense Suicide Prevention Program," published in November 2017, does not address requiring suicide event boards or multidisciplinary approach to obtain data for DoD Suicide Event. Defense Suicide Prevention Office and Department of Defense Office of Inspector General project team in discussion with way forward in addressing Defense Suicide Prevention Office's responses non-concurring with recommendations.
- **Principal Action Office:** Under Secretary of Defense for Personnel and Readiness; Assistant Secretary of Defense for Health Affairs; Army, Navy, and Marine Corps
- **Report:** DODIG-2015-031, The Services Need To Improve Accuracy When Initially Assigning Demilitarization Codes, 11/7/2014
- **Description of Action:** Revise DoD demilitarization program guidance. Require the Services to establish controls to assign accurate demilitarization codes.
- **Reason Action Not Completed:** DoD Manual 4160.28, volume 1, "Defense Demilitarization: Program Administration" does not contain required elements that fully address the recommendation. Corrective actions are ongoing due to the Services developing or updating their own departmental guidance.
- Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2015-045, DoD Cloud Computing Strategy Needs Implementation Plan and Detailed Waiver Process, 12/4/2014

- **Description of Action:** Develop a waiver process providing detailed guidance on how to obtain a Global Information Grid waiver for cloud computing in the DoD.
- **Reason Action Not Completed:** DoD Instruction 8010.01, "DoD Information Network Transport," published in September 2018, does not provide guidance on obtaining a Global Information Grid waiver for cloud

computing in the DoD. The Defense Information Systems Network Connection Process Guide is with the Defense Information Systems Agency Risk Management Executive for review and approval.

Principal Action Office: DoD Chief Information Officer

**Report:** DODIG-2015-052, Air Force Life Cycle Management Center's Management of F119 Engine Spare Parts Needs Improvement, 12/19/2014

**Description of Action:** F-22/F119 Program Office will develop a plan with Defense Contract Management Agency (DCMA) to formally accept all Government-owned property when contract performance ends, and ensure this plan clarifies current DCMA acceptance responsibilities.

**Reason Action Not Completed:** Waiting for the F-22/F119 Program Office to provide the plan that clarifies the DCMA's formal acceptance of responsibilities of all Government-owned property when contractor performance ends.

### Principal Action Office: Air Force

**Report:** DODIG-2015-053, Naval Supply Systems Command Needs to Improve Cost Effectiveness of Purchases for the Phalanx Close-In Weapon System, 12/19/2014

**Description of Action:** Provide the results of the Defense Contract Audit Agency followup audit on the Material Management and Accounting Systems, and the variation in quantity analysis for years 4 and 5 of the Close-In Weapon Systems Performance Based Logistics 3 contract.

**Reason Action Not Completed:** Corrective actions are ongoing to complete an inventory reconciliation and variation in quantity analysis. The target completion date is first quarter FY 2021.

### Principal Action Office: Navy

**Report:** DODIG-2015-056, Opportunities to Improve the Elimination of Intragovernmental Transactions in DoD Financial Statements, 12/22/2014

**Description of Action:** The Business Integration Office will create a full cost estimate for full implementation of the Invoice Processing Platform (now G-Invoicing) across the DoD. Develop cost estimates and obtain funding for implementing the Invoice Processing Platform across DoD. Ensure implementation guidance includes procedures for reconciling and eliminating intragovernmental transactions other than Buy/Sell intragovernmental transactions including intragovernmental Benefit, Fiduciary, and Transfer transactions.

- Reason Action Not Completed: The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, and the Defense Finance and Accounting Service are revising the DoD Financial Management Regulation. In addition, the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is revising DoD Instruction 4000.19 in collaboration with the acquisition community.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

Report: DODIG-2015-057, Title is Classified, 12/19/2014

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

**Report:** DODIG-2015-062, DoD Needs Dam Safety Inspection Policy to Enable the Services to Detect Conditions That Could Lead to Dam Failure, 12/31/2014

- **Description of Action:** Establish DoD dam safety inspection policy that is in accordance with the Federal Guidelines for Dam Safety, which define inspection frequency, scope, and inspector qualifications and outline the need to develop and maintain inspection support documentation.
- **Reason Action Not Completed:** DoD OIG is coordinating with DoD officials as they finalize their respective corrective actions to ensure they meet the intent and conclude with the closure of their respective DoD OIG recommendations.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2015-064, Assessment of Intelligence Support to In-Transit Force Protection, 1/2/2015

**Description of Action:** Update the 2003 Memorandum of Understanding to reflect DoD policy and requirements with the Force Protection Detachment program and the Embassy's Country Team environment. Also, ensure that the Joint Counterintelligence Training Academy completes and fields the Force Protection Detachment computer-based training course.

- Reason Action Not Completed: Corrective actions are ongoing to revise the memorandum of understanding between the Bureau of Diplomatic Security, Department of State, and the Office of the Under Secretary of Defense for Intelligence and Security. The revised memorandum of understanding is currently with the Department of State legal counsel.
- Principal Action Office: Under Secretary of Defense for Intelligence and Security, Defense Intelligence Agency
- **Report:** DODIG-2015-065, Evaluation of the Defense Sensitive Support Program, 1/5/2015
- Description of Action: Report is classified.
- Reason Action Not Completed: Report is classified.
- Principal Action Office: Classified
- **Report:** DODIG-2015-070, Evaluation of Alternative Compensatory Control Measures Program, 1/28/2015
- Description of Action: Report is classified.
- Reason Action Not Completed: Report is classified.
- Principal Action Office: Under Secretary of Defense for Policy

**Report:** DODIG-2015-072, Improvements Needed for Navy's Triannual Review, 1/22/2015

- **Description of Action:** Develop standard queries for the budget submitting offices to ensure completeness of data extracted for triannual reviews. Develop and implement Navy triannual review standard procedures, based on Marine Corps best practices, to compile a universe of obligations for the budget submitting offices to use in performing the triannual review.
- **Reason Action Not Completed:** Navy Office of Budget officials continue to work with Navy system owners to find an automated solution to develop data sets from multiple Navy accounting systems and alleviate the manual data call method currently in use.

### Principal Action Office: Navy

- **Report:** DODIG-2015-078, Evaluation of the Defense Criminal Investigative Organizations' Compliance with the Lautenberg Amendment Requirements and Implementing Guidance, 2/6/2015
- **Description of Action:** Revise DoD Instruction 6400.06 to incorporate language requiring commanders and supervisors to advise all employees (military and civilian) found to have a qualifying conviction to dispose of their privately owned firearms and ammunitions in accordance with the law.

- **Reason Action Not Completed:** DoD Instruction 6400.06 is currently in formal coordination for re-issuance and is on track to be signed in FY 2021.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness
- **Report:** DODIG-2015-081, Evaluation of Department of Defense Compliance with Criminal History Data Reporting Requirements, 2/12/2015
- **Description of Action:** Submit the missing 304 fingerprints and 334 final disposition reports to the Federal Bureau of Investigation for inclusion in the Integrated Automated Fingerprint Identification System.
- **Reason Action Not Completed:** Actions are ongoing toward finalizing efforts to obtain and submit the remaining missing fingerprints and final disposition reports to the Federal Bureau of Investigation for inclusion in the Integrated Automated Fingerprint Identification System/Next Generation Identification database.

#### Principal Action Office: Navy

- **Report:** DODIG-2015-090, Evaluation of Aircraft Ejection Seat Safety When Using Advanced Helmet Sensors, 3/9/2015
- **Description of Action:** Ensure consistent documentation of aircraft ejection data to increase the data available for ejections with helmet mounted devices and/or night vision goggles to improve the safety risk analysis. Also, review and update Joint Service Specification Guide 2010-11 to reflect changes in policy and technology that have occurred in the last 16 years.
- **Reason Action Not Completed:** The Navy and Air Force continue to coordinate updates to the Joint Service Specification Guide 2010-11 and are working through differences on interpretation of requirements and their impact of escape system performance.

#### Principal Action Office: Navy

- **Report:** DODIG-2015-092, F-35 Lightning II Program Quality Assurance and Corrective Action Evaluation, 3/11/2015
- **Description of Action:** Conduct periodic Critical Safety Item Program evaluations of Lockheed Martin and its suppliers to ensure compliance with public law and the Joint Service Critical Safety Item Instruction.
- **Reason Action Not Completed:** F-35 Joint Program Office has not provided evidence of periodic evaluations of Lockheed Martin and sub-tier suppliers to ensure

that the F-35 CSI Program, as implemented, meets legal and regulatory requirements, including, but not limited to those related to: identification of critical characteristics in the technical data for CSIs; procurement, modification, repair, and overhaul of CSIs only from approved sources; and testing and inspection to ensure that CSIs delivered and services performed on CSIs meet all technical and quality requirements.

Principal Action Office: F-35 Joint Program Office

**Report:** DODIG-2015-102, Additional Actions Needed to Effectively Reconcile Navy's Fund Balance With Treasury Account, 4/3/2015

**Description of Action:** Develop a reconciliation process that is based on detail-level transaction data from the Department of the Navy's general ledger systems. Design and implement controls within the end-to-end Fund Balance With Treasury business process for resolving amounts reported on the "Statement of Differences-Disbursements."

Reason Action Not Completed: Long-term corrective actions are ongoing.

Principal Action Office: Navy

**Report:** DODIG-2015-107, Challenges Exist for Asset Accountability and Maintenance and Sustainment of Vehicles Within the Afghan National Security Forces, 4/17/2015

- **Description of Action:** Perform a reconciliation to ensure vehicle information is accurate and complete and assess the accuracy of property transfer records.
- **Reason Action Not Completed:** Corrective actions are ongoing to reconcile information in the Operational Verification of Reliable Logistics Oversight Database against information in the Security Cooperation Information Portal to ensure vehicle information is accurate and complete. Actions are also ongoing to verify the accuracy of property transfer records pending the Security Assistance Office's completion of its reconciliation process.

Principal Action Office: U.S. Central Command

**Report:** DODIG-2015-111, F-35 Engine Quality Assurance Inspection, 4/27/2015

Description of Action: Report is For Official Use Only.

Reason Action Not Completed: Long-term corrective actions are ongoing.

Principal Action Office: F-35 Joint Program Office

**Report:** DODIG-2015-114, Navy Officials Did Not Consistently Comply With Requirements for Assessing Contractor Performance, 5/1/2015

Description of Action: Policy memorandum is being drafted that will require Naval Sea Systems Command business units to complete Contractor Performance Assessment Reports (CPARs) within 120 days of the end of the contract performance period. It will also require Naval Sea Systems Command offices responsible for any contract requiring CPARs to ensure the contract is properly registered in the Contractor Performance Assessment Reporting System (CPARS). Additionally, it will require first-line managers above the contracting officer's representative to review the CPARs prior to sending them to the contractor for review, and that all contracting officer's representatives complete CPARS training.

Reason Action Not Completed: Policy memorandum continues to be staffed.

Principal Action Office: Navy

**Report:** DODIG-2015-122, Naval Air Systems Command Needs to Improve Management of Waiver Requests, 5/15/2015

- **Description of Action:** Update Secretary of the Navy Instruction 5000.2E and Secretary of the Navy Manual M-5000.2 to emphasize that program managers must request waivers whenever they do not meet any of the 20 criteria the Navy guidance requires programs to meet to certify readiness for initial operational test and evaluation.
- **Reason Action Not Completed:** Review of new policy language is being conducted by key stakeholders within the Navy Test and Evaluation community.

Principal Action Office: Navy

**Report:** DODIG-2015-128, Army Needs to Improve Processes Over Government-Furnished Material Inventory Actions, 5/21/2015

- **Description of Action:** Develop a business process and the Logistics Modernization Program posting logic to identify and track Army Working Capital Fund inventory provided to contractors as Government-furnished material within the Logistics Modernization Program system.
- **Reason Action Not Completed:** There is a delay caused by upgrading the system and posting logic.

Principal Action Office: Army

**Report:** DODIG-2015-134, Assessment of the U.S. Theater Nuclear Planning Process, 6/18/2015

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Joint Chiefs of Staff

**Report:** DODIG-2015-142, Navy's Contract/Vendor Pay Process Was Not Auditable, 7/1/2015

- **Description of Action:** Update the Department of the Navy's system business processes to ensure transactions are processed in compliance with the Statement of Federal Financial Accounting Standards 1.
- **Reason Action Not Completed:** DoD OIG is coordinating with Navy officials to determine the current status of efforts toward gathering cost estimates to fund and schedule necessary system changes.

Principal Action Office: Navy

**Report:** DODIG-2015-143, Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel, 7/6/2015

- **Description of Action:** Implement controls in the Defense Travel System for checking Patriot Express availability and to automatically route all travel orders for travel outside of the continental United States to transportation office personnel to check Patriot Express availability.
- **Reason Action Not Completed:** Corrective actions are still ongoing. Revised estimated completion date is third quarter FY 2021.
- Principal Action Office: Navy, Marine Corps

**Report:** DODIG-2015-148, Rights of Conscience Protections for Armed Forces Service Members and Their Chaplains, 7/22/2015

**Description of Action:** Ensure that programs of instruction for commissioned and noncommissioned officers include the updated guidance regarding religious accommodations contained in DoD Instruction 1300.17.

- **Reason Action Not Completed:** Revision of Secretary of the Navy Instruction to include the updated guidance regarding religious accommodations contained in DoD Instruction 1300.17 is still ongoing.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness, Navy

**Report:** DODIG-2015-159, Followup Audit: More Improvements Needed for the Development of Wounded Warrior Battalion-East Marines' Recovery Plans, 8/7/2015

- **Description of Action:** Initiate a performance review of the Wounded Warrior Regiment contracting officers for the Recovery Care Coordinator contract to determine whether administrative actions are warranted. Conduct a thorough review of the contracting file to determine whether any further courses of action are warranted.
- **Reason Action Not Completed:** Marine Corps Regional Contracting Office-National Capital Region has not provided evidence to support they have completed performance reviews of the contracting officers and a contracting file review to determine whether any administrative actions are warranted.

Principal Action Office: Marine Corps

- **Report:** DODIG-2015-162, Continental United States Military Housing Inspections - National Capital Region, 8/13/2015
- **Description of Action:** Conduct an effective root cause analysis and implement a corrective action plan for all identified electrical, fire protection, environmental health, and safety deficiencies.
- Reason Action Not Completed: Corrective actions are ongoing.

Principal Action Office: Navy

**Report:** DODIG-2015-168, Air Force Commands Need to Improve Logical and Physical Security Safeguards That Protect SIPRNET Access Points, 9/10/2015

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

**Report:** DODIG-2015-172, Naval Sea Systems Command Needs to Improve Management of Waiver and Deferral Requests, 9/14/2015

**Description of Action:** Revise Secretary of the Navy Instruction 5000.2E, "Department of the Navy Implementation and Operation of the Defense Acquisition System and the Joint Capabilities Integration and Development System," September 1, 2011, after the Vice Chairman, Joint Chiefs of Staff, revises the Joint Capabilities Integration and Development System Manual in response to Recommendation 1. **Reason Action Not Completed:** DoD management has taken action to address the recommendations and provided supporting documentation to the DoD OIG that is currently under review.

Principal Action Office: Joint Chiefs of Staff, Navy

**Report:** DODIG-2015-177, Assessment of DoD/USCENTCOM and Coalition Plans/Efforts to Train, Advise, and Assist the Iraqi Army to Defeat the Islamic State of Iraq and the Levant, 9/30/2015

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Defense Security Cooperation Agency

**Report:** DODIG-2015-181, Continental United States Military Housing Inspections-Southeast, 9/24/2015

- **Description of Action:** Update policy to ensure that Army publications properly and consistently address radon assessment and mitigation requirements. Conduct an effective root cause analysis and perform corrective actions for all fire protection deficiencies identified.
- **Reason Action Not Completed:** The Assistant Secretary of the Army for Installations, Energy, and Environment continues to work on updating Army Regulation 200-1.

Principal Action Office: Army, Navy

**Report:** DODIG-2016-002, DoD Needs a Comprehensive Approach to Address Workplace Violence, 10/15/2015

- **Description of Action:** Revise the Defense Federal Acquisition Regulation Supplement to address interim and final contractor requirements for the prevention of workplace violence. Revise policies and procedures and integrate existing programs to develop a comprehensive DoD-wide approach to address prevention and response to workplace violence.
- **Reason Action Not Completed:** Awaiting updates to the Defense Federal Acquisition Regulation Supplement case and issuance of updated policy addressing workplace violence.
- **Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Under Secretary of Defense for Acquisition and Sustainment

- **Report:** DODIG-2016-026, Combat Mission Teams and Cyber Protection Teams Lacked Adequate Capabilities and Facilities to Perform Missions, 11/24/2015
- **Description of Action:** Develop a doctrine, organization, training, materiel, leadership and education, personnel, facilities, and policy framework that address strategies to build, grow, and sustain the Cyber Mission Force. Formalize an agreement to focus capability development on functional and mission areas consistent with results of the mission alignment board.
- Reason Action Not Completed: Long-term corrective actions are ongoing.
- Principal Action Office: Marine Corps, U.S. Cyber Command

**Report:** DODIG-2016-054, Navy Controls for Invoice, Receipt, Acceptance, and Property Transfer System Need Improvement, 2/25/2016

- **Description of Action:** Review the Invoice, Receipt, Acceptance, and Property Transfer system to verify that the Defense Logistics Agency's automated control for inactive users is working properly, and ensure separated employees' user accounts were automatically disabled.
- **Reason Action Not Completed:** DoD OIG awaits a status report on actions taken by DoD management to address the interface issues between the Invoice, Receipt, Acceptance, and Property Transfer system and the Defense Enrollment Eligibility Reporting System that prevented automatic de-activation of system users who leave the command.

### Principal Action Office: Navy

- **Report:** DODIG-2016-064, Other Defense Organizations and Defense Finance and Accounting Service Controls Over High-Risk Transactions Were Not Effective, 3/28/2016
- **Description of Action:** The DoD Deputy Chief Financial Officer and Deputy Chief Management Officer, through the Financial Improvement Audit Readiness Governance Board, will: 1) review the strategy's implementation plan to track progress and assist with addressing implementation challenges; and 2) develop a supplemental memorandum of agreement to further define specific roles and responsibilities, audit response, internal controls, performance metrics, and quality assurance plans.

