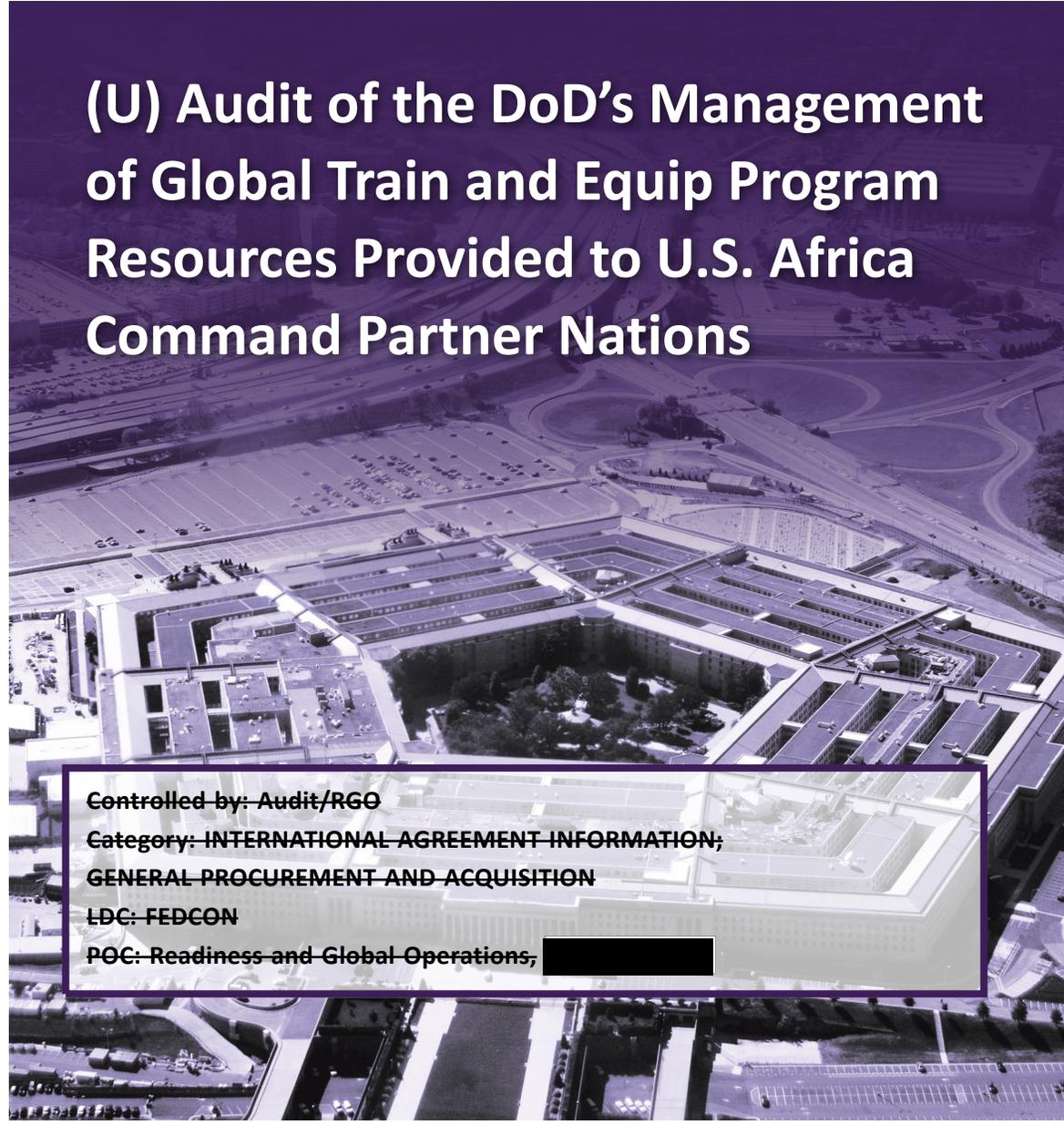


CUI

# INSPECTOR GENERAL

*U.S. Department of Defense*

JULY 21, 2021



## (U) Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations

**Controlled by:** Audit/RGO

**Category:** INTERNATIONAL AGREEMENT INFORMATION;  
GENERAL PROCUREMENT AND ACQUISITION

**LDC:** FEDCON

**POC:** Readiness and Global Operations, [REDACTED]

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE

CUI





# (U) Results in Brief

## *(U) Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations*

July 21, 2021

### (U) Objective

(U) The objective of this audit was to determine whether the DoD properly transferred Global Train and Equip program equipment to U.S. Africa Command (USAFRICOM) partner nations and adequately monitored the equipment to ensure that the equipment was used in accordance with U.S. law, DoD regulations, and transfer agreement terms and conditions.

(U) Our audit focused on Global Train and Equip program equipment provided to USAFRICOM partner nations from FY 2017 through FY 2020. Our review included Global Train and Equip program cases that contained equipment requiring enhanced end-use monitoring (EUM). In addition, all but one of the cases included equipment requiring routine EUM.

### (U) Background

(U) The Defense Security Cooperation Agency (DSCA) is responsible for directing, administering, and providing guidance for the management of the DoD's Building Partner Capacity (BPC) case process.<sup>1</sup> The purpose of building partner capacity is to build the capacity of partner nation forces to conduct counterterrorism, maritime and border security, and other operations that contribute to existing international coalition operations. The DSCA implements 10 U.S.C. § 333 through the Global Train

### (U) Background (cont'd)

(U) and Equip program using BPC cases. Each fiscal year, the DoD must notify Congress of the purpose, type, and cost of equipment, training, and services planned during the fiscal year before authorizing expenditures for any BPC case. The BPC case process includes the transfer of equipment from the U.S. Government to the partner nation.

