



# INSPECTOR GENERAL

*U.S. Department of Defense*

## SEMIANNUAL REPORT TO CONGRESS

APRIL 1, 2024, *through* SEPTEMBER 30, 2024



INDEPENDENCE ★ INTEGRITY ★ EXCELLENCE ★ TRANSPARENCY

## Mission

*We promote the economy, efficiency, and effectiveness of DoD programs, and the integrity of its workforce and operations, through impactful audits, evaluations, investigations, and reviews.*

## Vision

*We are a high-performing team driving positive change.*



## Whistleblower Protection

### U.S. DEPARTMENT OF DEFENSE

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

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## Message from the Inspector General



*Honorable Robert P. Storch*

On behalf of the Department of Defense (DoD) Office of Inspector General (OIG), I am pleased to present this Semiannual Report to Congress. This report highlights the independent oversight my office conducted on the programs, operations, and personnel of the DoD from April 1, 2024, through September 30, 2024.

Oversight of U.S. security assistance for Ukraine has remained a top priority for the DoD OIG. As the Special IG for Operation Atlantic Resolve, I and my staff continued to collaborate with our colleagues at the Department of State OIG and U.S. Agency for International Development OIG, the Government Accountability Office, and more than 20 other Federal oversight agencies to conduct comprehensive whole-of-government oversight of all aspects of U.S. assistance to Ukraine. During the last 6 months, the DoD OIG issued 12 audits, evaluations, and other oversight reports related to U.S. security assistance for Ukraine. Of note, we completed an evaluation examining the DoD's accountability of lost or destroyed defense articles provided to Ukraine that required enhanced end-use monitoring. We found that the Office of Defense Cooperation–Ukraine did not consistently obtain timely or complete loss reports for the \$62.2 million in reported lost or destroyed defense articles, which increases the risk that the DoD could lose accountability over these items. We also have 23 ongoing and 7 planned oversight projects related to security assistance to Ukraine and plan to announce more in the coming months.

In addition to our programmatic oversight, the Defense Criminal Investigative Service (DCIS), the criminal investigative arm of the DoD OIG, has staff in the United States, Ukraine, Poland, and Germany who are investigating allegations of waste, fraud, and abuse related to U.S. assistance for Ukraine. We have several memorandums of understanding in place with relevant Ukrainian entities and DCIS works closely with them to ensure we get the information we need to investigate cases with a DoD nexus.

Our oversight also focuses on how the DoD is addressing other global threats. As the Lead IG for Operation Inherent Resolve, I recently traveled with the Department of State IG to Qatar, Bahrain, Kuwait, Iraq, and Syria to meet with leaders from various U.S. military commands and embassies and foreign counterparts. This included briefings from the 379th Air Expeditionary Wing, at Al Udeid Air Base in Qatar, and the Naval Support Activity–Bahrain about the threat from the Islamic State of Iraq and Syria (ISIS), Iran-aligned militias, and discussions throughout the region about the future of U.S. forces in Iraq. We also learned about critical issues affecting the Operation Enduring Sentinel mission related to Afghanistan, including the threat from the Islamic State affiliate in Afghanistan and the handling of refugees from that country.

The Indo-Pacific region is another top focus area for our oversight work, given the importance of DoD efforts to address emerging threats in the region. I recently visited U.S. military installations in Guam and Japan—my third trip to the region since coming on board in December 2022—to meet with DoD personnel and discuss operations there. I directed that the DoD OIG expand our oversight presence in the region to ensure we are fully capable of conducting investigative and programmatic oversight of DoD operations in this critical area of the world. DCIS has increased its staff in Hawaii, South Korea, Guam, and Japan and is hosting fraud working groups to combat corruption in the region. In FY 2025, we plan to increase oversight projects in the Indo-Pacific region.

Our office's extensive oversight encompasses DoD programs and operations worldwide. During this reporting period, we issued 68 oversight reports and management advisories and made 325 recommendations to the DoD for improvement. Our Administrative Investigations Component published three whistleblower and Service member restriction misconduct investigations and oversaw an additional 138 investigations conducted by the Military Service and Defense agency OIGs. We remain committed to ensuring that individuals who come forward with what they reasonably believe to be evidence of wrongdoing are protected.

We continue to work with the DoD Office of Performance Improvement to implement an interactive dashboard to provide the DoD with a holistic view of open DoD OIG recommendations. This dashboard will enhance the DoD's ability to manage the inventory of open recommendations to optimize the benefits of our oversight work. This effort aligns with our core value of transparency, and we hope it will result in more timely DoD implementation of DoD OIG recommendations and, thereby, drive positive change.

During the reporting period, we did not experience any attempts by the DoD to interfere with our independence. The DoD fully cooperated with our work and did not refuse to provide, attempt to delay, or restrict access to records or other information.

I want to thank the more than 1,860 DoD OIG employees worldwide for their work that promotes the economy, efficiency, and effectiveness of DoD programs and operations and the integrity of DoD personnel. I look forward to our office building on these efforts as we work to maximize the impact and transparency of our oversight.



Robert P. Storch  
Inspector General

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## Reporting Requirements for the Inspector General

The Inspector General Act of 1978, as amended, states that each Inspector General (IG) shall, no later than April 30 and October 31 of each year, prepare semiannual reports summarizing the activities of the office during the immediately preceding 6-month periods ending March 31 and September 30.<sup>1</sup> The IG Act specifies reporting requirements for semiannual reports.

| REFERENCES                  | REQUIREMENTS   | PAGES        |
|-----------------------------|--|--------------|
| 5 U.S.C. § 404(a)(2)        | Review existing and proposed legislation and regulations   | 21           |
| Section 5(a)(1)             | Significant problems, abuses, and deficiencies   | 1-5          |
| Section 5(a)(2)             | Recommendations made before the reporting period, for which corrective action has not been completed, including the potential cost savings associated with the recommendation  | 34           |
| Section 5(a)(3)             | Significant investigations closed  | 16-19        |
| Section 5(a)(4)             | Total number of convictions resulting from investigations  | 15           |
| Section 5(a)(5)             | Listing of each audit, inspection, or evaluation and, if applicable, questioned costs, unsupported costs, and funds be put to better use   | 9-12         |
| Section 5(a)(6)             | Management decisions made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period   | 35-38        |
| Section 5(a)(7)             | Information described under section 804(b) of the Federal Financial Management Improvement Act of 1996 (reasons why an agency has not met target dates established in a remediation plan)  | 21           |
| Section 5(a)(8)             | Appendix containing the results of any peer review conducted by another OIG during the reporting period or, if none, date of last peer review conducted  | 23           |
| Section 5(a)(9)             | List of any outstanding recommendations from any peer review conducted by another OIG that have not been fully implemented, status of implementation, and why implementation is not complete   | 23           |
| Section 5(a)(10)            | List of any peer reviews conducted by the IG of another OIG and any outstanding recommendations  | 23           |
| Section 5(a)(11)            | Statistical tables showing total number of investigative reports issued during the reporting period; persons referred to the Department of Justice for criminal prosecution during the reporting period; persons referred to State and local prosecuting authorities for criminal prosecution during the reporting period; and indictments and criminal information during the reporting period that resulted from any prior referral to prosecuting authorities | 15           |
| Section 5(a)(12)            | Description of the metrics used for developing the data for the statistical tables under paragraph (11)  | 15           |
| Section 5(a)(13)            | Report on each investigation conducted by the Office where allegations of misconduct were substantiated involving a senior Government employee or senior official (as defined by the Office)   | 17-19        |
| Section 5(a)(14)            | Description of any instance of whistleblower retaliation, including information about the official found to have engaged in retaliation  | 18           |
| Section 5(a)(15)            | Information related to interference by the establishment   | ii           |
| Section 5(a)(16)            | Descriptions of the particular circumstances of each evaluation and audit closed and not disclosed to the public; and investigations involving a senior Government employee that is closed and was not disclosed to the public   | 12-13, 17-19 |
| Section 5<br>Statutory Note | Annex on final completed contract audit reports containing significant audit findings  | 24-31        |

<sup>1</sup> Public Law 117-263, "James M. Inhofe National Defense Authorization Act for Fiscal Year 2023," section 5273, "Semiannual Reports." As the National Defense Authorization Act (NDAA) amendments to section 5 modifying the reporting requirements in the IG Act are not yet codified in 5 U.S.C. § 405, all section 5 citations are to the requirements as amended by the NDAA.

# REPORTING REQUIREMENTS

| REFERENCES                           | REQUIREMENTS   | PAGES     |
|--------------------------------------|--|-----------|
| 5 U.S.C. § 408(f)(1)                 | Information on number and types of contract audits and information on any DoD audit agency that received a failed opinion on an external peer review or is overdue for an external peer review | 32, 23    |
| FY 2021 NDAA<br>Section 554(a)(4)(B) | Summary of the activities of the Deputy Inspector General for Diversity and Inclusion and Extremism in the Military  | 22, 10-12 |

## Reporting Requirements for the Head of the Agency

The DoD OIG compiles information related to these requirements for the Secretary of Defense.

| REFERENCES      | REQUIREMENTS  | PAGES |
|-----------------|---|-------|
| Section 5(b)(2) | Statistical tables regarding management decisions and final actions   | 35-40 |
| Section 5(b)(4) | Statement explaining why final action has not been taken with respect to each audit, inspection, and evaluation report in which a management decision has been made but final action has not yet been taken | 41-78 |

# SIGNIFICANT PROBLEMS, ABUSES, AND DEFICIENCIES

This section provides a description of significant problems, abuses, and deficiencies related to the administration of programs and operations of the establishment and associated reports and recommendations for corrective action. Click on a report title to read more.

## Security Assistance to Ukraine

### Audit of the DoD's Revaluation of the Support Provided to Ukraine Through Presidential Drawdown Authority (DODIG-2024-095)

The DoD OIG determined that the DoD's efforts to revalue the defense articles provided under Presidential Drawdown Authority (PDA) did not result in an accurate valuation and were not in compliance with Federal or DoD guidelines. Based on a nonstatistical sample, the DoD OIG determined that the DoD overvalued the sample of items reviewed by \$1.9 billion. More specifically, the Military Departments (MILDEPs) overvalued General Equipment (GE), including vehicles, aircraft, and other items subject to depreciation, in the sample by \$653 million. MILDEPs overvalued Operating Materials and Supplies (OM&S), including missiles, ammunition, and other items not subject to depreciation, in the sample by an additional \$1.3 billion. This occurred because the MILDEPs did not verify the accuracy of GE and OM&S valuations, MILDEP financial reporting material weaknesses plagued proper recording and reporting of PDA provided to the Government of Ukraine, and DoD policies needed to be more specific on developing PDA estimates and reconciling PDA estimates to actual costs. As a result, the DoD's failure to properly value GE and OM&S risks undermining confidence in how the DoD reports the use of the PDA provided by Congress for Ukraine and other partner nations. The DoD OIG made several recommendations, including that the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD (USD[C]/CFO) require the MILDEPs to perform a full reconciliation of GE and OM&S provided to the Government of Ukraine under PDA Execute Orders 1 through 37 to ensure the assets are valued according to applicable policy. Additionally, the DoD OIG recommended that in coordination with the Defense Security Cooperation Agency (DSCA), the USD(C)/CFO determine policy for valuing GE with a net book value of zero and develop a standardized pricing methodology for OM&S.

### Evaluation of the DoD's Accountability of Lost or Destroyed Defense Articles Provided to Ukraine Requiring Enhanced End-Use Monitoring (DODIG-2024-097)

The DoD OIG determined that, as of November 26, 2023, a total of \$62.2 million in enhanced end-use monitoring (EEUM)-designated items have been reported as lost or destroyed, according to the Ukrainian Armed Forces' (UAF) reporting to the U.S. European Command's Office of Defense Cooperation in Ukraine (ODC-U). Specifically, 99.4 percent of the EEUM-designated items reported as lost or destroyed during our initial period of review through July 31, 2023, were night vision devices. The ODC-U and the DSCA took steps to improve inventory reporting, including requiring quarterly reporting from the UAF during the latter half of 2023. The DoD OIG extended the period of review to November 26, 2023, to capture the impact of the additional reporting. As a result, the additional reporting increased the value and diversity of the items reported by the UAF as lost or destroyed. This increased loss reporting included not only night vision devices but other items, such as Javelin missiles and missile launch units. The ODC-U indicated that it cannot determine which of these items were lost and which were destroyed until it receives the circumstances of loss in the UAF loss reports. Furthermore, the ODC-U did not consistently obtain timely or complete loss reports; the average time from initial defense article loss to final loss report was 301 days, or approximately 10 times the applicable reporting requirement. Finally, U.S. European Command personnel did not consistently review or analyze the information from loss notifications and loss reports for risk of adversary capture or potential end-use violations. This occurred because reporting timelines and information requirements were inconsistent, the Security Assistance Management Manual did not provide sufficient guidance for partner nation self-reporting, and the timelines and requirements did not always provide adequate time for the UAF to investigate EEUM losses. The DoD OIG made six recommendations, including recommendations to assist the DoD in improving EEUM loss reporting by the UAF and to enhance reviews of EEUM loss reports.

## **Management Advisory: Audit of Remote Maintenance and Distribution Cell–Ukraine Restructuring Contract Invoice Oversight (DODIG-2024-108)**

The DoD OIG determined that Army contracting personnel did not properly review 53 contractor invoices as of July 26, 2023, totaling \$20 million, to ensure compliance with the contract, despite established requirements and best practices to review invoices. This occurred because the contracting officer inappropriately waived the review and approval of invoices from the contracting officer's representative. In addition, the contracting officer relied on the Defense Contract Audit Agency's (DCAA) closeout audits, which primarily focused on indirect cost rates and not on whether invoiced amounts were allowable, allocable, or reasonable. As a result, Army contracting personnel made nearly \$30,000 in improper payments on labor invoices and did not identify non-compliant contractor-submitted invoices. In addition, Army contracting personnel did not actively safeguard the Government's interests on a high-risk, cost-reimbursement contract. Finally, the Army did not have assurance that the \$20 million paid to the Remote Maintenance and Distribution Cell–Ukraine contractor as of July 2023, resulted in contractually compliant maintenance and labor services, equipment purchases, or travel. The DoD OIG made five recommendations, including that the Executive Director of the Army Contracting Command–Detroit Arsenal implement controls to ensure that Army contracting personnel maintain invoices and associated supporting documentation with a sufficient level of detail to clearly and independently support payment as required by the Financial Management Regulation. The DoD OIG further recommended that Army contracting personnel continue to take action to recoup the additional overpayments until the Government is made whole.

## **Equipment Accountability in the U.S. Indo-Pacific Command Area of Responsibility**

### **Evaluation of the DoD's Tracking and Accountability of Presidential Drawdown Equipment Provided to Taiwan (DODIG-2024-130)**

The DoD OIG found that the DoD did not effectively or efficiently implement accountability and quality controls for items delivered to Taiwan using Presidential Drawdown Authority. More than 340 pallets of items sustained water damage while they remained at the aerial port of embarkation at Travis Air Force Base for 3 months pending a flight to Taiwan. This occurred because the Army did not request the first Special Airlift Assignment Mission flight for these items until almost 2 months after the items were sent to the aerial port of embarkation, and the port was not equipped with sufficient storage capacity or able to fully mitigate the items' exposure to adverse weather conditions. Additionally, the DoD provided unserviceable and poorly packaged equipment and munitions to Taiwan. This occurred because losing units did not always comply with shipping standards. As a result, Taiwan and the DoD incurred additional costs to remediate damage to presidential drawdown items provided to Taiwan. Furthermore, the DoD's delivery of non-mission-capable presidential drawdown items to Taiwan inhibits the DoD's ability to achieve its security cooperation goals and risks degrading Taiwan's confidence in the United States. The DoD OIG made two recommendations to the Director of the DSCA, including to develop a plan for drafting presidential drawdown execute orders. The plan should explain each Service's specific responsibilities and timelines related to the shipment of presidential drawdown equipment to the port of embarkation and for requesting delivery of the equipment to ports of debarkation.

## **Stockage and Storage in the U.S. Central Command Area of Responsibility**

### **Audit of the Army's Management of Army Prepositioned Stock–5 Equipment (DODIG-2024-083)**

The DoD OIG determined that the Army did not effectively manage contractor execution of the storage, maintenance, and accountability of Army Prepositioned Stock–5 (APS-5) equipment in Kuwait. This occurred because Army officials did not consistently follow quality control procedures to enforce contract requirements, validate and ensure correction of maintenance deficiencies, or validate the accuracy of weapons and sensitive item inventories. In addition, when Army officials identified that the contractor failed to meet contract requirements,

the contracting officer did not hold the contractor accountable. As a result, 25 (44 percent) of the 57 pieces of equipment the DoD OIG inspected had at least one maintenance deficiency that resulted in non-mission capable equipment. In addition, the DoD OIG determined that Army officials did not review invoices before payment to verify contractor-reported costs because the officials misinterpreted invoice review requirements and reviewed only the APS-5 contractor's purchase requests. Additionally, the contracting officer never verified that invoice reviews occurred. As a result, the Army did not have assurance that the \$133.4 million paid to the APS-5 contractor resulted in receipt of contracted services. The DoD OIG made 15 recommendations to address the Army's lack of oversight of the storage, maintenance, and accountability of APS-5 equipment, including recommending that the Army update its standard operating procedures to require additional oversight of contractor-completed maintenance work. Furthermore, the DoD OIG recommended that the Army should review the actions of the contracting officer for the APS-5 maintenance contract and take administrative action to hold the contracting officer accountable for failing to oversee the APS-5 contract and enforce contract terms. The DoD OIG also recommended that the Army should request the DDCAA perform a review of the 50 invoices, totaling \$133.4 million, to verify whether contractor-reported direct and indirect costs were allowable, allocable, and reasonable.

## **Audit of Munitions Storage in Jordan (DODIG-2024-126)**

The DoD OIG determined that Air Force officials generally stored munitions in accordance with applicable security and accountability policies. However, Air Force officials could improve the safety of stored munitions. Specifically, 332nd Expeditionary Maintenance Squadron officials did not manage munitions storage in accordance with approved net explosive weight (NEW) limits for some munitions storage structures reviewed. This occurred because of an administrative error when updating NEW limits in the Theater Integration Combat Munitions System and because 332nd Air Expeditionary Wing (AEW) weapons safety managers did not ensure that Air Force officials were aware of NEW limits. In addition, 332nd AEW weapons safety managers did not maintain continuous awareness of the NEW totals for the munitions stored in all munitions storage structures reviewed. This occurred because 332nd AEW weapons safety managers believed annual reviews of a sample of NEW totals were sufficient. When Air Force officials do not manage munitions storage in accordance with approved NEW limits, the risk of serious injury, loss of life, and damage to property increases and the ability to fully use munitions storage structures is reduced. In addition, without continuous awareness of the NEW totals of stored munitions, Air Force officials cannot effectively manage explosives safety programs to ensure compliance with munitions safety standards. The DoD OIG made three recommendations, including that the Commander of the 332nd AEW require incoming 332nd AEW weapons safety managers to verify that the 332nd AEW Weapons Safety Division SharePoint page contains current NEW for all munitions storage structures and verify at least quarterly the NEW totals in all munitions storage structures to ensure that all organizations storing munitions comply with NEW limits. This audit was the final in a series of four in the region.

## **Pricing and Financial Management**

### **Audit of Financial Improvement and Audit Remediation Contracts for DoD Components (DODIG-2024-096)**

The DoD OIG determined that DoD Components did not effectively manage Financial Improvement and Audit Remediation (FIAR) contracts or report accurate information to the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, (OUSD[C]/CFO) for the annual FIAR report. The DoD OIG identified 12 contracts containing FIAR-related objectives, valued at \$104 million, in which the DoD did not include in the annual FIAR Report. This occurred because the OUSD(C)/CFO did not define the specific tasks and types of contracts that DoD Components should use for supporting FIAR efforts. As a result, DoD Components did not efficiently use the contracts to meet FIAR goals and, in FY 2022, spent more than \$75 million of FIAR contract funds on non-remediation efforts. The DoD OIG made 16 recommendations, including that the Assistant Secretaries of the Army, Navy, and Air Force (Financial Management and Comptroller) and the CFO of the Defense Logistics Agency better align their FIAR contracts to FIAR goals and develop a plan to reduce their use of contractors for FIAR efforts by transitioning to DoD personnel.

## **Audit of Repair Pricing on the F/A-18 Hornet Radar Systems (DODIG-2024-122)**

The DoD OIG determined that the Department of the Navy did not obtain fair and reasonable pricing for repair of the AN/APG-65 and AN/APG-73 radars on the F/A-18 Hornet. While Naval Supply Systems Command Weapon Systems Support (NAVSUP WSS) followed Federal Acquisition Regulation price reasonableness determination requirements, it obtained fair and reasonable prices for only the repair of 100 (47 percent) of 211 parts, totaling \$12 million, and did not obtain fair and reasonable prices for repair of 111 (53 percent) of 211 parts, totaling \$33 million, on five definitized delivery orders. The DoD OIG determined that this occurred because NAVSUP WSS did not identify fluctuations in contracted costs compared to actual touch costs and allowed inconsistent allocation of the support costs across the delivery orders. Touch costs are costs that are easily traceable to an individual item, such as direct labor of the workers who touch the product as it is being repaired. As a result, NAVSUP WSS paid at least \$3.9 million in excess of fair and reasonable prices for repair of 211 parts. The DoD OIG made four recommendations, including that the Commander, NAVSUP WSS, direct NAVSUP WSS contracting officials to determine whether payments above actual costs were made on the five delivery orders and implement available options to seek recovery, including voluntary refunds of at least \$3.9 million. The DoD OIG also recommended that the officials identify and implement a methodology for consistently allocating the support costs across the repair contract line-item numbers and require the contractor to use the consistent methodology.

## **Digital Services and Modernization**

### **Audit of the Defense Digital Service Support of DoD Programs and Operations (DODIG-2024-087)**

The DoD OIG determined that 5 of the 10 Defense Digital Service (DDS) engagements reviewed met their intended purpose. For the other five engagements, the DoD OIG was unable to determine if they met their intended purpose because DDS officials did not maintain adequate records of those engagements. This occurred because the Office of the Secretary of Defense (OSD) did not establish effective internal controls to ensure DDS implemented Federal and DoD records management policies. In addition, the Washington Headquarters Services (WHS), which was required to provide guidance to DDS officials on the creation and organization of a records management program and ensure compliance with records management policies, did not ensure that a program was established at the DDS. Adequate records of all DDS engagements are necessary so that DoD officials can analyze the effectiveness of DDS efforts and DDS officials can identify best practices for use throughout the DoD. The DoD OIG also substantiated the DoD Hotline allegation that DDS officials relied on waivers of DoD policies they improperly granted to themselves to use unauthorized information technology tools and services to store, process, and transmit DoD-controlled unclassified information, which puts DoD data at risk of compromise and in violation DoD policy. This occurred because the OSD did not establish effective internal controls to ensure that the DDS Director exercised their authorities as intended. As a result, DDS Directors exposed DoD information to additional cybersecurity risk and increased the risk of compromise. The DoD OIG made 15 recommendations, including that the Chief Digital and Artificial Intelligence Officer (CDAO), who oversees the DDS, develop, resource, and implement a records management program and develop a clear waiver request process for CDAO directorates that includes a requirement to document and maintain records of the requests. The DoD OIG also recommended that the CDAO assess the hardware, software, cloud services, networks, and any other tools used by the DDS since 2015 to ensure compliance with DoD cybersecurity requirements.

## **Audit of the DoD's Development and Maintenance of the Digital Modernization Strategy (DODIG-2024-104)**

The DoD OIG determined that the DoD Chief Information Officer (CIO) did not develop or maintain the Digital Modernization Strategy (DMS) in accordance with all Office of Budget and Management (OMB) Circular No. A-130 requirements. Although the DoD CIO ensured that the DMS describes the agency's technology and information resource goals and demonstrates how the goals map to the agency's mission and organizational priorities, the DoD CIO did not ensure that 54 (41 percent) of the 131 strategy elements that support the DMS goals are specific, verifiable, and measurable or conduct annual DMS reviews in FYs 2022 and 2023 or provide support that the reviews were conducted in FYs 2020 and 2021. This occurred because the Office of the CIO personnel were unaware that the strategy elements were not specific, verifiable, and measurable. Additionally, due to staff turnover, they could not provide support to the DoD OIG that they conducted annual DMS reviews in FY 2020 and FY 2021. Without specific, verifiable, and measurable strategy elements, the DoD cannot meaningfully track progress towards achieving the DMS goals. In addition, by not conducting annual DMS reviews, the DoD may have missed opportunities to update the DMS goals, objectives, or strategy elements based on performance gaps identified during the Annual Performance Plan reviews. The DoD OIG made 10 recommendations, including that the DoD CIO develop and implement standard operating procedures that include definitions for specific, verifiable, and measurable.



# OVERSEAS CONTINGENCY OPERATIONS

Upon designation, the DoD IG works with the Department of State and U.S. Agency for International Development (USAID) OIGs under the Lead IG framework to ensure comprehensive oversight of all Federal programs and operations conducted in support of an Overseas Contingency Operation (OCO). The DoD OIG is the designated Lead IG for Operation Inherent Resolve (OIR), Operation Enduring Sentinel (OES), and the Special IG for Operation Atlantic Resolve (OAR).

The DoD OIG prepared a comprehensive oversight plan and submitted quarterly reports on the designated OCO to Congress that were also posted on the DoD OIG’s public website. The DoD OIG also issued classified appendices for all three OCOs and provided those documents to relevant agencies and congressional committees. To view the quarterly reports, click on the report title in Table 1.

Table 1. OCO Oversight Plans and Quarterly Reports Issued During the Reporting Period

| Title  | Report Period or Date          |
|--|--------------------------------|
| Operation Inherent Resolve and Other U.S. Government Activities Related to Iraq & Syria                                | January 1, 2024–March 31, 2024 |
| Operation Atlantic Resolve Including U.S. Government Activities Related to Ukraine                                     | January 1, 2024–March 31, 2024 |
| Operation Enduring Sentinel and Other U.S. Government Activities Related to Afghanistan (OES)                          | January 1, 2024–March 31, 2024 |
| Operation Inherent Resolve (OIR)   | April 1, 2024–June 30, 2024    |
| Operation Atlantic Resolve (OAR)   | April 1, 2024–June 30, 2024    |
| FY 2025 Joint Strategic Oversight Plan for Operation Atlantic Resolve, Including U.S. Government Activities to Ukraine | September 30, 2024             |
| FY 2025 Comprehensive Oversight Plan Overseas Contingency Operations   | September 30, 2024             |

Source: The DoD OIG.

## Ukraine Oversight

During the reporting period, the DoD OIG issued nine reports and three management advisories related to Ukraine, on subjects including end-use monitoring of defense articles provided to Ukraine, training of Ukrainian Armed Forces on Patriot air and missile defense systems, and validating and responding to Ukrainian requests for military equipment and assistance. These reports are specifically annotated in Table 2.

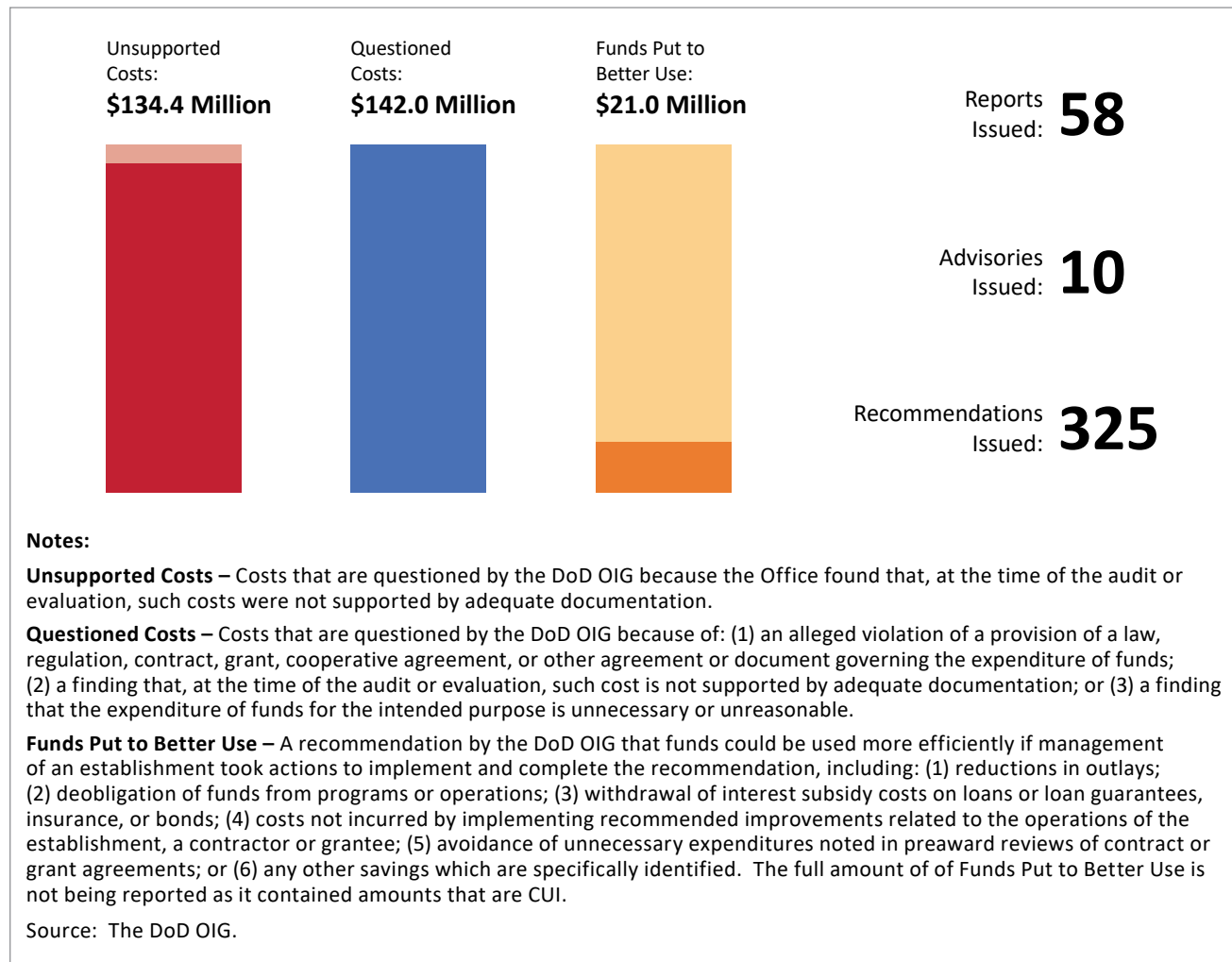
Since launching [www.UkraineOversight.gov](http://www.UkraineOversight.gov) in March 2024, the DoD OIG, with continued collaboration from the Department of State and USAID OIGs and the Government Accountability Office, has enhanced and updated the website in alignment with the release of the quarterly OAR reports to Congress. What started as a comprehensive catalog of U.S. Government oversight activities related to Ukraine now includes additional pages with up-to-date information on funding, investigations, and Hotline complaint activity. The design and layout of the website continues to evolve with a focus on improving user experience and increasing user accessibility to provide transparency for the American public and Congress. Check [www.UkraineOversight.gov](http://www.UkraineOversight.gov) for a comprehensive look at U.S. Government assistance to Ukraine.