- Reason Action Not Completed: Corrective actions are still ongoing.
- **Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Assistant Secretary of Defense for Health Affairs
- **Report:** DODIG-2016-066, Improvements Could Be Made in Reconciling Other Defense Organizations' Civilian Pay to the General Ledger, 3/25/2016
- **Description of Action:** Develop a formal plan to reconcile civilian pay records or review reconciliations for the remaining 14 Other Defense Organizations. Revise existing standard operating procedures to clearly describe the civilian pay reconciliation process. Also, centralize the Other Defense Organizations' civilian pay reconciliation process.
- Reason Action Not Completed: Long-term corrective actions are ongoing.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** DODIG-2016-079, Delinquent Medical Service Accounts at Landstuhl Regional Medical Center Need Additional Management Oversight, 4/28/2016
- **Description of Action:** Review, research, and pursue collection on the delinquent medical service accounts that remain open.
- **Reason Action Not Completed:** Defense Health Agency and U.S. Army Medical Command are working together to develop a plan to review and process the delinquent medical service accounts debt.
- Principal Action Office: Army
- **Report:** DODIG-2016-080, Army's Management of Gray Eagle Spare Parts Needs Improvement, 4/29/2016
- **Description of Action:** Use existing Defense Logistics Agency inventory, when possible, before purchasing spare parts from the contractor.
- **Reason Action Not Completed:** Waiting to receive evidence that shows the realized cost-savings of purchasing spare parts from the Defense Logistics Agency inventory rather than from the contractor.
- Principal Action Office: Army

**Report:** DODIG-2016-081, Evaluation of U.S. Intelligence and Information Sharing with Coalition Partners in Support of Operation Inherent Resolve, 4/25/2016

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Under Secretary of Defense for Policy

**Report:** DODIG-2016-086, DoD Met Most Requirements of the Improper Payments Elimination and Recovery Act in FY 2015, but Improper Payment Estimates Were Unreliable, 5/3/2016

- **Description of Action:** Coordinate with all reporting activities to determine the source of all disbursed obligations and whether they are subject to improper payment reporting requirements.
- **Reason Action Not Completed:** DoD OIG is waiting to receive evidence that confirms the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD has determined the source of all disbursed obligations and determined whether those disbursements are subject to improper payment reporting requirements.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** DODIG-2016-087, Air Force Civil Engineer Center Management of Energy Savings Performance Contracts Needs Improvement, 5/4/2016
- **Description of Action:** Validate Joint Base Charleston energy savings performance contract savings achieved for performance years 2 through 8 as statutorily mandated, and recommend the contracting officer take appropriate contractual action, such as recovering unrealized guaranteed energy savings or buying out the remaining portion of the contract.
- **Reason Action Not Completed:** Waiting to receive evidence that the Air Force reviewed and validated the yearly contractor claimed energy savings stated in the annual measurement and verification reports.

#### Principal Action Office: Air Force

- **Report:** DODIG-2016-091, Evaluation of the Accuracy of Data in the DoD Contract Audit Follow-Up System, 5/13/2016
- **Description of Action:** Revise agency procedures and internal controls to include the "Qualifications or Unresolved Cost" data field in the Defense Contract Audit Agency monthly report list of reportable audits.
- Reason Action Not Completed: Corrective actions are still ongoing.
- Principal Action Office: Defense Contract Audit Agency

**Report:** DODIG-2016-094, Audit of the DoD Healthcare Management System Modernization Program, 5/31/2016

**Description of Action:** Perform a schedule analysis to determine whether the December 2016 initial operational capability deadline is achievable.

**Reason Action Not Completed:** The Program Executive Officer for Defense Healthcare Management Systems has not provided sufficient documentation to support their statement that the DoD Healthcare Management System Modernization program achieved the initial operational capability deadline.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2016-098, Evaluation of Foreign Officer Involvement at the United States Special Operations Command, 6/15/2016

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Under Secretary of Defense for Policy

**Report:** DODIG-2016-103, Improvements Needed in Managing Army Suspense Accounts, 6/27/2016

- **Description of Action:** Determine and obtain approval to establish special and deposit fund accounts that will replace account 3875.002 and revise the DoD Financial Management Regulation to reflect the changes in how the special fund and deposit fund accounts are to be used.
- **Reason Action Not Completed:** Waiting for the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, to provide accounting policies esablishing new fund accounts to move three of the five revenue accounts from suspense account 3875.002. Also, requests to establish special fund accounts for the remaining two revenue accounts are being routed to the Office of Management and Budget for approval.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** DODIG-2016-104, Improvements Needed in Managing Department of the Navy Suspense Accounts, 6/30/2016
- **Description of Action:** Ensure revenue activities related to the Department of the Navy recycling, agricultural leasing, forestry, and trademark program transactions are properly recorded and presented in appropriate Treasury accounts.

**Reason Action Not Completed:** Corrective actions are ongoing to draft a directive memorandum and establish a strategy to properly execute programs within Operations and Maintenance appropriations.

Principal Action Office: Navy

**Report:** DODIG-2016-107, Advanced Arresting Gear Program Exceeded Cost and Schedule Baselines, 7/5/2016

- **Description of Action:** Perform cost-benefit analyses to determine whether the Advanced Arresting Gear Program is an affordable solution for Navy aircraft carriers before deciding to go forward with the system on future aircraft carriers.
- **Reason Action Not Completed:** Navy has not provided the approved Acquisition Decision Memorandum to substantiate implementation of recommendation.

### Principal Action Office: Navy

**Report:** DODIG-2016-108, Army Needs Greater Emphasis on Inventory Valuation, 7/12/2016

- **Description of Action:** Establish policies and procedures focused on computing inventory valuation at moving average cost (MAC), including monitoring MAC values for National Item Identification Numbers at plants and making supported corrections of MAC values.
- **Reason Action Not Completed:** DoD OIG awaits evidence that supports the incorporation of procedures focused on computing inventory valuation at moving average cost (MAC), monitoring MAC values, and making supported corrections of MAC values.

Principal Action Office: Army

- **Report:** DODIG-2016-114, Actions Needed to Improve Reporting of Marine Corps, Navy, and Air Force Operating Materials and Supplies, 7/26/2016
- **Description of Action:** Develop a plan to perform complete, quarterly reconciliations of Army-held Operating Materials and Supplies-Ammunition using the Combat Ammunition System once it is capable of receiving transaction-level data from the Army.
- **Reason Action Not Completed:** The replacement Accountable Property System of Record is undergoing user acceptance testing and has been delayed.

Principal Action Office: Air Force

**Report:** DODIG-2016-116, Navy Needs to Establish Effective Metrics to Achieve Desired Outcomes for SPY-1 Radar Sustainment, 8/1/2016

- **Description of Action:** Consult and establish an agreement with Advanced Traceability and Control and the operational commands when reevaluating the SPY-1 radar's product support strategy and designing the performance metrics included in future performance-based logistics contracts.
- **Reason Action Not Completed:** Naval Supply Systems Command Weapons Systems Support has not provided documentation to support it has validated that Advanced Traceability and Control delivery times are factored into the delivery metrics incorporated into the performance-based logistics contracts.

### Principal Action Office: Navy

**Report:** DODIG-2016-120, Joint Improvised-Threat Defeat Agency Needs to Improve Assessment and Documentation of Counter-Improvised Explosive Device Initiatives, 8/9/2016

- **Description of Action:** Conduct a review to ensure the Checkpoint database includes supporting documentation for each initiative at each management decision point.
- **Reason Action Not Completed:** DoD OIG is waiting for Joint Staff review results and evidence to support that the Checkpoint database includes supporting documentation for each initiative at each management decision point.

Principal Action Office: Joint Chiefs of Staff

- **Report:** DODIG-2016-125, Evaluation of the DoD Nuclear Enterprise Governance, 9/19/2016
- **Description of Action:** Update and reissue the Joint Nuclear Operations Doctrine.
- **Reason Action Not Completed:** Awaiting the issuance of revised Joint Publication 3-72.
- Principal Action Office: Joint Chiefs of Staff

**Report:** DODIG-2016-126, Improvements Needed In Managing the Other Defense Organizations' Suspense Accounts, 8/25/2016

**Description of Action:** Revise the DoD Financial Management Regulation so that it is consistent with the Treasury Financial Manual and Office of Management and Budget guidance, and instructs agencies on how to properly account for revenue-generating, Thrift Savings Plan, and tax transactions.

- **Reason Action Not Completed:** Extensive revisions to the DoD Financial Management Regulation are required.
- **Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Defense Finance and Accounting Service
- **Report:** DODIG-2016-130, The Navy Needs More Comprehensive Guidance for Evaluating and Supporting Cost-Effectiveness of Large-Scale Renewable Energy Projects, 8/25/2016
- **Description of Action:** Develop guidance to include the Navy's best practices for assessing the cost-effectiveness of large-scale renewable energy projects financed through third parties in the U.S. Pacific Command area of responsibility, and develop a timeline and establish parameters for the post hoc review of existing large-scale renewable energy projects.
- **Reason Action Not Completed:** Waiting for the Navy to provide documentation to show guidance aligning with DoD Instruction 4170.11, and that new guidance for future execution of large-scale renewable energy projects has been issued.

Principal Action Office: Navy

**Report:** DODIG-2016-133, Evaluation of Integrated Tactical Warning/Attack Assessment Ground-Based Radars, 9/8/2016

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

**Report:** DODIG-2017-002, Consolidation Needed for Procurements of DoD H-60 Helicopter Spare Parts, 10/12/2016

- **Description of Action:** Perform a cost-benefit analysis to determine whether the procurement responsibility for all H-60 spare parts, including those procured under performance-based logistics and contractor logistics support contracts, should be transferred to the Defense Logistics Agency, as originally required by Base Realignment and Closure Act 2005 Recommendation 176.
- **Reason Action Not Completed:** Awaiting finalized cost benefit analysis study results.
- Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment
- **Report:** DODIG-2017-004, Summary Report-Inspections of DoD Facilities and Military Housing and Audits of Base Operations and Support Services Contracts, 10/14/2016
- **Description of Action:** Establish a permanent policy for the sustainment of facilities, including standardized facility inspections. This policy should incorporate the requirements in the September 10, 2013, "Standardizing Facility Condition Assessments," and in the April 29, 2014, "Facility Sustainment and Recapitalization Policy," memorandums. Perform at least two comprehensive, independent inspections of installations to verify compliance with all applicable health and safety requirements.
- **Reason Action Not Completed:** The DoD has not incorporated two previously issued policy memorandums into permanent DoD policy to address systemic problems with facility maintenance across the DoD. Also, the Army and Air Force have not provided evidence to support they are performing comprehensive, independent inspections of at least two installations each year.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army, Air Force

**Report:** DODIG-2017-014, Acquisition of the Navy Surface Mine Countermeasure Unmanned Undersea Vehicle (Knifefish) Needs Improvement, 11/8/2016

- **Description of Action:** Develop capability requirements in the Knifefish capability production document relating to communication interface and launch and recovery operations between the Knifefish system and the Littoral Combat Ship, unless the Knifefish is no longer required.
- **Reason Action Not Completed:** Capability production document is being developed.

### Principal Action Office: Navy

**Report:** DODIG-2017-015, Application Level General Controls for the Defense Cash Accountability System Need Improvement, 11/10/2016

**Description of Action:** Develop and implement procedures that require information system security officers to comply with certification requirements at an organizational level consistent with those established in DoD Manual 8570.01-M, "Information Assurance Workforce Improvement Program."

- **Reason Action Not Completed:** Business Enterprise Information Services Office personnel have not provided evidence to support that information system security officers obtained the applicable DoD-required certifications.
- Principal Action Office: Defense Finance and Accounting Service
- **Report:** DODIG-2017-019, Improvements Needed in Managing Air Force Suspense Accounts, 11/10/2016
- **Description of Action:** Revise the DoD Financial Management Regulation to account for revenue-generating programs, Uniformed Services Thrift Savings Plan contributions, and payroll tax withholdings.
- **Reason Action Not Completed:** The impacted chapters of the DoD Financial Management Regulation are the responsibility of the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, therefore, once solutions are identified, the Defense Finance and Accounting Service will work with the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, to update the DoD Financial Management Regulation.
- **Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Defense Finance and Accounting Service
- **Report:** DODIG-2017-030, U.S. Special Operations Command Needs to Improve Management of Sensitive Equipment, 12/12/2016
- **Description of Action:** Update U.S. Special Operations Command (USSOCOM) guidance to include specific procedures for establishing sensitive equipment accountability. Also, conduct a 100-percent inventory of sensitive equipment to establish a sensitive equipment baseline and reconcile inventory discrepancies.
- Reason Action Not Completed: Revision of USSOCOM Directive 700-2, "Special Operations Major Force Program-11 Material Management," and USSOCOM Directive 700-33, "Supply Chain Reports and Metrics," is still ongoing. USSOCOM continues working to implement the Defense Property Accountability System warehouse module to account for all wholesale level inventory. USSOCOM has initiated planning for the implementation of the 100-percent baseline inventory to ensure only those inventory items that are physically

on hand are captured and input into the Inventory Accountable Property System of Record in the Defense Property Accountability System.

Principal Action Office: U.S. Special Operations Command

**Report:** DODIG-2017-033, Assessment of U.S. and Coalition Efforts to Train, Advise, Assist, and Equip the Kurdish Security Forces in Iraq, 12/14/2016

- **Description of Action:** Conduct periodic reviews to monitor readiness and take necessary actions to maintain acceptable readiness for the Kurdish Security Forces brigade sets.
- **Reason Action Not Completed:** DoD management has taken action to address the recommendation and provided supporting documentation to the DoD OIG that is currently under review.

Principal Action Office: U.S. Central Command

**Report:** DODIG-2017-038, Assessment of Warriors in Transition Program Oversight, 12/31/2016

- **Description of Action:** Revise DoD Instruction 1300.24, "Recovery Coordination Program," to delineate the Office of Warrior Care Policy's role in providing Recovery Coordination Program oversight reports to effectively monitor program performance and promote accountability.
- **Reason Action Not Completed:** The Office of the Deputy Assistant Secretary of Defense for Health Services Policy and Oversight continues to work on updating DoD Instruction 1300.24.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness

**Report:** DODIG-2017-043, Management of Excess Material in the Navy's Real-Time Reutilization Asset Management Facilities Needs Improvement, 1/23/2017

Description of Action: The Commander, Chief of Naval Operations will develop policy in coordination with the U.S. Fleet Forces Command, U.S. Pacific Fleet, and the Navy's Systems Commands to develop and implement retention and disposition guidance for excess consumable material in the Real-Time Reutilization Asset Management facilities. The new guidance will include, at a minimum, standardized procedures for retaining material based on demand, validating material for continued need if the retention decision is not based on demand, and properly categorizing material. This guidance will be included in Chief of Naval Operations Instruction 4440.26A, "Operating Materials and Supplies and Government Furnished Material Management."

**Reason Action Not Completed:** DoD OIG has not received evidence that Chief of Naval Operations Instruction 4440.26A has been revised to include appropriate retention and disposition guidance for excess consumable material in the Real-Time Reutilization Asset Management facilities.

Principal Action Office: Navy

- **Report:** DODIG-2017-045, Medical Service Accounts at U.S. Army Medical Command Need Additional Management Oversight, 1/27/2017
- **Description of Action:** Review uncollectible medical service accounts to ensure all collection efforts have been exhausted.
- **Reason Action Not Completed:** Defense Health Agency and U.S. Army Medical Command are working together to develop a plan to review and process the delinquent medical service accounts debt.

Principal Action Office: Army

**Report:** DODIG-2017-049, Unclassified Report of Investigation on Allegations Relating to U.S. Central Command Intelligence Products, 1/31/2017

- **Description of Action:** Update Joint Publication 2-0 to bring it into compliance with the 2015 version of Intelligence Community Directive 203. The Expressions of Uncertainties in Appendix A and Figure A-1 should match Intelligence Community Directive 203's expressions of likelihood or probability (Para D.6.e.(2)(a)).
- **Reason Action Not Completed:** Awaiting issuance of Joint Publication 2-0.

Principal Action Office: Joint Chiefs of Staff

**Report:** DODIG-2017-055, Evaluation of Defense Contract Management Agency Contracting Officer Actions on Defense Contract Audit Agency Incurred Cost Audit Reports, 2/9/2017

**Description of Action:** Take appropriate action on the Defense Contract Audit Agency reported questioned direct costs, and document the action in a post-negotiation memorandum, as DoD Instruction 7640.02 requires.

- **Reason Action Not Completed:** DoD OIG is conducting a followup review to determination implementation of corrective actions.
- Principal Action Office: Defense Contract Management Agency

**Report:** DODIG-2017-057, Army Officials Need to Improve the Management of Relocatable Buildings, 2/16/2017

- **Description of Action:** Revise Army Regulation 420-1 to align the Army's definition of relocatable buildings to the definition in DoD Instruction 4165.5 6, "Relocatable Buildings," which would eliminate the requirement for analysis of the disassembly, repackaging, and nonrecoverable costs of relocatable buildings. Develop additional policy for circumstances in which requirements would dictate that relocatable buildings are appropriate, instead of modular facilities or other minor construction. Convert six non-relocatable buildings identified in the DoD OIG final report from relocatable to real property at Joint Base Lewis-McChord, Washington.
- **Reason Action Not Completed:** Corrective actions are still ongoing to update Army Regulation 420-1 to align the Army's definition of relocatable buildings. Reclassification of the six relocatable buildings as real property will be performed once the Army issues the updated relocatable policy.

Principal Action Office: Army

**Report:** DODIG-2017-060, Defense Commissary Agency Purchases of Fresh Produce in Guam, 2/28/2017

- **Description of Action:** Re-evaluate transportation options to address the price increase of bagged salad at the Guam commissaries. Also revise Defense Commissary Agency Directive 40-4 to require the documentation of quality reviews on fresh produce in the Pacific.
- Reason Action Not Completed: Corrective actions are ongoing.
- Principal Action Office: Defense Commissary Agency

**Report:** DODIG-2017-061, Evaluation of the National Security Agency Counterterrorism Tasking Process Involving Second Party Partners, 3/1/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: National Security Agency

**Report:** DODIG-2017-063, Surface Electronic Warfare Improvement Program, 3/13/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Navy

**Report:** DODIG-2017-067, Navy Inaccurately Reported Costs for Operation Freedom's Sentinel in the Cost of War Reports, 3/16/2017

- **Description of Action:** Develop and implement standard operating procedures that cover end-to-end Cost of War reporting processes. These standard operating procedures should include, at a minimum, procedures for the receipt, review, and reporting of obligations and disbursements for Operation Freedom's Sentinel to ensure costs are accurately reflected in the Cost of War reports.
- **Reason Action Not Completed:** The DoD OIG has not received evidence that the Navy has updated their standard operating procedures.

