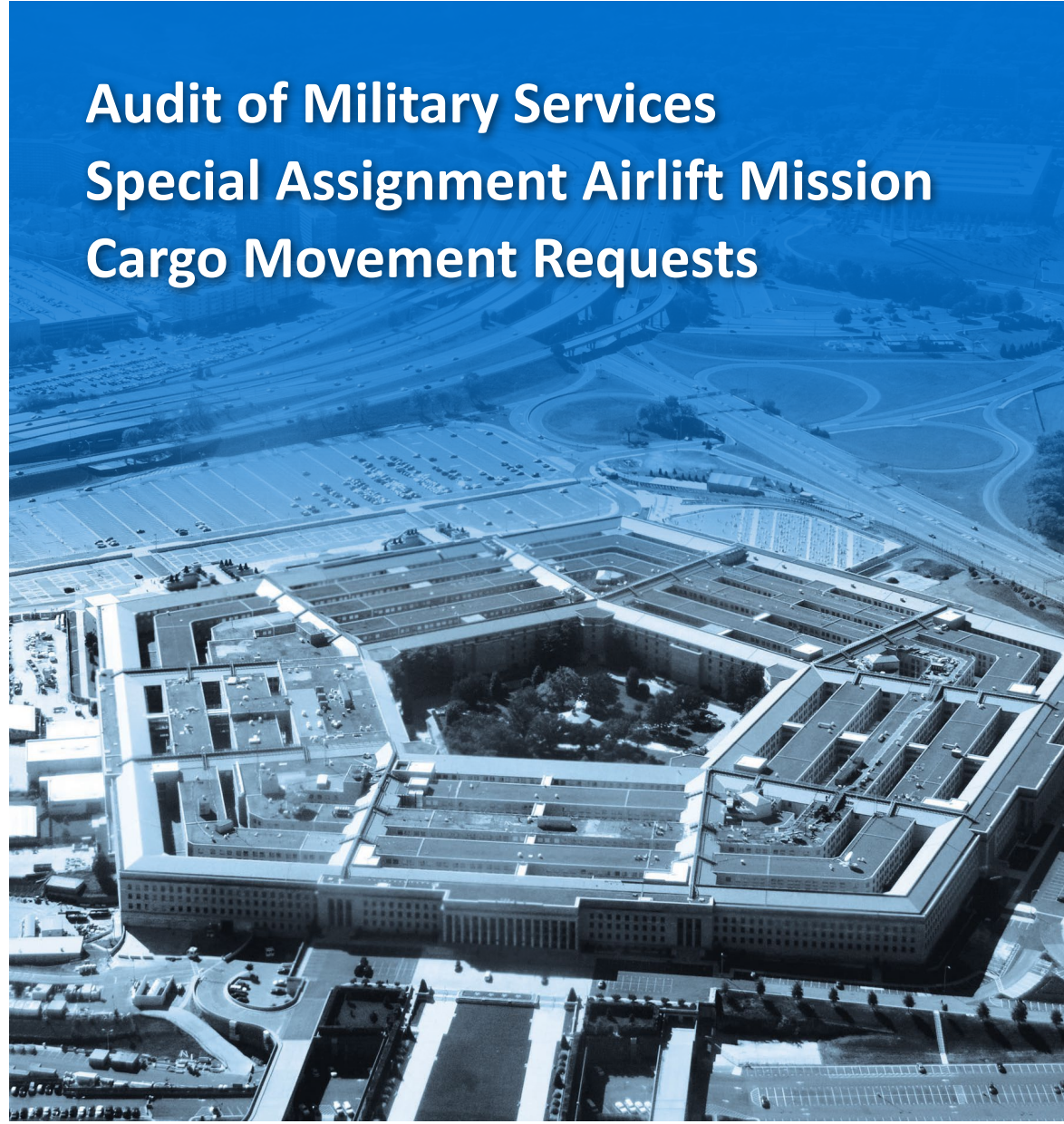




INSPECTOR GENERAL

U.S. Department of Defense

SEPTEMBER 15, 2021



Audit of Military Services Special Assignment Airlift Mission Cargo Movement Requests

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





Results in Brief

Audit of Military Services Special Assignment Airlift Mission Cargo Movement Requests

September 15, 2021

Objective

The objective of this audit was to determine whether Military Services requested timely airlift cargo movements through the U.S. Transportation Command (USTRANSCOM) in accordance with DoD guidance.

Background

USTRANSCOM's mission is to transport military personnel and distribute military supplies throughout the world. The Defense Transportation Regulation (DTR) requires selection of the mode of transportation used for shipping cargo to be that which will meet the DoD requirements using the best value to the Government. USTRANSCOM airlifts Military Service unit cargo using Special Assignment Airlift Mission (SAAM) movements that are for a specified user at a specified time that cannot be supported by other modes of transportation.

A SAAM movement request is submitted at the unit level through the SAAM Request System (SRS) to Service validators for approval. Service validators then send approved SAAM movement requests to the supported geographic combatant command for review. Once the supported geographic combatant command reviews the SAAM request, the combatant command forwards the request to USTRANSCOM for validation.

Finding

We could not determine whether the Military Services submitted timely SAAM cargo movement requests through USTRANSCOM or whether the cargo movements provided the best value to the Government. We selected

Finding (cont'd)

a sample of 163 Military Service SAAM cargo movements to review; however, we could not obtain sufficient information to review timeliness for 147 of the 163 (90 percent) sample items. We were unable to identify validators for 55 of the sample items, and validators were unable to provide the information needed to determine whether the unit submitted the SAAM request in a timely manner for another 92 SAAMs. Without this information, we could not compare the date that the unit was notified of the need to move the cargo, the date that the request was entered into the SRS, and the date that the movement occurred. Therefore, we could not determine whether the request was submitted in a timely manner allowing for the selection of the mode of transportation that would provide the best value to the Government.

We were not able to verify whether SAAM cargo movement requests were submitted timely because the DTR does not establish a requirement for this review. While the DTR establishes a process for the review and approval of SAAMs, it does not assign anyone involved in the process the responsibility to review the movement requests for timeliness. In addition, the DTR establishes mandatory fields in the SRS, but the information needed to perform the timeliness review is not required.