## AUDITS AND EVALUATIONS

The Audit Component audits DoD operations, systems, programs, and functions and the Evaluations Component evaluates DoD operations, programs, policies, and procedures. Evaluations also conducts assessments of DoD programs and peer reviews of DoD audit components. This section provides statistical highlights and lists audit reports, evaluation reports, and management advisories issued during the reporting period.

Figure 1. Audit and Evaluations Statistical Highlights



## Oversight Products Issued

During the reporting period, the DoD OIG issued 68 oversight reports and management advisories. Reports in the following table are listed by order of report number, which generally follows chronological order. For more information, including, as applicable, the total dollar value of questioned costs (and a separate category for the dollar value of unsupported costs) and the dollar value of recommendations that funds be put to better use for each report, click on the report title.

*Table 2. Oversight Products Issued*

| Report Title  | Report Number                 |
|---|-------------------------------|
| Review of the Navy and Marine Corps Policies Covering Sexual Harassment Complaint Processes   | DODIG-2024-071 <sup>3</sup>   |
| Evaluation of the DoD Agreements for the Industry Connections Initiative  | DODIG-2024-073 <sup>2</sup>   |
| Review of the Army's Efforts to Prevent and Respond to Harassment of Soldiers   | DODIG-2024-074 <sup>3</sup>   |
| Audit of the Defense Logistics Agency Oversight of Defense Fuel Support Points  | DODIG-2024-075                |
| External Peer Review of Air Force Audit Agency Special Access Program Projects  | DODIG-2024-076                |
| Review of the DoD Education Activity's Efforts to Report and Respond to Discriminatory Harassment at Schools  | DODIG-2024-077 <sup>3</sup>   |
| Audit of the Army's Award of Noncompetitive Contracts in Support of Ukraine   | DODIG-2024-078 <sup>4</sup>   |
| Management Advisory: Evaluation of the DoD's Handling of Operational Data from Afghanistan  | DODIG-2024-079                |
| Evaluation of the Air Force's Nuclear Certification of the F-15E, B-2, and F-35A Aircraft to Carry the B61-12 Nuclear Bomb  | DODIG-2024-080                |
| Review of the DoD's Implementation of Expediated Transfer Policy Requirements   | DODIG-2024-081 <sup>3</sup>   |
| Audit of the DoD's Controls for Validating and Responding to Ukraine's Requests for Military Equipment and Assistance   | DODIG-2024-082 <sup>4</sup>   |
| Audit of the Army's Management of Army Prepositioned Stock-5 Equipment  | DODIG-2024-083 <sup>1</sup>   |
| Management Advisory: The DoD's FY 2023 Compliance with Federal Information Security Modernization Act of 2014   | DODIG-2024-084 <sup>1</sup>   |
| Evaluation of Combatant Command Joint Military Deception Planning   | DODIG-2024-085 <sup>2,4</sup> |
| Audit of DoD Health Care Personnel Shortages During the Coronavirus Disease-2019 Pandemic   | DODIG-2024-086                |
| Audit of the Defense Digital Service Support of DoD Programs and Operations   | DODIG-2024-087                |
| Audit of the Department of Defense's FY 2023 Compliance with Payment Integrity Information Act Requirements   | DODIG-2024-088                |
| External Peer Review of the Missile Defense Agency Internal Review Office   | DODIG-2024-089                |
| Audit of DoD Training of Ukrainian Armed Forces: Patriot Air and Missile Defense System and Collective Training   | DODIG-2024-090 <sup>4</sup>   |
| Management Advisory: Evaluation of the Military Services' Training and Guidance on Political Conduct for the 2024 Presidential Election   | DODIG-2024-091                |
| Special Report: Summary of Prior DoD Office of Inspector General Contract Pricing Audits and Other Reviews  | DODIG-2024-092                |
| Evaluation of the Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States  | DODIG-2024-093 <sup>4</sup>   |
| Management Advisory: Matters Regarding Naval Support Activity Crane Identified While Evaluating Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States                | DODIG-2024-094 <sup>2</sup>   |
| Audit of the DoD's Revaluation of the Support Provided to Ukraine Through Presidential Drawdown Authority   | DODIG-2024-095                |
| Audit of Financial Improvement and Audit Remediation Contracts for DoD Components   | DODIG-2024-096 <sup>1</sup>   |
| Evaluation of the DoD's Accountability of Lost or Destroyed Defense Articles Provided to Ukraine Requiring Enhanced End-Use Monitoring  | DODIG-2024-097 <sup>1</sup>   |
| Evaluation of a Classified Program 2  | DODIG-2024-098 <sup>2</sup>   |
| Management Advisory: Review of DoD Funds Provided to the People's Republic of China and Associated Affiliates for Research Activities or Any Foreign Countries for the Enhancement of Pathogens of Pandemic Potential | DODIG-2024-099                |
| Audit of Climate Change Adaptation and Facility Resilience at Military Installations in California  | DODIG-2024-100 <sup>1</sup>   |
| Audit of Remote Maintenance and Distribution Cell-Ukraine Restructuring Contract Surveillance Planning and Contractor Oversight   | DODIG-2024-101                |
| DoD Compliance with the Buy American Act for Light Emitting Diode Lighting Improvement Projects   | DODIG-2024-102                |
| Summary External Peer Review of the Air Force Audit Agency  | DODIG-2024-103                |

Table 2. Oversight Products Issued (cont'd)

| Report Title   | Report Number                 |
|--|-------------------------------|
| Audit of the DoD's Development and Maintenance of the Digital Modernization Strategy   | DODIG-2024-104                |
| Evaluation of Selected DoD Senior Colleges' Response to Allegations of Harassment  | DODIG-2024-105 <sup>3</sup>   |
| Evaluation of Contested Mobility Training Requirements for Personnel Supporting the DoD Surge Sealift Mission  | DODIG-2024-106                |
| Management Advisory: Non-DoD Solid Waste Burning At or Near DoD-Occupied Sites   | DODIG-2024-107                |
| Management Advisory: Audit of Remote Maintenance and Distribution Cell—Ukraine Restructuring Contract Invoice Oversight  | DODIG-2024-108 <sup>1</sup>   |
| Management Advisory: U.S. Air Forces in Europe Handling of Sensitive Information at Logistics Node—Romania   | DODIG-2024-109 <sup>2</sup>   |
| Evaluation of the U.S. Cyber Command Operational Relationship with the National Security Agency  | DODIG-2024-110 <sup>2</sup>   |
| Evaluation of a Classified Program 3   | DODIG-2024-111 <sup>1,2</sup> |
| Evaluation of DoD Support of the Development of the Iraqi Security Forces Operational Logistics and Sustainment Capabilities   | DODIG-2024-112 <sup>2</sup>   |
| Evaluation of the DoD's Replenishment and Management of 155mm High Explosive Ammunition  | DODIG-2024-113                |
| Understanding the Results of the Audit of the FY 2023 DoD Financial Statements   | DODIG-2024-114                |
| Transmittal of the Independent Auditor's Report on the Defense Enterprise Accounting and Management System as of June 30, 2024   | DODIG-2024-115                |
| Transmittal of the Independent Auditor's Report on the Procurement Integrated Enterprise Environment System for the Period October 1, 2023, Through June 30, 2024  | DODIG-2024-116                |
| Transmittal of the Independent Auditor's Report on the Defense Agencies Initiative System for the Period October 1, 2023, Through June 30, 2024  | DODIG-2024-117                |
| Transmittal of the Independent Auditor's Report on the Defense Automatic Addressing System for the Period October 1, 2023, Through June 30, 2024   | DODIG-2024-118                |
| Transmittal of the Independent Auditor's Report on the Defense Property Accountability System for the Period October 1, 2023, Through June 30, 2024  | DODIG-2024-119                |
| Transmittal of the Independent Auditor's Report on the Army's System Supporting the Delivery of General Fund Enterprise Business System Administrative, Operational, Contract Vendor Pay, Civilian Pay, and Reimbursable Work Order—Buyer Transaction Processing Support Services for the Period of October 1, 2023, Through June 30, 2024 | DODIG-2024-120                |
| Management Advisory: Concerns with Elevated Radon Levels at Naval Support Activity Naples  | DODIG-2024-121                |
| Audit of Repair Pricing on the F/A-18 Hornet Radar Systems   | DODIG-2024-122                |
| Audit of Air Force Defective Parts and Contractor Restitution  | DODIG-2024-123                |
| Evaluation of Sustaining Engineering Actions for the Space Force's Upgraded Early Warning Radar  | DODIG-2024-124                |
| Audit of Munitions Storage in Bahrain  | DODIG-2024-125 <sup>1</sup>   |
| Audit of Munitions Storage in Jordan   | DODIG-2024-126                |
| External Peer Review of Army Audit Agency Special Access Program Projects  | DODIG-2024-127                |
| Evaluation of the DoD's Tracking and Accountability of Presidential Drawdown Equipment Provided to Taiwan  | DODIG-2024-130 <sup>1</sup>   |
| Summary of Oversight Reports on Security Assistance to Ukraine Issued From January 2020 Through February 2024, to Inform DoD Efforts to Support Israel and Other Future Security Assistance Efforts  | DODIG-2024-131 <sup>4</sup>   |
| Joint Evaluation of the DoD Foreign Material Program   | DODIG-2024-133 <sup>2</sup>   |
| Transmittal of the Independent Auditor's Report on the Army's System Supporting the Delivery of Munitions Inventory for the Period October 1, 2023, Through June 30, 2024  | DODIG-2024-134                |
| Audit of the Department of Defense's Management of Dwell Time for Service Members in the Reserve Components  | DODIG-2024-135                |
| Audit of the E-2D Advanced Hawkeye Capabilities  | DODIG-2024-136                |
| Evaluation of the Air Force's Actions to Sustain the Minuteman III Intercontinental Ballistic Missile  | DODIG-2024-137 <sup>1</sup>   |
| Evaluation of a Classified Program 4   | DODIG-2024-138 <sup>1,2</sup> |

Table 2. Oversight Products Issued (cont'd)

| Report Title   | Report Number               |
|--|-----------------------------|
| Transmittal of the Independent Auditor’s Report on Service Owned Items in Defense Logistics Agency Custody as of July 31, 2024   | DODIG-2024-139              |
| Management Advisory: The DoD Should Analyze the Use of Barcode Scanners for Conducting Inventories of Defense Articles Requiring Enhanced End-Use Monitoring           | DODIG-2024-140 <sup>1</sup> |
| Quality Control Review of the KPMG LLP FY 2023 Single Audit of Carnegie Mellon University  | DODIG-2024-142              |
| Independent Auditor’s Report on DoD OIG Assistance with OPM’s Agreed Upon Procedures for Reviewing FY2024 Civilian Payroll Withholding Data and Enrollment Information | DODIG-2024-143              |

<sup>1</sup> Management did not make a decision regarding a recommendation in the report by the end of the reporting period.

<sup>2</sup> The DoD OIG website does not have summaries of these reports. The following section provides summaries of these reports or explains why no summary is available.

<sup>3</sup> These reports are related to our oversight of diversity, inclusion, and extremism pursuant to the requirements in the FY 2021 NDAA, section 554(a)(4)(B).

<sup>4</sup> These reports are related to Ukraine oversight.

Source: The DoD OIG.

Oversight Products Not Publicly Disclosed

This section describes evaluations that the DoD OIG did not disclose to the public. We cannot prepare unclassified summaries for the following three reports due to the amount of controlled unclassified information and classified information they contain: DODIG-2024-098, DODIG-2024-111, and DODIG-2024-138.

Evaluation of DoD Agreements for the Industry Connections Initiative (DODIG-2024-073)

We reported on DoD agreements for the Industry Connections Initiative. The report included four recommendations, which included terminating MOU agreements and developing procedures for coordinating with contracting activities.

Evaluation of Combatant Command Joint Military Deception Planning (DODIG-2024-085)

The objective of this evaluation was to determine the extent to which the combatant commands have effectively conducted military deception planning in support of ongoing operations. The report included 10 recommendations.

Management Advisory: Matters Regarding Naval Support Activity Crane Identified While Evaluating Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States (DODIG-2024-094)

This management advisory reports on security concerns related to ammunition identified by the DoD OIG during the “Evaluation of the Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States.” The management advisory included four recommendations.

Management Advisory: U.S. Air Forces in Europe Handling of Sensitive Information at Logistics Enabling Node–Romania (DODIG-2024-109)

This management advisory reports on DoD officials’ operations and information security vulnerabilities that created a risk of inadvertently revealing sensitive or classified DoD information identified by the DoD OIG during the “Evaluation of Security and Accountability Controls for Defense Items Transferred to Ukraine Through Romania.” This management advisory included three recommendations.

## **Evaluation of the U.S. Cyber Command Operational Relationship with the National Security Agency (DODIG-2024-110)**

The objective of this evaluation was to review the U.S. Cyber Command's operational relationship and intelligence mission interoperability with the National Security Agency. The report included four recommendations.

## **Evaluation of DoD Support of the Development of the Iraqi Security Forces Operation Logistics and Sustainment Capabilities (DODIG-2024-112)**

The objective of this evaluation was to assess the effectiveness of the DoD's support for the development of operational logistics and sustainment capabilities for the Iraqi Security Forces. The report included one recommendation.

## **Joint Evaluation of the DoD Foreign Materiel Program (DODIG-2024-133)**

The objective of this joint evaluation by the DoD OIG and the Defense Intelligence Agency OIG was to assess the efficiency and effectiveness of the DoD Foreign Materiel Program's policy and resources for integrating Service and Combat Support Agency acquisition and exploitation of foreign materiel. The report included 10 recommendations.

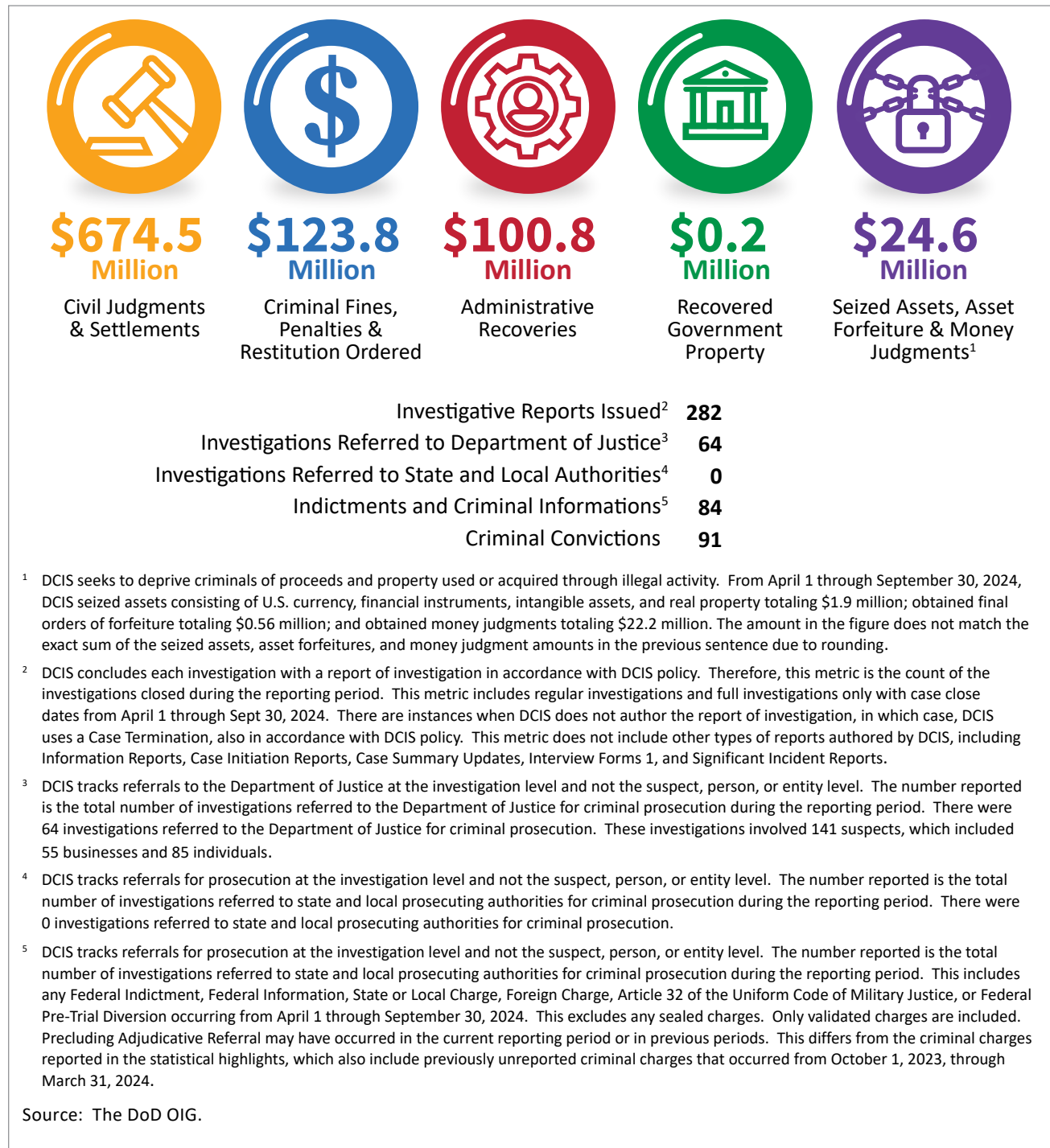


# INVESTIGATIONS

## DCIS Investigative Statistics

The Defense Criminal Investigative Service (DCIS) investigates criminal matters related to DoD programs and operations. This section provides statistical highlights and information on investigations completed during the reporting period.

Figure 2. DCIS Statistical Highlights

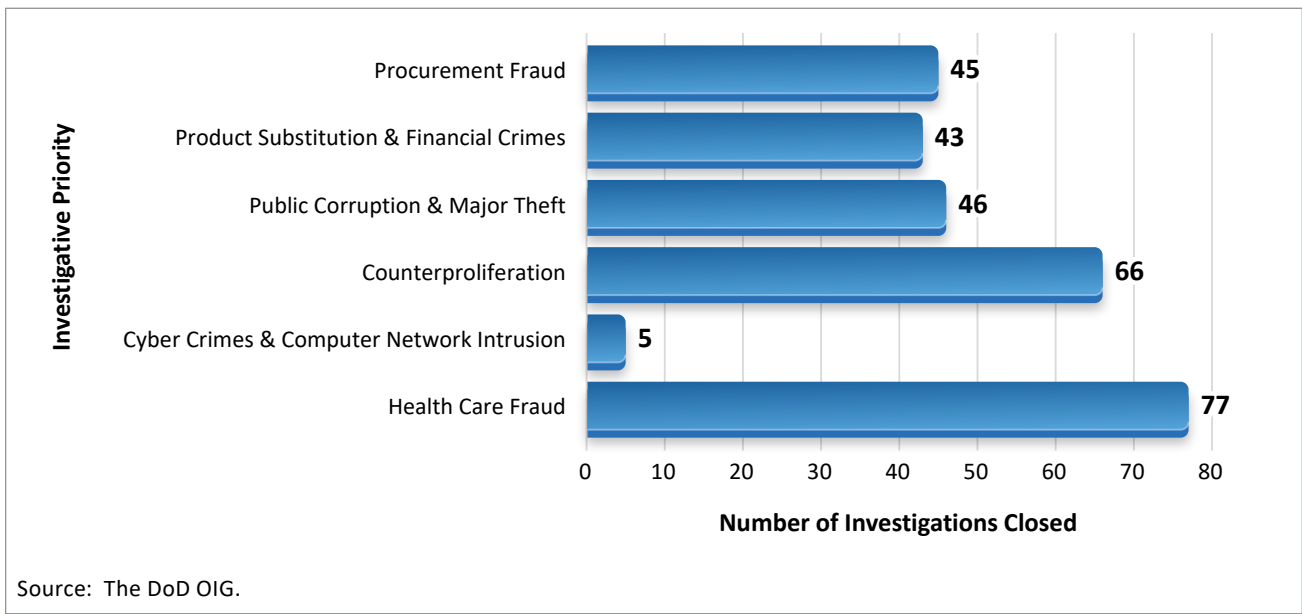


## Significant DCIS Investigations

DCIS focuses on the following investigative priorities.

- Procurement Fraud
- Product Substitution and Financial Crimes
- Public Corruption and Major Theft
- Counterproliferation
- Cyber Crimes and Computer Network Intrusion
- Health Care Fraud

Figure 3. Number of DCIS Investigations Closed During the Reporting Period by Investigative Priority



The following press releases from the Department of Justice (DOJ) highlight some of the significant investigations that DCIS and its Federal law enforcement partners completed during the reporting period. To view the press release with more details on a case, click on the title.

Table 3. Press Releases for Significant DCIS Investigations Completed During the Reporting Period

| Press Release Title  | Date          |
|--|---------------|
| <b>Procurement Fraud</b>   |               |
| Galvion to Pay \$2,495,000 to Resolve False Claims Act Allegations   | June 6, 2024  |
| Former Vice President and Employee of Florida Aircraft Parts Broker Sentenced to Prison for Aircraft Parts Fraud | June 6, 2024  |
| <b>Product Substitution and Financial Crimes</b>   |               |
| Texas Man Sentenced to More than 3 Years in Prison for Providing Faulty Military Parts                           | April 4, 2024 |
| Man Sentenced for Selling \$3.5M in Counterfeit and Substandard Electronics for Use in Military Systems          | July 18, 2024 |

Table 3. Press Releases for Significant DCIS Investigations Completed During the Reporting Period (cont'd)

| Press Release Title   | Date            |
|---|-----------------|
| <b>Public Corruption and Major Theft</b>  |                 |
| Army Officer Sentenced for Theft of Government Property and Ordered to Pay Half a Million Dollars   | July 24, 2024   |
| U.S. Army Financial Counselor Sentenced to 151 Months in Prison for Defrauding Gold Star Families   | August 21, 2024 |
| <b>Counterproliferation</b>   |                 |
| None to report this period.   |                 |
| <b>Cyber Crimes and Computer Network Intrusion</b>  |                 |
| None to report this period.   |                 |
| <b>Health Care Fraud</b>  |                 |
| Georgia Chiropractor Admits \$14.9 Million Health Care Fraud and Kickback Scheme Related to Durable Medical Equipment and Cancer Genetic Testing          | June 28, 2024   |
| Cooperating Cancer Testing Company Agrees to Pay Over \$900,000 to Resolve Allegations of False Claims for Lab Tests                                      | July 16, 2024   |
| Florida Man Charged with Six Felonies for Mail-Order Pharmacy and Healthcare Kickback Scheme  | July 17, 2024   |
| Kindred and Related Entities Agree to Pay \$19.428M to Settle Federal and State False Claims Act Lawsuits Alleging Ineligible Claims for Hospice Patients | July 17, 2024   |

Source: The DoD OIG.

## Senior Official Criminal Investigations

DCIS completed the following investigations involving senior Government employees, General Schedule (GS)-15 and above (including members of the Senior Executive Service and Senior-level employees), or military officers pay grade O-6 and above, in which the allegations of misconduct were substantiated, or the investigation was closed during the reporting period and not disclosed to the public. This section also includes the status and disposition of the matter, whether the matter was referred to the DOJ, the date of the referral, whether the DOJ declined the referral, and if so, the date of the declination.

### Substantiated

DCIS does not have any substantiated senior official investigations to report this period

### Not Substantiated

- DCIS investigated allegations that a DoD civilian Senior Executive Service employee may have influenced the hiring of another DoD Senior Executive Service employee as a result of a quid pro quo relationship. The investigation did not substantiate the allegations. On May 29, 2024, this case was referred to the DOJ and declined for prosecution.
- DCIS investigated allegations that a DoD civilian employee (GS-15) may have requested and received improper Government travel expenses. The investigation did not substantiate the allegations criminally. On November 29, 2023, this case was referred to the DOJ and declined for prosecution. The matter was referred to the appropriate DoD agency for administrative investigation.
- DCIS investigated allegations that a DoD civilian employee (GS-15) may have influenced the hiring of a family member to a DoD vendor. The investigation did not substantiate the allegations, and the matter was not referred to the DOJ.
- DCIS investigated allegations that a U.S. Naval officer (O-6) may have received bribes or improper gifts. The investigation did not substantiate the allegations. On September 24, 2024, this case was referred to the DOJ and declined for prosecution.

## Senior Official Administrative Investigations

The Investigations of Senior Officials (ISO) Directorate of the Administrative Investigations Component investigates allegations of misconduct involving senior Government employees (three-star generals and flag officers, and above), DoD political appointees, senior officials in the Joint or Defense Intelligence Community, and members of the Senior Executive Service, as well as allegations not suitable for assignment to Military Services or Defense agency OIGs. The following investigations either substantiated allegations of misconduct or were closed during the reporting period and not disclosed to the public. The following reports include the name of the senior Government employee, if the name was already made public by the DoD OIG, and the status and disposition of the matter, including whether the matter was referred to the DOJ, the date of the referral, whether the DOJ declined the referral, and if so, the date of the declination.

### Substantiated

ISO did not substantiate any senior official cases during the reporting period.

### Not Substantiated

ISO closed one case against a senior official without substantiating the allegations. ISO did not substantiate allegations that a U.S. Air Force Lieutenant General misused their position and wasted Government resources. This case was not referred to the DOJ for prosecution.

## Whistleblower Reprisal Investigations

The Whistleblower Reprisal Investigations (WRI) Directorate investigates allegations of whistleblower reprisal against members of the Armed Forces, appropriated fund (civilian) employees, employees of DoD contractors, non-appropriated fund instrumentality employees, and tenants in military privatized housing. In addition, the WRI Directorate investigates allegations that members of the Armed Forces were restricted from communicating with a Member of Congress or an IG. The following investigations either substantiated allegations of reprisal or involved allegations of reprisal against a senior Government employee, GS-15 and above (including members of the Senior Executive Service and Senior-level employees), or military officers pay grade O-6 and above.

### Substantiated

WRI closed eight investigations during the reporting period—seven whistleblower reprisal and one military restriction. Of the seven whistleblower reprisal investigations closed during the reporting period, two were substantiated and publicly released. Additionally, one military restriction investigation was substantiated and publicly released. To view the report of investigation, click on the report title.

Table 4. Substantiated Whistleblower Reprisal and Restriction Investigations

| Report Title  | Report Number  |
|---|----------------|
| Whistleblower Reprisal Investigation: U.S. Army Reserve, 11th Expeditionary Combat Aviation Brigade, Fort Carson, Colorado                    | DODIG-2024-128 |
| Whistleblower Reprisal Investigation: L.C. Industries, Inc., Vicksburg, Mississippi   | DODIG-2024-129 |
| Whistleblower Restriction Investigation: U.S. Air Force Reserve, 434th Aircraft Maintenance Squadron, Grissom Air Reserve Base, Peru, Indiana | DODIG-2024-132 |

Note: Action on recommendations is still pending for all reports.

Source: The DoD OIG.

### Recommendation Status from Previously Reported Substantiated Investigations

In June 2024, U.S. Army Cyber Command, Fort Belvoir, Virginia, reported on the actions they took in response to our report, DODIG-2024-051, “Whistleblower Reprisal Investigation: U.S. Cyber Command Fort Belvoir, Virginia,” January 31, 2024. The U.S. Army Cyber Command issued Subject 2 a Letter of Concern before their retirement from the U.S. Army.

## Not Substantiated

WRI closed five investigations in which the reprisal allegations were not substantiated during the reporting period. Of these five investigations, two cases did not involve senior Government employees. The remaining three cases involved a subject who was a senior Government employee, GS-15 and above (including members of the Senior Executive Service and Senior-level employees), or military officers pay grade O-6 and above.

The following are summaries of the three senior official cases we did not substantiate.

- WRI investigated an allegation that a U.S. Air Force Lieutenant General excluded a Senior Executive Service employee from meetings, threatened to reduce the employee's duties and responsibilities, and prevented the employee's promotion in reprisal for making protected disclosures related to potential misallocation of Federal funds.
- WRI investigated an allegation that a U.S. Air Force Lieutenant General and a U.S. Air Force Major General took multiple personnel actions against a U.S. Air Force Colonel in reprisal for making protected communications regarding gross mismanagement of a DoD contract to his chain of command and a Member of Congress. This investigation was initiated in response to a complaint filed with the DoD Hotline.
- WRI investigated an allegation that a U.S. Army Colonel selected a Defense Civilian Intelligence Personnel System employee's position for elimination in reprisal for making protected disclosures related to failure to comply with COVID-19 guidance. This investigation was initiated in response to a complaint filed with the DoD Hotline.

## Office of Professional Responsibility Investigations

The Office of Professional Responsibility (OPR) investigates allegations of misconduct by DoD OIG employees, contractor and military personnel supporting the DoD OIG, and develops reports of investigation for management to consider in weighing the appropriateness of taking disciplinary action. During the reporting period, OPR issued four reports of investigation, two of which related to senior Government employees, GS-15 or above. OPR referred three cases to the DOJ, and it declined to prosecute. OPR includes in this semiannual report all investigations of alleged misconduct by DoD OIG senior Government employees, GS-15 and above and military officers pay grade O-6, and all substantiated allegations of reprisal during the reporting period.

## Substantiated

During the reporting period, OPR investigated allegations that a DoD OIG GS-15 supervisor harassed employees. The supervisor was not in the employees' supervisory chain. The harassment allegedly consisted of making inappropriate comments to individual employees, inappropriately touching an employee in a non-sexual manner, and physically positioning themselves unreasonably close to an employee in the employee's work area. OPR did not substantiate harassment, but did substantiate that the supervisor engaged in Conduct Unbecoming a Federal Employee. During the investigation, the supervisor also failed to follow instructions from a higher-level supervisor. After considering the available evidence, management suspended the GS-15 supervisor for 3 days and reassigned them to a non-supervisory position. The matter was not referred to the DOJ.

## Not Substantiated

During the reporting period, OPR investigated allegations that a DoD OIG GS-15 supervisor harassed employees, reprised against employees, failed to follow instructions, and made a false official statement. The false official statement allegation was referred to the DOJ on May 16, 2024, and the DOJ declined to prosecute on May 22, 2024. The facts gathered during the investigation did not support the allegations, and OPR closed the investigation.

## Reprisal

OPR did not substantiate any allegations of reprisal during the reporting period.



## OTHER OVERSIGHT MATTERS

### Section 804(b) of the Federal Financial Management Improvement Act of 1996

Section 804(b) of the Federal Financial Management Improvement Act (FFMIA) requires IGs to report in their Semiannual Reports to Congress instances and reasons when an agency has not met the intermediate target dates established in its remediation plans required by the FFMIA. Section 803(a) of the FFMIA requires agencies implement and maintain financial management systems that comply substantially with Federal financial management systems requirements, applicable Federal accounting standards, and the U.S. Government Standard General Ledger at the transaction level. However, in the DoD Agency Financial Report for FY 2023, DoD management stated that the DoD did not comply with section 803(a) of the FFMIA. Furthermore, DoD management reported that this noncompliance was first identified in FY 2001, and the target correction date is FY 2028. DoD management stated that DoD financial systems do not provide the capability to record financial transactions in compliance with Federal financial management systems requirements, applicable Federal accounting standards, and the U.S. General Ledger at the transaction level. Additionally, the DoD OIG discussed DoD FFMIA compliance issues in the DoD OIG Independent Auditor's Reports on the FY 2023 and FY 2022 DoD Agency-Wide Financial Statements.