Principal Action Office: Navy

- **Report:** DODIG-2017-069, Ineffective Fund Balance With Treasury Reconciliation Process for Army General Fund, 3/23/2017
- **Description of Action:** Review system issues and identify system changes necessary to resolve differences between Army and Treasury records. Review posting logic for all transaction types and prepare system changes as needed.
- **Reason Action Not Completed:** Long term corrective actions are still ongoing to implement system changes to standardize data and document system posting logic. Estimated completion is fourth quarter FY 2022.
- Principal Action Office: Army, Defense Finance and Accounting Service

**Report:** DODIG-2017-070, Evaluation of the National Airborne Operations Center Mission Sustainment and Modernization, 3/23/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

- **Report:** DODIG-2017-075, The Army Needs to More Effectively Prepare for Production of the Common Infrared Countermeasure System, 4/26/2017
- **Description of Action:** Revise the capability development document for the Common Infrared Countermeasure system to clarify that the requirements developer and the acquisition milestone decision authority must have concurrence from the Joint Requirements Oversight Council, as validation authority, before lowering threshold (minimum) values of any primary system requirement.
- **Reason Action Not Completed:** DoD OIG followup review to verify the implementation of corrective actions is ongoing.
- Principal Action Office: Joint Chiefs of Staff

**Report:** DODIG-2017-078, The DoD Did Not Comply With the Improper Payment Elimination and Recovery Act in FY 2016, 5/8/2017

- **Description of Action:** Coordinate with the DoD Improper Payments Elimination and Recovery Act reporting components to verify that all payments are assessed for the risk of improper payments or are reporting estimated improper payments, and to report consistent, accurate, complete, and statistically valid improper payment estimates in compliance with all Improper Payments Elimination and Recovery Act and Office of Management and Budget requirements.
- **Reason Action Not Completed:** DoD OIG is waiting to receive evidence that the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD has reported all programs by either estimates or completed risk assessment.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** DODIG-2017-087, U.S.-Controlled and-Occupied Military Facilities Inspection-Camp Lemonnier, Djibouti, 6/2/2017

**Description of Action:** Conduct a root cause analysis and implement a corrective action plan for all electrical deficiencies identified in this report. Ensure that all facility operations and maintenance comply with Unified Facilities Criteria and National Fire Protection Association standards. Provide the DoD OIG a copy of the analysis and corrective action plan within 90 days of the issuance of this report. **Reason Action Not Completed:** Corrective actions are ongoing to correct all electrical deficiencies identified in the DoD OIG report.

Principal Action Office: Navy

- **Report:** DODIG-2017-090, The Army Needs to Improve Controls Over Chemical Surety Materials, 6/7/2017
- **Description of Action:** Revise DoD Instruction 5210.65 to define acceptable inventory practices and to provide guidance on appropriate segregation of duties.
- **Reason Action Not Completed:** Draft DoD Instruction 5210.65 is undergoing a DoD Office of General Counsel legal sufficiency review.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2017-092, Audit of the Defense Contract Audit Agency Field Detachment, 6/14/2017

- Description of Action: Conduct a risk assessment on the missing Defense Contract Audit Agency security incident information and work with the Defense Contract Audit Agency Security Officer to prioritize security vulnerabilities for remediation and establish timelines for completion. Additionally, Defense Contract Audit Agency establish and implement a process for annual planning and coordination with customer program security officers and Field Detachment supervisors to identify classified and special access programs.
- Reason Action Not Completed: Long-term corrective actions are ongoing.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Defense Contract Audit Agency

**Report:** DODIG-2017-093, Control Systems Supporting Tier I Task Critical Assets Lacked Basic Cybersecurity Controls, 6/15/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

**Report:** DODIG-2017-094, Audit of Air Force Munitions Requirements and Storage Facilities in the Republic of Korea, 6/26/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

- **Report:** DODIG-2017-095, U.S. Army's Management of the Heavy Lift VII Commercial Transportation Contract Requirements in the Middle East, 6/26/2017
- **Description of Action:** Implement a systemic process for collecting Heavy Lift asset usage and establish a consistent schedule for analyzing usage information in order to use quantitative and qualitative factors when forecasting requirement quantities on future task orders. Update requirement review process standard operating procedures to ensure requirements packages that are submitted to the review boards include all information necessary for the validation authority to make an informed decision.
- **Reason Action Not Completed:** DoD OIG is conducting a followup review to determination implementation of corrective actions.

#### Principal Action Office: Army

- **Report:** DODIG-2017-099, Evaluation of Department of Defense Efforts to Build Counterterrorism and Stability Operations Capacity of Foreign Military Forces with Section 1206/2282 Funding, 7/21/2017
- **Description of Action:** Ensure that DoD Components responsible for implementing 10 U.S.C. § 2282 comply with DoD security cooperation directives and procedures for documenting and retaining records pursuant to that authority.
- Reason Action Not Completed: Corrective actions are ongoing.
- Principal Action Office: Defense Security Cooperation Agency
- **Report:** DODIG-2017-105, Evaluation of U.S. and Coalition Efforts to Enable the Afghan Ministry of Defense to Develop Its Oversight and Internal Control Capability, 8/4/2017
- **Description of Action:** Update the Ministerial Internal Control Program advisory training to ensure that U.S. and Coalition advisors for the Ministry of Defense, Afghan National Army Corps, and subordinate commands can train, advise, and assist in the development and implementation of the Ministerial Internal Control Program.
- **Reason Action Not Completed:** U.S. Central Command has not provided evidence of pre-deployment training plans for the Army and Defense Security Cooperation Agency.
- Principal Action Office: U.S. Central Command

**Report:** DODIG-2017-106, Evaluation of the Air Force and Navy Explosive Ordnance Disposal Capabilities to Respond to a Nuclear Weapon Accident or Incident, 7/28/2017

Description of Action: Report is classified.

- Reason Action Not Completed: Report is classified.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment; Joint Chiefs of Staff; Navy, Air Force
- **Report:** DODIG-2017-107, Followup Audit: U.S. Naval Academy Museum Management of Heritage Assets, 8/7/2017
- **Description of Action:** Complete a baseline inventory of all U.S. Naval Academy Museum assets and document the inventory results. Prepare and complete a transfer agreement for any artifacts that were physically transferred to the Smithsonian Museum. If the artifacts are not permanently transferred, then these artifacts should be recorded as loaned items in the U.S. Naval Academy Museum inventory.
- **Reason Action Not Completed:** Full reconciliation of Found-in-Collection artifacts will not be completed until the baseline inventory is complete.

#### Principal Action Office: Navy

- **Report:** DODIG-2017-108, United States Transportation Command Triannual Reviews, 8/9/2017
- **Description of Action:** Develop and implement procedures to execute triannual reviews in accordance with DoD Financial Management Regulation, volume 3, chapter 8. Processes and procedure requirements, at a minimum, should include detailed review requirements to ensure that each commitment, obligation, account payable, unfilled customer order, and account receivable is properly recorded in the general ledger, and ensure reports are prepared for submission in the DoD standard format and contain the valid, accurate, and complete status of each fund balance. Additionally, the processes and procedures should identify staff positions responsible for executing proper triannual reviews.
- **Reason Action Not Completed:** Corrective actions are ongoing to develop and implement processes and procedures to execute triannual reviews as recommended.

Principal Action Office: U.S. Transportation Command

- **Report:** DODIG-2017-114, Documentation to Support Costs for Army Working Capital Fund Inventory Valuation, 8/24/2017
- **Description of Action:** Develop a process to maintain credit values given for returns for credit and unserviceable credit transactions.
- **Reason Action Not Completed:** Waiting to receive evidence that Army policy on maintaining credit values has been developed and implemented within the Army Materiel Command.

Principal Action Office: Army

**Report:** DODIG-2017-121, U.S. Africa Command's Management of Acquisition and Cross-Servicing Agreements, 9/21/2017

- **Description of Action:** Review the current implementation and execution of the Acquisition and Cross-Servicing Agreement program and update DoD Directive 2010.9, "Acquisition and Cross-Servicing Agreements," November 24, 2003. Develop a training program for the implementation of the Acquisition and Cross-Servicing Agreement program and execution of Acquisition and Cross-Servicing Agreement authorities.
- **Reason Action Not Completed:** Pending final approval of a congressionally mandated organizational restructuring plan.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Navy

**Report:** DODIG-2017-123, The Troops-to-Teachers Program, 9/28/2017

- **Description of Action:** Develop and implement policies to define Troops-to-Teachers program requirements for participant eligibility, and implement, manage, and oversee the Troops-to-Teachers grant program to ensure the planned way forward complies with regulations. Develop procedures for reviewing participant applications that align with newly developed Troops-to-Teachers policy and provide training for all Government and contract employees working with the Troops-to-Teachers program after new policy and procedures are created.
- **Reason Action Not Completed:** Long-term corrective actions are on schedule. The Office of the Assistant Secretary of Defense for Readiness, Force Education and Training, Voluntary Education has begun drafting a DoD Instruction to establish policy, assign responsibilities, and prescribe procedures for determining participant eligibility, and to implement,

manage, and oversee grants for the Troops-to-Teachers program in accordance with 10 U.S.C. 1154. The Office of the Under Secretary of Defense for Personnel and Readiness plans to issue interim guidance for implementing the Troops-to-Teachers program.

- Principal Action Office: Under Secretary of Defense for Personnel and Readiness
- **Report:** DODIG-2017-125, Naval Facilities Engineering Command Southwest and Marine Corps Base Camp Pendleton Officials' Use of Utility Energy Service Contracts, 9/28/2017
- **Description of Action:** Direct the Installation Energy Manager of the Marine Corps Base Camp Pendleton Energy Office to develop and implement a process to track realized energy savings for Utility Energy Services Contracts.
- **Reason Action Not Completed:** Corrective actions are ongoing to adopt contracting procedures and energy project guidance that specifically recommends the use of performance assurance plans to guarantee achievement of the annual estimated savings for Utility Energy Services Contracts.

Principal Action Office: Marine Corps

**Report:** DODIG-2018-018, Implementation of the DoD Leahy Law Regarding Allegations of Child Sexual Abuse by Members of the Afghan National Defense and ecurity Forces, 11/16/2017

- **Description of Action:** Establish the specific process by which DoD Leahy Law credible information determinations are made and implement a records management policy for all alleged gross violations of human rights in Afghanistan.
- **Reason Action Not Completed:** Corrective actions are ongoing to issue a clarification memorandum on the application of the DoD Leahy Law in Afghanistan that includes the checklist for the gross violation of human rights credibility determination process.
- Principal Action Office: Under Secretary of Defense for Policy
- **Report:** DODIG-2018-020, DoD Compliance With the Digital Accountability and Transparency Act of 2014, 11/8/2017
- **Description of Action:** Develop Digital Accountability and Transparency Act processes, procedures, and internal controls to ensure compliance with Office of Management and Budget and Department of the Treasury Government-wide data elements.

- **Reason Action Not Completed:** The DoD continues to work with the Office of Management and Budget and the Department of the Treasury to document Government-wide acceptable methods for determining the data used for certain data elements that have been identified for potential security concerns.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** DODIG-2018-021, U.S. Army Corps of Engineers Compliance With the Digital Accountability and Transparency Act of 2014, 11/8/2017
- **Description of Action:** Develop Digital Accountability and Transparency Act processes and procedures for ensuring U.S. Army Corps of Engineers financial data is collected, validated, reconciled, and reported in accordance with Office of Management and Budget Memorandum No. M-17-04.
- **Reason Action Not Completed:** U.S. Army Corps of Engineers continues to work with the Office of Management and Budget to standardize the reporting of program activity codes and program activity titles. This process will include requesting that the Office of Management and Budget provide clarification regarding OMB Memorandum No. M-17-04, relative to the authoritative source to validate program activity codes and titles for specific fiscal year transactions.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
- **Report:** DODIG-2018-025, Defense Hotline Allegations on the Surface Electronic Warfare Improvement Program Block 3 Costs, 11/9/2017
- **Description of Action:** Establish an approved Engineering and Manufacturing Development phase cost baseline estimate to consistently measure and control costs for Surface Electronic Warfare Improvement Program Block 3 and verify that Northrop Grumman adequately meets the established Engineering and Manufacturing Development phase baseline estimate to minimize existing or future problems.
- **Reason Action Not Completed:** Coordination and approval of the Engineering and Manufacturing Development phase baseline is ongoing.

### Principal Action Office: Navy

- **Report:** DODIG-2018-029, Follow-up Audit: Basic Expeditionary Airfield Resources Support and Repair Spare Kits, 11/16/2017
- **Description of Action:** Revise Air Force Instruction 25-101 to add a process to reconcile Basic Expeditionary Airfield Resources and repair spare part kit inventories with requirements.
- **Reason Action Not Completed:** Air Force Guidance Memorandum 2019-01 to Air Force Instruction 25-101 does not include a process for reconciling Basic Expeditionary Airfield Resources support and repair spare kit-on-hand inventories with authorizatoins and requirements.

#### Principal Action Office: Air Force

- **Report:** DODIG-2018-035, Evaluation of Fingerprint Card and Final Disposition Report Submissions by Military Service Law Enforcement Organizations, 12/4/2017
- **Description of Action:** Submit automated data regarding felony convictions, including drug offenders and convicted domestic violence offenders; actively reviewing data; submitting final disposition reports; and assisting affected Army commands to identify and address resourcing needs for submission of automated fingerprint cards through LiveScan technology. Develop a "Fingerprint Verification Plan" to correct previous fingerprint submission deficiencies and to prevent future submission failures. Also, review all Air Force Office of Special Investigations criminal investigative databases and files to ensure all fingerprint cards and final disposition reports for anyone investigated for, or convicted of, qualifying offenses untile at least 1998 have been reported to the Federal Bureau of Investigation Criminal Justice Information Services in compliance with DoD and Federal Bureau of Investigation requirements.
- **Reason Action Not Completed:** Waiting for a status update from the Services on corrective actions taken to address agreed upon recommendations.
- Principal Action Office: Army, Air Force, Navy, Marine Corps, and Defense Criminal Investigative Service
- **Report:** DODIG-2018-036, DoD's Response to the Patient Safety Elements in the 2014 Military Health System Review, 12/14/2017
- **Description of Action:** Evaluate the Madigan Army Medical Center's Patient Safety Indicator #90 performance after the new Patient Safety Indicator #90 measures and benchmarks are available to determine

if the facility is outperforming, performing the same as, or underperforming compared to other healthcare facilities; and take appropriate action to correct all identified deficiencies.

- Reason Action Not Completed: Corrective actions are ongoing to provide a final evaluation of Madigan Army Medical Center against the new Patient Safety Indicator (PSI) #90 measures and discuss all identified deficiencies and corrective actions applied and planned to correct these deficiencies.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness, Army

**Report:** DODIG-2018-037, Evaluation of the Long Range Strike-Bomber Program Security Controls, 12/1/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

- **Report:** DODIG-2018-041, The Defense Finance and Accounting Service Financial Reporting Process for Other Defense Organizations' General Funds, 12/15/2017
- **Description of Action:** Manage the development of a universe of Other Defense Organizations' General Fund transactions through a Universe of Transactions database, monitor the status of the open recommendation and, when appropriate, expedite the implementation of the last phase of the Department 97 Reconciliation and Reporting Tool and develop milestones for its implementation.
- **Reason Action Not Completed:** Resolution of agreed-upon corrective actions to implement recommendation remains ongoing.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer

**Report:** DODIG-2018-042, Evaluation of Army Recovered Chemical Warfare Materiel Response Actions, 12/14/2017

**Description of Action:** Issue policy to replace the Army Interim Guidance and direct the Commander of the U.S. Army Corps of Engineers to update Engineering Pamphlet 75-1-3 to comply with Army Regulation 25-30.

**Reason Action Not Completed:** Awaiting issuance of DoD Manual 5101.17 and Army Corps of Engineers update to Engineering Pamphlet 75-1-3.

Principal Action Office: Army

**Report:** DODIG-2018-047, Follow-up to Under Secretary of Defense for Intelligence Evaluation, 12/18/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

**Report:** DODIG-2018-050, Naval Facilities Engineering Command Administration of Selected Energy Savings Performance Contracts, 12/19/2017

- **Description of Action:** Require oversight of the energy savings performance contracts by developing quality assurance surveillance plans tailored to the specific energy conservation measures in energy savings performance contracts, and monitor energy savings performance contract programs to ensure consistent award and administration throughout the DoD.
- **Reason Action Not Completed:** The Office of the Deputy Assistant Secretary of Defense for Energy is finalizing its Oversight of Third-Party Financed Energy Projects guidance, which will direct DoD Components to strengthen post-award oversight of third party-financed energy projects, particularly measurement and verification and performance assurance programs and processes.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2018-052, The Army Demilitarization Program, 12/19/2017

- **Description of Action:** Office of the Assistant Secretary of the Army (Financial Management and Comptroller) works with the Army Materiel Command and Joint Munitions Command to review the current disposal estimation methodology, make improvements as needed, and disclose a supported estimate in the year-end Fiscal Year 2018 financial statements and related notes.
- **Reason Action Not Completed:** Pending development of procedures to annually determine a reasonable and supportable estimate for the cost to dispose of the demilitarization stockpile and report the associated liability in the Army General Fund Financial Statements and related notes.

Principal Action Office: Army

**Report:** DODIG-2018-057, The [Redacted] Financial Statement Compilation Adjustments and Information Technology Corrective Action Plan Validation Process, 1/27/2017

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

- **Report:** DODIG-2018-058, Progress of U.S. and Coalition Efforts to Train, Advise, and Assist the Afghan Air Force, 1/4/2018
- **Description of Action:** Coordinate with Combined Security Transition Assistance Command-Afghanistan to modify aircraft Contractor Logistics Support agreements to put more emphasis on building Afghan aircraft maintenance capability, increasing the Afghan responsibility for daily aircraft maintenance, and identifying transition criteria for Afghan-led maintenance within the Afghan Air Force.
- **Reason Action Not Completed:** No action has been taken in updating and modifying aircraft contractor logistics support to identifying transition criteria, as well as a list of identified contract modifications necessary to facilitate the transition from contractor logistics support.

