



INSPECTOR GENERAL

U.S. Department of Defense

SEMIANNUAL REPORT TO CONGRESS

APRIL 1, 2023, through SEPTEMBER 30, 2023



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promote the economy, efficiency, and effectiveness of the DoD; and
help ensure ethical conduct throughout the DoD

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Message from the Inspector General



Honorable Robert P. Storch

On behalf of the Department of Defense Office Inspector General (DoD OIG), I am pleased to present this Semiannual Report to Congress describing the results of oversight work performed by our auditors, evaluators, investigators, special agents, and other professionals during the reporting period of April 1 through September 30, 2023.

During this reporting period, I was honored to be selected by the Chair of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to serve as the Lead Inspector General (Lead IG) for Operation Atlantic Resolve (OAR). The DoD OIG will work closely with its Lead IG partners—the Department of State (State) and U.S. Agency for International Development (USAID) OIGs—to continue to deliver comprehensive and effective oversight of U.S. assistance to Ukraine and the broader operation. To perform this oversight, the DoD OIG has a

dedicated team of auditors, evaluators, investigators, and other staff based in the United States and forward deployed in Germany and Eastern Europe, including in Ukraine.

During the reporting period, our Audit and Evaluations Components issued 13 reports and advisories related to the U.S. response to the full-scale invasion of Ukraine. Following our February 2023 evaluation regarding pre-positioned stocks of military equipment, we issued a management advisory in May 2023 that identified additional concerns in the readiness of U.S. military equipment selected to support the Ukrainian Armed Forces. These concerns caused unanticipated maintenance and repairs and could lead to future delays for equipment provided to the Ukrainian Armed Forces. Another significant example of our Ukraine-related work is our oversight of the DoD's efforts to perform enhanced end-use monitoring (EEUM), which safeguards defense articles that require additional layers of protection. One management advisory determined that the current list of EEUM-designated defense articles is not regularly updated because there was no procedure to keep the list current. This created a risk that the EEUM list includes items that are not sensitive and, therefore, do not require protection. Another management advisory found that there were not enough designated and trained personnel available at logistics hubs outside Ukraine to track all equipment requiring EEUM before it entered the country. Other evaluations and audits looked at important issues such as the training of the Ukrainian Armed Forces and the replenishment of weapons and materiel. While we conducted this comprehensive set of audits and evaluations, the DoD OIG's Defense Criminal Investigative Service (DCIS) continued to leverage its significant experience conducting investigations in conflict zones, coordinating the development and approval of an information sharing agreement between the DoD OIG and the National Anti-Corruption Bureau of Ukraine to facilitate investigations related to U.S. security assistance for Ukraine. We will continue to conduct a full range of oversight related to U.S. security assistance to Ukraine for as long as that assistance, and the need for oversight, continues.

I also continued to serve as the Lead IG for Operation Inherent Resolve, related to Syria and Iraq, and Operation Enduring Sentinel regarding Afghanistan during the reporting period. In April, I testified before the House Committee on Oversight and Accountability on the DoD OIG's extensive oversight work regarding the DoD's presence in and ultimate withdrawal from Afghanistan. For both of these operations, our Overseas Contingency Operations (OCO) Component sustained its quarterly reporting, which provides information to Congress and the public on the operations and identifies completed, ongoing, and planned oversight work by us and our partners.

Overall, our oversight of the DoD during the reporting period resulted in a total of 60 audit and evaluation reports and management advisories that made 298 recommendations to the DoD for improvements in a broad range of programs and operations. For example, we determined that the DoD has not reported any inventory for the F-35 Joint Strike Fighter (JSF) program since 2006. The JSF program is the single most expensive defense program with an estimated total lifecycle of \$1.7 trillion. Since 2019, the JSF program has been a material weakness, significantly impacting the DoD's financial statements and contributing to the DoD's inability to achieve a clean audit opinion. In another example, an audit report detailed the lack of uniform triage and treatment of sexual assault victims who received care and explained that this resulted in the DoD's inability to verify whether emergency department providers gave sexual assault victims access to needed care and services. In addition, an evaluation determined that DoD contracting officers did not always document adequate rationale for settling termination costs in accordance with the Federal Acquisition Regulation and DoD policy. As a result, DoD contracting officers may have inappropriately reimbursed DoD contractors up to \$22.3 million in unallowable termination costs.

Our Diversity and Inclusion and Extremism in the Military (DIEM) Component planned and conducted oversight of policies, programs, systems, and processes regarding diversity and inclusion in the DoD, and the prevention of and response to supremacist, extremist, and criminal gang activity in the Armed Forces. The DoD OIG issued seven reports related to the DIEM mission, and continued to engage with the Military Departments regarding the implementation of Service-specific policies for reporting prohibited activities.

Alongside our audits, evaluations, and reviews, our Administrative Investigations Component completed 2 senior official investigations and oversaw a combined total of 177 senior official misconduct, whistleblower reprisal, and Service member restriction investigations conducted by the Military Service and Defense agency OIGs. We also substantiated allegations that the former Principal Deputy and Acting Assistant Secretary of Defense for International Security Affairs failed to treat subordinates with dignity and respect and engaged in harassment that adversely affected employees through the creation of a hostile work environment.

Beyond its Ukraine-related work, our criminal investigations Component, DCIS, continued to investigate public corruption and financial crimes that undermined the integrity of DoD acquisitions. In a recent DCIS investigation, a former Air Force civilian employee was sentenced to over 15 years in Federal prison for fraud. In a scheme that spanned 10 years, the employee conspired with others who paid him more than \$2.3 million in cash and bribes to obtain \$100 million in contract awards on Air Force projects.

During this period, we encountered difficulties with timely responses from the DoD, specifically regarding provision of information and security reviews of our reports. A Navy command initially refused to provide requested records to DoD OIG evaluators based on its misunderstanding of the DoD OIG's jurisdiction and authority to have access to all information available to the DoD. After significant engagement between DoD OIG, DoD, and Navy leadership, the matter was resolved and the requested records were provided. We also noted a number of instances in which some Service Components have attempted to assert privileges in response to a DoD OIG request for information; however, we have successfully resolved all such matters to date. Finally, the U.S. Army Europe and Africa and the Security Assistance Group-Ukraine have exceeded established timelines in providing the security reviews for some of our reports, resulting in delays in the reports. We continue to work with the Department to address these issues.

I want to close by thanking the DoD OIG's global workforce of more than 1,770 employees for their remarkable dedication and outstanding efforts in carrying out our independent oversight mission. Our team looks forward to continuing that important work for the DoD, Congress, and the American taxpayers.



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, not 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 30.¹ 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	17
Section 5(a)(1)	Significant problems, abuses, and deficiencies	1-2
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	32
Section 5(a)(3)	Significant investigations closed	10-13
Section 5(a)(4)	Total number of convictions resulting from investigations	9
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	3-7
Section 5(a)(6)	Management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period	32-36
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)	17
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	21
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	21
Section 5(a)(10)	List of any peer reviews conducted by the IG of another OIG and any outstanding recommendations	21
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	9-13
Section 5(a)(12)	Description of the metrics used for developing the data for the statistical tables under paragraph (11)	9
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)	11-13
Section 5(a)(14)	Description of any instance of whistleblower retaliation, including information about the official found to have engaged in retaliation	N/A
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	6-7, 12-13
Section 5 Statutory Note	Annex on final completed contract audit reports containing significant audit findings	22-29

¹ 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	21, 22-31
FY 2021 NDAA Section 554(a)(4)(B)	Summary of the activities of the Deputy Inspector General for Diversity and Inclusion and Extremism in the Military	II, 15-16

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	32-38
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	39-74

SIGNIFICANT PROBLEMS, ABUSES, AND DEFICIENCIES

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

Management Advisory: Maintenance Concerns for the Army's Prepositioned Stock-5 Equipment Designated for Ukraine

The DoD OIG informed the Department of the Army, Army Materiel Command, Army Sustainment Command, and U.S. European Command (USEUCOM) officials responsible for the designation and transfer of military equipment to the Ukrainian Armed Forces (UAF) of concerns regarding the readiness of Army Prepositioned Stock-5 (APS-5) equipment. The DoD OIG identified issues that resulted in unanticipated maintenance, repairs, and extended lead times to ensure the readiness of the military equipment selected to support the UAF. Specifically, the DoD OIG found that 25 of 29 M1167 High-Mobility Multipurpose Wheeled Vehicles and all six M777 howitzers were not mission ready and required repairs before USEUCOM could transfer the equipment to the UAF. Issues with poor maintenance and lax oversight of APS-5 equipment could result in future delays for equipment provided to the UAF. In addition, if the U.S. Military needed this equipment, it would have encountered the same challenges. The DoD OIG recommended that the Army consider the level of maintenance and lead time required before selecting APS-5 equipment for sourcing UAF requirements; implement increased inspection procedures to validate that the contractor has properly corrected the maintenance deficiencies; and conduct an inspection of equipment, correcting deficiencies before shipping the equipment to USEUCOM for transfer to the UAF.

Management Advisory: DoD's Ability to Financially Report Joint Strike Fighter Inventory

The DoD OIG alerted the DoD to continued problems with reporting F-35 Joint Strike Fighter (JSF) inventory. The F-35 JSF Program is the single largest defense program with an estimated total lifecycle cost of \$1.7 trillion. Since the program's inception in 2006, the DoD has not reported any inventory for the F-35 JSF program in its Agency-Wide Financial Statements. Additionally, since 2019, the DoD OIG has identified the F-35 JSF program as a material weakness impacting the DoD's ability to achieve a clean audit opinion. A lack of JSF inventory records could have a negative operational impact leading to uninformed logistical and budgetary decisions. Among other recommendations, the DoD OIG recommended that the DoD ensure that it has access to a complete and accurate JSF inventory; hold the contractor accountable for not meeting contract requirements; coordinate with stakeholders to develop a plan of action for the accountability and reporting of the JSF inventory; and determine a means of reporting or disclosing the value of JSF material on the DoD financial statements.

Audit of Triage and Support Services for Sexual Assault Victims at DoD Medical Treatment Facilities

The DoD OIG determined that emergency department (ED) providers did not assign consistent triage levels for sexual assault victims who received care during FY 2021. Specifically, the DoD did not assign consistent triage levels for 43 (21 percent) out of the 209 sexual assault victims included in the team's review. This occurred because DoD guidance does not prescribe a specific or minimum triage level for sexual assault victims. The assignment of inconsistent triage levels could result in sexual assault victims not receiving medical care and critical support services in a timely manner at DoD medical treatment facilities, which could prolong the physical and emotional harm of those victims. In addition, ED providers did not consistently document triage levels; Sexual Assault Forensic Examination offers; or notification information for sexual assault victims who received emergency care at medical treatment facilities during FY 2021. The ED providers did not document care because the DoD did not require it.

SIGNIFICANT PROBLEMS, ABUSES, AND DEFICIENCIES

As a result, responsible DoD officials cannot verify whether ED providers gave sexual assault victims access to needed care and services. The DoD OIG recommended that the DoD conduct a study concerning triage levels for sexual assault victims, review industry standards, revise DoD guidance to prescribe a specific triage level for sexual assault victims, and develop a process to review and ensure that ED providers implement and consistently apply the new guidance.

Management Advisory: DoD Review and Update of Defense Articles Requiring Enhanced End-Use Monitoring

The DoD OIG determined that the current list of enhanced end-use monitoring (EEUM) designated defense articles was not up to date. This occurred because the Defense Security Cooperation Agency (DSCA) did not include a regular and recurring requirement in the Security Assistance Management Manual to review, update, and remove defense articles designated for EEUM. As a result, the current EEUM list in the Security Assistance Management Manual may require monitoring defense articles that are neither sensitive nor require protection. This would be an inefficient use of limited Office of Defense Cooperation resources to perform EEUM. The DoD OIG made three recommendations to the Director of the DSCA. The recommendations included reviewing, analyzing, and updating the list of defense articles currently designated as requiring EEUM. The DoD OIG also recommended adding a recurring requirement to review and update the list of all defense articles provided to foreign nations to ensure designation of those requiring EEUM.

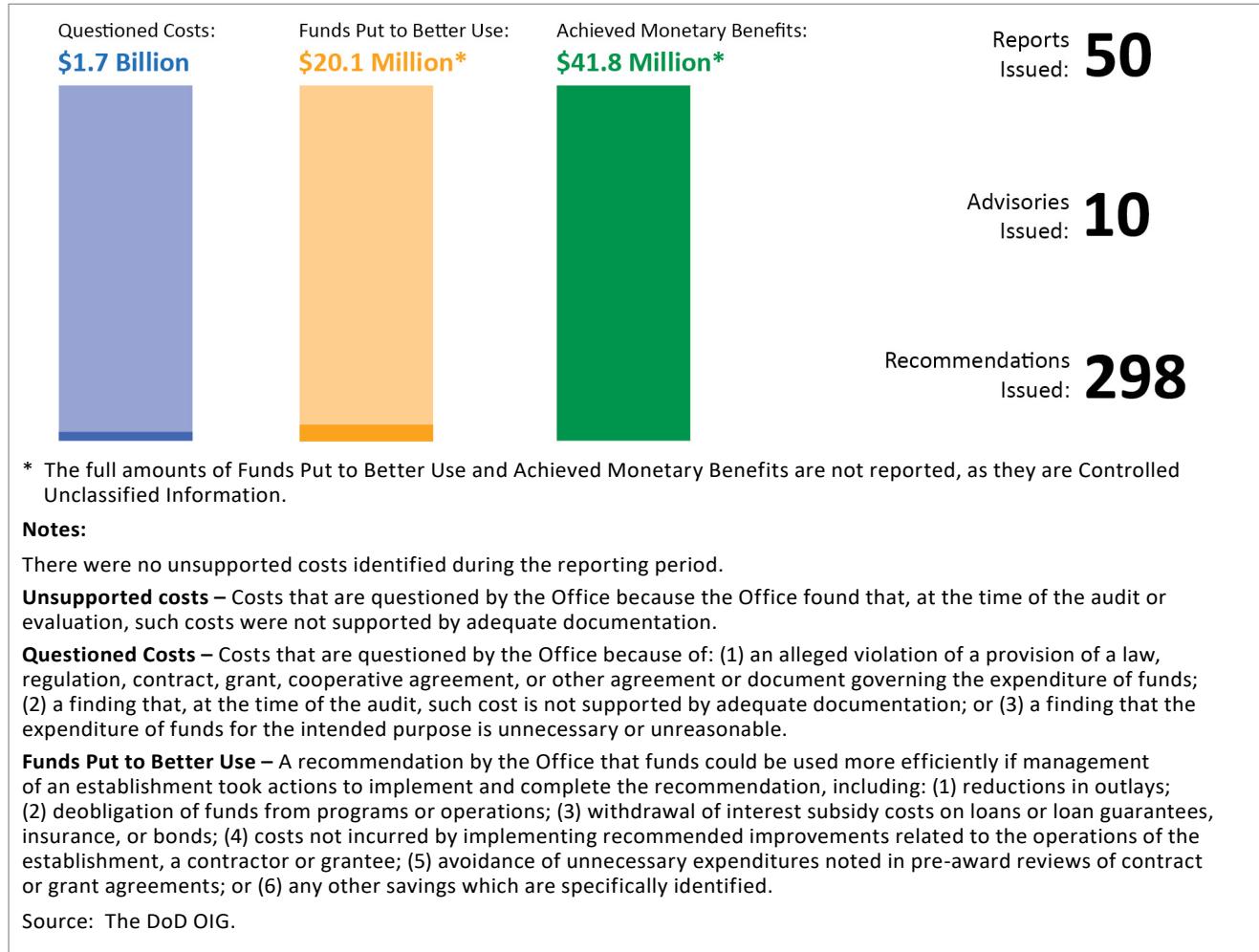
Evaluation of DoD Contracting Officer Actions on DoD Contracts Terminated for Convenience

The evaluation determined that DoD contracting officers did not always document adequate rationale for settling costs for contracts terminated for convenience as the Federal Acquisition Regulation and DoD policy required. As a result, DoD contracting officers might have inappropriately reimbursed DoD contractors up to \$22.3 million in unallowable termination costs. Furthermore, DoD contracting officers did not complete the disposition of Defense Contract Audit Agency (DCAA) audit reports in a timely manner, and DoD contracting officers did not always estimate funds required to settle the termination or release excess funds. As a result, the untimely settlement of audit findings can result in the delayed recovery of unallowable costs. The DoD OIG made 28 recommendations for improvement. Specifically, the DoD OIG recommended that the Defense Contract Management Agency (DCMA), Army, and Air Force determine the allowability of the \$22.3 million and take the necessary steps to recover any unallowable costs. In addition, the DoD OIG recommended that the DCMA, Army, Navy, and Air Force develop and implement a requirement to provide periodic training to DoD contracting officers on DoD policy requirements.

AUDITS AND EVALUATIONS

The Audit Component conducts audits of DoD operations, programs, systems, and functions. The Evaluations Component conducts evaluations of 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 a list of audit and 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 50 audit and evaluation reports and 10 management advisories. Click on the report title for more information regarding the report and, as applicable, the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs) and the dollar value of recommendations that funds be put to better use.

Published reports cited in this Semiannual Report can be accessed on the DoD OIG website at <https://www.dodig.mil/reports.html/>. We list the reports in Table 1 by order of report number, which generally follows chronological order. To view the reports, click on the report title.