### Review of Legislation and Regulations

During the reporting period, the DoD OIG reviewed proposed legislation related to the DoD's programs and operations, worked with the DoD and Congress to amend existing laws, and reviewed proposed legislation at the request of congressional staff and the DoD. On September 24, 2024, the Deputy Inspector General for Audit testified before the House Oversight and Accountability Committee, Subcommittee on Government Operations and the Federal Workforce. The hearing, "Tracking Progress: Examining the Department of Defense's Financial Management Practices," sought to bring transparency to the DoD's financial management practices and progress toward obtaining an unmodified (clean) audit opinion.



Source: iStock.

### Best Practices Meeting with the DoD

OMB Memorandum M-22-04, December 3, 2021, promotes Federal accountability through cooperation among agencies and IGs. Consistent with this Memorandum, best practices meetings (formerly known as gold standard meetings) are a model for coordinated oversight designed to provide the DoD with the benefit of lessons learned from prior DoD OIG oversight work that can reduce fraud and improve the effectiveness of new programs. The following summary details the best practices meeting held during the reporting period.

In July 2024, DoD OIG Audit personnel held a best practices meeting with the USD(C)/CFO, DoD, to provide candid feedback on the DoD's proposed financial reporting consolidation effort. The DoD OIG explained the potential risks and challenges to the auditors' ability to perform the financial statement audits and issue an opinion on the agency-wide financial statements if the Under Secretary implements a proposed approach for consolidating and reporting the DoD Financial Statements.

### Diversity and Inclusion and Extremism in the Military

Pursuant to section 554(a)(4)(C) of the FY 2021 NDAA, the DoD OIG must report semiannually on a summary of its oversight activities of the DoD's policies, programs, systems, and processes related to diversity and inclusion in the DoD and prevention of and response to supremacist, extremist, and criminal gang activity of a member of the Armed Forces. During this period, the DoD OIG established a new Personnel and Health Affairs Directorate under the direction of an Assistant Inspector General in the Evaluations Component. As part of this effort, we combined the related work of our Diversity, Inclusion, and Extremism in the Military Component into the new Directorate, which will help us ensure comprehensive programmatic oversight of the DoD's handling of a broad range of personnel and health care issues that affect the well-being and readiness of Service members, military families, and DoD civilian personnel and contractors.

Please see Table 2 in the Audit and Evaluations section for reports annotated to meet the section 554(a)(4)(A) reporting requirement.

# APPENDIX A: PEER REVIEWS

## Peer Reviews of the DoD OIG

The following is a summary of a peer review of the DoD OIG conducted during the reporting period.

### Peer Review of the DoD OIG Audit Organization

The U.S. Department of Health and Human Services (HHS) OIG conducted a peer review of DoD OIG's audit operations system of quality control in effect for the 12-month period that ended on March 31, 2024, and issued a final report on September 25, 2024. The HHS OIG concluded that the system of quality control for the audit organization of the DoD OIG in effect for the year ended March 31, 2024, had been suitably designed and complied with to provide the DoD OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards and applicable legal and regulatory requirements in all material respects.

## Peer Reviews Conducted by the DoD OIG

The DoD OIG performed five peer reviews during the reporting period. No DoD audit agencies received a failed opinion or were overdue for an external peer review.

### External Peer Review of the Air Force Audit Agency Special Access Program Projects (DODIG-2024-076)

The DoD OIG reviewed the system of quality control for the Air Force Audit Agency Special Access Program projects in effect for the 3-year period that ended on December 31, 2022. The Air Force Audit Agency received an external peer review rating of pass. The review resulted in one recommendation to improve the documentation of independence considerations in accordance with the Government Auditing Standards.

### External Peer Review of the Missile Defense Agency Internal Review Office (DODIG-2024-089)

The DoD OIG reviewed the system of quality control for the Missile Defense Agency Internal Review (MDA IR) Office in effect for the 3-year period that ended on September 30, 2023. The MDA IR received an external peer review rating of pass. The review resulted in no recommendations.

### Summary External Peer Review of the Air Force Audit Agency (DODIG-2024-103)

The DoD OIG and the Army Audit Agency reviewed the system of quality control for the Air Force Audit Agency for the 3-year period that ended on December 31, 2022. The summary peer review combined the results of the Army Audit Agency peer review of non-Special Access Program projects and the DoD OIG peer review of Special Access Program projects. The Air Force Audit Agency received an external peer review rating of pass. The review did not include any recommendations.

### External Peer Review of the Army Audit Agency Special Access Projects (DODIG-2024-127)

The DoD OIG reviewed the system of quality control for the Army Audit Agency Special Access Program projects in effect for the 3-year period that ended on December 31, 2022. The Army Audit Agency received an external peer review rating of pass. The review did not result in any recommendations.

### Quality Assessment Review of the Administrative Investigative Operations of the Defense Health Agency Office of the Inspector General (DODOIG-2024-141)

The DoD OIG reviewed the administrative investigative operations of the Defense Health Agency (DHA) OIG. The DoD OIG determined that the system of internal safeguards and management procedures for the investigative function of the DHA OIG in effect for calendar years 2020 through 2023 complied with the quality standards established by the DoD or with other applicable guidelines. The DoD OIG made eight recommendations for improvement to the administrative investigation operations of the DHA OIG. As of September 30, 2024, three recommendations remain open.

# APPENDIX B: CONTRACT AUDITS

## Final Completed Contract or Contract-Related Audits Containing Significant Findings

During the reporting period, the DoD OIG issued 5 and the Defense Contract Audit Agency (DCAA) issued 21 final, completed contract audit reports to contracting activities containing significant audit findings.

### DoD OIG

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| <b>Audit Report No. DODIG-2024-083</b>   | <b>Date:</b> May 24, 2024 |
| <b>Subject:</b> Audit of the Army’s Management of Army Prepositioned Stock–5 Equipment   |                           |
| <b>Report:</b> \$134.4 Million in Questioned and Unsupported Costs   |                           |
| The DoD OIG determined that the Army did not consistently or effectively manage the contractor’s execution of the storage, maintenance, and accountability of Army Prepositioned Stock-5 (APS-5) equipment in Kuwait according to Army policy. Specifically, the contractor did not protect nearly 5,900 pieces of equipment from environmental conditions, perform required maintenance on equipment and weapons, or accurately account for weapons and sensitive items. As a result, the Army issued APS-5 equipment that was not mission-ready to military units in Syria and the U.S. European Command. In addition, despite issuing 157 nonconformance reports over 6 years, Army contracting officials never enforced a provision of the APS-5 contract intended to hold the contractor accountable for poor performance through reduction of the contractor’s fixed fees—fees that, based on the terms of the contract, could total nearly \$1 million. The DoD OIG also determined that Army contracting officials did not review invoices before payment. As a result, the Army does not have assurance that more than \$130 million paid to the APS-5 contractor resulted in receipt of contracted services. |                           |

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| <b>Audit Report No. DODIG-2024-096</b>  | <b>Date:</b> June 13, 2024 |
| <b>Subject:</b> Audit of Financial Improvement and Audit Remediation Contracts for DoD Components   |                            |
| The DoD OIG determined that DoD Components did not effectively manage Financial Improvement and Audit Remediation (FIAR) contracts, and as a result, DoD Components could not accurately or consistently identify and report contracts as supporting FIAR efforts. Additionally, the DoD Components did not use FIAR contract resources efficiently to meet FIAR goals, and DoD Components reported spending more than \$75 million of FIAR contract funds on non-remediation efforts in FY 2022. |                            |

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| <b>Audit Report No. DODIG-2024-108</b>   | <b>Date:</b> July 15, 2024 |
| <b>Subject:</b> Management Advisory: Audit of Remote Maintenance and Distribution Cell–Ukraine Restructuring Contract Invoice Oversight  |                            |
| <b>Report:</b> \$29,772 in Questioned Costs  |                            |
| The DoD OIG issued its third and final management advisory related to the objective. Specifically, the DoD OIG identified issues that resulted in multiple improper payments at the Remote Maintenance and Distribution Cell–Ukraine (RDC-U) in Jasionka, Poland. From February to July 2023, Army contracting personnel did not properly review contractor invoices totaling \$20 million, despite known requirements and established best practices. As a result, the Army did not have assurance that the \$20 million paid to the contractor as of July 2023 resulted in contractually compliant maintenance and labor services, equipment purchases, or travel. Additionally, Army personnel made nearly \$30,000 in improper payments on labor invoices. |                            |

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| <b>Audit Report No. DODIG-2024-122</b>  | <b>Date:</b> August 21, 2024 |
| <b>Subject:</b> Audit of Repair Pricing on the F/A-18 Hornet Radar Systems  |                              |
| <b>Report:</b> \$3.93 Million in Funds Put to Better Use  |                              |
| <p>The DoD OIG determined that the Department of the Navy did not obtain fair and reasonable pricing for repairs of the AN/APG-65 and AN/APG-73, all-weather, multimode airborne radar systems on the F/A-18 Hornet. While Naval Supply Systems Command Weapon Systems Support (NAVSUP WSS) followed Federal Acquisition Regulation price reasonableness determination requirements, it failed to obtain fair and reasonable prices for repairing 53 percent of parts worth nearly \$33 million. As a result, NAVSUP WSS overpaid at least \$3.93 million for part repairs.</p> |                              |

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| <b>Audit Report No. DODIG-2024-123</b>   | <b>Date:</b> August 27, 2024 |
| <b>Subject:</b> Audit of Air Force Defective Parts and Contractor Restitution  |                              |
| <b>Report:</b> \$3.7 Million in Questioned Costs   |                              |
| <p>The DoD OIG determined that the Air Force did not consistently hold contractors accountable in a timely manner for providing defective spare parts, nor did it obtain restitution from the contractors for those defective parts. Air Force deficiency reporting personnel were unable to provide evidence of contractor restitution for 77 defective parts valued at approximately \$500,000, resulting in questioned costs. In another case, the Air Force did not seek restitution for 45 defective C-130J Super Hercules aircraft parts valued at \$5.9 million. As a result, the Air Force was unable to recover \$3 million for defective parts and paid approximately \$200,000 to repair defective parts that the contractor should have repaired under warranty.</p> |                              |

## DCAA

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| <b>Audit Report No. 03451-2022E10100001</b>  | <b>Date:</b> April 12, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractors Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2022  |                             |
| <b>Prepared for:</b> United States Coast Guard (USCG)  |                             |
| <b>Report:</b> \$12.7 Million in Total Questioned Costs  |                             |
| <p>The DCAA identified \$12.7 million in questioned costs related to direct and indirect labor, executive compensation, subcontracts, bid and proposal costs. The DCAA's significant findings included \$6.0 million in questioned costs related to unreasonable compensation, in noncompliance with Federal Acquisition Regulation (FAR) 31.201-3, Determining Reasonableness. Other significant findings included \$3.6 million in questioned costs related to subcontract costs for which the contractor did not comply with contract terms, in noncompliance with FAR 31.201-2, Determining Allowability. The DCAA's findings also identified \$2.9 million in overtime where the contractor did not request prior approval from the Contracting Officer and the contractor utilized significant overtime as part of its regular business practice, in noncompliance with FAR 31.201-2, Determining Allowability and FAR 31.201-3, Determining Reasonableness.</p> |                             |

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| <b>Audit Report No. 09541-2023M17900002</b>  | <b>Date:</b> April 22, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractor's Government Participation Percentage per CAS 413 Salaried Pension Plan Segment Closing Link Segment Advanced Agreement Proposal  |                             |
| <b>Prepared for:</b> Defense Contract Management Agency  |                             |
| <b>Report:</b> \$22 Million Total Questioned Costs   |                             |
| <p>The DCAA identified \$22 million questioned costs due to the contractor's noncompliance with the requirements of Cost Accounting Standards 413-50(c)(12)(vi), Pension Costs and FAR 52.215-15, Pension Adjustments and Asset Reversions. The DCAA found that the Government's participation in the contractor's business base is 92.14 percent, instead of the 33.84 percent proposed, an upward adjustment of 58.3 percentage points. The contractor's proposed Government participation percentage only considered cost-type contracts and excluded the impact of pension costs allocated to fixed priced Government contracts.</p> |                             |

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| <b>Audit Report No. 04281-2024S17200001</b>   | <b>Date:</b> April 29, 2024 |
| <b>Subject:</b> Independent Audit Report on Claimed Amounts in Contractor's Nine Equitable Adjustment Claims  |                             |
| <b>Prepared for:</b> U.S. Army Corps of Engineers (USACE)-Europe District   |                             |
| <b>Report:</b> \$13.4 Million Total Questioned Costs  |                             |
| <p>The DCAA identified \$13.4 million in questioned costs related to labor, Other Direct Costs (ODCs), and subcontract Daily Burn Rates, labor overhead, General and Administration (G&amp;A) costs, builders risk, associated profit/fees, bond costs, and liquidated damages. The DCAA's significant findings include \$9.9 million in questioned costs related to labor, ODC, and subcontract Daily Burn Rates because the contractor did not appropriately allocate costs of maintaining general conditions to the benefiting claims resulting in overlapping and duplicate costs claimed in noncompliance with FAR 31.201-2, Determining Allowability; FAR 31.201-3, Reasonableness; and FAR 31.201-4, Determining Allocability. Other significant findings include \$2.1 million in questioned indirect costs related to labor overhead and G&amp;A costs due to the application final indirect rates to the questioned labor costs, ODCs, and subcontract costs.</p> |                             |

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| <b>Audit Report No. 07911-2022L10100001</b>  | <b>Date:</b> May 16, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractor Proposed Segment Contract Amounts on Unsettled Flexibly Priced Contracts and Facilities Capital Cost of Money for FY 2022   |                           |
| <b>Prepared for:</b> Defense Contract Management Agency  |                           |
| <b>Report:</b> \$15.7 Million Total Questioned Costs   |                           |
| <p>The DCAA identified \$15.7 million in questioned direct costs related to Strategic Partnership Supplier Fees. The DCAA's significant findings include \$15.7 million in questioned costs related to Subcontract Cost fees expressly unallowable as stated in the contract, in noncompliance with FAR 31.201-2(a)(4), Determining Allowability. While the contractor did not bill the Government for the fees, the contractor has continued to include the fees within their incurred cost proposals as a reimbursable cost.</p> |                           |

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| <b>Audit Report No. 5211-2022A10100001</b>   | <b>Date:</b> May 29, 2024 |
| <b>Subject:</b> Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2022  |                           |
| <b>Prepared for:</b> Defense Contract Management Agency  |                           |
| <b>Report:</b> \$60.7 Million Total Questioned Costs   |                           |
| <p>The DCAA identified \$60.7 million in questioned costs related to freight for noncompliance with FAR 31.201-2(a)(4), Determining Allowability; FAR 52.247-63, Preference for U.S. Flag Carriers; and DFARS 252.247-7023(b)(1) Transportation of Supplies by Sea. The contractor used service by foreign-flag carriers to ship freight. Additionally, the contractor did not provide a justification, as required by Fly America Act (49 U.S.C. 40118) and FAR 52.247-63(b), explaining why service by U.S.-flag air carriers was not available, or why it was necessary to use foreign-flag air carriers.</p> |                           |

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| <b>Audit Report No. 05941-2022H10100001</b>  | <b>Date:</b> May 29, 2024 |
| <b>Subject:</b> Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2022  |                           |
| <b>Prepared for:</b> Defense Contract Management Agency  |                           |
| <b>Report:</b> \$18 Million Total Questioned Costs   |                           |
| <p>The DCAA identified \$14 million in questioned costs related to Outside Business and Professional Services, Executive Compensation, G&amp;A Base, ODC Miscellaneous Direct, Transportation Allowance Payments, and ODC Direct Travel. The DCAA's significant findings include \$4.8 million in questioned costs related to executive compensation for Global Grades (GG) 14 and above in excess of the calculated reasonable Total Direct Compensation amount, which includes a 10 percent range of reasonableness, in noncompliance with FAR 31.205-6(b)(2), Compensation for Personal Services.</p> |                           |

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| <b>Audit Report No. 01451-2022Q10100006</b>   | <b>Date:</b> June 4, 2024 |
| <b>Subject:</b> Independent Accountant's Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year Ended March 31, 2022   |                           |
| <b>Prepared for:</b> Defense Contract Management Agency   |                           |
| <b>Report:</b> \$13.9 Million Total Questioned Costs  |                           |
| The independent public accountant (IPA) identified \$13.9 million of questioned costs due to inadequate supporting documentation to substantiate subcontract costs proposed in the Fiscal Year 2022 incurred cost proposal. The IPA questioned \$13.4 million of subcontract costs due to inadequate support in direct costs to in scope contracts, plus additional costs due to applied Subcontractor/Material Handling costs based on FAR 31.201-2, Determining Allowability; FAR 31.201-3, Determining Reasonableness; and FAR 31.201-4, Determining Allocability. |                           |

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| <b>Audit Report No. 06851-2022A10100003</b>   | <b>Date:</b> June 13, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractor's Proposed Local Indirect Costs including Executive and Non-Executive Compensation, Direct Labor, Procurement, Subcontracts, Incoming Intercompany Work Orders (IWOs), and Other Direct Costs (ODCs) Amounts on Unsettled Flexibly Priced Contracts for Calendar Year 2022   |                            |
| <b>Prepared for:</b> Defense Contract Management Agency   |                            |
| <b>Report:</b> \$40.8 Million Total Questioned Costs  |                            |
| The DCAA identified \$40.8 million in questioned costs related to indirect expenses, ODCs, subcontracts, and Intercompany Work Orders. The DCAA's significant findings included \$24.5M of questioned costs related to Independent Research & Development (IR&D) costs resulting from: (1) unallowable IR&D costs due to lack of registration in the Defense Technical Information Center webpage; and (2) unallowable IR&D costs that were not incurred in the calendar year 2022, in noncompliance with FAR 31.205-18, and DFARS 231.205-18, Independent Research and Development and Bid and Proposal Costs. Other significant findings included \$7.9 million in questioned costs related to the proposed loss on disposition of assets on the sale of a portion of impaired buildings and other assets from environmental damages, which have no value to the Government in noncompliance with FAR 31.205-16, Gains and Losses on Disposition or Impairment of Depreciable Property or Other Capital Assets. |                            |

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| <b>Audit Report No. 09851-2022D10100016</b>   | <b>Date:</b> June 20, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractor's Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2022  |                            |
| <b>Prepared for:</b> FD Customer  |                            |
| <b>Report:</b> \$10.5 Million Total Questioned Costs  |                            |
| The DCAA identified \$10.5 million in questioned cost related to direct contract costs and allocated indirect costs. The DCAA's significant findings included \$10.5 million in questioned costs related to eight labor categories which exceeded the reasonable non-executive compensation amount based on DCAA market analysis in accordance with FAR 31.205-6(b)(2), Compensation for Personal Services. |                            |

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| <b>Audit Report No. 01361-2022M10100010</b>  | <b>Date:</b> June 24, 2024 |
| <b>Subject:</b> Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2022  |                            |
| <b>Prepared for:</b> Defense Contract Management Agency Cost & Pricing Regional Command  |                            |
| <b>Report:</b> \$12.4 Million Total Questioned Costs   |                            |
| <p>The DCAA identified \$12.4 million in questioned costs related to non-qualified retirement benefit costs, annual meeting costs related to entertainment, public relations and advertising costs, operating lease expenses and residual claimed expenses in excess of fixed assets. The DCAA's significant findings included \$10.9 million in questioned costs due to non-qualified retirement benefits for Spillover Pension and the Supplemental Executive Retirement Plan benefits calculated over the compensation limits in noncompliance with FAR 31.201-6(a), Accounting for Unallowable Costs. Other significant findings included \$1.2 million in questioned costs related to annual management meetings and meeting expenses comprised of costs related to entertainment, public relations and advertising, and their associated costs in noncompliance with FAR 31.205-14 Entertainment Costs, FAR 31.201-6 Accounting for Unallowable Costs, FAR 31.201-3 Determining Reasonableness, and FAR 31.201-2 Determining Allowability.</p> |                            |

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| <b>Audit Report No. 09521-2022J10100002</b>   | <b>Date:</b> June 26, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractor's Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year 2022   |                            |
| <b>Prepared for:</b> Defense Contract Management Agency   |                            |
| <b>Report:</b> \$26.1 Million Net Questioned Costs  |                            |
| <p>The DCAA identified \$29.4 million in questioned costs related to Professional Services. The DCAA's significant findings included \$27.6 million in questioned costs related to internal disputes, lawsuits, and a proxy fight between the Board of Directors, chairman, and president in noncompliance with FAR 31.205-33, Professional and Consultant Service Costs, and FAR 31.201-2, Determining Allowability. Other significant findings included commitment fees to reserve a \$650 million revolving line of credit, with no documented borrowing history or evidence of usage need due to adequate government contracting funding and positive working capital cash, in noncompliance with FAR 31.201-3, Determining Reasonableness.</p> |                            |

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| <b>Audit Report No. 03451-2022D101000001</b>  | <b>Date:</b> June 27, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractor's Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year (CFY) 2022  |                            |
| <b>Prepared for:</b> Supervisory of Shipbuilding Gulf Coast (SUPSHIP)   |                            |
| <b>Report:</b> \$24.7 Million Total Questioned Costs  |                            |
| <p>The DCAA identified \$24.7 million in questioned costs related to indirect costs associated with material. The DCAA's significant findings included \$17.1 million in questioned indirect costs related to direct material the contractor failed to issue and/or consume which resulted in material being billed to contracts without a need to fulfill the production plan. Other significant findings included \$7.1 million in questioned indirect costs related to excess material that the contractor billed to contracts without a need to fulfill the production plan and failed to dispose of the excess inventory and credit Government Contracts. All indirect costs associated with material are in noncompliance with FAR 31.201-3, Determining Reasonableness and FAR 31.201-4, Determining Allocability.</p> |                            |

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| <b>Audit Report No. 01101-2022F10100006</b>   | <b>Date:</b> June 28, 2024 |
| <b>Subject:</b> Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year 2022  |                            |
| <b>Prepared for:</b> Defense Contract Management Agency   |                            |
| <b>Report:</b> \$21 Million Total Questioned Costs  |                            |
| The DCAA identified \$21 million in questioned proposed inter-organizational costs. The DCAA's significant findings included \$11 million in questioned costs related to direct material and \$9 million of questioned costs related to other direct costs plus directly associated indirect costs all related to the inter-organizational costs in noncompliance with FAR 31.201-2(d), Determining Allowability and 31.201-6, Accounting for Unallowable Costs. The DCAA questioned these costs due to the contractor not providing adequate supporting documentation for the proposed inter-organizational costs transferred. |                            |

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| <b>Audit Report No. 05311-2023T17900002</b>  | <b>Date:</b> June 28, 2024 |
| <b>Subject:</b> Independent Audit Report on Compliance with Solicitation Terms Related to Pricing  |                            |
| <b>Prepared for:</b> Defense Contract Management Agency  |                            |
| <b>Report:</b> \$12.5 Million Total Questioned Costs   |                            |
| The DCAA identified \$12.5 million in questioned costs related to direct labor, direct material, and related Cost Estimating Relationship factored material costs, other Interorganizational Work Transfer Agreement costs, and indirect costs. The DCAA's significant findings include \$10.6 million in questioned direct material costs due to costs identified as being in noncompliance with FAR 31.201-3, Determining Reasonableness. Of the questioned amount, \$9.9 million was questioned due to more current data related to proposed subcontractor costs. |                            |

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| <b>Audit Report No. 09311-2022Q10100004</b>   | <b>Date:</b> July 12, 2024 |
| <b>Subject:</b> Independent Audit Report on Contractor's Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year (FY) 2022  |                            |
| <b>Prepared for:</b> Defense Contract Management Agency   |                            |
| <b>Report:</b> \$16 Million Total Questioned Costs  |                            |
| The DCAA identified \$16 million in questioned costs related to bonuses and home office allocation costs. The DCAA's significant findings included \$15.4 million in questioned costs related to proposed bonus costs that the contractor failed to provide adequate support for the basis of the award, in noncompliance with FAR 31.205-6(f)(1)(ii), Compensation for Personal Services. Other significant findings included \$657,000 in questioned costs related to the home office allocation, in which the contractor claimed more costs than what was identified in the contractor's Home Office incurred cost submission, in noncompliance with FAR 31.201-2, Determining Allowability. |                            |

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| <b>Audit Report No. 05711-2022A42000009</b>  | <b>Date:</b> July 18, 2024 |
| <b>Subject:</b> Independent Audit Report on Certified Cost or Pricing Data CH-53K LRIP LOT 4   |                            |
| <b>Prepared for:</b> Naval Air Systems Command (NAVAIR)  |                            |
| <b>Report:</b> \$18.8 Million Recommended Price Adjustment   |                            |
| The DCAA identified a \$18.8 million recommended price adjustment for contractor proposed cost or pricing data that was not accurate, complete, and current. This resulted in a noncompliance with 10 U.S.C. chapter 271: Truthful Cost or Pricing Data (Truth in Negotiations). Of the recommended price adjustment, \$13.9 million was related to Direct Materials based on the DCAA's review of the contractors' buyer files. |                            |

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| <b>Audit Report No. 02871-2022A10100003</b>   | <b>Date:</b> August 28, 2024 |
| <b>Subject:</b> Independent Audit Report on Intermediate Level Home Office Allocations to Unsettled Flexibly Priced Contracts for Contractor Calendar Year 2022   |                              |
| <b>Prepared for:</b> Defense Contract Management Agency   |                              |
| <b>Report:</b> \$17.5 Million Total Questioned Costs  |                              |
| The DCAA identified \$17.5 million in questioned costs related to pension excess, outside legal and state tax costs. The DCAA's significant findings included \$17.2 million in questioned pension excess costs related to pension costs directly associated with unallowable compensation costs in excess of the limitations in FAR 31.205-6, Compensation for Personal Services, that the contractor failed to exclude from its pension excess costs, in noncompliance with FAR 31.201-6, Accounting for Unallowable Costs. |                              |

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| <b>Audit Report No. 02851-2022A10100003</b>   | <b>Date:</b> September 7, 2024 |
| <b>Subject:</b> Independent Audit Report for Military Engines, including Manufacturing Operations, Engineering Technical Services, and Group Home Office Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year (CFY) 2022  |                                |
| <b>Prepared for:</b> Defense Contract Management Agency   |                                |
| <b>Report:</b> \$23.4 Million Total Questioned Costs  |                                |
| The DCAA identified \$23.4 million in questioned costs, related to corporate flow-down questioned costs, Group expenses, corporate adjustments, factory overhead, general and administrative (G&A), and engineering overhead expenses. The DCAA's significant findings included \$7.5 million in questioned costs related to Manufacturing Operations factory overhead expenses for which the contractor failed to provide the commercial item determination and did not identify the unallowable costs transferred between divisions, in noncompliance with FAR 31.205-26(e), Material Costs. Other significant findings included \$6.3 million in questioned costs related to the Manufacturing Operations G&A expense pool for which the contractor claimed material and engineering costs that did not benefit the Manufacturing Operations G&A expense pool, in noncompliance with FAR 31.205-22(a)(1), Lobbying and Political Activity Costs. |                                |

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| <b>Audit Report No. 01881-2015Q10100001</b>   | <b>Date:</b> September 26, 2024 |
| <b>Subject:</b> Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years Ended March 31, 2015, and March 31, 2016   |                                 |
| <b>Prepared for:</b> Defense Contract Management Agency   |                                 |
| <b>Report:</b> \$46.2 Million Total Questioned Costs  |                                 |
| The DCAA identified \$46.2 million in questioned costs related to consulting, travel, independent research and development and bid and proposal costs, indirect labor and direct labor. The DCAA's significant findings included \$23.3 million in questioned costs related to IR&D costs that the contractor failed to comply with reporting requirements in noncompliance with DFARS 231.205-18, Independent Research and Development and Bid and Proposal Costs. Other significant findings included \$5.7 million in indirect labor costs and \$5 million in direct labor costs for which the contractor failed to provide essential supporting documentation, in noncompliance with FAR 31.205-6, Compensation for Personal Services, and FAR 31.201-3, Determining Reasonableness. Additional significant findings included \$8.5 million in questioned costs related to overseas travel for which the contractor failed to provide essential supporting documents, in noncompliance with FAR 31.201-2, Determining Allowability. |                                 |

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| <b>Audit Report No. 01881-2023Q10100001</b>   | <b>Date:</b> September 27, 2024 |
| <b>Subject:</b> Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2023   |                                 |
| <b>Prepared for:</b> Defense Contract Management Agency   |                                 |
| <b>Report:</b> \$22.3 Million Total Questioned Costs  |                                 |
| <p>The DCAA identified \$22.3 million in questioned costs related to excessive direct and indirect labor, state and local taxes, medical expenses, holiday pay, unreasonable compensation and excessive overseas housing expenses. The DCAA's significant findings included \$11.3 million in questioned costs related excessive direct and indirect labor expenses where the contractor's policy did not require employees to work minimum hours in each pay period and were not adjusted to coincide with the actual hours worked, in noncompliance with FAR 31.201-6(a)(3), and Compensation for personal services and FAR 31.201.3, Determining Reasonableness. Other significant findings included \$1.9 million in questioned costs related to out of period medical expenses that exceeded the amount on the vendor invoices and were out of period costs, in noncompliance with FAR 31.201-2(d) Determining Allowability and FAR 31.201-4(b), Determining Allocability.</p> |                                 |

|  |                                 |
|--|---------------------------------|
| <b>Audit Report No. 03531-2022A10100008</b>  | <b>Date:</b> September 30, 2024 |
| <b>Subject:</b> Independent Audit Report on Home Office Allocations to Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2022   |                                 |
| <b>Prepared for:</b> Defense Contract Management Agency  |                                 |
| <b>Report:</b> \$11.5 Million Total Questioned Costs   |                                 |
| <p>The DCAA identified \$11.5 million in questioned costs related to organizational costs and professional services. The DCAA's significant findings included \$2.2 million in questioned costs related to professional services that were accrued before the third-party services were performed, in noncompliance with FAR 31.201-4, Determining Allocability. Other significant findings included \$3.9 million in questioned costs related to a recent contractor merger which are not allowable in accordance with FAR 31.205-27, Organizational Costs.</p> |                                 |

## Contract Audits and Information

During the reporting period, the Defense Contract Audit Agency (DCAA) completed 1,543 contract audits.

| Type of Audit <sup>1</sup>                        | Reports Issued | Dollars Examined<br>(in Millions) | Questioned Costs <sup>2</sup><br>(in Millions) | Funds Put to Better Use<br>(in Millions) |
|---|----------------|-----------------------------------|--|--|
| Incurred Costs, Operations Audits, Special Audits | 916            | \$173,788.7                       | \$680.7  | — <sup>3</sup>                           |
| Forward Pricing Proposals                         | 363            | 54,070.1                          | —  | \$3,079.0 <sup>4</sup>                   |
| Cost Accounting Standards                         | 253            | 20.0                              | 13.6   | —  |
| Defective Pricing                                 | 11             | — <sup>5</sup>                    | 20.6   | —  |
| <b>Total</b>                                      | <b>1,543</b>   | <b>\$227,878.8</b>                | <b>\$714.9</b>                                 | <b>\$3,079</b>                           |

Note: This schedule represents DCAA contract audit reports issued during the 6 months ended September 30, 2024. This schedule includes any audits that the DCAA performed on a reimbursable basis for other government agencies and the associated statistics may also be reported in other OIGs' Semiannual Reports to Congress. Both "Questioned Costs" and "Funds Put to Better Use" represent potential cost savings. Because of limited time between availability of management information system data and legislative reporting requirements, there is minimal opportunity for the DCAA to verify the accuracy of reported data. Accordingly, submitted data is subject to change based on subsequent DCAA authentication. The total number of assignments completed during the 6 months ending September 30, 2024, was 5,435. Some completed assignments do not result in a report issued because they are part of a larger audit or because the scope of the work performed does not constitute an audit or attestation engagement under generally accepted government auditing standards, so the number of audit reports issued is less than the total number of assignments completed.