Principal Action Office: U.S. Central Command

**Report:** DODIG-2018-063, Navy and Marine Corps Management of Relocatable Buildings, 1/29/2018

- **Description of Action:** Update DoD Instruction 4165.56, "Relocatable Buildings," to include details and illustrated examples on how to properly classify relocatable buildings based on the definition and interim facility requirement. Revise Marine Corps Order 11000.12, Appendix G, Marine Corps Headquarters GF-6 Real Estate and Real Property Accountability Handbook, and Chief of Naval Operations Instruction 11010.33C to reflect updates made to DoD Instruction 4165.56 and train Department of Public Works personnel on the proper classification of relocatable buildings.
- Reason Action Not Completed: Update of DoD Instruction 4165.56 is ongoing.
- Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, Navy, Marine Corps

**Report:** DODIG-2018-069, Navy's Single-Award Indefinite-Delivery Indefinite-Quantity Contracts, 2/1/2018

- **Description of Action:** Provide updated instructions to the workforce, through training or updated guidance, on any areas requiring clarification to ensure the application of Federal and DoD requirements. The updated instructions should clearly define what information must be in the determination and findings document to ensure that the stand-alone document fully supports a single-award determination, and the processes used to report a determination and findings document to Congress and Defense Procurement and Acquisition Policy.
- Reason Action Not Completed: Corrective actions are ongoing to create a Navy-Marine Corps Acquisition Regulations Supplement annex detailing Navy procedures to report a determination and findings document.
- Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, Navy
- **Report:** DODIG-2018-070, Summary Report of DoD Compliance With the Berry Amendment and the Buy American Act, 2/6/2018
- **Description of Action:** Update guidance to re-emphasize the requirement to incorporate and enforce the Berry Amendment and the Buy American Act provisions and clauses in applicable solicitations and contracts; Defense Financial Acquisition Regulation Supplement requirements regarding exceptions to the Berry Amendment; and that the various electronic contract writing systems used by the Military Services and Defense Logistics Agency should incorporate the requirements of the Berry Amendment and the Buy American Act, such as including clauses and posting award and exceptions notices, into their electronic systems.
- Reason Action Not Completed: DoD OIG has not received evidence that demonstrates the Director, Defense Pricing/Defense Procurement and Acquisition Policy provided additional guidance and information to DoD contracting personnel on procuring items subject to the Berry Amendment and the Buy American Act.
- Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment

- **Report:** DODIG-2018-072, Defense Commissary Agency's Purchases of Fresh Produce for Japan and South Korea, 2/12/2018
- **Description of Action:** Conduct a business case analysis or detailed market research on the current Pacific fresh produce purchase process to identify potential opportunities to lower fresh produce prices and to improve produce quality for customers.
- **Reason Action Not Completed:** Awaiting receipt of business case analysis or detailed market research on the current Pacific fresh produce purchase process.
- Principal Action Office: Defense Commissary Agency
- **Report:** DODIG-2018-074, The U.S. Navy's Oversight and Administration of the Base Support Contracts in Bahrain, 2/13/2018
- **Description of Action:** Perform a joint inspection of all government-furnished property (GFP) with the Base Operating Support Services contractor and perform annual reconciliations over the life of the contract. Incorporate a verified GFP listing into the Isa Air Base, Bahrain contract.
- **Reason Action Not Completed:** Waiting to receive evidence that the administrative contracting officer has appointed a GFP Administrator and Naval Facilities Engineering Command has included the verified GFP listing to the Isa Air Base, Bahrain contract.

Principal Action Office: Navy

**Report:** DODIG-2018-076, Chemical Demilitarization-Assembled Chemical Weapons Alternatives Program, 2/22/2018

- **Description of Action:** Analyze the rework performed at the Pueblo Chemical Agent-Destruction Pilot Plant and the Blue Grass Chemical Agent-Destruction Pilot Plant to determine the cost of additional rework. Also, based on the cost of additional construction rework, either recoup funds paid by the Government or obtain other appropriate consideration.
- Reason Action Not Completed: Corrective actions are ongoing.
- Principal Action Office: Army

**Report:** DODIG-2018-077, Financial Management and Contract Award and Administration for the Armed Forces Retirement Home, 2/21/2018

**Description of Action:** Quantify the impact each major capital project has on the Armed Forces Retirement Home Trust Fund balance and describe the effects

on the resident population of the Armed Forces Retirement Home. In addition, establish a threshold at which it considers a capital project to be a major capital project and require that the Armed Forces Retirement Home detail how the major capital project risks will be isolated, minimized, monitored, and controlled to prevent problems associated with investment cost, schedule, and performance.

**Reason Action Not Completed:** DoD OIG awaits a status update on corrective actions taken to address the agreed upon recommendations.

Principal Action Office: DoD Chief Management Officer

**Report:** DODIG-2018-078, Defense Commissary Agency Oversight of Fresh Produce Contracts in Japan and South Korea, 2/22/2018

- **Description of Action:** Develop policies and procedures defining roles and responsibilities regarding contract quality assurance and surveillance on the Japan and South Korea produce contracts. The policies and procedures should provide guidance on how Defense Commissary Agency personnel should oversee and verify the surveys, and calculate and verify contract fill rates before the information is used for contract performance evaluation.
- **Reason Action Not Completed:** The Defense Commissary Agency has not provided evidence to support that they have developed defined policies and procedures that provide guidance on how Defense Commissary Agency personnel should oversee and conduct the market basket surveys, as well as calculating and verifying contract fill rates.

Principal Action Office: Defense Commissary Agency

**Report:** DODIG-2018-089, Contracting Strategy for F-22 Modernization, 3/21/2018

**Description of Action:** Review DoD Instruction 5000.02, "Operation of the Defense Acquisition System," and relevant acquisition guidance and revise, as necessary, to allow for the implementation of agile software development methods on programs that include both hardware and software. Compile lessons learned from DoD programs implementing agile software development methods to share with other DoD programs.

- **Reason Action Not Completed:** Waiting to receive evidence that the Office of the Under Secretary of Defense for Acquisition and Sustainment has reviewed and revised DoD guidance based on lessons learned and best practices; and has compiled and shared lessons learned with other DoD programs.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2018-090, Summary Report on U.S. Direct Funding Provided to Afghanistan, 3/21/2018

- **Description of Action:** Determine the most effective way to manage and oversee the administration and expenditure of U.S. direct funding to the Afghan Ministry of Defense and Ministry of Interior.
- **Reason Action Not Completed:** Actions are still ongoing to identify and implement a more effective approach.
- Principal Action Office: Under Secretary of Defense for Policy

**Report:** DODIG-2018-092, DoD Emergency Management Programs in the U.S. Africa Command, 3/28/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, Air Force, Navy

- **Report:** DODIG-2018-094, Logical and Physical Access Controls at Missile Defense Agency Contractor Locations, 3/29/2018
- **Description of Action:** Require contract offerors to submit system security plans and plans of action and milestones and use that information to evaluate overall risk to the Missile Defense Agency (MDA) that was introduced by the condition of the offeror's security environment. Periodically assess risk throughout the life cycle of MDA contracts by reviewing Information Management and Control Plan requirements.
- **Reason Action Not Completed:** The MDA has not provided a policy or procedures that describes their process and criterion for assessing risk prior to awarding contracts as well as throughout the life-cycle of contracts. Also, has not provided evidence to support full implementation of the Information Management and Control Plan requirements for all MDA contractual actions involving Ballistic Missile Defense System technical data.

Principal Action Office: Missile Defense Agency

**Report:** DODIG-2018-095, Defense Human Resources Activity Reimbursable Agreements, 3/27/2018

- **Description of Action:** The Defense Human Resources Activity Director agreed to implement its corrective action plans, document Defense Agencies Initiative procedures, and test Defense Agencies Initiatives to ensure corresponding revenue and expense transactions are recorded in the same reporting period, including procedures to reconcile revenue and expense transactions, as required by DoD Regulation 7000.14-R, "DoD Financial Management Regulation," volume 4, chapters 16 and 17. Also, develop and implement a plan to identify and correct all misstated account balances converted from the Defense Business Management System.
- **Reason Action Not Completed:** DoD OIG followup review to verify the implementation of corrective actions is ongoing.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness
- **Report:** DODIG-2018-096, Followup Audit: The Defense Enrollment Eligibility Reporting System Security Posture, 3/30/2018
- **Description of Action:** Establish a centralized procedure for out-processing terminated personnel. Identify and appoint trusted agents responsible for revoking access for out-processing terminated personnel.
- Reason Action Not Completed: Waiting for documentation from the Defense Manpower Data Center to verify the implementation of a centralized process for out-processing personnel and standard operating procedures holding trusted agents accountable for timely removal of employee network access.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness

**Report:** DODIG-2018-097, U.S. European Command Efforts to Integrate Cyberspace Operations Into Contingency Plans, 3/30/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Joint Chiefs of Staff, Under Secretary of Defense for Intelligence and Security **Report:** DODIG-2018-099, Army Internal Controls Over Foreign Currency Accounts and Payments, 3/29/2018

- **Description of Action:** Update the Army accounting systems once the Under Secretary of Defense (Comptroller)/Office of the Deputy Chief Financial Officer, DoD, issues DoD standard general ledger transactions and guidance for recording foreign currency exchange rate gains and losses as required by DoD Regulation 7000.14-R, "DoD Financial Management Regulation," volume 6a, chapter 7. Develop and implement a plan to replace the current Italian Local National Payroll System with a system that meets U.S. Government Federal Financial Management Improvement Act of 1996, section 803(a), and Office of Management and Budget Circular No. A-123 requirements for Federal financial management systems.
- **Reason Action Not Completed:** Pending verification of the updated accounting system to record foreign currency exchange rate gains and losses.

Principal Action Office: Army

**Report:** DODIG-2018-100, U.S. Special Operations Command's Management of Excess Equipment, 3/29/2018

- **Description of Action:** Update U.S. Special Operations Command guidance to include detailed procedures for reporting and updating Special Operations-Peculiar equipment authorizations and allocations in the U.S. Special Operations Command Table of Equipment Distribution and Allowance.
- **Reason Action Not Completed:** Corrective actions to modify and implement new policies and procedures are ongoing.
- **Principal Action Office:** U.S. Special Operations Command

**Report:** DODIG-2018-101, DoD Reporting of Charge Card Misuse to Office of Management and Budget, 4/3/2018

**Description of Action:** Develop quality assurance procedures to evaluate whether the purchase card information received from the Military Services and Defense agencies is accurate and complete. Also, conduct monthly statistically valid samples of reviewed transactions to determine whether accurate conclusions were made on the validity of the transactions and their compliance with applicable criteria.

- **Reason Action Not Completed:** Corrective actions are ongoing to implement quality control procedures and update guidance that identifies the government purchase card data to be provided, and the method of collection and calculation.
- Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2018-107, Expeditionary Fast Transport Capabilities, 4/25/2018

- **Description of Action:** Military Sealift Command assist the Program Executive Office Ships with reviews to identify if the deficiencies on delivered Expeditionary Fast Transport vessels were corrected. If the deficiencies were not corrected, implement a plan to correct the deficiencies on delivered Expeditionary Fast Transports, where appropriate.
- **Reason Action Not Completed:** Waiting for the Military Sealift Command to provide documentation to show reviews were conducted and appropriate corrections were implemented in the delivered fleet.

Principal Action Office: Navy

- **Report:** DODIG-2018-109, Protection of Patient Health Information at Navy and Air Force Military Treatment Facilities, 5/2/2018
- **Description of Action:** Implement appropriate configuration changes to enforce the use of a Common Access Card to access all systems that process, store, and transmit patient health information or obtain a waiver that exempts the systems from using Common Access Cards. Configure passwords for all systems that process, store, and transmit patient health information to meet DoD length and complexity requirements. Also, develop a plan of action and milestones and take appropriate steps to mitigate known network vulnerabilities in a timely manner, and develop and maintain standard operating procedures for granting access, assigning and elevating privileges, and deactivating user access.
- **Reason Action Not Completed:** DoD OIG has not received vulnerability scan results that demonstrate that the Naval Hospital Camp Pendleton and San Diego Naval Medical Center mitigated known vulnerabilities and approved a plan of action and milestones for vulnerabilities that the military treatment facilities could not mitigate in a timely manner. Also waiting for San Diego Naval Medical Center to provide details of waivers for systems that do not support the use of common access cards.

Principal Action Office: Air Force, Navy

**Report:** DODIG-2018-110, Defense Contract Management Agency's Information Technology Contracts, 4/25/2018

**Description of Action:** Develop internal controls to ensure contracting officials develop Performance Work Statements for service acquisitions that include performance requirements in terms of defined deliverables, contractor performance objectives and standards, and a quality assurance plan. Develop internal controls to ensure contracting officials develop acquisition plans.

**Reason Action Not Completed:** Actions are still ongoing to identify and implement agreed upon recommendations.

Principal Action Office: Defense Contract Management Agency

**Report:** DODIG-2018-113, Army and Marine Corps Joint Light Tactical Vehicle, 5/2/2018

Description of Action: Report is For Official Use Only.

**Reason Action Not Completed:** Report is For Official Use Only.

Principal Action Office: Army

**Report:** DODIG-2018-115, DoD FY 2017 Compliance With the Improper Payments Elimination and Recovery Act Requirements, 5/9/2018

**Description of Action:** Implement, and submit to the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD a statistically valid travel sampling plan that identifies the complete universe of Army Windows Integrated Automated Travel System payments and how each Army overseas paying office will test for improper payments, in accordance with Office of Management and Budget guidance.

**Reason Action Not Completed:** Although the U.S. Army Financial Management Command provided the sampling plan and estimation plans for the Army overseas offices, the sample plans were not used to create the Army overseas FY 2019 improper payment estimate. The DoD OIG will review the sampling plans during the FY 2020 Improper Payment Compliance Audit and determine if the sampling plan identifies a complete population of travel pay transactions from all Army overseas paying offices.

Principal Action Office: Army

**Report:** DODIG-2018-117, Department of the Navy Qualified Recycling Programs, 5/10/2018

- Description of Action: Develop guidance on the Navy's qualified recycling program to provide oversight and instructions regarding assessments, financial reviews, and compliance. Navy Financial Operations guidance will include procedures for timely deposit and end-to-end data reconciliations ensuring revenue and expense are properly recorded and reported in the financial statements. The guidance will also address compliance with segregation of duties and placement of mitigating controls, annual reviews of business plans, and proper check endorsement and receipt of non-cash vendor payment procedures.
- **Reason Action Not Completed:** Waiting to receive evidence that guidance for overseeing the qualified recycling program has been developed and implemented.

Principal Action Office: Navy, Marine Corps

**Report:** DODIG-2018-119, DoD Oversight of Logistics Civil Augmentation Program in Afghanistan Invoice Review and Payment, 5/11/2018

- **Description of Action:** Develop a cost control evaluation guide to monitor the contractor's performance and cost-control procedures. Also, on December 27, 2017, the Defense Contract Management Agency Divisional Administrative Contracting Officer requested that the Defense Contract Audit Agency perform an accounting system audit. Based on the audit findings, Army Contracting Command-Rhode Island will coordinate with the Defense Contract Audit Agency to ensure transparent supporting documentation is provided with each submitted voucher.
- **Reason Action Not Completed:** Waiting to receive evidence that the Defense Contract Audit Agency has completed an accounting system audit or that the Army has coordinated with the Defense Contract Audit Agency to require transparent billing detail from the contractor.

Principal Action Office: Army

**Report:** DODIG-2018-120, The Treasury Index 97 Cash Management Report, 5/23/2018

**Description of Action:** Develop a comprehensive Treasury Index 97 Fund Balance With Treasury account reconciliation process that incorporates the entire Fund Balance With Treasury universe of transactions (funding, collections, disbursements, and transfers of funds) in accordance with the DoD Financial Management Regulation. Require DoD disbursing stations to report transaction-level data to the Department of the Treasury on a daily basis. Also, improve the Cash Management Report process to produce one consolidated Cash Management Report that reports all the Other Defense Organizations financial activity.

Reason Action Not Completed: Corrective actions are ongoing.

Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Navy; Defense Finance and Accounting Service

**Report:** DODIG-2018-121, Air Force's F-15 Eagle Passive/Active Warning and Survivability System, 5/21/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

**Report:** DODIG-2018-122, U.S. Strategic Command Facility Construction Project, 5/31/2018

**Description of Action:** Conduct a comprehensive after-action review following the completion of the transition of all missions and personnel to the U.S. Strategic Command replacement facility. Enter lessons learned identified in the U.S. Strategic Command after-action review in the Military Missions Lessons Learned tool. Also, conduct program life-cycle evaluations to determine the success of the Cost Estimating Improvement Plan.

Reason Action Not Completed: Completion of the military construction portion of the project is ongoing.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment; Army, Air Force, U.S. Strategic Command

**Report:** DODIG-2018-123, U.S. Special Operations Command Reporting of General Equipment on Its Financial Statements, 6/4/2018

**Description of Action:** Request Component Special Operations Command personnel provide read-only access to their property systems to confirm that the U.S. Special Operations Command has all the critical data elements it needs to accurately report and support the U.S. Special Operations Command General Equipment and Accumulated Depreciation account balances.

Reason Action Not Completed: Corrective actions are ongoing.

Principal Action Office: U.S. Special Operations Command

**Report:** DODIG-2018-125, The Fort Bliss Hospital Replacement Military Construction Project, 6/6/2018

- Description of Action: Issue guidance to identify the roles, responsibilities, and deciding officials for key segments of a facility construction project, including but not limited to, the project development, budgetary submissions, design reviews, planning, construction management, and assessment of contractor performance. Also, issue guidance to establish metrics that include financial risk management parameters and triggers, including, but not limited to, threshold changes to scope, cost, or timeline; emerging issues; dispute resolution; and statutory reporting requirements when higher headquarters engagement is required.
- **Reason Action Not Completed:** Waiting to receive guidance developed that includes the roles, responsibilities, and deciding officials for key segments of a facility construction project as well as metrics that include financial risk management parameters and triggers.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army

**Report:** DODIG-2018-129, Department of the Navy Civilian Pay Budget Process, 6/20/2018

- **Description of Action:** Establish and implement controls for the civilian pay budget process to ensure that budget officials document the calculations and assumptions used to support each Program Budget Information System adjustment made to civilian pay requirements.
- **Reason Action Not Completed:** DoD OIG has not received evidence that the Department of the Navy's FY 2020 President's Budget guidance included requirements for budget officials to fully document the calculations and assumptions used to support their budget adjustments.

