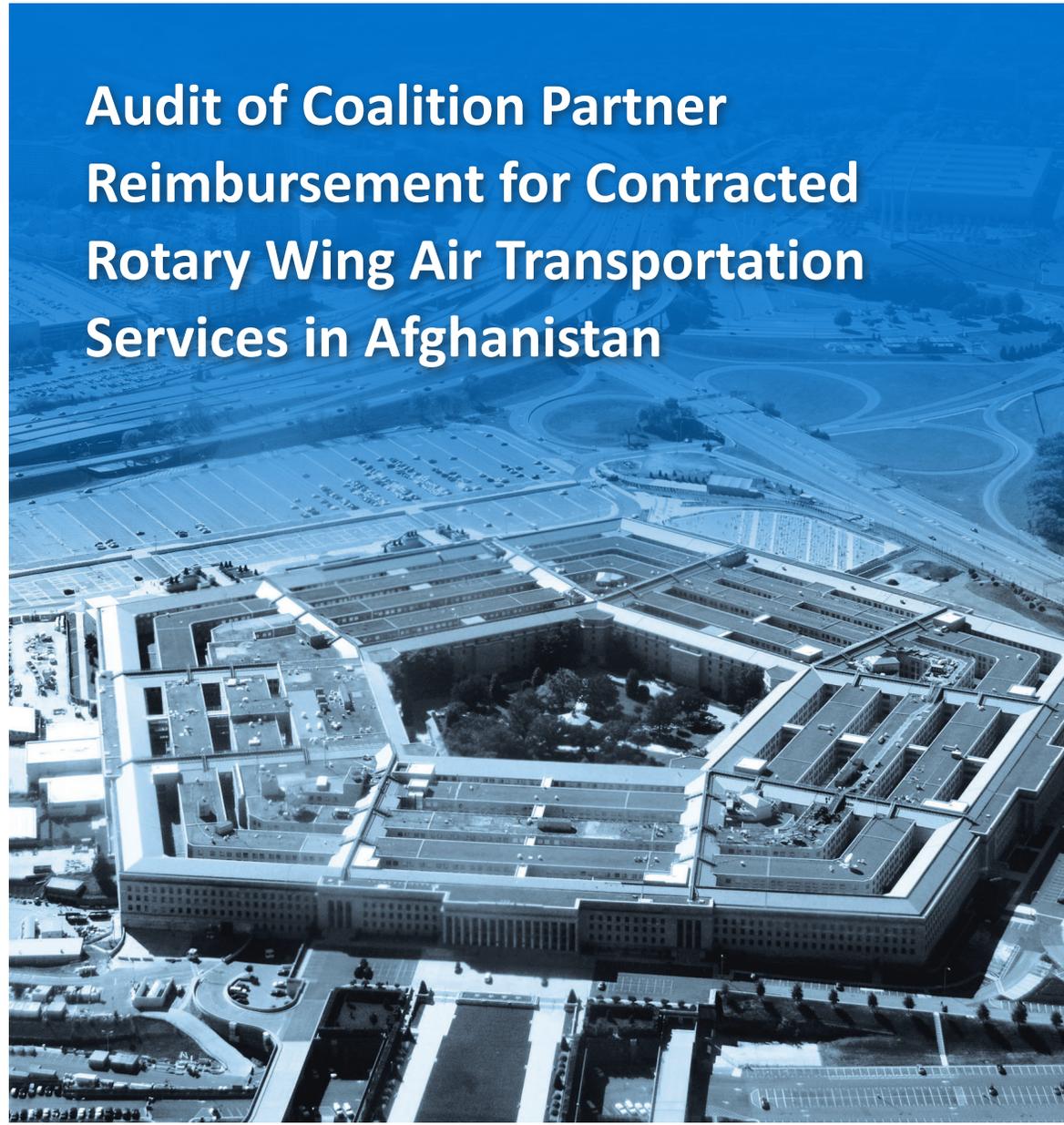




INSPECTOR GENERAL

U.S. Department of Defense

MARCH 22, 2021



Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





Results in Brief

Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan

March 22, 2021

Objective

The objective of this audit was to determine whether the DoD sought full reimbursement for contracted rotary wing air transportation services (air transportation services) provided to Coalition partners in Afghanistan in accordance with DoD policy and international agreements. Specifically, we focused on the reimbursement of air transportation services provided from September 2017 through September 2020.

Background

The DoD uses Acquisition and Cross-Servicing Agreements (ACSA) to acquire or provide logistics support, supplies, and services in exchange for reimbursement between the United States and an authorized foreign country. An ACSA agreement is entered into by the DoD and a partner country to establish basic terms, conditions, and procedures to facilitate the reciprocal provision of logistics support, supplies, and services.

The transfer of services under ACSAs is accomplished through ACSA order forms, which contain details, terms, and conditions related to a specific acquisition of services, including air transportation services. The ACSA order forms are required to be submitted in the ACSA Global Automated Tracking and Reporting System (AGATRS).

The main U.S. personnel and commands responsible for ACSA transactions for air transportation services in Afghanistan are personnel from U.S. Forces-Afghanistan (USFOR-A) Multinational

Background (cont'd)

Logistics (MNL) and the U.S. Army Central (ARCENT) Logistics Directorate. There are 17 Coalition partners who reimburse the DoD for the logistics support, supplies, and services they receive. These partners are also referred to as Pay-to-Play Coalition partners. The DoD also pays for logistics support, supplies, and services for Coalition partners who would not otherwise be able to participate in the Resolute Support mission without the financial support of the United States. These Coalition partners are known as Lift and Sustain Coalition partners.

Findings

The DoD did not request reimbursement for air transportation services provided to Coalition partners. Specifically, USFOR-A MNL personnel did not initiate ACSA orders for Pay-to-Play Coalition partners who used air transportation services in Afghanistan from September 2017 through September 2020.

USFOR-A MNL personnel did not initiate ACSA orders because the personnel did not obtain flight usage data, determine a rate per person (the cost of a flight), or establish an agreement with each Coalition partner regarding reimbursement costs and billing methods before services were provided. Furthermore, ARCENT Logistics Directorate personnel did not provide the required oversight of the ACSA program.

The DoD paid \$773 million for air transportation services provided to U.S. personnel, Pay-to-Play Coalition partners, and Lift and Sustain Coalition partners from September 2017 through September 2020. However, because USFOR-A did not receive or track Coalition partner flight usage data, the exact cost of reimbursable air transportation services provided to Pay-to-Play Coalition partners cannot be determined. Unless USFOR-A MNL personnel obtain flight usage data, determine the rate per person, and establish an agreement with Coalition partners before services are provided, the DoD will not be able to seek reimbursement for future air transportation services provided in Afghanistan.



Results in Brief

Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan

Recommendations

We recommend that the USFOR-A MNL Branch Chief, in coordination with the ARCENT MNL Branch Chief, obtain flight usage data on a regular basis, determine the rate per person per flight, establish an agreement with Coalition partners in order to seek reimbursement, and initiate ACSA orders in AGATRS for billing.

We recommend that the ARCENT MNL Branch Chief, in coordination with the USFOR-A MNL Branch Chief, conduct a review of all reimbursable services provided in Afghanistan to Coalition partners and establish internal controls over the ACSA program in Afghanistan to ensure ACSA orders for Coalition partners' air transportation services are initiated in AGATRS.

