

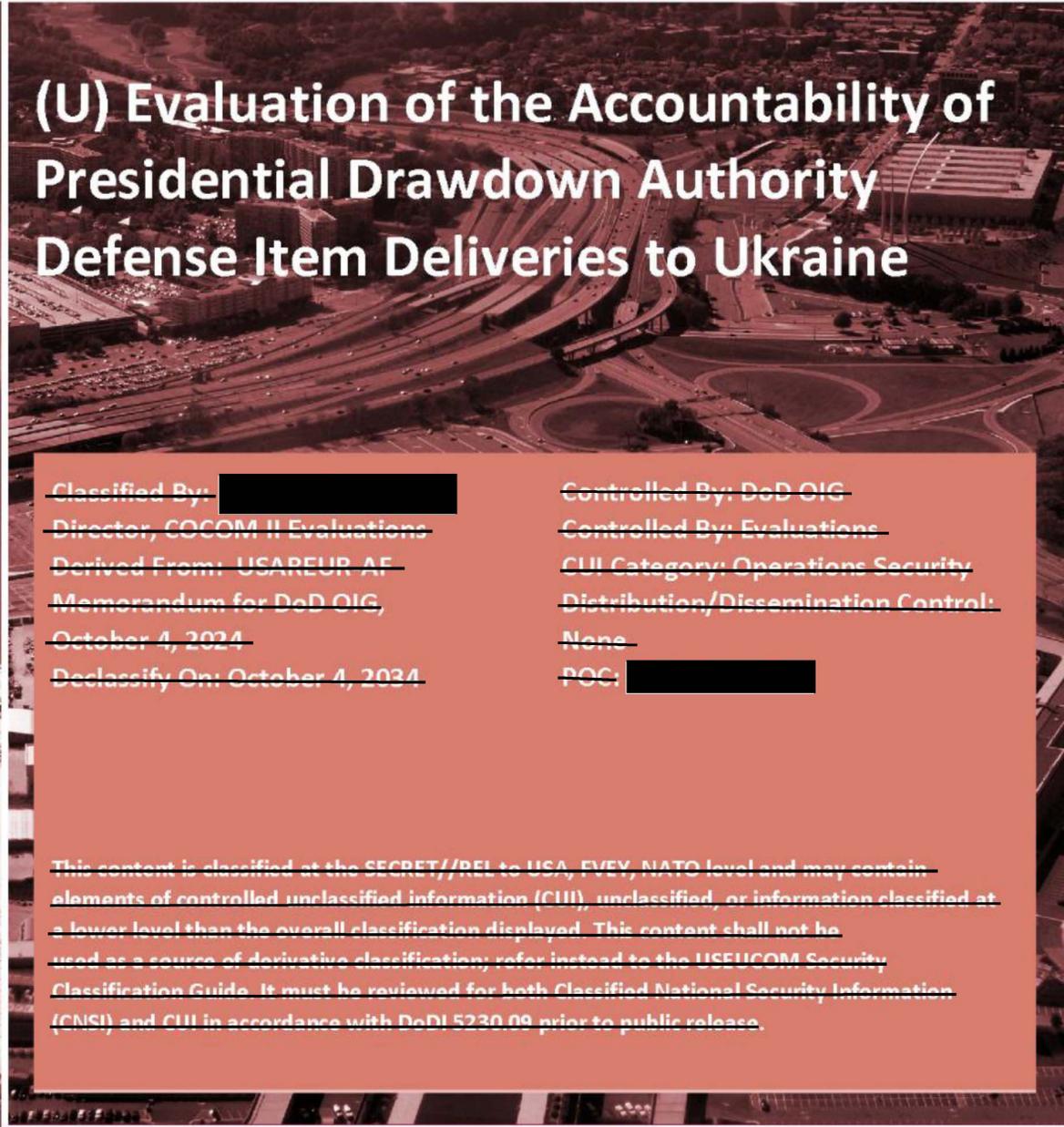


~~SECRET//REL TO USA, FVEY, NATO~~

INSPECTOR GENERAL

U.S. Department of Defense

NOVEMBER 15, 2024



(U) Evaluation of the Accountability of Presidential Drawdown Authority Defense Item Deliveries to Ukraine

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Director, COCOM II Evaluations
Derived From: USAREUR AF
Memorandum for DoD OIG,
October 4, 2024
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INDEPENDENCE ★ INTEGRITY ★ EXCELLENCE ★ TRANSPARENCY

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Results in Brief

(U) Evaluation of the Accountability of Presidential Drawdown Authority Defense Item Deliveries to Ukraine

November 15, 2024

(U) Objective

(U) The objective of this evaluation was to determine whether the Defense Security Cooperation Agency (DSCA) and the Military Services effectively and efficiently accounted for the delivery of Presidential Drawdown Authority (PDA) defense items provided to Ukraine in accordance with DoD property book and DSCA security assistance policy. In addition, we assessed whether the Security Assistance Group–Ukraine (SAG-U) effectively and efficiently tracked and documented the transfer of PDA items to the Ukrainian Armed Forces.

(U) Background

(U) As of May 24, 2024, DoD organizations provided more than \$23.7 billion in defense items from DoD inventories as part of 55 drawdown execute orders to assist and support Ukraine’s ongoing war efforts. The DSCA’s security assistance policy directs the Military Services to report into the DSCA 1000 System the delivery status of PDA items to enable tracking. In addition, DoD Instruction 5000.64 requires the Military Services to maintain full accountability for the defense items they place in an in-transit status until the consignee formally acknowledges receipt to prevent loss, damage, theft, or waste and ensure appropriate financial reporting.

(U) Findings

(U) The DSCA and Military Services did not effectively account for the PDA items they delivered to Ukrainian control.

- (U) The DSCA did not consistently track the correct status of PDA item deliveries to Ukraine. We compared a non-statistical sample of 162 PDA line items marked as delivered to delivery records maintained by SAG-U and determined that only 65 items (40 percent) matched.

(U) Findings (cont’d)

- (U) The Military Services did not consistently keep or maintain PDA items in their accountable property systems of record until U.S. personnel transferred the items to Ukrainian officials and they did not maintain adequate supporting documentation acknowledging the transfer.

(U) The DSCA and Services inaccurately and inconsistently accounted for PDA deliveries for the following reasons.

- (U) DSCA policies did not provide a standard definition of when in the transportation process the PDA items are “delivered,” and the DSCA did not provide oversight to ensure that delivery data was accurate.
- (U) The Military Services did not have a forward presence on the ground in Poland with property book officials to confirm the transfer of PDA items to Ukrainian control.

(U) SAG-U and its subordinate commands effectively inventoried, tracked, and conducted customs control processes for U.S. defense items transferred to Ukrainian control. DSCA and Military Service officials stated that they could use SAG-U transfer tracking data and electronic documentation to support delivery confirmation and property book accountability. However, SAG-U does not make its data and documentation readily available to external organizations because its parent organization did not task SAG-U to document the transfer of U.S. defense articles to Ukraine or to provide this data to external organizations.

(U) Recommendations

(U) We recommend that the DSCA Director:

- (U) modify the Security Assistance Management Manual to define “delivery” for PDA items as when the items are transferred to foreign government control and provide clear guidance on when



Results in Brief

(U) Evaluation of the Accountability of Presidential Drawdown Authority Defense Item Deliveries to Ukraine

(U) Recommendations (cont'd)

(U) organizations should record items as delivered in the DSCA 1000 System,

- (U) develop and implement procedures using SAG-U and Military Aid Contribution and Coordination Cell (MAC-2C) trackers and documentation to verify that the Military Services enter data into the DSCA 1000 System within 90 days after delivery as required, and
- (U) implement technical updates that improve the functionality of and provide simpler and more timely access to the DSCA 1000 System.

(U) We recommend that the U.S. Army Europe and Africa (USAREUR-AF) Commanding General task the 21st Theater Sustainment Command with responsibility for documenting the transfers of materiel at the Logistics Enabling Node–Poland. This responsibility includes regularly maintaining and posting U.S. equipment delivery tracking data and completed shipment transfer documentation to a secure portal.

(U) We recommend that the Army and Air Force Chiefs of Staff, the Chief of Naval Operations, and the Marine Corps Commandant implement procedures that include the use of SAG-U and MAC-2C tracking and documentation to:

- (U) maintain accountability for all PDA defense articles in a Service accountable property system of record while in transit and until final delivery to Ukrainian officials and maintain auditable records of all transfer documentation and
- (U) enter PDA items into the DSCA 1000 System within 90 days after delivery, as directed in the DSCA Security Assistance Management Manual.

(U) Management Comments and Our Response

(U) U.S. Army Europe and Africa, U.S. Air Force, and U.S. Marine Corps officials agreed to address all the recommendations presented in the report; therefore, we consider the recommendations resolved and open. The DSCA Director previously took action to address a recommendation and we verified the result; therefore, the recommendation is closed. However, the DSCA Director did not respond to the draft report; therefore the other recommendations directed to the DSCA Director are unresolved. The Army Chief of Staff did not respond to the draft report; therefore the recommendations are unresolved. The Chief of Naval Operations' comments did not address the intent of the recommendation; therefore the recommendation is unresolved. Therefore, we request that the DSCA Director, Army Chief of Staff, and Chief of Naval Operations provide comments on the final report in 30 days.

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

(U) Recommendations Table

(U) Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Director, Defense Security Cooperation Agency	1.b., 1.c., 1.d.	None	1.a.
Commanding General, U.S. Army Europe and Africa	None	2.a., 2.b.	None
Chief of Staff of the Army	3.a., 3.b.	None	None
Chief of Naval Operations	4.a., 4.b.	None	None
Chief of Staff of the Air Force	None	5.a., 5.b.	None
Commandant of the Marine Corps	None	6.a., 6.b.	None

(U)

Please provide Management Comments by December 15, 2024.

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 – The 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

November 15, 2024

MEMORANDUM FOR DISTRIBUTION

SUBJECT: (U) Evaluation of the Accountability of Presidential Drawdown
Authority Defense Item Deliveries to Ukraine
(Report No. DODIG-2025-037)

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

(U) This report contains recommendations that are considered unresolved because comments from the Navy did not provide information on how the Navy plan will meet the intent of recommendation 4. In addition, the Defense Security Cooperation Agency, and the U.S. Army did not provide a response to Recommendations 1 and 3, respectively. However, based on management actions taken by the DSCA since the conclusion of our field work, we consider recommendation 1.a. closed. Therefore, Recommendations 1.b, 1.c, 1.d, and 3 remain open. We will track the recommendations until management has agreed to take actions that we determine to be sufficient to meet the intent of the recommendations and management officials submit adequate documentation showing that all agreed-upon actions are completed.

(U) DoD Instruction 7650.03 requires that recommendations be resolved promptly. Therefore, within 30 days please provide us your response concerning specific actions in process or completed on the recommendations. Send your response to either [REDACTED] and [REDACTED] if unclassified or [REDACTED] and [REDACTED] if classified SECRET.

(U) Additionally, U.S. Army Europe and Africa, the U.S. Air Force, and the U.S. Marine Corps each agreed to address all the recommendations presented in the report; therefore, we consider the recommendations resolved and open. We will close the recommendations when they provide us documentation showing that all agreed-upon actions to implement the recommendations are completed. Therefore, within 90 days please provide us your response concerning specific actions in process or completed on the recommendations. Send your response to either [REDACTED] if unclassified or [REDACTED] if classified SECRET.

If you have any questions, please contact [REDACTED]
[REDACTED]

FOR THE INSPECTOR GENERAL:

A handwritten signature in black ink that reads "Bryan Clark". The signature is written in a cursive, flowing style.