AUDITS AND EVALUATIONS

Table 1. Oversight Products Issued

Report Title	Report Number
Audit of Operation Allies Welcome Contract Oversight at DoD Installations–Logistics Civil Augmentation Program V Contract	DODIG-2023-064
External Peer Review of Naval Audit Service Special Access Program Audits	DODIG-2023-065
Audit of the Oversight of Operation Allies Welcome Global Contingency Services Contract at Marine Corps Base Quantico	DODIG-2023-066
Audit of the Oversight of ENCORE III Information Technology Service Task Orders	DODIG-2023-067 ¹
Evaluation of the DoD's Management of Land-Based Water Resources to Support Operations	DODIG-2023-068 ¹
Evaluation of DoD Contracting Officer Actions on DoD Contracts Terminated for Convenience	DODIG-2023-069 ¹
Understanding the Results of the Audit of the FY 2022 DoD Financial Statements	DODIG-2023-070
Management Advisory: DoD Accounting and Reporting for Funds Used in Support of Operation Allies Refuge and Operation Allies Welcome	DODIG-2023-071
Evaluation of DoD Implementation of the Military Equal Opportunity Program's Data Collection and Reporting Requirements for Complaints of Prohibited Discrimination	DODIG-2023-073
Management Advisory: DoD Review and Update of Defense Articles Requiring Enhanced End-Use Monitoring	DODIG-2023-074
Audit of the Department of Defense's FY 2022 Compliance with Payment Integrity Information Act Requirements	DODIG-2023-075
Management Advisory: Maintenance Concerns for the Army's Prepositioned Stock–5 Equipment Designated for Ukraine	DODIG-2023-076
Audit of the DoD's Implementation and Oversight of the Controlled Unclassified Information Program	DODIG-2023-078
Audit of DoD Actions Taken to Protect DoD Information When Using Collaboration Tools During the Coronavirus Disease–2019 Pandemic	DODIG-2023-079
Evaluation of U.S. Special Operations Command's Joint Military Information Support Operations Web Operations Center	DODIG-2023-080
Audit of the Tracking and Reporting of DoD-Owned Shipping Containers	DODIG-2023-081
Audit of the DoD's Financial Management of the Afghanistan Security Forces Fund	DODIG-2023-082
Evaluation of the Collection of Demographic Data in the Military Justice System	DODIG-2023-083
Evaluation of Accountability Controls for Defense Items Transferred Via Air to Ukraine within the U.S. European Command Area of Responsibility	DODIG-2023-084
Audit of DoD Training of Ukrainian Armed Forces	DODIG-2023-086
Management Advisory: Basic Issue Items and Components of End Items Shortages in the Army's Prepositioned Stock–5 Program	DODIG-2023-087
Evaluation of DoD Support to Other Agencies' Requests for Screening of Displaced Persons from Afghanistan	DODIG-2023-088
Management Advisory: Reliability of the Defense Enrollment Eligibility Reporting System Data	DODIG-2023-089
Management Advisory: Sufficiency of Staffing at Logistics Hubs in Poland for Conducting Inventories of Items Requiring Enhanced End-Use Monitoring	DODIG-2023-090
Summary External Peer Review of the Naval Audit Service	DODIG-2023-091
Management Advisory: DoD's Transportation of Ammunition in Support of Ukraine	DODIG-2023-092
Audit of the Reliability of the DoD Coronavirus Disease–2019 Patient Health Data	DODIG-2023-093 ¹
Special Report: Lessons Learned from DoD OIG Reports to Inform the DoD's Ukraine Response	DODIG-2023-094
Special Report: Review of DoD OIG-Issued Reports Related to Protecting Classified Information	DODIG-2023-095 ²
Management Advisory: DoD's Ability to Financially Report Joint Strike Fighter Inventory	DODIG-2023-096
Audit of the Army's Use of Public-Private Partnerships at Anniston Army Depot	DODIG-2023-097
Audit of the DoD's Accountability of Public Key Infrastructure Tokens Used to Access the Secret Internet Protocol Router Network	DODIG-2023-098
Evaluation of DoD Replenishment Plans for Equipment and Munitions Provided to the Government of Ukraine	DODIG-2023-099 ²

Table 1. Oversight Products Issued (cont'd)

Report Title	Report Number
Evaluation of Controls over the Application of Analytic Standards by the Service Intelligence Centers and U.S. Cyber Command	DODIG-2023-100
Audit of DoD Compliance with Whistleblower Protection Requirements in FY 2020 Contracts	DODIG-2023-101
Audit of the DoD Exceptional Family Member Program	DODIG-2023-102
Audit of the Military Service Recruiting Organizations' Efforts to Screen Applicants for Extremist and Criminal Gang Behavior	DODIG-2023-103
External Peer Review of the Defense Logistics Agency Office of the Inspector General Audit Organization	DODIG-2023-104 ¹
Management Advisory: U.S. European Command Security Classification Guidance for Ukraine Assistance	DODIG-2023-105
Transmittal of the Independent Auditor's Report on the Defense Enterprise Accounting and Management System as of June 30, 2023	DODIG-2023-106
Transmittal of the Independent Auditor's Report on the U.S. Army's System Supporting the Delivery of Munitions Inventory Management Services as of June 30, 2023	DODIG-2023-107
Transmittal of the Independent Auditor's Report on the U.S. Army's General Fund Enterprise Business System Administrative, Operational, Contract Vendor Pay, Civilian Payroll, Disbursing and Reimbursable Work Order – Buyer Transaction Processing Support Services	DODIG-2023-108
Evaluation of the DoD's Actions Regarding Unidentified Anomalous Phenomena	DODIG-2023-109 ^{1,2}
Transmittal of the Independent Auditor's Report on the Defense Automated Addressing System for the Period October 1, 2022, Through June 30, 2023	DODIG-2023-110
Transmittal of the Independent Auditor's Report on the Defense Agencies Initiative System for the Period October 1, 2022, Through June 30, 2023	DODIG-2023-111
Transmittal of the Independent Auditor's Report on the Defense Property Accountability System for the Period October 1, 2022, Through June 30, 2023	DODIG-2023-112
Transmittal of the Independent Auditor's Report on the Wide Area Workflow Module for the Period October 1, 2022, Through June 30, 2023	DODIG-2023-113
Transmittal of the Independent Auditor's Report on the Government Furnished Property Module for the Period October 1, 2022, Through June 30, 2023	DODIG-2023-114
Evaluation of Land-Based Security Controls for Equipment Being Transferred by Rail to Ukraine	DODIG-2023-115 ¹
Evaluation of DoD Intelligence Agencies' Use of Human Language Technology	DODIG-2023-116 ²
Audit of Army's Oversight for Ukraine-Specific Logistics Civil Augmentation Program V Services in the U.S. European Command Area of Responsibility	DODIG-2023-117
Audit of the Acquisition of the U.S. Air Force Three-Dimensional Expeditionary Long-Range Radar	DODIG-2023-118 ¹
Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq	DODIG-2023-119 ^{1,2}
Audit of Triage and Support Services for Sexual Assault Victims at DoD Medical Treatment Facilities	DODIG-2023-120 ¹
Evaluation of an Office of the Under Secretary of Defense for Intelligence and Security Classified Program	DODIG-2023-121 ²
Evaluation of Intelligence Sharing in Support of Ukraine	DODIG-2023-122 ^{1,2}
Audit of the Reliability of Army Spare Parts Forecasts Submitted to the Defense Logistics Agency	DODIG-2023-123
Evaluation of the Military Criminal Investigative Organizations' Adult Sexual Assault Investigations	DODIG-2023-124
Management Advisory: DoD Office of Inspector General Review of Other Transaction Agreement W912CG-21-9-0001	DODIG-2023-125
Independent Auditor's Report on the Assistance with OPM's Agreed-Upon Procedures for Reviewing the FY 2023 Civilian Payroll Withholding Data and Enrollment Information	DODIG-2023-126

¹ Management did not make a decision regarding a recommendation in the report by the end of the reporting period.² The DoD OIG website does not contain summaries of these reports. The following section explains why.

Source: The DoD OIG.

Oversight Products Not Publicly Disclosed

This section provides descriptions of audits, evaluations, and special reports that the DoD OIG did not disclose to the public. We cannot prepare an unclassified summary for Report No. DODIG-2023-121 due to the amount of Controlled Unclassified Information and classified information in this report. Click the report title to view it.

DODIG-2023-092, “Management Advisory: DoD’s Transportation of Ammunition in Support of Ukraine”

This management advisory addressed the timely transportation of ammunition from European ports to its final destination. The DoD OIG recommended that USEUCOM complete a review of logistical support business rules to identify and implement changes necessary to ensure the efficient transfer of ammunition to Ukraine. The DoD OIG also recommended that USEUCOM conduct a review to examine and consider implementing other means of rapidly delivering ammunition to Ukraine.

Report No. DODIG-2023-095, “Special Report: Review of DoD OIG-Issued Reports Related to Protecting Classified Information”

This special report highlighted lessons learned and best practices related to cyber and physical security weaknesses identified in previously issued audit and evaluation reports. From 2013 to 2023, the DoD OIG issued 31 audits, 22 evaluations, and 2 special reports that included 690 recommendations regarding DoD programs, policies, and procedures related to DoD cybersecurity, operations and physical security, information security, personnel security, and insider threat programs. Of the 690 recommendations made over the past decade, 185, or just over 25 percent, remained open as of May 2023. The report noted that the DoD taking action to address the 185 recommendations that remained open could significantly strengthen the DoD’s security posture and improve its ability to protect classified information. Related to this review, the DoD OIG held Gold Standard meetings with Office of the Under Secretary of Defense for Intelligence and Security senior leadership. Gold Standard meetings are discussed in the “Other Oversight Matters” section of this report.

Report No. DODIG-2023-099, “Evaluation of DoD Replenishment Plans for Equipment and Munitions Provided to the Government of Ukraine”

The objective of this evaluation was to determine the extent to which the DoD planned to restock the equipment and munitions that it provided to the Government of Ukraine through the presidential drawdown authority. The evaluation determined that DoD officials planned to replenish 15 of the 18 line items in the DoD OIG’s sample of equipment and munitions provided to the Government of Ukraine. Furthermore, DoD officials did not plan to replenish the remaining 3 of the 18 line items that were excess munitions. The DoD OIG recommended that the Under Secretary of Defense for Policy update the existing drawdown process to include the roles and responsibilities for assessing the cumulative impact of presidential drawdowns on the current and long-term readiness posture across the DoD.

Report No. DODIG-2023-109, “Evaluation of DoD’s Actions Regarding Unidentified Anomalous Phenomena”

The objective of this evaluation was to determine the extent to which the DoD, Military Services, Defense agencies, and Military Department counterintelligence organizations took intelligence, counterintelligence, and force protection actions to detect, report, collect, analyze, and identify unidentified anomalous phenomena. The report included five recommendations. The DoD OIG plans to release an unclassified overview of this report in the future.

Report No. DODIG-2023-116, “Evaluation of DoD Intelligence Agencies’ Use of Human Language Technology”

The objective of this evaluation was to determine the extent to which DoD intelligence agencies developed and integrated human language technology to support multi discipline intelligence collection, analysis, and production. The report contained two recommendations.

Report No. DODIG-2023-119, “Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq”

The DoD OIG determined that, during the period from early 2019 through mid-2022, the DoD did not conduct EEUM in accordance with applicable requirements for sensitive equipment provided or sold to the Government of Iraq. It further identified how removing equipment that no longer required EEUM and applying approved alternate procedures for EEUM could result in efficiencies in the program and funds put to better use. The audit identified additional steps that should be taken to ensure that sensitive equipment provided or sold to the Government of Iraq is subject to appropriate monitoring. These included recommendations that the U.S. Central Command develop guidance for conducting virtual EEUM inspections and provide minimum requirements for conducting quarterly end-use monitoring database reviews. Additionally, the DoD OIG recommended that the Office of Security Cooperation—Iraq develop a plan of action to obtain and maintain 100 percent accountability of sensitive equipment and develop a plan for continuity in the end-use monitoring program manager position.

Report No. DODIG-2023-122, “Evaluation of Intelligence Sharing in Support of Ukraine”

The objective of this report was to evaluate DoD intelligence sharing in support of Ukraine. The DoD OIG made one unclassified and three classified recommendations to assist the DoD organizations involved in policy development, oversight, and the provision of security assistance through intelligence sharing in support of Ukraine.

Review of the Air Force’s Office of Special Investigations Internal Control Systems for Criminal Investigations and Supporting Programs

During the reporting period, the DoD OIG’s Evaluations Component completed a quality assurance review of the Air Force Office of Special Investigations’ (OSI) internal control systems for criminal investigators and supporting programs. The report made two recommendations.



INVESTIGATIONS

DCIS Investigative Statistics

The DCIS investigates criminal matters related to DoD programs and operations.

Figure 2. DCIS Statistical Highlights

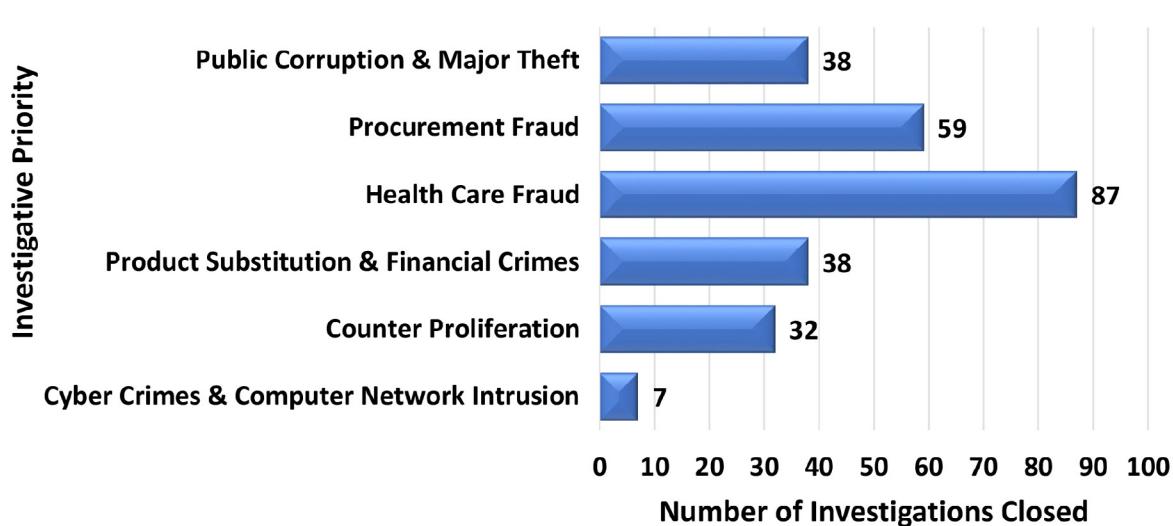


Significant DCIS Investigations

The DCIS's investigative priorities include the following.

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

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



Source: The DoD OIG.

The following Department of Justice press releases highlight some of the significant investigations that the 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 2. Press Releases for Significant DCIS Investigations During the Reporting Period

Press Release Title	Date
Public Corruption	
Former Air Force Civilian Employee Sentenced to More than 15 Years in Prison For Fraud	April 25, 2023
Former Contracting Officer for the Department of Defense Pleads Guilty in Conspiracy to Defraud the Government	April 24, 2023
Procurement Fraud	
Booz Allen Agrees to Pay \$377.45 Million to Settle False Claims Act Allegations	July 21, 2023
Maryland Defense Contractor Sentenced to Almost Four Years in Federal Prison for Procurement Fraud	July 14, 2023
L3 Technologies Settles False Claims Act Allegations Relating to Double-Charging for Certain Material Costs	April 24, 2023

Table 2. Press Releases for Significant DCIS Investigations During the Reporting Period (cont'd)

Press Release Title	Date
Health Care Fraud	
Pharmacy Operators and Pharmacist Charged with \$33 Million Health Care Fraud, Wire Fraud, and Kickback Conspiracy	September 18, 2023
Laboratory Owner Sentenced to 36 Months in Federal Prison for Healthcare Kickback Scheme	September 14, 2023
Product Substitution and Financial Crimes	
Amphenol Corporation Pays \$18 Million To Resolve Allegations That It Submitted False Claims For Electrical Connectors	August 4, 2023
Defense contractor sentenced to prison for providing fraudulent parts to military	August 1, 2023
Project Manager Sentenced for False Statements Regarding Lead Contamination at City Park, Firm Pays \$2 Million Restitution	June 2, 2023
Counterproliferation	
Haitian-Chilean Citizen Sentenced to Federal Prison in Connection with Plot to Kill Haitian President	June 13, 2023
Rosedale Man Sentenced to 30 Months in Federal Prison for a Conspiracy to Smuggle Firearms and Other Military Items from the United States to Assist Separatists Fighting Against the Government of Cameroon	May 17, 2023

Note: There were no press releases related to Cyber Crimes and Computer Network Intrusion investigations during the reporting period.

Source: The DoD OIG.

DCIS Senior Official Investigations

The 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.

Substantiated

The DCIS and the Army Criminal Investigation Division investigated an Army captain (O-3), who served as a supply officer in the 3rd Special Forces Group (SFG). The investigation revealed that the captain and his wife created a company to defraud the Government. The case was referred to the Department of Justice on October 12, 2018, and on September 8, 2021, the company pleaded guilty to one count of 18 U.S.C. § 641, "Theft of Government Funds," and the captain pleaded guilty to one count of 18 U.S.C. § 208(a), "Acts Affecting a Personal Financial Interest." On March 9, 2022, the captain and the company were sentenced to 36 months of probation and restitution of \$82,845.

The investigation also revealed that an Army colonel (O-6), who was the former commander of the Group Support Battalion for the 3rd SFG, participated in the scheme to defraud the Government by signing a sole-source justification on behalf of the company and authorizing its submission to the installation contracting command. The colonel helped plan the scheme to use the company, was fully aware that contracted training did not take place, and knew that the captain and his wife profited from the arrangement. The investigation did not reveal evidence that the colonel financially benefitted from the scheme. On March 23, 2022, the Department of Justice declined prosecution. On December 9, 2022, a General Officer Memorandum of Reprimand was placed in the colonel's Army Military Human Resource Record for conspiracy, making a false official statement, and conduct unbecoming of an officer. The investigation was closed on August 8, 2023.

Not Substantiated

- The DCIS and Air Force OSI investigated allegations that an Air Force civilian employee (GS-15) and a subordinate steered resources and contracts to a specific contractor. The investigation did not substantiate the allegations. On June 23, 2023, the Department of Justice declined prosecution.
- The DCIS investigated allegations that a Department of the Army civilian employee (GS-15) violated conflict of interest laws by maintaining employment with a private company while serving as a Government employee. On May 5, 2023, the Department of Justice declined prosecution as there was no monetary loss to the Government and the employee retired.
- The DCIS, Air Force OSI, and FBI investigated allegations that a Defense Information Systems Agency employee (GS-15) had an improper relationship with an on-site contractor and may have received kickbacks from that contractor. The investigation did not substantiate the allegations. On February 22, 2023, the Department of Justice declined prosecution.
- The DCIS and Army Criminal Investigation Division investigated allegations that an Army colonel (O-6) improperly directed contracts to a specific contractor. The investigation did not substantiate the allegations, and the matter was closed without referral to the Department of Justice.

Senior Official Administrative Investigations

The Investigations of Senior Officials (ISO) Directorate 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 Department of Justice, the date of the referral, whether the Department of Justice declined the referral, and if so, the date of the declination.

Substantiated

ISO substantiated one senior official case during the reporting period and published the results of the case in the report. The case was not referred to the Department of Justice for prosecution. To view the report of investigation, click on the report title.

Table 3. Substantiated Senior Official Investigations

Report Title	Report Number
Report of Investigation: Mr. Michael Cutrone Former Principal Deputy And Acting Assistant Secretary Of Defense for International Security Affairs	DODIG-2023-077

Source: The DoD OIG.

Not Substantiated

ISO did not substantiate allegations against one senior official during the reporting period.

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, and nonappropriated fund instrumentality employees. WRI did not close any investigations involving 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 during the reporting period. WRI also did not close any substantiated cases involving allegations of whistleblower reprisal against members of the Armed Forces, appropriated fund (civilian) employees, employees of DoD contractors, or nonappropriated fund instrumentality employees during the reporting period.