As a result, the Military Services spent \$1.6 billion on SAAMs from October 1, 2017, through September 30, 2020, without the capability to determine whether the timeliness of SAAM requests affected the ability to select the most efficient and cost-effective mode of transportation to meet DoD requirements. Reviewing SAAM requests for timeliness and holding units accountable for late submissions could deter the units from delaying future SAAM requests. This could result in significant future cost savings if even a small percentage of cargo that was scheduled to be shipped via SAAMs was transported via surface. For example, a movement of one 20-foot long container by SAAM from Norfolk Naval Station, Virginia, to Sigonella Naval Air Station, Italy, would cost \$480,299.73, which is an increase of 16,094 percent over the \$2,984 cost of shipping it by sealift.



Results in Brief

Audit of Military Services Special Assignment Airlift Mission Cargo Movement Requests

Recommendations

We recommend that the USTRANSCOM Commander, in coordination with the Military Services, update the DTR to:

- require the Military Services to establish Service-level policy for determining the best value to the Government; and require Service validators to determine whether the units submitting SAAM requests input their requests into the SRS in a timely manner so as to allow for the consideration of other modes of transportation;
- include validator and requesting unit contact information as a mandatory field in the SRS;
- require units requesting SAAMs to upload documentation into the SRS supporting the timeliness of their request when the required delivery date makes movement by SAAM the only viable option; and
- require the Military Services to establish policy to require actions to hold units accountable when the Service validator finds the unit failed to request a SAAM in a timely manner, which then precluded the consideration of other modes of transportation.

Management Comments and Our Response

The USTRANSCOM Chief of Staff, responding for the USTRANSCOM Commander, partially agreed with two of the four recommendations. The Chief of Staff suggested revising both recommendations to clarify that the DTR should be updated to require the Military Services

to develop policies to determine the best value to government, require validators to review SAAM requests for timeliness, and to hold units accountable when the requests were not timely. Because, the suggested revisions align with the intent of our recommendations, we revised two recommendations. In addition, the USTRANSCOM Chief of Staff agreed to require units submitting SAAM requests to upload documentation supporting when the unit was notified of the mission requirement. Therefore, these recommendations are resolved but will remain open. USTRANSCOM plans to implement the corrective actions by March 1, 2022. We will close these recommendations when we verify that the actions have been taken.

The USTRANSCOM Chief of Staff agreed with the recommendation related to validator and unit contact information, stating that the DTR will be updated to specify unit contact information be entered as a mandatory field in the SRS by December 1, 2021. The USTRANSCOM Chief of Staff also stated that the validator contact information is available in the SRS and that no additional action is required. However, during the audit, we found that 55 of the 163 sample items did not have sufficient information to allow us to identify the validator. Therefore, the Chief of Staff's comments do not address all the specifics of the recommendation, and the recommendation is unresolved. We request that USTRANSCOM re-evaluate this recommendation and provide comments on the final report that address the issue of not having the Service validator contact information as a mandatory field in the SRS.

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

Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Commander, U.S. Transportation Command	1.b	1.a, 1.c, 1.d	None

Please provide Management Comments by October 15, 2021.

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**

September 15, 2021

MEMORANDUM FOR COMMANDER, U.S. TRANSPORTATION COMMAND

SUBJECT: Audit of Military Services Special Assignment Airlift Mission Cargo Movement Requests (Report No. DODIG-2021-123)

This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the finding. We considered management's comments on the draft report when preparing the final report. These comments are included in the report.

Of the four recommendations in our report, three are resolved and one remains unresolved because the USTRANSCOM Chief of Staff did not address all the specifics of the recommendation. As described in the Recommendations, Management Comments, and Our Response section of this report, we will close the resolved recommendations when you provide us with adequate documentation showing that all agreed-upon actions to implement the recommendations are completed. We will track the unresolved recommendations until an agreement is reached on the actions that you will take to address the recommendations, and you have submitted adequate documentation showing that all agreed-upon actions are completed.

DoD Instruction 7650.03 requires that recommendations be resolved promptly. Please provide us within 30 days your response concerning specific actions in process or alternative corrective actions proposed on the recommendations. Your response should be sent 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].

A handwritten signature in black 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 Military Services requested timely airlift cargo movements through the U.S. Transportation Command (USTRANSCOM) in accordance with DoD guidance. See Appendix A for a discussion of the scope and methodology, and prior audit coverage.

Background

USTRANSCOM

USTRANSCOM is a unified, functional combatant command (CCMD) that provides the DoD with global transportation options by land, air, and sea. USTRANSCOM's mission is to transport military personnel and distribute military supplies throughout the world in support of the other 10 CCMDs and the Military Services.¹ There are 11 CCMDs, including USTRANSCOM, consisting of 4 functional and 7 geographic CCMDs. The functional CCMDs operate worldwide across geographic boundaries and provide unique capabilities to geographic CCMDs and the Military Services, while geographic CCMDs operate in clearly delineated areas of responsibility and have a regional military focus.

USTRANSCOM Component Commands

USTRANSCOM has three component commands it uses for cargo movement—the Surface Deployment and Distribution Command, the Military Sealift Command, and the Air Mobility Command.

- **Surface Deployment and Distribution Command.** An Army component of USTRANSCOM involved in planning and executing the surface delivery of cargo. Surface cargo movements through the Surface Deployment and Distribution Command can include movement via rail, truck, and some forms of sealift.
- **Military Sealift Command.** Conducts specialized missions, strategically positions combat cargo, and moves military cargo and supplies used by deployed forces via sealift.
- **Air Mobility Command.** The air component of USTRANSCOM that provides airlift to achieve rapid, global mobility and sustainment in support of America's armed forces. The Air Mobility Command is responsible for scheduling and executing air mobility missions to move cargo in support of CCMD operational requirements. Airlift is the fastest—and most expensive—mode of transportation.

¹ The 10 CCMDs are the U.S. Africa Command, the U.S. Central Command, the U.S. European Command, the U.S. Indo Pacific Command, the U.S. Southern Command, the U.S. Northern Command, the U.S. Special Operations Command, the U.S. Strategic Command, the U.S. Cyber Command, and the U.S. Space Command.

