Report No. DODIG-2023-066

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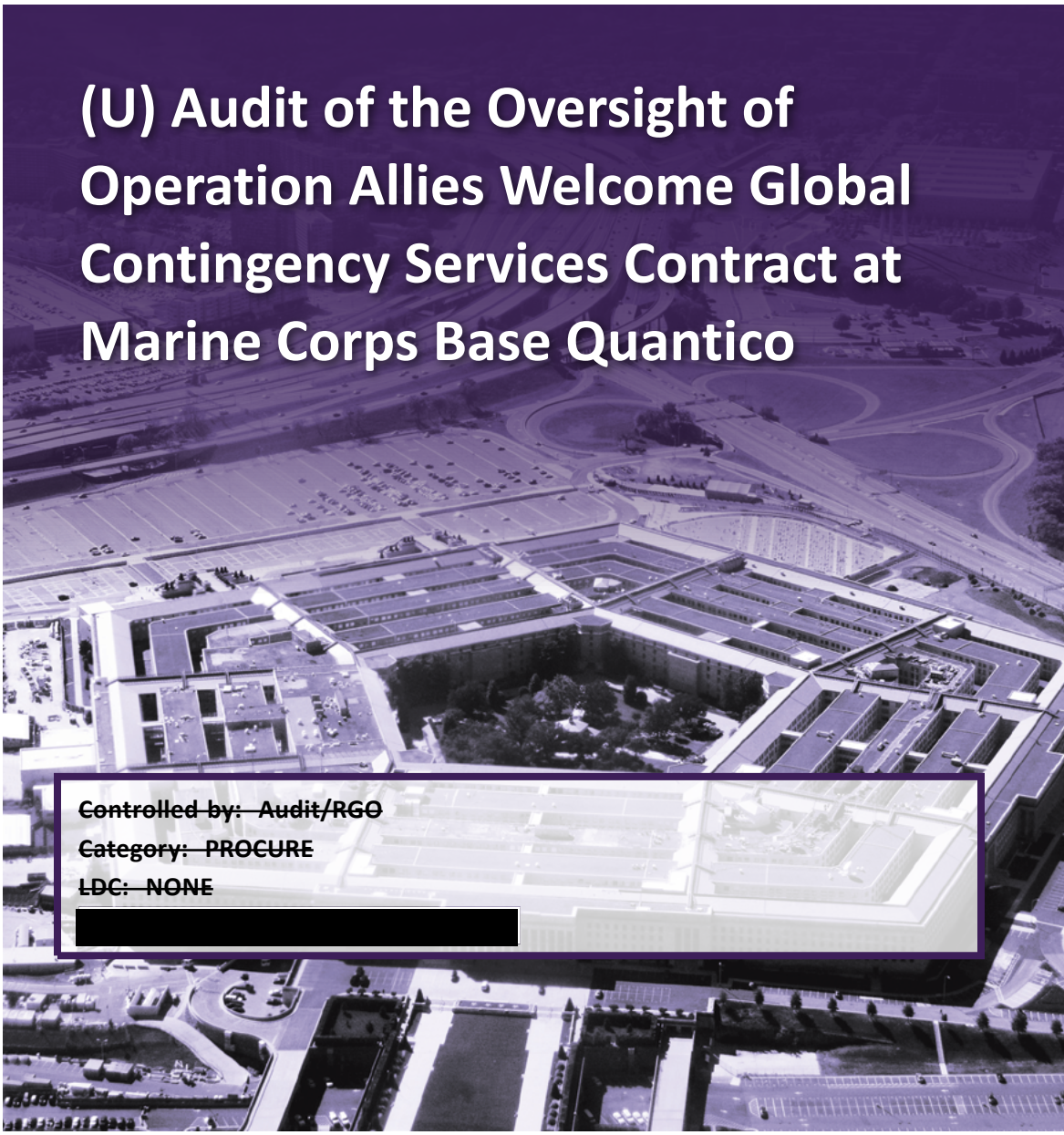
INSPECTOR GENERAL

U.S. Department of Defense

APRIL 25, 2023

(U) Audit of the Oversight of Operation Allies Welcome Global Contingency Services Contract at Marine Corps Base Quantico



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INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE

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(U) Results in Brief

(U) Audit of the Oversight of Operation Allies Welcome Global Contingency Services Contract at Marine Corps Base Quantico

(U) April 25, 2023

(U) Objective

(U) The objective of this audit was to determine whether Navy contracting personnel executed contract administration responsibilities for dining, medical, and facilities sustainment services in support of Operation Allies Welcome (OAW) in accordance with Federal and DoD policies.

(U) Background

(U) This report focuses on the Navy Global Contingency Services Contract (GCSC) supplies and services used to support the OAW mission at Marine Corps Base (MCB) Quantico. During the course of OAW, Government personnel and contractors provided support to over 5,000 Afghan evacuees at MCB Quantico.

(U) Finding

(U) Navy contracting personnel did not fully execute contract administration responsibilities at MCB Quantico. Navy contracting personnel provided adequate oversight of contractor performance for dining, medical, and facilities sustainment services supporting the relocation of Afghan evacuees; however, the contractor did not provide sufficient supporting documentation for its incurred costs, which prevented the administrative contracting officer from adequately reviewing contractor invoices.

(U) The Navy's oversight and the contracting officer's representatives execution of contract oversight procedures helped ensure that the contractor provided adequate dining, medical, and facilities sustainment services to Afghan evacuees. In addition, effective oversight directly

(U) Finding (cont'd)

(U) led to a reduction of $3.5 million in awards fees to the contractor. However, as of the date of this report, the Navy had not verified whether the additional $30.1 million in payments made to the contractor, excluding the award fee, were allowable, allocable, and reasonable.

(U) Management Actions Taken

(U) During the audit, we discussed with the Naval Facilities Engineering Systems Command personnel the need for a Defense Contract Audit Agency review of the remaining three contractor-submitted invoices to ensure all costs are allowable, allocable, and reasonable. The Director of Contracting, People and Processes agreed and requested that the Defense Contract Audit Agency perform an incurred cost review of the remaining three invoices totaling $30.1 million, excluding the award fee.

(U) Recommendation

(U) We recommend that the Naval Facilities Engineering Systems Command Director of Contracting, People and Processes ensure that the administrative contracting officer, based on the Defense Contract Audit Agency review of invoices four through six of the GCSC OAW task order, request a refund from the contractor for any excess payments or arrange for payment to the contractor for any under-billed costs.

(U) Management Comments and Our Response

(U) The Commander, Naval Facilities Engineering Systems Command agreed with the recommendation and described a planned action. The recommendation is resolved and will remain open until the Naval Facilities Engineering Systems Command provides documentation showing that the action has been completed.

(U) Please see the Recommendation Table on the next page for the status of the recommendation.

(U) Recommendation Table

(U) Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Naval Facilities Engineering Systems Command Director of Contracting, People and Processes	None	1	None **(U)**

(U) Please provide management comments by July 24, 2023.

(U) Note: The following categories are used to describe agency management's comments to individual recommendations.

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

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

April 25, 2023

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND SUSTAINMENT
UNDER SECRETARY OF DEFENSE FOR POLICY
AUDITOR GENERAL, DEPARTMENT OF THE NAVY

SUBJECT: (U) Audit of the Oversight of Operation Allies Welcome Global Contingency Services Contract at Marine Corps Base Quantico
(Report No. DODIG-2023-066)

(U) This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and received written comments on the recommendations. We considered comments from the Commander, Naval Facilities Engineering Systems Command in finalizing our report. These comments are included in the report.

(U) This report contains one recommendation that we consider resolved and open. As described in the Recommendations, Management Comments, and Our Response section of this report, we will close the resolved recommendation when you provide us with adequate documentation showing that all agreed-upon actions to implement the recommendation are completed. Therefore, within 90 days please provide us your response concerning specific actions in process or completed on the recommendation. Send your response to either followup@dodig.mil if unclassified or rfunet@dodig.smil.mil if classified SECRET.

(U) We appreciate the cooperation and assistance received during the audit. If you have any questions or would like to meet to discuss the audit, please contact me at [redacted].

FOR THE INSPECTOR GENERAL:

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

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(U) Introduction

(U) Objective

(U) The objective of this audit was to determine whether DoD contracting personnel executed contract administration procedures for supplies and services supporting the relocation of Afghan evacuees at DoD installations in support of Operation Allies Welcome (OAW) in accordance with Federal and DoD policies. Specifically, we determined whether Navy contracting personnel executed contract administration responsibilities for dining, medical, and facilities sustainment services at Marine Corps Base (MCB) Quantico, Virginia.[1] See Appendix A for the scope and methodology, and Appendix B for prior audit coverage related to the audit.