Principal Action Office: Navy, Marine Corps

**Report:** DODIG-2018-130, Procurement Quantities of the AH-64E Apache New Build and Remanufacture Helicopter Programs, 6/25/2018

- **Description of Action:** Prepare and retain supporting documentation for decisions to approve the Army Acquisition Objective in accordance with DoD Instruction 5015.2. Review and determine whether the perational Readiness Float and Repair Cycle Float calculation in Army Regulation 750-1 should be updated.
- **Reason Action Not Completed:** Corrective actions are ongoing to issue guidance on retaining supporting documentation and using simplified demand-based formulas to determine the number of AH-64Es necessary for the Operational Readiness Float and Repair Cycle Float.

#### Principal Action Office: Army

**Report:** DODIG-2018-132, Management of Army Equipment in Kuwait and Qatar, 6/29/2018

- **Description of Action:** Update Army Regulation 710-1, 710-2, 735-5, and Army Pamphlet 710-2-2 to clarify that the Army Prepositioned Stock Accountable Officer is the Stock Record Officer responsible for 100 percent accountability of Army Prepositioned Stock equipment.
- **Reason Action Not Completed:** Waiting for documentation from the Army to verify guidance was updated with procedures to ensure 100-percent accountability of Army Prepositioned Stock equipment.

Principal Action Office: Army

**Report:** DODIG-2018-136, Followup Audit: Application Level General Controls for the Defense Cash Accountability System, 7/10/2018

- **Description of Action:** Review and verify policies and procedures to execute periodic user reviews in accordance with the Defense Cash Accountability System Access Control Policy are operating effectively by documenting that 100 percent of sensitive users are reviewed each quarter and 100 percent of authorized users are reviewed within the last year.
- **Reason Action Not Completed:** Waiting to receive documented access control results of the quarterly sensitive user reviews and annual authorized user review, and verify that these reviews captured 100 percent of Defense Cash Accountability System users.
- Principal Action Office: Defense Finance and Accounting Service

**Report:** DODIG-2018-137, Command Cyber Readiness Inspections at Air Force Squadrons, 7/11/2018

- **Description of Action:** Develop guidance to describe and standardize the teamwork, roles, and responsibilities needed for cyber inspection readiness and compliance in its Department that includes the mitigation of vulnerabilities identified during command cyber readiness inspections.
- **Reason Action Not Completed:** The Air Force continues to work on coordinating, drafting, and revising policy that establishes roles and responsibilities for oversight of cyber readiness inspections. The policy includes timelines for mitigating vulnerabilities identified during routine vulnerability management inspections and command cyber readiness inspections in accordance with established U.S. Cyber Command timeframes and DoD Instruction 8510.01.

### Principal Action Office: Air Force

**Report:** DODIG-2018-140, Acquisition of the Navy's Mine Countermeasures Mission Package, 7/25/2018

**Description of Action:** Correct performance deficiencies identified in prior testing of the Airborne Laser Mine Detection System, Airborne Mine Neutralization System, and Coastal Battlefield Reconnaissance Analysis Block I systems and demonstrate progress toward achieving its full portfolio of mission operations, while mitigating the risk of costly retrofits.

Reason Action Not Completed: Corrective actions are ongoing.

### Principal Action Office: Navy

**Report:** DODIG-2018-141, United States Marine Corps Aviation Squadron Aircraft Readiness Reporting, 8/8/2018

- **Description of Action:** Revise Marine Corps Order 3000.13A to include a clear definition of present state, clarify how the number of mission-capable aircraft should be reported in the mission essential task assessment and how a mission essential task should be properly reported as resourced. Implement training on reporting readiness in accordance with revised Marine Corps Order 3000.13A for reporting units and organizations. Also, implement procedures to ensure that intermediate commands verify the completeness and accuracy of their subordinate units' readiness reports.
- Reason Action Not Completed: Corrective actions are ongoing to revise Marine Corps Order 3000.13A.

Principal Action Office: Marine Corps

**Report:** DODIG-2018-142, U.S. Africa Command and U.S. European Command Integration of Operational Contract Support, 8/9/2018

**Description of Action:** Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: U.S. European Command, U.S. Africa Command

**Report:** DODIG-2018-143, Air Force Space Command Supply Chain Risk Management of Strategic Capabilities, 8/14/2018

**Description of Action:** Conduct a detailed review of supply chain risk management for the Air Force Satellite Control Network, Family of Advanced Beyond Line-of-Sight Terminals, and Global Positioning System programs, and all other programs deemed critical to the Air Force Space Command, to ensure compliance with DoD Instruction 5200.44, "Protection of Mission Critical Functions to Achieve Trusted Systems and Networks (TSN)," November 5, 2012 (Incorporating Change 2, Effective July 27, 2017). If deficiencies are identified, Air Force Space Command officials must develop a plan of action with milestones to correct the deficiencies.

**Reason Action Not Completed:** Waiting to receive evidence that the Air Force Space Command has completed a supply chain risk management review in accordance with DoD supply chain risk management policy, and that a plan of action exists to correct identified deficiencies.

Principal Action Office: Air Force

**Report:** DODIG-2018-144, Evaluation of Intelligence Support to Protect U.S. Nuclear Weapons in Europe, 8/10/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Air Force

**Report:** DODIG-2018-145, Air Force C-5 Squadrons' Capability to Meet U.S. Transportation Command Mission Requirements, 8/13/2018

**Description of Action:** Request the Air Force Manpower Analysis Agency to create a C-5 logistics composite model to identify aircraft maintenance authorization ratios that better align with current C-5 maintenance needs for use in determining future authorization levels. **Reason Action Not Completed:** Corrective actions are ongoing to complete a review that focuses on proper future maintenance authorization ratios.

Principal Action Office: Air Force

**Report:** DODIG-2018-151, Military Sealift Command's Maintenance of Prepositioning Ships, 9/24/2018

Description of Action: Update the technical drawings and manuals for the Military Sealift Command prepositioning fleet. Revise Military Sealift Command policies so that all system users are provided initial and annual refresher training on the proper use of the Shipboard Automated Maintenance Management system. Training should include the use of the different modules and feedback log. Also, review and modify all contracts to require formal Shipboard Automated Maintenance Management system training for all users clarify vague requirements, and align contract language with Military Sealift Command procedures.

**Reason Action Not Completed:** Extensive time required to implement corrective actions.

Principal Action Office: Navy

**Report:** DODIG-2018-152, Management of Prepositioned Stock in U.S. European Command, 9/17/2018

**Description of Action:** Update Army Technical Manual 38-470 to include requirements that specify who is responsible for maintaining controlled humidity levels and performing inspections for the controlled humidity facilities.

**Reason Action Not Completed:** DoD OIG awaits a status report on actions taken by DoD management to update Army Technical Manual 38-470.

Principal Action Office: Army, Marine Corps

**Report:** DODIG-2018-157, Followup on DoD OIG Report No. DODIG-2013-099, "Compliance with Electrical and Fire Protection Standards of U.S. Controlled and Occupied Facilities in Afghanistan," July 18, 2013 at Kandahar Airfield, 9/28/2018

**Description of Action:** Ensure inspection, testing, and maintenance of engineered fire protection systems in density facilities, in accordance with Unified Facilities Criteria 3-601-02.

Reason Action Not Completed: Corrective actions are ongoing.

Principal Action Office: U.S. Central Command

**Report:** DODIG-2018-159, Evaluation of the Integrated Tactical Warning and Attack Assessment System, 9/26/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Joint Chiefs of Staff, U.S. Strategic Command

**Report:** DODIG-2018-160, Evaluation of the Space-Based Segment of the U.S. Nuclear Detonation Detection System, 9/28/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force, Cost Assessment and Program Evaluation

**Report:** DODIG-2018-162, Evaluation of the Airborne Intelligence, Surveillance, and Reconnaissance Processing, Exploitation, and Dissemination Process in Support of Operation Inherent Resolve, 9/27/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

**Report:** DODIG-2019-004, DoD Oversight of Bilateral Agreements With the Republic of the Philippines, 11/2/2018

**Description of Action:** Input and track all Acquisition and Cross-Servicing Agreement (ACSA) transactions from October 1, 2016, to present, and all future transactions, including the 57 line items the U.S. Indo-Pacific Command identified, in the ACSA Global Automated Tracking and Reporting System (AGATRS). Designate an ACSA Finance Program Manager and ensure that the individual completes the Joint Knowledge Online-Training that will provide access and the basic instruction to build, track, and manage transactions in AGATRS.

**Reason Action Not Completed:** U.S. Pacific Air Forces has not provided evidence to support that all four ACSA orders initiated by the U.S. Pacific Air Forces ACSA Program Manager were completed in AGATRS; and that the designated ACSA Finance Program Manager completed the Joint Knowledge Online-Training.

Principal Action Office: Air Force, Marine Corps

**Report:** DODIG-2019-016, DoD Actions Taken to Implement the Cybersecurity Information Sharing Act of 2015, 11/8/2018

- **Description of Action:** Issue Department of Defense-wide policy implementing the Cybersecurity Information Sharing Act of 2015 requirements, including a requirement for the DoD Components to document barriers to sharing cyber threat indicators and defensive measures and take appropriate actions to mitigate the identified barriers.
- **Reason Action Not Completed:** Corrective actions are ongoing to issue Cybersecurity Information Sharing Act implementation policy.
- Principal Action Office: DoD Chief Information Officer, National Security Agency, U.S. Cyber Command

**Report:** DODIG-2019-019, Evaluation of Contracting Officer Actions on Contractor Pricing Proposals Deemed Inadequate by Defense Contract Audit Agency, 11/14/2018

**Description of Action:** Provide refresher training to contracting personnel at eight DoD buying commands on the requirements for distributing and filing the negotiation memorandums in accordance with Federal Acquisition Regulation 15.406-3(b) and Defense Federal Acquisition Regulation Supplement and Procedures, Guidance, and Information 215.406-3(a)(11).

**Reason Action Not Completed:** Naval Sea Systems Command and Space and Naval Warfare Systems Command have not provided evidence to support they have completed the refresher training of contracting personnel.

Principal Action Office: Navy

**Report:** DODIG-2019-029, DoD Task Orders Issued Under One Acquisition Solution for Integrated Services Contracts, 11/27/2018

**Description of Action:** Develop policy to ensure proper verification and documentation of labor categories, education, and work experience of contractor personnel performing work on One Acquisition Solution for Integrated Services and other indefinite-delivery, indefinite-quantity services contracts. In addition, any deviations from qualifications should be clearly identified and documented. Require the contracting officer to determine if the employees met the labor categories specified in task order W31P4Q-15-F-0007 and, if not, take appropriate corrective action, including the recovery of improper payments; and report all improper payments to the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, Accounting and Finance Policy Directorate and notify the DoD OIG.

- **Reason Action Not Completed:** Corrective actions are ongoing to include Defense Federal Acquisition Regulation Supplement and Procedures, Guidance, and Information 216.505-70 language into the Department of Defense Contracting Officer's Representative Handbook. Also, Army Contracting Command-Redstone has not provided the results of the labor category review process and evidence to support corrective actions taken and reporting of any improper payments to the Office of the Under Secretary of Defense (Comptroller), Accounting and Finance Policy Directorate.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army

**Report:** DODIG-2019-031, Evaluation of the Defense Threat Reduction Agency's Counterintelligence Program, 11/21/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Defense Threat Reduction Agency

**Report:** DODIG-2019-032, Evaluation of Combatant Command Intelligence Directorate Internal Communications Processes, 12/4/2018

- **Description of Action:** Examine current DoD intelligence training and education policies. Also, establish an analytic integrity policy, and include an introduction to its analytic ombudsman program as part of newcomer orientation.
- Reason Action Not Completed: Corrective actions are ongoing to publish draft DoD Manual 3305. AM, "DoD All-Source Analysis Accreditation and Certificaton," and develop an analytic integrity policy for U.S. Africa Command
- Principal Action Office: Under Secretary of Defense for Intelligence and Security, U.S. Africa Command

**Report:** DODIG-2019-034, Security Controls at DoD Facilities for Protecting Ballistic Missile Defense System Technical Information, 12/10/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

**Report:** DODIG-2019-037, DoD Management of Software Applications, 12/13/2018

- **Description of Action:** Conduct periodic reviews to ensure DoD Components are regularly validating the accuracy of their inventory of owned and in use software applications and that DoD Components are eliminating duplicate and obsolete software applications.
- **Reason Action Not Completed:** Corrective actions are ongoing to address identified weaknesses and improve the efficiency and effectiveness of DoD business and information technology applications.

Principal Action Office: DoD Chief Information Officer

**Report:** DODIG-2019-038, Follow-up of Delinquent Medical Service Account Audits, 12/19/2018

- **Description of Action:** Implement guidance for all Services to review uncollectible accounts and obtain approval from the proper authority to terminate debt, and require all Services to develop procedures to review and process their old delinquent accounts. Establish standardized guidance for which reports the medical treatment facilities must review in the Armed Forces Billing and Collection Utilization Solution system to identify accounts ready to be billed.
- **Reason Action Not Completed:** The Defense Health Agency Uniform Business Office has not provided a plan of action that addresses the backlog of old delinquent accounts and current delinquent accounts for all military treatment facilities; and includes details on how the medical treatment facilities will implement the established policy, including identifying who the proper authority is for the medical treatment facilities to obtain approval from to terminate the debt.
- **Principal Action Office:** Assistant Secretary of Defense for Health Affairs, Army, Navy

**Report:** DODIG-2019-039, Reporting of Improper Payments for the Defense Finance and Accounting Service Commercial Pay Program, 12/21/2018

**Description of Action:** Conduct a risk assessment of government purchase card payments and, as necessary, develop and implement procedures to ensure that DoD government purchase card payments are reviewed for improper payments and that the results are reported to the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, for inclusion in the DoD's annual Agency Financial Report. Update the DoD Financial Management Regulation, volume 4, chapter 14, to define the types of payments in the Defense Finance and Accounting Service Commercial Pay program and identify which Components are responsible for testing and reporting improper payments estimates for each type of commercial payment within the Defense Finance and Accounting Service Commercial Pay program.

- **Reason Action Not Completed:** DoD OIG annual Improper Payments Elimination and Recovery Act review to verify the implementation of corrective actions is ongoing.
- **Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Defense Finance and Accounting Service

**Report:** DODIG-2019-040, U.S. Air Forces in Europe Plans for the Procurement and Pre-Positioning of Deployable Air Base Kits, 12/27/2018

- **Description of Action:** Ensure a program manager is designated at least at the Director level for the Deployable Air Base Kits program so that a single organization maintains responsibility for coordinating with the multiple organizations supporting the program, requesting progress reports on individual storage facility construction and quipment category procurement, and tracking overall program execution. Direct the program manager to review and update the Deployable Air Base Kits program plan at least semi-annually, which includes the construction of storage facilities, procurement of all seven equipment categories, and pre-positioning to ensure that all 24 kits are on track to be procured and pre-positioned by the U.S. European Command end date.
- **Reason Action Not Completed:** Waiting to receive evidence that the Air Force updated Air Force Instruction 25-101 with the requirement for a program manager for U.S. Air Force pre positioned equipment, and a program manager appointment memorandum identifying the individual responsible for the Deployable Air Base Kits program and detailed roles and responsibilities of all organizations associated with the program.

Principal Action Office: Air Force

**Report:** DODIG-2019-041, DoD Civilian Pay Budgeting Process, 1/3/2019

Description of Action: Update the DoD Financial Management Regulation, volume 2A, chapters 1 and 3, to include: 1) recurring instructions from the Budget Estimate Submission guidance and President's Budget guidance that are not unique to a particular year;
2) a guide from the Defense Finance and Accounting Service's payroll system's gross reconciliation codes to the OP-8 and OP-32 budget exhibit line items and personnel categories; 3) further clarification for calculating full-time equivalents and straight-time hours worked; and 4) a requirement to include variable costs in the Services' and Defense agencies' budget requests.

- **Reason Action Not Completed:** Corrective actions are ongoing to include the recommended updates in the DoD Financial Management Regulation, volume 2A, chapters 1 and 3.
- Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** DODIG-2019-042, Evaluation of Social Media Exploitation Procedures Supporting Operation Inherent Resolve, 12/28/2018

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

- Principal Action Office: U.S. Central Command, Defense Intelligence Agency
- **Report:** DODIG-2019-047, Navy and Marine Corps Backup Aircraft and Depot Maintenance Float for Ground Combat and Tactical Vehicles, 1/18/2019
- **Description of Action:** Require the Naval Air Systems Command F/A-18 and T-45 program offices to implement a plan to incorporate future program changes, as necessary. The plan should include the effects of delayed replacement programs and extension of the service life on aircraft maintenance, spare parts, and aircraft inventory management during replacement aircraft acquisition planning. Also, Naval Operations for Warfare Systems should implement a communication plan to keep dependent weapon system's divisions and program offices up to date on changes in quantity and delivery schedule.
- **Reason Action Not Completed:** The F/A-18 program office was directed by the Office of the Deputy Assistant Secretary of the Navy to transition from the Life-Cycle Sustainment Plan to the Sustainment Program Baseline by October 2020. Also, Chief of Naval Operations for Warfighting Requirements and Capabilities has not provided evidence to support that they have issued Chief of Naval Operations Program Objective Memorandum-2021 guidance that addresses increased communication across dependent weapon systems.

Principal Action Office: Navy, Marine Corps

**Report:** DODIG-2019-054, Evaluation of Special Access Programs Industrial Security Program, 2/11/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

**Report:** DODIG-2019-055, Evaluation of Integrated Joint Special Technical Operations, 2/11/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Deputy Secretary of Defense, Joint Chiefs of Staff, Under Secretary of Defense for Policy, National Security Agency

**Report:** DODIG-2019-056, Accounting and Financial Reporting for the Military Housing Privatization Initiative, 2/12/2019

- Description of Action: Issue interim policy until the Department of the Treasury updates the U.S. Standard General Ledger and coordinate with the Treasury to update the U.S. Standard General Ledger with guidance on how to record equity investments in Military Housing Privatization Initiative projects, including the cash and real property contributed; sales of equity investments; and equity investment profits and losses allocated to the Military Departments for Military Housing Privatization Initiative projects.
- Reason Action Not Completed: Corrective actions are ongoing.
- Principal Action Office: Under Secretary of Defense (Comptroller/Chief Financial Officer, DoD; Under Secretary of Defense for Acquisition and Sustainment; Army; Air Force

**Report:** DODIG-2019-058, Summary and Follow-up Report on Audits of DoD Energy Savings Performance Contracts, 2/14/2019

**Description of Action:** Identify and validate all past and active contractor-claimed energy savings included in contractor post installation and measurement and verification reports not previously validated.