Bryan T. Clark
Assistant Inspector General for Evaluations
Programs, Combatant Commands, and Operations

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(U) Introduction

(U) Objective

(U) The objective of this evaluation was to determine whether the Defense Security Cooperation Agency (DSCA) and the Military Services effectively and efficiently account for the delivery of Presidential Drawdown Authority (PDA) defense items to Ukraine in accordance with DoD property book and DSCA security assistance policy.¹ In addition, we determined whether the Security Assistance Group-Ukraine (SAG-U) effectively and efficiently tracks and documents the transfer of PDA items to Ukrainian officials.

(U) Background

(U) On February 24, 2022, Russia began a full-scale invasion of Ukraine. In response, the United States and its allies and partners rapidly transferred defense articles to the Government of Ukraine (GoU) to support Ukraine's defense. As of May 24, 2024, the United States provided approximately \$50.7 billion in military security assistance to Ukraine through multiple programs and authorities, including PDA, the Ukraine Security Assistance Initiative, and foreign military financing.

(U) Execution of PDA Security Assistance

(U) From the first presidential determination (PD) in August 2021, the United States provided most defense items to Ukraine through the PDA program for security assistance, through which the President can authorize the immediate transfer of articles and services from U.S. stocks.² After the President issues a PD, the DSCA issues an execute order (EXORD) directing the Military Services and Defense agencies to fulfill the order and to provide planning information and instructions.³ PD EXORDs exist to

¹ (U) This report contains information that has been redacted because it was identified by the DoD as Controlled Unclassified Information (CUI) that is not releasable to the public. CUI is Government-created or owned, unclassified information that allows for or requires safeguarding and dissemination controls in accordance with laws, regulations, or Government-wide policies.

(U) According to Army Regulation 710-2, "Supply Policy Below the National Level," March 28, 2008, a property book is a formally designated set of property records maintained to account for organizational and installation property in a using unit.

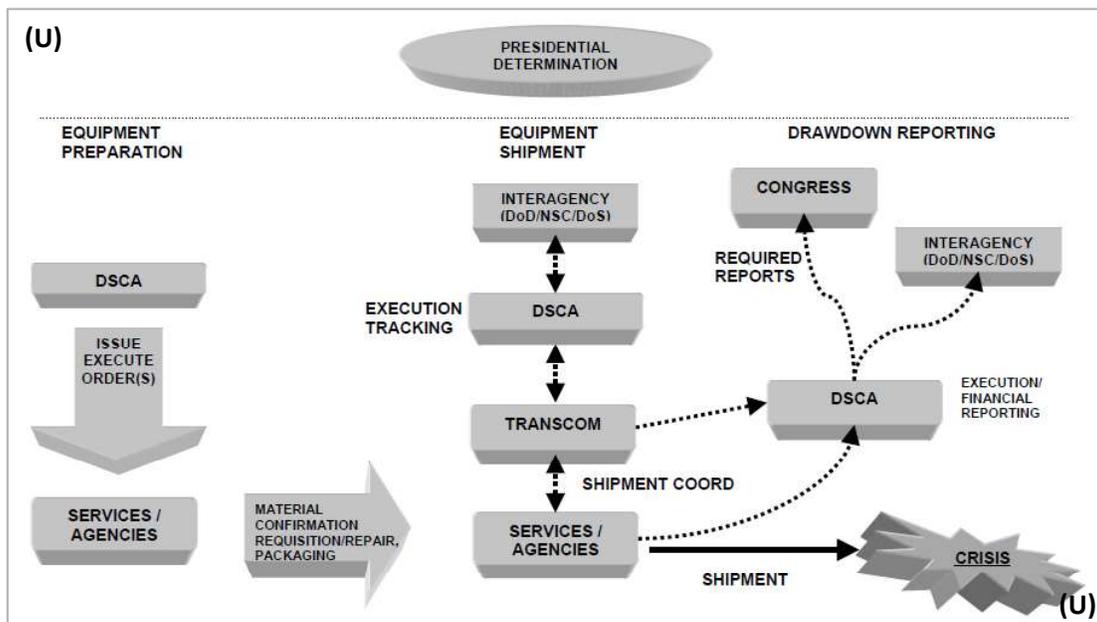
² (U) A PD is necessary to initiate and define the authorized scope and maximum dollar value for the approved drawdown. PDA is a valuable tool for U.S. foreign policy to direct a drawdown to provide military assistance under section 506(a)(1) of the Foreign Assistance Act in crisis situations. PDA allows for the speedy delivery of defense articles and services from DoD stocks to foreign countries and international organizations to respond to unforeseen emergencies.

³ (U) The DSCA directs, administers, and provides guidance to DoD components and representatives to U.S. missions for the execution of DoD security cooperation programs.

(U) In addition to the Military Services, the DSCA EXORDs task the U.S. Special Operations Command with providing PDA security assistance to Ukraine. We did not review U.S. Special Operations Command procedures for this evaluation.

(U) immediately move existing DoD resources and defense items from military units to assist and support the GoU's ongoing war efforts. The PD EXORDs instruct the Services and Defense agencies to source items from military units, depots, and pre-positioned stocks. The Military Services and Defense agencies then transfer the authorized defense items located in the United States by U.S. Transportation Command services to the U.S. European Command (USEUCOM) area of responsibility. Within USEUCOM, the U.S. Air Force Europe and Africa and U.S. Army Europe and Africa (USAREUR-AF) are responsible for the items' intra-theater movement and in-transit visibility to the final point of transfer to the GoU. SAG-U inventories, tracks, and manages the final transfer of defense items to the GoU, and the DSCA reports the execution status to the interagency and Congress. See Figure 1 for an illustration of the drawdown execution process.⁴

(U) Figure 1. Drawdown Execution Process



(U) Legend

- (U) DoS Department of State
- (U) NSC National Security Council
- (U) TRANSCOM Transportation Command

(U) Source: DSCA H-1 Handbook, "DSCA Handbook for Foreign Assistance Act (FAA) Drawdown of Defense Articles and Services."

⁴ (CU) [REDACTED]

(U) As of May 24, 2024, DoD organizations provided more than \$23.7 billion in defense items from DoD inventories to the GoU as part of 55 PD EXORD packages. These items included ammunition, rockets, armored vehicles, artillery, air defense systems, and other critical capabilities, such as tactical communication gear and medical supplies.

(U) Transportation of Defense Items for Ukraine

~~(CU)~~ According to a USAREUR-AF official, the DoD transports U.S. defense items from U.S. air and seaports of embarkation to aerial and sea ports of debarkation in the USEUCOM area of responsibility for onward movement to Ukraine. [REDACTED]

(U) The Military Aid Contribution and Coordination Cell Inventories and Tracks Aid That It Transfers to Ukraine

~~(CU)~~ According to the Military Aid Contribution and Coordination Cell (MAC-2C) standard operating procedures and mission briefing, the U.S. Movement Control Team and Inland Cargo Transfer Company personnel assigned to SAG-U's subordinate MAC-2C are responsible for inventorying and tracking aid that arrives and is transferred to Ukrainian control at LEN-P. MAC-2C is responsible for overseeing item arrival, departure, and on-hand reports from Movement Control Team and Inland Cargo Transfer Company personnel located at all of the logistics nodes. MAC-2C is also responsible for consolidating the data into the MAC-2C tracker spreadsheet maintained on a Microsoft Teams application on the Secret Internet Protocol Router Network (SIPRNet). [REDACTED]

(U) MAC-2C's standard operating procedures require that personnel verify that their physical inventory matches the item type and quantity specified on a manifest and other documentation accompanying the shipment. According to a MAC-2C official, for containerized items, the MAC-2C personnel record the container number, ensure it is a match to the manifest, and inspect each container to ensure the seal is intact. If personnel find any containers with a broken seal, the personnel verify the container's contents and do not transfer the cargo until they address any discrepancies with the manifest. The MAC-2C personnel report cargo arrival, download, upload, and departure times to the MAC-2C tactical operations center, which then provides daily reports to SAG-U and USEUCOM.

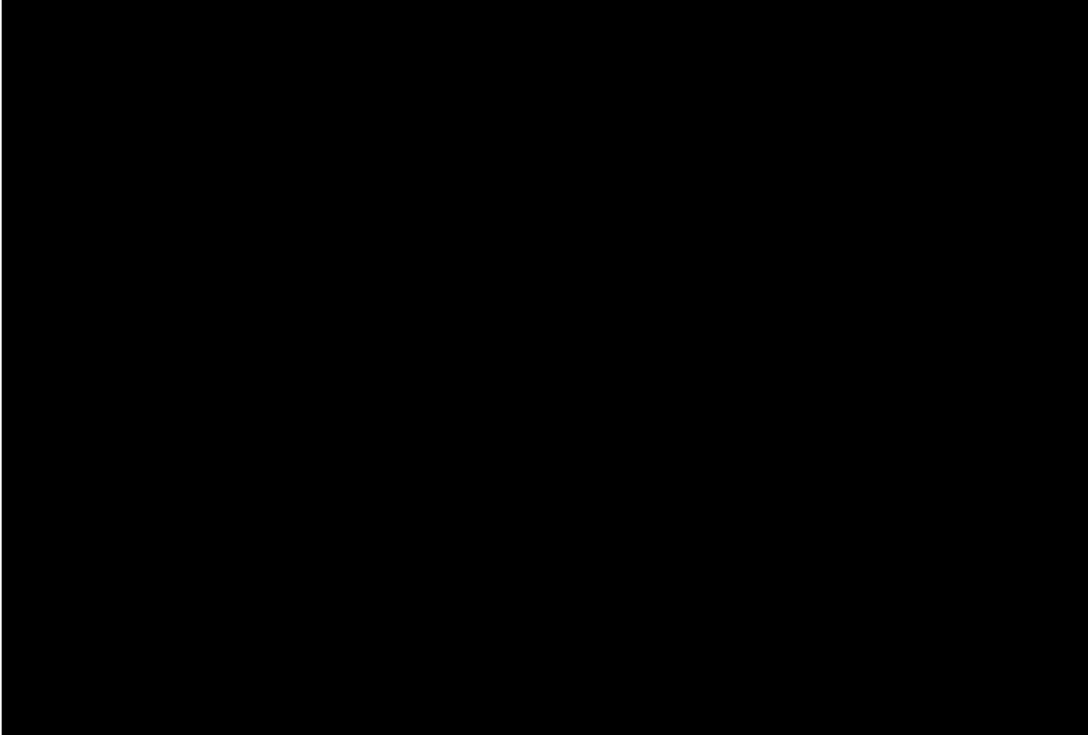
(U) The SAG-U Deputy Commanding General stated that he ordered MAC-2C personnel to create a new DD Form 250, "Material Inspection and Receiving Report," if one was not already accompanying a shipment.⁵ According to a MAC-2C official, SAG-U directed this action in February 2024. MAC-2C leadership require their personnel to date the form and record the type and quantity of items received and transferred to Ukraine. MAC-2C personnel then sign the form, and a Ukrainian official stamps and dual-signs the form before scanning and uploading it to the MAC-2C's Microsoft Teams site. See Figure 2 for a sample DD Form 250 dual-signed and stamped by a Ukrainian official. MAC-2C consolidates and tracks shipment arrivals and departures by day, item type, and quantity on their SIPRNet Teams site for all logistics nodes at LEN-P and sends daily updates to SAG-U. SAG-U consolidates all items for tracking and associates each shipment to a specific PD EXORD.

(U) MAC-2C Completes Customs Control Functions at Logistic Nodes

(U) According to the MAC-2C standard operating procedures and the MAC-2C April 2024 mission briefing, Movement Control Team and Inland Cargo Transfer Company personnel under MAC-2C are also responsible for customs control operations support at all of the logistics nodes. The standard operating procedures require MAC-2C personnel to provide a customs North Atlantic Treaty Organization (NATO) Form 302 for all U.S. items arriving to and departing from the logistics nodes to exempt the U.S. Government from incurring valued-added taxes for the import and export of items in the NATO area of operations. The procedures also require MAC-2C personnel to verify that the shipment contents match the items listed on NATO Form 302. The Ukrainian liaison then signs the accurate NATO Form 302, and a copy is provided to Polish customs officials for final approval, enabling transfer of the items to Ukraine. MAC-2C personnel must also scan and upload the shipment's NATO Form 302 and DD Form 250 to the Microsoft Teams page to consolidate all shipments across LEN-P. See Figure 2 for a sample NATO Form 302 dual-signed and stamped by a Ukrainian official.