(U) The DoD's Golden Sentry program, also known as the EUM program, is designed to verify that equipment transferred by the U.S. Government to foreign recipients is being used for the intended purpose and is being safeguarded from unauthorized transfer, loss, and theft. The DSCA established EUM guidance in its Security Assistance Management Manual (SAMM), including a requirement to maintain an accurate accounting of enhanced EUM-designated equipment.<sup>2</sup>

(U) There are two types of EUM—routine EUM and enhanced EUM. Routine EUM is required for all equipment transferred by the U.S. Government to a partner nation. Performance of routine EUM includes visual observations or verbal inquiries of the partner nation and is required quarterly. Enhanced EUM is required for specific items, such as night vision devices and missiles. The SAMM requires a serial number inventory of enhanced EUM equipment within 90 days of transfer to the partner nation and annual inventories after the initial inventory date. In addition, during the performance of enhanced EUM inventories, a physical security assessment of the facilities storing the enhanced EUM equipment is required.

(U) USAFRICOM is responsible for providing oversight of DoD Security Cooperation Officers (SCOs) located at U.S. Embassies throughout Africa. The SCOs are responsible for receiving equipment and transferring the equipment to the partner nation. SCOs must upload the Transfer and Receipt document signed by the SCO and partner nation

<sup>1</sup> (U) Public Law 114-328, "National Defense Authorization Act For Fiscal Year 2017," December 23, 2016, codified by section 333, title 10, United States Code (10 U.S.C § 333).

<sup>2</sup> (U) DSCA Manual 5105.38-M, "The Security Assistance Management Manual (SAMM)," chapter 8, "End-Use Monitoring (EUM)," April 30, 2012.



# (U) Results in Brief

## *(U) Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations*

### **(U) Background (cont'd)**

(U) representative in the Security Cooperation Information Portal (SCIP) within 30 days of equipment transfer. After the SCOs transfer equipment, SCOs are responsible for performing routine and enhanced EUM and reporting their observations in the SCIP.

### **(U) Finding**

(U) We determined that the DSCA ensured that Global Train and Equip program equipment scheduled for transfer to USAFRICOM partner nations was within categories approved by Congress and met type and cost limitations. However, the SCOs did not fully account for the equipment that was transferred, and SCOs did not perform routine and enhanced EUM of the equipment. Specifically, SCOs did not:

- (U) account for the transfer of 104,624 pieces of equipment, valued at \$13.1 million, for 9 of 12 BPC cases in which the SCO transferred part or all of the equipment listed in the letter of offer and acceptance;
- (U) perform routine EUM in 47 of 112 quarters we reviewed; or
- (U) perform enhanced EUM for 221 pieces of equipment, valued at \$1.2 million, out of 530 pieces of equipment, valued at \$2.1 million, that required enhanced EUM. Specifically, the SCOs did not annotate in the SCIP whether annual inventories were conducted and did not maintain an accurate inventory of enhanced EUM-designated equipment in the partner nations' possession.

(U) In addition, in some cases, the SCOs kept transfer documentation offline instead of uploading it into the SCIP as required by the SAMM.

(U) Due to the rotational nature of the SCO position, the SCOs who did not properly account for the equipment and did not perform routine and enhanced EUM were not available for us to interview. Therefore, we could not determine why the SCOs did not fully account for transfers, perform routine and enhanced EUM of Global Train and Equip program equipment, or include required documentation in the SCIP.

(U) However, USAFRICOM and DSCA officials did not provide the level of oversight necessary to determine SCO compliance with transfer and routine and enhanced EUM requirements of the SAMM. In a contingency environment where positions are filled on a rotational basis, it is essential for oversight personnel to identify any missing documents in the SCIP before the SCO's departure.

(U) As a result, the DSCA does not have an accurate, readily available inventory of all equipment in the possession of USAFRICOM partner nations. In addition, the DSCA did not have assurance that USAFRICOM partner nations used 530 pieces of equipment, valued at \$2.1 million, only for their intended purposes.

### **(U) Recommendations**

(U) Among other recommendations, we recommend that the Director, USAFRICOM, Strategy, Engagement and Programs (J-5), develop a written process that details the roles and responsibilities of the USAFRICOM BPC and EUM officials in their day-to-day oversight and monitoring of the SCOs.

(U) We also recommend that the DSCA Director to add explicit language to the SAMM that describes the combatant command responsibility for oversight of the SCO's receipt, transfer, and routine and enhanced EUM documentation in the SCIP.



# (U) Results in Brief

## *(U) Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations*

### (U) Management Actions Taken

(U) During the audit, we informed DSCA and USAFRICOM officials that deficiencies existed in their oversight of SCO compliance with SAMM requirements for the receipt, transfer, and routine and enhanced EUM of Global Train and Equip program equipment. DSCA officials took immediate action and provided the audit team with documentation that resolved two recommendations related to oversight of transfer and EUM documentation in the SCIP.