**Reason Action Not Completed:** DoD management has taken action to address the recommendation and provided supporting documentation to the DoD OIG that is currently under review.

Principal Action Office: Navy, Air Force

**Report:** DODIG-2019-060, Review of Parts Purchased From TransDigm Group, Inc., 2/25/2019

**Description of Action:** Establish a team of functional experts to analyze data reported as a result of the Defense Pricing and Contracting policy memorandum issued on March 22, 2019, titled, "Process and Reporting Requirements Pertaining to Contractor Denial of Contracting Officer Requests for Data Other than Certified Cost or Pricing Data." The team of functional experts will: 1) assess parts and contractors deemed to be at high risk for unreasonable pricing and identify trends; and 2) perform price analysis and cost analysis of high risk parts to identify lower cost alternatives or fair and reasonable pricing for future procurements.

- **Reason Action Not Completed:** Waiting to receive evidence that the team of functional experts is assessing parts and contractors deemed to be high risk for unreasonable pricing and performing price and cost analyses of high-risk parts to identify lower cost alternatives.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2019-061, Audit of the DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations, 3/7/2019

**Description of Action:** Update guidance requiring installations to document the background check approval process to include the process to be followed when renewing lease agreements.

Reason Action Not Completed: Corrective actions are ongoing to update the access control instruction.

Principal Action Office: Army, Navy

**Report:** DODIG-2019-062, Audit of Management of Government-Owned Property Supporting the F-35 Program, 3/13/2019

**Description of Action:** Review the accounting and management actions of the F-35 Program Office for F-35 Program Government property. Establish and enforce a process to ensure that government-furnished property lists are coordinated and properly captured at the beginning of the proposal phase. Coordinate with the contractor to obtain property data and develop procedures to ensure that all property records are continuously updated in the Accountable Property System of Record. Develop a plan for transitioning contractor-acquired property procured on past contracts to government-furnished property on contract actions as required by the Defense Federal Acquisition Regulation Supplement.

- **Reason Action Not Completed:** DoD OIG awaits a status update on corrective actions taken to address the agreed upon recommendations.
- Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, F-35 Joint Program Office

**Report:** DODIG-2019-063, Followup Audit on the Military Departments' Security Safeguards Over Secret Internet Protocol Router Network Access Points, 3/18/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: DoD Chief Information Officer, Army, Navy, Air Force

**Report:** DODIG-2019-065, Evaluation of DoD Voting Assistance Programs for 2018, 3/25/2019

- **Description of Action:** Develop and implement written voting policies to support all eligible Uniformed Services personnel and their family members, including those in deployed, dispersed, and tenant organizations.
- **Reason Action Not Completed:** Corrective actions are ongoing for the Navy and combatant commands to publish a written voting plan that satisfies DoD Instruction 1000.04, Federal Voting Assistance Program (FVAP).
- Principal Action Office: U.S. Cyber Command, U.S. Northern Command, U.S. Southern Command

**Report:** DODIG-2019-066, Summary Audit of Systemic Weaknesses in the Cost of War Reports, 3/22/2019

- **Description of Action:** The Auditor Generals of the Army, Navy, and Air Force include followup audits that verify the accuracy of the Cost of War data in their FY 2020 audit plans.
- **Reason Action Not Completed:** DoD OIG has not received final audit reports from the Services that assess the accuracy of the Cost of War data.
- **Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Army; Navy; Air Force

- **Report:** DODIG-2019-071, Evaluation of DoD Component Responsibilities for Counterintelligence Support for the Protection of Defense Critical Infrastructure, 4/5/2019
- **Description of Action:** Revise DoD policies to ensure the protection of essential DoD services and infrastructure.
- **Reason Action Not Completed:** Corrective actions are ongoing to revise DoD Instructions 5240.24 and 5240.19.
- **Principal Action Office:** Under Secretary of Defense for Intelligence and Security

**Report:** DODIG-2019-072, Audit of Consolidated Afloat Networks and Enterprise Services Security Safeguards, 4/8/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Navy

- **Report:** DODIG-2019-073, Audit of Payments to the DoD for Medical Services Provided to Department of Veterans Affairs Beneficiaries at Selected Army Medical Centers, 4/8/2019
- **Description of Action:** Identify the source of billing system errors that prevented payment of inpatient professional fees, modify the billing system to prevent future errors, determine whether the billing system errors affected other sharing sites, and provide guidance to impacted sharing sites to bill for any previously unbilled care. Review all FY 2017 unpaid claims for care to the Department of Veterans Affairs beneficiaries and resubmit those claims that were incorrectly denied to the Veterans Affairs Pacific Island Health Care System for payment.
- **Reason Action Not Completed:** DoD OIG has not received evidence that demonstrates the Defense Health Agency identified the system errors that prevented the billing and payment of inpatient professional fees; corrected the system errors that prevented billing and payment of inpatient professional fees; coordinated with other sharing sites to determine if those sites were affected by the error and that personnel at those sites implemented corrective action; and developed and issued guidance to other impacted sites. Also waiting for report that indicates whether the resubmitted claims were paid, rejected, or denied.
- **Principal Action Office:** Assistant Secretary of Defense for Health Affairs, Army

**Report:** DODIG-2019-074, Evaluation of Targeting Operations and Civilian Casualties in Operation Inherent Resolve, 4/18/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

**Principal Action Office:** Secretary of Defense, U.S. Central Command, U.S. Special Operations Command

**Report:** DODIG-2019-075, Evaluation of Military Services' Law Enforcement Responses to Domestic Violence Incidents, 4/19/2019

Description of Action: Ensure that all subjects are properly titled and indexed in the Defense Central Index of Investigations as required by DoD Instruction 5505.07, "Titling and Indexing Subjects of Criminal Investigations in the Department of Defense." Conduct a comprehensive review of all criminal investigative databases and files verify that all subjects of domestic violence incidents from 1998 to present are titled and indexed in the Defense Central Index of Investigations. Ensure that subject fingerprint cards and final disposition reports are collected and submitted to the Federal Bureau of Investigations Criminal Justice Information Services Division database for all subjects that were not submitted, as required by DoD Instruction 5505.11, "Fingerprint Card and Final Disposition Report Submission Requirements."

**Reason Action Not Completed:** DoD OIG awaits a status update on corrective actions taken to address the agreed upon recommendations.

Principal Action Office: Army, Navy, Marine Corps, Air Force

**Report:** DODIG-2019-076, Evaluation of the Missile Defense Agency's Pentagon Force Protection Agency's, and Defense Commissary Agency's Use of Counterintelligence Inquiry Authority, 4/16/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Missile Defense Agency, Defense Commissary Agency

**Report:** DODIG-2019-077, Evaluation of the Oversight of Intelligence Interrogation Approaches and Techniques, 4/15/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: U.S. Central Command, U.S. Special Operations Command

**Report:** DODIG-2019-078, Evaluation of the Air Force's Implementation of DoD OIG Recommendations Concerning Modifications of the Integrated Tactical Warning and Attack Assessment (ITW/AA) Mobile Ground System, 4/17/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

**Report:** DODIG-2019-079, Audit of the Identification and Training of DoD's Operational Contract Support Workforce, 4/16/2019

**Description of Action:** Develop and implement policy to establish tiered minimum training (tactical, operational, and strategic) requirements and qualifications for Operational Contract Support (OCS) positions at each echelon, and identify which positions require an OCS trained professional.

**Reason Action Not Completed:** Corrective actions still ongoing towards publishing guidance to clarify minimum training requirements for personnel working within the OCS functional area.

Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Personnel and Readiness

**Report:** DODIG-2019-080, Audit of the B61-12 Tail Kit Assembly Program, 4/19/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Air Force

**Report:** DODIG-2019-081, Audit of Training Ranges Supporting Aviation Units in the U.S. Indo-Pacific Command, 4/17/2019

**Description of Action:** Review the individual Services' range plans to determine whether Service solutions to training limitations can be accomplished across the DoD. Develop and implement a plan to field and sustain DoD-wide solutions to address training gaps. Develop and implement plans to synchronize Army and Air Force range management and range use in Alaska.

- **Reason Action Not Completed:** Corrective actions are ongoing in reviewing the individual Services' range plans.
- **Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Under Secretary of Defense for Acquisition and Sustainment
- **Report:** DODIG-2019-083, Evaluation of Operations and Management of Arlington and Soldiers' and Airmen's Home National Military Cemeteries, 5/20/2019
- **Description of Action:** Publish the updated drafts of Army Regulation 290-5, "Army Cemeteries," and Army Pamphlet 290-5, "Administration, Operation, and Maintenance of Army Cemeteries," to fully implement the provisions of amended title 10, United States Code, Chapter 446, applicable to operations of the Arlington National Cemetery and the Soldiers' and Airmen's Home National Cemetery.
- **Reason Action Not Completed:** Waiting to receive evidence that the Army finalized publication of Army Regulation 290-5 and Army Pamphlet 290-5.
- Principal Action Office: Army
- **Report:** DODIG-2019-084, Evaluation of the Operations and Management of Military Cemeteries, 5/20/2019
- **Description of Action:** The Under Secretary of Defense for Personnel and Readiness, in coordination with the Under Secretary of Defense for Acquisition and Sustainment, publish a comprehensive instruction that provides guidance on operation of the military cemeteries, including management, accountability, and inspections.
- **Reason Action Not Completed:** Corrective actions are ongoing to publish a DoD Instruction that provides guidance on the operation, management, accountability, and inspections of military cemeteries.
- Principal Action Office: Under Secretary of Defense for Personnel and Readiness, Army, Navy, Air Force
- **Report:** DODIG-2019-085, Audit of the Defense Security Cooperation Agency-Security Assistance Accounts, 5/8/2019
- **Description of Action:** Recover and transfer into the Special Defense Acquisition Fund (SDAF) account all authorized collections dating back to FY 2012 that the Defense Finance and Accounting Service did not transfer into the Special Defense Acquisition Fund account. Develop corrective action plans to address the DoD OIG recommendations, to include performing quarterly inspections of DoD and contractor facilities to monitor Special Defense Acquisition Fund inventory.

- **Reason Action Not Completed:** The Defense Security Cooperation Agency is working on implementing the corrective action plans, which includes developing a comprehensive accounting and reporting process for SDAF inventory.
- Principal Action Office: Defense Security Cooperation Agency
- **Report:** DODIG-2019-087, Audit of the DoD's FY 2018 Compliance With the Improper Payments Elimination and Recovery Act Requirements, 5/15/2019
- **Description of Action:** In coordination with the Defense Finance and Accounting Service Director: 1) develop and implement sufficient control measures in the population review process to ensure that the DoD includes all necessary payments for Military Pay, Civilian Pay, Military Retirement, and DoD Travel Pay populations and reports accurate improper payment estimates in the Agency Financial Report; 2) develop a process that uses the amount paid for the Commercial Pay and DoD Travel Pay programs; and 3) establish an improper payment review process for the Civilian Pay program that examines supporting documentation and verifies that civilian employees are eligible for the payments that they received.
- **Reason Action Not Completed:** DoD OIG annual Improper Payments Elimination and Recovery Act review to verify the implementation of corrective actions is ongoing.
- Principal Action Office: Under Secretary of Defense Comptroller/Chief Financial Officer, DoD

**Report:** DODIG-2019-088, Evaluation of DoD Efforts to Combat Trafficking in Persons in Kuwait, 6/11/2019

- **Description of Action:** Clearly assign roles and responsibilities to its subordinate commands regarding combating trafficking in persons, including formally designating an appropriate command headquarters in Kuwait to be responsible for Combat Trafficking in Persons compliance.
- **Reason Action Not Completed:** DoD OIG is conducting a followup review to determination implementation of corrective actions.
- **Principal Action Office:** DoD Office of the General Counsel, Army, Air Force, U.S. Central Command, Army and Air Force Exchange Service

**Report:** DODIG-2019-089, Audit of the DoD's Implementation of the Joint Regional Security Stacks, 6/4/2019

**Description of Action:** Establish and implement a plan to incorporate the required capabilities into the Joint Regional Security Stacks once the functional capabilities requirement document is developed. Develop and implement a schedule to provide all Joint Regional Security Stacks operators with training, as required by the Joint Regional Security Stack Operations Training Requirements Document.

**Reason Action Not Completed:** Defense Information Systems Agency has not provided a plan of action and milestones that addresses the performance gaps identified in the measure of performance assessment. Also, the DoD OIG has not received evidence to support that the Joint Regional Security Stacks familiarization training is accessible 24 hours a day and that the scenario and lab-based training has been scheduled. DoD OIG will review the Service and agency training program schedules when the Defense Information Systems Agency Director completes her coordination with U.S. Cyber Command, the DoD Chief Information Officer, and the DoD Components that incorporate the Joint Regional Security Stacks training into the Service and agency institutional training programs.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Defense Information Systems Agency

**Report:** DODIG-2019-091, Evaluation of the DoD's Management of Opioid Use Disorder for Military Health System Beneficiaries, 6/10/2019

Description of Action: The Secretary of the Navy will modify U.S. Marine Corps Orders 1754.14 and 5300.17A, and a memorandum of understanding between the U.S. Marine Corps and the Bureau of Medicine and Surgery (BUMED), to ensure compliance with DoD Instructions 1010.04 and 6040.45; Secretary of the Navy Instruction 1754.7A; and BUMED Instructions 5353.4B and 6010.30, and clarify that substance Abuse Counseling Center counselors may not independently make substance use disorder diagnoses without clinical privileges, and all substance use disorder diagnoses must be documented in the DoD Health Record.

Reason Action Not Completed: Corrective actions are ongoing to update U.S. Marine Corps orders and policies and the "Psychological Health Services for Active Duty Marines and Their Family Members" memorandum of understanding between the U.S. Marine Corps and BUMED to ensure compliance with DoD, Secretary of the Navy, and BUMED guidance that will apply to the U.S. Marine Corps Substance Abuse Counseling Centers.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs, Navy

**Report:** DODIG-2019-093, Evaluation of U.S. European Command's Nuclear Command and Control Between the President and Theater Nuclear Forces, 6/10/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

Principal Action Office: Army, Air Force, U.S. European Command

**Report:** DODIG-2019-094, Audit of F-35 Ready-For-Issue Spare Parts and Sustainment Performance Incentive Fees, 6/13/2019

**Description of Action:** Revise TRICARE policy to incorporate wording regarding reasonable cost and being a prudent buyer pursue compensation from the contractor for costs of non-Ready-For-Issue (RFI) spare parts that have been delivered since 2015 on the sustainment contracts. Direct the F-35 Joint Program Office contracting officer to add language to future F-35 sustainment contracts to allow the DoD to collect compensation for each non-RFI spare part provided by the contractor. Assign contracting officer's representatives (COR) to provide oversight at all F-35 sites and collect contractor performance data from the COR representatives and the Defense Contract Management Agency to identify systemic contractor performance problems.

**Reason Action Not Completed:** Corrective actions are ongoing to evaluate contractual alternatives for the sustainment contracts to allow for the DoD to be compensated for future non-RFI spare parts delivered by the contractor, and appoint CORs to provide oversight at all F-35 sites.

Principal Action Office: F-35 Joint Program Office

**Report:** DODIG-2019-099, Audit of the Distribution of Preferred Munitions in Support of the Republic of Korea, 6/24/2019

**Description of Action:** Resolve container-handling equipment limitations affecting munitions loading at Military Ocean Terminal-Concord.

Reason Action Not Completed: Report is classified. Principal Action Office: U.S. Transportation Command **Report:** DODIG-2019-103, Audit of Air Force Accountability of Government Property and Oversight of Contractual Maintenance Requirements in the Contract Augmentation Program IV in Southwest Asia, 7/18/2019

- **Description of Action:** Require that all contracting personnel complete existing Government-furnished training (GFP) and coordinate with the Services to implement GFP training courses for contingency contracting personnel. The training should outline Service-specific implementation of Federal and DoD accountability requirements.
- **Reason Action Not Completed:** Waiting for documentation from the Office of the Under Secretary of Defense for Acquisition and Sustainment that requires that the existing GFP training become mandatory for all contracting personnel.
- **Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2019-105, Audit of Protection of DoD Controlled Unclassified Information on Contractor-Owned Networks and Systems, 7/23/2019

- Description of Action: Publish Defense Federal Acquisiton Regulation Supplement rule (Case 2019-D041) to implement a a standard DoD-wide methodology for assessing DoD contractor compliance with all security requirements in the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, "Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations," and a DoD certification process, known as the Cybersecurity Maturity Model Certification, that measures a company's maturity and institutionalization of cybersecurity practices and processes. The DFARS rule will require DoD Component contracting offices/requiring activities to conduct assessments to determine whether contractors are complying with the security requirements in NIST SP 800-171 to protect controlled unclassified information before contract award and throughout the contracts' period of performance.
- **Reason Action Not Completed:** DoD published interim Defense Federal Acquisiton Regulation Supplement rule in the Federal Register. Public comment period ends on November 30, 2020.
- **Principal Action Office:** DoD Chief Information Officer, Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Research and Engineering

**Report:** DODIG-2019-106, Audit of the DoD's Management of the Cybersecurity Risks for Government Purchase Card Purchases of Commercial Off-the-Shelf Items, 7/26/2019

Description of Action: Report is classified.

- Reason Action Not Completed: Report is classified.
- **Principal Action Office:** Secretary of Defense, DoD Chief Information Officer, Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2019-107, Evaluation of Combatant Commands' Insider Threat Programs, 7/30/2019

**Description of Action:** Establish milestones for the Insider Threat Enterprise Program Management Office to implement a DoD Insider Threat Training Program and develop DoD-wide performance measures. Develop an oversight plan for evaluating DoD Component Heads' insider threat programs to ensure compliance with DoD insider threat policies. Establish a full-time insider threat program manager to ensure that the program meets national and DoD requirements. Designate a subject matter expert to integrate the monitoring, analysis, and reporting of, and the response to, insider threats.

Reason Action Not Completed: Report is classified.