Management Comments and Our Response

The Deputy Commanding General, Operations Chief of Staff, USFOR-A, responding for the USFOR-A MNL Branch Chief, agreed with our recommendation to determine the rate per person per flight. The Chief of Staff stated that USFOR-A personnel have developed standard per person rates for contracted air transportation services and published these rates to Coalition partners. Therefore, the recommendation is closed.

Further, the Chief of Staff stated that USFOR-A personnel will obtain a monthly report of contracted air transportation services provided to Coalition partners from the Effective Visible Execution system and bill Pay-to-Play Coalition partners for the services beginning in the second quarter of FY 2021. The planned corrective actions are sufficient to resolve our recommendations to obtain flight usage data on a regular basis and initiate ACSA orders in AGATRS for billing. Therefore, the recommendations are resolved but will remain open. We will close the recommendations when we receive documentation to support that these actions have been completed.

Notifying the Coalition partners of the per person rates, developing a process to obtain the flight usage data, and determining a method for billing encompass elements of an agreement; therefore, the recommendation to establish an agreement with Coalition partners in order to seek reimbursement is resolved but will remain open. We will close the recommendation when we receive the signed ACSA order forms to support that the Coalition partners have agreed with the published rates, and method for reimbursement.

The ARCENT Chief of Staff, responding for the ARCENT MNL Branch Chief, agreed with our recommendation to conduct a review of all reimbursable services provided in Afghanistan to Coalition partners and establish internal controls over the ACSA program in Afghanistan. The Chief of Staff stated that ARCENT will establish internal controls that will include monthly engagements with the USFOR-A MNL Chief and lead ACSA coordinator. During the engagements, the ARCENT ACSA program manager will review the monthly Effective Visible Execution report of contracted aviation provided to USFOR-A. The Chief of Staff also stated that ARCENT will conduct a monthly review of all AGATRS transactions to ensure billing occurs in accordance with the standard flight rate. The planned corrective actions are sufficient to resolve our recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation when we receive documentation to support that these actions have been completed.

Please see the Recommendations Table on the next page for the status of recommendations.

Recommendations Table

| Management | Recommendations Unresolved | Recommendations Resolved | Recommendations Closed |
|--|----------------------------|--------------------------|------------------------|
| U.S. Army Central Multinational Logistics Branch Chief | None | 2 | None |
| U.S. Forces–Afghanistan Multinational Logistics Branch Chief | None | 1.a, 1.c, 1.d | 1.b |

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

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





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

March 22, 2021

MEMORANDUM FOR COMMANDER, U.S. ARMY CENTRAL
COMMANDER, U.S. FORCES-AFGHANISTAN

SUBJECT: Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan (Report No. DODIG-2021-062)

This final report provides the results of the DoD Office of Inspector General's Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan. We previously provided copies of the draft report and requested written comments on the recommendations. We considered management's comments on the draft report when preparing the final report. These comments are included in the report.

Of the five recommendations in our report, one recommendation is closed. The U.S. Army Central Chief of Staff and the U.S. Forces-Afghanistan Deputy Commanding General, Operations Chief of Staff, agreed to address the remaining recommendations presented in the report; therefore, we consider the remaining four recommendations resolved but will remain open. As described in the Recommendations, Management Comments, and Our Response section of this report, we will close the recommendations when you provide us documentation showing that all agreed-upon actions to implement the recommendations are completed. Therefore, please provide us within 90 days your response concerning specific actions in process or completed on the recommendations. Send your response to either followup@dodig.mil if unclassified or rfunet@dodig.smil.mil if classified SECRET.

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

A handwritten signature in blue ink, reading "Richard B. Vasquez".

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

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Introduction

Objective

The objective of this audit was to determine whether the DoD sought full reimbursement for contracted rotary wing air transportation services (air transportation services) provided to Coalition partners in Afghanistan in accordance with DoD policy and international agreements.¹ Specifically, we focused on the reimbursement of air transportation services provided from September 2017 through September 2020. See the Appendix for the audit scope and methodology and prior audit coverage related to the audit objective.

Background

In May 2017, the U.S. Transportation Command awarded three indefinite-delivery indefinite-quantity, fixed-price contracts valued at approximately \$485 million for air transportation services in the U.S. Central Command (USCENTCOM) area of responsibility, which includes Afghanistan.² The period of performance for the contracts began in September 2017 and extends through August 2021. Within Afghanistan, Coalition partners use air transportation services to move either personnel or cargo (or both) from one base to another. According to DoD Directive 2010.09, Coalition partners with active Acquisition and Cross-Servicing Agreements (ACSA) are eligible to use these services on a reimbursable basis.³ Figure 1 shows a helicopter used for contracted air transportation services.

¹ The scope of our audit focused on contracted rotary wing air transportation services. Throughout this report, we will refer to these services as “air transportation services.”

² The total awarded amount for the three base contracts was \$485 million. The ceiling of the contracts increased as option years were exercised on the contracts. The DoD paid \$773 million for air transportation services from September 2017 through September 2020.

³ DoD Directive 2010.09, “Acquisition and Cross-Servicing Agreements,” April 28, 2003, Incorporating Change 2, August 31, 2018. An ACSA is a legal instrument that authorizes the reciprocal provision of logistics support, supplies, or services, including air transportation services.



Figure 1. Helicopter Used for Contracted Air Transportation Services
Source: U.S. Transportation Command.

Resolute Support Mission and Coalition Partners

The North Atlantic Treaty Organization (NATO)-led Resolute Support mission is to train, advise, and assist Afghan forces and institutions to build their capacity to defend Afghanistan and protect its citizens in a sustainable manner. The Resolute Support mission consists of approximately 16,000 personnel from 38 Coalition partner countries, including the United States.⁴ The Resolute Support mission operates with one “hub” in Kabul and Bagram, also known as Train, Advise and Assist Command (TAAC)–Capital, and four “spokes”—TAAC-North in Mazar-e-Sharif, TAAC-West in Herat, TAAC-South in Kandahar, and TAAC-East in Laghman. See Figure 2 for a map of the TAAC locations.

⁴ Numbers are current as of August 2020. During the timeframe covered by the scope of our audit, Iceland contributed troops to the Resolute Support mission, for a total of 39 countries, including the United States.



Figure 2. TAAC Locations in Afghanistan
Source: USCENTCOM.

The 38 Coalition partner countries supporting the Resolute Support mission are categorized as either Pay-to-Play or Lift and Sustain Coalition partners.⁵ DoD contractors provide air transportation services to both Pay-to-Play and Lift and Sustain Coalition partners. Pay-to-Play partners are required to reimburse the DoD for air transportation services. For Lift and Sustain Coalition partners, the DoD pays for logistics support, supplies, and services because those partners would not be able to participate in the Resolute Support mission without the financial support of the United States. This report focuses only on the 17 Pay-to-Play Coalition partners, as the 21 Lift and Sustain Coalition partners are not required to reimburse the DoD for services under Lift and Sustain authority.⁶ Table 1 outlines the 17 Pay-to-Play and 21 Lift and Sustain Coalition partners.

⁵ For this report, we refer to Coalition partners that are not Lift and Sustain Coalition partners as Pay-to-Play.