### (U) Management Comments and Our Response

(U) The USAFRICOM, Strategy, Engagement and Programs (J-5) Division Chief agreed with the recommendation to develop a written process that details the roles and responsibilities of the USAFRICOM BPC and EUM officials in their day-to-day oversight and monitoring of the SCOs and stated that USAFRICOM would implement changes to existing EUM policy. Therefore, the recommendation is resolved but will remain open.

(U) The DSCA Director agreed with our recommendations to update the SAMM to include explicit language describing the combatant command responsibility for oversight of SCO transfer documentation in the SCIP and add criteria for assessing SCO compliance with routine and enhanced EUM documentation requirements during compliance assessment visits. Therefore, these recommendations are resolved but remain open.

(U) The DSCA Director disagreed with our recommendation to determine the feasibility for USAFRICOM to provide mutual support for enhanced EUM inventories of deployed equipment; therefore, this recommendation is unresolved. The Director stated combatant commands can direct mutual support without DSCA guidance. However, we disagree because the SAMM only allows combatant commands to issue supplementary guidance already established and the SAMM does not include any guidance for mutual use of SCOs. In addition, the SAMM requires DSCA approval for any deviations.

(U) Although the DSCA Director disagreed with our recommendation to assess the feasibility for SCOs to periodically assess working condition of equipment during routine and enhanced EUM performance, she thoroughly explained several reasons why SCO assessment of working condition is not feasible, including lack of availability of partner nation technical facilities and specialized personnel. We agree with the Director's assessment because non-specialized personnel could ultimately damage the equipment. This could create additional liability and expense to DoD to replace or repair equipment damaged by SCOs who did not have the technical knowledge required to test the operational performance of equipment within the required maintenance standards. Therefore, this recommendation is closed.

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

**(U) Recommendations Table**

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
(U) Director, U.S. Africa Command, Strategy, Engagement and Programs (J-5)	None	1	None
(U) Director, Defense Security Cooperation Agency	2.c	2.a and 2.b	2.d

(U) Please provide Management Comments by August 20, 2021.

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

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



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

July 21, 2021

MEMORANDUM FOR COMMANDER, U.S. AFRICA COMMAND  
DIRECTOR, U.S. AFRICA COMMAND, STRATEGY,  
ENGAGEMENT AND PROGRAMS (J-5)  
DIRECTOR, DEFENSE SECURITY COOPERATION AGENCY

SUBJECT: (U) Audit of the DoD's Management of Global Train and Equip  
Program Resources Provided to U.S. Africa Command Partner  
Nations (Report No. DODIG-2021-102)

(U) This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the recommendations. We considered comments from the Division Chief, U.S. Africa Command, Strategy, Engagement and Programs (J-5) and Director, Defense Security Cooperation Agency on the draft report when preparing the final report. These comments are included in the report.

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

(U) DoD Instruction 7650.03 requires that recommendations be resolved promptly. Please provide us within 30 days your response concerning specific actions in process or alternative corrective actions proposed on the recommendations. Your response should be sent to either [followup@dodig.mil](mailto:followup@dodig.mil) if unclassified or [rfunet@dodig.smil.mil](mailto:rfunet@dodig.smil.mil) if classified secret.

(U) Please direct questions to me at [REDACTED]. We appreciate the cooperation and assistance received during the audit.

A handwritten signature in blue ink that reads "Richard B. Vasquez".

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

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## **(U) Acronyms and Abbreviations**

## (U) Introduction

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### (U) Objective

(U) The objective of this audit was to determine whether the DoD properly transferred Global Train and Equip program equipment to U.S. Africa Command (USAFRICOM) partner nations and adequately monitored the equipment to ensure that the equipment was used in accordance with U.S. law, DoD regulations, and transfer agreement terms and conditions.

(U) Our audit focused on Global Train and Equip program equipment provided to USAFRICOM partner nations from FY 2017 through FY 2020 that required enhanced end-use monitoring (EUM). We also reviewed equipment that required routine EUM when the equipment was scheduled to be provided with enhanced EUM-designated equipment. See Appendix A for the scope and methodology and prior coverage related to the audit.

### (U) Background

(U) Section 333, title 10, United States Code (10 U.S.C. § 333 [2016]), authorizes the Secretary of Defense, with concurrence from the Secretary of State, to conduct or support programs to provide training and equipment to national security forces of foreign countries.<sup>3</sup> The purpose of this support is to build the capacity of partner nation forces to conduct counterterrorism operations, maritime and border security operations, as well as other coalition operations that contribute to existing international coalition operations. The Secretary of Defense designated the Under Secretary of Defense for Policy as the principal staff assistant and advisor on all security cooperation matters. The Under Secretary of Defense for Policy further delegated this authority, selecting the Defense Security Cooperation Agency (DSCA) to manage the DoD's efforts to build partner capacity. Through the Global Train and Equip program, the DSCA implements 10 U.S.C. § 333 (2016) using Building Partner Capacity (BPC) cases.<sup>4</sup> BPC cases are funded with U.S. Government appropriations and administered within the Foreign Military Sales infrastructure.

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<sup>3</sup> (U) Public Law 114-328, "National Defense Authorization Act For Fiscal Year 2017," December 23, 2016, codified by section 333, title 10, United States Code (10 U.S.C § 333). Given the "training and equipment" wording in 10 U.S.C. § 333(a), we use the phrase "Global Train and Equip program" throughout this report.