DoD Guidance for Cargo Movement

According to Part II of the Defense Transportation Regulation (DTR Part II), the requesting unit makes the selection of the mode of transportation used for shipping cargo to be that which will meet the DoD requirements using the best value to the Government from the origin to the final known destination.² Mode of transportation refers to the general category of movement, such as air or surface (motor, rail, ship). Factors considered when selecting the mode of transportation include transportation priority, required delivery date, nature of the material, size and weight of the cargo, distance to be shipped, and the costs of transportation alternatives.

Military Service Special Assignment Airlift Missions

USTRANSCOM airlifts Military Service unit cargo using Special Assignment Airlift Mission (SAAM) movements. We reviewed SAAM movements because SAAMs are the only cargo movement where units can directly affect the mode of transportation by not submitting the SAAM request in a timely manner.³ Shipping cargo by surface transportation is much more economical than shipping by air, but this mode of transportation is more economical than shipping by air, but this mode of transportation requires greater lead times for cargo to arrive at its destination due to the slower speed of movement. If units do not submit cargo movements in a timely manner, the options of the mode of transportation that could meet the required delivery date are reduced, and shipment by airlift becomes the only viable shipping option.

SAAM movements are airlift movements for a specified user at a specified time that cannot be supported by other modes of transportation due to sensitivity, urgency, or unique delivery destination. A SAAM movement request is submitted at the unit level through the SAAM Request System (SRS) to Service validators for approval.⁴ Service validators then send approved SAAM movement requests to the supported geographic CCMD for review. Once the supported geographic CCMD reviews the SAAM request, the CCMD forwards the request to USTRANSCOM for validation. USTRANSCOM confirms whether it has aircraft available to support the requested

² DoD Regulation 4500.9-R, "Defense Transportation Regulation," Part II, "Cargo Movement," May 2014.

³ Unit cargo is also moved using Time-Phased Force Deployment Data and Channel mission cargo movements. However, units can not directly affect the mode of transportation for these movements because the combatant commanders are the final approval authority for the Time-Phased Force Deployment Data movements and Channel mission cargo movements are done in a recurring basis.

⁴ Service validators are assigned by the Services to assist DoD personnel shipping cargo by properly managing transportation priorities and ensuring correct billing and reimbursement of funds. The SRS is used to process SAAM cargo movement requests. Also, different policies refer to the validator using different terms such as Airlift Clearance Authority. For the purpose of our report, we used Service validator because that is the term used in DTR Part II process for submitting SAAMs.

cargo movements, as it is responsible for the physical movement of the cargo. USTRANSCOM validates the SAAM cargo movement request and the Air Mobility Command schedules aircraft to meet the delivery date requested in the SRS.

We attempted to review the timeliness of SAAM requests for the transport of unit cargo to determine whether the requests were submitted in a timely manner, allowing Service validators to select the most efficient and cost-effective mode of transportation to meet DoD requirements. The value of the Military Service SAAMs completed from October 1, 2017, through September 30, 2020, was \$1.6 billion. We selected and reviewed a statistical sample of 163 of the 5,973 SAAM cargo movements to determine whether the requests were submitted in a timely manner, allowing Service validators to ensure that the most efficient and cost-effective mode of transportation was selected to meet DoD requirements. See Appendix B for the statistical sample plan.

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.⁵

We identified internal control weaknesses related to the lack of a requirement to review the timeliness of SAAM requests. Specifically, even though DTR Part II requires cargo movements to provide the best value to the Government, it does not require the validator to review the timeliness of the requests. In addition, DTR Part II does not require that the SRS include dates for when requesting units were notified of the requirement creating the need for the SAAM. We will provide a copy of the report to the senior official responsible for internal controls at USTRANSCOM, and in the Army, Navy, Air Force, and Marine Corps.

⁵ DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

Finding

Military Services Were Not Required To Verify Timeliness of SAAM Cargo Movements

We could not determine whether the Military Services submitted timely SAAM cargo movement requests through USTRANSCOM or whether the cargo movements provided the best value to the Government. We selected a sample of 163 Military Service SAAM cargo movements to review; however, we could not obtain sufficient information to review timeliness for 147 of the 163 (90 percent) sample items. We were unable to identify validators for 55 of the sample items, and validators were unable to provide the information needed to determine whether the unit submitted the SAAM request in a timely manner for another 92 SAAMs. Without this information, we could not compare the date that the unit was notified of the need to move the cargo, the date that the request was entered into the SRS, and the date required delivery date. Therefore, we could not determine whether the request was submitted in a timely manner, allowing for the selection of the mode of transportation that would provide the best value to the Government.

We were not able to verify whether SAAM cargo movement requests were submitted timely because the DTR does not establish a requirement for this review. While the DTR establishes a process for the review and approval of SAAMS, it does not assign anyone involved in the process the responsibility to review the movement requests for timeliness. In addition, the DTR establishes mandatory fields in the SRS, but the information needed to perform the timeliness review is not required.

As a result, the Military Services spent \$1.6 billion on SAAMs from October 1, 2017, through September 30, 2020, without the capability to determine whether the timeliness of SAAM requests affected the ability to select the most efficient and cost-effective mode of transportation to meet DoD requirements. Reviewing SAAM requests for timeliness and holding units accountable for late submissions could deter the units from delaying future SAAM requests. This could result in significant future cost savings if even a small percentage of cargo that was scheduled to be shipped via SAAMs was transported via surface. For example, a movement of one 20-foot long container by SAAM from Norfolk Naval Station, Virginia, to Sigonella Naval Air Station, Italy, would cost \$480,299.73, which is an increase of 16,094 percent over the \$2,984 cost of shipping it by sealift.

We Could Not Assess Timeliness for SAAM Cargo Movements

We could not determine whether the Military Services submitted timely SAAM cargo movement requests through USTRANSCOM that provided the best value to the Government. We could not obtain sufficient information to review 147 of the 163 sample items, or 90 percent of the sample, for timeliness. Specifically, we were unable to identify validators for 55 SAAMs, and the validators who were identified were unable to provide the information needed to determine whether the unit submitted the SAAM request in a timely manner for another 92 SAAMs.