⁶ Lift and Sustain authority allows the United States to provide support to certain Coalition partners participating with U.S. Forces in operations in Afghanistan with some minor exceptions. Lift and Sustain is not classified as an ACSA authority. The Coalition partners that qualify as Lift and Sustain Coalition partners can also use Pay-to-Play ACSA transactions.

Table 1. Coalition Partner Countries Categorized as Pay-to-Play or Lift and Sustain

| Pay-to-Play Coalition Partners | | Lift and Sustain Coalition Partners | |
|--------------------------------|----------------|-------------------------------------|-----------------|
| Australia | Luxembourg | Albania | Latvia |
| Austria | Netherlands | Armenia | Lithuania |
| Belgium | New Zealand | Azerbaijan | Mongolia |
| Denmark | Norway | Bosnia-Herzegovina | Montenegro |
| Finland | Portugal | Bulgaria | North Macedonia |
| Germany | Spain | Croatia | Poland |
| Greece | Sweden | Czech Republic | Romania |
| Iceland* | United Kingdom | Estonia | Slovakia |
| Italy | | Georgia | Slovenia |
| | | Hungary | Turkey |
| | | | Ukraine |

* While Iceland is no longer contributing personnel to the Resolute Support mission, it contributed personnel during the scope of our audit.

Source: The DoD OIG.

ACSA Overview

The DoD uses ACSAs to acquire or provide logistics support, supplies, and services in exchange for reimbursement between the United States and an authorized foreign country. An ACSA agreement is entered into by the DoD and a partner country to establish basic terms, conditions, and procedures to facilitate the reciprocal provision of logistics support, supplies, and services. The transfer of services under ACSAs is accomplished through supplementary agreements and ACSA order forms, which contain additional details, terms, and conditions related to a specific acquisition of services, including air transportation services. Reimbursement for these services may take the form of cash payments, the exchange of supplies or services of equal value, or an in-kind replacement.

ACSA Criteria

DoD Directive 2010.09 provides policy applicable to the Office of the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the combatant commands, and Defense agencies for the acquisition and transfer of logistics support, supplies, and services to authorized foreign governments in accordance with the United States Code.⁷ The Directive requires the Secretaries of the Military Departments to establish appropriate oversight procedures, as well as keep and maintain financial

⁷ Pursuant to DoD Directive 2010.09, section 2341, title 10, United States Code provides the authority to enter into acquisition agreements with eligible countries or international organizations, or with non-NATO countries if they meet certain criteria.

and program records of all ACSA transactions.⁸ The Directive also requires designated ACSA officials to have the knowledge and experience to execute authorized transactions.

Chairman of the Joint Chiefs of Staff Instruction 2120.01D also provides guidance to the combatant commands and Defense agencies for the use of ACSA authorities.⁹ Specifically, the Instruction requires the ACSA program to be executed by designated ACSA officials at the lowest organizational level, primarily at the combatant command, Service component, or subordinate command level.

ACSA Transaction Roles and Responsibilities for Air Transportation Services

The main personnel and commands responsible for ACSA transactions for air transportation services in Afghanistan are personnel from U.S. Forces–Afghanistan (USFOR-A) Multinational Logistics (MNL), and the U.S. Army Central (ARCENT) Logistics Directorate.

U.S. Forces–Afghanistan Multinational Logistics

USFOR-A MNL ACSA coordinators are responsible for establishing terms and conditions with Coalition partners, initiating billing in the ACSA Global Automated Tracking and Reporting System (AGATRS), and submitting ACSA order forms to the ARCENT Logistics Directorate for air transportation services.¹⁰ The ACSA coordinator negotiates the request for support with each Coalition partner’s senior national representative. In addition, the ACSA coordinator prepares the ACSA order form, obtains required signatures, and submits signed copies of the ACSA order form into AGATRS to initiate the billing process.¹¹ The USFOR-A MNL ACSA program manager provides oversight of the execution of ACSA transactions.¹² The ACSA program manager is responsible for ensuring all services, supplies, and basic life support provided to Coalition partners are properly annotated and processed. The ACSA program manager is required to provide ARCENT with an updated menu of services memorandum for all services rendered to Coalition partners on an annual basis. USFOR-A MNL personnel are required to establish a flat rate for reimbursement of all logistics support, supplies, and services, including air transportation services provided to Coalition partners.

⁸ For this report, an ACSA transaction represents an agreement made with a Coalition partner using an ACSA order form for the sale of logistics support, supplies, and services.

⁹ Chairman of the Joint Chiefs of Staff Instruction 2120.01D, “Acquisition and Cross-Servicing Agreements,” May 21, 2015.

¹⁰ Throughout the report, the USFOR-A MNL ACSA coordinator is referred to as the ACSA coordinator.

¹¹ The ACSA order form, also referred to as a Standard Form 1-3a, is an AGATRS-generated form to document orders of logistics support, supplies, and services. Once the United States and the Coalition partner have agreed on terms and signed the ACSA order form, the ACSA order form is considered a binding international commitment.

¹² Throughout the report, the USFOR-A MNL ACSA program manager is referred to as the ACSA program manager.

U.S. Army Central Logistics Directorate

The ARCENT Logistics Directorate is responsible for oversight and providing guidance and policy for the ACSA program in USCENTCOM's area of responsibility and for providing training to ACSA personnel. The ARCENT Resource Management Directorate is responsible for validating the financial information on the ACSA order form and providing the order information to the Defense Finance and Accounting Service for billing Coalition partners.

ACSA "Sell" Transaction Process

The ARCENT MNL Standard Operating Procedures (the MNL SOP) outlines the ACSA "sell" transaction process.¹³ An ACSA "sell" transaction occurs when the DoD or its contractors provide logistics services to a Coalition partner country. The process begins when the Coalition partner senior national representative and the ACSA coordinator agree to the terms of the ACSA order request. The ACSA coordinator creates an ACSA order form in AGATRS. The ACSA order form must include the date of the order, unit price, and quantity of services provided. If the quantity of services cannot be determined, the two parties enter into an open-ended order and should establish the terms and conditions for billing.¹⁴ The Coalition partner senior national representative and the ACSA coordinator sign the ACSA order form, agreeing to the terms outlined on the order form.

According to the MNL SOP, after services are provided by the DoD or its contractors to the Coalition partner, both parties (Coalition partner senior national representative and the ACSA coordinator) sign the ACSA order form again to acknowledge the quantity of services received. The ACSA order form, containing the four signatures (two from the Coalition partner senior national representative and two from the ACSA coordinator), is uploaded into AGATRS with supporting documentation. The MNL SOP states that required supporting documentation includes quotes and usage data for services. The ACSA coordinator then assigns the signed ACSA order form in AGATRS to ARCENT's Logistics Directorate. Personnel from ARCENT's Logistics Directorate are required to review the ACSA order form for the four required signatures. After this review, the ARCENT Logistics Directorate reassigns the ACSA order form in AGATRS to ARCENT's Resource Management Directorate for review.

¹³ Theater-Combined Forces Land Combatant Command G4 Multinational Logistics, "Multinational Logistics Branch Standard Operating Procedures," May 1, 2016. ARCENT issued an updated SOP, "USARCENT Acquisition and Cross Servicing Agreement (ACSA) Standard Operating Procedures (SOP)," July 1, 2020.