(U) Background

(U) On July 14, 2021, the President announced Operation Allies Refuge to support the relocation of interested and eligible Afghan nationals who supported the U.S. Government and their immediate families. This operation followed through on America's commitment to Afghan citizens who have helped the United States, and provided them essential support at secure locations. The relocated Afghans took significant risks to support the U.S. military and civilian personnel in Afghanistan, were employed by or on behalf of the U.S. Government in Afghanistan or coalition forces, or were a family member of someone who did.

(U) On August 29, 2021, the President announced OAW and directed the Department of Homeland Security to lead and coordinate ongoing efforts across the Government to support vulnerable Afghans as they safely resettled in the United States. This effort consisted of various operational phases to support Afghan evacuees. Before arrival, the Government conducted security screenings and vetting of Afghan evacuees, with the dual goals of protecting national security and providing protection for Afghan allies.

(U) On August 30, 2021, the President stated that U.S. troops executed the largest airlift in U.S. history, evacuating over 120,000 people from Afghanistan. Upon arrival at the port of entry and after completion of processing, the Department of Homeland Security transported Afghan evacuees to U.S. military facilities, where they received a full medical screening and a variety of services.

[1] (U) Facilities sustainment services include cleaning, billeting, and billeting supply services. Contracted medical services consisted of ambulance transportation and managing medical files of transported patients.

(U) DoD Support for Operation Allies Welcome

(U) To support the Afghan resettlement effort, the DoD provided essential supplies and services, such as temporary housing, meals, medical care, and facilities sustainment for Afghan evacuees within the continental United States at eight installations: Camp Atterbury, Indiana; Fort Bliss, Texas; Fort Lee, Virginia; Fort McCoy, Wisconsin; Fort Pickett, Virginia; Holloman Air Force Base, New Mexico; Joint Base McGuire-Dix-Lakehurst, New Jersey; and MCB Quantico, Virginia. Table 1 shows key information for each installation, including the number of days' notice each of the eight installations received before the first Afghan evacuees arrived, the first arrival and final departure dates of Afghan evacuees, the number of days each installation was active in support of OAW, and the total number of Afghan evacuees housed at each installation.

(U) Table 1. Key Information for U.S. Installations Providing Temporary Support of OAW

(U) Supporting DoD Service	Location	Number of Days' Notice	Date of First Afghan Evacuee Arrival	Date of Final Afghan Evacuee Departure	Total Number of Days Installation Was Active	Total Number of Afghan Evacuees Housed
Air Force	Holloman Air Force Base, New Mexico	7	8/31/2021	1/26/2022	149	7,324
	Joint Base McGuire-Dix-Lakehurst, New Jersey	4	8/25/2021	2/19/2022	179	16,503
Navy	MCB Quantico, Virginia	5	8/29/2021	12/22/2021	116	5,081
Army*	Camp Atterbury, Indiana	3	9/3/2021	1/25/2022	145	7,192
	Fort Bliss, Texas	8	8/21/2021	12/30/2021	132	11,472
	Fort McCoy, Wisconsin	6	8/22/2021	2/15/2022	178	12,706
	Fort Pickett, Virginia	3	8/28/2021	2/1/2022	158	10,492
	Fort Lee, Virginia	15	7/30/2021	11/17/2021	111	3,108

(U)

(U) *On March 24, 2023, Fort Pickett was renamed Fort Barfoot and Fort Lee will be renamed Fort Gregg-Adams on April 27, 2023.
(U) Source: The DoD OIG.

(U) The DoD executed task orders under three contracts to provide Afghan evacuees with essential supplies and services.

- (U) Air Force Contract Augmentation Program

- (U) Navy Global Contingency Services Contract (GCSC)
- (U) Army Logistics Civil Augmentation Program V

(U) Marine Corps Base Quantico

(U) Afghan evacuees started arriving at MCB Quantico on August 29, 2021, and during the course of OAW, MCB Quantico provided support to over 5,000 evacuees. The installation included three distinct encampments, dining facilities, laundry facilities, recreational areas, and a medical center. Figure 1 shows a portion of the facility at MCB Quantico.

(U) Figure 1. Medical Area at MCB Quantico
(U) Source: The DoD OIG.

(U) Global Contingency Services Contract

(U) GCSC is a contingency contracting tool that teams the Government and private industry to provide short-term contingency facility and base support to the Navy and Marine Corps. GCSC uses five contractors with the intent to provide cost-effective, highly responsive solutions to meet urgent needs.[2]

[2] (U) GCSC is a multiple award, Indefinite Delivery Indefinite Quantity contract awarded to five different contractors.

(U) On August 28, 2021, the Naval Facilities Engineering Systems Command (NAVFAC) awarded a cost-plus-award-fee task order to one of the five contractors under the GCSC to provide essential supplies and services in support of OAW at MCB Quantico.[3] Cost-reimbursement incentive contracts allow the Government to pay the contractor for allowable incurred costs and provide the contractor the opportunity to receive an award-fee payment consistent with the contractor's overall performance against the cost, schedule, and performance outcomes specified in the award-fee plan.[4] The task order included a ceiling price of $203.3 million and up to a 5-percent award-fee if the contractor met all its contractual requirements.[5] Table 2 shows the award date, total funding, and amount expended for the GCSC task order in support of OAW at MCB Quantico.[6]

(U) Table 2. GCSC OAW Task Order Information

(U) Award Date	Task Order Total Funding (in Millions)	Total Amount Expended (in Millions)
August 28, 2021	$203.3	$183.5 (U)

Source: The DoD OIG.

(U) GCSC Contract Administration Roles and Responsibilities

(U) According to the Federal Acquisition Regulation (FAR), the procuring contracting officer (PCO), the administrative contracting officer (ACO), and the contracting officer's representative (COR) are responsible for conducting Government surveillance. In the Navy, CORs can request performance assessment representatives (PARs) to assist with onsite contract administration duties. Several commands, including NAVFAC and the 2nd Marine Logistics Group, worked together to provide the required contract administration.

(U) NAVFAC Roles and Responsibilities

(U) NAVFAC provides contracting support for base operations contracts for services such as transportation, maintenance, utilities and energy delivery, and facilities management to Navy and Marine Corps installations. NAVFAC provided a PCO and ACO, as well as CORs, to provide contract oversight for the OAW mission at MCB Quantico.

[3] (U) The FAR Part 16, "Types of Contracts," Subpart 16.4, "Incentive Contracts," Section 16.405 "Cost-reimbursement Incentive Contract," Subsection 16.405-2, "Cost-Plus-Award-Fee Contracts."

[4] (U) The FAR defines an award-fee plan as a plan that establishes procedures for evaluating a contractor's award fee.

[5] (U) The Defense Acquisition University defines the ceiling price as the maximum dollar amount that the Government would pay the contractor for meeting its contractual requirements.

[6] (U) Award information as of December 12, 2022.

(U) PCO ROLES AND RESPONSIBILITIES

(U) According to the FAR, the PCO is responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships.[7] Generally, the PCO develops contract technical documents, executes contract awards, and can delegate any post award contract administration, such as quality assurance surveillance, cost monitoring, and invoice review to an ACO. The PCO retains any contract administration duties that the PCO does not delegate in writing. For the GCSC task order in support of OAW at MCB Quantico, the PCO delegated all contract administration responsibilities to the ACO.

(U) In addition, the FAR requires the requiring activity to provide the PCO with a quality assurance surveillance plan (QASP) that specifies inspection, testing, and other contract quality requirements to ensure the integrity of the supplies or services.[8] The Defense Federal Acquisition Regulation Supplement (DFARS) states that the PCO should ensure the QASP is prepared in conjunction with the contract's statement of work.[9] The PCO should ensure the QASP addresses the performance risk inherent in the specific contract type and detail the work requiring surveillance and the methodology to ensure the contractor complies with all contractual requirements in its statement of work.[10]

(U) The DoD COR Guidebook states that the QASP is also used to help determine whether the Government should request the contractor to take corrective action. The COR can provide advice on the appropriateness of the contractor's corrective action, and evaluate whether the contractor took corrective action.

(U) ACO ROLES AND RESPONSIBILITIES

(U) The ACO is responsible for ensuring contract oversight personnel have adequate oversight procedures and plans to perform their duties, monitor contractor costs, and ensure the contractor complies with contractual requirements. For the OAW mission at MCB Quantico, the ACO assigned four CORs to support NAVFAC and assist the ACO with oversight and administrative matters during contractor performance.