<sup>1</sup> This schedule represents audits performed by the DCAA summarized into four principal categories, which are defined as:

**Incurred Costs** – Audits of direct and indirect costs charged to Government contracts to determine that the costs are reasonable, allocable, and allowable as prescribed by the Federal Acquisition Regulation, Defense Federal Acquisition Regulation Supplement, and provisions of the contract. Also included under incurred cost audits are Operations Audits, which evaluate a contractor's operations and management practices to identify opportunities for increased efficiency and economy; and Special Audits, which include audits of terminations and claims.

**Forward Pricing Proposals** – Audits of estimated future costs of proposed contract prices, proposed contract change orders, costs for re-determinable fixed-price contracts, and costs incurred but not yet covered by definitized contracts.

**Cost Accounting Standards** – A review of a contractor's cost impact statement required due to changes to disclosed practices, failure to consistently follow a disclosed or established cost accounting practice, or noncompliance with a cost accounting standard regulation.

**Defective Pricing** – A review to determine whether contracts are based on current, complete, and accurate cost or pricing data (the Truth in Negotiations Act).

<sup>2</sup> Questioned costs represent costs that the DCAA has questioned because they do not comply with rules, regulations, laws, or contractual terms.

<sup>3</sup> Represents recommendations associated with Operations Audits where the DCAA has presented to a contractor that funds could be used more effectively if management took action to implement cost reduction recommendations.

<sup>4</sup> Represents potential cost reductions that may be realized during contract negotiations.

<sup>5</sup> Defective pricing dollars examined are not reported because the original value was included in the audits associated with the original forward pricing proposals.

Source: The DoD OIG using DCAA data.

## Status of Action on Post-Award Contract Audits

This appendix fulfills the requirement in DoD Instruction 7640.02, Enclosure 2, Section (1)(d).

| Reports                                     | Number of Reports | Costs Questioned <sup>6</sup><br>(in Millions) | Cost Sustained <sup>7</sup><br>(in Millions) |
|---|-------------------|--|--|
| Open Reports:                               |                   |  |  |
| Within Guidelines <sup>1</sup>              | 416               | \$1,481.0                                      | N/A  |
| Overage greater than 6 months <sup>2</sup>  | 492               | \$5,431.3                                      | N/A  |
| Overage greater than 12 months <sup>3</sup> | 300               | \$2,258.8                                      | N/A  |
| Under Criminal Investigation <sup>4</sup>   | 40                | \$46.6   | N/A  |
| In Litigation <sup>5</sup>                  | 248               | \$2,148.6                                      | N/A  |
| Total Open Reports                          | 1,496             | \$11,366.4                                     | N/A  |
| Dispositioned (Closed) Reports              | 315               | \$631.4  | \$164.3 (26%) <sup>8</sup>                   |
| <b>All Reports</b>                          | <b>1,811</b>      | <b>\$11,997.8</b>                              | <b>N/A</b>                                   |

Note: We are reporting on the status of significant post-award contract audits in accordance with DoD Instruction 7640.02, "Policy for Follow-up on Contract Audit Reports," April 15, 2015. The data in the table represents the status of DCAA post-award reports, including reports on incurred costs, defective pricing, equitable adjustments, accounting and related internal control systems, and Cost Accounting Standard non-compliances. The DoD Components provided the data. We have not verified the accuracy of the provided data.

<sup>1</sup> Contracting officers assigned to take action on these reports met the resolution and disposition time frames established by Office of Management and Budget (OMB) Circular A-50, "Audit Follow-up," and DoD Instruction 7640.02. OMB Circular A-50 and DoD Instruction 7640.02 require that contracting officers resolve audit reports within 6 months. Generally, contracting officers resolve an audit when they determine a course of action that they document in accordance with agency policy. DoD Instruction 7640.02 also requires that a contracting officer disposition an audit report within 12 months. Generally, contracting officers disposition a report when they negotiate a settlement with the contractor, or they issue a final decision pursuant to the Disputes Clause.

<sup>2</sup> Contracting officers have not resolved these overage reports within the 6-month resolution requirement.

<sup>3</sup> Contracting officers have not dispositioned these overage reports within the 12-month disposition requirement.

<sup>4</sup> Contracting officers have deferred action on these reports until a criminal investigation is complete.

<sup>5</sup> Contracting officers have deferred action on these reports until related ongoing litigation is complete.

<sup>6</sup> Costs Questioned represents the amount of audit exception, potential cost avoidance, or recommended price adjustment in the audit report. Values may also not sum to total due to rounding.

<sup>7</sup> Costs Sustained represents the questioned costs, potential cost avoidance, or recommended price adjustment sustained by contracting officers. Contracting officers report Cost Sustained when they disposition a report.

<sup>8</sup> For the 6-month period ended September 30, 2024, contracting officers sustained \$164.3 million (26 percent) of the \$631.4 million questioned in the dispositioned reports. The 26 percent sustention rate represents a decrease from the 29.4 percent rate reported for the 6-month period ended March 31, 2024.

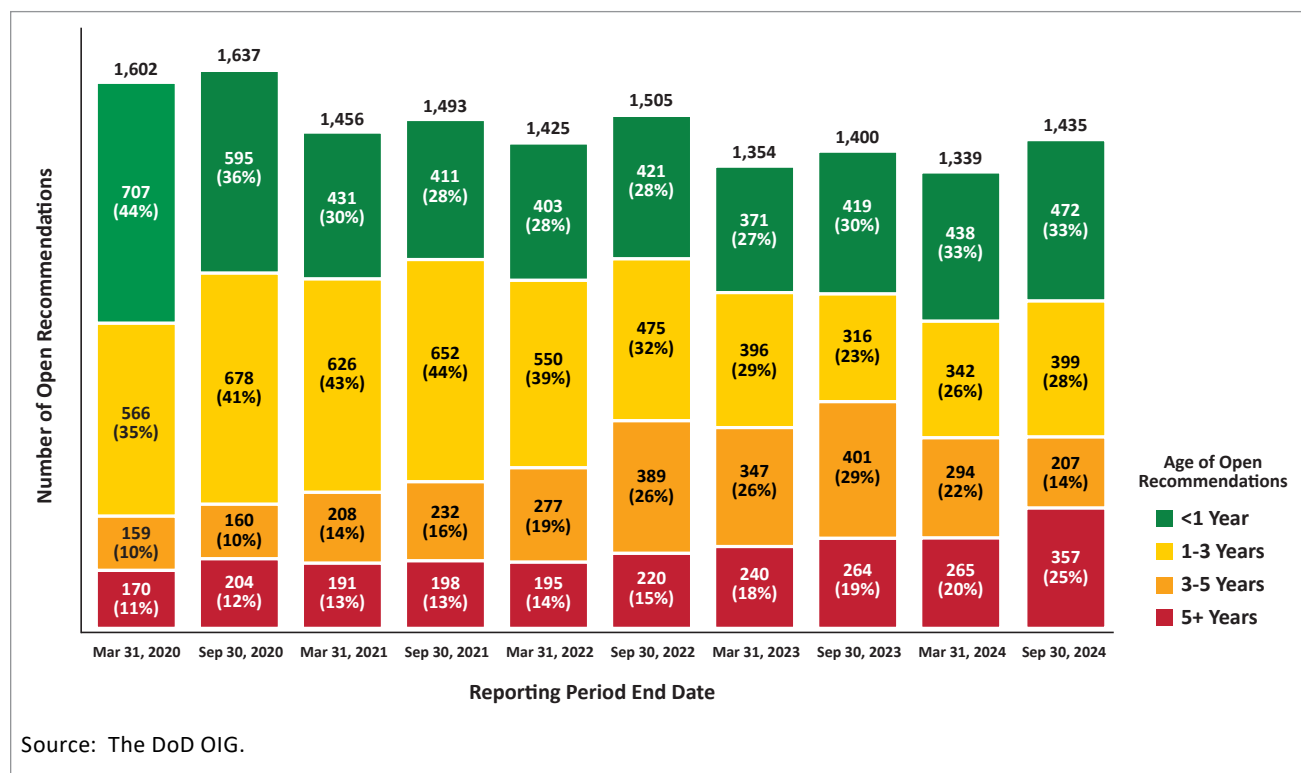
Source: The DoD OIG using data from the DoD Contract Audit Follow-up System.

## APPENDIX C: OPEN MATTERS FROM PRIOR REPORTING PERIODS

### Open Recommendations for Previous and Current Reporting Periods

This graph shows, by reporting period, the number of open recommendations and the age of those open recommendations. The graph covers 10 semiannual reporting periods, from October 2019 through September 2024.

Figure 4. Number and Age of Open Recommendations for Semiannual Reporting Periods from October 1, 2019, through September 30, 2024



### Recommendations Made Before the Reporting Period for Which Corrective Action Had Not Been Completed as of September 30, 2024

The DoD OIG maintains a listing of all open DoD OIG recommendations on its website at [www.dodig.mil/Open-Recommendations/](http://www.dodig.mil/Open-Recommendations/).

## Statistical Tables Regarding Management Decisions and Final Actions

These statistical tables show management decisions and final actions on DoD OIG Reports as of September 30, 2024.

### Management Decisions

During the reporting period, the DoD made a management decision on 72 DoD OIG audit and evaluation reports and advisories. A management decision is defined in 5 U.S.C. § 405(a)(3) as, “the evaluation by management of an establishment of the findings and recommendations included in an audit [or evaluation] report and the issuance of a final decision by management concerning its response to such findings and recommendations,” including actions management agreed to take.

|    | Report  | Disallowed Costs | Funds to Be Put to Better Use |
|----|---|------------------|-------------------------------|
| 1  | DODIG-2016-002, “DoD Needs a Comprehensive Approach to Address Workplace Violence,” October 15, 2015  | \$0              | \$0                           |
| 2  | DODIG-2020-063, “Audit of DoD Service-Disabled Veteran-Owned Small Business Contract Awards,” February 18, 2020   | \$0              | \$0                           |
| 3  | DODIG-2022-069, “Audit of Department of Defense Small Business Subcontracting Requirements,” March 7, 2022  | \$0              | \$0                           |
| 4  | DODIG-2022-074, “Audit of Entitlements for Activated Army National Guard and Air National Guard Members Supporting the Coronavirus Disease–2019 Mission,” March 30, 2022                        | \$0              | \$0                           |
| 5  | DODIG-2022-081, “Evaluation of Department of Defense Military Medical Treatment Facility Challenges During the Coronavirus Disease–2019 (COVID-19) Pandemic in Fiscal Year 2021,” April 5, 2022 | \$0              | \$0                           |
| 6  | DODIG-2023-040, “Management Advisory: DoD Restoration Costs to Repair Facilities After Supporting Operation Allies Refuge and Operation Allies Welcome,” December 19, 2022                      | \$0              | \$0                           |
| 7  | DODIG-2023-041, “Management Advisory: The DoD’s Use of Mobile Applications,” February 9, 2023   | \$0              | \$0                           |
| 8  | DODIG-2024-028, “Management Advisory: The U.S. Army’s Accountability of Equipment Transferred to Ukraine,” November 15, 2023  | \$0              | \$0                           |
| 9  | DODIG-2024-030, “Audit of Environmental Threats to Naval Dry Docks,” November 29, 2023  | \$0              | \$0                           |
| 10 | DODIG-2024-043, “Evaluation of the DoD’s Enhanced End Use Monitoring of Defense Articles Provided to Ukraine,” January 10, 2024   | \$0              | \$0                           |
| 11 | DODIG-2024-059, “Audit of DoD Afghanistan Contingency Contracts Closeout,” February 22, 2024  | \$0              | \$0                           |
| 12 | DODIG-2024-061, “Audit of Military Services’ Processing of Coronavirus Disease–2019 Vaccination Exemptions and Discharges for Active Duty Service Members,” March 12, 2024                      | \$0              | \$0                           |
| 13 | DODIG-2024-062, “Audit of the Management of Organs Retained for Forensic Examination by the Armed Forces Medical Examiner,” March 14, 2024  | \$0              | \$0                           |
| 14 | DODIG-2024-063, “Audit of Munitions Storage at Al Udeid Air Base, Qatar,” March 19, 2024  | \$0              | \$0                           |
| 15 | DODIG-2024-064, “Audit of Munitions Storage at Camp Arifjan, Kuwait,” March 19, 2024  | \$0              | \$0                           |

|    | Report  | Disallowed Costs | Funds to Be Put to Better Use |
|----|---|------------------|-------------------------------|
| 16 | DODIG-2024-068, “Evaluation of the DoD Military Information Support Operations Workforce,” March 25, 2024   | \$0              | \$0                           |
| 17 | DODIG-2024-071, “Review of the Navy and Marine Corps Policies Covering Sexual Harassment Complaint Processes,” April 2, 2024  | \$0              | \$0                           |
| 18 | DODIG-2024-073, “Evaluation of DoD Agreements for the Industry Connections (ICON) Initiative,” April 8, 2024  | \$0              | \$0                           |
| 19 | DODIG-2024-074, “Review of the Army’s Efforts to Prevent and Respond to Harassment of Soldiers,” April 17, 2024   | \$0              | \$0                           |
| 20 | DODIG-2024-075, “Audit of the Defense Logistics Agency Oversight of Defense Fuel Support Points,” April 11, 2024  | \$0              | \$0                           |
| 21 | DODIG-2024-076, “External Peer Review of the Air Force Audit Agency Special Access Program Projects,” April 18, 2024  | \$0              | \$0                           |
| 22 | DODIG-2024-077, “Review of the DoD Education Activity’s Efforts to Report and Respond to Discriminatory Harassment at Schools,” April 22, 2024                          | \$0              | \$0                           |
| 23 | DODIG-2024-078, “Audit of the Army’s Award of Noncompetitive Contracts in Support of Ukraine,” May 8, 2024  | \$0              | \$0                           |
| 24 | DODIG-2024-079, “Management Advisory: Evaluation of the DoD’s Handling of Operational Data from Afghanistan,” May 6, 2024   | \$0              | \$0                           |
| 25 | DODIG-2024-080, “Evaluation of the Air Force’s Nuclear Design Certification of the F-15E, B-2, and F-35A Aircraft to Carry the B61-12 Nuclear Bomb,” May 7, 2024        | \$0              | \$0                           |
| 26 | DODIG-2024-081, “Review of the DoD’s Implementation of Expedited Transfer Policy Requirements,” May 7, 2024   | \$0              | \$0                           |
| 27 | DODIG-2024-082, “Audit of the DoD’s Controls for Validating and Responding to Ukraine’s Requests for Military Equipment and Assistance,” May 17, 2024                   | \$0              | \$0                           |
| 28 | DODIG-2024-085, “Evaluation of the Combatant Command Military Deception Planning,” May 21, 2024   | \$0              | \$0                           |
| 29 | DODIG-2024-086, “Audit of DoD Health Care Personnel Shortages During the Coronavirus Disease–2019 Pandemic,” May 23, 2024   | \$0              | \$0                           |
| 30 | DODIG-2024-087, “Audit of the Defense Digital Service Support of DoD Programs and Operations,” May 29, 2024   | \$0              | \$0                           |
| 31 | DODIG-2024-088, “Audit of the Department of Defense’s FY 2023 Compliance with Payment Integrity Information Act Requirements,” May 22, 2024                             | \$0              | \$0                           |
| 32 | DODIG-2024-089, “External Peer Review of the Missile Defense Agency Internal Review Office,” May 22, 2024   | \$0              | \$0                           |
| 33 | DODIG-2024-090, “Audit of DoD Training of Ukrainian Armed Forces: Patriot Air and Missile Defense System and Collective Training,” May 31, 2024                         | \$0              | \$0                           |
| 34 | DODIG-2024-091, “Management Advisory: Evaluation of the Military Services’ Training and Guidance on Political Conduct for the 2024 Presidential Election,” May 28, 2024 | \$0              | \$0                           |
| 35 | DODIG-2024-092, “Special Report: Summary of Prior DoD Office of Inspector General Contract Pricing Audits and Other Reviews,” June 4, 2024                              | \$0              | \$0                           |
| 36 | DODIG-2024-093, “Evaluation of the Accountability of Ukraine-Bound Equipment to Seaports of Embarkation in the Continental United States,” June 10, 2024                | \$0              | \$0                           |

|    | Report   | Disallowed Costs | Funds to Be Put to Better Use |
|----|--|------------------|-------------------------------|
| 37 | DODIG-2024-094, “Management Advisory: Matters Regarding Naval Support Activity Crane Identified While Evaluating Accountability of Ukraine-Bound Equipment to Sea Ports of Embarkation in the Continental United States,” June 10, 2024                | \$0              | \$0                           |
| 38 | DODIG-2024-095, “Audit of the DoD’s Revaluation of the Support Provided to Ukraine Through Presidential Drawdown Authority,” June 11, 2024   | \$0              | \$0                           |
| 39 | DODIG-2024-098, “Evaluation of a Classified Program 2,” June 14, 2024  | \$0              | \$0                           |
| 40 | DODIG-2024-099, “Management Advisory: Review of DoD Funds Provided to the People’s Republic of China and Associated Affiliates for Research Activities or Any Foreign Countries for the Enhancement of Pathogens of Pandemic Potential,” June 18, 2024 | \$0              | \$0                           |
| 41 | DODIG-2024-101, “Audit of Remote Maintenance and Distribution Cell–Ukraine Restructuring Contract Surveillance Planning and Contractor Oversight,” June 25, 2024   | \$0              | \$0                           |
| 42 | DODIG-2024-102, “DoD Compliance with the Buy American Act for Light Emitting Diode Lighting Improvement Projects,” July 2, 2024  | \$0              | \$0                           |
| 43 | DODIG-2024-103, “Summary External Peer Review of the Air Force Audit Agency,” July 1, 2024   | \$0              | \$0                           |
| 44 | DODIG-2024-104, “Audit of the DoD’s Development and Maintenance of the Digital Modernization Strategy,” July 9, 2024   | \$0              | \$0                           |
| 45 | DODIG-2024-105, “Evaluation of Selected DoD Senior Colleges’ Response to Allegations of Harassment,” July 8, 2024  | \$0              | \$0                           |
| 46 | DODIG-2024-106, “Evaluation of Contested Mobility Training Requirements for Personnel Supporting the DoD Surge Sealift Mission,” July 9, 2024  | \$0              | \$0                           |
| 47 | DODIG-2024-107, “Management Advisory: Non-DoD Solid Waste Burning At or Near DoD-Occupied Sites,” July 11, 2024  | \$0              | \$0                           |
| 48 | DODIG-2024-109, “Management Advisory: U.S. Air Forces in Europe Handling of Sensitive Information at Logistics Enabling Node-Romania,” July 11, 2024   | \$0              | \$0                           |
| 49 | DODIG-2024-110, “Evaluation of the U.S. Cyber Command Operational Relationship with the National Security Agency,” July 16, 2024   | \$0              | \$21,000,000                  |
| 50 | DODIG-2024-112, “Evaluation of DoD Support to the Development of the Iraqi Security Forces’ Operational Logistics and Sustainment Capabilities,” July 24, 2024   | \$0              | \$0                           |
| 51 | DODIG-2024-113, “Evaluation of the DoD’s Replenishment and Management of the 155mm High Explosive Ammunition,” July 24, 2024   | \$0              | \$0                           |
| 52 | DODIG-2024-114, “Understanding the Results of the Audit of the FY 2023 DoD Financial Statements,” August 8, 2024   | \$0              | \$0                           |
| 53 | DODIG-2024-115, “Transmittal of the Independent Auditor’s Report on the Defense Enterprise Accounting and Management System as of June 30, 2024,” August 12, 2024  | \$0              | \$0                           |
| 54 | DODIG-2024-116, “Transmittal of the Independent Auditor’s Report on the Procurement Integrated Enterprise Environment System for the Period October 1, 2023, Through June 30, 2024,” August 12, 2024   | \$0              | \$0                           |
| 55 | DODIG-2024-117, “Transmittal of the Independent Auditor’s Report on the Defense Agencies Initiative System for the Period October 1, 2023, Through June 30, 2024,” August 12, 2024   | \$0              | \$0                           |

|    | Report  | Disallowed Costs   | Funds to Be Put to Better Use |
|----|---|--------------------|-------------------------------|
| 56 | DODIG-2024-118, "Transmittal of the Independent Auditor's Report on the Defense Automatic Addressing System for the Period October 1, 2023, Through June 30, 2024," August 12, 2024   | \$0                | \$0                           |
| 57 | DODIG-2024-119, "Transmittal of the Independent Auditor's Report on the Defense Property Accountability System for the Period October 1, 2023, Through June 30, 2024," August 12, 2024  | \$0                | \$0                           |
| 58 | DODIG-2024-120, "Independent Auditor's Report on the Army's System Supporting the Delivery of General Fund Enterprise Business System Administrative, Operational, Contract Vendor Pay, Civilian Pay, and Reimbursable Work Order-Buyer Transaction Processing Support Services," August 15, 2024 | \$0                | \$0                           |
| 59 | DODIG-2024-121, "Management Advisory: Concerns with Elevated Radon Levels at Naval Support Activity Naples," August 15, 2024  | \$0                | \$0                           |
| 60 | DODIG-2024-122, "Audit of the Repair Pricing on the F/A-18 Hornet Radar Systems," August 21, 2024   | \$3,930,000        | \$0                           |
| 61 | DODIG-2024-123, "Audit of Air Force Defective Parts and Contractor Restitution," August 27, 2024  | \$0                | \$0                           |
| 62 | DODIG-2024-124, "Evaluation of Sustaining Engineering Actions for the Space Force's Upgraded Early Warning Radar System," August 28, 2024   | \$0                | \$0*                          |
| 63 | DODIG-2024-126, "Audit of Munitions Storage in Jordan," September 4, 2024   | \$0                | \$0                           |
| 64 | DODIG-2024-127, "External Peer Review of Army Audit Agency Special Access Program Projects," August 29, 2024  | \$0                | \$0                           |
| 65 | DODIG-2024-131, "Summary of Oversight Reports on Security Assistance to Ukraine Issued From January 2020 Through February 2024, to Inform DoD Efforts to Support Israel and Other Future Security Assistance Efforts," September 16, 2024   | \$0                | \$0                           |
| 66 | DODIG-2024-133, "Joint Evaluation of the DoD Foreign Materiel Program," September 18, 2024  | \$0                | \$0                           |
| 67 | DODIG-2024-134, "Transmittal of the Independent Auditor's Report on the Army's System Supporting the Delivery of Munitions Inventory Management Services for the Period October 1, 2023, Through June 30, 2024," September 13, 2024   | \$0                | \$0                           |
| 68 | DODIG-2024-135, "Audit of the Department of Defense's Management of Dwell Time for Service Members in the Reserve Components," September 17, 2024   | \$0                | \$0                           |
| 69 | DODIG-2024-136, "Audit of the E-2D Advanced Hawkeye Capabilities," September 19, 2024   | \$0                | \$0                           |
| 70 | DODIG-2024-139, "Transmittal of the Independent Auditor's Report on Service Owned Items in Defense Logistics Agency Custody as of July 31, 2024," September 25, 2024  | \$0                | \$0                           |
| 71 | DODIG-2024-142, "Quality Control Review of the KPMG LLP FY 2023 Single Audit of Carnegie Mellon University," September 30, 2024   | \$0                | \$0                           |
| 72 | DODIG-2024-143, "Independent Auditor's Report on DoD OIG Assistance with OPM's Agreed Upon Procedures for Reviewing FY2024 Civilian Payroll Withholding Data and Enrollment Information," September 27, 2024  | \$0                | \$0                           |
|    | <b>Total</b>  | <b>\$3,930,000</b> | <b>\$21,000,000*</b>          |

Source: The DoD OIG.

\* The full amount of funds to be put to better use is not being reported as it contained amounts that are Controlled Unclassified Information.

During the reporting period, the DoD did not make a management decision on 18 audit and evaluation reports and advisories.

|    | Report   |
|----|--|
| 1  | DODIG-2021-095, "Audit of Accounting Corrections on the SF 1081," June 25, 2021  |
| 2  | DODIG-2022-077, "Evaluation of Integrated Undersea Surveillance System Capabilities," March 28, 2022   |
| 3  | DODIG-2023-068, "Evaluation of the DoD's Management of Land-Based Water Resources to Support Operations," May 9, 2023  |
| 4  | DODIG-2024-033, "Management Advisory: Concerns with Access to Care and Staffing Shortages in the Military Health System," November 29, 2023  |
| 5  | DODIG-2024-052, "Evaluation of the DoD's Implementation of the NATO Policy on Preventing and Responding to Sexual Exploitation and Abuse," February 5, 2024  |
| 6  | DODIG-2024-072, "Evaluation of DoD Financial Responsibility Reviews on Prospective DoD Contractors," March 29, 2024  |
| 7  | DODIG-2024-083, "Audit of the Army's Management of Army Prepositioned Stock-5 Equipment," May 20, 2024   |
| 8  | DODIG-2024-084, "Management Advisory: The DoD's FY 2023 Compliance with Federal Information Security Modernization Act of 2014," May 21, 2024  |
| 9  | DODIG-2024-096, "Audit of Financial Improvement and Audit Remediation Contracts for DoD Component," June 13, 2024  |
| 10 | DODIG-2024-097, "Evaluation of the DoD's Accountability of Lost or Destroyed Defense Articles Provided to Ukraine Requiring Enhanced End-Use Monitoring," June 24, 2024                            |
| 11 | DODIG-2024-100, "Audit of Climate Change Adaptation and Facility Resilience at Military Installations in California," June 21, 2024  |
| 12 | DODIG-2024-108, "Management Advisory: Audit of Remote Maintenance and Distribution Cell-Ukraine Restructuring Contract Invoice Oversight," July 15, 2024   |
| 13 | DODIG-2024-111, "Evaluation of a Classified Program 3 FY23," July 18, 2024   |
| 14 | DODIG-2024-125, "Audit of Munitions Storage in Bahrain," September 4, 2024   |
| 15 | DODIG-2024-130, "Evaluation of the DoD's Tracking and Accountability of Presidential Drawdown Equipment Provided to Taiwan," September 11, 2024  |
| 16 | DODIG-2024-137, "Evaluation of the Air Force's Actions to Sustain the Minuteman III Intercontinental Ballistic Missile (ICBM)," September 18, 2024   |
| 17 | DODIG-2024-138, "Evaluation of a Classified Program 2," September 24, 2024   |
| 18 | DODIG-2024-140, "Management Advisory: The DoD Should Analyze the Use of Barcode Scanners for Conducting Inventories of Defense Articles Requiring Enhanced End-Use Monitoring," September 27, 2024 |

Source: The DoD OIG.

## Final Actions

The table shows the status of DoD management actions on DoD OIG-issued audit and evaluations reports and the total dollar value of recommendations with disallowed costs and funds to be put to better use.

| Status  | Disallowed Costs             | Funds to Be Put to Better Use |
|---|------------------------------|-------------------------------|
| Final action was taken on 51 audit and evaluation reports during the reporting period                                   |                              |                               |
| (i) Dollar value of disallowed costs  | \$0                          |                               |
| (ii) Dollar value of costs not disallowed   | \$77,780,383                 |                               |
| (iii) Dollar value of disallowed costs and funds to be put to better use not yet recovered or written off by management | \$20,400,000                 | \$0                           |
| (iv) Dollar value of recommendations that were completed  | \$0                          | \$29,939                      |
| (v) Dollar value of recommendations that management concluded should not or could not be implemented or completed       | \$0                          | \$0                           |
| No final action had been taken on 310 audit and evaluation reports by the end of the reporting period <sup>1</sup>      | \$4,964,493,039 <sup>2</sup> | \$3,896,992,502 <sup>3</sup>  |

<sup>1</sup> Total value of disallowed costs and funds to be put to better use cannot be determined until the recommended management actions are completed.

<sup>2</sup> Of the 310 open reports, there were 13 reports with estimated monetary benefits of \$5 billion in questioned costs. Total monetary benefits recovered cannot be determined until the recommended actions are completed.

<sup>3</sup> Of the 310 open reports, there were 10 reports with estimated monetary benefits of \$3.9 billion in funds that could be put to better use. Total monetary benefits recovered cannot be determined until the recommended actions are completed.

**Final Action** – The completion of all actions that the management of an establishment has concluded, in its management decision, are necessary with respect to the findings and recommendations included in an audit or evaluation report. In the event that the management of an establishment concludes no action is necessary, final action occurs when a management decision has been made.

**Disallowed Cost** – A questioned cost that management, in a management decision, has sustained or agreed should not be charged to the Government.

**Funds to be Put to Better Use** – Funds that could be used more efficiently if management of an entity took actions to start and complete the recommendation, including (1) reductions in outlays; (2) deobligation of funds from programs or operations; (3) withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds; (4) costs not incurred by implementing recommended improvements related to the operations of the entity, a contractor, or grantee; (5) avoidance of unnecessary expenditures noted in pre-award reviews of contract or grant agreements; or (6) any other savings that specifically are identified.

Source: The DoD OIG.

## Statements for Recommendations Made Before the Reporting Period for Which Final Action Had Not Been Taken as of September 30, 2024

We excluded 75 reports because a management decision was made in the past year, or a management decision had not been made as of September 30, 2024. We also excluded one report that is under judicial appeal. Dollar values of questioned costs and funds that could be put to better use are noted, as applicable. For summaries that do not include an estimated completion date, the Principal Action Office did not provide a date.

**Report:** D-2009-062, Internal Controls over DoD Cash and Other Monetary Assets, 3/25/2009

**Reason Action Not Completed:** The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, established five disbursement cash accounts but has not provided evidence to support that it has been documenting cash balances held outside of the U.S. Treasury. The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, established a working group with the Office of Management and Budget, the U.S. Treasury, and the Defense Finance and Accounting Service to address these recommendations and additional concerns. The working group took action, but it has not completed all four phases of its plan, which includes revising DoD Financial Management Regulation 7000.14, volume 5, to reflect the U.S. Treasury guidance memorandum, "DoD Accounting for Funds Held Outside of Treasury Guidance (FPM24-10)," June 27, 2024, on ensuring proper accountability, reporting, and auditability over funds held outside of the U.S. Treasury. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** D-2011-060, Marine Corps Inventory of Small Arms Was Generally Accurate but Improvements Are Needed for Related Guidance and Training, 4/22/2011

**Reason Action Not Completed:** The Marine Corps issued Marine Administrative Message 329/21 on July 7, 2021, to address arms, ammunition, and explosives physical security policy; provide small arms accountability guidance; and identify required training and education. However, the Marine Corps has not updated Marine Corps Order 5530.14A, "Marine Corps Physical Security Program Manual," June 5, 2009, to ensure it is consistent with Marine Corps Order 8300.1D, "Marine Corps Serialized Small Arms/Light Weapons Accountability Program (MCSSAAP),"

February 16, 2012. Estimated completion date is September 30, 2024.