¹⁴ An open-ended order is used when elements, such as quantity or period of time over which services are to be provided, cannot be defined in advance. Open-ended ACSA orders may be used as long as both parties understand how orders will be billed.

Furthermore, the MNL SOP explains that the ARCENT Resource Management Directorate provides the order information to the Defense Finance and Accounting Service. The Defense Finance and Accounting Service creates and sends a bill to the partner country for payment. The Coalition partners reimburse the DoD through an electronic funds transfer.

System Used for Tracking Coalition Partner Flight Movement

The Effective Visible Execution (EVE) system is NATO's movement and transportation execution tool for managing the multi-national strategic and theater movements. This includes all movements, such as deployments, movements for sustainment, and rotation of forces. In addition to its primary mobility management functions, EVE provides visibility for ongoing and planned transport missions to all participating countries and NATO. Coalition partner movements that use air transportation services provided by the United States, under ACSA authorities, are tracked within the EVE system. The EVE system is located within the Combined Enterprise Regional Information Exchange System.¹⁵ Users that have access to the Combined Enterprise Regional Information Exchange System can request air transportation services within EVE. Specifically, Coalition partners or U.S. personnel enter data into EVE to request air transportation services.

Review of Internal Controls

DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.¹⁶ We identified internal control weaknesses within USFOR-A MNL's process for initiating ACSA orders to request reimbursement for air transportation services under ACSA authority. Specifically, USFOR-A MNL did not obtain flight data, determine rates, or establish an agreement with Coalition partners for air transportation services. In addition, the ARCENT Logistics Directorate did not have internal controls in place to identify if orders were initiated in AGATRS. We will provide a copy of the report to the senior official responsible for internal controls at USFOR-A and ARCENT.

¹⁵ The Combined Enterprise Regional Information Exchange System is a collection of classified Coalition networks that enable information sharing through methods such as e-mail, web services, and voice over Internet protocol.

¹⁶ DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013, Incorporating Change 1, June 30, 2020.

Finding

The DoD Did Not Request Reimbursement for Air Transportation Services Provided to Coalition Partners in Afghanistan

The DoD did not request reimbursement for air transportation services provided to Coalition partners. Specifically, USFOR-A MNL personnel did not initiate ACSA orders for Pay-to-Play Coalition partners who used air transportation services in Afghanistan from September 2017 through September 2020.

The USFOR-A MNL personnel did not initiate ACSA orders because USFOR-A MNL personnel did not:

- obtain the flight usage data (number of passengers traveling per country per month along with locations traveling to/from);
- determine the rate per person (the cost of a flight); or
- establish an agreement with each Coalition partner regarding reimbursement costs and billing methods before services were provided.

Furthermore, ARCENT Logistics Directorate personnel did not provide the required oversight of the ACSA program. The ARCENT Logistics Directorate is responsible for providing oversight of the ACSA program in Afghanistan; however, ARCENT Logistics Directorate personnel only established oversight procedures to review ACSA orders that were submitted in AGATRS.

The DoD paid \$773 million for air transportation services provided to U.S. personnel, Pay-to-Play Coalition partners, and Lift and Sustain Coalition partners from September 2017 through September 2020. However, because USFOR-A did not receive or track Coalition partner flight usage data, the exact cost of reimbursable air transportation services provided to Pay-to-Play Coalition partners cannot be determined.

Unless USFOR-A MNL personnel obtain flight usage data, determine the rate per person, and establish an agreement with Coalition partners before services are provided, the DoD will not be able to seek reimbursement for future air transportation services provided in Afghanistan.

USFOR-A Did Not Seek Reimbursement From Coalition Partners

USFOR-A MNL personnel did not request reimbursement for air transportation services provided to Coalition partners in Afghanistan. Specifically, USFOR-A MNL personnel did not initiate ACSA orders for Pay-to-Play Coalition partners who used air transportation services in Afghanistan from September 2017 through September 2020.

According to the MNL SOP, ACSA coordinators are responsible for initiating the process to bill Coalition partners for reimbursable services provided to Coalition partners, such as air transportation services. To determine whether ACSA coordinators initiated bills to the Coalition partners, we conducted a search of all “sell” transactions for Pay-to-Play Coalition partners in Afghanistan within AGATRS from September 2017 through September 2020. We were unable to identify any bills initiated in AGATRS for contracted air transportation services during this timeframe.

In addition, we reviewed the Defense Logistics Agency–provided AGATRS reports to determine if ACSA coordinators initiated any bills within AGATRS for air transportation services provided to Coalition partners. We confirmed that ACSA coordinators did not initiate any orders for air transportation services for any of the 17 Pay-to-Play Coalition partners. Furthermore, in September 2020, the ACSA program manager stated that USFOR-A MNL personnel had never billed Coalition partners for air transportation services.

We confirmed that ACSA coordinators did not initiate any orders for air transportation services for any of the 17 Pay-to-Play Coalition partners.

USFOR-A Did Not Obtain Data or Establish Rates and Agreements Prior to Services Provided

USFOR-A MNL personnel did not initiate ACSA orders because they did not obtain the Coalition partners’ flight usage data, determine the rate per person per flight for Coalition partners, or establish an agreement with Coalition partners on a billing method for the reimbursable costs of air transportation services. According to Chairman of the Joint Chiefs of Staff Instruction 2120.01D, an ACSA order is initiated once ACSA coordinators and the Coalition partner agree on the terms and conditions, including the quantity, billing information, and price of the services to be transferred.

USFOR-A Did Not Obtain Coalition Partner Flight Usage Data

USFOR-A MNL personnel did not obtain the Coalition partner flight usage data. Specifically, USFOR-A MNL personnel did not request or receive the number of passengers by country traveling via air transportation and the locations traveled. USFOR-A MNL personnel need the flight usage data to develop rates per person per flight. Furthermore, the ACSA order form requires the number of Coalition partner personnel on each flight for billing purposes. The audit team requested historical flight usage data for September 2017 through September 2020 from USCENTCOM, U.S. Transportation Command, and USFOR-A; however, the commands could not provide the data.

Coalition partners and U.S. personnel request air transportation services through NATO's EVE system. NATO controls access to EVE data, and USFOR-A MNL personnel did not know how to obtain the EVE data. In September 2020, after we announced this audit, the ACSA program manager requested and received read-only access to the EVE system. However, the ACSA program manager stated that read-only access did not allow her to run queries within the EVE system. The ability to query data in the EVE system is necessary to identify the number of Coalition partner personnel using air transportation services. Without access to air transportation usage data, USFOR-A MNL personnel cannot initiate ACSA orders in AGATRS. Therefore, USFOR-A MNL personnel should obtain EVE flight usage data on a regular basis.

USFOR-A Did Not Determine the Rate per Person for Air Transportation Services

USFOR-A MNL personnel did not determine the rate per person for Coalition partners for air transportation services. The ACSAs with Coalition partners outline the terms for reimbursement, which includes the establishment of reciprocal pricing principles. The principles outline how the parties must price transactions, depending on the type of acquisition. The rates must be based on rates charged by the contractors, or charged to the supplying party's own military forces, and cannot exceed those amounts. The MNL SOP was updated in July 2020 and incorporates those principles. The updated MNL SOP requires the ACSA program manager to establish flat rates and update the rates annually for all services provided to Coalition partners in Afghanistan.¹⁷ The ACSA program manager stated that to calculate the rates for any service provided, USFOR-A MNL uses the contract cost for the services, divides the cost by the number of personnel using the service, and determines a rate per person for the service.