<sup>4</sup> (U) For the purposes of our audit, a BPC case refers to a specific Global Train and Equip program undertaken by the DoD for the purpose of building the capacity of the partner nation's security forces and enhancing their capability to conduct counterterrorism, counterdrug, and counterinsurgency operations, or to support the U.S. military.

### ***(U) The DoD's Golden Sentry Program***

(U) The DoD's Golden Sentry program, also known as the EUM program, is designed to verify that defense articles or services transferred by the U.S. Government to foreign recipients are being used in accordance with the letter of offer and acceptance (LOA) terms and conditions, the Foreign Assistance Act of 1961, the Arms Export Control Act, and other applicable agreements.<sup>5</sup> In accordance with the Foreign Assistance Act, the Arms Export Control Act, and the LOA terms and conditions, foreign recipients must agree to:

- (U) use U.S. Government-provided equipment, training, and services only for their intended purposes;
- (U) not transfer title to, or possession of, any equipment or related training to anyone who is not an officer, employee, or agent of that country or of the U.S. Government without prior written consent of the U.S. Government;
- (U) maintain the security of any article with substantially the same degree of protection afforded to it by the U.S. Government; and
- (U) permit observation and review by, and furnish necessary information to, representatives of the U.S. Government with regard to use of such articles.

(U) The DSCA established EUM guidance in its Security Assistance Management Manual (SAMM), including a requirement for the Security Cooperation Officers (SCOs) to maintain an accurate disposition of routine and enhanced EUM-designated equipment.<sup>6</sup> Finally, the DSCA's Golden Sentry program guidance establishes that all equipment and services transferred by the U.S. Government to a partner nation are subject to EUM. There are two types of EUM—routine EUM and enhanced EUM.

### ***(U) Routine End-Use Monitoring***

(U) Routine EUM is required for all equipment transferred by the U.S. Government to a partner nation. U.S. Government officials can perform routine EUM, and performance of routine EUM is required quarterly. Performance of routine EUM includes visual observations or verbal inquiries of the partner nation. For example,

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<sup>5</sup> (U) A defense article is any weapon, weapons system, munitions, aircraft, vessel, boat, or other implement of war; any property, installation, commodity, material, equipment, supply, or goods used for the purposes of furnishing military assistance or making military sales. We use the term "equipment" throughout this report when referring to defense articles.

(U) Public Law 87-195, "Foreign Assistance Act of 1961," September 4, 1961, title 22, U.S.C.

(U) Public Law 104-164, "End-Use Monitoring of Defense Articles and Defense Services," July 21, 1996, codified by section 2785, title 22, U.S.C.

<sup>6</sup> (U) DSCA Manual 5105.38-M, "The Security Assistance Management Manual (SAMM)," chapter 8, "End-Use Monitoring (EUM)," April 30, 2012.

(U) routine EUM of U.S. Government vehicles provided to a partner nation could consist of visually observing a convoy of vehicles moving down a public roadway in the partner nation, visually observing the vehicles parked on a partner nation installation, or a phone call to partner nation officials asking for details on use of the vehicles.

### ***(U) Enhanced End-Use Monitoring***

(U) Enhanced EUM is required for all equipment designated by Military Department export policies, the interagency release process, or DoD policy as requiring enhanced EUM. Examples of enhanced EUM-designated equipment include night vision devices (NVDs), missiles, and unmanned aerial systems. See Appendix B for a complete list of enhanced EUM-designated items. According to the SAMM, designated DoD personnel are required to perform an initial inventory of enhanced EUM-designated equipment within 90 days of the equipment being transferred to the partner nation and on a reoccurring basis annually after the initial inventory date. Both the initial and all subsequent annual inventories must be performed by serial number for all enhanced EUM-designated equipment. In addition, during the performance of enhanced EUM inventories, a physical security assessment of the facilities storing the enhanced EUM equipment is required using checklists developed by the Military Departments, policy guidance, and procedures published in the Security Cooperation Information Portal (SCIP). For example, for BPC cases authorizing the transfer of NVDs, the partner nation is required to provide a written control plan that outlines the physical security and accountability measures that the partner nation will implement to abide by requirements annotated within the associated LOA. Figure 1 shows NVDs that have been provided to USAFRICOM Partner Nation 2.



(U) Figure 1. Night Vision Devices Provided to USAFRICOM Partner Nation 2  
(U) Source: USAFRICOM Partner Nation 2-U.S. Liaison Office.

### ***(U) Security Cooperation Information Portal***

(U) The SCIP is a web-based system that houses a variety of modules related to BPC case execution and monitoring. The SCIP contains the Congressional Notification to LOA crosswalk, which is a spreadsheet developed and maintained by the Military Departments.<sup>7</sup> The DSCA uses this crosswalk to verify that the BPC equipment, services, and training procured on the LOA stay within the category and cost of equipment, services, and training contained in the notification to Congress. The DSCA also uses the SCIP to track BPC equipment shipments and as a repository for transfer documentation.

(U) In addition, the SCIP contains an EUM Module, which serves as the repository for all documentation related to routine and enhanced EUM. The DSCA's SAMM requires all routine and enhanced EUM documentation to be stored in the SCIP, including the partner nation's plan to comply with the physical security and accountability requirements for enhanced EUM equipment. The SAMM also requires that the SCIP include completed enhanced EUM checklists and inventories, as well as reports of lost, stolen, or misused equipment.

### ***(U) Equipment Transfer and EUM Roles and Responsibilities***

(U) The DSCA and several DoD organizations have a shared responsibility to ensure that the DoD properly transfers and monitors Global Train and Equip program equipment provided to USAFRICOM partner nations.