The audit team attempted to identify the appropriate Service validator from a USTRANSCOM-provided Service validator directory. The SAAM validator directory identified SAAM number ranges used by organizations and associated Service validator e-mails and phone numbers. For example, it identifies that Headquarters, Air Force Materiel Command, is assigned SAAM numbers ranging from 1200 through 1299, and provides contact information for the Headquarters, Air Force Materiel Command validators. We used the directory to identify SAAM numbers in the sample to a validating organization. However, the SAAM validator directory contained gaps and blanks for certain SAAM number ranges, and we could not identify the validators for all of the SAAMs in the sample. We requested that USTRANSCOM provide contact information for the missing Service validators. In addition, some of the validators identified by the validator directory responded that they did not validate some of the SAAMs in their range, and they could not identify who validated those SAAMs. Because we could not identify validators for 55 SAAMs, we could not request or obtain the necessary information to determine whether Military Services submitted timely SAAM requests.

We requested that the validators we could identify provide information regarding the dates the units requesting the SAAMs were informed of the mission requiring the cargo movement as well as the date the request was entered into the SRS. However, Service validators were not able to provide dates for when the units were notified of the requirement for 92 SAAMs. The Service validators were unable to locate points of contact for some units. For example, one Navy validator sent an e-mail to the point of contact at the unit, but the e-mail was returned as undeliverable. In addition, the validators did not have the information needed to verify that the units submitted requests in a timely manner, and when the validators contacted the units, the units did not always respond to the requests for information.

The SAAM Cargo Movement Request Process Did Not Include Timeliness Verification

The information to assess timeliness was not available for review because DoD guidance does not establish a requirement to review timeliness during the SAAM request process. While the DTR establishes roles and responsibilities for submitting and reviewing SAAM requests, it does not require reviews for timeliness. During the audit, we confirmed that no one was determining whether the units submitted cargo movement requests in a timely manner. In addition, the DTR establishes mandatory fields in the SRS, but the information need to perform the timeliness review is not required.

SAAM Request and Review Process

DTR Part II requires that cargo movements use the mode of transportation that provides the best value to the Government to meet the DoD requirement. However, DTR Part II provides only general guidance for the responsibilities of the Service validators on how to conduct their reviews, but does not require them to review the timeliness of SAAM requests to ensure that the mode of transportation provides the best value to the Government. DTR Part II states that the Service validator is responsible for reviewing the SAAM cargo movement request and either approving or challenging the request. Units process SAAM cargo movement requests through the SRS. For a SAAM cargo movement request, the SRS requires the requesting unit to input the movement dates, priority, supported command, pickup and delivery locations, latest arrival date, cargo weight and size specifications, and type of aircraft requested. Once SAAM cargo movement requests are input in the SRS, the requests are forwarded to a Service validator who reviews and validates the request. According to the Service validators we identified during the audit, they only review the SAAM requests only for accuracy and completeness.

After their review, Service validators forward the reviewed SAAM cargo movement request to the supporting geographic CCMD for review. The CCMD review of the SAAM cargo movement request simply provides visibility of all airlift movements within the CCMD area of responsibility for planning and prioritizing purposes. Once the supporting geographic CCMD reviews the SAAM request, the CCMD forwards the request to USTRANSCOM for validation. Because the CCMD is reviewing only for visibility of movements into its area of responsibility and USTRANSCOM is reviewing only for scheduling, the Service validators are the logical level to perform a timeliness review, as they are the first to review after the unit submission.

Review of Military Service SAAM Cargo Movements

During the audit, we determined that no one was performing reviews of the timeliness of SAAM requests. We requested information from identified Service validators with SAAMs in our sample to determine whether, as part of their review of SAAM requests, the Service validators included a review of when requesting units were notified of the movement requirement. Service validators stated that they neither obtain nor review units' initial movement notifications when validating the SAAM request.

Our audit sample consisted of 163 SAAM cargo movements. Out of the 163, we identified the Service validators for 108 SAAM cargo movements. We determined that the Service validators did not verify timeliness for any of the 108 SAAMs sampled. For example, an Army validator stated that he does not receive the notification of the missions or deployment requirements. Furthermore, a Navy validator stated that his review focuses on factors such as equipment characteristics (weight and security classification), movement window, and destination. The Navy validator further explained that in some instances, the Service validator may research other modes of transport for the request. Additionally, a Marine Corps SAAM validator stated that the key piece of information necessary to validate the correct mode of transportation is the required delivery date and the overall size of the shipment. However, Service validators do not review SAAM requests for timeliness. If Service validators had the ability to review SAAM requests for timeliness, they would be able to identify units that circumvent the process and deter the untimely submission in the future.

Even though the DTR requires the selection of a mode of transportation that provides best value to the Government, the DTR does not include requirements for anyone to review the request for best value. Because the Service validators are first to review the request after the unit submission, they should be the ones to review the request for best value and to determine whether the timeliness of the request affected the mode of transportation selected. Therefore, the DTR should include guidance to require the Military Services to develop Service-level policy for determining the best value to the Government and requiring Service validators to determine whether the units are submitting SAAM requests in a timely manner. For SAAM requests submitted far enough ahead of the required delivery date for various modes of transportation to be viable, the Service validator should determine whether the cargo could be shipped by an alternate mode of transportation that provides the best value to the Government. For SAAMs requests submitted after airlift was the only viable option, the Service validator should review the request to determine whether the unit submitted it in a timely manner after being notified of the mission requirement.

Guidance Does Not Require Information Needed to Determine Timeliness

In addition, the DTR establishes mandatory fields in the SRS, but the information needed to perform the timeliness review is not required. Specifically, DTR Part II identified required fields in the system, but the required fields did not include contact information for the validator or the submitting unit. DTR Part II requires contact information in the SRS, and the SRS includes fields for contact information. This is a single entry, and the guidance does not specify whose contact information is required. Specifically, SAAM requests in the SRS include contact type, location, name, duty phone, and e-mail address. DTR Part II lists examples of contacts that could be included in this entry, such as the billing, onload, offload, validator, overall, or other point of contact. However, DTR Part II does not specifically require the Service validator and requesting unit contact information when units submit SAAM requests be recorded in the SRS. The DTR should be updated to require SAAM Service validator and requesting unit contact information fields to be completed in the SRS for SAAM requests. This would provide USTRANSCOM proper visibility of and accessibility to the personnel responsible for submitting and validating the SAAM requests for future reviews.