**Principal Action Office:** DoD Chief Information Officer, Under Secretary of Defense for Intelligence and Security, U.S. Africa Command, U.S. Central Command, U.S. European Command, U.S. Southern Command, U.S. Special Operations Command

**Report:** DODIG-2019-108, Audit of the DoD's Management of the Third Party Collection Program for Medical Claims, 9/16/2019

- **Description of Action:** Review all medical facilities in the Military Health System to determine which medical facilities are not submitting claims to insurance providers in compliance with the time requirements in Defense Health Agency Procedures Manual 6015.01, and coordinate with commanders of those medical facilities to implement additional controls that enforce the requirements. Implement procedures to correct patient category codes in Military Health System GENESIS when patient category code errors are identified.
- Reason Action Not Completed: Corrective actions are ongoing.
- **Principal Action Office:** Assistant Secretary of Defense for Health Affairs, Army, Navy, Air Force

- **Report:** DODIG-2019-110, Evaluation of U.S. and Coalition Efforts to Train, Advise, Assist, and Equip the Afghan Tactical Air Coordinators and Air Liaison Officers, 8/8/2019
- **Description of Action:** Develop a plan with specific objectives and milestones for Afghan Special Security Forces' air-to-ground integration capability that includes all Afghan Special Security Forces elements with Afghan tactical air coordinators and Afghan air targeting officers.
- **Reason Action Not Completed:** Corrective actions are still ongoing toward completing an Afghan Special Security Forces' air-to-ground Integration memorandum of agreement.

Principal Action Office: U.S. Central Command

**Report:** DODIG-2019-111, Evaluation of USAFRICOM and SOCAFRICA's Processes for Determining and Fulfilling Intelligence Requirements for Counterterrorism, 8/13/2019

Description of Action: Report is classified.

Reason Action Not Completed: Report is classified.

- **Principal Action Office:** Army, U.S. Africa Command, National Security Agency
- **Report:** DODIG-2019-112, Audit of TRICARE Payments for Health Care Services and Equipment That Were Paid Without Maximum Allowable Reimbursement Rates, 8/20/2019
- **Description of Action:** Revise TRICARE policy to incorporate wording regarding reasonable cost and being a prudent buyer similar to the related clauses in 42 Code of Federal Regulations 405.502 and Centers for Medicare & Medicaid Services Publication 15-1, "Provider Reimbursement Manual." Request voluntary refunds from TRICARE providers where Defense Health Agency paid more than other pricing benchmarks identified in this report.
- Reason Action Not Completed: Corrective actions are ongoing.
- Principal Action Office: Assistant Secretary of Defense for Health Affairs

- **Report:** DODIG-2019-113, Audit of the Air Force Nonappropriated Fund Government Purchase Card Program, 8/16/2019
- **Description of Action:** Issue Air Force Manual 64-118 to establish requirements for installation program coordinators to perform an annual statistical review of all cardholders' delegation of purchase authority and forward their reviews to the Air Force Nonappropriated Fund Purchasing Office. The new guidance will also clearly define the level of itemized detail required in the cardholder transaction notes and maintain the requirement for approving officials to ensure procedures are in place within their activities that provide an approval mechanism for cardholder purchases prior to initiating purchases.
- **Reason Action Not Completed:** Corrective actions are still ongoing to publish Air Force Manual 64-118.

Principal Action Office: Air Force

**Report:** DODIG-2019-114, Audit of the Army Integrated Air and Missile Defense Program, 8/19/2019

- **Description of Action:** After Milestone C, Army officials plan to refurbish six existing systems to support Initial Operational Test and Evaluation in FY 2022. Also, the Army will not award any new production contract until all stakeholders fully analyze the complete Army Test and Evaluation Command Operational Test Agency Milestone Assessment Report. These planned actions are consistent with the FY 2020 performance baseline. New procurements are planned to begin in FY 2021. Also, the Army will conduct an affordability analysis to establish total life-cycle affordability constraints and determine whether the Army can afford the Integrated Air and Missile Defense Program through FY 2049, in accordance with DoD Instruction 5000.02.
- **Reason Action Not Completed:** DoD OIG is waiting to receive supporting documentation that captures the milestone decision authority's acknowledgement of the compressed Milestone C timeline and acceptance with making a decision based on a quick-look analysis. Also, the Army has not provided evidence to support it has completed a formal affordability analysis with affordability caps.

Principal Action Office: Army

**Report:** DODIG-2019-115, Audit of the Planning for and Implementation of the Afghan Personnel and Pay System, 8/15/2019

**Description of Action:** Develop and implement corrective action plans that include root cause analysis of, corrective actions, and timelines for implementing the remaining Afghan Personnel and Pay System capabilities.

**Reason Action Not Completed:** Waiting to receive evidence that DoD management implemented the remaining Afghan Personnel and Pay System modules.

Principal Action Office: U.S. Central Command

**Report:** DODIG-2019-116, Audit of Contingency Planning for DoD Information Systems, 8/21/2019

Description of Action: Report is For Official Use Only.

**Reason Action Not Completed:** Report is For Official Use Only.

Principal Action Office: Army, Navy, Air Force, Missile Defense Agency, Washington Headquarters Services

**Report:** DODIG-2019-125, Evaluation of the DoD's Handling of Incidents of Sexual Assault Against (or Involving) Cadets at the United States Air Force Academy, 9/30/2019

- **Description of Action:** Develop and institute a process that documents consults or contacts with victims of sexual assault and any resulting referrals to victim support services if those contacts do not result in an official report of sexual assault.
- **Reason Action Not Completed:** Waiting to receive evidence that DoD management developed and instituted a process to document consults and contacts.

Principal Action Office: Under Secretary of Defense for Personnel and Readiness, Air Force

- **Report:** DODIG-2019-127, Audit of Access Controls in the Defense Logistics Agency's Commercial and Government Entity Code Program, 9/30/2019
- **Description of Action:** Report is For Official Use Only-Law Enforcement Sensitive.
- **Reason Action Not Completed:** Report is For Official Use Only-Law Enforcement Sensitive.

Principal Action Office: Defense Logistics Agency

**Report:** DODIG-2019-128, Audit of U.S. Army Corps of Engineers Oversight of Contracts for Repair and Restoration of the Electric Power Grid in Puerto Rico, 9/30/2019

- **Description of Action:** Review all labor and material costs for contracts W912DY-18-F-0003, W912DY-18-F-0032, and W912EP-18-C-003 and determine whether they are supportable and allowable, in accordance with Federal Acquisition Regulation 31.201-2, "Determining Allowability." Provide a summary of the results of voucher audits, including any Defense Contract Audit Agency reports, and supporting documentation for voucher audits performed by the U.S. Army Corps of Engineers.
- **Reason Action Not Completed:** The Defense Contract Audit Agency is assisting the U.S. Army Corps of Engineers and the planned completion of these audits is June 2021.

Principal Action Office: Army

# SECTION 845 ANNEX AUDIT REPORTS WITH SIGNIFICANT FINDINGS

# DoD OIG

Audit Report No. DODIG-2020-091

Date: June 15, 2020

Date: June 24, 2020

**Subject:** Audit of Contractor Employee Qualifications for Defense Health Agency-Funded Information Technology Contracts

**Report:** \$8.8 million in Questioned Costs

The Defense Health Agency and Naval Information Warefare Center Atlantic contracting officers authorized approximately \$3.52 million in questioned costs, between April 2018 and March 2019, for work performed by the 76 contractor employees who did not meet minimum qualifications. Furthermore, a Defense Health Agency contracting officer may have authorized an additional \$5.3 million in questionable costs for 143 contractor employees whom the DoD OIG did not review because the contracting office did not provide résumés. The DoD OIG identified a total of \$8.8 million in questioned costs.

Audit Report No. DODIG-2020-096

**Subject:** Audit of Coalition Partner Reimbursement of Dining Facility Services at Resolute Support Headquarters, Kabul, Afghanistan

Report: \$6.3 million in Funds Put to Better Use

The DoD OIG determined that U.S. Forces-Afghanistan did not seek full reimbursement for dining facility services provided to Coalition partners at Resolute Support Headquarters through the Logistics Civil Augmentation Program contract. As a result of U.S. Forces-Afghanistan not initiating billing, between January 2016 and September 2019, DoD contractors provided an estimated \$6.3 million in dining facility services to Coalition partners that were never billed.

Fulfills requirements of the National Defense Authorization Act of FY 2008, section 845.

# DCAA

Audit Report No. 02361-2017B42000001 Date:
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Subject: Independent Audit Report on Certified Cost or Pricing Data Resulting in Price Agreement on Contract

Prepared For: Naval Sea Systems Command

Report: \$59.3 Million Questioned Costs

The audit of the contractor's compliance with 10 USC § 2306a, Truthful Cost or Pricing Data (formerly known as the Truth in Negotiations Act), resulted in a recommended price adjustment of \$59.3 million. The audit identified three noncompliances which caused an increase in target cost and target price. Significant adjustments of \$38.8 million were recommended as a result of the contractor failing to disclose all special-rated direct labor adjustments necessary to perform the appropriate calculations. Additionally, an adjustment of \$11.4 million was recommended for not disclosing the actual usage of direct materials.

Audit Report No. 09731-2018C10100001	Date: May 15, 2020	
Subject: Independent Audit Report on Fiscal Year (FY) 2018 Proposed Incurred Cost Allocations of Directly Allocated, Residual, and Corporate Assets for Cost of Money Expenses		
Prepared For: Defense Contract Management Agency		
Report: \$11.8 Million Total Questioned Costs		
The FY 2018 incurred cost audit resulted in a total of \$11.8 million in questioned costs. Questioned costs were		

identified in compensation costs, full year medical costs, insurance costs, and pension accruals for business segments sold at mid-year in accordance with FAR 31.201-4, Determining Allocability. Additionally, the examination identified questioned costs in the proposed consulting costs that were found noncompliant with FAR 31.205-33(f) Professional and Consultant Service costs and FAR 31.201-2(d) Determining Allowability.

Audit Re	port No.	01721-20	18E10100001
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Date: May 20, 2020

**Subject:** Independent Audit Report on Proposed Amounts Allocated to Business Segments for Inclusion on Unsettled Flexibly Priced Contracts for FY 2018

Prepared For: Naval Sea Systems Command

**Report:** \$18 Million Total Questioned Costs

The FY 2018 incurred audit report listed a total of \$18 million in questioned costs. The examination disclosed proposed amounts that do not materially comply with the FAR and Cost Accounting Standards (CAS) provisions pertaining to accumulating incurred amounts. While there were no significant questioned in one particular cost category, the questioned costs were identified to be noncompliant with FAR 31.205-6, Compensation for Personal Services. These costs were also reviewed for compliance with FAR 31.201-3, Determining Reasonableness.

Audit Report No. 02361-2018B17900001	Date: May 21, 2020
Subject: Independent Audit Report on Discontinued Operation Costs as a Business Unit G&A Expense	
Prepared For: Naval Sea Systems Command	
Report: \$18 Million Total Questioned Costs	

The examination of the proposed costs identified a total of \$18 million in questioned costs. Significant questioned costs of \$17.9 million were identified in pension costs and found to be noncompliant with FAR 31.205-6, Compensation for Personal Services, Pension Costs. Other questioned costs were identified in claimed payroll taxes which was found to be noncompliant with FAR 31.201-2, Determining Allowability.

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## Audit Report No. 01321-2018V10100002

Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2018

Prepared For: Department of Energy

Report: \$18.9 Million Total Questioned Costs

The FY 2018 incurred cost audit resulted in a total of \$18.9 million in guestioned costs. Significant guestioned costs of \$14.7 million were identified in claimed subcontract costs and were found to be noncompliant with FAR 52.244-2, Subcontract, Contract Terms, and FAR 31.201-3, Determining Reasonableness. The contractor failed to perform adequate procedures to determine reasonableness of subcontractor labor rates as the identified subcontractor labor rates were outside of the approved rates. Other questioned costs were identified in direct labor costs and legal expenses.

Audit Report No. 05211-2018A10100001

Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Calendar Year (CY) 2018

Prepared For: Defense Contract Management Agency

Report: \$40 Million Total Questioned Costs

The CY 2018 incurred cost audit disclosed a total of \$40 million in questioned costs. Significant questioned costs of \$35.1 million were identified in freight costs and found noncompliant with FAR 52.247-63, Preference for U.S. Flag Carriers. The contractor did not provide the necessary justification, required by the Fly America Act and the FAR, to explain why service by U.S. flag air carriers was not available.

Audit Report No. 07631-2018T10100001

Subject: Independent Audit Report on Administrative and Centrally Managed Allocation Proposed Amounts for CY 2018

Prepared For: Defense Contract Management Agency

Report: \$49 Million Total Questioned Costs

The audit of the contractor's incurred cost proposal identified a total of \$49 million in questioned costs. Significant questioned costs of \$43.3 million were identified in corporate administrative costs and were found to be noncompliant to various FAR clauses. Of that \$43.3 million, \$11.8 million in legal services was found to be noncompliant with FAR 31.205-47, Costs Related to Legal and Other Proceedings. The contractor failed to provide adequate supporting documentation to verify computer based data related to the legal services. Other questioned costs included indirect labor, professional services, general services allocation, fringe costs, and compensation.

## Audit Report No. 02671-2018A10100001

Date: June 9, 2020

Subject: Independent Audit Report on Proposed Corporate Allocation Amounts on Unsettled Flexibly Priced Contracts for CY 2018

Prepared For: Defense Contract Management Agency

Report: \$19.3 Million Total Questioned Costs

The CY 2018 incurred cost audit resulted in a total of \$19.3.6 million in questioned costs. The examination disclosed proposed corporate allocation amounts that do not materially comply with contract terms pertaining to accumulating incurred amounts. Significant questioned costs of \$10.6 million were identified in internal and external legal costs. These costs were questioned due to multiple issues with the FAR including FAR 31.205-47, Costs Related to Legal and Other Proceedings. Additionally, the contractor provided insufficient documentation related to the outside legal costs. Other costs were questioned in relation to event facilitation costs, pension costs, and strategic business development costs.

# APPENDIX H

Date: June 5, 2020

Date: May 29, 2020

Date: May 29, 2020

### Audit Report No. 01221-2018A10100127

**Subject:** Independent Accountant's Report Examination of Proposed Costs on Unsettled Flexibly Priced Contracts for the Year Ending December 31, 2018

Prepared For: Defense Contract Management Agency

**Report:** \$10.9 Million Total Questioned Costs

The audit of CY 2018 incurred cost proposal resulted in questioned direct cost of \$2,188,413 and \$8,668,670 of questioned indirect costs. The most significant questioned costs relate to bonus costs noncompliant with FAR 31.205- 6(f), related party building rent expense noncompliant with FAR 31.205-36(b)(3), and G&A costs noncompliant with limitation on pass-through clause, FAR 52.215-23. Level one and level two penalties were recommended based on repeat findings for which the contractor did not take corrective action on prior year findings.

Audit Report No. 06851-2018A10100002	Date: June 24, 2020

**Subject:** Independent Audit Report on Proposed Local Direct and Indirect Amounts, Compensation, Subcontracts, and Incoming Intercompany Work Order (IWO) Amounts on Unsettled Flexibly Priced Contracts for CY 2018

Prepared For: Defense Contract Management Agency

Report: \$34.2 Million Total Questioned Costs

The audit of CY 2018 incurred cost proposal resulted in a total of \$34.2 million in questioned costs. Significant questioned costs of \$19.8 million were identified in proposed professional legal service costs. These costs were found to be noncompliant with various sections of FAR Part 31. Other significant questioned costs of \$12.3 million were identified in environmental remediation cost, these costs were questioned for noncompliance with FAR 31.201-3, Determining Reasonableness. Some of the environmental remediation costs were found to be unreasonable due to the contractor not securing the proper insurance and instead passing these costs to the U.S. Government. Other questioned costs include property taxes, overseas allowance costs, and overtime costs.

Audit Report No. 03451-2018D10100001

Date: June 25, 2020

Date: June 19, 2020

Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2018

Prepared For: United States Navy

Report: \$101.9 Million Questioned Costs

The FY 2018 incurred cost audit resulted in a total of \$101.9 million in questioned costs. The examination questioned \$83.3 million in direct costs and \$18.6 million in indirect costs. Significant questioned costs of \$79.6 million were identified in direct material costs. These costs were found to not be allocable in accordance with FAR 31.201-4, Determining Allocability. Other costs were questioned in relation to union costs, workmen's compensation costs, public relations costs, and corporate office expenses.

Audit Report No. 02351-2019H42000002	Date: June 26, 2020	
Subject: Independent Audit Report on Certified Cost or Pricing Data Resulting in Price Agreement		

Prepared For: United States Army

Report: \$32.9 Million Recommended Price Adjustment

The audit of the contractor's compliance with 10 USC § 2306a, Truthful Cost or Pricing Data (formerly known as the Truth in Negotiations Act), resulted in a recommended price adjustment of \$32.9 million. Significant adjustments totaling \$29.2 million were recommended as a result of the contractor failing to submit current, accurate, and complete cost and pricing data pertaining to direct material costs. The contractor submitted inaccurate quantities for several parts in its final certified proposal. Additionally, an adjustment to the target profit was made based on the negotiated profit rate.

164 APRIL 1, 2020 THROUGH SEPTEMBER 30, 2020

# Audit Report No. 07221-2018|10100001

Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for CY 2018

Prepared For: Defense Contract Management Agency

Report: \$16.8 Million Questioned Costs

The CY 2018 incurred cost audit resulted in a total of \$16.8 million in questioned costs. Significant questioned costs were not identified in any one cost category. However, costs were questioned in relation to indirect labor, compensation, depreciation, professional services, and services transferred from other business units.

Audit Report No. 07281-2018C10100001	Date: June 26, 2020
Subject: Independent Audit Report on Proposed Amounts on Unset	tled Flexibly Priced Contracts for Fiscal Year (FY) 2018

**Prepared For:** Defense Contract Management Agency

Report: \$12.4 Million Questioned Costs

The FY 2018 incurred cost audit identified questioned costs totaling \$12.4 million. These questioned costs were identified solely in the other direct costs category. These costs were determined to be unreasonable, and in noncompliance with FAR 31.201-3, Determining Reasonableness, because the contractor failed to provide documentation to support their assertion of reasonableness.