Office of Professional Responsibility Investigations

The Office of Professional Responsibility (OPR) investigates allegations of misconduct by DoD OIG employees and military personnel and develops reports of investigation for management to consider in weighing the appropriateness of taking disciplinary action.² During the reporting period, OPR issued three reports of investigation, one of which related to a senior Government employee, GS-15 and above. OPR referred one case to the Department of Justice, and it declined to prosecute. OPR did not substantiate any allegations of reprisal.

Substantiated

During the reporting period, OPR investigated an allegation that a DoD OIG GS-15 supervisor may have harassed a subordinate employee by making demeaning comments, such as telling the employee that the employee was being pretentious, acting as if the employee was better than everyone else, and that no one talks to the employee and no one ever will. During the investigation, OPR received an allegation that the supervisor requested inappropriate personal pictures from another subordinate employee. The facts did not support the allegation of harassment. However, OPR determined the facts were sufficient to substantiate unprofessional conduct by the supervisor for the demeaning comments and the request by the supervisor to another subordinate employee for inappropriate personal pictures. Management reviewed the matter and determined that the totality of the circumstances did not warrant disciplinary action.

² We refer complaints against the DoD Inspector General and other designated DoD OIG officials to CIGIE's Integrity Committee, as required.



DIVERSITY AND INCLUSION AND EXTREMISM IN THE MILITARY

The Diversity and Inclusion and Extremism in the Military (DIEM) Component has specific statutory reporting requirements that include preparing semiannual and occasional reports to the Secretary of Defense and the DoD IG and publishing annual reports to the congressional committees on the Armed Forces.

Portfolio Management

The July 27, 2022 Deputy Secretary of Defense memorandum regarding extremist and criminal gang activities requires the Military Departments (MILDEP) to standardize policy, processes, tracking, and reporting allegations of prohibited activity by members of the Armed Forces through their respective Inspectors General to the DoD OIG.³ DIEM personnel coordinated with three Military Service OIGs on the status for implementing Military Department policies for this reporting requirement. The MILDEP policies were approved as edited in June 2023 by the Under Secretary of Defense for Personnel and Readiness. One policy required restaffing and resubmission to the MILDEP Secretary. Following final approval and implementation, the Military Service Inspectors General will submit prohibited activity allegations and related information to the DoD OIG.

DIEM personnel coordinated with the DoD OIG's Administrative Investigations Component using an established process for tracking and reporting prohibited activity allegations received by the DoD Hotline, allegations referred for inquiry, inquiry results, and actions taken on substantiated allegations of prohibited activity by a Service member. DIEM personnel worked with DoD Hotline personnel to document and track:

- prohibited activities alleged among members of the Armed Forces;
- referrals of allegations for inquiry to OIGs, Military Criminal Investigative Organizations, DoD Components and agencies, and Federal and local law enforcement agencies;
- inquiry results from such referrals; and
- actions taken or not taken for such referrals.

Table 4. Prohibited Activity Data from April 1 Through September 30, 2023

Report Category	Total
Contacts alleging supremacist, extremist, or criminal gang activity by a Service member	14
Cases with allegations of prohibited activity referred for investigation or inquiry	21
Cases with allegations of prohibited activity substantiated by an investigation or inquiry ¹	3
Number of Service members who engaged in prohibited activities and were subject to action	3
Number of Service members who engaged in prohibited activities who were not subject to action	0
Allegations referred to Federal or law enforcement agencies ²	4

Notes:

¹ Category includes allegations received and referred in previous reporting periods and investigation results received during this reporting period.

² This is a subset of total cases referred for investigation or inquiry.

Source: The DoD Hotline.

³ These allegations will not include the name, DoD ID number, phone number, or other personally identifiable information that would directly identify alleged offenders or victims.

Deputy Secretary of Defense, "Reporting Allegations of Active Participation in Extremist and Criminal Gang Activities to the DoD Office of Inspector General," July 27, 2022.

Diem Oversight Work

During the reporting period, the DoD OIG published seven reports related to the DIEM mission. Table 5 lists the final report title, report number, and date of issuance for these oversight products. To view the report, click on the report title.

Table 5. DIEM Related Oversight Reports Issued by the DoD OIG from April 1 Through September 30, 2023

Report Title	Report Number
Review of the Military Services' Policies and Procedures on the Medical Waiver Process for Recruiting	DODIG-2023-072
Evaluation of DoD Implementation of the Military Equal Opportunity Program's Data Collection and Reporting Requirements for Complaints of Prohibited Discrimination	DODIG-2023-073
Evaluation of the Collection of Demographic Data in the Military Justice System	DODIG-2023-083
Review of the DoD's Co-Location Policies to Support Dual Military Marriages	DODIG-2023-085
Audit of the Military Service Recruiting Organizations' Efforts to Screen Applicants for Extremist and Criminal Gang Behavior	DODIG-2023-103
Audit of Triage and Support Services for Sexual Assault Victims at DoD Medical Treatment Facilities	DODIG-2023-120
Evaluations of the Military Criminal Investigative Organizations' Adult Sexual Assault Investigations	DODIG-2023-124

Source: The DoD OIG.

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 to 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. In the DoD Agency Financial Report for FY 2022, DoD management stated that the DoD did not comply with section 803(a) of the FFMIA. The DoD's financial systems do not provide the capability to record financial transactions in compliance with Federal financial management requirements, applicable Federal accounting standards, and the U.S. General Ledger at the transaction level. The lack of compliance contributes to a number of other material weaknesses, and the DoD does not expect a correction of this material weakness until FY 2028. Additionally, the DoD OIG discussed the DoD's FFMIA compliance issues in the DoD OIG Independent Auditor's Reports on the FY 2022 and FY 2021 DoD Agency-Wide financial statements.

Review of Legislation and Regulations

In addition to working with the DoD and Congress to amend existing law, pursuant to the IG Act, the DoD OIG also independently reviews proposed legislation relating to the programs and operations of the DoD. During the reporting period, the DoD OIG reviewed proposed legislation at the request of congressional staff, the DoD, and CIGIE. For example, the DoD OIG provided input on draft language to the House and Senate Armed Services Committees specific to ongoing DoD OIG work in the area of military suicide prevention and reviewed proposed CIGIE legislation that would amend section 5274 of the FY 2023 National Defense Authorization Act. The DoD OIG also reviewed and commented on a number of legislative proposals to establish a Special IG to oversee U.S. Government assistance to Ukraine.



Source: iStock.

Gold Standard Meetings with the DoD

Office of Management and Budget (OMB) Memorandum M-22-04, December 3, 2021, promoted Federal accountability through cooperation among agencies and Inspectors General. Consistent with the OMB Memorandum, "Gold Standard" meetings are a relatively new 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 summaries detail the five Gold Standard meetings held during the reporting period.

In May 2023, Audit and Evaluations personnel held a Gold Standard meeting with officials from the Office of the Under Secretary of Defense for Intelligence and Security (OUSD[I&S]). This Gold Standard meeting provided DoD officials with insights on the results of past oversight work affecting DoD security, as discussed in Report No. DODIG-023-095, "Special Report: Review of DoD OIG-Issued Reports Related to Protecting Classified Information." Based on the success of this meeting, the DoD OIG and OUSD(I&S) agreed to future discussions on topics and open recommendations related to security issues, with two follow-up meetings occurring in August 2023.

OTHER OVERSIGHT MATTERS

Also in August 2023, the Deputy Inspector General for DIEM met with the Chief Talent Management Officer for the DoD and the Director of the DoD Office for Diversity, Equity, and Inclusion to discuss areas in which the mission sets for each office overlap, the value of independent oversight, and how to deliver impactful change.

In September 2023, Audit and DoD OIG Office of General Counsel personnel held a Gold Standard meeting with the Principal Deputy Assistant to the Secretary of Defense for Privacy, Civil Liberties, and Transparency and Senior Intelligence Oversight Official. The Gold Standard meeting focused on the information the DoD OIG identified while researching a potential audit on commercially available information that could inform a Deputy Secretary of Defense-directed working group's efforts to develop a framework and associated policy for acquiring and using commercially available information.

Overseas Contingency Operations

Upon designation, the Lead IG works with its two counterparts under the Lead IG model to ensure whole-of-government oversight of all Federal programs and operations conducted in support of an Overseas Contingency Operation (OCO). To do so, the Lead IG prepares a comprehensive oversight plan and submits quarterly reports on the OCO to Congress that are also posted on the DoD OIG's public webpage. During this reporting period, the DoD IG was the Lead IG for Operation Enduring Sentinel and Operation Inherent Resolve and issued quarterly reports for the two OCOs. The DoD OIG also issued classified appendixes for the two OCOs and provided those documents to relevant agencies and congressional committees. The Lead IG agencies issued the FY 2024 Comprehensive Oversight Plan for Overseas Contingency Operations on September 29, 2023.

As the Lead IG for Operation Enduring Sentinel, the Honorable Robert P. Storch, DoD IG, testified before the House Committee on Oversight and Accountability on the DoD OIG's work related to DoD operations in Afghanistan and the withdrawal. To read the DoD IG's written statement, click on the hearing title.

Table 6. IG Storch's Congressional Testimony on DoD OIG Oversight in Afghanistan

Committee	Hearing	Date
House Committee on Oversight and Accountability	The Biden Administration's Disastrous Withdrawal from Afghanistan, Part I: Review by the Inspectors General	April 19, 2023

Source: The DoD OIG.

On September 18, 2023, the Chair of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) named the DoD IG as the Lead IG for Operation Atlantic Resolve (OAR), effective October 18, 2023. The DoD OIG is working closely with the State and U.S. Agency for International Development (USAID) OIGs to begin quarterly reporting to Congress on OAR and to finalize a comprehensive Joint Strategic Oversight Plan for OAR, which includes U.S. security assistance to Ukraine. Since Russia's full-scale invasion of Ukraine, U.S. security assistance to Ukraine currently totals approximately \$113 billion in U.S. assistance for security, economic, and humanitarian assistance.

To view the quarterly reports and the Comprehensive Oversight Plan for OCOs, click on the report title.

Table 7. Overseas Contingency Operations Quarterly Reports and Comprehensive Oversight Plan

Lead IG Quarterly Report Title
Lead Inspector General for Operation Enduring Sentinel April 1, 2023 - June 30, 2023
Lead Inspector General for Operation Inherent Resolve Quarterly Report to the United States Congress April 1, 2023 – June 30, 2023
Lead Inspector General for Operation Enduring Sentinel January 1, 2023 - March 31, 2023
Lead Inspector General for Operation Inherent Resolve Quarterly Report to the United States Congress January 1, 2023 – March 31, 2023
FY 2024 Comprehensive Oversight Plan for Overseas Contingency Operations

Source: The DoD OIG.

Ukraine Oversight

During the reporting period, oversight of the security assistance provided to Ukraine continued to be a matter of the highest priority for the DoD OIG. The Lead IG agencies—DoD OIG, State OIG, and USAID OIG—performed audits, evaluations, and investigations to promote economy, efficiency, and effectiveness and prevent fraud, waste, and abuse in U.S. Government support provided to Ukraine.

During the current reporting period, the DoD OIG issued 13 reports and management advisories related to Ukraine, including 7 audit and evaluation reports, 1 special report, and 5 management advisories. To view the Ukraine-related reports issued during the reporting period, click on the report title.

Table 8. Ukraine-Related Reports, April 1 Through September 30, 2023

Report Title	Report Number
Evaluation of Intelligence Sharing in Support of Ukraine	DODIG-2023-122
Evaluation of DoD Replenishment Plans for Equipment and Munitions Provided to the Government of Ukraine	DODIG-2023-099
Audit of DoD Training of Ukrainian Armed Forces	DODIG-2023-086
Evaluation of U.S. Special Operations Command's Joint Military Information Support Operations Web Operations Center	DODIG-2023-080
Evaluation of Accountability Controls for Defense Items Transferred Via Air to Ukraine within the U.S. European Command Area of Responsibility	DODIG-2023-084
Audit of Army's Oversight for Ukraine-Specific Logistics Civil Augmentation Program V Services in the U.S. European Command Area of Responsibility	DODIG-2023-117
Management Advisory: Maintenance Concerns for the Army's Prepositioned Stock-5 Equipment Designated for Ukraine	DODIG-2023-076
Evaluation of Land-Based Security Controls for Equipment Being Transferred by Rail to Ukraine	DODIG-2023-115
Management Advisory: DoD Review and Update of Defense Articles Requiring Enhanced End-Use Monitoring	DODIG-2023-074
Management Advisory: Sufficiency of Staffing at Logistics Hubs in Poland for Conducting Inventories of Items Requiring Enhanced End-Use Monitoring	DODIG-2023-090
Management Advisory: DoD's Transportation of Ammunition in Support of Ukraine	DODIG-2023-092
Management Advisory: U.S. European Command Security Classification Guidance for Ukraine Assistance	DODIG-2023-105
Special Report: Lessons Learned from DoD OIG Reports to Inform the DoD's Ukraine Response	DODIG-2023-094

Source: The DoD OIG.

We issue a monthly update on our Ukraine work and report on our ongoing coordination with the State and USAID OIGs at <https://www.dodig.mil/Ukraine/>.



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 Investigations Organization

The Department of Health and Human Services OIG (HHS-OIG) conducted an external peer review of the DCIS during February 2023 and issued its final report on September 21, 2023. HHS-OIG concluded that the system of internal safeguards and management procedures employed by DCIS complies with the quality standards established by CIGIE and other applicable guidelines and statutes.

Peer Reviews Conducted by the DoD OIG

The DoD OIG performed three peer reviews during the reporting period.

Peer Review of the Department of Interior Office of Inspector General Office of Audits, Inspections, and Evaluations

The DoD OIG reviewed the Department of the Interior Office of Audits, Inspections, and Evaluations (DOI-OIG-AIE) operations for the period ending March 31, 2022, and issued a final peer review report regarding their evaluations on August 30, 2023. The external peer review report concluded that the DOI-OIG-AIE's policies and procedures were generally consistent with the seven quality standards addressed in evaluation peer reviews—*independence, competence, planning, evidence collection and analysis, reporting, follow-up, and quality control*. In addition, the DoD OIG reviewed four DOI-OIG-AIE reports and concluded that they generally complied with the CIGIE "Quality Standards for Inspection and Evaluation," published in December 2020.

Peer Review of the Naval Audit Service

The DoD OIG and the Air Force Audit Agency reviewed the system of quality control for the Naval Audit Service in effect for the period ending December 31, 2021. The Naval Audit Service received an external peer review rating of pass with a deficiency. The deficiency involved a structural threat to independence. The deficiency did not rise to the level of a significant deficiency as defined in the CIGIE, "Guide for Conducting Peer Reviews of Audit Organizations of Federal Offices of Inspector General," published in March 2020.

Peer Review of the Defense Logistics Agency Office of the Inspector General Audit Organization

The DoD OIG reviewed the system of quality control for the Defense Logistics Agency (DLA) Office of the Inspector General Audit Organization in effect for the 3-year period ending September 30, 2022. The DLA Office of the Inspector General Audit Organization received an external peer review rating of pass.

DoD Audit Agencies

No DoD audit agencies received a failed opinion or were overdue for an external peer review.

APPENDIX B: CONTRACT AUDITS

Final Completed Contract or Contract-Related Audits Containing Significant Findings

During the reporting period, the DoD OIG issued 4 completed contract audit or evaluation reports, and the Defense Contract Audit Agency (DCAA) issued 23 final, completed contract audit reports to contracting activities containing significant audit findings.

DoD OIG

Audit Report No. DODIG-2023-064	Date: April 20, 2023
Subject: Audit of Operation Allies Welcome Contract Oversight at DoD Installations—Logistics Civil Augmentation Program V Contract	
Report: \$1.6 Billion Total Questioned Costs	
The DoD OIG issued a report finding that the Army procuring contracting officer did not ensure invoices were reviewed before payment to verify contractor-reported costs. This occurred because the procuring contracting officer solely relied on the Defense Contract Audit Agency prepayment reviews, which did not address whether invoiced amounts were allowable, allocable, or reasonable. As a result, the Army did not have assurance that the \$1.6 billion paid to the contractor was allowable, allocable, and reasonable.	

Audit Report No. DODIG-2023-066	Date: April 27, 2023
Subject: Audit of the Oversight of Operation Allies Welcome Global Contingency Services Contract at Marine Corps Base Quantico	
Report: \$30.1 Million Total Questioned Costs	
The DoD OIG issued a report stating that Navy contracting personnel did not fully execute contract administration responsibilities at Marine Corps Base Quantico. Navy contracting personnel did not ensure the contractor provided sufficient supporting documentation for incurred costs supporting the relocation of Afghan evacuees, which prevented the administrative contracting officer from adequately reviewing contractor invoices. As a result, the Navy did not verify whether \$30.1 million in payments made to the contractor, excluding the award fee, were allowable, allocable, and reasonable.	

Audit Report No. DODIG-2023-067	Date: May 9, 2023
Subject: Audit of the Oversight of ENCORE III Information Technology Service Task Orders	
Report: \$20.1 Million in Funds Put to Better Use ¹ ; \$160,013 Total Questioned Costs; and \$7,322 Disallowed Costs	
The DoD OIG issued a report identifying \$20.1 million of funds put to better use because Defense Information Systems Agency officials acknowledged that task order HC1028-19-F-6101 was “not contractually viable” and allowed the task order to expire. The performance work statement for this task order required the contractor to provide cybersecurity services valued at \$65.9 million, but the statement did not clearly describe all the services to be performed. DoD Component contracting officer’s representatives did not review contractor interim vouchers to prevent improper payments, and the DoD OIG’s review identified \$167,335 in questioned travel costs. During the audit, a Washington Headquarters Services’ contracting officer disallowed \$7,322 in travel costs from the contractor for task order HQ0034-19-F-0486, which left a balance of \$160,013 in total questioned costs.	

¹ This does not include Funds Put to Better Use that were identified and redacted for security reasons.

Audit Report No. DODIG-2023-069	Date: May 9, 2023
Subject: Evaluation of DoD Contracting Officer Actions on DoD Contracts Terminated for Convenience	
Report: Potential \$22.3 Million Total Questioned Costs	
The DoD OIG issued a report identifying that DoD contracting officers did not document adequate rationale for settling termination costs in accordance with Federal Acquisition Regulations and DoD policy for 17 (27 percent) of the 63 contract terminations reviewed. As a result, DoD contracting officers may have inappropriately reimbursed DoD contractors up to \$22.3 million in unallowable termination costs.	