**Principal Action Office:** Marine Corps

**Report:** D-2013-031, Audit of the F-35 Lightning II Autonomic Logistics Information System (ALIS), 12/10/2012

**Reason Action Not Completed:** The F-35 Joint Program Office has not developed or maintained a list of all foreign developed software or all documentation of third party testing approvals.

**Principal Action Office:** F-35 Joint Program Office

**Report:** DODIG-2013-097, Improvements Needed in the Oversight of the Medical-Support Services and Award-Fee Process Under the Camp As Sayliyah, Qatar, Base Operation Support Services Contract, 6/26/2013

**Reason Action Not Completed:** The Army has not revised Army Regulation 40-68 to align with supervision requirements set forth in Federal Acquisition Regulation Subpart 37.4, "Nonpersonal Health Care Services."

**Principal Action Office:** Army

**Report:** DODIG-2013-112, Assessment of DoD Long-Term Intelligence Analysis Capabilities, 8/5/2013

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

**Report:** DODIG-2013-130, Army Needs to Improve Controls and Audit Trails for the General Fund Enterprise Business System Acquire-to-Retire Business Process, 9/13/2013

**Reason Action Not Completed:** The Business Intelligence team within the General Fund Enterprise Business System (GFEBS) is coordinating with the product director and key stakeholders to finalize

the methodology and document the requirements, fields, and variables necessary for developing the Real Property Asset Management Business Intelligence report. The Army is executing a 3-year plan to validate the Accountable Property System of Record data for all real property assets. An independent public accounting firm closed Notice of Findings and Recommendations GG-2022-15 during FY 2023; however, a material amount of the real property universe balance continues to come from the Planning Resources for Infrastructure Development and Evaluation (PRIDE) database instead of GFEBS. In addition, the independent public accounting firm reissued Notice of Findings and Recommendations GG-2023-23 in FY 2024 as GG-2024-25, Real Property Population Invalid Items, which identifies data quality issues with the real property population.

**Principal Action Office:** Army

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**Report:** DODIG-2014-049, DoD Considered Small Business Innovation Research Intellectual Property Protections in Phase III Contracts, but Program Improvements Are Needed, 3/27/2014

**Reason Action Not Completed:** Defense Pricing, Contracting, and Acquisition Policy issued a deviation memorandum to the DoD acquisition community as an interim solution to enable contracting officers to include the updated intellectual property protection language in Small Business Innovation Research contracts. On August 28, 2024, the draft Defense Federal Acquisition Regulation Supplement final rule (Case D2019-D043) was forwarded to the Defense Acquisition Regulation System Regulatory Control Office for review. Once the Supplement is updated, the Small Business and Technology Partnerships Office will work with Defense Pricing, Contracting, and Acquisition Policy to make the DoD Small Business Innovation Research/Small Business Technology Transfer community aware that the change is in effect and ready for implementation.

**Principal Action Office:** Under Secretary of Defense for Research and Engineering

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**Report:** DODIG-2014-060, An Assessment of Contractor Personnel Security Clearance Processes in the Four Defense Intelligence Agencies, 4/14/2014

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security continues to update DoD Manual 5200.02, "Procedures for the DoD Personnel Security Program (PSP)," October 29, 2020. Estimated completion date is

March 31, 2025. The DoD Office of General Counsel continues the process of updating and reissuing DoD Directive 5220.6, "Defense Industrial Personnel Security Clearance Review Program," April 4, 1999, to make it compliant with the requirements of DoD Instruction 5025.01, "DoD Directives Program," September 26, 2012, for accuracy and currency. Estimated completion date is March 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security, DoD Office of General Counsel

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**Report:** DODIG-2014-090, Improvements Needed in the General Fund Enterprise Business System Budget-to-Report Business Process, 7/2/2014

**Reason Action Not Completed:** The Office of the Assistant Secretary of the Army (Financial Management and Comptroller) has not configured the General Fund Enterprise Business System and other financial systems and processes to comply with the U.S. Standard General Ledger requirements at the transaction level. In addition, the Army has not fully analyzed all financial processes to determine whether transactions are recorded in accordance with U.S. Standard General Ledger requirements. An independent public accounting firm determined that the condition identified by the DoD OIG still exists and issued Notice of Findings and Recommendations GF-2023-02, Legacy Systems non-U.S. Standard General Ledger Accounts (Federal Financial Management Improvement Act Compliance), which identifies that the Army uses non-U.S. Standard General Ledger transaction codes to record transactional detail within the Standard Financial System and Standard Operations and Maintenance Army Research and Development System. In addition, the independent public accounting firm also issued Notice of Findings and Recommendations GF-JV-2023-10, Standard Financial System Journal Voucher Management Review, which identifies unsupported first quarter FY 2023 journal vouchers posted in Standard Financial System.

**Principal Action Office:** Army

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**Report:** DODIG-2014-093, Inspection of the Armed Forces Retirement Home, 7/23/2014

**Reason Action Not Completed:** The Director of Administration and Management is not revising DoD Instruction 1000.28, "Armed Forces Retirement Home," February 1, 2010, to include the process for identifying applicable DoD and VA standards that would be followed by the Armed Forces Retirement Home with regard to nonmedical operations. The issuance

of DoD Instruction 1000.28 has been delayed due to alternate priorities, and no target completion date for this issuance has been established.

**Principal Action Office:** Armed Forces Retirement Home

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**Report:** DODIG-2014-100, Assessment of DoD Wounded Warrior Matters: Selection and Training of Warrior Transition Unit and Wounded Warrior Battalion Leaders and Cadre, 8/22/2014

**Reason Action Not Completed:** The Marine Corps has not provided evidence to support: (1) the results of the Wounded Warrior Regiment staffing and manning requirements (based on the operational planning team efforts and independent review of current operating resources); (2) the selection, screening, and assignment process for Enlisted Active Component Marines filling Wounded Warrior Battalions positions; or (3) a standard process in which regiment and battalion leaders can interview potential Enlisted Active Component Marine Corps candidates for Wounded Warrior Battalions to ensure they are the “best fit” and most qualified. Estimated completion date is September 30, 2024.

**Principal Action Office:** Marine Corps

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**Report:** DODIG-2014-101, Delinquent Medical Service Accounts at Brooke Army Medical Center Need Additional Management Oversight, 8/13/2014

**Potential Monetary Benefits:** \$69,184,113 (Funds Put to Better Use)

**Reason Action Not Completed:** Officials from the Defense Health Agency and the Military Service Uniform Business Office are working together to implement a plan to review and process the delinquent medical service accounts debt.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2014-121, Military Housing Inspections—Japan, 9/30/2014

**Reason Action Not Completed:** On February 1, 2022, the Office of the Assistant Secretary of Defense for Readiness issued the policy memorandum, “Standards and Guidance for Managing Environmental Health Hazards in Department of Defense Housing,” which provides guidance for environmental health and safety personnel supporting military installation management of environmental health hazards in both accompanied and unaccompanied DoD housing. The Military Departments are required

to implement and follow the general procedures for managing DoD residents’ concerns for potential environmental health risks in DoD housing and apply the specific standards, guidance, and procedures for managing moisture, mold, lead-based paint, radon, and asbestos-containing materials. These processes, standards, and guidance will be incorporated into updates of DoD Instruction 6055.01, “DoD Safety and Occupational Health (SOH) Program,” October 14, 2014, and DoD Instruction 6055.05, “Occupational and Environmental Health (OEI),” November 11, 2008. Estimated completion date is March 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2015-002, Assessment of DoD-Provided Healthcare for Members of the United States Armed Forces Reserve Components, 10/8/2014

**Reason Action Not Completed:** The Office of the Under Secretary of Defense for Personnel and Readiness, in coordination with the Defense Health Agency is developing a Defense Health Agency – Procedural Instruction to establish policies and procedures that assign responsibilities to Commanders and medical authorities to manage medical histories and line of duty documentation for deployed or temporary duty Reserve Component Service members. A working group that includes representatives from the Reserve Components and the Defense Health Agency is in the process of adjudicating issues and concerns regarding the Defense Health Agency – Procedural Instruction and the DoD line of duty form draft language. Estimated completion date is October 1, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2015-016, Department of Defense Suicide Event Report (DoDSER) Data Quality Assessment, 11/14/2014

**Reason Action Not Completed:** The Office of the Assistant Secretary of Defense for Health Affairs has not implemented guidance that requires each suicide event involving a member of a covered Military Service to be reviewed by a multidisciplinary board established at the command or installation level, or by the Chief of the covered Military Service. The DoD OIG’s recommendations to update guidance and procedures are now combined with the DoD’s actions to meet the requirements under the FY 2021 National Defense Authorization Act pertaining to suicide events. A new DoD instruction entered the Washington Headquarters

Services coordination process in March 2024. Due to the sensitivity of the subject, significant time is needed to collaborate across multiple DoD Components. The DoD instruction is expected to be published by January 31, 2026.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2015-057, Audit of a Classified Program, 12/19/2014

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Classified

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**Report:** DODIG-2015-062, DoD Needs Dam Safety Inspection Policy to Enable the Services to Detect Conditions That Could Lead to Dam Failure, 12/31/2014

**Reason Action Not Completed:** The Office of the Deputy Assistant Secretary of Defense for Construction is working with the U.S. Army Corps of Engineers to develop and field the BUILDER Sustainment Management System's inspection module for water retention structures. A module within the system will incorporate the Federal Guidelines for Dam Safety. Estimated completion date is September 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2015-064, Assessment of Intelligence Support to In-Transit Force Protection, 1/2/2015

**Reason Action Not Completed:** The Office of the Under Secretary of Defense for Intelligence and Security has not provided a revised memorandum of understanding between the Bureau of Diplomatic Security, the Department of State, and the Under Secretary of Defense for Intelligence and Security that reflects DoD policy and requirements. The Department of State made substantial edits to the draft memorandum of understanding and the Defense Intelligence Agency, Military Department Counterintelligence Organizations, and the Joint Staff are conducting a review of those edits.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2015-065, Evaluation of the Defense Sensitive Support Program, 1/5/2015

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Classified

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**Report:** DODIG-2015-142, Navy's Contract/Vendor Pay Process Was Not Auditable, 7/1/2015

**Reason Action Not Completed:** Corrective actions are in progress to implement the remaining receipt and acceptance functionality and system enhancements in the Navy Enterprise Resource Planning system to ensure compliance with Statement of Federal Financial Accounting Standards 1 for Wide Area Work Flow transactions for destination acceptance material and contract financing-type contracts. Implementation of the remaining functionality has been delayed to allow the Navy to complete other strategic efforts for system migrations. Also, essential system enhancements are awaiting funding, which is anticipated to resume in FY 2025. Estimated completion date is September 30, 2025.

**Principal Action Office:** Navy

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**Report:** DODIG-2015-143, Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel, 7/6/2015

**Reason Action Not Completed:** The Navy Personnel Command must implement remaining corrective actions to appropriately staff Navy passenger transportation offices and comply with revised policy in Office of the Chief of Naval Operations Instruction 4650.15C, "Navy Passenger Travel," September 22, 2020. With the anticipated workload increase, the Navy Personnel Command is adding all Navy Passenger Transportation Office personnel to the routing lists to review travel order transactions and working with the Naval Personnel Command to grant them access to the Defense Travel System. Once this action is complete, the Defense Travel System Program Management Office can update the routing lists and resume efforts to incorporate organizations into the phased in projection periods. The Navy Personnel Command will continue to increase transaction routing to the transportation offices within the Defense Travel System in 60-day increments until reaching 100 percent of international travel requests. Estimated completion date is July 1, 2025.

**Principal Action Office:** Navy

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**Report:** DODIG-2015-148, Rights of Conscience Protections for Armed Forces Service Members and Their Chaplains, 7/22/2015

**Reason Action Not Completed:** The Navy has not finalized revisions to Navy Instruction 1730.08B, "Accommodation of Religious Practices," March 28, 2021, to include the updated guidance

regarding religious accommodations in DoD Instruction 1300.17, “Religious Liberty in the Military Services,” September 1, 2020.

**Principal Action Office:** Navy

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**Report:** DODIG-2015-168, Air Force Commands Need to Improve Logical and Physical Security Safeguards That Protect SIPRNET Access Points, 9/10/2015

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Air Force

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**Report:** DODIG-2015-181, Continental United States Military Housing Inspections–Southeast, 9/24/2015

**Reason Action Not Completed:** The Assistant Secretary of the Army for Installations, Energy, and Environment completed initial staffing of draft Army Regulation 210-XX to ensure that Army publications properly and consistently address radon assessment and mitigation requirements. Army Regulation 210-XX is targeted for issuance by February 28, 2025.

**Principal Action Office:** Army

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**Report:** DODIG-2016-002, DoD Needs a Comprehensive Approach to Address Workplace Violence, 10/15/2015

**Reason Action Not Completed:** The Acting Deputy Assistant Secretary, Civilian Personnel Policy, reported that due to the various policies and procedures comprising the DoD’s workplace violence prevention and response program, a working group is being established to examine the Department’s policies and responsibilities for workplace violence. The working group will examine various DoD instructions, including DoD Instruction 1438.06, “DoD Workplace Violence Prevention and Response Policy;” propose recommended updates and revisions; and advise on strategies and best practices for maintaining a work environment free from violence, threats of violence, harassment, intimidation, and other disruptive behaviors. The working group will also review threat prevention, assessment, response, and reporting capabilities; examine existing force-protection and base-security authorities, and Department-wide strategic initiatives; and review other areas concerning the health and safety of the workforce. Defense Pricing, Contracting, and Acquisition Policy cannot seek a modification to the Defense Federal Acquisition Regulation Supplement to establish a requirement to train DoD contractor personnel on recognizing and preventing violence in the workplace until the issuance of revised DoD Instruction 1438.06, “DoD

Workplace Violence Prevention and Response Policy.” DoD Instruction 1438.06 is expected to be issued by September 30, 2028. Once issued, Defense Pricing, Contracting, and Acquisition Policy will propose an update to the Defense Federal Acquisition Regulation Supplement.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2016-026, Combat Mission Teams and Cyber Protection Teams Lacked Adequate Capabilities and Facilities to Perform Missions, 11/24/2015

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Navy, Marine Corps

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**Report:** DODIG-2016-054, Navy Controls for Invoice, Receipt, Acceptance, and Property Transfer System Need Improvement, 2/25/2016

**Reason Action Not Completed:** The Navy has not provided evidence that supports the testing performed to demonstrate implementation of its procedures for out-processing users who leave commands. Estimated completion date is June 30, 2025.

**Principal Action Office:** Navy

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**Report:** DODIG-2016-079, Delinquent Medical Service Accounts at Landstuhl Regional Medical Center Need Additional Management Oversight, 4/28/2016

**Potential Monetary Benefits:** \$4,287,000 (Funds Put to Better Use)

**Reason Action Not Completed:** Officials from the Defense Health Agency and Military Service Uniform Business Office are continuing their collaboration to develop a plan to review and process the delinquent medical service accounts debts that remain open. Estimated completion date is January 31, 2025.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2016-098, Evaluation of Foreign Officer Involvement at the United States Special Operations Command, 6/15/2016

**Reason Action Not Completed:** The draft DoD Directive 5230.20, “Visits and Assignments of Foreign Nationals,” June 22, 2005, was re-reviewed, and actions were taken to address deficiencies in it. The revised draft guidance is being reviewed by Defense Technology

Security Administration stakeholders. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Policy

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**Report:** DODIG-2016-108, Army Needs Greater Emphasis on Inventory Valuation, 7/12/2016

**Reason Action Not Completed:** The Army has not provided evidence to support that it has reviewed and corrected the moving average cost value for all inventory available and purchased for resale. The Army plans to reestablish a clean beginning balance to ensure that inventory moving average cost values are properly reviewed and corrected. Estimated completion date is September 30, 2024.

**Principal Action Office:** Army

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**Report:** DODIG-2016-133, Evaluation of Integrated Tactical Warning/Attack Assessment Ground-Based Radars, 9/8/2016

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Air Force

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**Report:** DODIG-2017-004, Summary Report—Inspections of DoD Facilities and Military Housing and Audits of Base Operations and Support Services Contracts, 10/14/2016

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not incorporated the requirements in the September 10, 2013, “Standardizing Facility Condition Assessments,” and April 29, 2014, “Facility Sustainment and Recapitalization Policy,” policy memorandums into permanent DoD policy to address systemic problems with facility maintenance across the DoD. The development of a DoD instruction is on hold pending a decision on establishing an Executive Agent designation to oversee the BUILDER Sustainment Management System. In addition, the Army has not provided evidence to support that it is performing comprehensive, independent inspections of at least two installations each year to verify compliance with all applicable health and safety requirements. Estimated completion date is March 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army

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**Report:** DODIG-2017-038, Assessment of Warriors in Transition Program Oversight, 12/31/2016

**Reason Action Not Completed:** The Office of the Deputy Assistant Secretary of Defense for Health Services Policy and Oversight continues to update DoD Instruction 1300.24.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2017-045, Medical Service Accounts at U.S. Army Medical Command Need Additional Management Oversight, 1/27/2017

**Potential Monetary Benefits:** \$40,211,568 (Funds Put to Better Use)

**Reason Action Not Completed:** Officials from the Defense Health Agency and the Military Service Uniform Business Office are working together to implement a plan to review and process the delinquent medical service accounts debt.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2017-057, Army Officials Need to Improve the Management of Relocatable Buildings, 2/16/2017

**Reason Action Not Completed:** Corrective actions are still ongoing to update Army Regulation 420-1, “Army Facilities Management,” March 31, 2019, to align the Army’s definition of relocatable buildings to the definition in DoD Instruction 4165.56, “Relocatable Buildings,” June 23, 2022. The Army will reclassify the six relocatable buildings as real property once it issues the updated relocatable policy. Estimated completion date is December 31, 2024.

**Principal Action Office:** Army

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**Report:** DODIG-2017-063, Surface Electronic Warfare Improvement Program, 3/13/2017

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Navy

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**Report:** DODIG-2017-069, Ineffective Fund Balance with Treasury Reconciliation Process for Army General Fund, 3/23/2017

**Reason Action Not Completed:** Long-term Army corrective actions are still ongoing to implement system changes to standardize data and document system posting logic. The Army has initiated six system

change requests which will result in improvements to the Army's Fund Balance with Treasury transactions and financial auditability. Full implementation is expected by September 30, 2025.

**Principal Action Office:** Army

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**Report:** DODIG-2017-099, Evaluation of Department of Defense Efforts to Build Counterterrorism and Stability Operations Capacity of Foreign Military Forces with Section 1206/2282 Funding, 7/21/2017

**Reason Action Not Completed:** The Defense Security Cooperation Agency has not completed compliance with the directives and procedures necessary to implement 10 U.S.C. § 2282.

**Principal Action Office:** Defense Security Cooperation Agency

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**Report:** DODIG-2017-106, Evaluation of the Air Force and Navy Explosive Ordnance Disposal Capabilities to Respond to a Nuclear Weapon Accident or Incident, 7/28/2017

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Joint Chiefs of Staff, Navy, Air Force

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**Report:** DODIG-2017-107, Followup Audit: U.S. Naval Academy Museum Management of Heritage Assets, 8/7/2017

**Reason Action Not Completed:** The Registrar and Assistant Registrar are working on the new baseline inventory of all U.S. Naval Academy Museum assets and documenting the inventory results. The Navy anticipates the baseline inventory will be completed by December 31, 2027. Full reconciliation of Found-in-Collection artifacts will not be completed until the baseline inventory is complete. The Navy anticipates a full inventory will be completed by January 1, 2030.

**Principal Action Office:** Navy

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**Report:** DODIG-2017-108, United States Transportation Command Triannual Reviews, 8/9/2017

**Reason Action Not Completed:** The U.S. Transportation Command has not developed and implemented processes and procedures to execute the Dormant Account Review Quarterly process as recommended to improve the DoD's ability to execute all available appropriations before expiration and ensure remaining obligations are valid and support accurate financial

and budgetary reporting. Estimated completion date is August 31, 2025.

**Principal Action Office:** U.S. Transportation Command

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**Report:** DODIG-2017-114, Documentation to Support Costs for Army Working Capital Fund Inventory Valuation, 8/24/2017

**Reason Action Not Completed:** The Army has not developed and implemented policy to maintain credit values given for returns for credit and unserviceable credit transactions within the Army Materiel Command. Estimated completion date is December 31, 2024.

**Principal Action Office:** Army

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**Report:** DODIG-2017-121, U.S. Africa Command's Management of Acquisition and Cross-Servicing Agreements, 9/21/2017

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment is reviewing the implementation and execution of the acquisition and cross-servicing agreement authority and is formulating updates to DoD Directive 2010.9. The Office of the Under Secretary of Defense for Acquisition and Sustainment is working with the Military Services and the Joint Staff to ensure all DoD Components authorized to execute transactions under the acquisition and cross-servicing agreements or implement acquisition and cross-servicing agreements have adequate training programs. The Navy updated the Secretary of the Navy Acquisition and Cross-Servicing Agreement Instruction and will provide a copy once published. Estimated completion date is September 30, 2024.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Navy

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**Report:** DODIG-2017-123, The Troops-to-Teachers Program, 9/28/2017

**Reason Action Not Completed:** All efforts to implement corrective actions were paused due to the Defense-Wide Review's decision to end the Troops-to-Teachers program by October 1, 2020. However, on December 27, 2021, the FY 2022 National Defense Authorization Act reauthorized the Troops-to-Teachers program after the DoD ended the program in FY 2021. Congress directed the DoD to continue the program until at least July 1, 2025, and submit a full analysis of the program by December 2022 and annually thereafter. The FY 2022 National Defense Authorization Act did not provide funding to restart the Troop-to-Teachers program,

which left the DoD to determine a funding level for the program. The DoD provided no-cost extensions that allowed state or consortium grantees that remained active after the initial cancellation of the program to continue to provide counseling and referral services to program participants across 25 states until May 2023. The DoD has not determined the program funding level after FY 2023. Efforts to develop a DoD Instruction that consolidates overarching transition and reintegration programs, including Troops-to-Teachers, are ongoing. Estimated completion date is September 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2018-018, Implementation of the DoD Leahy Law Regarding Allegations of Child Sexual Abuse by Members of the Afghan National Defense and Security Forces, 11/16/2017

**Reason Action Not Completed:** The Under Secretary of Defense for Policy has not issued the updated DoD Instruction 2110.A, "Implementation of DoD Leahy Law Restrictions on Assistance to Foreign Security Forces." Additionally, the Under Secretary of Defense for Policy has not issued procedures for application of the DoD Leahy Law, including timelines for reaching decisions on credible information. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Policy

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**Report:** DODIG-2018-035, Evaluation of Fingerprint Card and Final Disposition Report Submissions by Military Service Law Enforcement Organizations, 12/4/2017

**Reason Action Not Completed:** The Army projects publication for Regulation 190-45 to be September 30, 2025. The Air Force, Navy, and Marine Corps have not confirmed that all fingerprint cards and final disposition reports for individuals investigated for, or convicted of, qualifying offenses before 1998 were reported to the FBI.

**Principal Action Office:** Army, Navy, Air Force, and Marine Corps

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**Report:** DODIG-2018-042, Evaluation of Army Recovered Chemical Warfare Materiel Response Actions, 12/14/2017

**Reason Action Not Completed:** The Army indicated that updating DoD Manual 5101.17 and revising Engineering Pamphlet 75-1-3 have been delayed pending the DoD update of DoD Directive 5101.17E,

"Roles and Responsibilities Associated with the Recovery of Chemical Warfare Materiel," May 11, 2016, Change 3.

**Principal Action Office:** Army

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**Report:** DODIG-2018-047, Followup to Under Secretary of Defense for Intelligence Evaluation, 12/18/2017

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Classified

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**Report:** DODIG-2018-063, Navy and Marine Corps Management of Relocatable Buildings, 1/29/2018

**Reason Action Not Completed:** Revisions to Chief of Naval Operations Instruction 11010.33C, "Procurement, Lease and Use of Relocatable Buildings," March 7, 2006; Marine Corps Order 11000.12, Appendix G, "Interim Relocatable Facilities Policy and Procedures," September 8, 2014; and Marine Corps Headquarters GF-6, "Real Estate and Real Property Accountability Handbook," December 2013, to reflect recent updates made to DoD Instruction 4165.56, "Relocatable Buildings," June 23, 2022, are ongoing. Training of Department of Public Works personnel on the proper classification of relocatable buildings cannot be conducted until final guidance is published. Estimated completion date is September 30, 2024.

**Principal Action Office:** Navy, Marine Corps

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**Report:** DODIG-2018-077, Financial Management and Contract Award and Administration for the Armed Forces Retirement Home, 2/21/2018

**Reason Action Not Completed:** The Armed Forces Retirement Home has not provided a status of the comprehensive Armed Forces Retirement Home long-term solvency strategy.

**Principal Action Office:** Armed Forces Retirement Home

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**Report:** DODIG-2018-092, DoD Emergency Management Programs in the U.S. Africa Command, 3/28/2018

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not provided an updated DoD Instruction 6055.17, "DoD Emergency Management (EM) Program," February 13, 2017, or an assessment process to ensure consistent application of the DoD Emergency Services Program.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2018-099, Army Internal Controls over Foreign Currency Accounts and Payments, 3/29/2018

**Reason Action Not Completed:** The Army has not configured the general ledger systems to record the foreign currency fluctuation to the same fiscal year as the underlying obligation, in accordance with DoD 7000.14-R, “DoD Financial Management Regulation,” volume 6a, chapter 7. Estimated completion date is September 30, 2026.

**Principal Action Office:** Army

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**Report:** DODIG-2018-117, Department of the Navy Qualified Recycling Programs, 5/10/2018

**Reason Action Not Completed:** The Office of the Assistant Secretary of the Navy (Financial Management and Comptroller), Office of Financial Operations, has not finalized the development of guidance for overseeing the Department of the Navy’s qualified recycling programs. The guidance will include procedures for timely deposit and end-to-end data reconciliations ensuring revenue and expense are properly recorded and reported in the financial statements. Additionally, the guidance will address the compliance of segregation of duties and placement of mitigating controls; annual reviews of business plans; and proper check endorsement and receipt of non-cash vendor payment procedures.

**Principal Action Office:** Navy

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**Report:** DODIG-2018-120, The Treasury Index 97 Cash Management Report, 5/23/2018

**Reason Action Not Completed:** The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, issued a memorandum requiring disbursing officers and disbursing accountable officials to provide daily reporting to the U.S. Treasury. However, these requirements were not incorporated into the DoD Financial Management Regulation. The Office of the Under Secretary and the Defense Finance and Accounting Service are jointly developing a comprehensive tool that will provide transaction-level details needed to fully reconcile Fund Balance with Treasury. In addition, the Office of the Under Secretary has not provided evidence to support that the conversion to Treasury Direct Disbursing has been completed. Although the Advana system is fully operational and is used to consolidate and reconcile Treasury Index 97 related financial data, the Office of the Under Secretary has not been able to provide evidence to support that the Defense Repository for Common Enterprise Data tool can effectively support

the Fund Balance with Treasury reconciliations at the voucher-level. The Defense Finance and Accounting Service developed a corrective action plan but is still working to complete all the milestones concerning the Treasury Index 97 Cash Management Report migration into Advana. Estimated completion date is September 30, 2029.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

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**Report:** DODIG-2018-122, U.S. Strategic Command Facility Construction Project, 5/31/2018

**Reason Action Not Completed:** The Assistant Secretary of Defense for Energy, Installations, and Environment has not provided evidence to support the development of guidance establishing metrics for financial risk management parameters and triggers, including threshold changes to scope, cost, or timeline; emerging issues; dispute resolution; and statutory reporting requirements when higher headquarters engagement is required. The U.S. Army Corps of Engineers completed an after-action review in July 2019 and identified lessons learned for internal implementation on other military construction projects. However, the U.S. Army Corps of Engineers has not issued guidance or shared the lessons learned due to concerns with ongoing construction contract litigation. The U.S. Army Corps of Engineers Office of the Chief Counsel advised not to release these documents because they are considered counsel-directed work products while still in active litigation resolution. The U.S. Air Force Civil Engineer Center has not finished program life cycle evaluations to determine the success of the Cost Estimating Improvement Program. The collection and analysis of metrics will require a 4-year evaluation cycle based on planning, programming, design, and execution timelines. Estimated completion date is September 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army, Air Force

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**Report:** DODIG-2018-125, The Fort Bliss Hospital Replacement Military Construction Project, 6/6/2018

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not developed guidance for the: (1) roles, responsibilities, and deciding officials for key segments of a facility construction project; or (2) metrics, including financial risk management parameters and triggers. The final draft of U.S. Army Corps of Engineers guidance to improve technical expertise and discipline for medical

infrastructure projects, improve understanding of performance specifications and extensions of design, and include performance metrics for projecting a project at risk, is pending management review and approval. Estimated completion date is March 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army

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**Report:** DODIG-2018-129, Department of the Navy Civilian Pay Budget Process, 6/20/2018

**Reason Action Not Completed:** The Marine Corps migrated its legacy financial systems to the Defense Agencies Initiative in FY 2022, with the goal to process and report financial transactions completely and accurately during the 2-year audit cycle ending in FY 2023. The Marine Corps actions are ongoing with Headquarters, U.S. Marine Corps Programs and Resources Department to provide information and supporting documentation on the processes used to determine budgeted civilian pay funding levels using full-time equivalents calculated based on projected hours to be worked, as required by Office of Management and Budget Circular No. A-11, "Preparation, Submission, and Execution of the Budget," June 2015.

**Principal Action Office:** Marine Corps

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**Report:** DODIG-2018-142, U.S. Africa Command and U.S. European Command Integration of Operational Contract Support, 8/9/2018

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** U.S. European Command

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**Report:** DODIG-2018-151, Military Sealift Command's Maintenance of Prepositioning Ships, 9/24/2018

**Reason Action Not Completed:** Military Sealift Command is incrementally updating the technical drawings and manuals for its prepositioning fleet subject to receiving additional requested funding. Estimated completion date is September 30, 2024.

**Principal Action Office:** Navy

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**Report:** DODIG-2018-159, Evaluation of the Integrated Tactical Warning and Attack Assessment System, 9/26/2018

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** U.S. Space Command

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**Report:** DODIG-2018-160, Evaluation of the Space-Based Segment of the U.S. Nuclear Detonation Detection System, 9/28/2018

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Cost Assessment and Program Evaluation

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**Report:** DODIG-2019-004, DoD Oversight of Bilateral Agreements with the Republic of the Philippines, 11/2/2018

**Reason Action Not Completed:** The Marine Corps has not provided evidence to support that the Acquisition and Cross-Servicing Agreement Finance program manager has completed Joint Knowledge Online-Training.

**Principal Action Office:** Marine Corps

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**Report:** DODIG-2019-016, DoD Actions Taken to Implement the Cybersecurity Information Sharing Act of 2015, 11/8/2018

**Reason Action Not Completed:** Revision of DoD Instruction 8530.01, "Cybersecurity Activities Support to DoD Information Network Operations," July 25, 2017, to issue DoD-wide policy implementing the Cybersecurity Information Sharing Act of 2015 requirements, including a requirement for the DoD Components to document barriers to sharing cyber threat indicators and defensive measures and take appropriate actions to mitigate the identified barriers, is ongoing. Directive Type Memorandum 24-001, "DoD Cybersecurity Activities Performed for Cloud Service Offerings," February 27, 2024, serves as interim guidance until the revised DoD Instruction 8530.01 is published. Estimated completion date is September 30, 2025.