⁵ (U) DD Form 250 is one type of supply release document used for vendor-supplied shipments. DD Form 1149, "Requisition and Invoice/Shipping Document" may also be used for vendor-supplied shipments. Another release document used for depot-released items is DD Form 1348-1A, "Issue Release/Receipt Document." One of these forms must be attached to the outside (and a copy packed inside) of all PD shipments as part of the mandatory packing list for customs. According to DoD Instruction 5000.64, transfers of accountability for DoD property must be supported by acknowledgement documentation from a receiving component. Supporting documentation may include a receiving document, such as DD Form 250.

(U) Figure 2. Sample DD Form 250 (Left) and NATO Form 302 (Right) Dual-Signed and Stamped by a Ukrainian Official



Source: MAC-2C.

(U) DoD Policy for the Accountability of DoD Items in Property Systems of Record

(U) DoD Instruction (DoDI) 5000.64, “Accountability and Management of DoD Equipment and Other Accountable Property,” establishes policy, assigns responsibilities, and provides requirements and procedures for accounting for tangible DoD equipment and other accountable property.⁶ The DoDI directs DoD component heads to establish and maintain property accountability and an effective system of internal controls to ensure: (1) accountability and authorized use of property to prevent loss, damage, theft, or waste and (2) appropriate financial reporting.⁷

⁶ (U) DoDI 5000.64, “Accountability and Management of DoD Equipment and Other Accountable Property,” April 27, 2017 (Incorporating Change 3, June 10, 2019).

⁷ (U) According to DoDI 5000.64, accountability is “the obligation imposed by law, lawful order, or regulation, accepted by an organization or person for keeping accurate records to ensure control of property, documents or funds, with or without physical possession.” The obligation in this context refers to the fiduciary duties, responsibilities, and obligations necessary for protecting the public interest; however, it does not necessarily impose personal liability on an organization or person.

(U) In accordance with the Federal Logistics Information System Technical Procedures, the DoDI requires accountable property records for all government property with an acquisition cost of \$5,000 or more and assets of any value with controlled inventory codes identifying them as “controlled, classified, or sensitive.” The DoDI also requires DoD components to keep property records current and reflect the asset’s status, location, financial information, and condition until authorized disposition of the property. The Services must retain accountability for property they place in an in-transit status until the receiver formally acknowledges receipt. Updates for completed transactions must be posted to an accountable property system of record (APSR) in 7 working days.⁸ Documentation must be maintained in a readily available location in electronic or hard copy logs suitable for audit. The DoDI specifies that suitable documentation to indicate that items were satisfactorily received includes a signature on a situation-specific form, such as a DD Form 250, “Material Inspection and Receiving Report,” or DD Form 1348-1A, “Issue Release/Receipt Document.” The DoDI further states that DoD components must maintain records and accountability for government property of any value furnished to foreign governments.

(U) DoD Policy for PDA Transportation and Tracking Processes

(U) Three primary sources guide the transportation of PDA items. DSCA Manual 5101.38, “Security Assistance Management Manual (SAMM),” provides DoD-wide guidance to DoD components managing or implementing DoD security assistance.⁹ The DSCA H-1 Handbook, “DSCA Handbook for Foreign Assistance Act (FAA) Drawdown of Defense Articles and Services,” (DSCA Handbook) provides additional details for managing drawdown transfers, and the Defense Transportation Regulation regulates the transfer of U.S. Government defense articles and services to foreign governments.¹⁰

⁸ (U) According to DoDI 5000.64, an APSR is “the government system used to control and manage accountable property records, a subset of existing organizational processes related to the lifecycle management of property, or the system that is integrated with the core financial system.” Military Services may use more than one APSR for various types or classes of equipment. For example, the Air Force uses the Defense Property Accountability System for Class VII major end items, such as vehicles, and the Theater Integrated Combat Munitions System for Class V ammunition and explosives, such as bombs, missiles, and rockets.

⁹ (U) DSCA Manual 5101.38, “Security Assistance Management Manual” (Incorporating Electronic Change 694, June 21, 2024).

¹⁰ (U) DSCA H-1, “DSCA Handbook for Foreign Assistance Act (FAA) Drawdown of Defense Articles and Services,” June 2004.

(U) U.S. Transportation Command Defense Transportation Regulation, Part II, “Cargo Movement,” Appendix E, “Security Cooperation Program Shipments: Foreign Military Sales and Building Partner Capacity Programs,” April 27, 2023.

(U) DSCA Manual 5101.38, “Security Assistance Management Manual”

(U) The SAMM provides DoD-wide guidance to DoD components that manage or implement DoD security assistance and security cooperation programs over which the DSCA has responsibility. According to the SAMM, after Military Departments receive a drawdown EXORD and provide the articles, services, and training to the recipients, the SAMM directs the Departments to enter drawdown delivery data into the DSCA 1000 System database (the DSCA 1000). The DSCA uses the delivery entries to track the status and total valuation of items and services under the drawdown. The Military Departments are responsible for entering this data within 90 days of delivery.¹¹

(U) The DSCA monitors and tracks the Military Departments’ reported deliveries and values and reports this information to the funding authority issued to each agency responsible for executing portions of the drawdown to ensure that delivered values are within the authorized PD thresholds. In accordance with the SAMM, the DoD cannot exceed the drawdown authority provided in the PD. The DSCA also ensures that the combined drawdown support from multiple PDs in a given fiscal year does not exceed legislative limits for the applicable drawdown authority.

(U) The SAMM also prescribes transportation processes for security assistance, specifically for foreign military sales. According to the SAMM, if a depot releases a shipment, a DD Form 1348-1A is attached to the shipment to identify the materiel as DoD supplied and provide the details that link the materiel to a security assistance foreign military sales case.

(U) DSCA H-1, “DSCA Handbook for Foreign Assistance Act (FAA) Drawdown of Defense Articles and Services”

(U) The DSCA Handbook provides additional details and guidance for managing presidential drawdown transfers not contained in the SAMM. The DSCA Handbook states that presidential drawdowns are different from normal security assistance procedures, particularly because time is of the essence, and highlights the actions that differ from regular security assistance procedures. According to the DSCA Handbook, the DSCA is responsible for:

- (U) issuing PD EXORDs,

¹¹ (U) The DSCA 1000 is the information management system for tracking, maintaining, and aggregating drawdown data to fulfill management information needs and meet legislative reporting requirements. At least monthly, each Service or agency must enter the appropriate delivery data into the system.

- (U) monitoring deliveries to ensure the Services report into the DSCA 1000 in a timely manner,
- (U) identifying any variances between delivered articles and services and the DSCA 1000, and
- (U) ensuring that overall drawdown ceilings are not exceeded.

(U) The DSCA Handbook also states that the DSCA provides general policy guidance regarding drawdowns and formal reports to Congress about which articles and services were provided for the drawdown. Finally, the DSCA Handbook provides instructions for preparing PD EXORDs and a sample EXORD. For example, shipping organizations must ensure that all DD Form 1348-1A copies are enclosed in a protective envelope and securely attached to the outside of each package or container.

(U) Defense Transportation Regulation, Part II, Appendix E, “Security Cooperation Program (SCP) Shipments: Foreign Military Sales (FMS) and Building Partner Capacity Programs”

(U) Defense Transportation Regulation Part II, Appendix E, (the Appendix) provides policy on the transfer of U.S. Government defense articles and services to foreign governments under security cooperation programs. The Appendix specifies that, for PDA and other non-foreign military sales grant programs, title or ownership passes to the recipient country at the destination. The U.S. Government is responsible for damage or loss that may occur in transit. The Appendix also indicates that release documents for PDA articles can include DD Form 1348-1A, DD Form 250, DD Form 1149, or an electronic DD Form 250. Copies of these forms must be firmly attached to every shipping unit according to military standard. The DoD is responsible for transportation, including over-ocean and inland overseas movement, from the point of origin to a specified inland point overseas.

(U) DoD Guidance for Requesting Replacement Funding for PDA Items Provided to Ukraine

(U) A memorandum from the Under Secretary of Defense (Comptroller) details the process to replace defense articles from the DoD-provided stocks as authorized under drawdown EXORDs and in compliance with applicable legislations and DoD policy. The memorandum states that the DoD will only issue replacement funds for items that were

(U) recorded as delivered in the DSCA 1000.¹² The requesting organization must obligate replacement fund requests before the period of availability expires for the applicable replacement fund appropriation.¹³

¹² (U) Under Secretary of Defense (Comptroller) Memorandum, "General Business Rules for Use of Drawdown Authority and Replacement of Items and Reimbursement for Services Provided Under Drawdown Authority," June 1, 2023.

¹³ (U) Many of the DSCA PD EXORDs state that each drawdown will terminate 18 months from the issuance of the EXORD.

(U) Finding

(U) The DSCA and Military Services Did Not Effectively Account for Deliveries of PDA Items to Ukrainian Control

(U) The DSCA and Military Services did not effectively account for deliveries of PDA items to Ukrainian control in accordance with DSCA security assistance policy and DoD property book policy.

- (U) The DSCA did not consistently track the correct status of PDA item deliveries to Ukraine in the DSCA 1000, as required by the SAMM. We compared a non-statistical sample of 162 PD line items marked as delivered in the DSCA 1000 to SAG-U delivery tracking records and determined that only 65 items (40 percent) matched. SAG-U records indicated that these line items were not yet delivered or only partially delivered as of the date of the DSCA 1000 delivery reporting.
- (U) The Military Services did not consistently maintain PDA items in their APSRs until transferred to Ukrainian officials or keep a fully documented audit trail of accountability, as required by DoDI 5000.64. For example, except for the Navy, all of the Services completely removed Class V munitions from their APSRs at the point of origin. Air Force officials also removed Class VII end items from their APSRs at the point of origin.¹⁴ In addition, the Services did not maintain adequate supporting documentation from the receiver acknowledging the transfer as an audit trail for authorized disposition.

(U) The DSCA and Services inaccurately and inconsistently accounted for PDA deliveries for the following reasons.

- (U) DSCA policies did not provide a standard definition of when in the transportation process the PDA items transferred in title or were “delivered,” and the DSCA did not provide oversight of the data entry to ensure that delivery

¹⁴ (U) The Services identify 10 materiel codes for various supply categories of defense articles (Classes I through X). PD equipment provided to Ukraine includes multiple classes, but this report focuses on Class V and Class VII defense articles because they are the most numerous and comprise the highest value. Class V includes ammunition, bombs, explosives, fuses, missiles, rockets, and other associated items. Class VII includes major end items, such as launchers, tanks, and vehicles. Other classes of PD articles provided to Ukraine include Class II individual equipment, Class VIII medical materiel, and Class IX repair parts.

(U) Department of the Army Pamphlet 708-2, “Cataloging and Supply Management Data Procedures for the Army Enterprise Material Master,” March 26, 2020.

(U) data was accurate.¹⁵ In addition, according to Service personnel, the DSCA 1000 lacks the capability to effectively support tracking and receipt documentation for PDA security assistance for Ukraine as required by DoDI 5000.64.

- (U) The Military Services do not have property book officials on the ground in Poland to confirm the transfer of PD items to Ukrainian officials or to conduct physical inventories needed to complete an audit trail for property book accountability. Without confirmation of delivery, the DSCA does not authorize the Military Services to enter PD EXORD deliveries into the DSCA 1000.