DCAA

Audit Report No. 04671-2022A17100003	Date: April 11, 2023
Subject: Independent Audit Report on Proposed Amounts in Contractor's Termination Settlement Proposal	
Prepared for: U.S. Army Corps of Engineers (USACE)	
Report: \$116 Million Total Questioned Costs	
The DCAA identified \$116 million in total questioned costs related to direct labor, related party transactions, performance costs, suspension of work and post-termination costs, settlement expenses, and associated profit. The DCAA's significant findings included \$23 million in related party materials and services in noncompliance with Federal Acquisition Regulation (FAR) 31.205-26(e), "Material Costs," because the materials and services were transferred at price rather than cost. Other significant findings included \$70 million of proposed profit directly associated with other unallowable costs, in noncompliance with FAR 31.201-6(a), "Accounting for Unallowable Costs."	

Audit Report No. 03531-2021A10100004	Date: April 25, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$11.4 Million Total Questioned Costs	
The DCAA identified \$11.4 million in questioned costs related to computer services, software maintenance repair, and severance costs. The DCAA's significant findings included \$8.7 million in costs related to computer services and \$2.5 million in costs related to computer software maintenance repair. The contractor failed to provide documentation to demonstrate that the costs were reasonable, in noncompliance with FAR 31.201-3, "Determining Reasonableness." A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business.	

Audit Report No. 01361-2021M10100023	Date: May 1, 2023
Subject: Independent Audit Report on Proposed Corporate Allocations to Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$10.9 Million Total Questioned Costs	
The DCAA identified \$10.9 million in questioned retirement benefit costs in noncompliance with FAR 31.201-6(a), "Accounting for Unallowable Costs." The DCAA's significant findings included \$10.8 million in retirement benefit costs which the contractor calculated based on the total compensation history of the employee without regard to statutory compensation limits set forth in FAR 31.205-6(p), "Compensation for Personal Services." The audit team recalculated the costs to account for the statutory compensation limits.	

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Audit Report No. 07911-2021L10100001	Date: May 25, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$17.9 Million Total Questioned Costs	
The DCAA identified \$17.9 million in questioned costs related to subcontracts, leasehold improvements, and miscellaneous costs. The DCAA's significant findings included \$15.6 million in subcontract fee costs in noncompliance with FAR 31.201-2, "Determining Allowability." The contract terms state the contractor may not make a claim to the Government for reimbursement of the subcontract fee. Other significant findings included \$2.3 million in leasehold improvement costs in noncompliance with FAR 31.201-3, "Determining Reasonableness." The contractor improperly expensed the costs rather than capitalizing them in accordance with its established practices.	

Audit Report No. 01191-2023G17200001	Date: May 31, 2023
Subject: Independent Audit Report on Proposed Amounts in Contractor's Certified Claim	
Prepared for: U.S Army Corps of Engineers (USACE)	
Report: \$17.3 Million Total Questioned Costs	
The DCAA identified \$17.3 million in questioned award fees and costs related to delays and disruptions, which the contractor asserted were caused by the Government. The DCAA's significant findings included \$11.7 million in award fees in noncompliance with FAR 31.201-2(d), "Determining Allowability." The contractor did not adequately support that the award fee would have been awarded based on performance regardless of any action or inaction on the part of the Government. Other significant findings included \$5.6 million in costs related to asserted delays and disruptions because the contractor failed to accurately account for the costs it believes the Government is liable for, in noncompliance with FAR 31.201-4, "Determining Allocability," and Defense Federal Acquisition Regulation Supplement (DFARS) 252.243-7001, "Pricing of Contract Modifications."	

Audit Report No. 04181-2022S17100003	Date: June 2, 2023
Subject: Independent Audit Report on Proposed Amounts in Contractor's Termination Settlement Proposal	
Prepared for: USACE	
Report: \$11.1 Million Total Questioned Costs	
The DCAA identified \$11.1 million in total questioned costs related to profit, settlement expenses, and other direct and indirect costs. The DCAA's significant findings included \$7.5 million of profit associated with reclassified settlement expenses in noncompliance with FAR 49.202, "Profit," which states that the Termination Contracting Officer will not allow profit on settlement expenses.	

Audit Report No. 03621-2023J17900002	Date: June 2, 2023
Subject: Independent Audit Report on Delivery Orders Eligibility to Receive Fee Based on Contract Requirements	
Prepared for: Army Contracting Command–Rock Island	
Report: \$37.6 Million Total Questioned Costs	
The DCAA identified \$37.6 million in questioned costs due to fees billed on costs ineligible to receive fees per the contract terms. A clause in the contract specifically states transactions related to materials, purchased items, rentals or leases of equipment, or cost overruns were not eligible to receive fees. The DCAA found the contractor had inappropriately included fees on \$376.2 million of billed costs in the amount of \$13.8 million for delivery order DO 0422 and \$362.3 million for delivery order DO 0454, resulting in an overbilling of fees in the amount of \$1.1 million and \$36.4 million, respectively.	

Audit Report No. 09851-2021B10100088	Date: June 8, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$20.0 Million Total Questioned Costs	
<p>The DCAA identified \$20 million in questioned subcontract costs. The DCAA's significant findings included \$18.1 million of subcontract costs in noncompliance with FAR 31.201-2(a)(4) and FAR 31.201-2(d), "Determining Allowability." The subcontract agreements required minimum labor qualifications; however, the contractor was unable to provide resumes to demonstrate that the minimal labor requirements were met. Other significant findings included \$1.9 million of subcontract costs in noncompliance with FAR 31.201-3, "Determining Reasonableness." The contractor asserted it awarded the subcontract in question based on a competitive bid; however, the contractor only obtained and provided one quote and was unable to provide other documentation supporting the reasonableness of the subcontract costs.</p>	

Audit Report No. 01101-2021F10100003	Date: June 9, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$127.9 Million Total Questioned Costs	
<p>The DCAA identified \$127.9 million in questioned costs related to direct labor, direct materials, other direct costs, and associated indirect costs. The DCAA's significant findings included \$55.4 million in direct labor costs and \$13.7 million in other direct costs (ODC) in noncompliance with FAR 31.201-2(d), "Determining Allowability," because the contractor was unable to provide detailed cost schedules to support its claimed cost. Other significant findings included \$10.4 million in ODC for which the contractor failed to provide essential supporting documentation, in noncompliance with FAR 31.201-3(a), "Determining Reasonableness," and \$33.4 million in indirect costs that were directly associated with unallowable direct costs, in noncompliance with FAR 31.201-6, "Accounting for Unallowable Costs."</p>	

Audit Report No. 04591-2022L17100001	Date: June 15, 2023
Subject: Independent Audit Report on Proposed Amounts in Contractor's Termination Settlement Proposal	
Prepared for: USACE	
Report: \$247.1 Million Total Questioned Costs	
<p>The DCAA identified \$247.1 million in questioned direct costs, indirect costs, and profit. The DCAA's significant findings included \$71 million of profit in noncompliance with FAR 52.242-14, "Suspension of Work"; FAR 49.202, "Profit"; and FAR 31.201-2(d), "Determining Allowability." The contractor overstated the costs used in its profit calculations, applied profit to unallowable costs, and proposed profit on costs incurred after the contract termination. Other significant findings included \$66.7 million of direct materials due to the contractor's application of related party profit on inter-organizational transfers, in noncompliance with FAR 31.205-26(e), "Material Costs," and FAR 31.201-2(d), "Determining Allowability." Other findings included \$36.8 million of owned equipment costs in noncompliance with contract terms and FAR 31.105(d)(2)(i)(B), "Construction and Architect-Engineer Contracts." The contractor overstated its owned-equipment costs by using internal rental rates instead of actual cost data.</p>	

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Audit Report No. 07421-2021M1010001	Date: June 16, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$74.3 Million Total Questioned Costs	
The DCAA identified \$74.3 million in questioned costs related to direct materials, subcontract costs, and inter-organizational costs. The DCAA's significant findings included \$66.8 million in direct materials and subcontract costs. The contractor: (1) failed to establish price reasonableness for portions of the costs, in noncompliance with FAR 31.201-2, Determining "Allowability," and FAR 31.201-3, "Determining Reasonableness"; (2) failed to demonstrate that portions of the claimed cost were used in support of the contract, in noncompliance with FAR 31.201-4, "Determining Allocability"; or (3) transferred portions of the costs at price instead of cost, in noncompliance with FAR 31.205-26, "Material Costs."	

Audit Report No. 03961-2021D1010001	Date: June 19, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$26.1 Million Total Questioned Costs	
The DCAA identified \$26.1 million in questioned costs related to direct labor, direct materials, ODC, and indirect costs. The DCAA's significant findings included \$14.7 million in indirect costs related to the contractor's nonconformance with contract terms, \$4.9 million in double-counted ODC, and \$1.9 million in overstated direct materials due to contractor input errors, in noncompliance with FAR 31.201-2, "Determining Allowability."	

Audit Report No. 05921-2021S1010003	Date: June 21, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: Naval Sea Systems Command	
Report: \$16.3 Million Total Questioned Costs	
The DCAA identified \$16.3 million in questioned costs related to a pension withdrawal liability that the contractor incurred when it ceased participation in a multi-employer pension fund. The costs related to the liability did not meet the definition of allowable pension cost at FAR 31.205-6(j), "Compensation for Personal Services," which states "Allowable pension cost is limited to the net contribution required to be made for a cost accounting period after taking into account dividends and other credits, where applicable."	

Audit Report No. 02871-2021A1010003	Date: June 22, 2023
Subject: Independent Audit Report on Proposed Corporate Allocations to Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$33.1 Million Total Questioned Costs	
The DCAA identified \$33.1 million in questioned costs related to state tax, pension, and legal costs. The DCAA's significant findings included \$21.9 million of state taxes in connection with reorganizations that the contractor failed to exclude from its claimed costs, in noncompliance with FAR 31.205-41, "Taxes." Other significant findings included \$11.1 million of pension costs in noncompliance with FAR 31.201-6, "Accounting for Unallowable Costs." The pension costs were directly associated with unallowable compensation costs in excess of the limitations set forth in FAR 31.205-6, "Compensation for Personal Services."	

Audit Report No. 05211-2021A10100001	Date: June 22, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$51.3 Million Total Questioned Costs	
The DCAA identified \$51.3 million in questioned freight costs in noncompliance with FAR 31.201-2(a)(4), "Determining Allowability," and FAR 52.247-63, "Preference for U.S. Flag Carriers." The contractor was unable to provide the required justification for its use of foreign flag carriers for air transportation.	

Audit Report No. 05511-2021L10100002	Date: June 23, 2023
Subject: Independent Audit Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$18.3 Million Total Questioned Costs	
The DCAA identified \$18.3 million in questioned costs related to acquisition costs, overtime premium costs, electricity surcharges, and other miscellaneous costs. The DCAA's significant findings included \$13.1 million in acquisition costs related to planning or executing the organization or reorganization of the contractor's corporate structure, in noncompliance with FAR 31.205-27(a)(1), "Organization Costs." Other significant findings included \$3.1 million in overtime premium costs in noncompliance with contract limitations and FAR 52.222-2, "Payment of Overtime Premiums."	

Audit Report No. 03451-2021D10100002	Date: June 30, 2023
Subject: Independent Audit Report on Contractor's Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: U.S. Navy Supervisor of Shipbuilding (SUPSHIP)	
Report: \$52 Million Total Questioned Costs	
The DCAA identified \$52 million in questioned direct material costs, directly associated indirect costs, and unallowable executive compensation. The DCAA's significant findings included \$44.7 million in direct materials that were not reasonable or allocable to government contracts due to an identified failure to issue and consume items without a need to fulfill the production plan. Other significant findings included \$7 million in carrying costs of excess inventory that the contractor failed to dispose of and credit the Government contracts. Both areas of the DCAA's significant findings were noncompliant with FAR 31.201-3(a), "Determining Reasonableness"; FAR 31.201-4, "Determining Allocability"; and DFARS 252.242-7004, "Material Management and Accounting System."	

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Audit Report Nos. 01451-2020D10100003 01451-2021D10100003	Date: July 11, 2023
Subject: Independent Audit Report on Proposed Corporate Allocations to Flexibly Priced Contracts for Contractor Fiscal Years 2020 and 2021	
Prepared for: DCMA	
Report: \$208.7 Million Total Questioned Costs (\$46.2 Million for FY 2020 And \$162.5 Million for FY 2021)	
The DCAA identified \$208.7 million in questioned costs related to severance pay, partner retirement costs, compensation and related fringe benefits, and the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The DCAA's significant findings included \$113 million in severance pay in noncompliance with FAR 31.205-6(j)(6), "Compensation for Personal Services," and FAR 31.205-6(g), "Severance Pay." Other significant findings included \$10.6 million of costs related to the CARES Act in noncompliance with FAR 31.201-2, "Determining Allowability"; FAR 31.201-3, "Determining Reasonableness"; FAR 31.201-4, "Determining Allocability"; DFARS 231.205-79, "CARES Act Section 3610 – Implementation"; and FAR 31.205-13, "Employee Morale, Health, Welfare, Food Service and Dormitory Costs and Credits," because the contractor did not meet CARES Act requirements and the costs were not specifically based on any contract terms. Additional significant findings included \$33.5 million in partner-defined benefit pensions which were either directly associated with other unallowable costs, in noncompliance with FAR 31.205-6, "Compensation for Personal Services," or unreasonable, in noncompliance with FAR 31.201-3, "Determining Reasonableness."	

Audit Report No. 04281-2023S17200001	Date: July 14, 2023
Subject: Independent Audit Report on Claimed Amounts in Contractor's Equitable Adjustment Claims	
Prepared for: USACE	
Report: \$25.5 Million Total Questioned Costs	
The DCAA identified \$25.5 million in questioned costs related to direct labor, associated fringe and overhead costs, other direct costs (ODC), subcontract costs, general and administrative (G&A) costs, fee/profit, and bond costs. The DCAA's significant findings included \$8.4 million in direct labor costs because the contractor did not appropriately allocate the costs of maintaining general conditions on-site to the claim, in noncompliance with FAR 31.201-2, "Determining Allowability," and FAR 31.201-3, "Determining Reasonableness." Other significant findings included \$6.1 million in ODC because the contractor did not appropriately allocate the costs of maintaining general conditions to the benefiting claims and claimed duplicate costs in noncompliance with FAR 31.201-2, "Determining Allowability"; FAR 31.201-3, "Determining Reasonableness"; and FAR 31.201-4, "Determining Allocability."	

Audit Report No. 07281-2021M4200005	Date: July 18, 2023
Subject: Independent Audit Report on Contract Compliance with the Truth in Negotiations Act	
Prepared for: Air Force Life Cycle Management Center (AFLCMC)	
Report: \$22.1 Million Recommended Price Adjustment	
The DCAA identified a \$22.1 million recommended price adjustment due to the contractor's material noncompliance with the requirements of 10 U.S.C. Chapter 271, "Cost or Pricing Data: Truth in Negotiations." The DCAA found that the contractor failed to submit current direct labor hour data, subcontract costs, and Inter-organizational Work Authority (IWA) direct material costs that were reasonably available prior to price agreement between itself and the Government. As a result, the DCAA recommended target cost adjustments of \$5.3 million in direct labor, \$637,000 in subcontract costs, \$2.5 million in IWA direct material costs, \$10.9 million in associated indirect costs, and \$2.6 million in profit.	

Audit Report Nos. 01451-2020D10100004 01451-2021D10100004	Date: July 26, 2023
Subject: Independent Audit Report on Contractor's Proposed Amounts on Unsettled Flexibly Priced Contracts for Contractor Fiscal Years 2020 and 2021	
Prepared for: DCMA	
Report: \$40.4 Million Total Questioned Costs (\$14.1 Million for FY 2020 and \$26.3 Million for FY 2021)	
<p>The DCAA identified \$40.4 million in questioned costs related to direct labor, fringe and overhead costs, and pension costs. The DCAA's significant findings included \$15.5 million in direct labor costs where the contractor did not adhere to contractual labor rates, labor qualification requirements, periods of performance, or where the contractor was unable to provide essential supporting documentation, in noncompliance with FAR 31.201-2(d), "Determining Allowability." Other significant findings included \$6.1 million in direct staff labor where the contractor did not adhere to contractual labor rates, labor qualification requirements, periods of performance, or where the contractor was unable to provide essential supporting documentation, in noncompliance with FAR 31.201-2(a)(4), "Determining Allowability."</p>	
Audit Report No. 3521-2022N17100002	Date: August 11, 2023
Subject: Independent Audit Report on Proposed Fixed Total Cost Basis Termination Settlement Proposal	
Prepared for: USACE	
Report: \$12.1 Million Total Questioned Costs	
<p>The DCAA identified \$12.1 million in questioned costs related to direct labor, other direct costs (ODC), General and Administrative (G&A) expenses, and profit. The DCAA's significant findings included \$3 million in questioned direct labor costs, including bonus and directly associated costs; \$1.6 million in questioned ODC; and \$2.4 million in questioned G&A expenses, for which the contractor failed to provide essential supporting documentation, in compliance with Federal Acquisition Regulation (FAR) 31.201-2, "Determining Allowability"; FAR 31.201-4, "Determining Allocability"; FAR 31.201-3, "Determining Reasonableness"; and FAR 31.205-6(f), "Compensation for Personal Services." Other significant findings included \$5 million in questioned profit, based on FAR 31.201-6(a), "Accounting for Unallowable Cost," due to the questioned performance costs that included the proportional share of profit.</p>	
Audit Report No. 02851-2021A10100003	Date: August 31, 2023
Subject: Independent Audit Report on Proposed Corporate Allocations to Unsettled Flexibly Priced Contracts for Contractor Fiscal Year 2021	
Prepared for: DCMA	
Report: \$27.5 Million Total Questioned Costs	
<p>The DCAA identified \$27.5 million in questioned costs related to group expenses, corporate adjustments, factory overhead, general and administrative (G&A) costs, cost of money, engineering overhead, and total direct costs affecting contracts. The DCAA's significant findings included \$6.7 million in questioned costs related to Manufacturing Operations G&A, noncompliant with FAR 31.201-4, "Determining Allocability," as the costs were incurred to administer commercial contracts. Other significant findings included \$2.1 million in direct costs in noncompliance with FAR 31.201-3, "Determining Reasonableness," related to parts used to repair different contract line items than were charged. Additional significant findings included \$1.9 million in questioned costs in noncompliance with FAR 31.205-10(b)(1), "Cost of Money," and 48 Code of Federal Regulation (CFR) 9904.414-40(b), "Cost Accounting Standard - Cost of Money as an Element of the Cost of Facilities Capital," due to the use of an incorrect treasury rate calculating cost of money.</p>	

Contract Audits and Information¹

During the reporting period, the DCAA completed 1,497 contract audits.