### ***(U) Defense Security Cooperation Agency***

(U) The DSCA is the DoD agency responsible for directing, administering, and providing guidance for the management of the DoD's BPC case process and Golden Sentry program. During case development, the DSCA is required to complete a quality assurance review of the LOA to ensure that all equipment, training, and services offered in the LOA are within the purpose, type, and cost that the DoD included in its notification to Congress.<sup>8</sup> Once the DSCA's quality assurance review is complete, the DSCA is required to inform the responsible Military Department that funding is authorized to procure the equipment, training, and services specified in the LOA. The DSCA is required to ensure that Congress is notified of all BPC cases before case implementation. Section 333, title 10, United States Code, 2016, requires the DoD to provide this notification to Congress a minimum of 15 days before BPC case implementation. The DSCA is required to provide

<sup>7</sup> (U) The crosswalk is used to manually document information in one place about each BPC case obtained from various systems outside of and within the different modules of the SCIP.

<sup>8</sup> (U) We use the term LOA throughout this report. However, for BPC cases, the term "pseudo LOA" is used in the SAMM. For a BPC case, the LOA serves as the official record of equipment, services, and training authorized for provision to a partner nation.

(U) oversight and guidance for the transfer of equipment to the partner nations. In addition, the DSCA develops guidance and is required to manage the DoD's Golden Sentry program to ensure that the partner nations use equipment in accordance with the terms and conditions of the LOA. To provide this assurance, the DSCA is required to:

- (U) review LOAs to verify that equipment designated for enhanced EUM has appropriate security and accountability requirements contained in the LOA;
- (U) conduct assessment visits to USAFRICOM headquarters and partner nation facilities to assess combatant command and partner nation compliance with routine and enhanced EUM policy and LOA terms; and
- (U) provide security cooperation and routine and enhanced EUM training to USAFRICOM and DoD Office of Security Cooperation personnel through the Defense Security Cooperation University.

### ***(U) U.S. Africa Command***

(U) USAFRICOM is responsible for prioritizing, coordinating, and evaluating all security cooperation activities in its assigned area of responsibility. USAFRICOM BPC Program Offices are required to provide oversight of DoD SCOs at approximately 49 Offices of Security Cooperation located at U.S. Embassies throughout Africa. USAFRICOM is required to maintain a primary and alternate EUM Program Manager (USAFRICOM EUM officials). The USAFRICOM EUM officials are responsible for ensuring that SCOs:

- (U) are assigned and conduct routine and enhanced EUM functions as a primary responsibility in accordance with Golden Sentry program policy and procedures;
- (U) complete online training provided through the DSCA's Defense Security Cooperation University; and
- (U) include all routine and enhanced EUM performance documentation in the SCIP.

(U) In addition, USAFRICOM BPC and EUM officials are responsible for supporting DSCA compliance assessments, overseeing the SCOs to ensure that the SCOs correct identified discrepancies in their performance of EUM, and monitoring resolution of discrepancies identified during routine and enhanced EUM. For example, a partner nation receiving NVDs must have a control plan detailing the physical security and accountability methods that the partner nation will implement in order to ensure compliance with LOA terms and conditions. The SCOs must assess the partner nation's compliance with its NVD control plan as part of the annual enhanced EUM.

### ***(U) Military Departments***

(U) The Military Departments act as implementing agencies providing support within their respective fields of responsibility to the DSCA to build and execute BPC cases. During case development, the responsible Military Department coordinates with the geographic combatant command to document the specific equipment, training, and services, as well as their associated costs, in the LOA. The following Military Department offices assist in planning, implementing, and executing USAFRICOM's Global Train and Equip program.

- (U) U.S. Army Security Assistance Command
- (U) Navy International Programs Office
- (U) Office of the Deputy Under Secretary of the Air Force for International Affairs

(U) The Military Departments procure the equipment, training, and services identified in the LOA, through a contract or within the DoD and oversee the delivery of the procured items to the SCOs responsible for acceptance and transfer of equipment to the partner nation.

### ***(U) Office of Security Cooperation***

(U) The Office of Security Cooperation is typically co-located at the U.S. Embassy within each partner nation and has the primary responsibility for interfacing with the partner nation on security assistance and security cooperation programs. The Office of Security Cooperation is staffed by DoD personnel and is required to designate SCOs responsible for transferring Global Train and Equip program equipment to a partner nation. SCOs retain title and custody of BPC equipment until the partner nation is ready to receive the equipment. SCOs must perform a joint inventory with the partner nation while the equipment is in SCO custody. SCOs are required to prepare a Transfer and Receipt document, which is used to record title transfer from the SCO to the partner nation, and serves as a reminder to the partner nation of their obligations regarding use, disposition, and security of the equipment. The SCO must attach a material inventory list to the Transfer and Receipt document. This list serves as record of the exact type and quantity of equipment transferred from the SCO to the partner nation. SCOs must include the Transfer and Receipt document signed by the SCO and partner nation representative in the SCIP within 30 days of equipment transfer. After the SCOs transfer equipment, SCOs are responsible for performing routine and enhanced EUM and reporting their observations in the SCIP.