Furthermore, DTR Part II does not require the SRS to capture the dates for when units requesting SAAMs were notified of the movement requirement creating the need for the SAAM. DTR Part II identifies the data fields contained in the SRS, as well as mandatory fields for SAAM requests. The SRS included information such as pickup and delivery sites, cargo size and weight, and required delivery date. However, the SRS did not include data fields that Service validators would need to verify the timeliness of the SAAM request. In addition, the SRS includes an attachment tab that allows units to upload supporting documentation into the SRS. However, DTR Part II does not require requesting units to upload documentation supporting the timeliness of SAAM requests. The DTR should be updated to require units requesting SAAMs to include documentation of when the unit was notified of the mission requirement in the SRS to support the timeliness of the SAAM request where the required delivery date makes movement by SAAM the only viable option.

By verifying the timeliness of SAAM requests, Service validators will be able to assess whether cargo is moved via the mode of transportation that provides the best value to the Government that meets the DoD requirement. Specifically, validators will be able to assess whether an untimely SAAM request reduced the number of days required for delivery, made shipment by airlift the only viable

shipping option, and resulted in an increase in cost for the cargo movement. Although it may be too late in the SAAM request process to change the mode of transportation, the Service validators would identify the unit submitting the delayed request and actions could be taken to deter units from delaying requests in the future. Therefore, USTRANSCOM should update the DTR to require that the Military Services develop policy to hold units accountable when the Service validator finds a unit failed to request a SAAM in a timely manner, which then precluded the consideration of other modes of transportation.

Military Services May Not Have Obtained the Best Value for SAAM Cargo Movements

Military Services spent \$1.6 billion on SAAMs from October 1, 2017, through September 30, 2020, without the capability to validate whether the timeliness of SAAM requests affected the ability to select the most efficient and cost-effective mode of transportation to meet DoD requirements. Obtaining advanced knowledge of a delivery requirement provides USTRANSCOM with options for selecting the most efficient mode of transportation for cargo. In addition, if SAAM requestors delay SAAM requests, shipment by airlift will become the only viable shipping option to meet the cargo's required delivery date. Use of aircraft for airlifting cargo when not needed decreases aircraft availability and could increase maintenance needs for the aircraft. Joint Publication 4-01 states that the major advantage to sealift is the ability to move large amounts of cargo at relatively low cost.⁶ Additionally, it states that the amount of cargo airlift can deliver rapidly is limited, and operating costs are considerably higher than other modes of transportation. Table 1 shows a cost comparison for moving one 20-foot long container from Norfolk Naval Station, Virginia, to Sigonella Naval Air Station, Italy, using different modes of transportation.

Table 1. Example Cost Comparison Between Sealift and SAAM Cargo Movements

Mode of Cargo Movement	Cost	Sealift to SAAM Cost Difference	Cost Increase Above Sealift
Sealift (Liner Service)	\$2,984.39	Not Applicable	Not Applicable
SAAM (C-17 Aircraft)	483,284.12	\$480,299.73	16,094 Percent
SAAM (C-5 Aircraft)	900,140.47	897,156.08	30,062 Percent

Source: USTRANSCOM provided cost data. The DoD OIG calculated cost differences and cost increase above sealift.

⁶ Joint Publication 4-01, "The Defense Transportation System," July 18, 2017.

As seen in Table 1, there could be significant cost savings if the timeliness of SAAM requests were reviewed. Reviewing SAAM requests for timeliness and holding units accountable for late submissions could result in significant future cost savings if even a small percentage of cargo that was scheduled to be shipped via SAAMs was transported via surface.

Recommendations, Management Comments, and Our Response

Revised Recommendations

As a result of management comments, we revised Recommendations 1.a and 1.d to clarify that USTRANSCOM would update the DTR to require the Military Services establish guidance needed to address the recommendations. We agreed that the revised recommendations would address the issues identified in this report.

Recommendation 1

We recommend that the Commander of the U.S. Transportation Command, in coordination with the Military Services, update Defense Transportation Regulation 4500.9-R to:

- a. Require the Military Services to establish Service-level policy for determining the best value to the Government; and require Service validators to determine whether the units are submitting Special Assignment Airlift Mission requests into the Special Assignment Airlift Mission Request System in a timely manner so as to allow for the consideration of other modes of transportation.**

USTRANSCOM Comments

The USTRANSCOM Chief of Staff, responding for the USTRANSCOM Commander, partially agreed with the recommendation, stating that the DTR does not require the development or posting of Service-level guidance or policy to help units determine how or when they should request SAAMs. Furthermore, the USTRANSCOM Chief of Staff stated that Service-level policy should be developed and made readily available to the units to help them consider the various modes of transportation. The USTRANSCOM Chief of Staff suggested that we modify the recommendation to state: “Require the Military Departments to establish Service-level policy developing the criteria for determining the best value to the Government; and require Service validators to determine whether the units submitting Special Assignment Airlift Mission requests input their requests into the SAAM Request System in a timely manner so as to allow the consideration of other

modes of transportation.” The USTRANSCOM Chief of Staff stated that if we accept the proposed revisions, then USTRANSCOM will update the DTR to reflect these changes by March 1, 2022.

Our Response

The Chief of Staff’s suggested revision aligns with our intent to have policy in place for Service validators to have a process for reviewing the timeliness of SAAM requests to ensure best value to the Government. We revised the recommendation to clarify that the DTR should be updated to require the Military Services to develop policy determining best value to the Government and requiring the Service validators to review the SAAM requests for timeliness. The recommendation is resolved but will remain open. We will close this recommendation after updates to the DTR are completed and we verify that the Military Services have established policies to fully address the recommendation.

- b. Include Service validator and requesting unit contact information as a mandatory field in the Special Assignment Airlift Mission Request System.**

USTRANSCOM Comments

The USTRANSCOM Chief of Staff, responding for the USTRANSCOM Commander, agreed with the recommendation, stating that USTRANSCOM, in coordination with the Military Departments, will update the DTR to specify unit contact information be entered as a mandatory field in the SRS by December 1, 2021. The USTRANSCOM Chief of Staff also stated that the validator contact information is available in the SRS and that no additional action is required.