**Principal Action Office:** DoD Chief Information Officer

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**Report:** DODIG-2019-032, Evaluation of Combatant Command Intelligence Directorate Internal Communications Processes, 12/4/2018

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not issued draft DoD Instruction 3305.XX, "DoD Intelligence and Security Training." Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

**Report:** DODIG-2019-034, Security Controls at DoD Facilities for Protecting Ballistic Missile Defense System Technical Information, 12/10/2018

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Classified

**Report:** DODIG-2019-038, Followup of Delinquent Medical Service Account Audits, 12/19/2018

**Reason Action Not Completed:** The Defense Health Agency Uniform Business Office conducted an analysis on types of aged accounts receivable at DoD medical treatment facilities through September 30, 2021. The accounts receivable were sorted into various categories to identify immediate reversal of charges or long-term review and approval for write-off of charges. The Defense Health Agency Uniform Business Office briefs the DoD OIG every month on the status of internal corrective action plans and progress made toward completing milestones.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

**Report:** DODIG-2019-039, Reporting of Improper Payments for the Defense Finance and Accounting Service Commercial Pay Program, 12/21/2018

**Reason Action Not Completed:** The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, has not developed and implemented an annual review process of the Defense Finance and Accounting Service Commercial Pay Program to identify all types of payments made across DoD Components. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, also has not verified that existing risk assessments and sampling plans covered all defined commercial payment types or updated risk assessments and sampling plans for program segments that experienced a significant change in legislation or a significant increase in funding level. The DoD OIG is currently conducting its annual Improper Payments Elimination and Recovery Act review to verify the implementation of corrective actions.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** DODIG-2019-041, DoD Civilian Pay Budgeting Process, 1/3/2019

**Reason Action Not Completed:** Corrective actions are ongoing to update the DoD Financial Management Regulation, volume 2A, chapters 1 and 3, including: (1) recurring instructions from the Budget Estimate

Submission guidance and President's Budget guidance that are not unique to a particular year; (2) a guide from the Defense Finance and Accounting Service payroll system's gross reconciliation codes to the OP-8 and OP-32 budget exhibit line items and personnel categories; (3) further clarification for calculating full-time equivalents and straight-time hours worked; and (4) a requirement to include variable costs in the Services' and Defense agencies' budget requests. Estimated completion date is March 31, 2025.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** DODIG-2019-042, Evaluation of Social Media Exploitation Procedures Supporting Operation Inherent Resolve, 12/28/2018

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Army

**Report:** DODIG-2019-055, Evaluation of Integrated Joint Special Technical Operations, 2/11/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Joint Chiefs of Staff, Director, DoD Special Access Program Central Office

**Report:** DODIG-2019-056, Accounting and Financial Reporting for the Military Housing Privatization Initiative, 2/12/2019

**Reason Action Not Completed:** The Assistant Secretary of Defense for Sustainment is developing policy specific to projects with Government Direct Loans and Government Loan Guarantees. Estimated completion date is September 30, 2024.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2019-062, Audit of Management of Government-Owned Property Supporting the F-35 Program, 3/13/2019

**Potential Monetary Benefits:** \$2,087,515,481 (Questioned Costs)

**Reason Action Not Completed:** The Office of the Under Secretary of Defense for Acquisition and Sustainment has not reviewed the accounting and management actions of the F-35 Program Office. The F-35 Joint Program Office has not established a government-furnished property list compliance process and contract documentation that shows the results of the implemented process. The F-35 Joint

Program Office has not implemented procedures for inputting data into the accountable property system of record and transitioned contractor-acquired property procured to government-furnished property from past F-35 contracts.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, F-35 Joint Program Office

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**Report:** DODIG-2019-063, Followup Audit on the Military Departments' Security Safeguards Over Secret Internet Protocol Router Network Access Points, 3/18/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** DoD Chief Information Officer, Army, Navy, Air Force

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**Report:** DODIG-2019-065, Evaluation of DoD Voting Assistance Programs for 2018, 3/25/2019

**Reason Action Not Completed:** The U.S. Southern Command has not provided a written voting plan in accordance with DoD Instruction 1000.04, "Federal Voting Assistance Program (FVAP)," November 12, 2019.

**Principal Action Office:** U.S. Southern Command

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**Report:** DODIG-2019-071, Evaluation of DoD Component Responsibilities for Counterintelligence Support for the Protection of Defense Critical Infrastructure, 4/5/2019

**Reason Action Not Completed:** The Office of the Under Secretary of Defense for Intelligence and Security is updating DoD Instruction 5240.24, "Counterintelligence (CI) Activities Supporting Research, Development, and Acquisition (RDA)," June 8, 2011, to align with the DoD Counterintelligence Strategy, 2021-2031. The Office of the Under Secretary of Defense for Intelligence and Security, Counterintelligence and Policy, made significant changes to DoD Instruction 5240.24; therefore, the Instruction is undergoing internal coordination, followed by principal-level formal coordination. Estimated completion date is October 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2019-073, Audit of Payments to the DoD for Medical Services Provided to Department of Veterans Affairs Beneficiaries at Selected Army Medical Centers, 4/8/2019

**Reason Action Not Completed:** The Defense Health Agency has not identified the system errors that prevented the billing and payment of inpatient professional fees or corrected the system errors that prevented billing and payment of inpatient professional fees. In addition, the Defense Health Agency has not coordinated with other sharing sites to determine whether those sites were affected by the error and whether personnel at those sites implemented corrective action. Also, the Defense Health Agency has not developed and issued guidance to other impacted sites to bill for any previously unbilled care.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2019-075, Evaluation of Military Services' Law Enforcement Responses to Domestic Violence Incidents, 4/19/2019

**Reason Action Not Completed:** The Secretaries of the Army and Navy have not provided evidence to support that they have completed a comprehensive review of all criminal investigative databases and files to verify that all subjects of domestic violence incidents from 1998 to present were titled and indexed in the Defense Central Index of Investigations. The Navy and Marine Corps have not provided evidence to support that they have collected and submitted subject fingerprint cards and final disposition reports to the FBI's Criminal Justice Information Services Division database. Marine Corps Installations Command has not titled and indexed all subjects in the Defense Central Index of Investigations.

**Principal Action Office:** Army, Navy, Marine Corps

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**Report:** DODIG-2019-076, Evaluation of Missile Defense Agency, Pentagon Force Protection Agency, and Defense Commissary Agency Use of Their Authorities to Conduct Counterintelligence Inquiries, 4/16/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Missile Defense Agency

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**Report:** DODIG-2019-078, Evaluation of the Air Force's Implementation of DoD OIG Recommendations Concerning Modifications of the Integrated Tactical Warning and Attack Assessment (ITW/AA) Mobile Ground System, 4/17/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Air Force

**Report:** DODIG-2019-081, Audit of Training Ranges Supporting Aviation Units in the U.S. Indo-Pacific Command, 4/17/2019

**Reason Action Not Completed:** The DoD is revising DoD Directive 1322.18, “Military Training,” October 3, 2019, to update DoD training policies. DoD Instruction 3200.21, “Sustaining Access to the Live Training Domain,” November 30, 2017, is currently in revision. DoD Instruction 1322.XX, “Synthetic and Blended – Live, Virtual, Constructive Training,” is in development.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2019-084, Evaluation of the Operations and Management of Military Cemeteries, 5/20/2019

**Reason Action Not Completed:** The Navy has not published updated cemetery regulations to implement DoD Instruction 1300.31, which provides guidance on the operation, management, accountability, and inspections of military cemeteries.

**Principal Action Office:** Navy

**Report:** DODIG-2019-085, Audit of the Defense Security Cooperation Agency–Security Assistance Accounts, 5/8/2019

**Potential Monetary Benefits:** \$736,000,000 (Funds Put to Better Use)

**Reason Action Not Completed:** The Defense Security Cooperation Agency is working to implement corrective action plans, which include developing a comprehensive accounting and reporting process, performing quarterly inspections of DoD and contractor facilities to monitor Special Defense Acquisition Fund inventory, and improving the management of overaged transactions so that the data and supporting documentation are readily available in a single location.

**Principal Action Office:** Defense Security Cooperation Agency

**Report:** DODIG-2019-087, Audit of the DoD’s FY 2018 Compliance with the Improper Payments Elimination and Recovery Act Requirements, 5/15/2019

**Reason Action Not Completed:** The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, has not provided evidence to support that the processes the Defense Finance and Accounting Service implemented to obtain and test the Commercial Pay and Travel programs population for FY 2021

use the actual paid amounts from every system. The Defense Finance and Accounting Service has not implemented additional control measures and included all necessary payments in the Military Pay, Civilian Pay, and Military Retirement populations, and reported accurate improper payment estimates in the Agency Financial Report. The DoD OIG is currently conducting its annual Improper Payments Elimination and Recovery Act review to verify the implementation of corrective actions.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** DODIG-2019-091, Evaluation of the DoD’s Management of Opioid Use Disorder for Military Health System Beneficiaries, 6/10/2019

**Reason Action Not Completed:** The Assistant Secretary of Defense for Health Affairs has not completed the updates of DoD Instruction 1010.0, the Defense Health Agency Procedural Instruction 1010.04, and a list of policies requiring a modification and copies of the updated policies. Additionally, the Navy has not completed the update of policies that apply to the Marine Corps Substance Abuse Counseling Centers. Estimated completion date is December 31, 2024.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs, Navy

**Report:** DODIG-2019-093, Evaluation of U.S. European Command’s Nuclear Command and Control Between the President and Theater Nuclear Forces, 6/10/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Army, Air Force, U.S. European Command

**Report:** DODIG-2019-105, Audit of Protection of DoD Controlled Unclassified Information on Contractor-Owned Networks and Systems, 7/23/2019

**Reason Action Not Completed:** The DoD Chief Information Officer, in coordination with Defense Pricing, Contracting, and Acquisition Policy, has not issued policy that requires all systems and networks that maintain DoD information, including those owned by contractors that maintain DoD information to: (1) use strong passwords that, at a minimum, meet DoD password length and complexity requirements, or (2) configure their systems and networks to align with DoD requirements for locking after 15 minutes of inactivity and three unsuccessful logon attempts. Policy cannot be implemented or revised until

Cybersecurity Maturity Model Certification 2.0 program requirements are established in a final rule in Title 32 of the Code of Federal Regulations (CFR). The Title 32 CFR Final Rule is in the review process at the Office of Management and Budget, Office of Information and Regulatory Affairs. Upon the DoD Chief Information Officer's finalization of the rule, Defense Pricing, Contracting, and Acquisition Policy will pursue rulemaking to implement direction to contracting officers in the Defense Federal Acquisition Regulation Supplement.

**Principal Action Office:** DoD Chief Information Officer, Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2019-106, Audit of the DoD's Management of the Cybersecurity Risks for Government Purchase Card Purchases of Commercial Off-the-Shelf Items, 7/26/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Secretary of Defense, DoD Chief Information Officer, Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2019-107, Evaluation of Combatant Commands' Insider Threat Programs, 7/30/2019

**Reason Action Not Completed:** The DoD Chief Information Officer developed the draft DoD Instruction 8530.CD, "User Activity Monitoring," and the draft Cybersecurity strategy. However, in June 2023, the Secretary of Defense put a hold on the issuance of the Instruction and strategy to incorporate tasks identified in the Secretary of Defense Memorandum, "Security Review Follow-on Actions," June 30, 2023. The U.S. Southern Command is in the process of filling the Insider Threat Program Manager position, while the U.S. Special Operation Command requested funding to hire Insider Threat program managers and will be able to complete the recommendation once funding is available. Estimated completion date is September 30, 2024.

**Principal Action Office:** DoD Chief Information Officer, U.S. Special Operations Command, U.S. Southern Command

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**Report:** DODIG-2019-108, Audit of the DoD's Management of the Third Party Collection Program for Medical Claims, 9/16/2019

**Potential Monetary Benefits:** \$70,714,306 (Funds Put to Better Use)

**Reason Action Not Completed:** The Defense Health Agency began the process of designing custom reporting tools that include metrics to assist with measuring timely and accurate filing of claims as outlined by third-party insurance requirements and Defense Health Agency Procedures. However, the Defense Health Agency has not provided evidence to support that these reports are being produced, analyses showing that the reports are effective in measuring timely and accurate filing of claims, or a list of actions that will be taken to resolve untimely and inaccurate filing of claims.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2019-112, Audit of TRICARE Payments for Health Care Services and Equipment That Were Paid Without Maximum Allowable Reimbursement Rates, 8/20/2019

**Reason Action Not Completed:** The Defense Health Agency has not issued a revised TRICARE policy to incorporate wording regarding reasonable cost and being a prudent buyer similar to the related clauses in Title 42 Code of Federal Regulations 405.502 and Centers for Medicare and Medicaid Services Publication 15-1, "Provider Reimbursement Manual."

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2019-127, Audit of Access Controls in the Defense Logistics Agency's Commercial and Government Entity Code Program, 9/30/2019

**Reason Action Not Completed:** Report is For Official Use Only Law Enforcement Sensitive. Estimated completion date is September 30, 2024.

**Principal Action Office:** Defense Logistics Agency

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**Report:** DODIG-2020-003, Audit of the DoD's Use of Additive Manufacturing for Sustainment Parts, 10/17/2019

**Reason Action Not Completed:** The Marine Corps established an interim digital repository to store and share additive manufacturing parts produced that is progressing through the developmental phases. The prototype, Other Transaction Authority, was completed on June 26, 2022, and the transition to production started during calendar year 2023. Efforts are ongoing to establish a Digital Manufacturing Data Vault as an official Program of Record. Estimated completion date is October 31, 2024.

**Principal Action Office:** Marine Corps

**Report:** DODIG-2020-029, Audit of a Classified Program, 11/13/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Air Force

**Report:** DODIG-2020-039, Combatant Command Integration of Space Operations into Military Deception Plans, 12/13/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Joint Chiefs of Staff, U.S. Indo-Pacific Command, U.S. Strategic Command

**Report:** DODIG-2020-045, Evaluation of the Military Service Capacity to Fill Combatant Command Requests for Counterintelligence Support, 12/30/2019

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Army, Navy

**Report:** DODIG-2020-048, Audit of Controls Over Opioid Prescriptions at Selected DoD Military Treatment Facilities, 1/10/2020

**Reason Action Not Completed:** The Assistant Secretary of Defense for Health Affairs converted Defense Health Agency Procedural Instruction 6025.04, "Pain Management and Opioid Safety in the Military Health System," June 8, 2018, to Defense Health Agency Administrative Instruction (DHA-AI) 6025.08, "Pain Management and Opioid Safety in Military Medical Treatment Facilities," February 13, 2023. The Defense Health Agency's assessment of implementation and compliance with DHA-AI 6025.08 is ongoing. Estimated completion date for full development and implementation of the DHA-AI 6025.08 compliance assessment tool and process is September 30, 2024.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

**Report:** DODIG-2020-056, Audit of Readiness of *Arleigh Burke*-Class Destroyers, 1/31/2020

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Navy

**Report:** DODIG-2020-063, Audit of DoD Service-Disabled Veteran-Owned Small Business Contract Awards, 2/18/2020

**Potential Monetary Benefits:** \$876,800,000 (Questioned Costs)

**Reason Action Not Completed:** The Office of the Under Secretary of Defense for Acquisition and Sustainment met with Defense Pricing, Contracting, and Acquisition Policy personnel to discuss the review of all 17 contractors that received DoD Service-Disabled Veteran-Owned Small Business set-aside or sole-source contracts but were denied Service-Disabled Veteran-Owned Small Business status by the Department of Veterans Affairs Center for Verification and Evaluation, to determine whether they meet the requirements for such status. The Office of the Under Secretary of Defense for Acquisition and Sustainment is working with Defense Pricing, Contracting, and Acquisition Policy to formalize a comprehensive response capturing the collaborative decisions established during the meeting.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2020-064, Evaluation of DoD Law Enforcement Organization Submissions of Criminal History Information to the Federal Bureau of Investigation, 2/21/2020

**Reason Action Not Completed:** The Secretary of the Navy has not issued guidance that outlines Navy Security Forces processes and procedures and oversight for collecting and submitting deoxyribonucleic acid samples to the U.S. Army Criminal Investigation Laboratory for entry into the FBI Combined Deoxyribonucleic Acid Index System.

**Principal Action Office:** Navy

**Report:** DODIG-2020-066, Audit of the Department of Defense Supply Chain Risk Management Program for Nuclear Command, Control, and Communications Systems, 3/2/2020

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Research and Engineering, Navy

**Report:** DODIG-2020-067, Followup Audit on Corrective Actions Taken by DoD Components in Response to DoD Cyber Red Team-Identified Vulnerabilities and Additional Challenges Facing DoD Cyber Red Team Missions, 3/13/2020

**Reason Action Not Completed:** The DoD Chief Information Officer published DoD Instruction 8585.01, "DoD Cyber Red Teams," January 11, 2024, to include requirements for addressing DoD Cyber Red Team-identified vulnerabilities and reporting actions

taken to mitigate those vulnerabilities. However, the guidance does not assign an organization with the responsibility to review and assess DoD Cyber Red Team reports for systemic vulnerabilities and coordinate the development and implementation of enterprise solutions to mitigate those vulnerabilities affecting DoD systems, networks, and operations. Actions are ongoing to update DoD Instruction 8585.01 to assign roles and responsibilities for reviewing and assessing DoD Cyber Red Team reports and coordinate enterprise solutions to mitigate these vulnerabilities. Estimated completion date is September 30, 2025. The U.S. Southern Command has not provided evidence that it has prioritized the risk of each unmitigated vulnerability identified in the DoD Cyber Red Team assessments and reports, taken immediate action to mitigate each vulnerability, and included any vulnerabilities that it cannot immediately mitigate on a U.S. Southern Command-approved plan of actions and milestones.

**Principal Action Office:** DoD Chief Information Officer, U.S. Southern Command

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**Report:** DODIG-2020-071, Audit of the Department of Defense's Ground Transportation and Secure Hold of Arms, Ammunition, and Explosives in the United States, 3/23/2020

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not completed an analysis of the tangible benefits of a centralized rail tracking system. The Under Secretary of Defense for Acquisition and Sustainment has not provided evidence of policy, guidelines, or other relevant documents that require the Services to respond to Military Surface Deployment and Distribution Command accident investigations.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2020-078, Audit of Physical Security Controls at Department of Defense Medical Treatment Facilities, 4/6/2020

**Reason Action Not Completed:** The Defense Health Agency Director is working to finalize a list of all General Service-leased facilities/community-based clinics to conduct onsite physical security inspections and assessments in accordance with Defense Health Agency Administrative Instruction 5210.01, "Physical Security Program," July 12, 2023. Since the initiation of the Defense Health Agency Organizational Inspection Program in October 2023, the Protection

Division has completed 15 Organizational Inspection Program physical security inspections and will continue to conduct physical security inspections at the remaining DoD medical treatment facilities. In addition, Protection Division staff conducted physical security inspections at eight community-based clinics in 2024. The Protection Division will also complete 19 physical security assessments by October 2024 and continue to conduct assessments on a triennial basis as a mechanism to assess and ensure compliance. Estimated completion date is September 31, 2027.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2020-082, Evaluation of the DoD's Management of Health and Safety Hazards in Government-Owned and Government-Controlled Military Family Housing, 4/30/2020

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment and the Under Secretary of Defense for Personnel and Readiness have not established or revised appropriate DoD policies to address health and safety hazards in military family housing to manage health, safety, and environmental risks to acceptable levels for military family housing residents. The Army, Navy, and Air Force are waiting for the DoD to issue updated policy before updating their respective Service policies to align with any revisions to DoD policy for health and safety hazard management.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Personnel and Readiness, Army, Navy, Air Force

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**Report:** DODIG-2020-087, Audit of Training of Mobile Medical Teams in the U.S. Indo-Pacific Command and U.S. Africa Command Areas of Responsibility, 6/8/2020

**Reason Action Not Completed:** The Assistant Secretary of Defense for Health Affairs has not implemented a standardized medical training program for mobile medical teams due to lack of funding. In December 2022, the Defense Health Agency chartered the Austere Resuscitative Surgical Care Working Group, led by the Joint Trauma System, through the Joint Trauma Education and Training Branch, to create a curriculum defining the clinical skills for individuals and teams to care for patients in challenging expeditionary and austere environments. The Working Group will develop enabling and terminal learning objectives for use by the Military Departments. The Surgeon General

of the Air Force has not directed the implementation of the Joint Trauma Education and Training Branch's standardized training program. The Surgeons General of the Army and Navy have not required all mobile medical team personnel to complete standardized post-deployment after action reports.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs, Army, Navy, Air Force

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**Report:** DODIG-2020-093, Audit of the Department of Defense's Processes to Identify and Clear Munitions and Explosives of Concern During Construction on Guam, 6/16/2020

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not published guidance for estimating and presenting costs on DD Form 1391, "FY\_\_\_\_ Military Construction Project Data." The guidance will enable personnel to assess the accuracy of the munitions and explosives of concern clearance budget and enable DoD leaders to refine future military construction projects based on historical comparisons of methods used to develop munitions and explosives of concern clearance budgets.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2020-097, Audit of Protective Security Details in the Department of Defense, 6/30/2020

**Reason Action Not Completed:** The Deputy Secretary of Defense directed the transfer of high-risk personnel program roles and responsibilities from the Office of the Under Secretary of Defense for Policy to the Office of the Under Secretary of Defense for Intelligence and Security, which established a working group to review specific matters discussed in the DoD OIG report. The results of the working group review will be used to develop appropriate updates to DoD Instruction O-2000.22, "Designation and Physical Protection of DoD High-Risk Personnel," June 19, 2014. Estimated completion date is September 30, 2025. The U.S. Army Military Police School will complete revisions to Army Techniques Publication 3-39.35, "Protective Services," May 2013, within 18 months of the completion of the revised instruction. Revisions will reflect any changes regarding the number of personnel and number of days of advance work an agent should perform at the mission location, the use of security control rooms, and the number of agents necessary to perform a protective security detail for

high-risk personnel. Estimated completion date is March 31, 2026.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security, Army

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**Report:** DODIG-2020-098, Audit of Governance and Protection of Department of Defense Artificial Intelligence Data and Technology, 6/29/2020

**Reason Action Not Completed:** The Marine Corps has not provided support that they developed and implemented a plan to correct the security weaknesses related to not using strong passwords; monitored networks and systems for unusual user and system activity; and secured data centers, server racks, and associated keys.

**Principal Action Office:** Marine Corps

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**Report:** DODIG-2020-101, Naval Ordnance Data Classification Issues Identified During the Oversight of the U.S. Navy General Fund Financial Statement Audit for FY 2020, 7/2/2020

**Reason Action Not Completed:** The Office of the Under Secretary of Defense for Intelligence and Security is updating DoD Manual 5200.45, "Instructions for Developing Security Classification Guides," April 2, 2013, to ensure that security classification guides are coordinated across the DoD and Military Services to identify conflicting requirements before finalization. The draft manual was submitted to the DoD Directives Division before going into pre-signature review. The update of DoD Manual 5200.45 will also undergo a DoD Office of General Counsel legal sufficiency review.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2020-105, Followup Evaluation of Report DODIG-2016-078, Evaluation of the Department of Defense's Biological Select Agents and Toxins Biosafety and Biosecurity Program Implementation, 7/16/2020

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not finalized and published the revision to DoD Directive 5101.20E, "DoD Biological Select Agents and Toxins (BSAT) Biosafety and Biosecurity Program," January 25, 2019. Estimated completion date is February 28, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2020-110, Evaluation of U.S. Air Force Air Refueling Support to the U.S. Strategic Command's Nuclear Deterrence Mission, 8/3/2020

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Air Force

**Report:** DODIG-2020-112, Evaluation of Access to Mental Health Care in the Department of Defense, 8/10/2020

**Reason Action Not Completed:** The Assistant Secretary of Defense for Health Affairs has not updated Assistant Secretary of Defense for Health Affairs memorandum, "TRICARE Policy for Access to Care," February 23, 2011, to remove the eight-visit limitation for outpatient mental health care. The Defense Health Agency has not developed a single Military Health System-wide staffing approach for the Behavioral Health System of Care that estimates the number of appointments and personnel required to meet the enrolled population's demand for mental health services. Estimated completion date is September 30, 2025.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

**Report:** DODIG-2020-113, Followup Audit on Recommendations to Correct Building Deficiencies at the Naval Station Great Lakes Fire Station, 8/13/2020

**Reason Action Not Completed:** The Commander, Navy Region Mid-Atlantic, is working to address deficiencies identified at Building 2801. After the Program Objective Memorandum 24 special project submission was not accepted, some deficiencies were addressed by use of multiple smaller projects that could be funded locally. Equipment has been received to make gear room modifications to accommodate negative pressure and that work is being scheduled. Estimated completion date is September 30, 2024. The Commander, Navy Region Mid-Atlantic, has not provided verification from subject matter experts and the Naval Station Great Lakes Fire Department building monitor that the actions taken to resolve the deficiencies were completed. Estimated completion date is September 30, 2024.

**Principal Action Office:** Navy

**Report:** DODIG-2020-114, Audit of Department of Defense Use of Security Assistance Program Funds and Asset Accountability, 8/17/2020

**Potential Monetary Benefits:** \$29,100,000 (Funds Put to Better Use)

**Reason Action Not Completed:** The Director, Financial Improvement and Audit Remediation, has not completed analysis, including performing an independent and objective review of the current administrative rates charged to foreign customers. In addition, the Director, Financial Improvement and Audit Remediation, has not developed and implemented guidance that identifies which costs should be recovered and the process for recovering those costs.

**Principal Action Office:** Deputy Secretary of Defense; Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** DODIG-2020-122, Audit of the Supply Chain Risk Management for the Navy's Nuclear Weapons Delivery System, 9/1/2020

**Reason Action Not Completed:** Navy efforts to include supply risk management policy language into a new Secretary of the Navy instruction for management of technology and program protection are ongoing. The proposed instruction is undergoing extensive comment and review at the working group level.

**Principal Action Office:** Navy

**Report:** DODIG-2020-127, Evaluation of the Department of Defense and Department of Defense Education Activity Responses to Incidents of Serious Juvenile-on-Juvenile Misconduct on Military Installations, 9/4/2020

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness has not developed a policy to address counseling and serious misconduct incidents. The Army Provost Marshal General, the Naval Criminal Investigative Service, the Chief of Naval Operations, and the Marine Corps Criminal Investigation Division have not updated internal policies to require that appropriate law enforcement response and procedures pertaining to serious juvenile-on-juvenile misconduct incidents are documented, including all notifications to civilian legal authorities and installation commanders and, when possible, the legal and administrative actions taken. Estimated completion date is December 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Army, Navy, Marine Corps

**Report:** DODIG-2020-132, Evaluation of the U.S. Africa Command's Response to the Coronavirus Disease—2019, 9/30/2020

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** U.S. Africa Command

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**Report:** DODIG-2020-133, Evaluation of Department of Defense Medical Treatment Facility Challenges During the Coronavirus Disease–2019 (COVID-19) Pandemic, 9/30/2020

**Reason Action Not Completed:** The Assistant Secretary of Defense for Health Affairs has not established a formal Military Health System COVID-19 After-Action Review working group of representatives from across the Military Health System to issue clarifying guidance for defining essential personnel for civilian health care workers and updating contracts to allow for more flexibility in the use of contracted personnel during extenuating circumstances, such as a pandemic.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2021-041, Evaluation of the Department of Defense Processes to Counter Radio Controlled Improvised Explosive Devices, 1/22/2021

**Reason Action Not Completed:** DoD Directive 5101.14, “DoD Executive Agent and Single Manager for Military Ground-Based Counter Radio-Controlled Improvised Explosive Device Electronic Warfare (CREW) Technology,” June 21, 2019, is at the Office of the Deputy Secretary of Defense for approval.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2021-054, Audit of Cybersecurity Controls Over the Air Force Satellite Control Network, 2/17/2021

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** U.S. Space Force

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**Report:** DODIG-2021-058, Evaluation of the U.S. Central Command’s Response to the Coronavirus Disease–2019, 3/3/2021

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** U.S. Central Command

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**Report:** DODIG-2021-065, Evaluation of Access to Department of Defense Information Technology and Communications During the Coronavirus Disease–2019 Pandemic, 3/30/2021

**Reason Action Not Completed:** The Assistant Secretary of Defense for Homeland Defense and Global Security has not updated the “Functional Campaign Plan–Pandemics and Infectious Diseases,” or the “Global Integration Framework–Pandemics and Infectious Diseases” plans to include the use of telework for essential and non-essential personnel. The Under Secretary of Defense for Policy has not established oversight procedures for verifying that DoD Components have performed the required testing, training, and exercises.

**Principal Action Office:** Under Secretary of Defense for Policy, Assistant Secretary of Defense for Homeland Defense and Hemispheric Affairs

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**Report:** DODIG-2021-066, Evaluation of Department of Defense Voting Assistance Programs for Calendar Year 2020, 3/29/2021

**Reason Action Not Completed:** The Federal Voting Assistance Program, Defense Personnel and Family Support Office has not established agreements with appropriate Federal stakeholder agencies as required by Executive Order 14019 and in support of the 2024 general election. Estimated completion date is September 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2021-072, Audit of the Award and Administration of the National Guard Youth Challenge Program Cooperative Agreements, 4/2/2021

**Reason Action Not Completed:** The Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs has not provided a plan for achieving long-term program benefits and measuring program effectiveness. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2021-077, Audit of Other Transactions Awarded Through Consortia, 4/21/2021

**Reason Action Not Completed:** Defense Pricing, Contracting, and Acquisition Policy updated its Other Transactions Guide in July 2023; however, it does not clarify its policy for determining the approval level required for project awards when using consortia and ensuring guidance is consistent with established dollar approval thresholds and implemented by contracting personnel. The Other Transactions Guide

also does not establish requirements to ensure proper vetting of consortium members and procedures to promote security reviews of the solicitation package to prevent revealing potentially sensitive information. In addition, Defense Pricing, Contracting, and Acquisition Policy has not developed training for awarding other transactions through consortiums or established overarching standards for delegation and warranting procedures for Agreements Officer delegation and warranting procedures that maintain flexibility for component workforce development.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2021-082, Evaluation of Combatant Command Counter Threat Finance Activities, 5/18/2021

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment, in coordination with the Under Secretary of Defense for Policy, has not provided evidence of the updated DoD Instruction on DoD Counter Threat Finance.

**Principal Action Office:** Under Secretary of Defense for Policy, Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2021-086, Audit of Aircraft Readiness at the Naval Aviation Warfighting Development Center, Fallon, Nevada, 5/25/2021

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Navy

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**Report:** DODIG-2021-088, Evaluation of the Air Force Systems Engineering Processes Used in the Development of the Refueling Boom for the KC-46A Tanker, 5/21/2021

**Reason Action Not Completed:** The Under Secretary of Defense for Research and Engineering is revising DoD Instruction 5000.89, "Test and Evaluation," November 19, 2020, and its supplementary acquisition policy issuances to require program managers of major defense acquisition programs to use scientific test and analysis techniques to develop the Test and Evaluation Master Plan.