Type of Audit ²	Reports Issued	Dollars Examined (in Millions)	Questioned Costs ³ (in Millions)	Funds Put to Better Use (in Millions)
Incurred Costs, Operations Audits, Special Audits	900	\$172,197.5	\$1,522.5	— ⁴
Forward Pricing Proposals	342	27,724.5	—	\$1,724 ⁵
Cost Accounting Standards	250	42.4	5.1	—
Defective Pricing	5	— ⁶	22.3	—
Total	1,497	\$199,964.4	\$1,549.9	\$1,724

¹ This schedule represents DCAA contract audit reports issued during the 6-month period ending September 30, 2023. This schedule includes any audits that the DCAA performed on a reimbursable basis for other government agencies and the associated statistics that 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-month period ending September 30, 2023, was 4,503. 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.

² 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).

³ Questioned costs represent costs that the DCAA has questioned because they do not comply with rules, regulations, laws, or contractual terms.

⁴ 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.

⁵ Represents potential cost reductions that may be realized during contract negotiations.

⁶ 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 derived the data from the DCAA.

Status of Action on Post-Award Contract Audits¹

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

Reports	Number of Reports	Costs Questioned ⁷ (in Millions)	Cost Sustained ⁸ (in Millions)
Open Reports:			
Within Guidelines ²	224	\$2,028.9	N/A
Overage greater than 6 months ³	520	\$5,528.2	N/A
Overage greater than 12 months ⁴	405	\$2,835.9	N/A
Under Criminal Investigation ⁵	44	\$164.7	N/A
In Litigation ⁶	209	\$2,228.0	N/A
Total Open Reports	1,402	\$12,785.8	N/A
Dispositioned (Closed) Reports	327	\$1,401.5	\$385.9 (27.5%) ⁹
All Reports	1,729	\$14,187.3	N/A

¹ 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 noncompliances. The DoD Components provided the data. We have not verified the accuracy of the provided data.

² Contracting officers assigned to take action on these reports met the resolution and disposition time frames established by 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.

³ Contracting officers have not resolved these overage reports within the 6-month resolution requirement.

⁴ Contracting officers have not dispositioned these overage reports within the 12-month disposition requirement.

⁵ Contracting officers have deferred action on these reports until a criminal investigation is complete.

⁶ Contracting officers have deferred action on these reports until related ongoing litigation is complete.

⁷ Costs Questioned represents the amount of audit exception, potential cost avoidance, or recommended price adjustment in the audit report.

⁸ Costs Sustained represents the questioned costs, potential cost avoidance, or recommended price adjustment sustained by contracting officers. Contracting officers report Costs Sustained when they disposition a report.

⁹ For the 6-month period ending September 30, 2023, contracting officers sustained \$385.9 million (27.5 percent) of the \$1,401.5 million questioned in the dispositioned reports. The 27.5 percent sustention rate represents a small increase from the 27.1 percent rate reported for the 6-month period ending March 31, 2023.

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

APPENDIX C: OPEN MATTERS FROM PRIOR REPORTING PERIODS

Recommendations Made Before the Reporting Period for Which Corrective Action Had Not Been Completed as of September 30, 2023

The DoD OIG maintains a listing of all open DoD OIG recommendations on its website at [https://www.dodig.mil/
Open-Recommendations/](https://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, 2023.

Management Decisions

During the reporting period, the DoD made a management decision on 70 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 the 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-2019-108, “Audit of the DoD’s Management of the Third Party Collection Program for Medical Claims,” September 16, 2019	\$0	\$0
2	DODIG-2020-077, “Evaluation of Niger Air Base 201 Military Construction,” March 31, 2021	\$0	\$0
3	DODIG-2021-126, “Evaluation of the Department of Defense’s Mitigation of Foreign Suppliers in the Pharmaceutical Supply Chain,” September 20, 2021	\$0	\$0
4	DODIG-2021-135, “Management Advisory Regarding the Continued Use of Unauthorized “For Official Use Only” Markings and the Ineffective Implementation of the Controlled Unclassified Information Program,” September 23, 2021	\$0	\$0
5	DODIG-2022-088, “Evaluation of the DoD’s Actions to Develop Interoperable Systems and Tools for Forecasting Logistics Demand Across the Joint Logistics Enterprise,” April 28, 2022	\$0	\$0
6	DODIG-2022-096, “Evaluation of the Air Force Selection Process for the Permanent Location of the U.S. Space Command Headquarters,” May 11, 2022	\$0	\$0
7	DODIG-2022-107, “Audit of the Development and Maintenance of Department of Defense Security Classification Guides,” June 21, 2022	\$0	\$0
8	DODIG-2022-115, “Evaluation of DoD Law Enforcement Organizations’ Response to Active Shooter Incidents,” August 11, 2022	\$0	\$0
9	DODIG-2022-117, “Evaluation of the August 29, 2021 Kinetic Strike in Kabul, Afghanistan,” August 15, 2022	\$0	\$0
10	DODIG-2022-132, “Evaluation of Kinetic Targeting Processes in the U.S. Africa Command Area of Responsibility,” September 19, 2022	\$0	\$0

	Report	Disallowed Costs	Funds to be Put to Better Use
11	DODIG-2022-136, "Evaluation of the U.S. Special Operations Command Armed Overwatch Program," September 22, 2022	\$0	\$0
12	DODIG-2022-141, "Audit of the DoD Component Insider Threat Reporting to the DoD Insider Threat Management and Analysis Center," September 28, 2022	\$0	\$0
13	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," September 30, 2022	\$0	\$0
14	DODIG-2023-045, "Evaluation of Military Criminal Investigative Organizations' Major Procurement Fraud Programs," January 23, 2023	\$0	\$0
15	DODIG-2023-057, "Audit of DoD Actions Taken to Implement Cybersecurity Protections Over DoD Remote Access Software in the Coronavirus Disease-19 Telework Environment," March 24, 2023	\$0	\$0
16	DODIG-2023-059, "Evaluation of the DoD's Management of Traumatic Brain Injury," March 28, 2023	\$0	\$0
17	DODIG-2023-061, "Audit of Military Department Climate Change Assessments and Adaptation Plans in the Southeastern Continental United States," March 28, 2023	\$0	\$0
18	DODIG-2023-062, "Management Advisory: The U.S. Transportation Command's Compliance with the Federal Information Security Modernization Act of 2014," March 31, 2023	\$0	\$0
19	DODIG-2023-064, "Audit of Operation Allies Welcome Contract Oversight at DoD Installations-Logistics Civil Augmentation Program V Contract," April 18, 2023	\$1,641,256,468	\$0
20	DODIG-2023-065, "External Peer Review of Naval Audit Service Special Access Program Audits," April 14, 2023	\$0	\$0
21	DODIG-2023-066, "Audit of the Oversight of Operation Allies Welcome Global Contingency Services Contract at Marine Corps Base Quantico," April 25, 2023	\$30,100,000	\$0
22	DODIG-2023-069, "Evaluation of DoD Contracting Officer Actions on DoD Contracts Terminated for Convenience," May 9, 2023	\$22,300,000	\$0
23	DODIG-2023-070, "Understanding the Results of the Audit of the DoD FY 2022 DoD Financial Statements," May 16, 2023	\$0	\$0
24	DODIG-2023-071, "Management Advisory: DoD Accounting and Reporting for Funds Used in Support of Operation Allies Refuge and Operation Allies Welcome," May 18, 2023	\$0	\$0
25	DODIG-2023-073, "Evaluation of DoD Implementation of the Military Equal Opportunity Program's Data Collection and Reporting Requirements for Complaints of Prohibited Discrimination," May 18, 2023	\$0	\$0
26	DODIG-2023-074, "Management Advisory: DoD Review and Update of Defense Articles Requiring Enhanced End-Use Monitoring," May 19, 2023	\$0	\$0
27	DODIG-2023-075, "Audit of the Department of Defense's FY 2022 Compliance with Payment Integrity Information Act Requirements," May 22, 2023	\$0	\$0
28	DODIG-2023-076, "Management Advisory: Maintenance Concerns for the Army's Prepositioned Stock-5 Equipment Designated for Ukraine," May 23, 2023	\$0	\$0
29	DODIG-2023-078, "Audit of the DoD's Implementation and Oversight of the Controlled Unclassified Information Program," June 1, 2023	\$0	\$0

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	Report	Disallowed Costs	Funds to be Put to Better Use
30	DODIG-2023-079, "Audit of DoD Actions Taken to Protect DoD Information When Using Collaboration Tools During the Coronavirus Disease-2019 Pandemic," June 6, 2023	\$0	\$0
31	DODIG-2023-080, "Evaluation of U.S. Special Operations Command's Joint Military Information Support Operations Web Operations Center (JMWC)," June 6, 2023	\$0	\$0
32	DODIG-2023-081, "Audit of the Tracking and Reporting of DoD-Owned Shipping Containers," June 8, 2023	\$0	\$0
33	DODIG-2023-082, "Audit of the DoD's Financial Management of the Afghanistan Security Forces Fund," June 9, 2023	\$0	\$0
34	DODIG-2023-083, "Evaluation of the Collection of Demographic Data in the Military Justice System," June 7, 2023	\$0	\$0
35	DODIG-2023-084, "Evaluation of Accountability Controls for Defense Items Transferred Via Air to Ukraine within the U.S. European Command Area of Responsibility," June 8, 2023	\$0	\$0
36	DODIG-2023-085, "Review of the DoD's Co-Location Policies to Support Dual-Military Marriages," June 8, 2023	\$0	\$0
37	DODIG-2023-086, "Audit of DoD Training of Ukrainian Armed Forces," June 13, 2023	\$0	\$0
38	DODIG-2023-087, "Management Advisory: Basic Issue Items and Components of End Items Shortages in the Army's Prepositioned Stock-5 Program," June 15, 2023	\$0	\$0
39	DODIG-2023-088, "Evaluation of DoD Support to Other Agencies' Requests for Screening of Displaced Persons from Afghanistan," June 16, 2023	\$0	\$0
40	DODIG-2023-089, "Management Advisory: Reliability of the Defense Enrollment Eligibility Reporting System Data," June 27, 2023	\$0	\$0
41	DODIG-2023-090, "Management Advisory: Sufficiency of Staffing at Logistics Hubs in Poland for Conducting Inventories of Items Requiring Enhanced End-Use Monitoring," June 28, 2023	\$0	\$0
42	DODIG-2023-091, "Summary External Peer Review of the Naval Audit Service," June 28, 2023	\$0	\$0
43	DODIG-2023-092, "Management Advisory: DoD's Transportation of Ammunition in Support of Ukraine," July 5, 2023	\$0	\$0
44	DODIG-2023-094, "Special Report: Lessons Learned from DoD OIG Reports to Inform the DoD's Ukraine Response," July 20, 2023	\$0	\$0
45	DODIG-2023-095, "Special Report: Review of DoD OIG-Issued Reports Related to Protecting Classified Information," July 19, 2023	\$0	\$0
46	DODIG-2023-096, "Management Advisory: DoD's Ability to Financially Report Joint Strike Fighter Inventory," July 21, 2023	\$0	\$0
47	DODIG-2023-097, "Audit of the Army's Use of Public-Private Partnerships at Anniston Army Depot," July 26, 2023	\$0	\$0
48	DODIG-2023-098, "Audit of the DoD's Accountability of Public Key Infrastructure Tokens Used to Access the Secret Internet Protocol Router Network," July 27, 2023	\$0	\$0
49	DODIG-2023-099, "Evaluation of DoD Replenishment Plans for Equipment and Munitions Provided to the Government of Ukraine," September 11, 2023	\$0	\$0

	Report	Disallowed Costs	Funds to be Put to Better Use
50	DODIG-2023-100, "Evaluation of Controls over the Application of Analytic Standards by the Service Intelligence Centers and U.S. Cyber Command," July 31, 2023	\$0	\$0
51	DODIG-2023-101, "Audit of DoD Compliance with Whistleblower Protection Requirements in FY 2020 Contracts," July 28, 2023	\$0	\$0
52	DODIG-2023-102, "Audit of DoD Exceptional Family Member Program in the U.S. Indo-Pacific Command," August 1, 2023	\$0	\$0
53	DODIG-2023-103, "Audit of the Military Service Recruiting Organizations' Efforts to Screen Applicants for Extremist and Criminal Gang Behavior," August 3, 2023	\$0	\$0
54	DODIG-2023-105, "Management Advisory: U.S. European Command Security Classification Guidance for Ukraine Assistance," August 11, 2023	\$0	\$0
55	DODIG-2023-106, "Transmittal of the Independent Auditor's Report on the Defense Enterprise Accounting and Management System as of June 30, 2023," August 14, 2023	\$0	\$0
56	DODIG-2023-107, "Transmittal of the Independent Auditor's Report on the U.S. Army's System Supporting the Delivery of Munitions Inventory Management System as of June 30, 2023," August 15, 2023	\$0	\$0
57	DODIG-2023-108, "Transmittal of the Independent Auditor's Report on the U.S. Army's General Fund Enterprise Business System Administrative, Operational, Contract Vendor Pay, Civilian Payroll, Disbursing, and Reimbursable Work Order - Buyer Transaction Processing Support Services for the Period October 1, 2022, Through June 30, 2023," August 15, 2023	\$0	\$0
58	DODIG-2023-110, "Transmittal of the Independent Auditor's Report on the Defense Automatic Addressing System for the Period October 1, 2022, Through June 30, 2023," August 14, 2023	\$0	\$0
59	DODIG-2023-111, "Transmittal of the Independent Auditor's Report on the Defense Agencies Initiative System for the Period October 1, 2022, Through June 30, 2023," August 14, 2023	\$0	\$0
60	DODIG-2023-112, "Transmittal of the Independent Auditor's Report on the Defense Property Accountability System for the Period October 1, 2022, Through June 30, 2023," August 14, 2023	\$0	\$0
61	DODIG-2023-113, "Transmittal of the Independent Auditor's Report on the Wide Area Workflow Module for the Period October 1, 2022, Through June 30, 2023," August 14, 2023	\$0	\$0
62	DODIG-2023-114, "Transmittal of the Independent Auditor's Report on the Government Furnished Property Module for the Period October 1, 2022, Through June 30, 2023," August 14, 2023	\$0	\$0
63	DODIG-2023-116, "Evaluation of the Department of Defense Intelligence Agencies' Use of Human Language Technology," August 21, 2023	\$0	\$0
64	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," September 18, 2023	\$0	\$0
65	DODIG-2023-119, "Audit of Enhanced End-Use Monitoring of Sensitive Equipment Given to the Government of Iraq," August 31, 2023	\$0	\$0
66	DODIG-2023-121, "Evaluation of a Classified Program," September 6, 2023	\$0	\$0
67	DODIG-2023-123, "Audit of the Reliability of Army Spare Parts Forecasts Submitted to the Defense Logistics Agency," September 20, 2023	\$0	\$0

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	Report	Disallowed Costs	Funds to be Put to Better Use
68	DODIG-2023-124, "Evaluation of the Military Criminal Investigative Organizations' Adult Sexual Assault Investigations," September 25, 2023	\$0	\$0
69	DODIG-2023-125, "Management Advisory: DoD Office of Inspector General Review of Other Transaction Agreement W912CG-21-9-0001," September 26, 2023	\$0	\$0
70	DODIG-2023-126, "Independent Auditor's Report on DoD OIG Assistance with OPM's Agreed-Upon Procedures for Reviewing the FY 2023 Civilian Payroll Withholding Data and Enrollment Information," September 29, 2023	\$0	\$0
Total		\$1,693,665,468	\$0*

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

Source: The DoD OIG.

As of September 30, 2023, DoD management decisions were pending for the following 26 audit and evaluation reports and advisories.

	Report
1	DODIG-2016-002, "DoD Needs a Comprehensive Approach to Address Workplace Violence," October 15, 2015
2	DODIG-2020-063, "Audit of DoD Service-Disabled Veteran-Owned Small Business Contract Awards," February 18, 2020
3	DODIG-2020-066, "Audit of the Department of Defense Supply Chain Risk Management Program for Nuclear Command, Control, and Communications Systems," March 2, 2020
4	DODIG-2020-106, "Evaluation of Security Controls for Intelligence, Surveillance, and Reconnaissance Supply Chains," July 22, 2020
5	DODIG-2021-095, "Audit of Accounting Corrections on the SF 1081," June 25, 2021
6	DODIG-2022-069, "Audit of Department of Defense Small Business Subcontracting Requirements," March 7, 2022
7	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
8	DODIG-2022-075, "Evaluation of the Office of Net Assessment," March 25, 2022
9	DODIG-2022-077, "Evaluation of Integrated Undersea Surveillance System Capabilities," March 28, 2022
10	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
11	DODIG-2022-085, "Audit of the Army's Integrated Visual Augmentation System," April 20, 2022
12	DODIG-2022-086, "Evaluation of the Defense Logistics Agency Lifetime Buys of Parts Used in Intelligence, Surveillance, and Reconnaissance Systems," April 19, 2022
13	DODIG-2022-135, "Evaluation of Aircraft High-altitude Electromagnetic Pulse (HEMP) Life Cycle Testing and Test Facility Infrastructure," September 20, 2022
14	DODIG-2023-040, "Management Advisory: DoD Restoration Costs to Repair Facilities After Supporting Operation Allies Refuge and Operation Allies Welcome," December 19, 2022
15	DODIG-2023-041, "Management Advisory: The DoD's Use of Mobile Applications," February 9, 2023
16	DODIG-2023-054, "Evaluation of the DoD's Response to Anomalous Health Incidents, or "Havana Syndrome" March 9, 2023

	Report
17	DODIG-2023-067, "Audit of the Oversight of ENCORE III Information Technology Service Task Orders," May 4, 2023
18	DODIG-2023-068, "Evaluation of the DoD's Management of Land-Based Water Resources to Support Operations," May 9, 2023
19	DODIG-2023-072, "Review of the Military Services' Policies and Procedures on the Medical Waiver Process for Recruiting," May 17, 2023
20	DODIG-2023-093, "Audit of the Reliability of the Department of Defense's Coronavirus-2019 Patient Health Data," July 7, 2023
21	DODIG-2023-104, "External Peer Review of the Defense Logistics Agency Office of the Inspector General Audit Organization," August 8, 2023
22	DODIG-2023-109, "Evaluation of the DoD's Actions Regarding Unidentified Anomalous Phenomena," August 15, 2023
23	DODIG-2023-115, "Evaluation of Land-Based Security Controls for Equipment Being Transferred by Rail to Ukraine," September 6, 2023
24	DODIG-2023-118, "Audit of the Acquisition of the U.S. Air Force Three-Dimensional Expeditionary Long-Range Radar," August 24, 2023
25	DODIG-2023-120, "Audit of Triage and Support Services for Sexual Assault Victims at DoD Medical Treatment Facilities," September 7, 2023
26	DODIG-2023-122, "Evaluation of Intelligence Sharing in Support of Ukraine," September 13, 2023

Source: The DoD OIG.