Our Response

Although the Chief of Staff agreed with our recommendation, his comments do not address all the specifics of the recommendation related to the need for validator information in SRS. As noted in our report, we found that 55 of the 163 sample items did not have sufficient information to allow us to identify and contact the validator. USTRANSCOM could not provide any contact information (name with phone number or e-mail) for 32 of the 55 SAAMs, and the remaining 23 SAAMs had incomplete or unusable validator contact information. If all validator contact information were available in the SRS as the Chief of Staff stated, USTRANSCOM would have been able to provide us this information during the audit. Therefore, the recommendation is unresolved. We request that USTRANSCOM re evaluate this recommendation and provide comments on the final report that address the issue of not having the Service validator contact information as a mandatory field in the SRS.

- c. **Require units requesting Special Assignment Airlift Missions to upload documentation into the Special Assignment Airlift Mission Request System supporting the timeliness of their request when the required delivery date makes movement by Special Assignment Airlift Mission the only viable option.**

USTRANSCOM Comments

The USTRANSCOM Chief of Staff, responding for the USTRANSCOM Commander, agreed with the recommendation, stating that once the Military Services develop the criteria for determining timeliness and best value to the Government, USTRANSCOM will update the DTR requiring units requesting SAAMs to upload documentation into the SRS, including the date when they were notified of the mission requirement, by March 1, 2022.

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 verify that the DTR has been updated to include the requirement for units to upload documentation to support the date when they were notified of the mission requirement into the SRS.

- d. **Require the Military Services to establish policy to require actions to hold units accountable when the Service validator finds a unit failed to request a Special Assignment Airlift Mission in a timely manner, which then precluded the consideration of other modes of transportation.**

USTRANSCOM Comments

The USTRANSCOM Chief of Staff, responding for the USTRANSCOM Commander, partially agreed with the recommendation, stating that USTRANSCOM does not have the authority or ability to hold units accountable. The USTRANSCOM Chief of Staff suggested that we modify the recommendation to state: “Require the Military Departments to establish policy to include actions to be taken when the Service validator finds its unit failed to input its SAAM mission request in a timely manner that did not allow for the consideration of other modes of transportation.” The USTRANSCOM Chief of Staff stated that if updated wording to match wording from body. we accept the proposed revisions, then USTRANSCOM will update the DTR to reflect these changes by March 1, 2022.

Our Response

The Chief of Staff's suggested revision aligns with our intent to have policy in place to hold units accountable for submitting untimely SAAM requests. We revised the recommendation to clarify that the DTR be updated to require the Military Services to develop policy to hold units accountable when the Service validator finds a unit failed to submit SAAM requests in a timely manner. The recommendation is resolved but will remain open. We will close this recommendation after updates to the DTR are completed and we verify the Military Services have established policies to fully address the recommendation.

Unsolicited Comments

Although not required to comment, the Commander of Naval Supply Systems Command, Weapon Systems Support, and the Deputy Chief of Staff, Air Force Logistics, Engineering, and Force Protection, provided comments on the recommendations. They stated that their organizations agree with all the recommendations. For the full text of the Navy and Air Force comments, see the Management Comments section of the report.

Our Response

We acknowledge the comments from the Navy and the Air Force and appreciate their review of the report.

Appendix A

Scope and Methodology

We conducted this performance audit from June 2020 through July 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 objectives.

Interviews and Guidance

We interviewed officials responsible for managing guidance at the Office of the Under Secretary of Defense for Policy, and from the USTRANSCOM Transportation Policy Branch. In addition, we interviewed officials from the USTRANSCOM Global Operations Directorate and the Air Mobility Command's 618th Air Operations Center (Tanker Airlift Control Center) who were responsible for managing airlift cargo movements and the data within the associated computer systems. Lastly, we interviewed Service validators from the Army, Navy, Air Force, and Marine Corps who validated SAAM requests from our audit sample.

We reviewed the following criteria applicable to cargo movements to identify processes and procedures used for SAAM request validation, and cargo movement procedures.

- Joint Publication 4-01, "The Defense Transportation System," July 18, 2017
- DoD Regulation 4500.9-R, "Defense Transportation Regulation," Part I, "Passenger Movement," June 6, 2019
- DoD Regulation 4500.9-R, "Defense Transportation Regulation," Part II, "Cargo Movement," May 2014 (Includes changes through May 8, 2020)
- DoD Regulation 4500.9-R, "Defense Transportation Regulation," Part III, "Mobility," June 2016
- Army Regulation 59-9, "Air Transportation: Special Assignment Airlift Mission Requirements," July 12, 2018
- Chief of Naval Operations Instruction 4630.26C, "Procedures for Arranging Navy-Sponsored Special Assignment Airlift Missions," May 29, 2019
- Marine Corps Order 4610.37G, "Marine Corps Transportation Account Code (TAC) Policy," June 24, 2020

Audit Universe and Sample

USTRANSCOM provided the SAAM movement universe which consisted of 5,973 SAAM cargo movements from October 1, 2017, through September 30, 2020. We selected a statistical sample of 163 of 5,973 SAAM cargo movements to determine whether the requests were submitted in a timely manner, allowing Service validators to select the most efficient and cost-effective mode of transportation to meet DoD requirements.

To analyze SAAM requests for timeliness, we requested, and USTRANSCOM provided, a SAAM validator directory identifying SAAM number ranges by organization. The SAAM validator directory identified SAAM number ranges used by organizations and associated Service validator e-mails and phone numbers. We used the directory to identify SAAM numbers in the sample to a validating organization. For example, the SAAM validator directory identified the Air Force Materiel Command's SAAM number range as 1200 to 1299. If a SAAM number in our sample was 1203, we would use the validator contact information for the Air Force Materiel Command to complete our analysis. If the SAAM validator directory did not identify a SAAM number range for a SAAM within our sample, the audit team contacted USTRANSCOM directly to obtain Service validator contact information. We identified Service validator contact information for 108 of the 163 SAAM cargo movements in the sample.