¹⁷ The requirement to establish flat rates is in an updated rates memorandum dated May 2020; this requirement is incorporated into the MNL SOP.

In February 2017, the USFOR-A Logistics Directorate issued a memorandum with air transportation service rates developed in coordination with the USFOR-A Resource Management Directorate. The memorandum established a rotary wing reimbursement rate of \$294 per person for each flight (roundtrip counted as two flights). Although the USFOR-A personnel established the \$294 per person rate, in September 2020, USFOR-A MNL personnel stated that the rates were not valid because they were not based on supportable flight cost information. In addition, the current contract for air transportation services in Afghanistan was not awarded until May 2017; therefore, the reimbursement rate is not based on the current contract cost. Without the underlying flight cost information, USFOR-A MNL cannot ensure that the reimbursement rate in the memorandum is in accordance with the pricing principles established in the ACSAs.

Determining the cost of a flight is critical to calculating the reimbursement amount. Without a valid rate per person per flight, USFOR-A MNL cannot accurately bill Coalition partners for air transportation services. Therefore, USFOR-A MNL personnel should determine a rate per person per flight for air transportation services.

USFOR-A Did Not Establish Agreements on Cost and Billing Methods Before Services Were Provided

Prior to providing air transportation services, USFOR-A MNL personnel did not establish an agreement with each Coalition partner for how to determine usage, reimbursement costs, and billing methods. Chairman of the Joint Chiefs of Staff Instruction 2120.01D

Prior to providing air transportation services, USFOR-A MNL personnel did not establish an agreement with each Coalition partner for how to determine usage, reimbursement costs, and billing methods.

requires that ACSA coordinators and authorized Coalition partner senior national representatives agree on the terms and conditions of the ACSA orders before services are provided, including the quantity, billing information, and price of the services. However, ACSA coordinators did not discuss billing for air transportation services with Coalition partners.

Without coordinating the reimbursable costs and billing methods with Coalition partners in advance, the DoD might not be able to seek reimbursement for services provided. In addition, while each Coalition partner had active ACSAs in place, an agreement with Coalition partners on the terms and conditions is required before ACSA orders can be initiated in AGATRS to bill for air transportation services. Therefore, USFOR-A MNL personnel should establish an agreement, including costs and reimbursement methods, with each Pay-to-Play Coalition partner in order to

seek reimbursement for air transportation services. After securing agreements with each Pay-to-Play Coalition partner, ACSA coordinators should initiate ACSA orders in AGATRS for Coalition partners' air transportation services.

ARCENT Did Not Provide the Required Oversight of the ACSA Program in Afghanistan

The ARCENT Logistics Directorate is responsible for providing oversight of the ACSA program in Afghanistan, which includes air transportation services and other logistics support, supplies, and services. However, ARCENT Logistics Directorate personnel only established oversight procedures to review ACSA orders that were submitted in AGATRS.

ARCENT Logistics Directorate officials stated that their oversight procedures consisted of providing training to ACSA personnel, conducting weekly meetings with USFOR-A MNL, and reviewing ACSA transactions in AGATRS. The MNL SOP requires ACSA coordinators to submit ACSA orders in AGATRS. Following submission, the ARCENT Logistics Directorate reviews each order for completeness and forwards it to the ARCENT Resource Management Directorate for financial processing. However, because the ARCENT Logistics Directorate only reviewed orders submitted by ACSA coordinators in AGATRS, it did not have a means to identify instances where orders were not initiated.

Furthermore, the ARCENT Logistics Directorate received weekly reports of ACSA transactions processed. We reviewed examples of the weekly reports and determined that the reports did not detail the type of services included in the orders. Specifically, the reports contained more than 20,000 line items covering multiple operations. The reports did not provide the level of specificity required to identify which services were being provided; therefore, ARCENT Logistics Directorate personnel did not have controls in place to identify whether orders for specific services were being initiated, including orders for air transportation services. Consequently, the ARCENT Logistics Directorate did not identify that ACSA coordinators had not initiated any bills in AGATRS for air transportation services. Without a means to identify instances where orders were not initiated, the ARCENT Logistics Directorate cannot determine if all reimbursable services, such as air transportation services, are being entered by ACSA coordinators into AGATRS. Therefore, ARCENT personnel should conduct a review of all reimbursable services provided in Afghanistan to Coalition partners and establish internal controls over the ACSA program to ensure all ACSA orders are initiated for Coalition partners in AGATRS.

Coalition Partners Used Air Transportation Services and Were Never Billed

The DoD paid \$773 million for air transportation services provided to U.S. personnel, Pay-to-Play Coalition partners, and Lift and Sustain Coalition partners from September 2017 through September 2020.¹⁸ However, because USFOR-A did not receive or track Coalition

partner flight usage data, the exact cost of air transportation services provided to Pay-to-Play Coalition partners cannot be determined.

Because USFOR-A did not receive or track Coalition partner flight usage data, the exact cost of air transportation services provided to Pay-to-Play Coalition partners cannot be determined.

Unless USFOR-A MNL personnel establish a process to obtain flight usage data, determine rates per person per flight, and establish an agreement with each Pay-to-Play Coalition partner regarding reimbursement costs and billing methods, DoD personnel will not be able to seek reimbursement for future air transportation services in Afghanistan.

Recommendations, Management Comments, and Our Response

Recommendation 1

We recommend that the U.S. Forces–Afghanistan Multinational Logistics Branch Chief, in coordination with U.S. Army Central Multinational Logistics Branch Chief:

- a. **Obtain Effective Visible Execution flight usage data on a regular basis.**

U.S. Forces-Afghanistan Comments

The Deputy Commanding General, Operations, Chief of Staff, USFOR-A, responding for the USFOR-A MNL Branch Chief, agreed with the recommendation, stating that USFOR-A will obtain a monthly report of contracted air transportation services provided to Coalition partners from the EVE system.

Our Response

Comments from the Chief of Staff addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation once USFOR-A personnel provide documentation to support that they have obtained a monthly report of contracted air transportation services provided to Coalition partners.

¹⁸ This amount also includes cargo movements; however, the amounts for these services could not be broken out.

Department of the Army G-4 Comments

Although not required to comment, the Department of the Army, Director of Operations, Deputy Chief of Staff, G-4, responding for the Department of the Army G-4, agreed with our recommendation. The Director of Operations stated that Army G-4 will assist ARCENT in supporting USFOR-A and that Headquarters Department of the Army level managers will provide quarterly review of the contracted air transportation services as well as other goods and services provided to Coalition partners under ACSA. The Director's comments also apply to Recommendations 1.b through 1.d. While these recommendations did not require action by the Department of the Army G-4, we have included its comments to provide complete context to our report, and the planned corrective actions of all parties.

- b. Determine the rate per person per flight for air transportation services.**

U.S. Forces-Afghanistan Comments

The Deputy Commanding General, Operations Chief of Staff, USFOR-A, agreed with the recommendation, stating that USFOR-A personnel have developed standard per person rates for contracted air transportation services. The Chief of Staff provided us with the memorandum, signed by the USFOR-A Logistics Director, that establishes the per person rates for contracted air transportation.