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[7] (U) FAR Part 1, "Federal Acquisition Regulations System," Subpart 1.6, "Career Development, Contracting Authority, and Responsibilities," Section 1.602-2 "Responsibilities."

[8] (U) FAR Part 46, "Quality Assurance."

[9] (U) The ordering activity shall develop the statement of work. All statements of work shall include a description of work to be performed, location of work, period of performance, deliverable schedule, applicable performance standards, and any special requirements.

[10] (U) "DoD Contracting Officer's Representative Guidebook," May 2021.

(U) COR ROLES AND RESPONSIBILITIES

(U) The COR acts as the "eyes and ears" for the ACO and is responsible for monitoring the contractor's technical compliance and performance of contract requirements. FAR part 1.602 also requires that CORs be qualified by training and experience commensurate with their responsibilities.[11] In addition, DoD Instruction 5000.72 states that CORs should have specific DoD training and relevant experience in the COR's oversight areas of responsibility.[12] Specifically, DoD Instruction 5000.72 requires CORs to complete the Contracting Officer's Representative, Annual Ethics, and Combating Trafficking in Persons training courses to ensure effective COR performance. To assist with contract oversight, CORs can request assistance from PARs. For the OAW mission at MCB Quantico, the COR assigned Marine Corps personnel as PARs to serve as onsite representatives assessing contractor performance.[13]

(U) Marine Corps Roles and Responsibilities

(U) The 2nd Marine Logistics Group, the main Marine Corps unit that supported the OAW mission at MCB Quantico, dedicated resources, including manpower, equipment, and supplies, to support OAW. Over the course of the operation, CORs assigned at least 36 Marines from the 2nd Marine Logistics Group Corp as PARs, including four senior PARs that supervised the other PARs. The PARs acted as technical points of contact in specific functional areas or locations.[14] According to the COR, units from the 2nd Marine Logistics Group were rotating every 3 to 4 weeks, which meant PARs were replaced on a regular basis.

(U) The NAVFAC Performance Assessment Plan requires that individuals, who monitor contractor performance, including PARs, be adequately trained and experienced in specific functional areas before performing oversight responsibilities.[15] In addition, the NAVFAC Performance Assessment Plan requires PARs to periodically assess and document whether the contractor met performance standards. PARs should use assessment worksheets to document and report observations of contractor performance on specific requirements and whether the contractor met performance standards on the services assessed. Assessment

[11] (U) FAR Part 1, "Federal Acquisition Regulations System," Subpart 1.6, "Career Development, Contracting Authority, and Responsibilities," Section 1.602, "Contracting Officers."

[12] (U) DoD Instruction 5000.72, "DoD Standard for Contracting Officer's Representative (COR) Certification," March 26, 2015 (incorporating Change 2, November 6, 2020), defines "relevant experience" as knowledge or practical experience in fields that correspond with the responsibilities designated to the COR. This experience is generally acquired through education, job performance, or training.

[13] (U) NAVFAC, "Performance Assessment User Guide, March 26, 2019," refers to a PAR as anyone responsible for conducting assessments on behalf of the COR for a NAVFAC-administered facility support contract.

[14] (U) A senior PAR is responsible for coordinating the efforts of multiple PARs assigned to a contract, and reviews performance assessment schedules and performance assessment documentation for sufficiency and consistency of oversight.

[15] (U) NAVFAC, "Performance Assessment Plan," September 23, 2021.

(U) worksheets include daily oversight of services, such as laundry and dining facilities, trash removal, ambulance services, pest control, and lighting around the OAW camp. PARs are required to report their daily assessment worksheets to a senior PAR, who reports the PAR's results to the COR. The CORs use a weekly performance assessment summary (PAS) to document the results collected from the assessment worksheets, assign a technical rating, and recommend corrective actions to the contractor.

(U) Invoice Review and Approval Roles and Responsibilities

(U) The DoD COR Guidebook, and the DFARS detail the invoice review and approval responsibilities for contract administration personnel, such as the ACO, COR, and the Defense Contract Audit Agency (DCAA) contract auditor.[16] According to the DoD COR Guidebook, for cost-reimbursement contracts, only contracting officers, such as ACOs, can approve invoices for payment. CORs can review, but not approve invoices for payment. In addition, the DoD COR Guidebook states that CORs should review invoices thoroughly and on time to ensure the Government gets what it paid for. The ACO assigned an alternate COR to monitor contractor costs and invoices throughout the performance of the task order at MCB Quantico.

(U) The DCAA operates under the authority of the Under Secretary of Defense (Comptroller)/Chief Financial Officer. The mission of the DCAA is to perform contract audits and to provide accounting and financial advisory services regarding contracts and subcontracts for the DoD. The DFARS assigns the DCAA responsibility for performing prepayment review of contractor invoices on cost-reimbursement contracts.[17] According to the DCAA Contract Audit Manual, during prepayment review, the DCAA auditor verifies that the contract number, invoice number, and dollar amount on the invoice agree with the attached supporting documentation and that the invoice is free from mathematical errors.[18] The prepayment review, performed by a DCAA auditor, is not a detailed review of the allowability, allocability, and reasonableness of specific costs.

(U) In addition to prepayment reviews, the DCAA performs incurred cost audits of the contractor's costs reimbursed or claimed for the fiscal year. The purpose of incurred cost audits is to verify the allowability, allocability, and reasonableness of the contractor's costs in accordance with the FAR and DFARS. The FAR states that a cost is allowable only when it complies with reasonableness, allocability, relevant

[16] (U) Throughout this report, we use the term "invoice" to refer to the contractor-submitted vouchers on cost reimbursement contracts.

[17] (U) DFARS Part 242, "Contract Administration," Subpart 242.8, "Disallowance of Costs," Section 242.803, "Disallowing costs after incurrence."

[18] (U) DCAA Manual 7640.1, "DCAA Contract Audit Manual."

(U) accounting standards, and contract terms among other requirements.[19] Costs are allocable when incurred specifically for the contract, the costs benefit both the contract and other work and can be distributed in reasonable proportion to the benefits received, or necessary to the overall operation of business. Finally, a cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business. The scope of the incurred cost audit covers all of the contractor's business operations as opposed to individual contracts. To perform incurred cost audits, DCAA auditors perform testing on selected cost areas such as direct labor costs, material costs, and subcontractor costs based on prior audit results, materiality, and risk. Furthermore, Government agencies can request contract audit services from the DCAA such as review of specific contractor invoices to determine if costs were allowable, allocable, and reasonable.

(U) Award-Fee Approval Process

(U) According to the FAR, contracts providing for an award fee must be supported by an award-fee plan that establishes the procedures for evaluating an award fee.[20] The amount of award fee earned must be comparable with the contractor's overall cost, schedule, and technical performance as measured against contract requirements in accordance with the criteria stated in the award-fee plan.

(U) Review of Internal Controls

(U) 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.[21] We identified internal control weaknesses with the Navy's review of the GCSC contractor invoices. Specifically, the contractor provided insufficient supporting documentation for its incurred costs, which prevented the ACO from adequately reviewing contractor invoices. We will provide a copy of the report to the senior official responsible for internal controls in the Department of the Navy and NAVFAC.

[19] (U) FAR Part 31, "Contract Cost Principles and Procedures," Subpart 31.2, "Contracts with Commercial Organizations," Section 31.201, "General," Subsection 31.201-2, "Determining Allowability."

[20] (U) FAR Subpart 16.4, "Incentive Contracts."

[21] (U) DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013 (Incorporating Change 1, June 30, 2020).

(U) Finding

(U) Navy Contracting Personnel Did Not Fully Execute Contract Administration at MCB Quantico

(U) Navy contracting personnel did not fully execute contract administration responsibilities at MCB Quantico. Navy contracting personnel provided adequate oversight of contractor performance for dining, medical, and facilities sustainment services supporting the relocation of Afghan evacuees but did not adequately review all contractor invoices. Specifically, Navy contracting personnel complied with Federal and DoD guidance by ensuring Navy contracting personnel:

- (U) completed the necessary training and had adequate experience to execute contract oversight procedures;
- (U) performed adequate contract oversight, such as generating and executing QASPs, preparing daily assessment worksheets and weekly PASs to document contractor performance, and ensuring the contractor took corrective actions to address deficiencies in a timely manner or held the contractor accountable; and
- (U) evaluated contractor performance when determining the award fee to ensure the contractor was paid in accordance with DoD and contractual requirements.