Audit Report No. 01551-2018A10100003	Date: July 2, 2020
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2018	

**Prepared For:** Defense Contract Management Agency

Report: \$80.5 Million Questioned Costs

The audit of FY 2018 incurred cost proposal resulted in a total of \$80.5 million in guestioned costs. Significant questioned costs of \$75 million were identified in independent research and development costs. The contractor was claiming costs that did not have a causal beneficial relationship to the product sought by the government. These costs were found to be noncompliant with FAR 31.201-4, Determining Allocability. Additional questioned costs were identified in legal fee costs, travel and relocation costs, subcontract costs, and compensation costs.

## Audit Report No. 09741-2018A10100001

Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year (CFY) 2018

Prepared For: Defense Contract Management Agency

**Report:** \$13.5 Million Questioned Costs

The FY 2018 incurred cost audit resulted in a total of \$13.5 million in questioned costs. Significant questioned costs of \$12.1 million were identified in time and material direct labor costs. These costs were found noncompliant with FAR 52.232-7, Payments Under Time-and-Materials and Labor-Hour Contracts, and FAA AMS 3.8.2-22, Substitution or Addition of Personnel. The examination identified that employee did not meet contract labor qualifications and therefore the contractor was not complying with contract requirements. Additional questioned costs were identified in direct and indirect airfare costs and meal and snack purchases.

Date: June 26, 2020

Date: July 15, 2020

Date: July 30, 2020

Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2018

Prepared For: Defense Contract Management Agency

Report: \$10.8 Million Total Questioned Costs

The audit of the FY 2018 incurred cost proposal resulted in a total of \$10.8 million in questioned costs. Significant questioned costs were not identified in any one cost category. However, questioned costs were identified in relation to taxes, retirement savings costs, labor costs, and airfare costs. These costs were questioned in accordance with various FAR requirements including FAR 52.216-7 Allowable Cost Payment, FAR 31.205-6 Compensation for Personal Services, FAR 31.205-46 Travel Costs, FAR 47.4 Air Transportation by U.S. Flag Carriers, FAR 31.201-3 Unallowable Costs, and FAR 31.201-3 Determining Reasonableness.

Subject: Independent Audit Report on Certified Cost or Pricing Data Resulting in Price Agreement

Prepared For: United States Army

**Report:** \$34.3 Million Recommended Price Adjustment

The audit of the contractor's compliance with 10 USC § 2306a, Truthful Cost or Pricing Data (formerly known as the Truth in Negotiations Act), resulted in a recommended price adjustment of \$34.3 million. Adjustments totaling \$31.8 million were recommended in the following cost elements: direct materials, labor overhead, materials handling and factors, and general and administration. These adjustments were made recommended because the contractor failed to submit current, accurate, and complete cost or pricing data pertaining to direct materials and indirect costs.

Audit Report No. 09871-2020C17200001	Date: August 5, 2020

Subject: Independent Audit Report Request for Equitable Adjustment

Prepared For: Restricted Customer

**Report:** \$95.4 Million Questioned Costs

The examination of the costs proposed in a request for equitable adjustment (REA) identified a total of \$95.4 million in questioned costs. All of the proposed costs were questioned in their entirety in accordance with FAR 31.201-4, Determining Allocability. The contractor submitted proposed costs that were not allocable to the contract under consideration. The basis of the proposed costs, as described in the contractor's request for equitable adjustment, were not compatible with the contract's terms, or efforts in the contract's statement of work.

Audit Report No. 05311-2019L17200001	Date: August 25, 2020
Subject: Independent Audit Report on Claimed Amounts in Certified Claim Under Contract	

Prepared For: United States Air Force

**Report:** \$143.5 Million Questioned Costs

The audit of the proposed claim resulted in a total of \$143.5 million in questioned costs. The claimed amount was questioned, in its entirety, as being unreasonable. Significant questioned costs were identified several categories - \$104.8 million in indirect costs, \$25.8 million in direct labor costs, and approximately \$13 million in claimed profit/fee. The examination found that the modifications to the contract by the Government were not the primary cause of the disruption and loss of efficiency costs by the contractor and are therefore unreasonable.

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Prepared For: Defense Contract Management Agency	/

Report: \$11.2 Million Questioned Costs

Audit Report No. 06821-2018F10100001

The CY 2018 incurred cost audit resulted in a total of \$11.2 million in questioned costs. Significant questioned costs were not identified in any one cost category. However, costs were questioned in relation to pension costs, workers' compensation costs, insurance costs, consulting costs, and environmental remediation costs.

Subject: Independent Audit Report on Proposed Amounts Allocated to Unsettled Flexibly Priced Contracts for CY 2018

Date: August 28, 2020

Date: September 23, 2020

Audit Report No. 04591-2020C17100001	Date: September 11, 2020		
Subject: Independent Audit Report on Proposed Amounts in Termination Settlement Proposal			
Prepared For: Defense Contract Management Agency			
Report: \$10.1 Million Questioned Costs			
The termination settlement proposal was examined and \$10.1 million in question costs was identified. Significant			

questioned costs were not identified in any one cost category. However, costs were questioned in relation to material costs, direct labor costs, settlement expenses, and profit.

<b>Subject:</b> Independent Audit Penert on Cartitian Cast and Drising F	Nata Baculting in Drice Agreement on Contract
Subject: Independent Audit Report on Certified Cost and Pricing D	

Prepared For: Defense Contract Management Agency

Report: \$30 Million Price Adjustment

Audit Report No. 06851-2018A42000001

The Subcontract audit was performed evaluating the Cost and Pricing Data: Truth in Negotiations, focusing on the pricing of the contract. A 10 USC § 2306a Noncompliance was noted in the lack of current, accurate and complete cost and pricing data pertaining to General Procurement (GP) costs, lower tier subcontract costs and Interdivisional Work Order (IWO) costs.

Audit Report No. 02391-2018C10100001 02391-2018C10100006	Date: September 28, 2020	
Subject: Independent Audit Penert on Proposed Amounts on Unsettled Elevibly Priced Contracts for Ejecal Vears 2018		

Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years 2018 and 2018A

Prepared For: Defense Contract Management Agency

Report: \$135.4 Million Questioned Cost

Examination of the proposed amounts found Unallowable Costs for corporate legal and costs related to legal and other proceedings in accordance with FAR 31.201-47(f)(4) and FAR 31.201-6(a) respectively. We also questioned Allocability in the area of Corporate Subcontract Management cost, FAR 31.201-4(b). In addition, the Allowability, FAR 31.201-2(d) was question for group insurance costs. The examination indicates there was a lack of real-time labor testing requiring alternate procedures be performed.

Audit Report No. 05511-2019L42000002	Date: September 30, 2020	
Subject: Independent Audit Report Certified Cost or Pricing Data Resulting in Price Agreement on Contract		
Prepared For: Defense Contract Audit Agency		
Report: \$12.6 Million Price Adjustment		
The self-initiated audit was performed evaluating the certified Cost and Pricing Data: Truthful Cost or Pricing Data (formerly known as the Truth in Negotiations Act). The examination disclosed a material noncompliance with 10 USC § 2306a. We considered the application of Material Overhead, General and Administrative (G&A), Facilities Cost of Money (COM) and profit in the recommended adjustment.		

# **RESULTS OF PEER REVIEWS**

# Peer Review of Department of Defense Office of the Inspector General Evaluations by U.S. Department of Health and Human Services Office of Inspector General

The U.S. Department of Health and Human Services OIG led an external peer review of DoD OIG evaluation operations. The September 25, 2018, summary report concluded that the DoD OIG evaluation operations' policies and procedures generally met the nine quality standards addressed in evaluation peer reviews (independence, quality control, planning, data collection and analysis, evidence, reporting, timeliness, records maintenance and followup). In addition, the 10 reports reviewed generally met applicable "Quality Standards for Inspection and Evaluation" established by the Council of the Inspectors General on Integrity and Efficiency. There are no open recommendations.

# Peer Review of Department of State Office of the Inspector General Offices of Inspections, Evaluation and Special Projects, and Audit

The DoD OIG led an external peer review of the Department of State inspection and evaluation operations. The June 15, 2020, summary report concluded that the Department of State inspection and evaluation operations' policies and procedures generally met the seven quality standards addressed in the external peer review (quality control, planning, data collection and analysis, evidence, reporting, records maintenance, and followup). In addition, the four reports reviewed generally met the applicable "Quality Standards for Inspection and Evaluation" established by the Council of the Inspectors General on Integrity and Efficiency. The report contained no recommendations.

### Peer Review of the Defense Logistics Agency Office of the Inspector General Audit Organization

The DoD OIG reviewed the system of quality control for the Defense Logistics Agency (DLA) Office of the Inspector General audit organization in effect for the 3-year period ended September 30, 2019. The DLA Office of the Inspector General audit organization received an external peer review rating of pass. The system review report contained no recommendations.

Fulfills requirements of the Inspector General Act of 1978, as amended, 5 U.S.C., Appendix, §§ 5(a)(14), (15), (16).

# **INVESTIGATIVE REPORTS ISSUED**

### IG Empowerment Act of 2016 Additional Semiannual Report to Congress SAR Reporting Requirements

17. Statistical Table			
17A the total number of investigative reports issued during the reporting period		237	
17B the total number of investigations referred to the Department of Justice for criminal prosecution during the reporting period		70	
17C	the total number of investigations referred to State and local prosecuting authorities for criminal prosecution during the reporting period	2	
17D	the total number of indictments and criminal informations during the reporting period that resulted from any prior referral to prosecuting authorities	119	

18. Descript	18. Description of the metrics used for developing the data for the statistical tables under paragraph (17)			
17A	In accordance with DCIS policy (SAM Ch. 28.18.a), each investigation is concluded with a "Report of Investigation" (ROI). Hence, this metric is actually the count of the investigations closed during the reporting period. This includes Regular Investigations only with Case Close Dates between 04/1/2020 through 9/30/2020. There are instances when DCIS does not author the ROI, in such events, a Case Termination should be used (also in accordance with written DCIS policy). This metric does NOT include other types of reports authored by DCIS to include Information Reports, Case Initiation Reports, Case Summary Updates, Interview Form 1s, Significant Incident Reports, etc.			
17B	DCIS tracks referrals to DOJ at the investigation level and not the suspect/person/entity level. The number reported is the total number of investigations referred to the Department of Justice for criminal prosecution during the reporting period. There were 70 investigations referred to DOJ for criminal prosecution. These investigations involved 212 suspects, (100) businesses and (110) individuals.			
17C	DCIS tracks referrals for prosecution at the investigation level and not the suspect/person/entity level. The number reported is the total number of investigations referred to State and Local prosecuting authorties for criminal prosecution during the reporting period. There were 2 investigations referred to State/Local prosecuting authorities for criminal prosecution. These investigations involved 2 suspect(s), (1) businesses and (1) individuals.			
17D	Includes any Federal Indictment, Federal Information, State/Local Charge, Foreign Charge, Article 32 UCMJ, or Federal Pre-Trial Diversion occurring between 04/1/2020 through 9/30/2020. This excludes any sealed charges. Only validated charges are included. Precluding Adjudicative Referral may have occurred in current SAR period or in previous period. This differs from Criminal Charges as reported in SAR Highlights section because the SAR Highlights includes a 6 month "look back" period to include previously unreported criminal charges (charges occurring between 10/1/2019 and 03/31/2020 but were not previously reported).			

# ACRONYMS

1-1 ADA	1st Pattalian 1st Air Dafansa Artillary Pagimont
	1st Battalion, 1st Air Defense Artillery Regiment
10th SG	10th Support Group
ACC-A	Army Contracting Command–Afghanistan
ACSA	Acquisition and Cross-Servicing Agreement
ADA	Antideficiency Act
ADR	Alternative Dispute Resolution
AFAA	Air Force Audit Agency
AFOSI	Air Force Office of Special Investigations
AI	Administrative Investigations
AI	Artificial Intelligence
AMC	U.S. Army Materiel Command
AMIC	Acquisition Management and Integration Center
AMPAC	American Pacific Corporation
ANDSF	Afghan National Defense and Security Forces
AP1	Ammonium Perchlorate, Grade 1
AQTT	Alabama-Quassarte Tribal Town
ARI	Acquisition Reform Initiative
Army CID	Army Criminal Investigation Command
ASA(ALT)	Assistant Secretary of the Army (Acquisition, Logistics, and Technology)
ATLP	Army Trademark Licensing Program
AUSA	Association of the United States Army
BAS	Basic Allowance for Subsistence
BSAT	Biological Select Agents and Toxins
CAF	Consolidated Adjudications Facility
CID	Criminal Investigation Command
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CJTF-OIR	Combined Joint Task Force–Operation
CNIC	Commander, Navy Installations Command
сосом	Combatant Command
СООР	Continuity of Operations Plan
COP-OCO	Comprehensive Oversight Plan-Overseas Contingency Operations
CORE-IMS	Core Inventory Management System
COVID-19	Coronavirus Disease–2019
CREC	Communications, Research, Engineering, and Consultants Group, LLC
CSTC-A	Combined Security Transition Command– Afghanistan
DCIE	Defense Council on Integrity and Efficiency
DCIS	Defense Criminal Investigative Service
DCMA	Defense Contract Management Agency

DERP	Defense Environmental Restoration Program			
DHA	Defense Health Agency			
DHS				
DISES	Department of Homeland Security Defense Intelligence Senior Executive Service			
DLA	Defense Logistics Agency			
DODEA	Department of Defense Education Activity			
DOD OIG	Department of Defense Office of Inspector General			
DOJ	Department of Justice			
DOS	Department of State			
DSCA	Defense Security Cooperation Agency			
EA	East Africa			
EBP	Essential Business Products, Inc.			
EEO	Equal Employment Opportunity			
EEUM	Enhanced End-Use Monitoring			
ESM	Essential Station Messing			
EVAL	Evaluations			
FAP	Family Advocacy Program			
FBI	Federal Bureau of Investigation			
F&DR	Fielding and Deployment Release			
FLE	Forward Logistics Elements			
FMC	Fully Mission Capable			
FOB	Forward Operating Base			
GAO	Government Accountability Office			
GCPC	Government Commercial Purchase Card			
GOCO	Government-Owned, Contractor-Operated			
GO-GC	Government-Owned, Government-Controlled			
GOGO	Government-Owned, Government-Operated			
HASC	House Armed Services Committee			
HQ	Headquarters			
HRP	High-Risk Personnel			
HWG	Hotline Working Group			
IA	Information Assurance			
IG	Inspector General			
ІМСОМ	U.S. Army Installation Management Command			
IPDS	Inland Petroleum Distribution System			
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IPERA	Improper Payments Elimination and Recovery Act			
ISIS	Islamic State of Iraq and Syria			
ISIS-EA	Islamic State of Iraq and Syria–East Asia			
ISO	Investigations of Senior Officials			
ISR	Intelligence, Surveillance, and Reconnaissance			
IT	Information Technology			
JAIC	Joint Artificial Intelligence Center			
JEDI	Joint Enterprise Defense Infrastructure			

# APPENDIX K

JPI	J.P. Industries, Incorporated	PCS	Permanent Change of Station
JSF	Joint Strike Fighter	PFAS	Perflouroalkyl and Polyflouroalkyl Substances
КІС	Kikiktagruk Inupiat Corporation	PFOA	Perfluorooctanoic Acid
KICD	Kikiktagruk Inupiat Corporation Development, LLC	PFOS	Perfluorooctane Sulfonate
КРР	Key Performance Parameter	PII	Personally Identifiable Information
LMAC	Lockheed Martin Aeronautic Company	РРО	Protection-Providing Organizations
LOA	Letters of Offer and Acceptance	PRAC	Pandemic Response Accountability Committee
LOGCAP	Logistics Civil Augmentation Program	PSD	Protective Security Detail
MA	Master-at-Arms	PSP	Physician Specialty Pharmacy
MCIO	Military Criminal Investigative Organization	RC	Regional Centers for Security Studies
MEC	Munitions and Explosives of Concern	RMF	Risk Management Framework
MHS	Military Health System	RPA	Remotely Piloted Aircraft
MILCON	Military Construction	RSHQ	Resolute Support Headquarters
MISO	Military Information Support Operations	SAR	Semiannual Report
MLEO	Military Law Enforcement Organizations	SBIR	Small Business Innovation Research
MORD	Miscellaneous Obligation Reimbursement Documents	SDF	Syrian Democratic Forces
MTF	Military Treatment Facility	SES	Senior Executive Service
NAL	Northwest Analytics Laboratory	SIF	Security Information File
NATO	North Atlantic Treaty Organization	SMC	Space and Missile Systems Center
NAVAIR	Naval Air Systems Command	SO-P	Special Operations–Peculiar
NAVAUDSVC	Naval Audit Service	SRUF	Standing Rules for the Use of Force
NCIS	Naval Criminal Investigative Service	T&E	Test and Evaluation
NDAA	National Defense Authorization Act	UCA	Undefinitized Contract Actions
NECG	New Entrant Certification Guide	USAAA	U.S. Army Audit Agency
NEXCOM	Navy Exchange Service Command	USAABJ	U.S. Army Aviation Battalion Japan
NFR	Notice of Findings and Recommendations	USACE	U.S. Army Corps of Engineers
NIST	National Institute for Standards and Technology	USAFRICOM	U.S. Africa Command
NSF	Navy Security Force	USAID	U.S. Agency for International Development
NSSL	National Security Space Launch	USAMMC-SWA	U.S. Army Medical Materiel Center–Southwest Asia
NVD	Night Vision Device	U.S.C.	United States Code
NWA	North and West Africa	USCENTCOM	U.S. Central Command
000	Overseas Contingency Operations	USFOR-A	U.S. Forces–Afghanistan
OCONUS	Outside the Continental United States	USINDOPACOM	U.S. Indo-Pacific Command
OFS	Operation Freedom's Sentinel	USSOCOM	U.S. Special Operations Command
OIG	Office of Inspector General	VA	Department of Veterans Affairs
OIR	Operation Inherent Resolve	VMC	Vista Machining Company
OLAC	Office of Legislative Affairs and Communications	VSO	Vetted Syrian Opposition
OPE-P	Operation Pacific Eagle–Philippines	WPC	Whistleblower Protection Coordinator
OUSD(A&S)	Office of the Under Secretary of Defense for Acquisition and Sustainment	WRI	Whistleblower Reprisal Investigations



### INTEGRITY $\star$ INDEPENDENCE $\star$ EXCELLENCE



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**Congressional Liaison** Legislative.affairs@dodig.mil; 703.604.8324

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