(U) SAG-U and its subordinate commands effectively inventoried, tracked, and conducted customs control processes for U.S. defense items transferred to Ukrainian control at LEN-P. DSCA and Military Service officials stated that they could use SAG-U transfer tracking data and electronic documentation to support delivery confirmation and property book accountability; however, SAG-U data and documentation are not readily available to external organizations.

(U) SAG-U data and documentation were not readily available because USAREUR-AF did not task SAG-U with documenting the transfer of U.S. defense articles to Ukraine and providing this data to external organizations. The USAREUR-AF operations order for SAG-U incorrectly assigned responsibilities for ensuring the transition and ownership of aid to the 21st Theater Sustainment Command and did not direct SAG-U to make documented transfer records available for external organizations' property accountability.¹⁶

(U) As a result, the DSCA lacks awareness of the actual PD EXORD completion status and may make inaccurate reports to the Secretary of Defense and Congress. In addition, the Military Services may violate Under Secretary of Defense (Comptroller) guidance for replacement of items provided under drawdown authority by requesting funding prematurely before actual delivery of PD items to Ukraine. Further, the Services that comply with the guidance and wait for an excessive period to confirm delivery may be

¹⁵ (U) The SAMM describes "delivery" as the constructive or actual delivery of defense articles. In the case of foreign military sales, the defense article title is transferred to the purchaser upon release from a DoD supply activity (point of origin) unless otherwise specified in the Letter of Offer and Acceptance, and not normally when the defense articles are actually delivered to the partner country. The SAMM does not prescribe whether PDA articles must be actually delivered to foreign partner control or constructively delivered by an earlier transfer in title for the purpose of making DSCA 1000 delivery entries.

¹⁶ (U) USAREUR-AF Operations Order 19-0023, "Security Assistance Group-Ukraine" (Modification 6, November 22, 2023). (S//REL TO USA, SWE, FVEY, NATO)

(U) unable to request funding before the authorizations expire, which could impact their readiness status.

(U) The DSCA Did Not Maintain Accurate Tracking Information for PDA Item Deliveries to Ukraine in the DSCA 1000 System

(U) The DSCA did not maintain accurate tracking information for PDA item deliveries to Ukraine in the DSCA 1000 or the DSCA's weekly PD trackers. The DSCA's tracking relies on the Military Services to enter delivery data into the DSCA 1000, but the Services' procedures for reporting deliveries are not standardized and their delivery data were not always accurate.

(U) The Services' procedures for reporting deliveries in the DSCA 1000 vary as follows.

- (U) The Army considers items as delivered when the items begin movement from points of origin and is in transit to Ukraine.
- (U) The Navy considers items as delivered when the items reach the port of debarkation in Europe directed in the PD EXORD.
- (U) The Air Force does not have a standardized delivery confirmation process for PDA items but typically relies on Joint Staff tracking or SAG-U confirmation when available.
- (U) The Marine Corps considers items as delivered a few days after it confirms delivery to the aerial or sea port of debarkation in Europe.

(U) These procedures typically caused the Services to report item deliveries to the DSCA 1000 prematurely. We conducted a comparison of the DSCA 1000 entry records to SAG-U records for a non-statistical sample of various PD EXORD equipment and munition line items from PDs 42, 43, and 52. Our sampling also included several items from USEUCOM's High Priority Outstanding PDA Deliveries list of equipment the Command tracks and priority open items from the Army Sustainment Command's PD Sourcing tracker across PDs 30 to 54. Of the 162 PD line items we sampled that were marked as delivered in the DSCA 1000, only 65 items (40 percent) matched SAG-U's delivery

(U) tracking information. SAG-U records indicated that the remaining 97 items were not yet delivered or only partially delivered as of the date of DSCA reporting.¹⁷

(U) Service Late Reporting of Item Deliveries May Also Cause the DSCA to Inaccurately Track PD Execution

(U) DSCA may not accurately track PD execution when the Services are late in reporting of item deliveries. Item deliveries to Ukraine may be delayed because of limited transportation capacity, required maintenance of equipment that arrives less than fully mission capable, Ukrainian personnel training, or integration of weapon system components. We found that on occasion, all of the Services correctly attempted to wait for delayed items or wait for a confirmation from personnel forward in Europe that the items were transferred to Ukraine before reporting. The Services contacted officials at USEUCOM, SAG-U, or MAC-2C to obtain specific delivery information; however, the Services could not always obtain this data because personnel frequently rotated in and out of positions at both SAG-U and MAC-2C. For example, according to Air Force officials, the Air Force could not always rely on points of contact in Europe to provide delivery status. Air Force and Navy officials also leveraged the Joint Staff's Joint Movement Control Board to get "real time" oversight of PD airlift missions to track delivery into the aerial port of debarkation at LEN-P. Marine Corps officials used the Joint Staff's "Outstanding PDA Deliveries" spreadsheet, provided weekly by the Joint Staff J4 (Logistics), to cross-check deliveries of their items. However, the Services may have to wait an extended period to get delivery confirmation from SAG-U or other organizations, causing the Services to enter data into the DSCA 1000 late. This late entry may cause the DSCA to understate the actual status of PD EXORD execution.

(U) The Military Services Did Not Have a Common Process for Maintaining PDA Equipment in Their APSRs Until Transfer to Ukrainian Officials and Did Not Keep a Documented Audit Trail of Accountability

(U) The Military Services did not have a common, standardized process for maintaining PDA items in their APSRs until receipt and transfer and did not consistently maintain a documented audit trail for PDA item deliveries to Ukraine. Each Service created its own procedures for managing PDA items within its APSRs, including varying procedures

¹⁷ (U) The DSCA transposes records from the DSCA 1000 into a weekly DSCA PD tracker. Because the DSCA 1000 does not include a field for delivery date of equipment entries, we used the PD tracker date to reflect the delivery date. Because the PD tracker date is later than the actual entry into the DSCA 1000, the former date is a conservative estimate for our analysis of premature delivery entries into the DSCA 1000.

(U) within individual Services. DoDI 5000.64 requires each Service to account for most categories of property in one or more APSR.

(U) The Services Use Different APSRs for Different Classes of Military Items

(U) The Services use different APSRs that are managed by different internal organizations for different classes of military items. For example, the Army and the Marine Corps treat PD Class V munitions differently than Class VII end items and other equipment. See Table 1 for an overview of Military Service APSRs and timelines for PD defense article removal.

(U) Table 1. Military Service APSRs and Timelines for PD Defense Article Removal

(U)	Army ¹⁸	Navy	Air Force	Marine Corps
Class V APSR	LMP, SAAS, GCSS-A	OIS	TICMS	OIS
Class VII APSR	LMP, GCSS-A	ERP	DPAS	GCSS-MC
Removal from APSR	V: Point of Origin VII: Point of Transfer to Ukrainian Officials	All: Port of Debarkation	All: Point of Origin	V: Point of Origin VII: Port of Debarkation (U)

(U) Legend

- (U) DPAS Defense Property Accountability System
- (U) ERP Enterprise Resource Planning
- (U) GCSS-A Global Combat Support System–Army
- (U) GCSS-MC Global Combat Support System–Marine Corps
- (U) LMP Logistics Modernization Program
- (U) OIS Ordnance Information System
- (U) SAAS Standard Army Ammunition System
- (U) TICMS Theater Integrated Combat Munitions System

(U) Source: The DoD OIG.

(U) All Services removed Class V munitions from their APSRs at the point of origin when shipped except for the Navy, which retained all classes of items in an APSR until the items reached the port of debarkation in Europe. The Air Force removed all classes of

¹⁸ (U) The Army maintains all Class V and Class VII items in the wholesale system through the LMP APSR. Items in the retail system are maintained in the Standard Army Ammunition System or the Global Combat Support System–Army. Class VII items from Component 1, 2, and 3 units (active duty, Army National Guard, and Army Reserves) and Army pre-positioned stock items that are in the retail system are transferred to a U.S. Army Security Assistance Command account in the Global Combat Support System–Army until delivered to Ukrainian officials.

(U) PD items from its APSRs at the point of origin. The Marine Corps maintained Class VII and some other military items in a virtual warehouse in their Global Combat Support System–Marine Corps APSR until they confirmed delivery at the port of debarkation in Europe. According to Service officials, regardless of whether they maintained items in an APSR, they continued to track all PD items using a variety of transportation management systems while items were in transit. However, none of these tracking procedures sufficiently comply with DoDI 5000.64, which requires that DoD organizations retain accountability for property while in transit, in a single APSR, until the receiver formally acknowledges receipt and resolves shipping and other discrepancies.

(U) The Military Services Should Maintain Property in the APSR Until It Is Received and Accepted

(U) Only the Army’s procedures for maintaining Class VII end items in its Global Combat Support System–Army APSR strictly followed DoD policy. The Army consolidated most Continental United States-based Class VII end items in the U.S. Army Security Assistance Command’s Global Combat Support System–Army property book at the port of embarkation in the United States, where the items remained until that command could confirm transfer of the items to Ukrainian officials. Overseas Army organizations also maintained the Class VII equipment in their APSR until they obtained transfer confirmation. According to Army officials, while the Army maintained Class VII equipment in an APSR until receipt, they dropped Class V munitions from the wholesale APSR (the “Logistics Modernization Program”) at the point of origin. If the Army sent these munitions to an intermediate staging base in Europe, the receiving unit picked them up into its retail APSR (the “Standard Army Ammunition System”) in a separate account code specifically for PDA munitions awaiting call forward for delivery to Ukraine. According to an Office of the Under Secretary of Defense for Acquisition and Sustainment official who is responsible for DoDI 5000.64, all property should be maintained in the APSR while in transit and until it is received and accepted by the consignee. However, Army officials stated they do not have an APSR that tracks Class V munitions while in transit.

(U) The Military Services Did Not Retain Adequate Documentation That Confirms Receipt of PD Items

(U) The Military Services did not retain adequate documentation that confirms PD item receipt at the point of transfer. DoDI 5000.64 requires organizations to maintain supporting documentation of system transactions, including original documents and hard or electronic copies of original documentation, in a readily available location. The DoDI states that supporting documentation may include purchase invoices, procurement contracts, and receiving documents, such as DD Form 250. Office of the

(U) Under Secretary of Defense for Acquisition and Sustainment officials confirmed that multiple forms or other types of documentation work as an audit trail if the documentation validates the transfer of property custody. According to Air Force officials, documentation confirming receipt, such as a DD Form 1348-1A, is supposed to be signed and returned to the shipper, but forward-deployed personnel did not return these completed supply release documents to the Air Force. According to Navy officials, PDA property transaction packages include the PD EXORD, an original DD Form 1348-1A or DD Form 1149, and confirmation of delivery to the port of debarkation. The Navy tracked items to their arrival at the port of debarkation in Europe and did not require signed documentation from SAG-U. According to Marine Corps officials, the only feedback from the receiving end was in the “Outstanding PDA Deliveries” spreadsheet, distributed weekly by the Joint Staff. The Marine Corps officials stated that nothing else definitively confirmed transfer of property to Ukraine.

(U) The DSCA Did Not Provide Adequate Guidance or Oversight for Drawdown Operations, and the Military Services Do Not Have Personnel in Poland to Receive and Provide Accountability for Items Transferred to Ukraine

(U) DSCA policies did not provide adequate guidance for drawdowns. Specifically, neither the SAMM nor the DSCA Handbook specify when in the transportation process title transfer occurs, nor does either publication provide a standard definition for “delivery.” The SAMM focuses on foreign military sales and lacks specific guidance covering the differences with PDA security assistance. With foreign military sales, the United States normally transfers title of items to the foreign partner at the point of origin unless otherwise specified in a Letter of Offer and Acceptance. However, the Defense Transportation Regulation classifies PDA as a grant program for building partner capacity in which title or ownership of security assistance passes to the recipient country at the destination.