(U) However, the contractor provided insufficient supporting documentation for its incurred costs, which prevented the ACO from adequately reviewing contractor invoices.

(U) The Navy's oversight and the CORs' execution of contract oversight procedures helped ensure that the contractor provided adequate dining, medical, and facilities sustainment services to Afghan evacuees. In addition, effective oversight directly led to the reduction of $3.5 million in award fees to the contractor. However, as of the date of this report, the Navy had not verified whether the additional $30.1 million in payments made to the contractor, excluding the award fee, were allowable, allocable, and reasonable.

(U) Navy Contracting Personnel Provided Adequate Oversight of Contractor Performance

(U) Navy contracting personnel provided adequate oversight of contractor performance for dining, medical, and facilities sustainment services supporting the relocation of Afghan evacuees in accordance with Federal and DoD policies. Specifically, CORs and PARs completed the necessary training and had adequate experience to execute contract oversight procedures; performed adequate contract oversight over specific contract requirements; and communicated identified deficiencies to the contractor and ACO.

(U) CORs and PARs Had Completed Required DoD and Contract Oversight Training

(U) The CORs and PARs completed required training on contract administration and oversight. For example, the CORs completed training requirements contained in DoD Instruction 5000.72, including the Contracting Officer's Representative, Annual Ethics, and Combating Trafficking in Persons courses.[22]

(U) The CORs and PARs completed specific training on contract administration and oversight and cost monitoring. For example, one COR had 207 training hours in contract administration from the Defense Acquisition University and possessed a level three certification in contracting.

(U) In addition, the CORs and PARs completed specific training on contract administration and oversight and cost monitoring. For example, one COR had 207 training hours in contract administration from the Defense Acquisition University and possessed a level three certification in contracting.[23] The Defense Acquisition University's contracting courses, such as, "Contract Planning," "Contract Execution," and "Contract Management," provided CORs with the knowledge necessary to identify and use appropriate performance metrics when evaluating contractor performance, ensure contractor performance met mission requirements, and develop performance assessment strategies and remedies for contractual noncompliance. The alternate COR, who conducted cost monitoring and invoice reviews, had 98 training hours in cost monitoring and invoice review, and 226 training hours in contract administration from the Defense Acquisition University.

[22] (U) During the course of the OAW mission at MCB Quantico, four CORs provided oversight of contractor performance. The first COR performed their duties from August 29 to September 12, 2022. The ACO stated they selected the first COR based upon the COR's availability at MCB Quantico while the ACO selected and nominated permanent CORs. Due to the short notice that MCB Quantico would house Afghan evacuees, the first COR did not have time to complete required training in compliance with DoD Instruction 5000.72. As a result, we did not include the first COR when discussing adequacy of training.

[23] (U) Defense Acquisition University provides a global learning environment to develop qualified acquisition, requirements, and contingency professionals who deliver and sustain effective and affordable warfighting capabilities.

(U) Two of the three CORs stated that they received guidance from NAVFAC contracting personnel on the invoice review process for cost-type contracts. For instance, the alternate COR stated that NAVFAC personnel recommended the alternate COR select line items, such as tents, to validate the number of tents charged on the invoice against the number of tents used at MCB Quantico.

(U) According to one of the CORs, NAVFAC personnel provided a 2-day workshop to train senior PARs and the initially designated PARs on how to assess contractor performance on facilities support contracts before they performed their oversight responsibilities. The training contained contract oversight rules and regulations, as well as, exercises on how to document contractual performance using the assessment worksheets. For example, the NAVFAC training discussed topics, such as understanding performance assessment procedures, executing adequate assessments, and summarizing information on the assessment worksheets.

(U) One COR stated that, since PARs rotated every 3 to 4 weeks, senior PARs trained newly designated PARs using the 2-day training materials provided by NAVFAC. In addition, the senior PARs conducted weekly on-site coaching sessions with PARs to improve the quality of their assessments. During these PAR-coaching sessions, senior PARs discussed areas such as developing descriptive statements in the daily assessment worksheets to support whether the contractor met performance standards.

(U) CORs and PARs Had Adequate Experience

(U) The CORs and PARs assigned to conduct contract administration had sufficient experience in the functional areas in which the contractor provided services. For example, the first COR, who served in that role for 2 weeks, had over 18 years of base operation and service support contract and facilities management experience. In addition, two CORs served as facilities management and facility support directors in their civilian jobs, and one was a facilities engineering production officer at NAVFAC Washington.[24] According to two CORs, they possessed over 22 years of combined experience supporting base operations and support services and facility support contracts.[25] Specifically, one COR stated that he possessed over 14 years of experience in acquisition and contracting and had previous experience as a project manager responsible for writing contract requirements for two base operations and support services contracts. According to the alternate COR, he had over 8 years of experience in cost analysis and pricing,

[24] (U) Facilities Production Officers ensure the day-to-day management and operation of a building's infrastructure through providing administrative support and, at times, overseeing maintenance tasks.

[25] (U) Base operations and support services contracts provide a wide range of services required to operate and maintain military installations and facilities, in both garrison and contingency environments.

(U) and facilities management. The alternate COR also stated that his experience as a public works officer for a base operations and support services contract, and familiarity with the NAVFAC performance assessment process, prepared him for COR responsibilities.

(U) One COR stated that the senior PARs assigned to the OAW mission at MCB Quantico had experience in public works, specifically in facilities management. For example, one of the senior PARs responsible for training PARs, was a senior chief in the Navy Civil Engineer Corps with experience supporting facility support contracts.[26] In addition, the CORs selected and assigned PARs to assess contractor performance based on the PARs' skillsets in dining, medical, housing, and maintenance fields.

(U) CORs and PARs Performed Adequate Oversight to Ensure Satisfactory Contractor Performance

(U) CORs and PARs performed adequate contract oversight procedures for dining, medical, and facilities sustainment services in support of OAW at MCB Quantico. Specifically, CORs and PARs developed adequate oversight plans, performed frequent oversight of contractor performance, and communicated identified deficiencies to the contractor and ACO.

(U) CORs developed a QASP tailored to the contract statement of work. The QASP included performance objectives, standards, and methods of assessment for the PARs to execute oversight of contractor performance. CORs and PARs developed additional oversight plans and procedures as the contract requirements changed during the OAW mission at MCB Quantico. For example, on September 16, 2021, the PCO added ambulance service requirements to the contract to help transport Afghan evacuees in need of emergency medical services to off-base medical facilities. For this new contract requirement, the PARs added ambulance services to their existing assessment plans to determine whether the contractor had three ambulances and a crew available for each ambulance onsite 24 hours a day, as required. In another instance, on November 29, 2021, the PCO added winterization service requirements to the contract, including the installation and maintenance of water heating pumps, portable heating appliances for tents, and snow removal. The COR required PARs to measure the temperature of the dining and housing facilities, to determine whether heating was working properly, and document the results using the assessment worksheets.

[26] (U) The Navy Civil Engineer Corps has three work areas: Construction Management (to include contract management), Public Works (facility management), or Expeditionary. Naval officers of the Civil Engineer Corps work on construction projects, infrastructure repairs and maintenance, facility support contracts, real estate management, natural resource management, environmental planning and management, and many other facilities engineering areas.

(U) PARs and CORs frequently observed and documented contractor performance for dining, medical, and facilities sustainment services using daily assessment worksheets and weekly PASs as required in the QASP. From September through December 2021, the PARs completed 361 daily assessment worksheets on dining, medical, and facilities sustainment services. In addition, CORs prepared 15 weekly PASs summarizing the contractors' performance for each week. Table 3 shows the total number of daily assessment worksheets and weekly PASs the PARs and CORs completed by month while the Afghan evacuees resided at MCB Quantico.

(U) From September through December 2021, the PARs completed 361 daily assessment worksheets on dining, medical, and facilities sustainment services. In addition, CORs prepared 15 weekly PASs summarizing the contractors' performance for each week.

(U) Table 3. Number of Daily Assessment Worksheets and Weekly PASs Completed Each Month

(U) Month	Daily Assessment Worksheets Completed	Weekly PASs Completed
September	80	3
October	105	5
November	76	3
December	100	4
Total	**361**	**15**

(U)

(U) Source: The DoD OIG.

(U) Within the daily assessment worksheets and weekly PAS, PARs and CORs clearly stated the deficiencies and issues they identified each week, including instances where the contractors took quick actions to resolve deficiencies. For example, from September 18 through 29, 2021, the PARs documented that the contractor had not begun laundry service operations as required by the contract. The COR requested that the contractor perform corrective actions to begin offering laundry services. As a result, in the following weekly PAS for October 2 through 8, 2021, the COR documented that the contractor was providing adequate laundry services. Furthermore, the Award-Fee Evaluation Board reviewing contractor performance rated overall laundry services as exceptional for the remainder of the OAW mission.