Our Response

Comments from the Chief of Staff addressed the specifics of the recommendation. We reviewed the rate memorandum, and confirmed that it establishes a rate per person, based on the type of aircraft, and the duration of the flight. Therefore, this recommendation is closed.

- c. Establish an agreement, including costs and reimbursement methods, with each Pay-to-Play Coalition partner in order to seek reimbursement for air transportation services.**

U.S. Forces-Afghanistan Comments

The Deputy Commanding General, Operations Chief of Staff, USFOR-A, agreed with our recommendation, stating that standard rates per person for air transportation services were published to Coalition partners. The Chief of Staff further stated that quarterly bills for air transportation services will be provided to Coalition partners by USFOR-A MNL, based on usage.

Our Response

Comments from the Chief of Staff addressed the specifics of the recommendation, as notifying the Coalition partners of the per person rates, developing a process to obtain the flight usage data, and determining a method for billing encompass elements of an agreement. Therefore, the recommendation is resolved but open. We will close the recommendation when we receive the signed ACSA order forms to support that Coalition partners have agreed with the published rates and method for reimbursement.

- d. Initiate Acquisition and Cross-Servicing Agreement orders in the Acquisition and Cross-Servicing Agreement Global Automated Tracking and Reporting System for Pay-to-Play Coalition partners' air transportation services.**

U.S. Forces-Afghanistan Comments

The Deputy Commanding General, Operations Chief of Staff, USFOR-A, agreed with our recommendation, stating that USFOR-A MNL will bill Pay-to-Play Coalition partners for air transportation services on a quarterly basis through the existing ACSA agreements. The Chief of Staff stated that the first bills will be submitted at the beginning on the second quarter of FY 2021.

Our Response

Comments from the Chief of Staff addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation once USFOR-A personnel provide documentation to support that they have initiated ACSA order transactions in AGATRS for Pay-to-Pay Coalition partner air transportation services.

Recommendation 2

We recommend that the U.S. Army Central Multinational Logistics Branch Chief, in coordination with the U.S. Forces-Afghanistan Multinational Logistics Branch Chief, conduct a review of all reimbursable services provided in Afghanistan to Coalition partners and establish internal controls over the Acquisition and Cross-Servicing Agreement program in Afghanistan to ensure that Acquisition and Cross-Servicing Agreement orders for Coalition partners' air transportation services are initiated in the Acquisition and Cross-Servicing Agreement Global Automated Tracking and Reporting System.

U.S. Army Central Comments

The ARCENT Chief of Staff, responding for the ARCENT MNL Branch Chief, agreed with the recommendation, stating that ARCENT will establish internal controls that will include monthly engagements with the USFOR-A MNL Chief and Lead ACSA Coordinator. The Chief of Staff's comments further state that as part of the monthly engagements, the ARCENT ACSA program manager will review the monthly EVE report of contracted aviation provided to USFOR-A MNL Resolute Support Sustainment Brigade, Support Operations Section, to verify there is a corresponding ACSA order form in AGATRS. Furthermore, according to the Chief of Staff's comments, the ARCENT ACSA team will conduct a monthly review of all AGATRS transactions for missing documentation or charges to ensure billing occurs in accordance with the standard flight rate set by USFOR-A MNL, USCENTCOM J4, the U.S. Transportation Command, and the Resolute Support Sustainment Brigade.

Our Response

Comments from the Chief of Staff addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation once we receive documentation to support that ARCENT has coordinated with USFOR-A MNL to review all reimbursable services in Afghanistan provided to Coalition Partners and established internal controls over the ACSA program in Afghanistan.

U.S. Forces–Afghanistan Comments

The Deputy Commanding General, Operations Chief of Staff, USFOR-A, responding for the USFOR-A MNL Branch Chief, agreed with the recommendation, stating that USFOR-A MNL works with USCENTCOM ACSA managers to ensure billable services are captured under existing ACSA agreements and are tracked through the AGATRS system. The Chief of Staff stated that this will continue to be a point of emphasis within USFOR-A.

Our Response

Comments from the Chief of Staff addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation once we receive documentation to support that USFOR-A MNL works with USCENTCOM ACSA managers to ensure billable services are captured under ACSA agreements and tracked through the AGATRS system.

Department of the Army G-4 Comments

Although not required to comment, the Department of the Army, Director of Operations, Deputy Chief of Staff, G-4, responding for the Department of the Army G-4, agreed with our recommendation. The Director of Operations stated that Headquarters Department of the Army G-4 ACSA managers will assist the ARCENT ACSA personnel in their support of USFOR-A, and that Army level managers will provide quarterly review of the contracted air transportation services, as well as other goods and services provided to Coalition partners under ACSA. While this recommendation did not require action by the Department of the Army G-4, we have included their comments to provide complete context to our report, and the planned corrective actions of all parties.

Appendix

Scope and Methodology

We conducted this performance audit from July 2020 through January 2021 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We reviewed the following criteria.

- DoD Regulation 7000.14-R, “DoD Financial Management Regulation,” volume 11a, chapter 8, “International Acquisition And Cross-Servicing Agreements,” July 2010
- DoD Directive 2010.09, “Acquisition and Cross-Servicing Agreements,” April 28, 2003, Incorporating Change 2, August 31, 2018
- Chairman of the Joint Chiefs of Staff Instruction 2120.01D, “Acquisition and Cross-Servicing Agreements,” May 21, 2015
- Central Command Regulation 700-1, “Multinational Logistics Support Between the United States and Governments of Countries Within the USCENTCOM Area of Responsibility,” October 24, 2017
- Army Directive 2012-12, “Interim Army Acquisition and Cross-Servicing Agreements, Lift and Sustain, and Foreign Assistance Act Authorities,” April 30, 2012
- Theater-Combined Forces Land Combatant Command G4 Multinational Logistics, “Multinational Logistics Branch Standard Operating Procedures,” May 1, 2016
- U.S. Army Central, “Acquisition and Cross Servicing Agreement Standard Operating Procedures,” July 1, 2020

We interviewed officials from the following organizations to discuss the roles and responsibilities of each organization as they relate to the ACSA program.

- Joint Staff, Logistics Directorate
- Office of the Under Secretary of Defense for Acquisition and Sustainment
- U.S. Transportation Command, ACSA program manager, contracting officer, and contracting officer’s representative
- USCENTCOM, Logistics Directorate, MNL
- USFOR-A, Operations Directorate J3

- USFOR-A, Resource Management Directorate J8
- Air Mobility Command, Finance Directorate
- USFOR-A, Logistics Directorate, MNL
- Combined Joint Logistics Directorate
- ARCENT, Logistics Directorate
- Defense Logistics Agency, AGATRS officials

We reviewed the contract for air transportation services in Afghanistan to determine the scope of the services, timeframes, and geographic areas. We reviewed ACSAs and implementing arrangements to determine if ACSA agreements were in place during the period the Coalition partners received air transportation services in Afghanistan. We reviewed USFOR-A established rates and supporting documentation to determine if air transportation services rates were supportable.

Analysis of AGATRS Transactions for Air Transportation Services

We independently ran reports from AGATRS for ACSA orders for air transportation services in Afghanistan from September 2017 through September 2020. We analyzed the reports to determine whether USFOR-A had initiated ACSA orders for air transportation services within AGATRS. In addition, we obtained and reviewed AGATRS reports from the Defense Logistics Agency to determine whether USFOR-A had initiated ACSA orders for air transportation services in Afghanistan.