(U) The DoD Does Not Have a Codified Definition of When Defense Articles Are Considered Delivered Under PDA

(U) According to DSCA officials, they are aware that the SAMM does not currently provide a codified definition of when defense articles are considered “delivered” under PD authority and that the Services make their own determinations when delivery occurs. According to DSCA officials, the DSCA will complete an update of the SAMM by June 2024 to align the “security cooperation enterprise” on when delivery occurs for items transferred by PDA to ensure consistency of reported data in the system of

(U) record (DSCA 1000). Because of organizational variances in execution of PDA security assistance, the DSCA should define that equipment is considered delivered when transferred to foreign government control and provide guidance on when organizations should make delivery entries in the DSCA 1000 to ensure reporting accuracy.

(U) DSCA Oversight of the Services' Delivery Entries Is Limited to Confirming the Data Matches the EXORD Authorizations

(U) DSCA oversight of the Services' delivery entries is limited to confirming that the item type and quantity data matches the EXORD authorizations. According to DSCA officials, in May 2024, the DSCA coordinated with the Military Services to validate some elements of Service data in the DSCA 1000, such as the Services' entries for item type and quantity and total values authorized, to ensure that the entries match EXORD authorizations, including amendments. The DSCA used a weekly reconciliation system to monitor the status of orders and shipments, as well as a report from the DSCA 1000 and a PD tracker. The DSCA also reviewed and validated the Military Services' replacement fund requests by confirming that the DSCA 1000 reported the items as delivered.

(U) However, the DSCA did not provide adequate oversight of organizations' delivery status entries into the DSCA 1000 to ensure the delivery dates and quantities were accurate. According to DSCA officials, they primarily relied on the Military Services' own internal controls to ensure the DSCA 1000 delivery inputs were accurate because they did not have access to source delivery data from SAG-U to fully validate the data themselves. According to DSCA officials, SAG-U's delivery tracking and completed documentation could greatly enhance oversight and quality control of the DSCA 1000 entries. Access to this data would also improve the DSCA's ability to verify that the Services submit entries into the system in a timely manner and that the entries are complete and accurate and adhere to relevant policies and procedures. Therefore, the DSCA should implement procedures to verify that the Military Services enter data into the DSCA 1000 within 90 days after delivery by monitoring SAG-U trackers and documentation, as required.

(U) The DSCA 1000 Lacks Capability to Effectively Support Tracking and Documentation Requirements for PDA Security Assistance to Ukraine

(U) According to Service officials, the DSCA 1000's data infrastructure is inadequate to handle the scope and scale of items provided to Ukraine. Specifically, the DSCA 1000 lacks the details to accurately identify each specific item. For example, the system may reflect that the Army will provide 100 Bradley vehicles, but it does not have the

(U) capability to associate each vehicle by its serial number. The item type must be selected from a drop-down menu that often uses non-standard terminology and does not accurately reflect the actual type of provided equipment or munition. The system also lacks automation, so each organization must manually enter all equipment and munition data tasked in each individual DSCA EXORD and update this information every time the DSCA publishes an amendment. In addition, Air Force officials reported difficulty obtaining access to the DSCA 1000, stating that it takes weeks to get log-on credentials for new users. The officials are also concerned that anyone who gets access can make a transaction in the system, affecting their item delivery status.

(U) The DCSA Provides Support for the DSCA 1000 and Intends to Invest in System Automation

(U) The DCSA provides customer support for the DSCA 1000 and intends to invest in automation for the system. According to DSCA officials, the DSCA 1000 maintains audit logs that track who enters or changes information, allowing for accountability and transparency in case of discrepancies or errors. In addition, the DSCA provides training and guidance to personnel responsible for entering data into the system, ensuring they understand the procedures for accurate and consistent reporting. DSCA officials also stated that they were working to improve the system's functionality, including the addition of automation, which will populate item types and quantities for each new PD EXORD and amendments. DSCA officials stated that the DSCA was investing in automation of data entry, validation, and reporting tasks to reduce manual effort, improve efficiency, and reduce errors caused by manual entries. Because the DSCA 1000 is unable to fully support PDA security assistance, the DSCA should implement technical updates and administrative procedures that improve functionality and simplify user access.

(U) The Military Services Do Not Have Personnel at LEN-P to Confirm Transfer of Materiel to Ukraine

(U) The Military Services do not have a presence at LEN-P to conduct a physical inventory and confirm the transfer of materiel to Ukrainian officials. According to Service officials, they are responsible for tracking items to the port of debarkation, but they lose visibility beyond this point because they cannot track items on the receiving end. Marine Corps officials stated that they could keep Class V munitions in an "in-transit" status in their APSR, but they would require confirmation at the receiving end, which they do not have. According to Army officials, the scope and scale of this drawdown challenged some of the traditional roles and responsibilities across the DoD. For example, according to Army officials, the Services must rely on personnel in Poland, who are not supply specialists or accountable property officials, to provide accountability for Service materiel transfers on their behalf. According to Navy officials,

(U) PDA is different from day-to-day movement of cargo because the Navy normally has a receiving unit that inventories and signs for the items. However, the Navy does not have receiving officials for PDA items. Neither the Military Services nor the DSCA has regular access to delivery tracking data or documentation captured by SAG-U or its subordinate commands. The lack of a forward presence or regular access to the data has typically forced the Services to consider items as delivered when the items arrive at the last point where the Services had visibility—normally at the port of debarkation in Europe. Therefore, the Military Services should obtain access to SAG-U delivery tracking data and update their DSCA 1000 and property book procedures accordingly.

(U) SAG-U Effectively Inventoried and Transferred U.S. Defense Articles to Ukrainian Control but Can Do More to Support the Accountability Requirements of Other Contributing Organizations

(U) SAG-U and its subordinate command, MAC-2C, effectively inventoried, tracked, and conducted customs control processes for U.S. defense articles at LEN-P. However, SAG-U transfer tracking data and electronic documentation are not readily available to external organizations to support delivery confirmation and property book accountability.

(U) SAG-U Effectively Inventoried and Transferred U.S. Defense Articles to Ukrainian Control

(U) SAG-U and its subordinate command, MAC-2C, effectively inventoried, tracked, and conducted customs control processes for U.S. defense articles at LEN-P. We observed MAC-2C officials physically inventory shipment units at multiple logistics nodes at LEN-P. The officials recorded the type and quantity of items by arrival and departure dates. MAC-2C tactical operations cell officials then consolidated this information and provided a daily report to SAG-U headquarters. SAG-U consolidated tracking of all military aid to Ukraine in its own spreadsheet. SAG-U improved its transfer process by adding a requirement for MAC-2C officials at LEN-P to create and electronically store documentation that serves as a chain of custody and auditable confirmation of delivery. Specifically, in February 2024, MAC-2C officials began creating a DD Form 250, on which MAC-2C officials list all items by type and quantity, for every shipment unit transferred.

(U) SAG-U Can Do More to Support the Accountability Requirements of Other Contributing Organizations

(U) Although SAG-U maintained transfer tracking data and electronic documentation, this data was not readily available to external organizations to support delivery confirmation and property book accountability.

(CU) [REDACTED]

In addition, although SAG-U took the initiative to direct that MAC-2C personnel complete DD Forms 250 with Ukrainian officials to document transfers of equipment and munitions, USAREUR-AF did not task SAG-U with making these documents and their delivery tracking information available to the Military Services and other external organizations. Because the Military Services do not have forward personnel to receive and provide property accountability for their items, USAREUR-AF should direct the 21st Theater Sustainment Command and its subordinate command, MAC-2C, to maintain and post U.S. item delivery tracking data and completed shipment transfer documentation to a secure portal that the Military Services and other organizations with a need to know can access.

(U) SAG-U Could More Efficiently and Accurately Affiliate Items to Specific PD EXORDs

(U) MAC-2C and SAG-U could more efficiently and accurately affiliate item transfer tracking records to specific PD EXORDs. We sampled 12 PD items from a list of items the DSCA showed as fully delivered to compare how closely MAC-2C tracking matched that of SAG-U and whether MAC-2C could produce the NATO Form 302 or other documentation confirming transfers. MAC-2C personnel provided tracking data that

(U) matched SAG-U data for only 5 of 12 items. They also provided documentation confirming deliveries for 4 of those 5 items.¹⁹ For the remaining 7 items, MAC-2C records showed different dates of delivery or that a different quantity of the item was transferred, or MAC-2C personnel could not find records to confirm the delivery of items listed in SAG-U's tracker.

(U) The inaccuracies between SAG-U and MAC-2C data were partially because SAG-U personnel were confused about which shipments were associated with a specific PD number. SAG-U officials stated that many PDs include the same or similar items, and the shipments may not arrive sequentially by PD EXORD because some items ship more quickly by air and other items of the same type may ship by surface. In addition, items of one type from the same EXORD may arrive in multiple shipments, or the same item from multiple PDs may arrive on the same vessel. When items arrive at the logistics nodes in Poland, the shipment documentation does not specify which PD they are associated with. In the report, "Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States," the DoD Office of Inspector General (OIG) partly addressed this issue with recommendations to make it easier for transportation personnel to identify each shipment by PD number.²⁰ In response to the DoD OIG recommendations, the Joint Staff, in coordination with the U.S. Transportation Command, began to provide a unique project code for each PD EXORD, starting with the 59th PD. The DSCA included the new unique project code in the EXORD for the 59th PD issued on June 7, 2024, and directed the Military Departments to identify the PD order number on the military shipping label for each shipment.

(U) When MAC-2C provided SAG-U with daily equipment and munitions arrival and departure updates, SAG-U personnel attempted to associate each item's delivery with a specific PD EXORD by reviewing air and ground trackers that provide in-transit visibility of expected PD item arrivals. SAG-U personnel also associated containerized shipment units by their container numbers, or rolling stock items by their serial numbers, when MAC-2C personnel recorded this information. Another way to associate a shipment unit with a specific PD is by the transportation control number on the military shipping label and other documentation. However, MAC-2C personnel did not record this number. MAC-2C officials only recorded items by type and quantity on the DD Forms 250 but did not record other information, such as serial numbers or transportation control numbers, on these forms. According to the MAC-2C mission

¹⁹ (U) For one of the five items, both MAC-2C and SAG-U trackers showed no deliveries were made. For the other four items, MAC-2C produced two hard-copy NATO Forms 302, one DD Form 250, and air or truck trackers that inventoried items at the aerial port of debarkation. Because MAC-2C only began creating DD Forms 250 in February, we did not expect to see more completed DD Forms 250 for our sample.

²⁰ (U) DoD OIG Report No. DODIG-2024-093, "Evaluation of the Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States," June 10, 2024.

(U) briefing, the organization is task organized to provide the most accurate picture of U.S. materiel aid movements. Because of the difficulty associating equipment and munition deliveries with a specific PD and differences between tracking records, MAC-2C officials should assist this effort by annotating transportation control numbers, serial numbers, or container numbers, when available, and identify PD numbers associated with each shipment unit.

(U) In addition, SAG-U and MAC-2C personnel were not aware of the exact item types and quantities directed in each PD EXORD. According to SAG-U and MAC-2C officials, they had not seen a copy of the DSCA's weekly PD tracker, but they agreed that the tracker would be helpful in associating items with PD EXORDs. Therefore, the DSCA should add SAG-U, 21st Theater Sustainment Command, and MAC-2C personnel to the distribution list of weekly PD trackers.

(U) The DSCA and Military Services Do Not Have Full Awareness of the Actual PDA Delivery Status and May Inaccurately Report PD EXORD Completion and Inadequately Account for Property

(U) Because the Military Services' do not have full awareness of the actual status of PDA item deliveries to Ukraine, the Services inaccurately reported progress toward each PD EXORD completion and inadequately documented item accountability in their property books. In turn, the DSCA lacks awareness of the actual status of PD EXORD completion and may make inaccurate reports to Congress. In addition, the Military Services may requisition for replacement items prematurely or fail to close out PD EXORDs in the DSCA 1000 for items that were already delivered. The Services that wait for delivery confirmation may be unable to request replacement funding before the funding authorizations expire, which may impact unit readiness. According to Air Force officials, the Service lost an opportunity to request replacement funding for over \$14 million in PD items provided to Ukraine because they could not confirm delivery before the replacement funding expired. These items, including a significant number of high-mobility multipurpose wheeled vehicles, were part of expired issued PD EXORDs that were over 18 months old at the time.