(U) The ACO also ensured the contractor took corrective actions to address deficiencies in a timely manner. For example, in a September 4, 2021 letter of concern, the ACO notified the contractor of the Government's concern over the contractor's ability to deliver housing and facilities sustainment services to support a population of 4,000 Afghan evacuees by September 6, 2021, as required by the contract. The ACO required a written response from the contractor detailing a list of actions taken and to be taken, to ensure satisfactory compliance with the contract requirements, including a schedule and staffing plan to achieve the capacity to accommodate 4,000 Afghan evacuees by September 6, 2021. On September 5, 2021, the contractor provided a corrective action report stating that it had added housing for 1,000 Afghan evacuees; however, the contractor requested a 72-hour extension to meet the additional 3,000 Afghan evacuees-capacity requirement. The contractor's corrective actions included hiring 60 laborers, replacing cots with bunk beds, and awarding subcontracts to assist in the removal of shrubs to allow for tent installation. Because of its corrective action plan, the contractor was able to meet the 72-hour extension deadline.

(U) Navy contracting personnel also established daily meetings with the contractor to address performance deficiencies identified by oversight personnel. During these meetings, the ACO, CORs, and senior PARs discussed high-priority issues, deficiencies identified during contractor oversight assessments, and received updates on the contractor's corrective action plans. For example, the ACO and CORs stated that during a weekly meeting in October 2021, they discussed with the contractor the concern that the daily meal consumption rate was 40 percent above the number of Afghan evacuees at Quantico each day—an average of 4,497 additional meals per day.[27]

(U) To address this concern, the CORs sent PARs to observe the contractor's meal count process at the dining facilities to compare the number of meals served to the daily population count of Afghan evacuees at MCB Quantico. The PARs found no issues with the contractor's meal count protocol. The contractor counted each time an Afghan evacuee went through the service line for a meal. However, the PARs did notice that Afghan children were going through the prepackaged-meal line more than once for additional dessert items and disposing of the rest of the meal. At a subsequent weekly meeting, the contractor agreed to remove high-demand snack items from the prepackaged meals and create a separate snack bar. Although there was no limit on the number of meals the Afghan evacuees could eat each day, the contractor documented a reduction in the percentage of meals served per day above the daily head count. For example, on October 5, 2021, the number of meals served was 52 percent above head count; however, within a week of implementing the corrective action, the number of meals served had dropped below 30 percent above head count.

[27] (U) The daily head count for meal purposes equaled the number of Afghan evacuees at MCB Quantico multiplied by three (breakfast, lunch, and dinner).

(U) Navy Contracting Personnel Performed Adequate Award-Fee Procedures

(U) Navy contracting personnel performed award-fee procedures in accordance with Federal and DoD regulations. Consistent with FAR requirements, the NAVFAC Contracting Office developed an award-fee plan that established an award-fee board and the procedures for determining the award-fee for the GCSC contract in support of the OAW mission. According to the award-fee plan, the Award-Fee Evaluation Board was required to consider contractor performance, cost, and schedule when developing a recommended award-fee amount for each performance period. The award-fee plan also required that a Fee-Determining Official review the recommendations of the Award-Fee Evaluation Board, consider all supporting documentation, and determine the earned award-fee amount for each evaluation period.

(U) Consistent with the award-fee plan, the ACO held the contractor accountable for failing to control cost while providing dining, medical, and facilities sustainment services. For example, on September 20, 2021, the ACO issued a letter of concern to the contractor for failing to control costs or provide detailed cost information as required by the FAR.[28]

(U) On August 1, 2022, the Fee-Determining Official determined the contractor's overall performance for the task order was "Satisfactory." The Fee-Determining Official concluded the contractor's work performance as satisfactory, project management as good, and cost control as unsatisfactory. To make this determination, the Fee-Determining Official reviewed the Award-Fee Evaluation Board's recommendation letter, contract oversight documents, and contractor-provided data. The award-fee plan provided numerical points for each rating description (excellent, very good, good, satisfactory, and unsatisfactory). The numerical points corresponded to a percentage of the available award fee pool. In accordance with the award-fee plan, the overall "Satisfactory" rating allowed the contractor to receive 50 percent ($3.6 million) of the available award-fee amount ($7.1 million).

(U) Insufficient Contractor-Provided Documentation Prevented the ACO from Adequately Reviewing All Contractor Invoices

(U) The contractor provided insufficient supporting documentation for its incurred costs, which prevented the ACO from adequately reviewing all contractor invoices. Specifically, the ACO and alternate COR reviewed the first three contractor invoices

[28] (U) FAR Part 52, "Solicitation Provisions and Contract Clauses," Subpart 52.3, "Text of Provisions and Clauses," Section 52.232, "Reserved," Clause 52.232-22 "Limitation of Funds."

(U) but found that the contractor did not provide sufficient supporting documentation to determine if its costs were allowable, allocable, and reasonable. As a result, the NAVFAC ACO requested that the DCAA perform an invoice review of the first three invoices submitted by the contractor to determine whether the contractor's costs were allowable, allocable, and reasonable. However, when the ACO and alternate COR determined that the contractor provided insufficient supporting documentation for the successive invoices, the ACO did not request the needed additional supporting documentation from the contractor nor a DCAA review before the ACO approved the payment to the contractor. As of December 12, 2022, the Navy had received seven invoices, valued at $183.5 million.[29] Table 4 shows the invoices that the ACO certified and approved for payment.

(U) When the ACO and alternate COR determined that the contractor provided insufficient supporting documentation for the successive invoices, the ACO did not request the needed additional supporting documentation from the contractor nor a DCAA review before the ACO approved the payment to the contractor.

(U) Table 4. Invoices Paid with Amounts and Period of Performance

(U) Invoice	Period of Performance[1]	Invoice Paid Date	Invoice Amount Paid[2]
ESAQUAN01	August 28, 2021–October 8, 2021	November 13, 2021	$45,520,369.87
ESAQUAN02	October 9, 2021–November 12, 2021	December 8, 2021	63,883,095.57
ESAQUAN03	November 13, 2021–December 10, 2021	March 12, 2022	40,413,645.47
ESAQUAN04	December 11, 2021–January 14, 2022	March 12, 2022	19,885,556.73
ESAQUAN05	August 28, 2021–January 31, 2022	March 13, 2022	8,887,244.80
ESAQUAN06	August 28, 2021–January 31, 2022	September 24, 2022	1,370,292.14
ESAQUAN07	August 28, 2021–January 31, 2022	September 25, 2022	3,560,427.75[3]
Total			**$183,520,632[4]** **(U)**

1 (U) These periods of performance included costs from prior months since the contractor could only send an invoice once it incurred the cost or paid its subcontractors.

2 (U) NAVFAC personnel did not adjust the invoices submitted by the contractor.

3 (U) Invoice ESAQUAN07 was for the payment of the earned award fee. We are not including this invoice in our assessment of the ACO's review of invoices since the Chief of the Contracting Office, NAVFAC Pacific approved the amount before the contractor's invoice submission.

4 (U) As of December 12, 2022, NAVFAC personnel indicated that the contractor was preparing an eighth and final invoice.

(U) Source: The DoD OIG.

29 (U) The ACO stated the contractor should be submitting an eighth and final invoice; however, as of December 12, 2022, the contractor had not submitted the eighth invoice.

(U) The ACO and Alternate COR Attempted to Review Contractor Invoices

(U) For invoice reviews, according to the ACO, the ACO and alternate COR reviewed the contractor-submitted invoices to verify that its incurred costs were allowable, allocable, and reasonable for dining, medical, and facilities sustainment services at MCB Quantico every month. The alternate COR randomly selected a sample of incurred cost items from each invoice and attempted to compare the selected sample items with available supporting documentation, such as receipts or payments made to subcontractors, to determine whether the costs aligned with the supporting documentation.

(U) A COR reviewed the first contractor-submitted invoice in September 2021, but was unable to determine the accuracy of the invoice due to insufficient supporting documentation. For example, for one line item in the first invoice, the contractor did not provide the subcontractor's invoice to substantiate the $854,000 charge for linens provided to the OAW mission from August 28, 2022, to October 8, 2022. In addition, the ACO and the alternate COR met with the contractor to discuss the contractor's method of reporting costs and requested additional supporting documentation. However, the contractor did not provide sufficient backup information for any of the invoices. On September 20, 2021, the ACO issued a letter of concern, which detailed the contractor's "failure to provide contracting officer requested information." Specifically, the letter documented the contractor's inability to provide requested financial information to ensure its costs were current, accurate, and complete.