Analysis of ARCENT's Weekly Reports for Oversight

We independently reviewed weekly reports, provided by the Defense Logistics Agency to the ARCENT Logistics Directorate. Specifically, we analyzed the reports to determine whether the reports contained sufficient detail to identify the specific types of services for which ACSA orders were processed.

EVE Data Request

We requested EVE data from USCENTCOM, U.S. Transportation Command, and USFOR-A to determine Coalition partner use of air transportation services in Afghanistan. As of October 2020, the commands could not provide EVE data for the scope of our audit (September 2017 through September 2020).

Established Rates

We reviewed the February 2017 USFOR-A rates memorandum and conducted meetings with the ACSA program manager and USFOR-A Resource Management Directorate personnel to determine the process for establishing the rate per person per flight and if the rate was valid. We reviewed the May 2020 USFOR-A rates memorandum for services provided to Coalition partners to determine if USFOR-A updated air transportation rates.

Internal Control Assessment and Compliance

We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed the control components and underlying principles related to the processes for seeking reimbursement from Coalition partners for air transportation services. Specifically, we assessed the control activities within the established process to determine if USFOR-A MNL designed and implemented effective internal controls for seeking reimbursement from Coalition partners for air transportation services. Control activities are the actions management establishes through policies and procedures to achieve objectives. We found that USFOR-A MNL personnel had neither designed nor implemented control activities for seeking reimbursement for these services.

In addition, we assessed the ARCENT Logistics Directorate's internal control components for monitoring and the control environment for ensuring USFOR-A MNL personnel initiated reimbursement for air transportation services provided to Coalition partners. Monitoring includes establishing and operating monitoring activities to oversee the internal control system and evaluate the results. During our audit work, we noted that ARCENT Logistics Directorate personnel did not effectively perform monitoring activities and exercise oversight responsibilities, which are both requirements for effective internal controls. Steps such as identifying all services provided to Coalition partners and ensuring that ACSA orders are initiated in AGATRS can help ensure services provided under ACSA agreements are initiated to seek reimbursement from Coalition partners. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of the audit.

Use of Computer-Processed Data

We used data from AGATRS to support our audit. We determined that information system controls in AGATRS were not significant to the objective of our audit. However, we used AGATRS to determine if ACSA orders were submitted for air transportation services from September 2017 through September 2020. After we determined that no ACSA orders were submitted in AGATRS, we confirmed these findings through interviews with Defense Logistics Agency, USFOR-A, and ARCENT personnel, and through reviews of additional documentary evidence obtained through the course of our audit. As we did not identify any data related to air transportation services, we did not perform testing to determine data reliability.

Prior Coverage

During the last 5 years, the Government Accountability Office (GAO) and the DoD Office of Inspector General (DoD OIG) issued five reports discussing ACSAs and AGATRS. Unrestricted GAO reports can be accessed at <http://www.gao.gov>. Unrestricted DoD OIG reports can be accessed at www.dodig.mil/reports.

GAO

Report No. GAO-20-309, “DoD Should Improve Oversight and Seek Payment From Foreign Partners for Thousands of Orders It Identifies as Overdue,” March, 2020

The GAO determined that poor recordkeeping by the DoD and late notifications by the Department of State limited the accuracy and timeliness of information provided to Congress on ACSAs. In addition, the DoD did not maintain quality data to track ACSA orders and did not receive reimbursement for thousands of orders. Specifically, the DoD did not have complete and accurate ACSA data and the GAO estimated that the DoD received full reimbursement for 64 percent of ACSA orders authorized from October 2013 through March 2018.

DoD OIG

Report No. DODIG-2020-096, “Audit of Coalition Partner Reimbursement of Dining Facility Services at Resolute Support Headquarters, Kabul, Afghanistan,” June 24, 2020

The DoD OIG determined that USFOR-A did not seek full reimbursement for dining facility services provided to Coalition partners at Resolute Support Headquarters through the Logistics Civil Augmentation Program contract. Specifically, for 17 Pay-to-Play Coalition partners, ACSA coordinators did not initiate the billing of Coalition partners for dining facility services for 53 percent of the months between January 2016 and September 2019 or consistently calculate the amount owed in accordance with USFOR-A guidance when bills were initiated.

Report No. DODIG-2019-004, “DoD Oversight of Bilateral Agreements With the Republic of the Philippines,” November 2, 2018

The DoD OIG determined that the Directorate for Logistics did not have visibility of the logistical support sold to the Republic of the Philippines through the use of bilateral agreements. Specifically, the Directorate for Logistics was unaware of 76 of 77 ACSA line items executed with the Republic of the Philippines from October 1, 2016, through May 31, 2018.

Report No. DODIG-2017-121, “U.S. Africa Command’s Management of Acquisition and Cross-Servicing Agreements,” September 21, 2017

The DoD OIG determined that U.S. Africa Command did not effectively manage the ACSA orders it executed and was not required to oversee ACSA orders executed by its Subordinate Components. Specifically, U.S. Africa Command and its Subordinate Components did not include all minimum essential data elements on the ACSA orders and upload source documents supporting line items of ACSA orders into AGATRS. In addition, some Subordinate Components were not maintaining ACSA orders in AGATRS or tracking ACSA orders under ACSA authorities.

Report No. DODIG-2016-067, “DoD Components Did Not Properly Use the Acquisition and Cross Service Agreement Automated Tracking and Reporting System,” March 24, 2016

The DoD OIG determined that ARCENT and Air Force Central Command personnel did not properly use AGATRS in support of Operation Inherent Resolve, as required by DoD policy. Specifically, ARCENT and Air Force Central Command personnel did not include all minimum essential data elements on ACSA orders, upload source documents supporting line items on orders into AGATRS, or close ACSA orders within AGATRS properly.

Management Comments

U.S. Army Central



DEPARTMENT OF THE ARMY
THIRD ARMY / UNITED STATES ARMY CENTRAL
1 GABRESKI DRIVE
SHAW AIR FORCE BASE, SC 29152-5202

ACCS (36-2b2) / 1100A

3 February 2021

MEMORANDUM FOR RECORD

SUBJECT: Department of Defense, Office of the Inspector General (DoDIG) Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan, Project No. D2020-D000RJ-0155.000

1. The United States Army Central (USARCENT) conducted a thorough review of the DoDIG Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan. The audit focused on whether DoD sought full reimbursement for the air transportation services provided in Afghanistan between September 2017 and September 2020. The audit concludes that USARCENT did not provide required oversight of the Acquisition and Cross-Servicing Agreement (ACSA) program, which contributed to DoD not requesting reimbursement for air transportation provided to Coalition partners in Afghanistan.
2. USARCENT concurs with Recommendation 2 of the Discussion Draft Report for Project No. D2020-D000RJ-0155.000 (Tab C), which requires a review of all reimbursable services provided in Afghanistan to Coalition partners.
3. USARCENT will establish internal controls that will include monthly engagements with the USFOR-A Multinational Logistics (MNL) Chief and Lead ACSA Coordinator. As part of these engagements, the USARCENT ACSA PM will review the monthly Effective Visible Execution (EVE) report of contracted aviation provided to USFOR-A MNL Resolute Support Sustainment Brigade (RSSB), Support Operations Section, in order verify there is a corresponding Form 1-3A in the ACSA Global Automated Tracking and Reporting System (AGATRS). In addition, on a monthly basis the USARCENT ACSA team will open all AGATRS transactions and review for missing documentation or charges to ensure proper charging occurs IAW the standard flight charges set by USFOR-A MNL, USCENTCOM J4, USTRANSCOM, and the RSSB.
4. The point of contact for this memorandum is [REDACTED], available at [REDACTED], or at [REDACTED].