**Principal Action Office:** Under Secretary of Defense for Research and Engineering

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**Report:** DODIG-2021-090, Audit of Munitions Storage in the U.S. European Command, 6/10/2021

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Marine Corps

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**Report:** DODIG-2021-091, Audit of the Reimbursement for Department of Defense Mission Assignments for Coronavirus Disease–2019 Pandemic Response in the U.S. Northern Command Area of Responsibility, 6/9/2021

**Reason Action Not Completed:** The National Guard Bureau has not developed Component-specific desk manuals for mission assignments that include, at a minimum, step-by-step procedures for initial set-up, real-time cost input, cost tracking, cost reporting, and submission of partial and final billings to ensure compliance with DoD policy. They also need to distribute training plans for tasked units on how to use the desk manual.

**Principal Action Office:** National Guard Bureau

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**Report:** DODIG-2021-094, Audit of Department of Defense Joint Bases, 6/18/2021

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not updated applicable joint base-related guidance or established a clear order of precedence between the memorandum of agreement, joint base policy, and Service policies for joint bases. The Navy and Air Force have not completed reviews of all joint bases to identify potential command authority conflicts or assess the effectiveness of support systems to joint bases. Estimated completion date is September 7, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Navy, Air Force

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**Report:** DODIG-2021-095, Audit of Accounting Corrections on the SF 1081, 6/25/2021

**Reason Action Not Completed:** The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is working with the Defense Finance and Accounting Service to phase out the Defense Joint Military Pay System and replace it with pay systems for each Service. The Defense Joint Military System is projected to be replaced by the Air Force Integrated Personnel and Pay System in January 2025, Army Integrated Personnel and Pay System in FY 2026, and Navy Personnel and Pay System in January 2027.

The Service pay systems will be programmed to ensure that all disbursements cite the correct accounting information. Estimated completion date is December 31, 2027. The Defense Finance and Accounting Service reported that work has been done to validate the Standard Contract Reconciliation Tool SF 1081 data for completeness with Defense Finance Accounting System-Columbus, Systems and Operations. The Accounting Requirements and Support team met internally regarding Defense Transaction Interface Module data dictionary, reviewed all elements for Power Business Intelligence dashboard applicability, and populated Defense Cash Accountability System data into the dashboard. The internal dashboard contains all in-scoped systems except the Automated Disbursing System, which will be uploaded when available. The Defense Finance Accounting Service's Power Business Intelligence, Universe of Transactions, remains in place until infrastructure changes in Advana are completed. Estimated completion date is September 30, 2030.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, Defense Finance and Accounting Service

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**Report:** DODIG-2021-096, Audit of the Military Departments' Purchases of Aviation Fuel and Non-Fuel Services Using the Aviation Into-Plane Reimbursement (AIR) Card, 6/25/2021

**Potential Monetary Benefits:** \$2,920,280 (Questioned Costs)

**Reason Action Not Completed:** The Navy and Air Force have not provided evidence to support that they require Component program managers to conduct monthly reviews of high-risk transactions. The Defense Logistics Agency has not revised the Defense Logistics Agency-Energy P-8, "Fuel Card Program," to include guidance on how Aviation Into-Plane Reimbursement Card users and reviewing officials should determine price reasonableness for ancillary services and fees.

**Principal Action Office:** Navy, Air Force, Defense Logistics Agency

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**Report:** DODIG-2021-098, Audit of the Cybersecurity of Department of Defense Additive Manufacturing Systems, 7/1/2021

**Reason Action Not Completed:** The Navy has not provided approved guidance requiring all additive manufacturing systems to obtain an authority to operate or documentation showing that additive manufacturing systems have initiated the risk

management framework process. Estimated completion date is October 31, 2024.

**Principal Action Office:** Navy

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**Report:** DODIG-2021-099, Audit of Physical Security Conditions at the U.S. Transportation Command Military Ocean Terminals, 7/8/2021

**Reason Action Not Completed:** The U.S. Transportation Command has not addressed all instances of noncompliance identified in Appendix B of the DoD OIG report.

**Principal Action Office:** U.S. Transportation Command

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**Report:** DODIG-2021-102, Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations, 7/21/2021

**Reason Action Not Completed:** The Defense Security Cooperation Agency has not provided the updated Security Assistance Management Manual to include explicit language describing the responsibility of Combatant Commands for oversight of the Security Cooperation Officers' transfer documentation in the Security Cooperation Information Portal.

**Principal Action Office:** Defense Security Cooperation Agency

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**Report:** DODIG-2021-105, Evaluation of the Department of Defense's Actions to Control Contaminant Effects from Perfluoroalkyl and Polyfluoroalkyl Substances at Department of Defense Installations, 7/22/2021

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment is updating DoD Instruction 4715.18, "Emerging Chemicals (ECS) of Environmental Concern," September 4, 2019, to include requirements for Emerging Chemical Program officials to develop risk management options and initiate proactive risk management actions to identify and mitigate contaminant effects of emerging chemicals early in the Emerging Chemical process, regardless of whether an emerging chemical is on the watch list or action list. The Director, Force Safety and Occupational Health, is coordinating the draft report of statistical analysis of the FY 2021 blood test results with Office of the Secretary of Defense stakeholders and DoD Components. Estimated completion date is December 31, 2029.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Personnel and Readiness

**Report:** DODIG-2021-110, Audit of the Department of Defense Recruitment and Retention of the Civilian Cyber Workforce, 7/29/2021

**Reason Action Not Completed:** The DoD Chief Information Officer has not updated all work role codes for filled and unfilled positions. In addition, the DoD Chief Information Officer has not provided documentation that shows the Advana platform includes quality assurance checks to ensure that work role coding complies with the DoD Cyber Workforce Identification and Coding Guide.

**Principal Action Office:** DoD Chief Information Officer

**Report:** DODIG-2021-126, Evaluation of the Department of Defense's Mitigation of Foreign Suppliers in the Pharmaceutical Supply Chain, 9/20/2021

**Reason Action Not Completed:** The Defense Health Agency has not provided evidence to support that it has completed the implementation of its Drug Supply Chain Security Act Compliance Strategy by establishing policies and procedures for drugs purchased with Government Purchase Cards or local contracts to comply with the Drug Supply Chain Security Act. Estimated completion date is June 1, 2025. The Under Secretary of Defense for Acquisition and Sustainment has not published guidance for DoD supply chain risk management for DoD materiel in accordance with DoD Instruction 4140.01, "DoD Supply Chain Materiel Management Policy," March 6, 2019. Estimated completion date is September 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Assistant Secretary of Defense for Health Affairs

**Report:** DODIG-2021-133, Audit of Navy and Marine Corps Actions to Address Corrosion on F/A-18C-G Aircraft, 9/29/2021

**Reason Action Not Completed:** The Navy has not provided documentation of an assessment to determine the effectiveness of the corrective actions taken to address corrosion and determine whether these actions resulted in fewer instances of corrosion, reduced costs, or improved readiness. Estimated completion date is September 30, 2026.

**Principal Action Office:** Navy

**Report:** DODIG-2022-004, Evaluation of the Department of Defense's Implementation of Oversight Provisions of Privatized Military Housing, 10/21/2021

**Reason Action Not Completed:** The Office of the Deputy Assistant Secretary of Defense for Housing, in coordination with the Military Departments, has not provided documentation to support that all Military Housing Privatization Initiative companies have implemented oversight provisions from the FY 2020 National Defense Authorization Act.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

**Report:** DODIG-2022-030, Evaluation of the Department Defense's Implementation of Suicide Prevention Resources for Transitioning Uniformed Service Members, 11/9/2021

**Reason Action Not Completed:** The DoD has not published implementing guidance for a standard mental health assessment and suicide risk screening process to be used by all Services. The Under Secretary of Defense for Personnel and Readiness and the Defense Health Agency have not provided documentation to show that the guidance, policies, and procedures addressing the recommendations have been established and implemented.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

**Report:** DODIG-2022-035, Evaluation of Special Victim Investigation and Prosecution Capability Within the Department of Defense, 11/10/2021

**Reason Action Not Completed:** The U.S. Army Criminal Investigation Division is working on a training package for Federal law enforcement that will include sexual assault investigation basic training requirements. The Under Secretary of Defense for Personnel and Readiness is updating DoD Instruction 1030.02, "Victim and Witness Assistance," Change 1, August 12, 2021, and has proposed an amendment to Part 114, which will be drafted for publication in the Federal Register.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Army

**Report:** DODIG-2022-036, Audit of the Department of Defense Strategic Planning for Overseas Civilian Positions, 11/16/2021

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness continues to implement the Defense Civilian Human Resources Management System and ensure there is capability to match individual civilian personnel

to specific authorized and budgeted positions. The Under Secretary of Defense for Personnel and Readiness is conducting two strategic initiatives to address challenges. The DoD continues to implement policy that will standardize the measurement and reporting of key stages of the civilian hiring process, structured similarly to the Office of Personnel Management Time-to-Hire process. The DoD Overseas Employment and Allowances Working Group established in June 2023 continues to review and consider revisions to current DoD overseas specific instructions, policy, and guidance to address the hiring challenges unique to the overseas workforce. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2022-043, Audit of the Business Model for TransDigm Group Inc. and Its Impact on Department of Defense Spare Parts Pricing, 12/13/2021

**Reason Action Not Completed:** On May 30, 2024, the DoD published a Defense Federal Acquisition Regulation Supplement final rule to implement section 803 of the FY 2023 National Defense Authorization Act that clarifies the data to be provided for certain procurements related to major weapon systems. Defense Pricing, Contracting, and Acquisition Policy is drafting a Defense Federal Acquisition Regulation Supplement Procedures, Guidance, and Information case to assess whether additional requirements pertaining to data denials and delays, included in sections of the National Defense Authorization Acts for FY 2023 and FY 2024, should be addressed as well. Estimated completion date is June 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2022-052, Audit of the Defense Health Agency's Reporting of Improper Payment Estimates for the Military Health Benefits Program, 1/11/2022

**Reason Action Not Completed:** The Defense Health Agency is analyzing the feasibility of ensuring the universe for calculating improper payment estimates reflects transaction paid amounts. The Defense Health Agency is reevaluating the sampling methodology to increase the probability of identifying improper payments and is working to add policies and procedures for conducting post-payment sampling to determine the propriety of its administrative payments. The Defense Health Agency is also evaluating solutions for reporting payment errors that meet the Payment

Integrity Information Act definition of a payment. Estimated completion date is June 30, 2025. The DoD OIG is currently conducting its annual Improper Payments Elimination and Recovery Act review to verify the implementation of corrective actions.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2022-054, Management Advisory Regarding Results from Research for Future Audits and Evaluations Related to the Effects of the 2019 Novel Coronavirus on DoD Operations, 1/19/2022

**Reason Action Not Completed:** The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is working with the Navy and the Marine Corps to ensure that the Coronavirus Aid, Relief, and Economic Security (CARES) Act obligation and disbursement transactions processed through their accounting systems and journal vouchers are properly reported in USAspending.gov.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

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**Report:** DODIG-2022-056, Evaluation of the Ground Test and Evaluation Infrastructure Supporting Hypersonic Capabilities, 2/1/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Research and Engineering has not developed a plan to implement the strategies identified in the Test Resource Management Center's strategic plan. The Director of the Test Resource Management Center has not revised the strategic plan to incorporate options to eliminate all ground test and evaluation capability and capacity shortfalls.

**Principal Action Office:** Under Secretary of Defense for Research and Engineering

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**Report:** DODIG-2022-061, Audit of the Protection of Military Research Information and Technologies Developed by Department of Defense Academic and Research Contractors, 2/22/2022

**Reason Action Not Completed:** The Naval Sea Systems Command has not provided documentation to support that the contracting officer verified the actions taken by the contractor to encrypt controlled unclassified information on workstations and automate technical controls to protect controlled unclassified information on removable media.

**Principal Action Office:** Navy

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**Report:** DODIG-2022-065, Evaluation of the Screening of Displaced Persons from Afghanistan, 2/15/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not developed procedures for sharing derogatory information on Afghan evacuees with the DoD and interagency stakeholders.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2022-068, Evaluation of Department of Defense Components' Use of the National Industrial Security Program Contract Classification System, 3/2/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security is updating DoD Manual 5220.32, volume 1, "National Industrial Security Program: Industrial Security Procedures for Government Activities," August 1, 2018, to reflect Federal Acquisition Regulation Subpart 4.4, "Safeguarding Classified Information Within Industry," requiring the use of the National Industrial Security Program Contract Classification System. The Under Secretary of Defense for Intelligence and Security determined that DoD Manual 5220.32 required a complete reissuance due to several substantial changes. However, the reissuance of DoD Manual 5220.32 has been delayed due to implementation of updates from other policies with overdue legislation. Estimated completion date is February 28, 2025.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2022-069, Audit of Department of Defense Small Business Subcontracting Requirements, 3/7/2022

**Reason Action Not Completed:** Defense Pricing, Contracting, and Acquisition Policy and the Office of Small Business Programs are collaborating with the Small Business Administration to develop a streamlined approach for consistent reporting of contractor compliance with Federal Acquisition Regulation requirements for subcontracting limitations.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2022-071, Audit of Active Duty Service Member Alcohol Misuse Screening and Treatment, 3/10/2022

**Reason Action Not Completed:** The Office of the Under Secretary of Defense for Personnel and Readiness continues to update DoD Instruction 1010.04, "Problematic Substance Use by DoD Personnel," February 20, 2014, to align the frequency of substance use screening requirements, including the Alcohol Use Disorder Identification Test-Consumption screenings, with the timelines the periodic health assessments are conducted. The Defense Health Agency has not provided evidence to support that a review of civilian hiring and retention practices for substance abuse personnel has been completed or how they plan to minimize vacant positions. Estimated completion date is December 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2022-072, Audit of Contracts Awarded and Administered by the Defense Media Activity, 3/14/2022

**Reason Action Not Completed:** The Defense Media Activity has not provided training for the contracting workforce emphasizing compliance with Federal Acquisition Regulation Subpart 46.4, "Government Contract Quality Assurance," Subpart 46.103, "Contracting Office Responsibilities," and Defense Federal Acquisition Regulation Supplement 246.102, "Policy." Also, the Defense Media Activity has not provided evidence to support that contracting deficiencies are reported in the Acquisition and Procurement monthly report and that the metrics measure the effectiveness of actions taken to correct the contracting deficiencies. Estimated completion date is December 31, 2024.

**Principal Action Office:** Assistant to the Secretary of Defense for Public Affairs

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**Report:** DODIG-2022-074, Audit of Entitlements for Activated Army National Guard and Air National Guard Members Supporting the Coronavirus Disease-2019 Mission, 3/30/2022

**Reason Action Not Completed:** The Chief, National Guard Bureau, in coordination with the Director of the Army National Guard and the Director of the Air National Guard, has not provided policies and procedures to require National Guard officials to complete a review of National Guard Service member records within the activation process, to ensure consistent military pay transactions and entitlements, including entitlements for Basic Allowance for Housing,

Basic Allowance for Subsistence, Family Separation Allowance, Overseas Housing Allowance, and dependent claims.

**Principal Action Office:** National Guard Bureau

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**Report:** DODIG-2022-075, Evaluation of the Office of Net Assessment, 3/25/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Director of the Office of Net Assessment

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**Report:** DODIG-2022-076, Evaluation of Combatant Commands Communication Challenges with Foreign Partner Nations during Coronavirus Disease–2019 Pandemic and Mitigation Efforts, 3/28/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not provided an updated DoD Directive 5205.02E, “DoD Operations Security Program,” or updated policies with the training requirements for the risks of sharing DoD information on non-DoD controlled systems. The U.S. Combatant Commands have not provided final, published guidance clarifying the use of non-DoD controlled electronic messaging systems.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security, U.S. Indo-Pacific Command, U.S. Southern Command

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**Report:** DODIG-2022-077, Evaluation of Integrated Undersea Surveillance Systems Capacities, 3/28/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Navy

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**Report:** DODIG-2022-078, Audit of Medical Conditions of Residents in Privatized Military Housing, 4/1/2022

**Reason Action Not Completed:** The Deputy Assistant Secretary of Defense for Housing has not required the Army to fully populate their entire inventory of privatized military housing units into the Enterprise Military Housing system for current and prior residents of privatized military housing.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2022-081, Evaluation of Department of Defense Military Medical Treatment Facility Challenges During the Coronavirus Disease–2019 (COVID-19) Pandemic in Fiscal Year 2021, 4/5/2022

**Reason Action Not Completed:** The Director of the Defense Health Agency, in conjunction with the Secretaries of the Military Departments, has not established a working group to address the staffing challenges identified by Military Medical Treatment Facilities during this evaluation. The Director of the Defense Health Agency, in coordination with the Secretaries of the Military Department, has not established the manpower requirements for the COVID-19 mission within the Military Medical Treatment Facilities for the staff required to support testing, vaccinations, contact tracing, and acute respiratory clinics.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2022-084, Evaluation of the Department of Defense’s Transition from a Trusted Foundry Model to a Quantifiable Assurance Method for Procuring Custom Microelectronics, 5/2/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Research and Engineering has not provided the updated Joint Federated Assurance Center Charter, the updated Joint Federated Assurance Center Concept of Operations, or evidence that they have developed a process to prioritize the quantifiable assurance method efforts of the supporting DoD laboratories.

**Principal Action Office:** Under Secretary of Defense for Research and Engineering

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**Report:** DODIG-2022-088, Evaluation of the DoD’s Actions to Develop Interoperable Systems and Tools for Forecasting Logistics Demand Across the Joint Logistics Enterprise, 4/28/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment continues to review DoD Manual 4140.01, volume 2, “DoD Supply Chain Materiel Management Procedures: Demand and Supply Planning,” and “DoD Instruction 4140.01, “DoD Supply Chain Material Management Policy,” for potential updates related to roles and responsibilities for interoperable systems and tools to support forecasting logistics demand planning. Estimated completion date is September 30, 2027.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2022-089, Joint Audit of the Department of Defense and the Department of Veterans Affairs Efforts to Achieve Electronic Health Record System Interoperability, 5/5/2022

**Reason Action Not Completed:** The Director of the Federal Electronic Health Record Modernization Program Office is implementing a plan to create new interfaces that would allow medical devices to connect and transfer patient health care information to a contractor electronic health care platform. The Director of the Federal Electronic Health Record Modernization Program Office has not developed and implemented a plan to modify user roles to ensure users are granted access to only the patient health care information necessary to perform their job responsibilities. The implementation plan will be completed after the Federal Electronic Health Record Modernization Program Office receives the requested authorities and resource allocations from the Military Departments.

**Principal Action Office:** Deputy Secretary of Defense

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**Report:** DODIG-2022-090, Management Advisory: DoD Health Care Provider Concerns Regarding the Access to Complete and Accurate Electronic Health Records, 5/5/2022

**Reason Action Not Completed:** The Assistant Secretary of Health Affairs has not provided documentation showing the results of the assessment with Military Health System GENESIS users to determine whether the concerns identified by the survey respondents still exist and whether strategies were developed to address the user concerns.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2022-096, Evaluation of the Air Force Selection Process for the Permanent Location of the U.S. Space Command Headquarters, 5/11/2022

**Reason Action Not Completed:** The Office of the Secretary of Defense has not established an issuance (Directive-Type Memorandum or DoD Instruction) to require the designated Combatant Command Support Agent to use their own Military Department's policies, procedures, and internal controls in future combatant command basing actions. Estimated completion date is January 31, 2025.

**Principal Action Office:** Secretary of Defense

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**Report:** DODIG-2022-099, Management Advisory: The Military Health System Data Repository Contained Noncompliant Race Coding Values and Categories, 5/24/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness has not updated the Military Health Systems Information Platform and Military Health System Data Repository to comply with the race code values and categories in DoD Instruction 1336.05, "Automated Extract of Active Duty Military Personnel Records," August 26, 2021, and DoD Manual 1336.05, "Defense Manpower Data Center Domain Values for Military Personnel Data Extracts," May 17, 2019. Estimated completion date is September 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2022-101, External Peer Review of the Defense Commissary Agency Internal Review Office, 6/2/2022

**Reason Action Not Completed:** The Defense Commissary Agency is updating Defense Commissary Agency Manual 90-05-01 to include: (1) specific detailed procedures on the performance, monitoring, and communication of quality reviews; (2) an independence impairment assessment when planning to perform non-audit services; (3) documentation of discussion on audit findings; and (4) compliance with quality control procedures, including the audit report checklist, project quality control checklist, independent reference review checklist, and independent reference review certification.

**Principal Action Office:** Defense Commissary Agency

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**Report:** DODIG-2022-103, Audit of the Department of Defense's Implementation of Predictive Maintenance Strategies to Support Weapon System Sustainment, 6/13/2022

**Reason Action Not Completed:** The Army and Navy continue to develop comprehensive guidance for their respective implementation of CBM+ and predictive maintenance that aligns with DoD Instruction 4151.22, "Condition-Based Maintenance Plus for Materiel Maintenance," August 14, 2020. Additionally, the Army and Navy have not developed training tailored to the appropriate levels necessary to achieve CBM+ and implement predictive maintenance strategies, as required by DoD Instruction 4151.22.

**Principal Action Office:** Army, Navy

**Report:** DODIG-2022-104, Audit of Sole-Source Depot Maintenance Contracts, 7/21/2022

**Potential Monetary Benefits:** \$919,613  
(Questioned Costs)

**Reason Action Not Completed:** The Commander of the Naval Sea Systems Command has not reviewed the use of the firm-fixed-price contract type for future Naval Sea Systems Command ship repair contracts. However, actions are ongoing to complete a comprehensive report to the congressional defense committees on the effects of multiple-award contract, multi-order contracting on battle force ship availability and maintenance costs.

**Principal Action Office:** Navy

**Report:** DODIG-2022-105, Audit of the Reuse of Defense Logistics Agency Disposition Services Excess Property, 6/15/2022

**Reason Action Not Completed:** The Navy has not established a process to ensure that activity ordering personnel comply with DoD and Service-specific policy for completing reuse training or establishing an internal control to ensure the assignment of accurate condition codes. Also, the Navy has not reviewed the Defense Logistics Agency Disposition Services report on inaccurate condition codes, taken action to identify why the inaccurate condition codes occurred, or mitigated future inaccurate condition code assignments.

**Principal Action Office:** Navy

**Report:** DODIG-2022-107, Audit of the Development and Maintenance of Department of Defense Security Classification Guides, 6/21/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not established a process to ensure that DoD Components, original classification authorities, and the Defense Technical Information Center comply with the requirements in DoD Manual 5200.01, volume 1, "DoD Information Security Program: Overview, Classification and Declassification," July 28, 2020, and DoD Manual 5200.45, "Instructions for Developing Security Classification Guides," September 15, 2020. In addition, the Under Secretary of Research and Engineering has not established business rules for the security classification guides (SCG) index, including an SCG naming, numbering, and formatting convention that will facilitate original classification authority searches of existing classification guidance to enable

consistent classification of similar information throughout the DoD.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security, Under Secretary of Defense for Research and Engineering

**Report:** DODIG-2022-108, Audit of the Department of Defense's FY 2021 Compliance with Payment Integrity Information Act Requirements, 6/28/2022

**Reason Action Not Completed:** Defense Finance and Accounting Service personnel implemented risk-based strategies for all eight programs that reported estimates (Civilian Pay, DoD Travel Pay, Military Pay-Army, Military Pay-Navy, Military Pay-Air Force, Military Pay-Marine Corps, Military Health Benefits, and Military Retirement Pay). However, the strategy that Defense Finance and Accounting Service personnel used for the Commercial Pay program did not adequately target high-risk commercial payments, resulting in a sample size that was too small and not statistically valid. Defense Finance and Accounting Service personnel has not provided evidence it has developed a risk based strategy that targets high-risk commercial payments based on the characteristics of the payments. The DoD OIG is currently conducting its annual Improper Payments Elimination and Recovery Act review to verify the implementation of corrective actions.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

**Report:** DODIG-2022-110, Audit of Training Ranges in the U.S. European Command, 7/7/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness has not developed methods to address training within the U.S. European Command.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

**Report:** DODIG-2022-115, Evaluation of DoD Law Enforcement Organizations' Response to Active Shooter Incidents, 8/10/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not updated DoD Directive 5210.56, "Arming and the Use of Force," November 6, 2020, or other appropriate DoD policy, to: (1) standardize active shooter incident response procedures and planning, equipment, and training requirements for all Department and Service law

enforcement organizations; or (2) identify the roles, responsibilities, and actions to be taken by armed non-first responder law enforcement organization personnel during active shooter incidents.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2022-117, Evaluation of the August 29, 2021 Kinetic Strike in Kabul, Afghanistan, 8/15/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Policy, Joint Chief of Staff

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**Report:** DODIG-2022-125, Audit of the Department of Defense Components' Response to the SolarWinds Orion Compromise, 9/1/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Marine Corps, DoD Chief Information Officer

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**Report:** DODIG-2022-126, Audit of the Department of the Navy's Controls Over the Federal Employees' Compensation Act Program, 9/7/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness has not finalized an analysis of the software and databases needed to manage Federal Employees' Compensation Act claims and provide Injury Compensation Program Administrators access as appropriate. In addition, the Under Secretary of Defense for Personnel and Readiness is coordinating the update of DoD Instruction 1400.25, volume 810, "DoD Civilian Personnel Management System: Injury Compensation," April 16, 2009, to establish the Injury Compensation Program Administrator roles and responsibilities, including tracking and recouping overpayments and reviewing chargeback reports. The Navy has not finalized the development of a Civilian Human Resources Manual that will establish a single source of Federal Employees' Compensation Act implementation guidance for Navy commands. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Navy

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**Report:** DODIG-2022-127, Audit of DoD Other Transactions and the Use of Nontraditional Contractors and Resource Sharing, 9/8/2022

**Reason Action Not Completed:** Defense Pricing, Contracting, and Acquisition Policy updated its Other Transactions Guide in July 2023; however, it does not require agreements officers to validate that the nontraditional defense contractor participated to a significant extent throughout the duration of the prototype project. Actions are ongoing to include guidance or best practices for agreements officers in the next scheduled revision of the Other Transactions Guide. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2022-132, Evaluation of Kinetic Targeting Processes in the U.S. Africa Command Area of Responsibility, 9/19/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** U.S. Africa Command

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**Report:** DODIG-2022-135, Evaluation of Aircraft High-altitude Electromagnetic Pulse (HEMP) Life Cycle Testing and Test Facility Infrastructure, 9/20/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Air Force, Army, Navy

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**Report:** DODIG-2022-136, Evaluation of the U.S. Special Operations Command Armed Overwatch Program, 9/22/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** U.S. Special Operations Command

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**Report:** DODIG-2022-137, Audit of the Military Services' Award of Cost-Reimbursement Contracts, 9/26/2022

**Reason Action Not Completed:** The Marine Corps Systems Command has not provided evidence that guidance was distributed requiring contracting officials to obtain and document, in the acquisition plan or contract file, the potential for cost-reimbursement contracts to transition to firm-fixed-price contracts to the maximum extent practicable, including the nature of cost-reimbursement contracts and the inability to transition to a firm-fixed-price contract. In addition, the Marine Corps Systems Command has not provided evidence demonstrating that it assigned all contracting leads the responsibility for disseminating information and training to their teams

on the requirement for contracting officials to obtain and document, in the acquisition plan or contract file, the potential for cost-reimbursement contracts to transition to firm-fixed-price contracts to the maximum extent practicable, including the nature of cost-reimbursement contracts and the inability to transition to a firm-fixed-price contract.

**Principal Action Office:** Marine Corps

**Report:** DODIG-2022-138, Audit of U.S. Southern Command's Execution of Coronavirus Aid, Relief, and Economic Security Act Funding, 9/27/2022

**Reason Action Not Completed:** The Defense Security Cooperation Agency (DSCA) has not provided the updated DSCA Manual 5105.38-M that addresses the requirement for geographic combatant commands to obtain DSCA approval before changing the funding source of an approved humanitarian project. The U.S. Southern Command has not provided evidence that the command developed and implemented a matrix identifying projects that require additional review and approval from the U.S. Southern Command program director.

**Principal Action Office:** Defense Security Cooperation Agency, U.S. Southern Command

**Report:** DODIG-2022-141, Audit of the DoD Component Insider Threat Reporting to the DoD Insider Threat Management and Analysis Center, 9/28/2022

**Reason Action Not Completed:** The Defense Health Agency Director, National Reconnaissance Office Director, U.S. Cyber Command Commander, and National Security Agency/Central Security Service Director have not provided evidence that their Hub Directors reviewed the insider threat incidents and reported those incidents to the DoD Insider Threat Management Analysis Center (DITMAC) as required by DoD guidance. In addition, the Under Secretary of Defense for Intelligence and Security has not implemented a process for assessing DoD Component compliance with insider threat reporting requirements, developed timelines for DoD Components to report insider threat incidents to DITMAC, or submitted the FY 2021 annual report on the DoD Insider Threat Program to the Secretary of Defense. The Under Secretary of Defense for Intelligence and Security is revising DoD Instruction 5205.16, "The DoD Insider Threat Program," August 28, 2017, and developing a DoD Manual to incorporate the necessary changes. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security, Assistant Secretary of Defense for Health Affairs, National Security Agency, U.S. Cyber Command, National Reconnaissance Office

**Report:** DODIG-2022-144, Evaluation of the DoD's Implementation of the Military Leadership Diversity Commission's 2011 Report Recommendations and the DoD Diversity and Inclusion Strategic Plan for 2012 to 2017, 9/30/2022

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness is assessing how to address barriers preventing Reserve Component members from fulfilling joint requirements and addressing weaknesses in the personnel and finance systems that affect transition between Active and Reserve Components. The Navy and National Guard Bureau continue to develop and implement a plan to address the goals outlined in the DoD Diversity and Inclusion Strategic Plan. Estimated completion date is December 31, 2027.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Navy, National Guard Bureau

**Report:** DODIG-2023-003, Management Advisory Regarding the Air Force's Compliance with the Federal Information Security Modernization Act of 2014 (FISMA), 10/12/2022

**Reason Action Not Completed:** The Air Force Chief Information Security Officer is updating the Plan of Action and Milestones Guidebook to require that system owners remediate weaknesses that exceed established timeframes as required by Air Force guidance, prioritizing the weaknesses in the known exploited vulnerabilities catalog. In addition, the Air Force Privacy Office is updating Air Force Instruction 33-332, "Air Force Privacy and Civil Liberties Program," May 12, 2020, to align with the June 2021 DoD Data Breach Response Plan and to include additional controls for reporting privacy-related breaches. Once published, the Air Force Chief Information Officer will provide all Air Force personnel with privacy training that addresses all key elements required by Air Force Instruction 33-332. Estimated completion date is December 31, 2024.

**Principal Action Office:** Air Force

**Report:** DODIG-2023-006, Audit of Department of Defense Federal Mall Purchases, 10/19/2022

**Potential Monetary Benefits:** \$2,177,984 (Questioned Costs)

**Reason Action Not Completed:** The Defense Logistics Agency randomly sampled Federal Mall purchase transactions from FY 2019 through FY 2021 and issued demand letters to vendors for 17 contracts that incurred violations totaling \$2,177,984. The Defense Logistics Agency is coordinating with its general counsel and the Defense Finance and Accounting Service to recover these overpayments. Estimated completion date is September 30, 2024.