(U) Recommendations, Management Comments, and Our Response

(U) Revised and Redirected Recommendations

~~(CUI)~~ After completing our field work, USAREUR-AF issued Fragmentary Order 4 to Modification 6 of Operations Order 0019-23 on August 19, 2024, which changed the

~~(CUI)~~ command relationship of SAG-U and MAC-2C. [REDACTED]
[REDACTED]
[REDACTED]

(U) The SAG-U Chief of Staff, responding on behalf of the SAG-U Commander, agreed with the major elements of Recommendation 3, stating that documentation for the transfer of U.S. military aid to Ukraine should be regulated. In addition, the Chief of Staff stated that the recommendation should be redirected to USAREUR-AF because of the recent change of command relationships within Fragmentary Order 4. Based on our review of USAREUR-AF and SAG-U comments, we revised, merged, and renumbered two recommendations from the draft report as the new Recommendation 2 and directed the recommendation to the USAREUR-AF Commanding General. In addition, we revised Recommendation 1, and revised and renumbered draft report Recommendations 4 through 7 as Recommendations 3 through 6.

(U) Recommendation 1

(U) We recommend that the Defense Security Cooperation Agency Director:

- a. **(U) Modify the Security Assistance Management Manual or “DSCA Handbook for Foreign Assistance Act (FAA) Drawdown of Defense Articles and Services” to define that delivery and title transfer for Presidential Drawdown Authority items occurs when items are transferred to foreign government control and provide clear guidance in policy or execute orders on when organizations are to record defense articles as delivered in the Defense Security Cooperation Agency 1000 System for Ukraine drawdown security assistance.**
- b. **(U) Implement procedures to verify that the Military Services enter data into the Defense Security Cooperation Agency 1000 System within 90 days after delivery, as directed in the Defense Security Cooperation Agency Security Assistance Management Manual, by monitoring Security Assistance Group-Ukraine and the Military Aid Contribution and Coordination Cell trackers and documentation.**
- c. **(U) Add Security Assistance Group-Ukraine, 21st Theater Sustainment Command, and the Military Aid Contribution and Coordination Cell to the distribution list of weekly Presidential Determination trackers.**
- d. **(U) Implement a plan of actions and milestones to provide technical updates and administrative procedures that improve functionality and provide simpler and more timely access to the Defense Security**

(U) Cooperation Agency 1000 System for Military Services and other organizations with a need to know.

(U) Management Actions Taken

(U) After our field work on this evaluation, the DSCA issued electronic change 692 to the SAMM on June 13, 2024, to update the definition of “delivery” for PDA. Specifically, the section on drawdowns was updated to clarify when services and articles are considered delivered and when title transfers. The change to the SAMM clarifies that articles provided to a partner through PDA are considered delivered when constructive delivery occurs and title transfers to the partner, either during or before physical delivery of the article. The SAMM modification allows for early constructive delivery and transfer of title for unique cases, such as the completion of modifications and exportability work that must occur before physical delivery. However, the SAMM update also states that the Military Departments cannot unilaterally update their records without first obtaining documentation from the partner nation representatives accepting ownership of the transferred items. If the Military Departments are unable to provide the paperwork directly to a partner representative, then a combatant command representative may facilitate the receipt, staging, and onward movement of materiel designated for PDA transfer. The combatant command representative is then responsible for completing title transfer paperwork and providing it to the Military Departments. Although the SAMM also states that a DD-1348-1A signed by an authorized partner representative is required to document proof of title transfer, we observed that these forms are typically not included with PDA shipments designated for Ukraine.

(U) To comply with the new SAMM requirement for PDA support to Ukraine, the Military Services will require SAG-U personnel supporting USEUCOM to facilitate the completion and receipt of DD Forms 250 as documentation of title transfer at the point of physical delivery at LEN-P. The SAMM update also clarifies that the Military Departments must only report materiel as delivered in the DSCA 1000 system after title transfers and the supporting delivery documentation is available. The SAMM further states that Military Departments maintain responsibility to verify item movements are tracked through DoD internal systems and physical delivery to the partner is complete. In addition, the Departments must retain documentation of physical delivery. The DSCA update to the SAMM addressed our Recommendation 1.a.; therefore, we consider this recommendation closed.

(U) Management Comments Required

(U) The DSCA Director did not respond to the recommendations in the draft report. Therefore, Recommendations 1.b through 1.d are unresolved. We request that the Director provide comments to the final report within 30 days.

(U) Recommendation 2

(U) We recommend that the U.S. Army Europe and Africa Commanding General:

- a. **(U) Direct 21st Theater Sustainment Command and the Military Aid Contribution and Coordination Cell to regularly maintain and post U.S. equipment delivery tracking data and completed shipment transfer documentation to a secure portal that is accessible by the Military Services and other organizations with a need to know to support an accurate property accountability and delivery status with DoD forms appropriately completed by Ukrainian officials.**
- b. **(U) Direct the 21st Theater Sustainment Command and the Military Aid Contribution and Coordination Cell personnel to add Presidential Determination numbers (or the equivalent project code) and transportation control numbers to the maximum extent possible to delivery trackers and completed receipt documents for each shipment unit and to scan and upload the documentation to a secure portal.**

(U) U.S. Army Europe and Africa Chief of Staff Comments

~~(CUI)~~ The USAREUR-AF Chief of Staff agreed with the recommendation [REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] The Chief of Staff also commented that while accountability of defense articles is a responsibility of the Military Departments, as noted in the report, USAREUR-AF will ensure that its efforts support the recommendations made in the report by directing the 21st Theater Sustainment Command and SAG-U to make transfer documentation available to the Military Services.

(U) Our Response

(U) Comments from the Chief of Staff addressed the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation when USAREUR-AF provides documentation showing that USAREUR-AF tasked its subordinate commands and the commands executed the actions to meet the intent of the recommendation.

(U) Recommendation 3

(U) We recommend that the Army Chief of Staff implement procedures that include the use of Security Assistance Group–Ukraine and the Military Aid Contribution and Coordination Cell tracking and documentation to:

- a. **(U) Maintain accountability for all Presidential Drawdown Authority defense articles in a Service accountable property system of record while in transit and until final delivery to Ukrainian officials at Logistics Enabling Node–Poland and maintain auditable records of all transfer documentation.**
- b. **(U) Enter Presidential Drawdown Authority items into the Defense Security Cooperation Agency 1000 System within 90 days after delivery, as directed in the Defense Security Cooperation Agency Security Assistance Management Manual.**

(U) Management Comments Required

(U) The Army Chief of Staff did not respond to the recommendation in the draft report. Therefore, the recommendation is unresolved. We request that the Chief of Staff provide comments on the final report within 30 days.

(U) Recommendation 4

(U) We recommend that the Chief of Naval Operations implement procedures that include the use of Security Assistance Group–Ukraine and the Military Aid Contribution and Coordination Cell tracking and documentation to:

- a. **(U) Maintain accountability for all Presidential Drawdown Authority defense articles in a Service accountable property system of record while in transit and until final delivery to Ukrainian officials at Logistics Enabling Node–Poland and maintain auditable records of all transfer documentation.**
- b. **(U) Enter Presidential Drawdown Authority items into the Defense Security Cooperation Agency 1000 System within 90 days after delivery, as directed in the Defense Security Cooperation Agency Security Assistance Management Manual.**

(U) U.S. Navy Branch Head, Fleet Logistics and Spares Comments

(U) The Office of the Chief of Naval Operations for Installations and Logistics, Branch Head, Fleet Logistics and Spares, responding on behalf of the Chief of Naval Operations, neither agreed nor disagreed with the recommendation. The Branch Head commented that the Navy intends to send personnel to observe LEN-P operations to understand the

(U) current process for receipt tracking and documentation requirements and inform Navy's corrective action plan to improve accountability and process improvements.

(U) Our Response

(U) Comments from the Branch Head partially addressed the recommendation; therefore, the recommendation is unresolved. While the Branch Head stated that the Navy will make a corrective action plan, they did not state how this plan would maintain accountability of PDA items in an accountable property system of record while in transit until final delivery to Ukrainian officials or how it would incorporate MAC-2C transfer documentation into their records for an audit trail. We request the Branch Head provide additional comments to the final report to clarify whether the Navy agrees or disagrees with the recommendation, and that they describe how the Navy's corrective action plan will address the specifics of the recommendation.

(U) Recommendation 5

(U) We recommend that the Air Force Chief of Staff implement procedures that include the use of Security Assistance Group-Ukraine and the Military Aid Contribution and Coordination Cell tracking and documentation to:

- a. **(U) Maintain accountabilities for all Presidential Drawdown Authority defense articles in a Service accountable property system of record while in transit and until final delivery to Ukrainian officials at Logistics Enabling Node-Poland and maintain auditable records of all transfer documentation.**
- b. **(U) Enter Presidential Drawdown Authority items into the Defense Security Cooperation Agency 1000 System within 90 days after delivery, as directed in the Defense Security Cooperation Agency Security Assistance Management Manual.**

(U) U.S. Air Force Deputy Director of Logistics Comments

(U) The Headquarters U.S. Air Force Deputy Director of Logistics, responding on behalf of the Air Force Chief of Staff, agreed with the recommendation. The Deputy Director stated that the Air Force has taken steps to improve the accountability for delivery confirmation with weekly data validations with the DSCA and SAG-U, and now receives daily updates from SAG-U tracking tools and engages directly with points of contact to resolve concerns. The Deputy Director also stated that the Air Force increased the number of personnel with access to the DSCA 1000 system to ensure entry of delivery updates within 90 days. The Air Force is monitoring the effectiveness of these improved procedures and is continuing to identify opportunities to automate data collection and reporting.

(U) Our Response

(U) Comments from the Deputy Director met the intent of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation when we verify that the Air Force implemented procedures to confirm delivery of equipment with SAG-U or MAC-2C to ensure property accountability.

(U) Recommendation 6

(U) We recommend that the Marine Corps Commandant implement procedures that include the use of Security Assistance Group–Ukraine and the Military Aid Contribution and Coordination Cell tracking and documentation to:

- a. **(U) Maintain accountability for all Presidential Drawdown Authority defense articles in a Service accountable property system of record while in transit and until final delivery to Ukrainian officials at Logistics Enabling Node–Poland and maintain auditable records of all transfer documentation.**
- b. **(U) Enter Presidential Drawdown Authority items into the Defense Security Cooperation Agency 1000 System within 90 days after delivery, as directed in the Defense Security Cooperation Agency Security Assistance Management Manual.**

(U) U.S. Marine Corps Systems Command Executive Director Comments

(U) The Marine Corps Systems Command Executive Director, responding on behalf of the Marine Corps Commandant, agreed and stated that compliance depends on USEUCOM's and SAG-U's ability to provide delivery documentation to the Military Departments. The Executive Director also stated that the Marine Corps is coordinating with SAG-U to establish the necessary information management plan and procedures for the Marine Corps to access the documentation portal to ensure accurate property accountability.

(U) Our Response

(U) Comments from the Executive Director met the intent of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation when we verify that the Marine Corps implemented their information management plan and procedures to access the documentation needed to ensure accurate property accountability.

(U) Appendix

(U) Scope and Methodology

(U) We conducted this evaluation from February 2024 through August 2024 in accordance with the “Quality Standards for Inspection and Evaluation,” published in December 2020 by the Council of the Inspectors General on Integrity and Efficiency. Those standards require that we adequately plan the evaluation to ensure that objectives are met and that we perform the evaluation to obtain sufficient, competent, and relevant evidence to support the findings, conclusions, and recommendations. We believe that the evidence obtained was sufficient, competent, and relevant to lead a reasonable person to sustain the findings, conclusions, and recommendations.