## (U) USAFRICOM BPC Cases Reviewed

(U) We obtained from the DSCA the universe of 348 BPC cases, valued at \$549.7 million, supporting USAFRICOM partner nations for FY 2017 through FY 2020. Of the 348 BPC cases, 14 cases, supporting seven USAFRICOM partner nations, contained equipment requiring enhanced EUM. Of the 14 BPC cases, 13 also contained equipment requiring routine EUM. Therefore, we selected and reviewed the 14 BPC cases, including equipment requiring both routine and enhanced EUM, valued at \$24.9 million. As of February 2021, the SCOs performed partial or complete transfer of equipment listed in the LOAs for 12 of the 14 BPC cases; in the 2 remaining BPC cases, the SCOs did not receive all of the equipment listed in the LOA. Because the SCOs did not receive all equipment listed in the LOA for 2 of the 14 BPC cases, the SCOs did not transfer any of the LOA items for these 2 BPC cases to the partner nation. Therefore, we limited our review of whether SCOs complied with requirements for equipment transfers to the 12 of the 14 BPC cases in which SCOs transferred equipment listed in the LOA.

(U) In addition, only 8 of the 12 BPC cases in which partial or complete transfer occurred included SCO transfer of equipment designated for enhanced EUM. Therefore, our review of whether SCOs completed enhanced EUM pertained only to 8 of the 12 BPC cases. Furthermore, because routine EUM reports are not BPC case specific, our review of routine EUM consisted of verifying that SCOs of the seven USAFRICOM partner nations performed routine EUM at least once per quarter. See Appendix A for details of the status and type of EUM required for the 14 cases within the scope of this audit.

## (U) Review of Internal Controls

(U) DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.<sup>9</sup> We identified internal control weaknesses with USAFRICOM and DSCA oversight of SCO compliance with the SAMM. Specifically, USAFRICOM BPC and EUM officials did not review SCIP documentation to monitor SCO performance of transfer, or routine and enhanced EUM for compliance with the SAMM. In addition, DSCA compliance assessment visits did not objectively rate SCO compliance with routine and enhanced EUM requirements of the SAMM or provide a periodic followup to ensure that the SCO corrected identified deficiencies with their performance. We will provide a copy of the report to the senior official responsible for internal controls in USAFRICOM and the DSCA.

<sup>9</sup> (U) DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

## (U) Finding

### **(U) The DoD Ensured That Global Train and Equip Program Equipment Transfers Were Authorized, but Accountability of Equipment Transfers and EUM Need Improvement**

(U) For the 14 BPC cases we reviewed, the DSCA ensured that Global Train and Equip program equipment scheduled for transfer to USAFRICOM partner nations was within categories approved by Congress and met type and cost limitations. However, the SCOs did not fully account for the equipment that was transferred, and SCOs did not perform routine and enhanced EUM of the equipment.

Specifically, SCOs did not:

- (U) account for the transfer of 104,624 pieces of equipment, valued at \$13.1 million, for 9 of 12 BPC cases in which the SCO transferred part or all of the equipment listed in the LOA;
- (U) perform routine EUM in 47 of 112 quarters (42 percent) we reviewed; or
- (U) perform enhanced EUM for 221 pieces of equipment, valued at \$1.2 million out of 530 pieces of equipment, valued at \$2.1 million, that required enhanced EUM. Specifically, the SCOs did not annotate in the SCIP whether annual inventories were conducted and did not maintain an accurate inventory of enhanced EUM-designated equipment in the partner nations' possession.

(U) In addition, in 5 of the 12 BPC cases, the SCOs kept transfer documentation offline instead of uploading the documentation into the SCIP as required by the SAMM. Due to the rotational nature of the SCO position, the SCOs who did not properly account for the equipment and did not perform routine and enhanced EUM were not available for us to interview. Therefore, we could not determine why the SCOs did not fully account for the transfer, perform routine and enhanced EUM of Global Train and Equip program equipment, or include required documentation in the SCIP.

(U) However, USAFRICOM and DSCA officials did not provide the level of oversight necessary to determine SCO compliance with transfer and routine and enhanced EUM requirements of the SAMM. In a contingency environment where positions are filled on a rotational basis, it is essential for oversight personnel to identify any missing documents in the SCIP before the SCO's departure. In addition, the security situation in some of the USAFRICOM partner nations limited the ability of the SCOs to complete routine and enhanced EUM.

(U) Furthermore, SCOs supporting six of the seven partner nations did not assess the working condition of equipment when conducting routine and enhanced EUM. This occurred because the SAMM did not require an assessment of the physical condition of equipment during the performance of routine and enhanced EUM.

(U) As a result, the DSCA does not have an accurate, readily available inventory of all equipment in the possession of USAFRICOM partner nations. Without accurate inventory, the DSCA is more reliant upon the records of the USAFRICOM partner nations to support that equipment was, in fact, transferred. Without reliable records, the enhanced EUM-designated equipment is more susceptible to loss, theft, misuse, or diversion. For example, the DSCA did not have assurance that USAFRICOM partner nations were in possession of and used 530 pieces of equipment, valued at \$2.1 million, only for their intended purposes.<sup>10</sup>

(U) Furthermore, by not assessing the working condition of equipment during routine and enhanced EUM, USAFRICOM is not capturing pertinent information for use in ascertaining whether the partner nation is able to use the equipment as intended, which could affect the success of a specific mission.