~~(CUI)~~ Because the contractor did not provide the ACO sufficient supporting information of its incurred costs in the first invoice, [redacted] by the DCAA.

[30] ~~(CUI)~~ [redacted].

(U) NAVFAC has 13 component commands, nine of which are Facilities Engineering Commands that report to two NAVFAC Commands, NAVFAC Atlantic in Norfolk, Virginia, and NAVFAC Pacific in Pearl Harbor, Hawaii. The NAVFAC Southwest regional office reports to NAVFAC Atlantic.

~~(CUI)~~ [redacted]

~~(CUI)~~ [redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted] ~~(CUI)~~

* (U) The DCAA only reviewed other direct cost amounts billed by the contractor and subcontractors, at the request of NAVFAC officials.

(U) Source: The DCAA.

(U) On June 21, 2022, in response to the DCAA's review, the contractor met with NAVFAC and DCAA personnel and provided additional documentation to support costs incurred and invoiced. NAVFAC and the DCAA analyzed the new documentation and concluded that all of the costs billed by the contractor were allowable, allocable, and reasonable for the first three invoices. Therefore, the discrepancies identified by the DCAA in the three invoices were resolved and did not require any adjustments.

(U) The ACO Did Not Request the DCAA Review Remaining Contractor Invoices

(U) Although the contractor provided additional documentation to resolve the discrepancies the DCAA identified with the first three invoices, the ACO stated the contractor did not provide the ACO with sufficient supporting documentation for the remaining invoices submitted for the OAW mission at MCB Quantico. In addition, the ACO did not request that the DCAA review invoices 4 through 6. On December 12, 2022, we discussed with NAVFAC personnel the need for a DCAA incurred cost review of the remaining three contractor-submitted vouchers to ensure all costs were allowable, allocable, and reasonable. The NAVFAC Director of Contracting, People and Processes and the ACO agreed with our suggestion, and on December 21, 2022, the NAVFAC Director of Contracting, People and Processes, requested the DCAA perform an incurred cost review of the remaining three invoices totaling $30.1 million, excluding the award fee. Based on the results of the DCAA's review, the NAVFAC Director of Contracting, People and Processes, should ensure the ACO requests a refund from the contractor for any excess payment made or arranges payment to the contractor for any underbilled costs.

(U) The Navy Provided Adequate Oversight of Contractor Performance at MCB Quantico But Did Not Review All Invoices

(U) Although Navy contracting personnel received limited advance notice of the arrival of Afghan evacuees at MCB Quantico, the Navy's contract oversight procedures helped ensure that the contractor provided adequate dining, medical, and facilities sustainment services. In addition, effective oversight directly led to the reduction of $3.5 million in award fees to the contractor. Specifically, the ACO held the contractor accountable for failing to control costs and not providing detailed cost information. The Fee-Determining Official used this information to reduce the contractor's award-fee amount by half. However, as of the date of this report, the Navy had not verified whether the additional $30.1 million in payments made to the contractor, excluding the award fee, were allowable, allocable, and reasonable.

(U) Management Actions Taken During the Audit

(U) During the audit, we discussed with NAVFAC personnel the need for a DCAA review of the remaining three contractor-submitted invoices to ensure all costs are allowable, allocable, and reasonable. The Director of Contracting, People and Processes agreed and requested that the DCAA perform an incurred cost review of the remaining three invoices totaling $30.1 million, excluding the award fee.

(U) Recommendation, Management Comments, and Our Response

(U) Recommendation 1

(U) We recommend that the Naval Facilities Engineering Systems Command–Director of Contracting, People and Processes ensure that the administrative contracting officer, based on the Defense Contract Audit Agency review of invoices 4 through 6 of the Global Contingency Services Contract Operation Allies Welcome task order, request a refund from the contractor for any excess payments, or arrange for payment to the contractor for any underbilled costs.

(U) Commander, Naval Facilities Engineering Systems Command Comments

(U) The NAVFAC Commander, responding for the Director of Contracting, People and Processes, agreed with the recommendation, stating that NAVFAC would request a refund from the contractor for any excess payments, or arrange for payment to the contractor for any underbilled costs once the DCAA submits the invoice review report, scheduled to be issued by June 9, 2023.

(U) Our Response

(U) The actions taken and comments from the Commander addressed the specifics of our recommendation. Therefore, the recommendation is resolved but will remain open until NAVFAC provides documentation showing that the action has been completed. We will close the recommendation once NAVFAC provides supporting documentation, such as the DCAA report, and the actions taken by NAVFAC to resolve any discrepancies identified in the DCAA report. We consider the commitment to request a refund from the contractor or reimbursement to the contractor for any excess payments as concurrence with the $30.1 million in potential monetary benefits identified in this report. However, the actual realized amount of monetary benefits is subject to the results of the DCAA's review of the paid vouchers under the GCSC OAW task order.

(U) Appendix A

(U) Scope and Methodology

(U) We conducted this performance audit from May 2022 through February 2023 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.

(U) We reviewed Federal and DoD criteria to determine whether Navy contracting personnel executed contract administration responsibilities for dining, medical, and facilities sustainment services in accordance with applicable policies. Specifically, we reviewed the following sections of the FAR, DFARS, and DoD Directive, Instruction, and Policy Memorandum.

- (U) FAR Part 46, "Quality Assurance"
- (U) FAR Subpart 1.6, "Career Development, Contracting Authority, and Responsibilities"
- (U) FAR Subpart 16.3, "Cost Reimbursement Contracts"
- (U) DFARS Part 246, "Quality Assurance"
- (U) DoD Instruction 5000.72, "DoD Standard for COR Certification," March 26, 2015, (Incorporating Change 2, November 6, 2020)
- (U) DoD Directive 5105.36, "Defense Contract Audit Agency," December 1, 2021
- (U) "DoD Contracting Officer's Representatives Guidebook," May 2021
- (U) NAVFAC Policy P-203, "Performance Assessment User Guide," March 26, 2019

(U) To assess the Navy's compliance with COR and PAR training, experience, and oversight procedures for the GCSC OAW task order, we interviewed the PCO, ACO, CORs, and alternate COR to understand the oversight structure and procedures in MCB Quantico. To verify the information we obtained from interviews, we reviewed training transcripts to determine whether CORs and PARs completed the required training, COR and PAR appointment letters, and contract documentation, including the statement of work, the QASP, dining, medical, and facility sustainment daily assessment worksheets and weekly PAS. We reviewed the contract task order, statement of work, and QASP to determine the scope of medical, dining, and facilities sustainment services required from the contractor and assessment measures to ensure contractor compliance. We reviewed the daily

(U) assessment worksheets and weekly PASs to identify deficiencies in contractor performance and determine whether the contractor took corrective actions to correct deficiencies in a timely manner. We also reviewed letters of concerns and award-fee board reports to determine whether oversight officials held the contractor accountable for noncompliance.

(U) To determine the Navy's process for review and approval of GCSC OAW task order invoices, we obtained seven contractor invoices, weekly cost reports, and other documentation that described the amounts paid to the prime contractor. We determined whether contracting personnel procedures for invoice and award-fee procedures were effective to ensure compliance with Federal and DoD policies. We interviewed the PCO, ACO, and CORs to determine their roles and responsibilities as they relate to invoice reviews and the award-fee approval process. We also interviewed DCAA auditors to understand the scope of services that the DCAA provides such as, reviews of incurred costs. To verify the information we obtained from interviews, we reviewed DCAA invoice review reports, and invoice voucher review reports completed by oversight personnel to determine total paid invoices. Finally, we reviewed all paid invoices to document the number and type of reviews DCAA auditors conducted before payment. Because our objective was limited to contract administration procedures for supplies and services supporting the relocation of Afghan evacuees in support of OAW at MCB Quantico, we did not review base restoration costs.

(U) Internal Control Assessment and Compliance

(U) We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. We assessed the internal controls and underlying principles related to the Navy's processes for contract oversight and invoice review. In particular, we assessed the control environment, control activities, and monitoring components of internal controls. 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.

(U) Use of Computer-Processed Data

(U) We did not use computer-processed data to perform this audit.

(U) Appendix B

(U) Prior Coverage

(U) During the last 5 years, the Department of Defense Office of Inspector General (DoD OIG) issued 18 reports, 15 of which related to the DoD support for the relocation of Afghan Nationals. The other three reports related to contract administration and oversight.