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Final Actions

The table shows the status of DoD management actions on DoD OIG-issued audit and evaluation 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 46 audit and evaluation reports during the reporting period		
(i) Dollar value of disallowed costs	\$1,020,728	
(ii) Dollar value of costs not disallowed	\$30,100,026	
(iii) Dollar value of disallowed costs and funds to be put to better use not yet recovered or written off by management	\$328,582,791	\$0
(iv) Dollar value of recommendations that were completed	\$20,835,126	\$21,001,341 ¹
(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 301 audit and evaluation reports by the end of the reporting period ²	\$5,591,258,869 ³	\$1,643,310,969 ⁴

¹ The full amount of funds to be put to better use achieved is not being reported as it contained amounts that are Controlled Unclassified Information.

² Total value of disallowed costs and funds to be put to better use cannot be determined until the recommended management actions are completed.

³ Of the 301 open reports, there were 15 reports with estimated monetary benefits of \$5.6 billion in questioned costs. Total monetary benefits recovered cannot be determined until the recommended actions are completed.

⁴ Of the 301 open reports, there were 8 reports with estimated monetary benefits of \$1.6 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, 2023¹

Report: D-2006-077, DoD Personnel Security Clearance Process at Requesting Activities, 4/19/2006

Reason Action Not Completed: The Army is revising Army Regulation 380-67, "Personnel Security Program," January 24, 2014, to include information on security clearance systems and training requirements. The regulation is undergoing another Army-wide staffing review due to the addition of new guidelines and the modification of current procedures. The Army Publishing Directorate is reviewing the changes based on new directorate requirements, which could take 9 months to complete. Estimated completion date is December 31, 2023.

Principal Action Office: Army

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 has not completed all four phases of its plan. Estimated completion date is March 30, 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.

Principal Action Office: Marine Corps

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

Reason Action Not Completed: The F-35 Joint Program Office has not provided a modified contract to include security architecture tests for all systems that affect ALIS and any new systems that process or maintain Government data. In addition, the F-35 Joint Program Office did not provide the checklists used for software approval.

Principal Action Office: F-35 Joint Program Office

Report: DODIG-2013-070, Defense Agencies Initiative Did Not Contain Some Required Data Needed to Produce Reliable Financial Statements, 4/19/2013

Reason Action Not Completed: The Director, Business Processes and Systems Modernization, stated that until the majority of DoD systems are upgraded to collect costs based on missions and output performance measures, revision of the DoD Financial Management Regulation to report the Statement of Net Cost in any other manner would be misleading or confusing. The Director also stated that the office will leverage a pilot program with the U.S. Treasury to produce standardized financial statements across the DoD. If successful, the pilot program could be used as the new Statement of Net Cost beginning in third quarter FY 2023. Throughout FY 2023, the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, plans to remap the Statement of Net Cost, reconcile data against the Statement of Net Cost, and start a working group to implement the remapping across DoD Components. Estimated completion date is September 30, 2023.

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

¹ We excluded 65 reports because a management decision was made in the past year or a management decision had not been made as of September 30, 2023. Dollar value 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.

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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 suspended revision of Army Regulation 40-68 due to the pending publication of updated DoD Instruction 6025.13, "Medical Quality Assurance and Clinical Quality Management in the Military Health System." The DoD issued the updated DoD Instruction 6025.13 in July 2023; therefore, the Army will update Army Regulation 40-68. Estimated completion date is August 31, 2025.

Principal Action Office: Army

Report: DODIG-2013-100, Contract Administration of the Subsistence Prime Vendor Contract for Afghanistan Improved, but Additional Actions are Needed, 7/2/2013

Potential Monetary Benefits: \$631,700,000 (Funds Put to Better Use)

Reason Action Not Completed: The recovery of premium transportation fees and refund to the Army has been in litigation. The U.S. Court of Appeals for the Federal Circuit upheld the Defense Logistics Agency's claim against the contractor to recover premium transportation fees; however, the contractor may proceed to seek a judicial review of the decision by a higher court.

Principal Action Office: Defense Logistics Agency

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 database instead of GFEBS. In addition, the independent public accounting firm issued Notice of Findings and Recommendations GG-2023-23, Real Property Population Invalid Items, which identifies data quality issues with the real property population.

Principal Action Office: Army

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: The Small Business and Technology Partnerships Office collaborated with the Air Force Small Business Office and the Small Business Administration to develop clarifying guidance for several Phase III-related issues. Defense Pricing and Contracting 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 December 19, 2022, the Defense Acquisition Regulation Council published a proposed Defense Federal Acquisition Regulation Supplement rule (Case D2019-D043) to address the issue. The public comment period was extended to March 20, 2023. Once the Supplement is updated, the Small Business and Technology Partnerships Office will work with Defense Pricing and Contracting to make the DoD Small Business Innovation Research/Small Business Technology Transfer community aware that the change is in effect and ready for implementation. Estimated completion date is October 31, 2023.

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

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 delayed updates to DoD Manual 5200.02, "Procedures for the DoD Personnel Security Program (PSP)," October 29, 2020, due to the requirement to incorporate investigation

standards and continuous vetting. National-level policy requirements are still in development. Estimated completion date is September 30, 2023.

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

Report: DODIG-2014-077, Hotline Complaint Regarding the Settlement of the Pratt & Whitney Commercial Engine Cost Accounting Standards Case, 5/30/2014

Potential Monetary Benefits: \$210,968,414 (Questioned Costs)

Reason Action Not Completed: In an Armed Services Board of Contract Appeals opinion, the Defense Contract Management Agency was prohibited from recouping questioned costs from a Government claim against the contractor for alleged noncompliance with Cost Accounting Standard 418. In December 2022, the Department of Justice, representing the Defense Contract Management Agency, filed an appeal of the Armed Services Board of Contract Appeals decision at the U.S. Court of Appeals for the Federal Circuit. Opening briefs were due in August 2023; therefore, this matter is in active litigation.

Principal Action Office: Defense Contract Management Agency

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.

Principal Action Office: Army

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

Reason Action Not Completed: In October 2022, the Armed Forces Retirement Home (AFRH) submitted a draft update of DoD Instruction 1000.28 that included its process for applying applicable DoD and VA standards that would be followed by the AFRH with regard to non-medical operations. The AFRH has not finalized and published the revised DoD Instruction 1000.28.

Principal Action Office: Armed Forces Retirement Home

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 whereby 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.

Principal Action Office: Marine Corps

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 develop a plan to review and process the delinquent medical service accounts debt.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

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

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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 (OEH)," November 11, 2008, by March 31, 2024.

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

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 Defense Health Agency continues to work with Service officials, who believe standardized DoD line of duty forms should remain at the Service level. An ultimate decision to have a DoD form accompanying a Service Component-specific DoD Instruction and processes may be unattainable and the standardized form would remain at the Service level. Estimated completion date is December 31, 2023.

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

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 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 early 2023. The DoD instruction is expected to be published by December 29, 2023.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

Report: DODIG-2015-056, Opportunities to Improve the Elimination of Intragovernmental Transactions in DoD Financial Statements, 12/22/2014

Reason Action Not Completed: The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is deploying the U.S. Treasury's G-Invoicing tool as the long-term solution for the exchange of buyer/seller transactions. The G-Invoicing tool has had several developmental enhancements and changes to the current functionality. While base vendor solutions were first delivered in March 2021 and continued through the remainder of FY 2022, additional customization is needed to meet DoD requirements, extending the timeline. Estimated completion date is October 31, 2024.

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

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

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

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 is FY 2025.

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

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 draft memorandum of understanding is in formal coordination.

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

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

Report: DODIG-2015-070, Evaluation of Alternative Compensatory Control Measures Program, 1/28/2015

Reason Action Not Completed: Report is classified.

Principal Action Office: Under Secretary of Defense for Policy

Report: DODIG-2015-090, Evaluation of Aircraft Ejection Seat Safety When Using Advanced Helmet Sensors, 3/9/2015

Reason Action Not Completed: The Air Force continues to coordinate updates to the Joint Service Specification Guide 2010-11, "Crew Systems, Emergency Egress Handbook," October 1998, to reflect changes in policy and technology and is working through differences on interpretation of requirements and their impact on escape system performance. Estimated completion date is November 30, 2023.

Principal Action Office: Air Force

Report: DODIG-2015-111, F-35 Engine Quality Assurance Inspection, 4/27/2015

Reason Action Not Completed: The F-35 Joint Program Office has not awarded the Lot 15 to 17 Propulsion Production Contract, which was to include changes to the requirements of the F135 Critical Safety Item Statement of Work. These changes should ensure that the program processes and specifications meet the intent of the Joint Critical Safety Item Instruction and supplemental guidance of the Joint Aeronautical Commanders Group Aviation Critical Safety Item Management Handbook. The definitization for Lot 15 to 17 has been delayed multiple times, which led the F-35 Joint Program Office to request the separation of proposed requirements to allow for an expedited proposal process for Critical Safety Item requirements. The F-35 Joint Program Office plans to include the

Critical Safety Item Statement of Work update into the contract through a follow-on modification. Estimated completion date is October 31, 2023.

Principal Action Office: F-35 Joint Program Office

Report: DODIG-2015-114, Navy Officials Did Not Consistently Comply With Requirements for Assessing Contractor Performance, 5/1/2015

Reason Action Not Completed: Naval Sea Systems Command has not provided policies that require a 120-day Contractor Performance Assessment Reporting System (CPARS) reporting requirement. In addition, the Naval Sea Systems Command has not developed and implemented procedures for contract registration, including procedures to validate that personnel properly register contracts or to require CPARS training modules on quality and narrative writing as well as periodic refresher training. Estimated completion date is September 30, 2023.

Principal Action Office: Navy

Report: DODIG-2015-128, Army Needs to Improve Processes Over Government-Furnished Material Inventory Actions, 5/21/2015

Reason Action Not Completed: The Army continues to develop the Total Asset Visibility—Contractor Logistics Modernization Program module, which will track receipt, acceptance, and consumption of government-furnished material. However, such inventory will not be appropriately valued until the Army establishes a deemed cost to support opening balances. In addition, the Army will need to direct contractor use through a contract clause, which will not be inserted into appropriate contracts until their current periods of performance have been completed. Estimated completion date is September 30, 2025.

Principal Action Office: Army

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

Reason Action Not Completed: Navy officials are staffing a draft instruction that will update the Navy Operational Test Readiness Review process. Since August 2020, the Navy Enterprise Resource Planning system has implemented new processes and functionality to ensure timely processing of Wide Area Work Flow transactions for firm-fixed-priced services, source acceptance material contracts, and grants. These newly implemented processes ensure compliance with the Statement of Federal

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Financial Accounting Standards 1. In addition, the Navy is updating the Wide Area Work Flow interface with the Navy Enterprise Resource Planning system to accepted standards. Additional functionality is required 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. Estimated completion date is November 30, 2024.

Principal Action Office: Navy

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. The Navy Personnel Command has secured funding and is working to advertise and hire the required personnel to fill existing vacancies at the Navy Passenger Transportation offices and resume implementation efforts for remaining corrective actions. The Naval Supply Systems Command and Navy Personnel Command will reevaluate the status of personnel actions and training to determine an implementation schedule by December 1, 2024.

Principal Action Office: Navy

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. Estimated completion date is October 31, 2023.

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

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

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 issue by September 30, 2023. Lack of funding has delayed implementation of the Navy's last remaining corrective action to address fire-protection deficiencies.

Principal Action Office: Army, Navy

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

Reason Action Not Completed: Defense Pricing and Contracting 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 5205.16, "Countering The Insider Threat In The DoD." DoD Instruction 5205.16 is expected to be issued by December 31, 2023. Once issued, Defense Pricing and Contracting will propose an update to the Defense Federal Acquisition Regulation Supplement.

Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Intelligence and Security

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

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.

Principal Action Office: Navy

Report: DODIG-2016-064, Other Defense Organizations and Defense Finance and Accounting Service Controls Over High-Risk Transactions Were Not Effective, 3/28/2016

Reason Action Not Completed: The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, has not provided a formal DoD strategy for how the Defense Finance and Accounting Service and the Other Defense Organizations plan to provide detail-level data and correct and reduce problem disbursements in a timely manner.

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

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 working together to develop a plan to review and process the delinquent medical service accounts debts that remain open. Estimated completion date is September 30, 2023.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

Report: DODIG-2016-081, Evaluation of U.S. Intelligence and Information Sharing with Coalition Partners in Support of Operation Inherent Resolve, 4/25/2016

Reason Action Not Completed: Report is classified.

Principal Action Office: Under Secretary of Defense for Policy

Report: DODIG-2016-086, DoD Met Most Requirements of the Improper Payments Elimination and Recovery Act in FY 2015, but Improper Payment Estimates Were Unreliable, 5/3/2016

Reason Action Not Completed: The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, continues working to implement appropriate control measures in the population review processes to ensure all applicable payments are included and reliable improper payment estimates are generated and reported. The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, is developing end-to-end processes that will document the reconciliation of the universe of transactions. 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-2016-098, Evaluation of Foreign Officer Involvement at the United States Special Operations Command, 6/15/2016

Reason Action Not Completed: In August 2020, draft DoD Directive 5230.20 was staffed through the DoD formal coordination process. Comments received to the draft were not fully adjudicated in time to meet Washington Headquarters Services' issuance deadline due to staffing constraints, the COVID-19 pandemic, and the DoD's ongoing response to the situation in Ukraine. In December 2022, the Defense Technology Security Administration hired personnel to manage efforts to publish the directive. The new estimated completion date is May 2024.

Principal Action Office: Under Secretary of Defense for Policy

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

Report: DODIG-2016-114, Actions Needed to Improve Reporting of Marine Corps, Navy, and Air Force Operating Materials and Supplies, 7/26/2016

Reason Action Not Completed: The Air Force is working to establish interfaces with service providers and contractor systems to improve the flow of data from all field-level locations. The improved data flow will assist in finalizing a transaction level reconciliation from the field level to the general ledger in General Accounting and Finance System-Reengineered. The Deputy Assistant Secretary of the Air Force for Financial Operations has not been able to properly reconcile ending balances to the Air Force accountable property system of record since the property system experienced issues calculating the correct beginning

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and ending balances. However, the Air Force has reconciled period activities and developed roll forward reconciliations to address beginning and ending balance issues and its monthly/quarterly reconciliations. In addition, the Air Force is enhancing the accountable property system of record reconciliations with updated General Accounting and Finance System-Reengineered posting logic. Estimated completion date is January 31, 2024.

Principal Action Office: Air Force

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

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 December 31, 2023.

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

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. Estimated completion date is February 2024.

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

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

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 September 30, 2023.

Principal Action Office: Army

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

Reason Action Not Completed: Report is classified.

Principal Action Office: Navy

Report: DODIG-2017-067, Navy Inaccurately Reported Costs for Operation Freedom’s Sentinel in the Cost of War Reports, 3/16/2017

Reason Action Not Completed: The Navy is undergoing a transition in financial management systems from the Standard Accounting and Reporting System to the Navy Enterprise Resource Planning system. The Navy is building a coding structure to be incorporated into the financial management process and standard operating procedures. Full operational capability is expected by December 31, 2023.

Principal Action Office: Navy

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

Report: DODIG-2017-078, The DoD Did Not Comply with the Improper Payment Elimination and Recovery Act in FY 2016, 5/8/2017

Reason Action Not Completed: The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, continues implementing appropriate control measures in the population review processes to ensure all applicable payments are included and reliable improper payment estimates are generated and reported in accordance with all Improper Payments Elimination and Recovery Act and Office of Management and Budget requirements. The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, conducted risk assessments or improper payment estimate reporting for all 11 DoD programs required to report estimated improper unknown payment rates. At that time, only limited reporting of the Defense Health Agency's administrative costs in the Military Health Benefits program was available. This process is ongoing. Estimated completion date is September 30, 2023. 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-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

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

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

Reason Action Not Completed: 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 December 31, 2031.

Principal Action Office: Navy

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 October 31, 2023.

Principal Action Office: U.S. Transportation Command

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 April 30, 2024.

Principal Action Office: Army

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.

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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, 2023.

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

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 for FY 2024.

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

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 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 1, 2023.

Principal Action Office: Under Secretary of Defense for Policy

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 has not revised Regulation 190-45 to require submission of fingerprint cards to the FBI when probable cause is established. 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

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

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

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 October 1, 2023.

Principal Action Office: Navy, Marine Corps

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 finalized and published the revision to DoD Instruction 1000.28, "Armed Forces Retirement Home," February 1, 2010.

Principal Action Office: Armed Forces Retirement Home

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 published an updated DoD Instruction 6055.17 or issued an assessment process because both are in formal coordination.

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

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

Report: DODIG-2018-109, Protection of Patient Health Information at Navy and Air Force Military Treatment Facilities, 5/2/2018

Reason Action Not Completed: The San Diego Naval Medical Center has not obtained appropriate waivers for systems that do not support the use of Common Access Cards. Also, the Navy has not provided vulnerability scan results that demonstrate that the Naval Hospital Camp Pendleton and San Diego Naval Medical Center mitigated known vulnerabilities and approved a plan of action and milestones for vulnerabilities that the medical treatment facilities could not mitigate in a timely manner.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

Report: DODIG-2018-110, Defense Contract Management Agency's Information Technology Contracts, 4/25/2018

Potential Monetary Benefits: \$74,393,223
(Questioned Costs)

Reason Action Not Completed: The Defense Contract Management Agency has not developed internal controls to ensure that Defense Contract Management Agency contracting officials develop performance work statements for service acquisitions or ensured that contracting officer's representatives or contracting officers perform inspections, monitor contractor performance on service contracts, and develop quality assurance surveillance plans for all service acquisitions.

Principal Action Office: Defense Contract Management Agency

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. Estimated completion date is September 30, 2023.

Principal Action Office: Navy

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. Both organizations are piloting the use of Advana to consolidate and reconcile Treasury Index

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97 related financial data, but Advana is not fully operational. Once fully operational, entities will transition to the Advana solution in a phased approach. Estimated completion date is December 31, 2025.

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

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. 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

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: roles, responsibilities, and deciding officials for key segments of a facility construction project; or 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 September 30, 2023.

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

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

Report: DODIG-2018-132, Management of Army Equipment in Kuwait and Qatar, 6/29/2018

Reason Action Not Completed: The Army continues efforts to update Army Regulations with procedures to ensure 100-percent accountability of Army Prepositioned Stock equipment. All recommended Army Regulations are going through the Army Publishing Directorate policy update process.

Principal Action Office: Army

Report: DODIG-2018-141, United States Marine Corps Aviation Squadron Aircraft Readiness Reporting, 8/8/2018

Reason Action Not Completed: The Marine Corps has developed procedures to verify completeness and accuracy of readiness reports; however, it has not provided support that the procedures have been implemented. In addition, documentation is required to support training implementation.