## **(U) Equipment Transfers Were Authorized**

(U) For the 14 BPC cases we reviewed, the DSCA ensured that equipment scheduled for transfer to USAFRICOM partner nations was within the categories approved by Congress and met type and cost limitations established in congressional notifications. Specifically, 10 U.S.C. § 333 (2016) requires congressional notification a minimum of 15 days before the purchase of equipment identified in the LOA. In addition, the congressional notification must include justification that supports one of the seven defined categories to build partner capacity. Finally, the congressional notification must identify the dollar value and type of equipment, which must remain consistent with the dollar value and type of equipment provided in the LOA. Therefore, we reviewed the congressional notifications and LOAs for the 14 BPC cases and verified that the equipment listed in the 14 LOAs was consistent with the type and cost of the equipment listed in the corresponding congressional notifications.

(U) For example, if the LOA included computer equipment, we reviewed the congressional notification to verify that an equipment type such as “electronics” was included in the congressional notification. Finally, we reviewed the number of days between submission of the congressional notification and LOA and determined that each of the congressional notifications we reviewed was dated at least 15 days before the LOA was implemented, as required by 10 U.S.C. § 333 (2016). Appendix C summarizes the results of our review of the congressional notifications and LOAs.

<sup>10</sup> (U) See Table 3 of this report for details of NVD quantities and values for each partner nation.

## **(U) Accountability of Transfers and EUM Need Improvement**

(U) Although the DSCA ensured that equipment scheduled for transfer to USAFRICOM partner nations was within the categories approved by Congress and met the type and cost limitations contained in the congressional notifications, SCOs did not fully account for the transfer of all BPC equipment, and SCOs did not perform routine and enhanced EUM of the transferred equipment.

### ***(U) SCOs Did Not Fully Account for the Transfer of Equipment***

(U) SCOs could not account for 104,624 pieces of equipment, valued at \$13.1 million, transferred to four of the seven USAFRICOM partner nations. SCOs are responsible for maintaining title and custody of all equipment until it is transferred to a partner nation. SCOs should use DD Form 1149, "Requisition and Invoice/Shipping Document," to perform a joint inventory with the partner nation to ensure receipt of all equipment listed in the LOA. In addition, the SCO is required to prepare a Transfer and Receipt document, which the SCO and partner nation are both required to sign and date, to record title transfer. The Transfer and Receipt document must include a materiel inventory list as evidence of the exact type and quantity of equipment transferred from the SCO to the partner nation. Finally, SCOs must upload the Transfer and Receipt document to the SCIP within 30 days of the transfer, as evidence to support that the SCO transferred all LOA items to the partner nation.

(U) We determined that the SCOs did not have complete Transfer and Receipt documents, inside or outside of the SCIP, to support the transfer of 104,624 of 105,353 (99 percent) pieces of equipment, valued at \$13.1 million of \$19.6 million, across nine BPC cases. For example, the SCOs supporting USAFRICOM Partner Nation 6 could not provide the Transfer and Receipt documents supporting the transfer of 103,693 pieces of equipment, valued at \$11.6 million, across six BPC cases. The SCOs supporting USAFRICOM Partner Nation 6 confirmed that the equipment arrived in January 2019, but the SCOs had to rely on the partner nation to confirm that the partner nation was in possession of equipment listed in the LOA. Table 1 summarizes the quantity and value of equipment in the nine BPC cases where the SCOs did not maintain Transfer and Receipt documents inside or outside of the SCIP.

~~(CUI)~~ Table 1. Summary of USAFRICOM BPC Cases Without Transfer and Receipt Documents

<del>(CUI)</del> Partner Nation	BPC Case	Quantity of LOA Equipment Transferred	Quantity of Equipment Without Transfer Records Inside or Outside of the SCIP	Value of Equipment Without Transfer Records Inside or Outside of the SCIP (in U.S. \$)
USAFRICOM Partner Nation 1	1. [REDACTED]	284	26	\$357
USAFRICOM Partner Nation 2	2. [REDACTED]	764	764	1,087,125
USAFRICOM Partner Nation 3	3. [REDACTED]	612	141	373,140
USAFRICOM Partner Nation 6	4. [REDACTED]	50	50	530,318
	5. [REDACTED]	429	429	3,033,049
	6. [REDACTED]	214	214	258,150
	7. [REDACTED]	53	53	76,220
	8. [REDACTED]	871	871	733,248
	9. [REDACTED]	102,076	102,076	6,960,422
<b>Total</b>		<b>105,353</b>	<b>104,624</b>	<b>\$13,052,029</b> <del>(CUI)</del>

(U) Source: The DoD OIG.

**(U) SCOs Did Not Include Required Documentation in the SCIP**

(U) When documentation did exist to support the transfer of equipment, SCOs did not consistently include the required transfer records in the SCIP. According to the SMM, SCOs are required to record transfer documentation in the SCIP within 30 days of the transfer. The SMM provides several options for the SCOs to record the transfer documentation in the SCIP, including a method for recording the transfer when the SCIP is offline.

(U) However, we identified 5 of 12 cases (42 percent) in which SCOs possessed complete or partial transfer documentation but did not upload the transfer documentation into the SCIP.<sup>11</sup> For example, the SCO supporting USAFRICOM Partner Nation 7 stated that due to challenges with the SCIP, he was unable to upload the transfer documents for equipment that he transferred to the partner nation in March 2020, 5 months before the start of our audit. The SCO stated that he was aware of the USAFRICOM personnel who could provide assistance with uploading receipt and transfer documents into the SCIP, but ultimately the SCO did not request USAFRICOM assistance. Appendix D summarizes the quantity of

<sup>11</sup> (U) SCOs did not transfer equipment listed in the LOA for 2 of 14 BPC cases. Therefore, our review of transfer documentation included the 12 of 14 BPC cases in which the SCOs completed partial or full transfer of equipment listed in the LOA.