Due to coronavirus disease–2019 pandemic restrictions on travel, and the quantity of SAAM requests needed to be analyzed, we created a SAAM questionnaire for Military Service SAAM validators. The questionnaire was used to obtain documentation and information needed to complete the SAAM request timeliness analysis. Validator contact information was required for each SAAM in our sample to send the questionnaire, and assess the SAAM request for timeliness. The questionnaire was sent to the Service validators, and an analysis on whether the validators reviewed the requests for timeliness was completed for 108 SAAMs in the sample.

We determined that the cause was at the Service validator level; therefore, we did not perform unit-level analysis. Additional analysis at the unit level would not change the recommendations in our report.

The SAAM request timeliness analysis identified whether validators had the initial date that a unit was notified of a requirement to move cargo. Additionally, it identified whether the validator used the initial date that a unit was notified of a requirement as part of the validation process. This would ensure that the unit requesting the SAAM used the most efficient and cost-effective mode of transportation to meet DoD requirements.

Table 2 identifies the universe and statistical sample selection quantities by Military Service. It also identifies the quantity of sampled SAAMs that we were able to assess, and the quantity of SAAMs we could assess that were not reviewed by validators for timeliness. Lastly, Table 2 identifies the quantity of sampled SAAMs that we were not able to assess.

Table 2. Universe, Sample, and Analysis of SAAM Movements from October 1, 2017, Through September 30, 2020

Military Service	Universe	Sample	Assessed and Not Reviewed by Validators for Timeliness	Not Able to be Assessed
Army	1,384	34	34	0
Navy	195	20	19	1
Air Force	3,679	89	36	53
Marine Corps	715	20	19	1
Total	5,973	163	108	55

Source: The DoD OIG.

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 following control components and underlying principles related to the processes of requesting SAAM cargo movements.

- Control environment – ensuring accountability. We reviewed controls to determine whether units submitting untimely SAAM requests were held accountable.
- Risk assessment – identify, analyze, and respond to risks. We reviewed SAAM requests to determine whether a process was in place for reviewing timeliness of requests and mitigating and responding to risks.
- Control activities – design and implement control activities. We reviewed DoD policies and procedures as well as the SAAM request process to determine whether controls were in place for reviewing timeliness and selecting the mode of transportation that would provide the best value to the Government.
- Information and communication - use quality information. We reviewed policies and procedures to determine whether the appropriate information was provided to the Service validators to allow them to perform a review of timeliness.

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 this audit.

Use of Computer-Processed Data

We used computer-processed data to perform this audit. We used data from the Integrated Data Environment/Global Transportation Network Convergence. Specifically, USTRANSCOM provided a universe of SAAM unit cargo movements from the Integrated Data Environment/Global Transportation Network Convergence system. SAAM data provided from the system included SAAM numbers, required and actual delivery dates, cargo priorities, cargo specifications, and aircraft type. However, we used only the SAAM numbers provided for sample selection. We determined that the data obtained from the Integrated Data Environment/Global Transportation Network Convergence were sufficiently reliable for the purposes of the audit.

Use of Technical Assistance

The DoD OIG Quantitative Methods Division (QMD) provided the statistical sample of 163 SAAMs for review. See Appendix B for the statistical sample plan.

Prior Coverage

No prior coverage was conducted on SAAM cargo movement requests through USTRANSCOM during the last 5 years.

Appendix B

Statistical Sample

Population. The population consisted of 5,973 SAAMs unclassified SAAM cargo movements from October 1, 2017, through September 30, 2020.

Parameters. QMD used a 90-percent confidence level and 5-percent precision to calculate the required sample size for attribute design.

Sample Plan. QMD generated an attributed sample design in which the population was separated into four strata based on the Services and the samples were drawn from each stratum without replacement. QMD used the RAND() function in MS Excel to randomize the population. The stratum and the sample sizes are given in Table 3 below.

Table 3. Sample Size by Stratum

Stratum Name	Stratum Population Size	Stratum Sample Size
Army	1,384	34
Navy	195	20
Air Force	3,679	89
Marine Corps	715	20
Total	5,973	163

Source: The DoD OIG.

Analysis and Interpretation

Fieldwork Results

Our audit sample consisted of 163 SAAM cargo movements. Out of the 163, we identified the Service validators for 108 SAAM cargo movements. We determined that the Service validators did not verify timeliness for any of the 108 SAAMs sampled. For the remaining 55, we could not obtain the necessary information to determine whether Military Services submitted timely SAAM requests.

For the 108 SAAM cargo movements, we determined that the Service validators did not verify timeliness for any of the 108 SAAMs sampled. However, because 55 SAAMs in the sample were unable to be analyzed, projections for SAAMs reviewed for timeliness could not be evaluated from the sample.

Management Comments

U.S. Transportation Command



UNITED STATES TRANSPORTATION COMMAND
OFFICE OF THE CHIEF OF STAFF
508 SCOTT DRIVE
SCOTT AIR FORCE BASE, ILLINOIS 62225-6357

22 August 2021

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

FROM: TCCS

SUBJECT: DODIG Draft Report "Audit of Military Services Special Assignment Airlift Mission (SAAM) Cargo Movement Requests (Project No. D2020-D000RG-0145.000)"

1. The United States Transportation Command (USTRANSCOM) has reviewed the subject report and provides the attached response to the report's recommendations.
2. For additional information or assistance, please contact [REDACTED].

BARKER, VINCENT
BOYD [REDACTED]

VINCENT B. BARKER
Major General, U.S. Army
Chief of Staff

Attachment
USTRANSCOM Response

cc:
TCJ3
TCJ5/J4
TCJA
AMC

U.S. Transportation Command (cont'd)

Final
Report Reference

**DOD IG Draft Report (Project No. D2020-D000RG-0145.000)
“Audit of Military Services Special Assignment Airlift Mission (SAAM) Cargo Movement
Requests” Dated 23 July 2021**

Recommendation 1: The USTRANSCOM Commander, in coordination with the Military Services, update the Defense Transportation Regulation (DTR) to:

a. require the Service validators to determine whether the units submitting Special Assignment Airlift Mission requests selected the mode of transportation that provided the best value to the Government. For requests submitted after the required delivery date makes movement by Special Assignment Airlift Mission the only viable option, the Service validators should be required to assess the timeliness of the submission.