(U) Unrestricted DoD OIG reports can be accessed at http://www.dodig.mil/reports.html/.

(U) DoD OIG

(U) Report No. DODIG-2023-056, "Audit of the Air Force Contract Augmentation Program's Oversight of Operation Allies Welcome Contracts at DoD Installations," March 17, 2023

> (U) The DoD OIG determined that Air Force contracting personnel executed contract administration procedures for medical, dining, and facility supplies and services supporting the relocation of Afghan evacuees in accordance with Federal and DoD policies. In addition, Air Force personnel performed effective oversight to ensure that invoices included reasonable costs. As a result, the DoD provided Afghan evacuees at Holloman Air Force Base and Joint Base McGuire-Dix-Lakehurst with essential support services while the evacuees completed the steps necessary to resettle in the United States. In addition, Air Force contracting personnel properly oversaw $1.3 billion of taxpayer funds spent in support of this mission. The DoD OIG did not make any recommendations in this audit report.

(U) Report No. DODIG-2023-008, "Evaluation of DoD Security and Life Support for Afghan Evacuees at Camp Bondsteel," October 25, 2022

> (U) The DoD OIG determined that the Area Support Group-Balkans provided adequate support, such as lodging, security, and medical care for Afghan evacuees diverted to Camp Bondsteel, Kosovo, for further processing. However, the DoD OIG determined that Area Support Group-Balkans may encounter future lodging, security, and medical care challenges for Afghan travelers as the length of stay for Afghan travelers increases. The DoD OIG recommended that the Commander, Area Support Group-Balkans document the lessons learned for lodging, security, and medical care for Afghan evacuees and provide the lessons learned through the chain of command for review and distribution to interagency partners.

(U) Report No. DODIG-2022-114, "Special Report: Lessons Learned From the Audit of DoD Support for the Relocation of Afghan Nationals," August 5, 2022

(U) The DoD OIG identified eight lessons learned within the 11 management advisories related to Operation Allies Refuge and OAW. For example, the DoD did not establish memorandums of agreement with the lead Federal agencies responsible for the resettlement of Afghan evacuees and experienced issues obtaining licensed medical personnel. The DoD OIG also identified lessons learned related to in-processing, sustainment, medical care, and physical security for non-DoD personnel temporarily housed on DoD installations. The DoD OIG did not make any recommendations in this report.

(U) Report No. DODIG-2022-070, "Management Advisory: DoD Support for Relocation of Afghan Nationals at Camp Atterbury, Indiana," March 9, 2022

(U) This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to Task Force (TF) Camp Atterbury, Indiana. While Camp Atterbury, Indiana housed and sustained Afghan evacuees, TF personnel experienced challenges, such as communicating with Afghan evacuees, tracking medical records, and addressing security incidents. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODIG-2022-067, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Holloman Air Force Base, New Mexico," March 3, 2022

(U) This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Holloman at Holloman Air Force Base, New Mexico. While TF Holloman housed and sustained Afghan evacuees, TF personnel experienced challenges due to limited resources in the local economy, such as purchasing needed supplies and providing medical care for Afghan evacuees. Additionally, the base operations and support services contractor experienced challenges hiring personnel. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODIG-2022-066, "Management Advisory on the Lack of Memorandums of Agreement for DoD Support for the Relocation of Afghan Nationals," March 1, 2022

(U) This management advisory informed DoD leadership of the lack of memorandums of agreement between the DoD, the Department of Homeland Security, and the Department of State for DoD support for OAW. During eight site visits, the DoD OIG identified the lack of memorandums of agreement as a systemic issue. The DoD OIG determined that the lack of memorandums of agreement caused confusion concerning the roles and responsibilities of DoD, Department of State, and Department of Homeland Security personnel, limiting the effectiveness of TF operations. The DoD OIG identified several areas where roles and responsibilities between the DoD, Department of State, and Department of Homeland Security were unclear, including decision making at the TF level, accountability of Afghan evacuees, law enforcement jurisdiction, and provision of services beyond basic sustainment. The DoD OIG made one recommendation that the Under Secretary of Defense for Policy establish memorandums of agreement with the appropriate interagency partners to clarify roles and responsibilities and to define cost-sharing and reimbursement terms and conditions for OAW, in accordance with DoD policy and the Economy Act.

(U) Report No. DODIG-2022-064, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort Bliss, Texas," February 16, 2022

(U) This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Bliss at Fort Bliss, Texas. TF Bliss used the Doña Ana Range Complex, New Mexico, to support the mission. While TF Bliss personnel housed and sustained Afghan evacuees, TF personnel experienced challenges, such as contractor medical providers obtaining licenses to practice in New Mexico and inadequate implementation of security measures. Additionally, according to TF Bliss personnel, the extensive use of the 2nd Brigade Combat Team, 1st Armored Division, for the TF Bliss mission degraded the 2nd Brigade Combat Team's ability to train for future combat missions. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODIG-2022-065, "Evaluation of the Screening of Displaced Persons from Afghanistan," February 15, 2022

(U) This evaluation determined that the DoD had a supporting role during the biometric enrollment of Afghan evacuees in staging locations outside the continental United States and assisted in screening Special Immigrant Visa applicants. However, the DoD did not have a role in enrolling, screening, or overseeing the departure of Afghan parolees at temporary housing facilities (safe havens) within the continental United States. The evaluation found that Afghan evacuees were not vetted by the National Counter-Terrorism Center using all DoD data before arriving in the continental United States. As a result of the National Counter-Terrorism Center not vetting Afghan evacuees against all available data, the United States faces potential security risks if individuals with derogatory information are allowed to stay in the country. In addition, the Government could mistakenly grant Special Immigrant Visa or parolee status to ineligible Afghan evacuees with derogatory information gathered from the DoD Automated Biometric Identification System database. The DoD OIG made two recommendations, including that the Under Secretary of Defense for Intelligence and Security develop procedures for sharing derogatory information on Afghan evacuees with the DoD and interagency stakeholders.

(U) Report No. DODOIG-2022-063, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort McCoy, Wisconsin," February 15, 2022

(U) This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF McCoy at Fort McCoy, Wisconsin. While TF McCoy housed and sustained Afghan evacuees, TF personnel experienced challenges, such as maintaining dining facilities, identifying the required contracted medical skill sets, providing behavioral health services, and holding Afghan evacuees accountable for misdemeanor crimes. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODIG-2022-059, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Joint Base McGuire-Dix-Lakehurst, New Jersey," February 2, 2022

(U) This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Liberty at Joint Base McGuire-Dix-Lakehurst, New Jersey. While TF Liberty housed and sustained Afghan evacuees, the DoD OIG identified potential procedural

(U) obstacles for law enforcement officers investigating potential criminal activity and challenges for other security personnel with ensuring only individuals with proper credentials could access the villages. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODOIG-2022-055, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort Pickett, Virginia" January 20, 2022

(U) This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Pickett at Fort Pickett, Virginia. While Fort Pickett housed and sustained Afghan evacuees, TF personnel experienced challenges, such as providing medical screenings and medical care, and ensuring accountability of Afghan evacuees. TF Pickett personnel also experienced security challenges, including controlling access to the joint operations area where Afghan evacuees were located and holding Afghan evacuees accountable for misdemeanor crimes. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODOIG-2022-050, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Marine Corps Base Quantico, Virginia," January 5, 2022

(U) This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Quantico at MCB Quantico, Virginia. While TF Quantico housed and sustained Afghan evacuees, TF personnel experienced challenges, such as ensuring accountability of Afghan evacuees and providing Afghan evacuees with all 13 immunizations required by the Centers for Disease Control and Prevention. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODIG-2022-051, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort Lee, Virginia," January 5, 2022

(U) This management advisory provided the officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from the DoD OIG site visit to TF Eagle at Fort Lee, Virginia. TF Eagle housed and sustained Afghan evacuees, and aside from one fire and safety issue in the privately owned hotel used for housing Afghan refugees, the DoD OIG did not identify any significant issues or challenges at TF Eagle. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODOIG-2022-045, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Rhine Ordinance Barracks," December 17, 2021

(U) This management advisory provided DoD officials responsible for the relocation of Afghan evacuees with the results from the DoD OIG site visit to Rhine Ordnance Barracks, Germany. While Rhine Ordnance Barracks personnel provided sustainment resources and had security measures in place to help ensure Afghan evacuees, Service members, and volunteers were safe, the execution of this effort came at a significant cost to the 21st Theater Sustainment Command. Specifically, the 21st Theater Sustainment Command reported that, as of September 30, 2021, it had obligated $37.5 million in support of Operation Allies Refuge and anticipated that it would continue to incur additional costs in FY 2022. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODOIG-2022-040, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Ramstein Air Base," November 29, 2021

(U) This management advisory provided DoD officials responsible for the relocation of Afghan evacuees with the results from the DoD OIG site visit to Ramstein Air Base, Germany, on September 14, 2021, where the audit team observed the housing conditions and support of Afghan evacuees. The DoD OIG determined that the 86th Airlift Wing and other personnel supporting Operation Allies Refuge at Ramstein Air Base implemented procedures for identifying and screening Afghan evacuees, and provided living conditions and other resources to meet Afghan evacuees' basic needs. Additionally, the 86th Airlift Wing personnel had security measures in place to help ensure that Afghan evacuees, Service members, volunteers, and local residents were safe. However, the execution of this effort did come at a significant cost to the command. For the funds spent on the Operations Allies Refuge effort at Ramstein Air Base, the 86th Airlift Wing reported approximately $56.3 million in FY 2021 costs and expected an additional $50 million in FY 2022 costs. The DoD OIG did not make any recommendations in this advisory.