**Principal Action Office:** Defense Logistics Agency

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**Report:** DODIG-2023-007, Joint Evaluation of the National Security Agency's Integration of Artificial Intelligence, 10/17/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2023-033, Management Advisory: The DoD's Compliance with Privacy Act Training Requirements Pursuant to the Federal Information Security Modernization Act of 2014, 11/30/2022

**Reason Action Not Completed:** The Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency has not revised DoD Instruction 5400.11, "DoD Privacy and Civil Liberties Programs," January 29, 2019, and DoD 5400.11 R, "Department of Defense Privacy Program," May 14, 2007, to include the minimum content requirements and frequency for basic and role-based privacy training, as required by National Institute of Standards and Technology guidance. Estimated completion date is September 30, 2024.

**Principal Action Office:** Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency

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**Report:** DODIG-2023-038, Management Advisory: Evaluation of U.S. Special Operations Command's Joint Military Information Support Operations Web Operations Center (JMWC), 12/15/2022

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Policy, U.S. Special Operations Command

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**Report:** DODIG-2023-040, Management Advisory: DoD Restoration Costs to Repair Facilities After Supporting Operation Allies Refuge and Operation Allies Welcome, 12/19/2022

**Reason Action Not Completed:** The Deputy Assistant Secretary of Defense for Installation Modernization and Resilience reported that the Office of the Assistant Secretary of Defense for Energy, Installations, and Environment is developing a consolidated guidance memorandum that would ensure property permits are issued to other Federal agencies before hosting interagency temporary housing and facility use, including where humanitarian aid operations will occur. The property permit process would require a risk assessment and an interagency pre- and post-occupancy inspection with assumption of financial responsibility by the tenant agency for repair and restoration of the real property arising from the agency's use of the property and provision of humanitarian aid. Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2023-041, Management Advisory: The DoD's Use of Mobile Applications, 2/9/2023

**Reason Action Not Completed:** The DoD Chief Information Officer is drafting a memorandum that will define the acceptable use of device native application stores and direct DoD Components to implement a mobile threat defense solution to mitigate any potential risk from unmanaged applications. The memorandum will also define a process to build and maintain a list of unauthorized mobile applications for DoD mobile devices consistent with DoD Instruction 8170.01, "Online Information Management and Electronic Messaging," January 2, 2019, and DoD 5500.7-R, "Joint Ethics Regulation," August 30, 1993, as amended. Also, the DoD Chief Information Officer is coordinating with the Defense Information Systems Agency and other DoD Components to ensure the use of common terminology when releasing new and updated application security policy that addresses use, management, training, terminology standards, and records management.

**Principal Action Office:** DoD Chief of Information Officer

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**Report:** DODIG-2023-045, Evaluation of Military Criminal Investigative Organizations' Major Procurement Fraud Programs, 1/23/2023

**Reason Action Not Completed:** The Air Force and the Navy have not provided evidence that policies have been updated. The Air Force has not provided evidence that it reviewed and updated current

investigative procedures to better align with policy requirements. The Navy has not provided evidence that it processed a change transmittal for Secretary of the Navy Instruction 5430.92C, "Assignment of Responsibilities to Counteract Acquisition Fraud, Waste, and Related Improprieties," June 11, 2018, to align the initial written notification requirements with DoD Instruction 7050.05, "Coordination of Remedies for Fraud and Corruption Related to Procurement Activities," May 12, 2014, incorporating change 1, effective July 7, 2020, and to align legal notifications to the appropriate legal jurisdiction.

**Principal Action Office:** Navy, Air Force

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**Report:** DODIG-2023-046, Evaluation of the Transfer of Combatant Command Responsibilities for Israel, 2/21/2023

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Joint Chiefs of Staff, U.S. European Command

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**Report:** DODIG-2023-050, Management Advisory: DoD Agreements for the Industry Connections (ICON) Initiative, 2/3/2023

**Reason Action Not Completed:** Controlled Unclassified Information

**Principal Action Office:** DoD Chief Information Officer

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**Report:** DODIG-2023-052, Audit of the DoD's Compliance with Security Requirements When Using Commercial Cloud Services, 2/15/2023

**Reason Action Not Completed:** The Chief Information Officers for the Air Force and Navy have not provided documentation demonstrating that authorizing officials reevaluated the system-level authorization to operate for the five cloud systems reviewed, including a review of all required documentation, and considered the risks associated with using the authorized commercial cloud service offerings, as required by the DoD Cloud Computing Security Requirements Guide. Estimated completion date is August 31, 2025.

**Principal Action Office:** Navy, Air Force

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**Report:** DODIG-2023-053, Evaluation of Army Pre-positioned Equipment Issued in Response to Ukraine and the NATO Defense Forces, 2/27/2023

**Reason Action Not Completed:** The Army has not provided evidence that they conducted a review to determine whether an update to the maintenance

processes is required to include and track the mission capability of Army pre-positioned stock equipment in storage and implemented the results of the review. The Army has not updated the Army Pre-Positioned Stocks Issue and Receipt Standard Operating Procedure and the Army Techniques Publication 3-35.1, "Army Pre-positioned Operations," April 2022.

**Principal Action Office:** Army

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**Report:** DODIG-2023-054, Evaluation of the DoD's Response to Anomalous Health Incidents, or "Havana Syndrome", 3/9/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not updated applicable counterintelligence guidance and policy documents to address Anomalous Health Incident-related information and counterintelligence investigation requirements. Estimated completion date is September 30, 2026.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2023-057, Audit of DoD Actions Taken to Implement Cybersecurity Protections Over Remote Access Software in the Coronavirus Disease-19 Telework Environment, 3/24/2023

**Reason Action Not Completed:** The Air Force is reviewing U.S. Cyber Command and Air Force Cyber operational orders. While the review is not complete, there is evidence of a policy and guidance gap between Title 10 operational orders and Titles 40 and 44 authorities. The Air Force Guidance Memorandum will be updated as necessary once policy gaps have been fully identified. Estimated completion date is September 30, 2024.

**Principal Action Office:** Air Force

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**Report:** DODIG-2023-059, Evaluation of the DoD's Management of Traumatic Brain Injury, 3/28/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness has not established an oversight plan for the management of traumatic brain injury care and a Traumatic Brain Injury Program of Record within the Military Health System. The Assistant Secretary of Defense for Health Affairs has not completed the review and update of Defense Health Agency Procedural Instruction 6490.04, "Required Clinical Tools and Procedures for the Assessment and Clinical Management of Mild Traumatic Brain Injury (mTBI)/Concussion in

Non-Deployed Setting,” April 26, 2021. Estimated completion date is December 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2023-061, Audit of Military Department Climate Change Assessments and Adaptation Plans in the Southeastern Continental United States, 3/28/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not issued guidance that includes a requirement to incorporate climate resilience plans in all installation Master Plans. The Master Plan outlines the efforts needed to sustain the mission for the intended lifespan of the installation’s infrastructure and assets. Once DoD guidance has been issued, the Army, Navy, and Air Force will update their respective guidance to ensure consistency across the DoD.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army, Navy, Air Force

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**Report:** DODIG-2023-064, Audit of Operation Allies Welcome Contract Oversight at DoD Installations-Logistics Civil Augmentation Program V Contract, 4/18/2023

**Potential Monetary Benefits:** \$1,641,265,468 (Questioned Costs)

**Reason Action Not Completed:** The Army is working to issue guidance to reinforce the importance of the contracting officer and contracting officer’s representative roles and involvement in review of invoices before payment. The Army has not provided evidence to support that it has requested a refund from the contractor for any excess payment or arranged for payment to the contractor for any under-billed costs.

**Principal Action Office:** Army

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**Report:** DODIG-2023-067, Audit of the Oversight of ENCORE III Information Technology Service Task Orders, 5/4/2023

**Reason Action Not Completed:** Defense Pricing, Contracting, and Acquisition Policy is revising Defense Federal Acquisition Regulation Supplement Procedures, Guidance, and Information Part 201, “Federal Acquisition Regulation System,” Subpart 201.6, “Career Development, Contracting Authority, and Responsibilities,” to require contracting officers to conduct initial reviews of the contracting officer’s

representatives (COR) files within a set timeframe after designating CORs; establish a COR file review frequency based on the contracting officer’s assessment of the risks, complexity, and value of the contract; and provide comments to the COR and requiring activity within 30 days of a review on the COR’s level of compliance with designation letter requirements. The Under Secretary of Defense for Acquisition and Sustainment and Principal Director, Defense Pricing, Contracting, and Acquisition Policy are revising DoD Instruction 5000.72, “DoD Standard for Contracting Officer’s Representative (COR) Certification,” March 26, 2015, incorporating change 2, effective November 6, 2020, to align with the updated COR file review requirements in Defense Federal Acquisition Regulation Supplement Procedures, Guidance, and Information Part 201, Subpart 201.6. Estimated completion date is September 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

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**Report:** DODIG-2023-068, Evaluation of the DoD’s Management of Land-Based Water Resources to Support Operations, 5/9/2023

**Reason Action Not Completed:** The Army has not provided evidence to support that it has created a requirement, such as a policy or standard operating procedure, that the Army Deputy Chief of Staff (G-4) produces an annual report on its performance of the delegated Executive Agent roles and responsibilities for delivery to the Secretary of the Army and the Assistant Secretary of Defense for Sustainment. The Under Secretary of Defense for Acquisition and Sustainment has not finalized and published the revision to DoD Directive 4705.01E, “Management of Land-Based Water Resources in Support of Contingency Operations,” June 3, 2015, incorporating change 3, effective January 2, 2020. Estimated completion date is June 30, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army

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**Report:** DODIG-2023-069, Evaluation of DoD Contracting Officer Actions on DoD Contracts Terminated for Convenience, 5/9/2023

**Reason Action Not Completed:** The Navy has not issued a memorandum that requires termination contracting officers to complete Defense Acquisition University courses CMC 1500, “Introduction to Terminations,” and CLC 006, “Contract Terminations,” within 36 months before performing termination contracting officer

duties. The Defense Contract Management Agency (DCMA) has not revised DCMA Manual 2501-06, “Termination for the Convenience of the Government,” to require that termination contracting officers estimate the funds required for a termination when contractors do not provide an estimate.

**Principal Action Office:** Navy, Defense Contract Management Agency

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**Report:** DODIG-2023-071, Management Advisory: DoD Accounting and Reporting for Funds Used in Support of Operation Allies Refuge and Operation Allies Welcome, 5/18/2023

**Reason Action Not Completed:** The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is coordinating with the DoD Components on developing and implementing their standard operating procedures to comply with DoD Financial Management Regulation, volume 12, chapter 23, requirements for tracking costs, accounting, and reporting of overseas humanitarian, disaster, and civic aid funding. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is conducting monthly reviews with the DoD Components on their expenditures incurred during Operation Allies Refuge and Operations Allies Welcome to validate the accuracy of funds reported to Congress. Estimated completion date is March 31, 2025. The U.S. Marine Corps has not provided evidence to support it has fully reconciled unmatched transactions for Operation Allies Welcome to the appropriate obligations in the Defense Agencies Initiative system.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, Marine Corps

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**Report:** DODIG-2023-072, Review of the Military Services’ Policies and Procedures on the Medical Waiver Process for Recruiting, 5/17/2023

**Reason Action Not Completed:** The Commanders of the Navy and Marine Corps Recruiting Commands have not established a tracking mechanism to capture data on applicants medically disqualified by the U.S. Military Entrance processing Command to ensure that potentially eligible applicants are provided a choice of whether to proceed with a medical waiver request and document the reasons a waiver was not requested to inform change for recruiting processes. Actions are ongoing to finalize updates to U.S. Military Entrance Processing Command Regulation 40-1, “Medical Services Medical Qualification Program,” December 15, 2020, to incorporate changes to policy

and procedures as a result of implementing the Military Health System GENESIS. Estimated completion date is July 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Navy, and Marine Corps

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**Report:** DODIG-2023-073, Evaluation of DoD Implementation of the Military Equal Opportunity Program’s Data Collection and Reporting Requirements for Complaints of Prohibited Discrimination, 5/18/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness has not updated DoD Instruction 1350.02 to incorporate specific dates for reporting of military equal opportunity complaints data and terminology that includes informal and military equal opportunity complaints. The Secretaries of the Military Departments have not issued guidance requiring more effective quality reviews to improve the integrity of data of military equal opportunity complaints.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness, Army, Navy, Air Force

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**Report:** DODIG-2023-074, Management Advisory: DoD Review and Update of Defense Articles Requiring Enhanced End-Use Monitoring, 5/19/2023

**Reason Action Not Completed:** The Defense Security Cooperation Agency will review and modify internal procedures to incorporate a regularly scheduled review to update the list of defense articles designated as requiring enhanced end-use monitoring. The Defense Security Cooperation Agency will also develop and implement a process for which defense articles no longer requiring enhanced end use monitoring will be removed from the list and add a recurring requirement to review and update the list of all defense articles provided to foreign nations.

**Principal Action Office:** Defense Security Cooperation Agency

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**Report:** DODIG-2023-075, Audit of the Department of Defense’s FY 2022 Compliance with Payment Integrity Information Act Requirements, 5/22/2023

**Reason Action Not Completed:** The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is developing a strategy to help the Civilian Pay, Commercial Pay, DoD Travel Pay, Military Health Benefits-Healthcare, Military Pay-Army, Military Pay-Navy, Military Pay-Air Force, Military Pay-Marine Corps, and Military Retirement programs come into

compliance with Office of Management and Budget Circular No. A-123, Appendix C requirements without the need for additional budgetary resources. They plan to provide this strategy to the Office of Management and Budget in the FY 2025 budget submission to meet this payment integrity requirement. Estimated completion date is June 30, 2025. The Defense Finance and Accounting Service is partnering with the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, and Department of the Army to identify, track, and reclassify the Hawaii water contamination travel payments as unknown payments until the propriety of the payments has been determined. The results will be reported as part of the Department's Travel Pay program additional reporting requirements for the Office of Management and Budget's High Priority Program through the quarterly Key Performance Indicator scorecards or annual Payment Integrity Information Act Compliance submission, which is published on [paymentaccuracy.gov](https://paymentaccuracy.gov). The DoD OIG is currently conducting its annual Improper Payments Elimination and Recovery Act review to verify the implementation of corrective actions.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, Defense Finance and Accounting Service

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**Report:** DODIG-2023-078, Audit of the DoD's Implementation and Oversight of the Controlled Unclassified Information Program, 6/1/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security is revising DoD Instruction 5200.48, "Controlled Unclassified Information (CUI)," March 6, 2020, to require DoD Components to implement a process to track the completion of CUI training, such as the use of a learning management system, and use that process to enforce the requirement that personnel complete the CUI training. Estimated completion date is December 31, 2024. Defense Pricing, Contracting, and Acquisition Policy is developing a memorandum to remind the requiring activity and acquisition communities to include CUI-specific requirements in the quality assurance plan. Estimated completion date is September 30, 2024. The Chief of Naval Operations has not completed a review of standard forms and templates to ensure compliance with CUI requirements. Estimated completion date is November 30, 2024. The Army Training and Doctrine Command has not updated the Training Development Capability database to include the option to mark

documents as CUI and prompt personnel to add the designation indicator and portion markings. Estimated completion date is May 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security, Under Secretary of Defense for Acquisition and Sustainment, Army, Navy

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**Report:** DODIG-2023-080, Evaluation of U.S. Special Operations Command's Joint Military Information Support Operations Web Operations Center (JMWC), 6/6/2023

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Policy, Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2023-081, Audit of the Tracking and Reporting of DoD-Owned Shipping Containers, 6/8/2023

**Reason Action Not Completed:** The Military Surface Deployment and Distribution Command has not developed procedures to conduct periodic reviews and has not implemented procedures to ensure that Surface Deployment and Distribution Command officials use an accountable property system of record for reporting in accordance with DoD Instruction 5000.64, "Accountability and Management of DoD Equipment and Other Accountable Property," April 27, 2017, incorporating change 3, effective June 10, 2019. The Navy Expeditionary Medical Support Command has not implemented procedures to ensure the prioritization of compliance with the tracking and reporting of information related to DoD-owned shipping containers. The Marine Corps has not developed procedures to ensure compliance with tracking and reporting information related to DoD-owned shipping containers. Estimated completion date is December 31, 2025.

**Principal Action Office:** Army, Navy, Marine Corps

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**Report:** DODIG-2023-082, Audit of the DoD's Financial Management of the Afghanistan Security Forces Fund, 6/9/2023

**Reason Action Not Completed:** The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is developing procedures to monitor future Economy Act transactions to ensure providers are reimbursed for costs incurred, support agreements are documented, and processes are efficient or economical and are in the best interest of the U.S. Government. The Under

Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; the Defense Security Cooperation Agency Director; and the Assistant Secretary of the Army (Financial Management and Comptroller) are reviewing the DoD Agency-Wide, Security Assistance Account, and Army General Fund financial statements, respectively, to determine the necessary corrections to prior period financial reports based on U.S. Treasury guidance.

**Principal Action Office:** Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, Army, Defense Security Cooperation Agency

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**Report:** DODIG-2023-083, Evaluation of the Collection of Demographic Data in the Military Justice System, 6/7/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness has not established and defined demographic categories in Service personnel and military justice system databases across all Services. Also, the Under Secretary of Defense for Personnel and Readiness has not established a process that requires consistent use of demographic categories in Service personnel and military justice system databases across all Services.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2023-084, Evaluation of Accountability Controls for Defense Items Transferred Via Air to Ukraine within the U.S. European Command Area of Responsibility, 6/8/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not finalized the development of guidance directing the Secretaries of the Military Departments and the Directors of the Defense agencies to implement procedures to verify compliance with the Defense Transportation Regulations and the Presidential Drawdown Execute Orders for the shipment of defense items. The U.S. European Command has not developed operational-level guidance for all personnel executing defense item transfer missions at the aerial port of debarkation that ensures compliance with standards for cargo movement in the Defense Transportation Regulations.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, U.S. European Command

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**Report:** DODIG-2023-085, Review of the DoD's Co-Location Policies to Support Dual-Military Marriages, 6/8/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Personnel and Readiness is updating DoD Instruction 1315.18, "Procedures for Military Personnel Assignments," October 28, 2015, incorporating change 3, effective June 24, 2019, to define how the Services should measure the effectiveness of their assignment policies and require coordination across all the Services for the co-location of inter-Service, dual-military spouses. Estimated completion date is September 30, 2024.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2023-087, Management Advisory: Basic Issue Items and Components of End Items Shortages in the Army's Prepositioned Stock-5 Program, 6/15/2023

**Potential Monetary Benefits:** Controlled Unclassified Information

**Reason Action Not Completed:** The Army Sustainment Command has not completed a Financial Liability Investigation of Property Loss to determine the facts concerning the Basic Issue Items and Components of End Items shortage.

**Principal Action Office:** Army

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**Report:** DODIG-2023-088, Evaluation of DoD Support to Other Agencies' Requests for Screening of Displaced Persons from Afghanistan, 6/16/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not finalized and published a draft DoD Instruction and Directive that will replace DoD Instruction O-3300.04, "Defense Biometric Enabled Intelligence (BEI) and Forensic Enabled Intelligence (FEI)," May 25, 2012, to reflect the transition of responsibilities from the Defense Intelligence Agency to the Under Secretary of Defense for Intelligence and Security for the management, support, and requirements of the DoD Biometrically Enabled Watch List.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2023-089, Management Advisory: Reliability of the Defense Enrollment Eligibility Reporting System Data, 6/27/2023

**Reason Action Not Completed:** The Defense Manpower Data Center is assessing the implementation of automated system input controls for fields in the Defense Enrollment Eligibility Reporting System to prevent entries from processing unless users populate required fields in accordance with updated requirements. Estimated completion date is December 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2023-090, Management Advisory: Sufficiency of Staffing at Logistics Hubs in Poland for Conducting Inventories of Items Requiring Enhanced End-Use Monitoring, 6/28/2023

**Reason Action Not Completed:** The Defense Security Cooperation Agency has not updated the Security Assistance Management Manual to allow U.S. Government personnel to perform serial number inventories of Enhanced End-Use Monitoring defense articles before transfer to a hostile environment. The U.S. European Command has not provided evidence to support that the Office of Defense Cooperation-Ukraine completed the Defense Security Cooperation Agency-developed training or provided oversight of U.S. Government personnel conducting Enhanced End-Use Monitoring activities.

**Principal Action Office:** Defense Security Cooperation Agency, U.S. European Command

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**Report:** DODIG-2023-093, Audit of the Reliability of the Department of Defense's Coronavirus-2019 Patient Health Data, 6/7/2023

**Potential Monetary Benefits:** \$6,174,415  
(Questioned Costs)

**Reason Action Not Completed:** The Director of the Defense Health Agency has not established and implemented a process for selecting COVID-19 events for entry into the COVID-2019 Registry to limit selection bias and a policy for developing and populating patient registries that aligns with the Department of Health and Human Services best practices, "Agency for Healthcare Research and Quality, Registries for Evaluating Patient Outcomes: A User's Guide." Estimated completion date is October 1, 2026.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2023-096, Management Advisory: DoD's Ability to Financially Report Joint Strike Fighter Inventory, 7/21/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment is working with the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, the F-35 Joint Program Office, and prime contractors to ensure that the U.S. Government has access to a complete and accurate population of Joint Strike Fighter inventory necessary to meet operational and financial reporting requirements. The F-35 Joint Program Office is working to establish and implement a process, including a detailed surveillance plan with clearly linked contracting mechanisms, to ensure the contractor is meeting all contract requirements and the contractor is held accountable if financial reporting requirements are not met. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is developing a plan of action to report or disclose the value of Joint Strike Fighter inventory on the DoD financial statements that includes how the component level financial statements will be impacted. Estimated completion date is December 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD

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**Report:** DODIG-2023-097, Audit of the Army's Use of Public-Private Partnerships at Anniston Army Depot, 7/26/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment is updating DoD Instruction 4151.21, "Public-Private Partnerships for Product Support," November 21, 2016, to establish a public-private partnership oversight structure to ensure that the Secretaries of the Military Departments are implementing their oversight responsibilities as assigned in DoD Instruction 4151.21, and include guidance requiring that officials developing and implementing public-private partnerships complete the Defense Acquisition University public-private partnership training course. Estimated completion date is September 30, 2025. The Program Executive Office, Ground Combat Systems, has not provided evidence to support that it has completed a review of the M1 Abrams, Stryker Family of Vehicles, TIGER, and Joint Assault Bridge workshare public-private partnerships with the contractors, as required by DoD Instruction 4151.21. Additionally, the Army is updating Army Regulation 700-90, "Army Industrial Base Process," January 30, 2020, to reiterate the

importance of reviewing and applying the information in the “Public-Private Partnering for Product Support Guidebook.” Estimated completion date is July 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment, Army

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**Report:** DODIG-2023-100, Evaluation of Controls over the Application of Analytic Standards by the Service Intelligence Centers and U.S. Cyber Command, 7/31/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Intelligence and Security has not issued draft DoD Instruction 3305.XX, “DoD Intelligence and Security Training.” Estimated completion date is December 31, 2024.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2023-102, Audit of DoD Exceptional Family Member Program in the U.S. Indo-Pacific Command, 8/1/2023

**Reason Action Not Completed:** The Assistant Secretary of Defense for Health Affairs is developing family member travel screening policy to standardize overseas travel screening processes and address Exceptional Family Member Program concerns. The family member travel screening policy is expected to be published by December 31, 2024. The Office of Special Needs, in coordination with the Exceptional Family Member Program information technology work group, is developing and implementing a single DoD information technology system to maintain readily available and reliable data for oversight of the Exceptional Family Member Program. Estimated completion date is July 31, 2025.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2023-103, Audit of the Military Service Recruiting Organizations’ Efforts to Screen Applicants for Extremist and Criminal Gang Behavior, 8/3/2023

**Reason Action Not Completed:** The Army, Navy, and Air Force have not provided evidence to support that they have established and implemented requirements in their Service-specific policies for periodic reviews of recruiter compliance with required accessions screening procedures to ensure recruiters screen applicants for extremist and criminal gang associations.

**Principal Action Office:** Army, Navy, Air Force

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**Report:** DODIG-2023-105, Management Advisory: U.S. European Command Security Classification Guidance for Ukraine Assistance, 8/11/2023

**Reason Action Not Completed:** The U.S. European Command has not finalized its review to determine whether sufficient guidance exists for U.S. European Command staff and subordinate commands to properly mark, store, and disseminate information related to the DoD’s Ukraine security assistance mission in Europe.

**Principal Action Office:** U.S. European Command

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**Report:** DODIG-2023-109, Evaluation of the DoD’s Actions Regarding Unidentified Anomalous Phenomena, 8/15/2023

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security, Army

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**Report:** DODIG-2023-116, Evaluation of the Department of Defense Intelligence Agencies’ Use of Human Language Technology, 8/21/2023

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Personnel and Readiness

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**Report:** DODIG-2023-117, Audit of Army’s Oversight for Ukraine-Specific Logistics Civil Augmentation Program V Services in the U.S. European Command Area of Responsibility, 9/18/2023

**Reason Action Not Completed:** The Commander, 409th Contracting Support Brigade, has not developed and implemented a process to continuously track contracting officer’s representative coverage for all Logistics Civil Augmentation Program V services in the U.S. European Command area of operations. In addition, the Commander, 409th Contracting Support Brigade, has not implemented requirements from the 409th Contracting Support Brigade Quality Assurance Plan for tracking completion of contracting officer’s representative monthly surveillance or ensured Quality Assurance Specialist personnel reviewed and approved contracting officer’s representative monthly surveillance reports.

**Principal Action Office:** Army

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**Report:** DODIG-2023-119, Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq, 8/31/2023

**Reason Action Not Completed:** The U.S. Central Command has not developed a plan that ensures continuity within the End-Use Monitoring program in Iraq or confirmed it will not need U.S. Central Command assistance in mitigating the billet challenges. The plan could include using contractors to assist with the End-Use Monitoring program, filling the Office of Security Cooperation–Iraq End-Use Monitoring program manager position with a civilian, or expanding the authorities of the locally employed staff. The U.S. Central Command has not developed guidance for conducting virtual security cooperation office inspections when in-person inspections are not feasible.

**Principal Action Office:** U.S. Central Command

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**Report:** DODIG-2023-120, Audit of Triage and Support Services for Sexual Assault Victims at DoD Medical Treatment Facilities, 9/7/2023

**Reason Action Not Completed:** The Assistant Secretary of Defense for Health Affairs has not issued implementing guidance to ensure alignment with existing DoD policy to assign a minimum triage level for sexual assault victims that meets the requirements for priority and uniformity and to develop a process to ensure the new guidance is implemented and consistently applied. Estimated completion date is December 31, 2024.

**Principal Action Office:** Assistant Secretary of Defense for Health Affairs

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**Report:** DODIG-2023-121, Evaluation of a Classified Program, 9/6/2023

**Reason Action Not Completed:** Report is classified.

**Principal Action Office:** Under Secretary of Defense for Intelligence and Security

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**Report:** DODIG-2023-123, Audit of the Reliability of Army Spare Parts Forecasts Submitted to the Defense Logistics Agency, 9/20/2023

**Reason Action Not Completed:** The Under Secretary of Defense for Acquisition and Sustainment has not established procedures for identifying, tracking, and analyzing the primary causes of inaccurate consumable repair parts forecasts and using the data to improve the accuracy of future forecasts. The Defense Logistics Agency and the Military Services will conduct in-depth

reviews of their forecasting processes used for Defense Logistics Agency-managed items, identify issues and constraints, and establish a plan of action with milestones, including specific areas for improvement. The results of these reviews and corresponding actions plans will be presented to the Working Capital Fund–Logistics Executive Steering Committee. Estimated completion date is September 30, 2025. The Under Secretary of Defense for Acquisition and Sustainment will also publish guidance requiring the Military Services to coordinate with the Defense Logistics Agency to assess if their spare parts forecasts add value to the Defense Logistics Agency’s demand planning and purchase decisions and whether corrective actions are improving consumable item accuracy rates. The guidance will include direction to the Defense Logistics Agency to consider removing specific items from collaboration if forecast accuracy rates cannot be improved, direction to the Military Services to justify keeping items with continuously low accuracy rates in collaboration, and a requirement to present the joint assessment and recommendations to the Working Capital Fund–Logistics Executive Steering Committee for endorsement to the Joint Logistics Resource Requirement Board. Estimated completion date is June 30, 2026.

**Principal Action Office:** Under Secretary of Defense for Acquisition and Sustainment

# ACRONYMS AND ABBREVIATIONS

|              |   |
|--------------|---|
| AEW          | Air Expeditionary Wing  |
| CDAO         | Chief Digital and Artificial Intelligence Officer                   |
| CFO          | Chief Financial Officer   |
| CIO          | Chief Information Officer   |
| DCAA         | Defense Contract Audit Agency                                       |
| DCIS         | DoD OIG Defense Criminal Investigative Service                      |
| DDS          | Defense Digital Services  |
| DHA          | Defense Health Agency   |
| DIEM         | DoD OIG Diversity and Inclusion and Extremism in the Military       |
| DMS          | Digital Modernization Strategy                                      |
| DoD          | Department of Defense   |
| DSCA         | Defense Security Cooperation Agency                                 |
| EEUM         | Enhanced End-Use Monitoring   |
| FFMIA        | Federal Financial Management Improvement Act                        |
| FIAR         | Financial Improvement and Audit Remediation                         |
| GE           | General Equipment   |
| GS           | General Schedule  |
| HHS          | Health and Human Services   |
| IG           | Inspector General   |
| ISIS         | Islamic State of Iraq and Syria                                     |
| ISO          | DoD OIG Investigations of Senior Officials                          |
| MDA IR       | Missile Defense Agency Internal Review                              |
| MILDEP       | Military Department   |
| MOU          | Memorandum of Understanding   |
| NDAA         | National Defense Authorization Act                                  |
| NEW          | Net Explosive Weight  |
| NAVSUP WSS   | Naval Supply Systems Command Weapons Systems Support                |
| OAR          | Operation Atlantic Resolve  |
| OCO          | DoD OIG Overseas Contingency Operations                             |
| ODC-U        | Office of Defense Cooperation in Ukraine                            |
| OES          | Operation Enduring Sentinel   |
| OIG          | Office of Inspector General   |
| OIR          | Operation Inherent Resolve  |
| OLAC         | DoD OIG Office of Legislative Affairs and Communications            |
| OMB          | Office of Management and Budget                                     |
| OM&S         | Operating Materials and Supplies                                    |
| OPR          | DoD OIG Office of Professional Responsibility                       |
| OSD          | Office of the Secretary of Defense                                  |
| OUSDC(C)/CFO | Office of the Under Secretary (Comptroller)/Chief Financial Officer |
| PDA          | Presidential Drawdown Authority                                     |

## ACRONYMS AND ABBREVIATIONS

|            |  |
|------------|--|
| UAF        | Ukrainian Armed Forces   |
| USAID      | U.S. Agency for International Development                        |
| USD(C)/CFO | Under Secretary of Defense (Comptroller)/Chief Financial Officer |
| WRI        | DoD OIG Whistleblower Reprisal Investigations                    |



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