Principal Action Office: Marine Corps

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

Report: DODIG-2018-145, Air Force C-5 Squadrons' Capability to Meet U.S. Transportation Command Mission Requirements, 8/13/2018

Reason Action Not Completed: The Air Force has not completed a review that focuses on proper

future maintenance authorization ratios for the C-5. Estimated completion date is September 30, 2023.

Principal Action Office: Air Force

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

Potential Monetary Benefits: \$544,743,015 (Questioned Costs)

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 and expects to complete all updates by FY 2024. The Military Sealift Command did not ensure that contracting officers appointed qualified contracting personnel to conduct regular surveillance of contractors at sea and during shipyard availabilities. In addition, the Military Sealift Command did not provide evidence that contracting officer's representatives or contracting officer's technical representatives executed quality assurance using a quality assurance surveillance plan. Estimated completion date is September 30, 2023.

Principal Action Office: Navy

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

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

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

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, is dependent on the publication of the Directive-Type Memorandum 187, "DoD Cybersecurity Services Performed for Cloud Service Offerings."

Principal Action Office: DoD Chief Information Officer

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." DoD Instruction 3305.XX is in informal coordination with Agencies, Services, and the Office of the Under Secretary of Defense for Intelligence and Security staff. Because of other competing policies that have a higher priority, DoD Instruction 3305.XX will not be published this calendar year. Estimated completion date is March 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 is implementing a corrective action plan to address the backlog of old and current delinquent accounts for all medical treatment facilities. The plan includes details for how medical treatment facilities will implement the established policy, including identifying the proper authority by which medical treatment facilities can obtain approval to terminate the debt. Estimated completion date is September 30, 2023.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

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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. Estimated completion date is November 30, 2023. 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 December 31, 2023.

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-2019-047, Navy and Marine Corps Backup Aircraft and Depot Maintenance Float for Ground Combat and Tactical Vehicles, 1/18/2019

Reason Action Not Completed: The Commander, Naval Air Systems Command has not provided a final approved version of the F/A-18E/F life cycle sustainment plan.

Principal Action Office: Navy

Report: DODIG-2019-054, Evaluation of Special Access Programs Industrial Security Program, 2/11/2019

Reason Action Not Completed: Report is classified.

Principal Action Office: Classified

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; Under Secretary of Defense for Policy; 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 December 15, 2023. The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, has not provided evidence that it has issued accounting policy and implemented oversight controls that ensure the Military Departments identify and provide Defense Finance and Accounting Service-Indianapolis personnel with the documentation needed to support, record, and report the equity investment profits and losses allocated to the Military Departments in the DoD Agency-Wide Financial Statements. The Army is reconciling its privatized housing inventories with the private partners' housing inventories and updating its records on the enterprise Military Housing system to establish a baseline and ensure the accuracy of its housing data.

Principal Action Office: Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD; Under Secretary of Defense for Acquisition and Sustainment; Army

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

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

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

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. DoD Instruction 5240.24 is undergoing a legal sufficiency review with the Office of the Under Secretary of Defense for Intelligence and Security, Office of General Counsel.

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

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

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, Navy, and Air Force 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, Air Force, Marine Corps

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-2019-079, Audit of the Identification and Training of DoD's Operational Contract Support Workforce, 4/16/2019

Reason Action Not Completed: The Under Secretary of Defense for Acquisition and Sustainment continues working to publish guidance to clarify minimum training requirements for personnel working within the Operational Contract Support functional area. The Under Secretary of Defense for Acquisition and Sustainment plans to publish a DoD-wide Operational Contract Support training guidance/memorandum, which will be supplemented by a new Chairman of the Joint Chiefs of Staff Manual on Operational Contract Support training standards. Estimated completion date is July 30, 2024.

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

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. The estimated completion date is third quarter Fiscal Year 2024.

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-2019-088, Evaluation of DoD Efforts to Combat Trafficking in Persons in Kuwait, 6/11/2019

Reason Action Not Completed: The Army has not provided support to demonstrate that it ensures contracting officers enter contractor past performance information, including a documented combating trafficking in persons review, both positive and negative, promptly into the Contractor Performance Assessment Reporting System.

Principal Action Office: Army

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-2019-094, Audit of F-35 Ready-For-Issue Spare Parts and Sustainment Performance Incentive Fees, 6/13/2019

Reason Action Not Completed: The F-35 Joint Program Office has not assigned contracting officer's representatives to provide oversight at all F-35 sites and collected contractor performance data from contracting officer's representatives and the Defense Contract Management Agency to identify systemic contractor performance problems.

Principal Action Office: F-35 Joint Program Office

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 and Contracting, 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. The DoD is pursuing publication of a proposed rule, rather than interim rule, which is anticipated to add approximately 12 months to the timeline for publication of a final rule.

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

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

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

Reason Action Not Completed: The Combatant Commands have requested funding to hire Insider Threat program managers and will be able to complete the recommendation once funding is available. COVID-19 restrictions limited opportunities to train formally selected personnel on the 13 DoD Insider Threat Management and Analysis Center thresholds required for the personnel to have access to the system.

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

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,

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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

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." Estimated completion date is June 1, 2024.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

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

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 was expected to begin in calendar year 2023. Estimated completion date is October 1, 2024. In addition, the Under Secretary of Defense for Research and Engineering and Marine Corps have not provided documentation verifying that they have developed an estimate of the appropriate funding and staffing levels to pursue benefits of additive manufacturing throughout the DoD.

Principal Action Office: Under Secretary of Defense for Research and Engineering, 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-2020-030, Audit of Navy and Defense Logistics Agency Spare Parts for F/A-18 E/F Super Hornets, 11/19/2019

Reason Action Not Completed: The F/A-18 E/F Program Office (PMA-265) has not provided evidence to support that it has developed and implemented its Obsolete Management Plan to minimize the impact of the obsolete parts.

Principal Action Office: Navy

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: Classified

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-2020-046, Audit of the DoD Personal Property Program Related to Household Goods Shipments, 1/6/2020

Reason Action Not Completed: The U.S. Transportation Command is pursuing a Customer Satisfaction Survey contract. Rather than continuing to struggle with the survey in-house, the U.S. Transportation Command is seeking to enlist an industry leader to introduce more user-friendly tools for customers to complete surveys. Estimated completion date is December 31, 2023.

Principal Action Office: U.S. Transportation Command

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 6025.08, "Pain Management and Opioid Safety in Military Medical Treatment Facilities," February 13, 2023. Actions are ongoing to fully implement updated requirements at the military medical treatment facilities. The Assistant Secretary of Defense for Health Affairs implemented controls to ensure that all prescriptions filled across the Military Health System are processed through either the Military Health System Genesis or the Composite Health Care System. The Military Health System Genesis transition for military treatment facilities outside the contiguous United States is underway and full implementation is expected to be completed by May 1, 2024.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

Report: DODIG-2020-049, Evaluation of Defense Contract Management Agency Contracting Officer Actions on Penalties Recommended by the Defense Contract Audit Agency, 1/10/2020

Reason Action Not Completed: The Defense Contract Management Agency has not provided documentation to verify that its decision not to assess penalties on \$43 million of unallowable costs was in accordance with the Federal Acquisition Regulation 31.205, "Selected Costs," and Federal Acquisition Regulation 42.709, "Penalties for Unallowable Costs."

Principal Action Office: Defense Contract Management Agency

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-2020-060, Audit of Contract Costs for Hurricane Recovery Efforts at Navy Installations, 2/12/2020

Potential Monetary Benefits: For Official Use Only.

Reason Action Not Completed: The Defense Contract Audit Agency conducted an independent audit of costs paid under task order N4008518F6819. The contractor disagreed with the Defense Contract Audit Agency's audit findings, and the Navy is conducting further analysis to resolve the disagreement. The Naval Facilities Engineering Systems Command, Mid-Atlantic prepared a draft Contracting Officer's Final Decision; however, after consulting with the Navy Office of General Counsel, it was determined that revisions

were necessary. Efforts are underway to implement the required changes. Estimated completion date is February 28, 2024.

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 Under Secretary of Defense for Acquisition and Sustainment has not conducted a review, in coordination with the Military Departments and Defense Agencies, 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 if they meet the requirements for Service-Disabled Veteran-Owned Small Business status.

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

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Additional Challenges Facing DoD Cyber Red Team Missions, 3/13/2020

Reason Action Not Completed: The DoD Chief Information Officer has not finalized drafting DoD Instruction 8585.AA, “DoD Cyber Red Team,” to include requirements for addressing DoD Cyber Red Team-identified vulnerabilities and reporting actions taken to mitigate those vulnerabilities. Estimated completion date is February 1, 2024. 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. The Joint Chiefs of Staff has not provided revised the DoD instruction to include requirements for addressing DoD Cyber Red Team- identified vulnerabilities and reporting actions taken to mitigate those vulnerabilities.

Principal Action Office: Secretary of Defense, Joint Chiefs of Staff, U.S. Southern Command

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

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

Reason Action Not Completed: The Assistant Secretary of Defense for Health Affairs has not provided an updated physical security policy that includes removing access permissions for unauthorized staff and conducting quarterly system reviews to ensure that access to sensitive areas is limited to authorized personnel. In addition, the Assistant Secretary has not

provided evidence to support that all community-based clinics have established baseline levels of protection for leased facilities that meet minimum DoD standards and access controls based on risk to limit entry to authorized personnel. Estimated completion date is October 1, 2023.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

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 Office of the Assistant Secretary of the Army for Installations, Energy, and Environment has not updated policies to align with revisions to DoD policy for health and safety hazard management and oversight policies and procedures that assess the management of health and safety hazards in government-owned and government-controlled military family housing. The Assistant Secretary of the Navy (Energy, Installations and Environment) and Assistant Secretary of the Air Force for Installations, Environment and Energy have not updated Service policies to align with 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

Report: DODIG-2020-084, Audit of Military Department Management of Undefined Contract Actions, 5/11/2020

Reason Action Not Completed: On October 28, 2022, Defense Federal Acquisition Regulation Supplement (DFARS) Case 2021-D003, “Undefined Contract Actions,” was published as a proposed rule in the Federal Register. Public comments received are being analyzed and the DoD estimates publication of a final DFARS rule by November 30, 2023. The Navy has not implemented the use of the revised DD Form 1547,

"Record of Weighted Guidelines," at Navy contracting activities when determining profit for future undefinitized contract actions.

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

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 continues to prepare guidance to implement the standardized medical training program. 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 Surgeons General of the Navy and Air Force have not directed the implementation of the Joint Trauma Education and Training Branch's standardized training program or updated curriculum or processes for tactical training of mobile medical teams. Estimated completion date is December 31, 2023.

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

Report: DODIG-2020-090, Evaluation of the Department of Defense Regional Centers for Security Studies, 6/10/2020

Reason Action Not Completed: The Directors of the Regional Center for Security Studies are working to establish a self-inspection process. Revisions to the Defense Security Cooperation Agency Instruction and senior leader turnover at four Regional Centers delayed the development of the inspections process. Estimated completion date is October 31, 2023.

Principal Action Office: Defense Security Cooperation Agency

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

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

Reason Action Not Completed: In October 2022, according to the Deputy Assistant Secretary of Defense, Defense Continuity and Mission Assurance, coordination for updating DoD Instruction O-2000.22, "Designation and Physical Protection of DoD High-Risk Personnel," June 19, 2014, was paused pending the outcome of a Deputy Secretary of Defense-directed memorandum to develop agile and scalable protection options for high-risk personnel. In addition, the memorandum proposes transferring 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. 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 December 31, 2024.

Principal Action Office: Under Secretary of Defense for Policy, Army

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 Air Force and Marine Corps have 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

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unusual user and system activity; and secured data centers, server racks, and associated keys.

Principal Action Office: Air Force, Marine Corps

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 the Military Services to identify conflicting requirements before finalization. The draft manual is undergoing a DoD Office of General Counsel legal objection review.

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

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. In August 2023, the Under Secretary of Defense for Acquisition and Sustainment is planning to begin the formal coordination process for the Directive and estimates that it will be published by December 31, 2023.

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

Report: DODIG-2020-106, Evaluation of Security Controls for Intelligence, Surveillance, and Reconnaissance Supply Chains, 7/22/2020

Reason Action Not Completed: Report is classified.

Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Intelligence and Security, Defense Intelligence Agency

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, has not provided an inspection methodology, a prioritized list of deficiencies identified, or proof of corrective actions taken by the Public Works Department Great Lakes to address each deficiency at Building 2801. The Commander, Navy Region Mid-Atlantic, also 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.

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-2020-119, Followup Evaluation of DODIG-2014-083, Insufficient Infrastructure Support to the Fixed Submarine Broadcast System, 8/21/2020

Reason Action Not Completed: Completing the review of the Low-Band Universal Communications System upgrade was delayed due to COVID-19 travel restrictions and protracted Defense Information Systems Agency circuit installation timelines. The Defense Information Systems Agency delays are due to scope changes and cascading delays across other Defense Information Systems Agency infrastructure efforts. The estimated completion date is September 29, 2023.

Principal Action Office: Navy

Report: DODIG-2020-121, Evaluation of Department of Defense Enhanced End-Use Monitoring for Equipment Transferred to the Government of Ukraine, 8/27/2020

Reason Action Not Completed: The Defense Security Cooperation Agency reported that all Army-managed night vision devices have a new Item Unique Identification sticker that is extremely durable and legible for reading the serial number on each device but has not provided support for this statement.

Principal Action Office: Defense Security Cooperation Agency

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: The Under Secretary of Defense for Research and Engineering continues to update DoD Instruction 5200.44, "Protection of Mission Critical Functions to Achieve Trusted Systems and Networks (TSN)," November 5, 2012, to clarify supply chain risk management responsibilities for legacy systems. The draft instruction is undergoing a DoD Office of General Counsel legal sufficiency review. In addition, 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: Under Secretary of Defense for Research and Engineering, Navy

Report: DODIG-2020-123, Audit of the F-35 Program Office's Beyond Economical Repair Process for Parts, 9/4/2020

Reason Action Not Completed: The Under Secretary of Defense for Acquisition and Sustainment has not issued DoD-wide policy for beyond economical repair that establishes minimum data and documentation requirements and aligns with DoD Instruction 4140.01, "DoD Supply Chain Materiel Management Policy," December 14, 2011. Estimated completion date is December 31, 2023.

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

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 Army Provost Marshal General, the Naval Criminal Investigative Service, the Chief of Naval Operations, and the Marine Corps Criminal Investigation Division continue to update 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 March 31, 2024.

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

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

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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

Report: DODIG-2021-002, Evaluation of the U.S. European Command's Response to the Coronavirus Disease—2019, 10/8/2020

Reason Action Not Completed: Report is classified.

Principal Action Office: U.S. European Command

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: The Under Secretary of Defense for Acquisition and Sustainment continues to revise 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, to clarify the appointment of the Secretary of the Army as the counter radio-controlled improvised explosive device electronic warfare Executive Agent. Estimated completion date is September 30, 2023.

Principal Action Office: Under Secretary of Defense for Acquisition and Sustainment, Under Secretary of Defense for Intelligence and Security

Report: DODIG-2021-047, Evaluation of Department of Defense Contracting Officer Actions on Questioned Direct Costs, 1/21/2021

Reason Action Not Completed: The Defense Contract Management Agency (DCMA) has not updated DCMA Manual 2201-03, "Final Indirect Cost Rates," February 14, 2019, to require that contracting officers and supervisors use the Contract Audit Follow-Up checklist to help ensure that the findings and recommendations related to questioned direct costs have been settled before the record is closed in the Contract Audit Follow-Up system.

Principal Action Office: Defense Contract Management Agency

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

Report: DODIG-2021-056, Evaluation of Defense Contract Management Agency Actions Taken on Defense Contract Audit Agency Report Findings Involving Two of the Largest Department of Defense Contractors, 2/26/2021

Potential Monetary Benefits: \$97,000,000 (Questioned Costs)

Reason Action Not Completed: The Defense Contract Management Agency has not provided evidence to support how it made the determination that the original contracting officers' decisions were reasonable for two of the eight audit reports and partially reasonable for the remaining six audit reports.

Principal Action Office: Defense Contract Management Agency

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

Report: DODIG-2021-064, Audit of Maintaining Cybersecurity in the Coronavirus Disease—2019 Telework Environment, 3/29/2021

Reason Action Not Completed: The DoD Chief Information Officer plans to implement configuration controls for controlled unclassified information and publish guidance in the Data Security Tenet Configuration Guides to prevent users from storing and transferring controlled unclassified information on non government-furnished equipment when teleworking in the Commercial Virtual Remote environment.

Principal Action Office: DoD Chief Information Officer

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

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.

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

Report: DODIG-2021-068, Evaluation of the U.S. Southern Command's Response to the Coronavirus Disease–2019, 3/31/2021

Reason Action Not Completed: The U.S. Southern Command 2023 Continuity of Operations Plan is pending approval. The U.S. Southern Command has not provided an updated Concept Plan.

Principal Action Office: U.S. Southern Command

Report: DODIG-2021-069, Audit of the Impact of Coronavirus Disease–2019 on Basic Training, 3/31/2021

Reason Action Not Completed: The Marine Corps has not provided evidence to support how it assesses compliance with the implementation of COVID-19 guidance or how personnel are held accountable for noncompliance as appropriate at basic training centers.

Principal Action Office: Marine Corps

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 National Guard Bureau has not provided evidence that it requires National Guard Bureau Office of Youth Programs to disapprove future state plans that do not comply with DoD Instruction 1025.08 and National Guard Bureau guidance. 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, National Guard Bureau

Report: DODIG-2021-073, Audit of Compliance With Defense Health Agency Guidance on the Number of Days Supply of Schedule II Amphetamine Prescriptions Dispensed by Department of Defense Medical Treatment Facilities, 4/6/2021

Reason Action Not Completed: The Defense Health Agency Pharmacy Operations Division is implementing a change request to Defense Health Agency Procedural Instruction 6025.31, "Military Medical Treatment Facility Pharmacy Operations," December 20, 2019, to limit Schedule II amphetamine prescriptions used to treat attention-deficit hyperactivity disorder to no more than a 100-day supply, except for applicable deployments. Estimated completion date is May 10, 2024.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

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

Reason Action Not Completed: Defense Pricing and Contracting 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 consortiums 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 and Contracting 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

Report: DODIG-2021-080, Audit of the Department of Defense Compliance in FY 2020 with Improper Payment Reporting Requirements, 5/7/2021

Reason Action Not Completed: The Defense Finance and Accounting Service has not documented the process used to reconcile the gross pay amounts for the Military Pay–Army, Military Pay–Navy, Military Pay–Air Force, and Military Pay–U.S. Marine Corps programs. Estimated completion date is June 30, 2024.