(U) Report No. DODOIG-2019-103, "Audit of Air Force Accountability of Government Property and Oversight of Contractual Maintenance Requirements in the Contract Augmentation Program IV in Southwest Asia," July 18, 2019

(U) The DoD OIG determined that the Air Force did not perform oversight of contracted services for maintenance and repairs of Government property because Air Force Contract Augmentation Program IV PCOs did not coordinate with the requiring activity to establish clear Government property surveillance measures in the QASP, such as procedures to oversee contractor performance

(U) of routine maintenance tasks and repairs. As a result of the Air Force's lack of oversight of contractually required maintenance services, the Air Force did not have assurance that base support contractors in Qatar maintained at least $20.6 million of Government property in accordance with contract requirements. The DoD OIG made eight recommendations, including that the Chief of Air Forces Central Command Contracting Division update Air Force secondary delegation procedures to specify that deployed ACOs receive not only verbal instruction, but also a written delegation to outline the specific contract administration duties each ACO is responsible for performing.

(U) Report No. DODIG-2018-119, "DoD Oversight of Logistics Civil Augmentation Program in Afghanistan Invoice Review and Payment," May 11, 2018

(U) The DoD OIG determined that DoD officials did not conduct sufficient voucher reviews for services provided under the Logistics Civil Augmentation Program IV contract. In addition, the Army Contracting Command–Afghanistan did not monitor all contract requirements. These conditions occurred because DoD policy regarding voucher reviews did not clearly state what role contracting officials should have in reviewing vouchers or establish an expectation of how the contract administration office could augment DCAA voucher reviews. As a result, the Army paid all vouchers the Logistics Civil Augmentation Program contractors submitted from 2015 to 2017, valued at $2.4 billion, with little or no examination of the supporting documentation, of which at least $536 million was billed on vouchers that were supported by questionable documentation and warranted further analysis. The DoD OIG made six recommendations, including that multiple offices develop guidance and establish voucher review responsibilities to ensure better monitoring of contractor billings, and that the Army Contracting Command-Afghanistan Principal Assistant Responsible for Contracting develop a new QASP specific to the task order requirements in Afghanistan.

(U) Report No. DODIG-2018-074, "The U.S. Navy's Oversight and Administration of the Base Support Contracts in Bahrain," February 13, 2018

(U) The DoD OIG determined that the U.S. Navy did not provide effective oversight of the base support contracts in Bahrain. Specifically, CORs relied on performance assessment representatives, who were foreign national direct hires at Naval Support Activity–Bahrain and foreign national contractors at Isa Air Base, to execute all quality assurance oversight of the contractors. However, the CORs did not ensure the performance assessment representatives oversaw all contractual requirements or possessed the knowledge and experience to oversee their respective annexes. As a result, the Naval Facilities Engineering

(U) Command did not have assurance that the $161.5 million the U.S. Navy paid for base support resulted in adequately performed or contractually compliant services and the CORs may not have obtained sufficient evidence to evaluate contractor performance. The DoD OIG made six recommendations, including that the Commander, Naval Facilities Engineering Command Europe, Africa, Southwest Asia establish a summary of the COR's contract oversight responsibilities, provide incoming CORs with contract-specific training on contract oversight responsibilities, review and monitor COR usage of performance assessment representatives, and tailor performance assessment procedures to require review of all contractual requirements.

(U) Appendix C

(U) Potential Monetary Benefits

(U) Table 6 identifies the $30.1 million paid to the contractor for invoices 4 through 6. The contractor did not provide the ACO with sufficient supporting documentation for these invoices before payment. Therefore, there is risk that the $30.1 million in payments made to the contractor, excluding the award fee, were not allowable, allocable, and reasonable. The actual amount of potential monetary benefits is subject to the results of DCAA's review of payments made to the contractor for services performed on GCSC OAW task order.

(U) Table 6. Potential Monetary Benefits

(U) Recommendation	Type of Benefit	Amount of Benefit
1	Questioned Costs	$30.1 million* (U)

(U) *Amount is subject to the results of the DCAA's review of the paid vouchers under the GCSC task order supporting OAW at MCB Quantico.

(U) Source: The DoD OIG.

(U) Management Comments

(U) Naval Facilities Engineering Systems Command

DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING SYSTEMS COMMAND
1322 PATTERSON AVENUE, SE SUITE 1000
WASHINGTON NAVY YARD DC 20374-5065

7501
Ser 09IG/012
23 Mar 23

From: Commander, Naval Facilities Engineering Systems Command
To: Department of Defense Office of the Inspector General, Program Director for Audit Readiness and Global Operations

Subj: MANAGEMENT RESPONSE TO DODIG PROJECT NO. D2022-D000RJ-0133.003, AUDIT OF THE OVERSIGHT OF OPERATION ALLIES WELCOME GLOBAL CONTINGENCY SERVICES CONTRACT AT MARINE CORPS BASE QUANTICO

Ref: (a) DoDI 7650.03

Encl: (1) Management Response to D2022-D000RJ-0133.003

1. Per reference (a), enclosure (1) is forwarded for review. The Naval Facilities Engineering Systems Command is estimating completion of recommendation (1) after submission of Defense Contract Audit Agency report, currently scheduled for issuance by 9 June 2023.

2. Please refer questions to [redacted] NAVFAC Headquarters Audit Liaison Program Manager, at [redacted] or email [redacted]

FICHTER.STEPHEN.JOSEPH.[redacted]

S .J. FICHTER
By direction

(U) Naval Facilities Engineering Systems Command (cont'd)

NAVAL FACILITIES ENGINEERING SYSTEMS COMMAND
MANAGEMENT RESPONSE TO DOD PROJECT NO. D2022-D000RJ-0133.003,
AUDIT OF THE OVERSIGHT OF OPERATION ALLIES WELCOME GLOBAL CONTINGENCY SERVICES CONTRACT AT MARINE CORPS BASE QUANTICO

DATED: 22 MAR 23

RECOMMENDATION 1: (U) We recommend that the U.S. Naval Facilities Engineering Systems Command – Director of Contracting, People and Processes ensure the Administrative Contracting Officer, based on the Defense Contract Audit Agency review of invoices 4 through 6 of the Global Contingency Services Contract Operation Allies Welcome task order, request a refund from the contractor for any excess payments, or arrange for payment to the contractor for any under-billed costs.

CURRENT STATUS: Concur.

DATE COMPLETED/ESTIMATED COMPLETION DATE: Per DCAA, report is scheduled to be issued no later than June 9, 2023 and a refund from the contractor for any excess payments, or arrangement for payment to the contractor for any under-billed costs will be completed with the conclusion.

Enclosure (1)

(U) Acronyms and Abbreviations

ACO	Administrative Contracting Officer
COR	Contracting Officer's Representative
DCAA	Defense Contract Audit Agency
DFARS	Defense Federal Acquisition Regulation Supplement
FAR	Federal Acquisition Regulation
GCSC	Global Contingency Services Contract
MCB	Marine Corps Base
NAVFAC	Naval Facilities Engineering Systems Command
OAW	Operation Allies Welcome
PAR	Performance Assessment Representative
PAS	Performance Assessment Summary
PCO	Procuring Contracting Officer
QASP	Quality Assurance Surveillance Plan

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Congressional Liaison
703.604.8324

Media Contact
public.affairs@dodig.mil; 703.604.8324

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Alexandria, Virginia 22350-1500
www.dodig.mil
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