Encl

DAVIS,ROBER
T.BRIAN
ROBERT B. DAVIS
Brigadier General, GS
Chief of Staff

U.S. Forces–Afghanistan



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HEADQUARTERS
UNITED STATES FORCES-AFGHANISTAN
BAGRAM AIRFIELD, AFGHANISTAN
APO, AE 09354

USFOR-A DCGO COS

8 FEB 21

MEMORANDUM FOR Department of Defense Inspector General, 4800 Mark Center Drive, Alexandria, VA 22350

SUBJECT: Response to Recommendation Draft Report "Audit of Coalition Partner Reimbursement for Air Transportation Services in Afghanistan"

1. (U) The United States Forces - Afghanistan J4 Multinational Logistics (MNL) was required to provide response to the recommendations in DOD IG report "Audit of Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan" *Project No. 02020-DOOORJ-0155.000*, dated 21Jan2021. The DODIG recommendations are italicized and copied verbatim from the original tasker:

- a. (U) *Recommendation 1: "We recommend that the U.S. Forces-Afghanistan Multinational Logistics Branch Chief, in coordination with U.S. Army Central Multinational Logistics Branch Chief:*
- o *Obtain Effective Visible Execution flight usage data on a regular basis.*
 - o *Determine the rate per person per flight for air transportation services.*
 - o *Establish an agreement, including costs and reimbursement methods, with each Pay-to-Play Coalition partner in order to seek reimbursement for air transportation services.*
 - o *Initiate Acquisition and Cross-Servicing Agreement orders in the Acquisition and Cross-Servicing Agreement Global Automated Tracking and Reporting System for Pay-to-Play Coalition partners' air transportation services."*
- Answer:*

(U) USFOR-A concurs with the recommendation. In conjunction with the 1QTH RSSB, USFOR-A J4 developed a mechanism to obtain Effective Visible Execution (EVA) flight usage data on a monthly basis. This data will be compiled on a quarterly basis and a bill of usage will be provided to "Pay to Play" coalition partners via the USFOR-A J4 Multi-National Logistics Cell. Additionally, standard rates per person for use of contracted air transportation services were established and published to coalition members. A copy of this memorandum for record signed by the Director, USFOR-A J4 is enclosed for your records. Rates were derived from the USTRANSCOM firm fixed price contact with Construction Inc., and Columbia Inc. Charges to "Pay to Play" nations will be executed via standing ACSA agreements and processed through the USFOR-A J4 MNL section. First bills will be submitted at the beginning of 2nd QTR FY 21.

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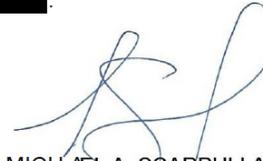
U.S. Forces–Afghanistan (cont'd)

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b. (U) **Recommendation 2:** *"We recommend that the U.S. Army Central Multinational Logistics Branch Chief, in coordination with the U.S. Forces-Afghanistan Multinational Logistics Branch Chief, conduct a review of all reimbursable services provided in Afghanistan to Coalition partners and establish internal controls over the Acquisition and Cross-Servicing Agreement program in Afghanistan to ensure that Acquisition and Cross-Servicing Agreement orders for Coalition partners' air transportation services are initiated in the Acquisition and Cross-Servicing Agreement Global Automated Tracking and Reporting System."* Answer:

(U) USFOR-A concurs with the recommendation. USFOR-A J4 MNL works in tandem with USCENTCOM ACSA managers to ensure billable services are captured under existing ACSA agreements and are tracked through the AGATRS system. This will continue to be a point of emphasis within USFOR-A.

2. (U) The point of contact for this memorandum is the USFOR-A J4, [REDACTED] at email [REDACTED].



MICHAEL A. SCARPULLA
Colonel, USA
DCG-0 Chief of Staff
United States Forces-Afghanistan

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Department of the Army G-4



DEPARTMENT OF THE ARMY
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WASHINGTON, DC 20310-0500

DALO-OPA

19 Feb 2021

MEMORANDUM FOR INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
(ATTN: [REDACTED]), 4800 MARK CENTER DRIVE, ALEXANDRIA, VA 22350-1500

SUBJECT: Response to DoD OIG Draft Report: (CUI) Coalition Partner Reimbursement for Contracted Rotary Wing Air Transportation Services in Afghanistan (D2020RJ-0155)

1. The Office of the Deputy Chief of Staff, G-4 (HQDA G-4) has reviewed the subject report. I concur with the report findings and recommendations.
2. Recommendation 1 (Reimbursement for Air Transportation Services):
 - a. DoD OIG Recommendation: USFOR-A Multinational (MNL) Branch Chief, in coordination with the ARCENT MNL Branch Chief, obtain flight usage data on a regular basis; determine the rate per person per flight; establish an agreement with Coalition partners in order to seek reimbursement; and initiate Acquisition and Cross Servicing Agreement (ACSA) orders in the ACSA Global Automated Tracking and Reporting System (AGATRS) for billing.
 - b. Action taken or planned: ACSA Managers for HQDA G-4 and the Assistant Secretary of the Army (Financial Management and Comptroller) (ASA (FMC)) will assist ARCENT in their support of USFOR-A. The HQDA -level managers will provide quarterly review of the aviation contracted support as well as other Coalition goods and services provided under ACSA.
3. Recommendation 2 (Review of Reimbursable Services and Internal Controls):
 - c. DoD OIG Recommendation: MNL Branch Chief for ARCENT, in coordination with MNL Branch Chief for USFOR-A, should conduct a review of reimbursable services provided in Afghanistan to Coalition partners and establish internal controls to ensure ACSA orders for Coalition partners' air transportation services are initiated in AGATRS.
 - d. Action taken or planned: The Army ACSA managers for HQDA G-4 and ASA (FMS) will assist the ARCENT ACSA Team in their support of USFOR-A. The Army level managers will provide quarterly review of the aviation contracted support as well as other Coalition goods and services provided under ACSA.
4. The point of contact for this memorandum is [REDACTED], [REDACTED], at [REDACTED] or [REDACTED].

RUSSELL.MICH
EL.MAUGE.SR. Digitally signed by
RUSSELL.MICHEL.MAUGE.
SR. [REDACTED]
MICHEL M. RUSSELL, SR.
Major General, USA
Director of Operations

Acronyms and Abbreviations

| | |
|------------------|---|
| ACSA | Acquisition and Cross-Servicing Agreements |
| AGATRS | ACSA Global Automated Tracking and Reporting System |
| ARCENT | U.S. Army Central |
| EVE | Effective Visible Execution |
| MNL | Multinational Logistics |
| NATO | North Atlantic Treaty Organization |
| SOP | Standard Operating Procedures |
| TAAC | Train, Advise and Assist Command |
| USCENTCOM | U.S. Central Command |
| USFOR-A | U.S. Forces–Afghanistan |



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