Principal Action Office: Defense Finance and Accounting Service

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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

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

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, to require program managers of major defense acquisition programs to develop and execute technology maturation plans and develop and revise Test and Evaluation Master Plans. Estimated completion date is March 31, 2024.

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

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, U.S. European Command, Army, Marine Corps

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 Navy and National Guard Bureau have 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: Navy, National Guard Bureau

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

Reason Action Not Completed: The Army, Navy, and Air Force have not completed actions to establish clear order of precedence between the memorandum of agreement, joint base policy, and Service policies for joint bases. Additionally, they have not developed internal procedures and collaborative processes. The Navy has not established training or directed joint base commanders to issue local guidance. Additionally, the Under Secretary of Defense for Acquisition and Sustainment has not updated applicable joint base-related guidance. Estimated completion date is September 7, 2025.

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

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 Navy Personnel and Pay System in January 2024, Air Force Integrated Personnel and Pay System in January 2025, and Army Integrated Personnel and Pay System in FY 2026. The Service pay systems will be programmed to ensure that all disbursements cite the correct accounting information. Estimated completion date is December 31, 2026. The Defense Finance and Accounting Service implemented a system change request in its Transaction Interface Module system and is reviewing system requirements, operational roles, and responsibilities to meet the intent of the DoD OIG recommendations. Corrective actions are ongoing and steps are being taken to meet the estimated completion date of May 31, 2024.

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

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 Army has not provided evidence to support that it requires Component program managers to review all AIR Card accounts. The Army and Air Force have not provided evidence to support that they require Component program managers to conduct monthly reviews of high-risk transactions. The Navy's Fuel Card Office is coordinating with the Defense Logistics Agency to generate price-reasonableness reference documentation that would be suitable for use in the field. In addition, the Navy's Fuel Card Program Manager is coordinating with other Service Component Program Managers to explore best practices that could be applied to the Navy's Air Card program. Estimated completion date is December 31, 2024.

Principal Action Office: Army, Navy, Air Force

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

Reason Action Not Completed: The Navy and Marine Corps have 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.

Principal Action Office: Navy, Marine Corps

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

Report: DODIG-2021-100, Audit of the Department of Defense's Implementation of the Memorandums Between the Department of Defense and the Department of Homeland Security Regarding Cybersecurity and Cyberspace Operations, 7/9/2021

Reason Action Not Completed: The Office of the Deputy Assistant Secretary of Defense for Cyber Policy and

Joint Chiefs of Staff J-6 personnel are working with the Department of Homeland Security to develop a new joint memorandum that will supersede and replace the 2018 Joint DoD-DHS memorandum and formally disestablish the Cyber Protection and Defense Steering Group. In 2021, Congress established the Joint Cyber Defense Collaborative (JCDC) within DHS to coordinate whole-of-government, whole-of-nation cyber defense planning. The Deputy Secretary of Defense will issue an action memorandum to elevate and codify DoD participation in the JCDC and establish reporting requirements to ensure the DoD's participation in the JCDC is producing measurable results. Estimated completion date is October 31, 2023.

Principal Action Office: Deputy Secretary of Defense, Joint Chiefs of Staff

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

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 initiate proactive risk management actions based on measurable risks to DoD areas of concern to mitigate contaminant effects of emerging chemicals at DoD installations. DoD Instruction 4715.18 is expected to be published by December 31, 2023. 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 calendar year 2029.

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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. Estimated completion date is October 31, 2023.

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 developed a chartered working group to assess risks to the pharmaceutical supply chain, identified the pharmaceuticals most critical to DoD stakeholders, and established policy for allocating scarce pharmaceutical resources in the event of a supply disruption. 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.

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-2022-013, Evaluation of DoD Compliance at Active Sites Conducting Open Burning or Open Detonation of Waste Military Munitions in the United States, 11/04/2021

Reason Action Not Completed: The Army Contracting Command–Rock Island continues to work with the Joint Munitions Command to incorporate modified language into performance of work statements at the Government-owned Contractor-operated sites. Additionally, the Army Contracting Command–Rock Island and the Joint Munitions Command continue to work on their comprehensive command-wide overview of the current state of surveillance plans. The Army Contracting Command–Rock Island participated in the first update on July 19, 2022, with initial findings from the Joint Munitions Command. As the Joint Munitions Command's findings are compiled, the Army Contracting Command–Rock Island will participate in the findings briefed to the Joint Munitions Command leadership and the path forward will be determined with installation commanders. The goal is to tailor actionable surveillance plans as the Joint Munitions Command trains the installation government staffs to provide the proper oversight each performance of work statement demands. The estimated completion date is January 1, 2024.

Principal Action Office: Army

Report: DODIG-2022-030, Evaluation of the Department of Defense's Implementation of Suicide Prevention Resources for Transitioning Uniformed Service Members, 11/09/2021

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 will incorporate DoD OIG recommendations into a comprehensive and holistic Under Secretary of Defense for Personnel and Readiness Talent Management initiative for the DoD civilian workforce. This effort is informed by guidance from, and incorporates a wide range of recommendations made by the Deputy Secretary of Defense, the Defense Business Board, DoD OIG, and in coordination with the Components and Defense Agencies.

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

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: Defense Pricing and Contracting has not finalized its review of the Defense Federal Acquisition Regulation Supplement or the Defense Federal Acquisition Regulation Supplement Procedures, Guidance, and Information. Defense Pricing and Contracting is working with the Defense Logistics Agency to identify alternative contracting strategies to more efficiently procure sole-source parts in small quantities for the DoD.

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

Report: DODIG-2022-047, Audit of TRICARE Telehealth Payments, 02/3/2022

Reason Action Not Completed: The Defense Health Agency has not provided an updated claims review of Standard Operating Procedure that shows Defense Health Agency will perform an annual review of telehealth claims to ensure TRICARE contractors are not paying claims for care inappropriate for telehealth delivery.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

Report: DODIG-2022-049, Evaluation of Contract Monitoring and Management for Project Maven, 01/6/2022

Reason Action Not Completed: The Under Secretary of Defense for Acquisition and Sustainment has not implemented guidance based on the final lessons learned and best practices captured in its review of Algorithmic Warfare Cross-Functional Team's emerging technology acquisition processes and procedures.

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

Report: DODIG-2022-052, Audit of the Defense Health Agency's Reporting of Improper Payment Estimates for the Military Health Benefits Program, 01/11/2022

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 December 31, 2023. 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, 01/19/2022

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. Estimated completion date is October 31, 2024.

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

Report: DODIG-2022-056, Evaluation of the Ground Test and Evaluation Infrastructure Supporting Hypersonic Capabilities, 02/01/2022

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

Report: DODIG-2022-061, Audit of the Protection of Military Research Information and Technologies Developed by Department of Defense Academic and Research Contractors, 02/22/2022

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 implement multifactor authentication, disable inactive user accounts, encrypt controlled unclassified information on workstations, and automate technical controls to protect controlled unclassified information on removable media. Estimated completion date is December 31, 2023.

Principal Action Office: Navy

Report: DODIG-2022-065, Evaluation of the Screening of Displaced Persons from Afghanistan, 02/15/2022

Reason Action Not Completed: Report is classified.

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

Report: DODIG-2022-068, Evaluation of Department of Defense Components' Use of the National Industrial Security Program Contract Classification System, 03/02/2022

Reason Action Not Completed: The Under Secretary of Defense for Intelligence and Security has not provided the updated 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.

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

Report: DODIG-2022-071, Audit of Active Duty Service Member Alcohol Misuse Screening and Treatment, 03/10/2022

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 Assistant Secretary of Defense for Health Affairs' Defense Health Agency Administrative Instruction is in the final stages of the publication process. Estimated completion date is October 31, 2023. Given the length of time it would take to update Army Regulation 600-85, "The Army Substance Abuse Program," July 23, 2020, the Office of the Army Deputy Chief of Staff for Personnel is instead publishing an Army Directive that will require annual substance abuse training for commanders and other unit leadership and an annual sample of substance use training. The Air Force continues to update Air Force Instruction 44-121, "Alcohol and Drug Prevention and Treatment (ADAPT) Program," July 18, 2018, for training components to annually review a sample of Service members to determine whether Service members have received their required substance use training. Estimated completion date is January 31, 2024.

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

Report: DODIG-2022-072, Audit of Contracts Awarded and Administered by the Defense Media Activity, 03/14/2022

Reason Action Not Completed: The Defense Media Activity is in the testing phase of the Contracting-Information Technology Pilot for the new contract writing system that Defense Media Activity contracting personnel will use to store and maintain complete contract files in accordance with Federal Acquisition Regulation requirements. In addition, the Defense Media Activity has not developed and implemented agency-wide quality controls to ensure that Defense Media Activity contracting staff implemented newly issued internal policy and guidance in contract award and administration to improve compliance with Federal and DoD regulations. Estimated completion date is December 31, 2023.

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

Report: DODIG-2022-075, Evaluation of the Office of Net Assessment, 03/25/2022

Reason Action Not Completed: Report is classified.

Principal Action Office: Director of the Office of Net Assessment

Report: DODIG-2022-076, Evaluation of Combatant Commands Communication Challenges with Foreign Partner Nations during Coronavirus Disease–2019 Pandemic and Mitigation Efforts, 03/28/2022

Reason Action Not Completed: The Under Secretary of Defense for Intelligence and Security has not provided the signed memorandum, “Use of Non-Government Owned Mobile Devices,” 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. Africa Command, U.S. Indo-Pacific Command, U.S. Southern Command

Report: DODIG-2022-077, Evaluation of Integrated Undersea Surveillance Systems Capacities, 03/28/2022

Reason Action Not Completed: Report is classified.

Principal Action Office: Navy

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

Reason Action Not Completed: Although the Deputy Assistant Secretary of Defense for Housing has not formally directed the Army and Air Force to fully populate their entire inventory of privatized military housing units into the enterprise Military Housing system, both the Army and Air Force are on track to populate 100 percent of their privatized housing inventories. Once the inventory is complete, the Deputy Assistant Secretary of Defense for Housing will require the Army and Air Force to upload available data 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

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

Report: DODIG-2022-082, Followup Evaluation of Report No. DODIG-2019-088, “Evaluation of DoD Efforts to Combat Trafficking in Persons in Kuwait,” June 11, 2019, 4/8/2022

Reason Action Not Completed: The Army has not modified contracts to include updated combating trafficking in persons clause information and specific Kuwaiti labor law requirements to allow for tailored trafficking in persons monitoring. The Air Force has not provided documentation to support that the contracting officer promptly entered contractor past performance information, including a documented combating trafficking in persons review, into the Contractor Performance Assessment Reporting System.

Principal Action Office: Army, Air Force

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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

Report: DODIG-2022-086, Evaluation of the Defense Logistics Agency Lifetime Buys of Parts Used in Intelligence, Surveillance, and Reconnaissance Systems, 4/19/2022

Reason Action Not Completed: The Defense Logistics Agency and Defense Contract Management Agency have not provided evidence that they have developed a plan to enforce the flowdown of counterfeit inspection and testing requirements, as required by Defense Federal Acquisition Regulation Supplement (DFARS) 246.870, "Contractor Counterfeit Electronic Part Detection and Avoidance," for applicable electronic parts supplied for the Defense Logistics Agency lifetime buys contracts.

Principal Action Office: Defense Logistics Agency, Defense Contract Management Agency

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 issuance for potential updates related to roles and responsibilities for interoperable systems and tools to support forecasting logistics demand planning. Estimated completion date is August 31, 2024.

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

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 has not developed and implemented a plan for creating interfaces that would allow medical devices to connect and transfer patient health care information to Cerner Corporation's Millennium electronic health care platform (Cerner Millennium). The Director of the Federal Electronic Health Record Modernization Program Office has not developed and implemented a plan to modify Cerner Millennium 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

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

Report: DODIG-2022-095, Evaluation of Department of Defense Efforts to Address Ideological Extremism Within the Armed Forces, 5/10/2022

Reason Action Not Completed: The Army, Air Force and the Under Secretary of Defense for Intelligence and Security have not developed and published policy that includes processes and mechanisms to enable the DoD to identify, quantify, characterize, and report Service member involvement across the Services in prohibited activities that include active advocacy of and active participation in extremist groups and activities.

Principal Action Office: Army, Navy, Air Force, Under Secretary of Defense for Intelligence and Security

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 Secretary of Defense has not provided evidence that it has directed the Secretary of the Air Force to conduct a review of the

concerns regarding “Full Operational Capability” of the United States Space Command or provided the results of that review. The Air Force has not provided evidence to support that it has completed an analysis of the criteria of “Childcare,” “Housing Affordability,” and “Access to Military/Veteran Support” to verify that the United States Space Command Headquarters basing decision was supported.

Principal Action Office: Secretary of Defense, Air Force

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

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

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 Under Secretary of Defense for Acquisition and Sustainment continues to review and update the DoD “Condition Based Maintenance Plus (CBM+) Guidebook” to reflect updated condition-based maintenance plus and predictive maintenance guidance. 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. Estimated completion date is December 31, 2023. The Army, Navy, and Air Force 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: Under Secretary of Defense for Acquisition and Sustainment, Air Force, 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. The Commander of the Air Force Life Cycle Management Center Program Office is pursuing establishment of satellite capability at Beale Air Force Base for aircraft programmed depot maintenance. Estimated completion date is August 30, 2024.

Principal Action Office: Navy, Air Force

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

Reason Action Not Completed: The Army and Navy have not established a process to ensure that activity ordering personnel comply with DoD and Service-specific policy for completing reuse training. The Defense Logistics Agency has not provided evidence to support requirements for a replacement system, which includes the capability to assist ordering personnel in identifying reuse opportunities to reduce the manual processes currently needed for using excess property in Defense Logistics Agency Disposition Services inventory.

Principal Action Office: Army, Navy, Defense Logistics Agency

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Report: DODIG-2022-106, Audit of U.S. Army Base Operations and Security Support Services Contract Government-Furnished Property in Kuwait, 6/22/2022

Reason Action Not Completed: The Executive Director of the Army Contracting Command—Rock Island, in coordination with the Commander of the 408th Contracting Support Brigade, has not modified the Kuwait Base Operations and Security Support Services contract to transfer all government-furnished property that is authorized on the Logistics Civil Augmentation Program V contract. The 408th Contracting Support Brigade has not modified the Kuwait Based Operations and Security Support Services contract to account for government-furnished property not transferred to the Logistics Civil Augmentation Program V contract or disposed of and recorded.

Principal Action Office: Army

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 provided evidence to support that all DoD Components have accounted for all security classification guides (SCG) under their purview to ensure that any SCGs missing from the SCG index are identified and forwarded to the Defense Technical Information Center. 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 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: The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, was unable to report confirmed fraud amounts from the military criminal investigative organizations in time for FY 2022 Improper Payments Elimination and Recovery Act compliance reporting to the Office of Management and Budget. While the DoD revised its sampling methodologies for many of its programs, the DoD did not fully implement those changes in FY 2022. Estimated completion date is June 30, 2024. 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 is developing 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

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, U.S. Central Command

Report: DODIG-2022-122, Audit of TRICARE Ambulance Transportation Reimbursements, 8/17/2022

Potential Monetary Benefits: \$118,831,892 (Questioned Costs)

Reason Action Not Completed: The Assistant Secretary of Defense for Health Affairs has not provided documentation to support that the TRICARE Overseas contractor complied with Defense Health Agency contract requirements issued to educate providers and that Defense Health Agency personnel are monitoring compliance with the contract requirements. In addition, the Defense Health Agency is reviewing unsupported claims and improperly paid claims identified by the DoD OIG to determine whether they were properly paid to ambulance transport providers and recoup any payments that are found to be improper.

Principal Action Office: Assistant Secretary of Defense for Health Affairs

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: Under Secretary of Defense for Research and Engineering, Air Force, Marine Corps, DoD Chief Information Officer, U.S. Cyber Command, Defense Information Systems Agency

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. Estimated completion date is September 30, 2023. The Navy has not finalized developing 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 October 31, 2023.

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

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 and Contracting 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.

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

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

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

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

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

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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. Estimated completion date is December 31, 2023.

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.

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 evaluating kindergarten through twelfth grade outreach programs and will determine the need to increase resources and support for effective programs. The Army is gathering documentation to demonstrate the expected knowledge, skills, and abilities for general officers. The Navy is developing a common application for Service Reserve Officers Training Corps and academy programs. The Air Force and National Guard Bureau are developing the Diversity, Equity, Inclusion, and Accessibility Strategy. Estimated completion date is December 31, 2027.

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

ACRONYMS AND ABBREVIATIONS

AFRH	Armed Forces Retirement Home
APS-5	Army Prepositioned Stock-5
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CBM+	Condition Based Maintenance Plus
CIGIE	Council of the Inspectors General on Integrity and Efficiency
COVID-19	Coronavirus Disease-2019
CPARS	Contractor Performance Assessment Reporting System
DCAA	Defense Contract Audit Agency
DCIS	DoD OIG Defense Criminal Investigative Service
DCMA	Defense Contract Management Agency
DFARS	Defense Federal Acquisition Regulation Supplement
DIEM	DoD OIG Diversity and Inclusion and Extremism in the Military Component
DITMAC	DoD Insider Threat Management Analysis Center
DLA	Defense Logistics Agency
DoD IG	Department of Defense Inspector General
DoD OIG	Department of Defense Office of Inspector General
DOI-OIG-AIE	Department of the Interior Office of Audits, Inspections, and Evaluations
DSCA	Defense Security Cooperation Agency
ED	Emergency Department
EEUM	Enhanced End-Use Monitoring
FAR	Federal Acquisition Regulation
FFMIA	Federal Financial Management Improvement Act
G&A	General and Administrative costs/expenses
GFEBS	General Fund Enterprise Business System
GS	General Schedule
HHS-OIG	Department of Health and Human Services Office of Inspector General
IG	Inspector General
ISO	DoD OIG Investigations of Senior Officials Division
JDC	Joint Cyber Defense Collaborative
JSF	Joint Strike Fighter
Lead IG	Lead Inspector General
MILDEP	Military Department
NDAA	National Defense Authorization Act
OAR	Operation Atlantic Resolve
OCO	DoD OIG Overseas Contingency Operations Component
ODC	Other Direct Costs
OIG	Office of Inspector General
OLAC	DoD OIG Office of Legislative Affairs and Communications
OMB	Office of Management and Budget
OPR	DoD OIG Office of Professional Responsibility

Acronyms and Abbreviations (cont'd)

OUSD(I&S)	Office of the Under Secretary of Defense for Intelligence and Security
SCG	Security Classification Guide
SFG	Special Forces Group
UAF	Ukrainian Armed Forces
USACE	U.S. Army Corps of Engineers
USAID	U.S. Agency for International Development
USEUCOM	U.S. European Command
WRI	DoD OIG Whistleblower Reprisal Investigations Directorate

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