(U) We identified and reviewed criteria documents applicable to the DSCA and the Military Services’ responsibilities for maintaining accountability for and tracking deliveries of PDA defense items to Ukraine. Specifically, we reviewed the following applicable criteria.

- (U) DoD Instruction (DoDI) 5000.64, “Accountability and Management of DoD Equipment and Other Accountable Property,” April 27, 2017 (Incorporating Change 3, June 10, 2019)
- (U) Army Regulation 710-4, “Inventory Management: Property Accountability,” December 26, 2023
- (U) DoDI 5000.64_Department of the Air Force Instruction 23-111, “Accountability and Management of DoD Equipment and Other Accountable Property,” December 6, 2021
- (U) Office of the Chief of Naval Operations Instruction 4440.26C, “Accountability and Management of Operating Materials and Supplies & Government Furnished Property,” July 11, 2023
- (U) Marine Corps Order 4400.201, “Management of Property in the Possession of the Marine Corps” (Incorporating Change 2, March 2, 2020)
- (U) DSCA Manual 5101.38, “Security Assistance Management Manual (SAMM),” (Incorporating Electronic Change 694, June 21, 2024)
- (U) DSCA H-1, “DSCA Handbook for Foreign Assistance Act (FAA) Drawdown of Defense Articles and Services,” June 2004
- (U) Under Secretary of Defense (Comptroller) Memorandum, “General Business Rules for Use of Drawdown Authority and Replacement of Items and

(U) Reimbursement for Services Provided Under Drawdown Authority,”
June 1, 2023

- (U) U.S. Transportation Command Defense Transportation Regulation 4500.9-R, Part II, “Cargo Movement,” Appendix E, “Security Cooperation Program (SCP) Shipments: Foreign Military Sales (FMS) and Building Partner Capacity Cooperative Programs,” April 27, 2023

(U) During the evaluation, we obtained and referenced the following support documentation.

- (U) 39th Transportation Battalion, “Military Aid Contribution and Coordination Cell Information Briefing”
- (U) USAREUR-AF Operations Order 19-0023, “Security Assistance Group–Ukraine” (Modification 6, November 22, 2023)
- (U) USAREUR-AF Operations Order 19-0023, “Security Assistance Group–Ukraine” (Fragmentary Order 4 to Modification 6, August 19, 2024)
- (U) SAG-U Information Briefing, “Accountability and Oversight,” October 2023
- (U) USEUCOM Spreadsheet, “High Priority Outstanding PDA Deliveries,” March 15, 2024
- (U) SAG-U PDA/Ukraine Security Assistance Initiative Master List, March 14 and April 21, 2024
- (U) Army Sustainment Command briefing, “LMI PD UKR Sourcing Information,” March 5, 2024
- (U) Sustainment Working Group SAG-U/J4 Mobility Update, April 18, 2024
- (U) DSCA PD EXORD One PD 2021-03, September 10, 2021
- (U) DSCA PD EXORD Four PD 2023-09, October 11, 2023
- (U) DSCA PD EXORD One PD 2024-01, May 10, 2024
- (U) DSCA PD EXORD One PD 2024-03, June 7, 2024
- (U) DSCA Weekly PD Tracker, March 12, 2024

- (U) DSCA Drawdown Summary Report, “Classified Annex Items,” March 21, 2024
- (U) Air Force Slides, “PDA Undelivered Value 18+ Months After Issued Date,” April 23, 2024

(U) We analyzed a non-statistical sample of 162 defense line items from PD 30 through PD 54 to compare the delivery status in the DSCA 1000 system with the status in other trackers, such as the USEUCOM high priority list, SAG-U’s consolidated tracker, and the MAC-2C tracker. We only selected items from the DSCA’s March 12, 2024, tracker that were already marked as delivered to compare to other trackers that were marked current as of March 14, 2024, or newer. We grouped sample PD item comparisons within each Military Service to determine the percent of items that each Service accurately marked as delivered in the DSCA 1000.

(U) We collected a small sample of 12 items marked as fully delivered in the DSCA 1000 from the previous sample and provided this sample to MAC-2C personnel to identify what their tracking records showed. We also asked MAC-2C personnel to provide the required documentation for each item that was recorded as transferred (NATO Forms 302 and, for items transferred in February 2024 or later, a DD Form 250 and any DD Forms 1348-1A with the shipment). We compared SAG-U’s tracker for these items with MAC-2C’s trackers to determine the extent to which they matched.

(U) We also interviewed personnel from the Office of the Under Secretary of Defense for Acquisition and Sustainment, DSCA, Military Services, USEUCOM, USAREUR-AF, SAG-U, and MAC-2C. We contacted these organizations to determine their respective roles and processes to account for and track deliveries of PDA defense items to Ukraine. The Air Force provided additional details on PD items for which they could not request replacement funds because they could not confirm delivery before the expiration of the EXORD and availability of replacement funds.

(U) Use of Computer-Processed Data

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

(U) Prior Coverage

(U) During the last 5 years, the Government Accountability Office (GAO) and the DoD OIG issued five reports discussing the transportation and delivery of U.S. PDA defense articles to Ukrainian control.

(U) Unrestricted GAO reports can be accessed at <http://www.gao.gov>. Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/reports.html/>.

(U) DoD OIG

(U) DoD OIG Report No. DODIG-2024-093, "Evaluation of the Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States," June 10, 2024

(U) This evaluation found that DoD components often sent defense materiel with inaccurate or inadequate documentation and that DoD personnel could not easily identify defense materiel being provided to Ukraine using military shipping labels or by querying transportation systems. The evaluation recommended that the U.S. Transportation Command review shipping operations and develop and implement procedures that make it easier to track and identify PDA materiel. The report also recommended that the DSCA update EXORDs to direct shippers to use Foreign Military Sales transportation and documentation procedures for PDA shipments, such as identifying the PD order number on the generic military shipping label and including DD Forms 1348-1A with each shipment unit. The U.S. Transportation Command partially agreed with the recommendation to incorporate the PD number on shipping labels, stating that Chairman of the Joint Chiefs of Staff Instruction 4110.01F provides guidance for the use of project codes as a mechanism to identify shipments requiring special recognition or aligned to distinct efforts. The Command created an operational planning team that recommend a unique project code be assigned to each PD mission to provide greater accountability and auditability of individual PDs. The U.S. Transportation Command stated that it would coordinate with the Joint Staff and issue codes for the DSCA to include in each PD EXORD. The DSCA concurred with the recommendation, stating that it will update the wording in future EXORDs to request Services to include specific codes on the military shipping label in line with U.S. Transportation Command direction.

(U) DoD OIG Report No. DODIG-2024-053, "Evaluation of USEUCOM's Planning and Execution of Ground Transportation of Equipment to Support Ukraine from Port to Transfer Locations," February 8, 2024

(U) This evaluation found that DoD officials implemented security controls for equipment; however, USAREUR-AF did not consistently maintain documentation on the tracking of PD equipment transported from the Port of Bremerhaven to the final transfer location. The evaluation recommended that the USAREUR-AF Commander develop and implement a plan to ensure that PD equipment traveling through the USEUCOM area of responsibility is equipped with in-transit visibility devices or other means and methods to ensure near-real time visibility of PD equipment in accordance with USEUCOM guidance. The USAREUR-AF Commander agreed with the recommendation and stated that the Command implemented additional accountability measures, including tasking the 21st Theater Sustainment Command with overseeing in-transit visibility for directed materiel, managing flight tracking,

(U) and providing manning at the Polish logistics hub 24 hours a day, 7 days a week. The actions fully addressed the intent of the recommendation; therefore, this recommendation was closed.

(U) DoD OIG Report No. DODIG 2024-028, "Management Advisory on Accountability of U.S. Army Equipment Transferred to Ukraine," November 15, 2023

(U) This management advisory found that the U.S. Army Security Assistance Command did not properly account for defense equipment delivered to Ukraine in the Army's property book system and did not follow Army Regulation 710-2 requirements to physically inventory all property at the reception point of transfer to Ukrainian officials. The report recommended that the Commander of Army Materiel Command develop and implement a plan to inventory and sign for transfers of all Army defense articles provided to Ukraine under PD EXORDs at all logistics enabling nodes in accordance with Army Regulations. The report also recommended that the Commander of the U.S. Army Security Assistance Command coordinate with SAG-U to reconcile the property book discrepancies and, if the property book could not be reconciled, initiate and process a financial liability investigation of property loss to correct its property book. The Commanders agreed with the recommendations and are working to implement a plan to provide accountability of U.S. Army equipment transferred to Ukraine and reconcile items already transferred. Therefore, both recommendations are resolved and remain open.

(U) DoD OIG Report No. DODIG 2023-084, "Evaluation of Accountability Controls for Defense Items Transferred Via Air to Ukraine Within the U.S. European Command Area of Responsibility," June 8, 2023

(U) This evaluation found that DoD personnel did not consistently complete all required forms and record item quantities and could not confirm that the quantities of defense items received matched the quantity shipped as the Defense Transportation Regulation requires. The report recommended that the Under Secretary of Defense for Acquisition and Sustainment provide guidance to the Military Departments and Defense agencies to verify compliance with Defense Transportation Regulation and PD EXORDs. The report also recommended that SAG-U issue operational-level procedures to instruct personnel executing transfer missions to withhold transferring items not accounted for on the shipping manifest until all discrepancies are reconciled. The first recommendation is resolved and open. SAG-U did not agree with the second recommendation, stating that only USEUCOM can provide theater-level guidance; therefore, the recommendation is unresolved in the final report.

(U) GAO

(U) GAO Report No. GAO-24-106289, "Ukraine: DoD Should Improve Data for Both Defense Article Delivery and End-Use Monitoring," March 2024

(U) The GAO found that the DoD did not revise the SAMM or PDA guidance or create new guidance to document novel aspects of the equipment-tracking and delivery process used for Ukraine. DoD guidance does not provide a standard definition of when a defense article is considered "delivered" in the PDA process, when delivery must be entered into DSCA 1000, or how the Services are to confirm that an equipment item was delivered. In addition, the DSCA had no process for ensuring the accuracy of the information in the DSCA 1000. The GAO concluded that the DoD did not maintain accurate data in the DSCA 1000 because the Service records define articles as delivered at different points in the delivery process. In addition to other recommendations, the GAO recommended the Secretary of Defense clarify the definition of delivery used to populate the DoD system of record for PDA and develop a process to regularly assess and improve the accuracy of the delivery data in the DoD system of record.

(U) Management Comments

(U) U.S. Army Europe and Africa Commanding General



~~SECRET REL USA, FVEY, NATO~~

DEPARTMENT OF THE ARMY
UNITED STATES ARMY EUROPE AND AFRICA
UNIT 29351
APO AE 09014-9351

AELG

4 October 2024

MEMORANDUM FOR Department of Defense, Office of Inspector General

SUBJECT: United States Army Europe and Africa Response to Evaluation of the Accountability of Presidential Drawdown Authority (PDA) Defense Item Deliveries to Ukraine Project No. D2024-DEV0PD-0090.000

1. ~~(S//REL USA, FVEY, NATO)~~ [REDACTED]

2. United States Army in Europe and Africa (USAREUR-AF) concurs with comments concerning the Department of Defense Inspector General's (DODIG) recommendation that the USAREUR-AF Commanding General modify the operations order to assign the Security Assistance Group - Ukraine (SAG-U) with the responsibility to ensure that the transition of ownership of material at the Logistics Enabling Node - Poland (LEN-P) is properly documented on DOD forms and completed by Ukrainian officials.

a. ~~(S//REL USA, FVEY, NATO)~~ [REDACTED]

b. This change stems from changes to the operational relationship between SAG-U and the units providing support at LEN-P and USAREUR-AF's role in the title transfer of defense articles under the PDA. Accounting for and conducting title transfer of defense articles under PDA is a responsibility of the Military Department (MILDEP), as noted in the report. USAREUR-AF recognizes its role at LEN-P in supporting the MILDEPs with those efforts. Accordingly, USAREUR-AF will ensure that its efforts support the recommendations made in the report to Defense Security Cooperation Agency (DSCA), the MILDEPs, and SAG-U. USAREUR-AF will direct the 21st SC and SAG-U to make transfer documentation available to the services via Microsoft Teams on SIPR.