Revised
Recommendation 1.a

USTRANSCOM Response: Partially Concur. Currently, the DTR does not require the development or posting of Service-level guidance or policy to help units determine how or when they should request Special Assignment Airlift Missions (SAAMs). As a result, units may not understand the need to act quickly (or the ramifications when failing to do so) when presented with transportation or logistics missions. Service-level policy should be developed and made readily available to the units to help them consider the various modes of transportation, including mode selection considerations such as mission requirements, the costs, and the timing requirements for selection thereof. With clear Service-level policy in place, Service validators should be able to justify whether a SAAM mode of transportation provides the “best value to the Government” in relation to other modes of transportation. USTRANSCOM concurs that the DTR should be amended to require Service validators to also consider whether SAAM requests were submitted timely, utilizing appropriate date data, including when the unit was notified of the mission requirement in relation to the required delivery date(s) and any other relevant dates. Therefore, USTRANSCOM proposes the DOD IG modify its Recommendation 1a. to provide as follows:

“a. Require the Military Departments to establish Service-level policy developing the criteria for determining the best value to the Government; and require Service validators to determine whether the units submitting Special Assignment Airlift Mission (SAAM) requests input their requests into the SAAM Request System (SRS) in a timely manner so as to allow the consideration of other modes of transportation.”

If DODIG concurs with these proposed revisions, USTRANSCOM, in coordination with the Military Departments, will update the DTR to reflect these changes. Estimated completion date is 1 March 2022.

b. Include validator and requesting unit contact information as a mandatory field in the SRS.

USTRANSCOM Response: Concur. USTRANSCOM, in coordination with the Military Departments, will update the DTR to specify unit contact information be entered as a mandatory field in the SRS. Validator contact information currently is available in SRS and no additional action is required. Estimated completion date is 1 December 2021.

U.S. Transportation Command (cont'd)

2

c. Require units requesting SAAMs to upload documentation into the SRS supporting when they were notified of mission requirement when the required delivery date makes movement by SAAM the only viable option.

USTRANSCOM Response: Concur. Once the Military Departments develop the criteria for determining timeliness and best value to the Government, USTRANSCOM can update the DTR requiring units requesting SAAMs to upload documentation into SRS, including the date when they were notified of the mission requirement, in order to validate that movement by SAAM is the only viable option to achieve the required delivery date. Estimated completion date is 1 March 2022.

d. Include steps to hold units accountable for SAAM requests that Service validators determine to be untimely and that resulted in unnecessary air cargo movements.

USTRANSCOM Response: Partially Concur. Unlike the Military Services, USTRANSCOM does not have the authority or ability to hold units accountable. Therefore, USTRANSCOM proposes this recommendation be revised to state:

“Require the Military Departments to establish policy to include actions to be taken when the Service validator finds its unit failed to input its SAAM mission request in a timely manner that did not allow for the consideration of other modes of transportation.”

If DODIG concurs with the proposed revision, USTRANSCOM, in coordination with the Military Departments, will update the DTR to reflect these changes. Estimated completion date is 1 March 2022.

**Final
Report Reference**

**Revised
Recommendation 1.d**

Naval Supply Systems Command, Weapon Systems Support



DEPARTMENT OF THE NAVY
NAVSUP WEAPON SYSTEMS SUPPORT
700 ROBBINS AVENUE 5450 CARLISLE PIKE
PHILADELPHIA PA 19111-5098 MECHANICSBURG PA 17050-2411

IN REPLY REFER TO
5000
Ser N00/127
10 Aug 2021

From: Commander, NAVSUP Weapon Systems Support
To: Commander, Naval Supply Systems Command
Via: N3, NAVSUP Weapon Systems Support

Subj: DODIG DRAFT REPORT FOR THE AUDIT OF MILITARY SERVICES SPECIAL ASSIGNMENT AIRLIFT MISSION CARGO MOVEMENT REQUESTS (PROJECT NO. D2020-D000RG-0145.000)

1. NAVSUP WSS N3 concurs with all recommendations, and provides comment on recommendations 1.a and 1.d.
2. Recommendation 1.a refers to "best value" being determined at the Service Validator step in the SAAM request process. Best value" is determined in the shipment planning segment prior to initiating a SAAM request and is the requesters' responsibility. The DTR should place the "best value" determination responsibility on the SAAM requester and require specific documentation to justify the modal decision. Recommendation 1.a refers to "timeliness." In order for the Service Validator to determine "timeliness," the DTR must define what timeliness is in relation to SAAM requests.
3. Recommendation 1.d refers to "hold units accountable" in relation to requests determined to be untimely by the Service Validator. Stating "hold units accountable" is vague and needs to be defined within the DTR so the penalty for submitting an untimely SAAM is clear.
4. My point of contact for this action is [REDACTED] who can be reached at [REDACTED].


K. W. EPPS

Air Force Logistics, Engineering, and Force Protection



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON DC

12 August 2021

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL
FROM: AF/A4L
1030 Air Force Pentagon
Washington, DC 20330-1030

SUBJECT: Air Force Response to DoD Office of Inspector General Draft Report, "Audit of Military Services Special Assignment Airlift Mission Cargo Movement Requests" (Project No. D2020-D000RG-0145.000)

1. Department of the Air Force response to the DoDIG Draft Report, "Audit of Military Services Special Assignment Airlift Mission Cargo Movement Requests" (Project No. D2020-D000RG-0145.000). The AF concurs with the report as written.
2. AF/A4 concurs with the draft report and recommendation. The AF will continue following the guidance in DTR 4500.9-R as written and in the future.
3. The AF/A4 point of contact is [REDACTED] who may be reached at commercial [REDACTED].

BERRY.WARRE [REDACTED]
N.D. [REDACTED]
WARREN D. BERRY, Lt Gen, USAF
DCS/Logistics, Engineering & Force Protection

Acronyms and Abbreviations

CCMD	Combatant Command
DTR	Defense Transportation Regulation
QMD	Quantitative Methods Division
SAAM	Special Assignment Airlift Mission
SRS	SAAM Request System
USTRANSCOM	U.S. Transportation Command

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U.S. DEPARTMENT OF DEFENSE

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