(U) U.S. Army Europe and Africa Commanding General (con't)

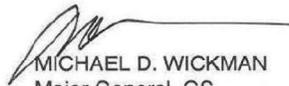
~~SECRET REL USA, FVEY, NATO~~

AELG

SUBJECT: United States Army Europe and Africa Response to Evaluation of the Accountability of PDA Defense Item Deliveries to Ukraine Project No. D2024-DEV0PD-0090.000

c. USAREUR-AF also agrees with the DODIG findings that the DSCA and the MILDEPs need forward teams of personnel to facilitate the accountability, transfer, and reporting within their respective organizations.

3. The POC is [REDACTED].


MICHAEL D. WICKMAN
Major General, GS
Chief of Staff

(U) Chief of Naval Operations



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
2000 NAVY PENTAGON
WASHINGTON DC 20350-2000

8020
Ser N4L/24U130051
3 Sep 24

From: Branch Head, Fleet Logistics and Spares (OPNAV N4L5)
To: DoD Inspector General, OCO Evaluations

Subj: RESPONSE TO DODIG DRAFT REPORT: EVALUATION OF THE
ACCOUNTABILITY OF PDA DEFENSE EQUIPMENT DELIVERIES TO UKRAINE

Ref: (a) D2024-DEV0PD-0090.000 Evaluation of the Accountability of PDA Defense
Equipment Deliveries to Ukraine, August 2024

1. Subject report from DoDIG contains two recommendations to Navy which are applicable to all services. Recommendation 5, parts a) and b) specifically, are directly provided below:

“(U) We recommend that the Chief of Naval Operations implement procedures that include the use of Security Assistance Group-Ukraine tracking and documentation to:

a. Maintain accountability for all Presidential Drawdown Authority defense articles in a Service accountable property system of record while in transit until final delivery to Ukrainian officials at Logistics Enabling Node-Poland and maintain auditable records of all transfer documentation.

b. Enter Presidential Drawdown Authority items into the Defense Security Cooperation Agency 1000 system within 90 days after delivery, as directed in the Defense Security Cooperation Agency Security Assistance Management Manual.”

2. In response to expected release of subject report specifically concerning DoDIG's recommendations, Navy intends to send a delegation from OPNAV N4L forward to observe, document and bring forth recommendations during Q1 FY25 to Logistics Enabling Node-Poland. This visit will improve Navy's understanding of the current process for receipt tracking and documentation requirements and inform Navy's corrective action plan to improve accountability and process improvement in response to DoDIG's findings.

3. The OPNAV N4L5 point of contact for this action is [REDACTED].


T. E. ARNOLD
CAPT, SC, USN

(U) Chief of Staff of the Air Force



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

13 September 2024

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

FROM: HQ USAF/A4
1670 Air Force Pentagon
Washington, DC 20330-1670

SUBJECT: (U) Department of the Air Force Response to DoD Office of Inspector General Draft Report, "Evaluation of the Accountability of PDA Defense Equipment Deliveries to Ukraine" (Project No. D2024-DEV0PD-0090.000)

1. (U) This is the Department of the Air Force response to the DoDIG Draft Report, "Evaluation of the Accountability of PDA Defense Equipment Deliveries to Ukraine" (Project No. D2024-DEV0PD-0090.000). The DAF concurs with the report as written and welcomes the opportunity to improve these procedures within the Air Force.

2. (U) The HAF/A4, in coordination with SAF/IA, will correct issues identified in this report, and develop and implement a corrective action plan outlined in the following recommendations:

RECOMMENDATION 6: (U) The DODIG recommends that the Air Force Chief of Staff implement procedures that include the use of Security Assistance Group-Ukraine tracking and documentation to:

a. (U) Maintain accountability for all Presidential Drawdown Authority defense articles in a Service accountable property system of record while in transit and until final delivery to Ukrainian officials at Logistics Enabling Node-Poland.

b. (U) Enter Presidential Drawdown Authority items into the Defense Security Cooperation Agency 1000 System within 90 days after delivery, as directed in the Defense Security Cooperation Agency Security Assistance Management Manual.

DAF RESPONSE: (U) The Air Force concurs with the recommendations as written in the draft report for Project DEV0PD-0090.000, "Evaluation of the Accountability of PDA Defense Equipment Deliveries to Ukraine." The Air Force acknowledges the unprecedented speed, volume, and complexity in providing defense articles in support of Ukraine. Throughout this audit, among other related projects implemented by DoDIG and the Government Accountability Office, the Air Force has taken steps to improve the accountability for delivery confirmation with weekly data validations with the Defense Security Cooperation Agency and Security Assistance Group-Ukraine. The Air Force now receives daily updates from SAG-U tracking tools and engages directly with POCs to resolve concerns. The Air Force also increased the

(U) Chief of Staff of the Air Force (con't)

2

number of personnel with access to the DSCA 1000 system to ensure entry of delivery updates within the 90 days prescribed by the Security Assistance Management Manual. The Air Force continues to monitor the effectiveness of these improved procedures and identify opportunities to automate data collection and reporting.

3. (U) The HAF/A4 point of contact is [REDACTED]

[REDACTED]
KIM M. BROWN, SES, DAF
Deputy Director of Logistics
DCS/Logistics, Engineering & Force
Protection

(U) Commandant of the Marine Corps



~~CUI~~

UNITED STATES MARINE CORPS
MARINE CORPS SYSTEMS COMMAND
2200 LESTER STREET
QUANTICO VIRGINIA 22134-5050

IN REPLY REFER TO:
4400
OPS
21 Aug 24

From: Commander, Marine Corps Systems Command
To: Department of Defense Office of Inspector General
[REDACTED]

Subj: EVALUATION OF THE ACCOUNTABILITY OF PRESIDENTIAL PDA
DEFENSE ITEM DELIVERIES TO UKRAINE

Ref: (a) Project No. D2024-DEV0PD-0090.000 Draft Report

1. Per the reference, the United States Marine Corps concurs with recommendations 7a and b with comment.

a. Service compliance for recommendation 7a is directly dependent upon European Command and Security Assistance Group-Ukraine (SAG-U)'s ability to provide delivery documentation to the Military Departments, i.e., recommendation 3a to SAG-U.

b. The Marine Corps is already coordinating with SAG-U and is working towards establishing the necessary information management plan and procedures for the Marine Corps to access the documentation portal to ensure accurate property accountability.

c. In addition, we are coordinating with Defense Security Cooperation Agency and Indo-Pacific Command to ensure a similar information management plan and procedures are in place for materiel delivered to Taiwan.

2. My point of contact for this matter is [REDACTED].
[REDACTED]

[REDACTED]

LESLIE J. FERGUSON
Executive Director

Copy to:
DMCS (Audit)
LP
MCLC

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~~CUI Category: OPSEC~~
~~Distribution/Limited Dissemination Control: FEDCON~~
~~POC: [REDACTED]~~

~~CUI~~

(U) Commander, Security Assistance Group–Ukraine



DEPARTMENT OF THE ARMY
UNITED STATES ARMY EUROPE AND AFRICA
HEADQUARTERS, SECURITY ASSISTANCE GROUP - UKRAINE
UNIT 29623
APO AE 09096

AEAG-CS

2 September 2024

MEMORANDUM FOR U.S. Department of Defense Inspector General (DoDIG)

SUBJECT: Response to Evaluation of the Accountability of PDA Defense Item Deliveries to Ukraine, Project No. D2024-DEV0PD-0090.000

1. (U) This memorandum serves as the Security Assistance Group-Ukraine (SAG-U) recommendations to the DoDIG regarding standardization of processes and procedures for the transfer of U.S.-donated materiel aid through the Logistics Enabling Node – Poland (LEN-P) and Materiel Aid Contribution and Coordination Cell (MAC-2C). Additionally, to provide suggestions on how to manage the information access requirements for data associated with these assets.
2. (U) DoD IG recommendation #1: Direct headquarters staff and Military Aid Contribution and Coordination Cell personnel to regularly maintain and post U.S. equipment delivery tracking data and completed shipment transfer documentation to a secure portal that is accessible by the Military Services and other organizations with a need to know to support an accurate property accountability and delivery status.
 - a. (U) SAG-U response: The MAC-2C has a process established for documenting incoming and outgoing U.S. materiel aid. The process includes uploading DD Form 250s (issuing receipt) and NATO Form 302s (customs clearance documentation) to a shared folder on a secured SIPR TEAMS page. SAG-U concurs that this documentation should be regulated. Due to the recent change of Command Relationship of the MAC-2C through FRAGORD 4 to MOD 6 of U.S. Army Europe and Africa (USAREUR-AF) OPOD 0019 23, SAG-U recommendation is that USAREUR-AF tasks the 21st Theater Sustainment Command (21st TSC), through an order, to address the upkeep and management of the MAC-2C's SIPR TEAMS portal. SAG-U further concurs in making the documents on the secured SIPR TEAMS accessible to the Military Services once verified and uploaded.
3. (U) DoD IG Recommendation: Direct Military Aid Contribution and Coordination Cell personnel to add Presidential Determination numbers and transportation control numbers to the maximum extent possible to delivery trackers and release documents for each shipment unit prior to signature and stamp from Ukrainian liaisons and to scan and upload the documentation to a secure portal.
 - a. (U) SAG-U Response: Assuming that the DoDIG was referencing the addition of Presidential Drawdown (PD) numbers to delivery trackers, SAG-U recommends that USAREUR-AF tasks the 21st TSC in an order to add PD numbers and transportation control numbers to the maximum extent possible to delivery trackers.

(U) Commander, Security Assistance Group– Ukraine (cont'd)

b. (U) SAG-U does not concur with releasing shipment documents prior to signature and stamping by Ukrainian liaisons. SAG-U's standpoint is that there is no benefit to uploading documentation to the SIPR TEAMS page prior to signature and stamping because the materiel is still considered to be in-transit. SAG-U recommends that no shipment documents get uploaded to the secured portal until official closeout of the documentation (i.e. when Ukrainian liaisons have signed and stamped the appropriate documents). Services interested in receiving in-transit tracking information can contact the SAG-U J4 Mobility section at the following email address: [REDACTED].

4. (U) The point of contact for this memorandum is the [REDACTED].

[REDACTED]

WILLIAM C. FREEMAN
Brigadier General, U.S. Air Force
Chief of Staff

(U) Acronyms and Abbreviations

APSR	Accountable Property System of Record
DSCA	Defense Security Cooperation Agency
EXORD	Execute Order
GoU	Government of Ukraine
LEN-P	Logistics Enabling Node–Poland
MAC-2C	Military Aid Contribution and Coordination Cell
NATO	North Atlantic Treaty Organization
PD	Presidential Determination
PDA	Presidential Drawdown Authority
SAG-U	Security Assistance Group–Ukraine
SAMM	Security Assistance Management Manual
USAREUR-AF	U.S. Army Europe and Africa
USEUCOM	U.S. European Command

~~SECRET//REL to USA, FVEY, NATO~~



DEPARTMENT OF DEFENSE | OFFICE OF INSPECTOR GENERAL

4800 Mark Center Drive
Alexandria, Virginia 22350-1500
www.dodig.mil
DoD Hotline 1.800.424.9098

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