(U) equipment the SCOs transferred, the quantity of equipment that was correctly supported in the SCIP, the quantity of equipment that was supported but not recorded in the SCIP, and the quantity of equipment that was not supported by the required documentation.

### ***(U) SCOs Did Not Perform Routine EUM***

(U) The SCOs for six of the seven USAFRICOM partner nations did not perform the required routine EUM.<sup>12</sup> According to the SAMM, routine EUM is required for all equipment and services provided via government-to-government programs. SCOs are required to observe and report to USAFRICOM, the DSCA, and the Department of State any potential misuse or unapproved transfer of U.S.-provided equipment.<sup>13</sup> SCO performance and documentation of routine EUM provides the DoD with the ability to verify the condition and security of the equipment, as well as ensures that USAFRICOM partner nations are using BPC equipment only for the intended purpose and have not transferred title to, or possession of, any equipment to anyone without DSCA consent.

(U) According to the SAMM, SCOs should perform routine EUM checks at every available opportunity in conjunction with other security cooperation functions. SCOs must conduct routine EUM checks at least quarterly, and must document all routine EUM checks in the SCIP. However, SCOs did not provide evidence that they performed routine EUM for six of the seven USAFRICOM partner nations supported by the 14 BPC cases. Specifically, we reviewed routine EUM records in the SCIP and determined that SCOs recorded routine EUM checks for only 65 out of 112 quarters (58 percent) from FY 2017 to FY 2020. In addition, we asked the SCOs for six USAFRICOM partner nations whether evidence of routine EUM performance existed outside of the SCIP and in one instance, the SCO supporting USAFRICOM Partner Nation 2 provided documentation to support that they performed routine EUM in the fourth quarter of FY 2020 and updated the SCIP during the audit.

(U) Based on our analysis of the SCIP and inquiry of each SCO, we determined that only one SCO performed all of the required routine EUM checks from FY 2017 to FY 2020. The SCOs for the other five partner nations could not provide any evidence that routine EUM records existed. For example, the SCOs for USAFRICOM Partner Nation 2 did not perform routine EUM checks for more than 3 years. Table 2 summarizes the SCO quarterly routine EUM checks from FY 2017 to FY 2020.

<sup>12</sup> (U) We did not verify that routine EUM was performed for each of the 14 BPC cases because routine EUM does not require verifying the serial numbers on equipment or verifying BPC case numbers. Therefore, our review consisted of verifying that each partner nation performed routine EUM at least once for each quarter.

<sup>13</sup> (U) DSCA Manual 5105.38-M, "The Security Assistance Management Manual (SAMM)," April 30, 2012.

(U) Table 2. SCO Quarterly Routine EUM Checks From FY 2017 to FY 2020 by USAFRICOM Partner Nation

Office of Security Cooperation	FY 2017 Quarterly Checks				FY 2018 Quarterly Checks				FY 2019 Quarterly Checks				FY 2020 <sup>1</sup> Quarterly Checks				Total of Quarterly Routine EUM Checks Performed
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
USAFRICOM Partner Nation 1	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	8 out of 16 (50%)
USAFRICOM Partner Nation 2	✓	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓ <sup>2</sup>	3 out of 16 (19%)
USAFRICOM Partner Nation 3	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	16 out of 16 (100%)
USAFRICOM Partner Nation 4	✗	✗	✗	✓	✓	✗	✗	✓	✓	✓	✓	✓	✗	✗	✗	✗	7 out of 16 (44%)
USAFRICOM Partner Nation 5	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	14 out of 16 (88%)
USAFRICOM Partner Nation 6	✗	✗	✗	✓	✓	✓	✗	✓	✗	✗	✓	✓	✗	✗	✗	✗	6 out of 16 (38%)
USAFRICOM Partner Nation 7	✗	✗	✗	✗	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11 out of 16 (69%)
<b>Total</b>																<b>65 out of 112 (58%)</b>	

(U) Note: A green checkmark indicates that we found routine EUM records in the SCIP. A red x indicates that we did not find routine EUM records in the SCIP and the SCO was not able to provide any documentation to support that routine EUM records existed outside of the SCIP.

<sup>1</sup> (U) In March 2020, the DSCA issued an EUM newsletter that directed SCOs to seek guidance from their combatant commands regarding the execution of required enhanced EUM inventories and routine EUM quarterly checks in accordance with country or regional coronavirus disease–2019 precautionary guidance. Therefore, the coronavirus disease–2019 travel restrictions may have hindered the SCOs’ ability to complete routine EUM during FY 2020.

<sup>2</sup> (U) The SCO updated the SCIP during the audit.

(U) Source: The DoD OIG.

### ***(U) SCOs Did Not Perform Enhanced EUM***

(U) The SCOs for seven of eight BPC cases where SCOs transferred equipment that required enhanced EUM did not perform the required enhanced EUM. Specifically, only the BPC case for USAFRICOM Partner Nation 3 included the initial 90-day joint inventory, annual enhanced EUM inventory, and completed physical security checklist documents in the SCIP.

(U) According to the SAMM, SCOs are responsible for performing enhanced EUM at least annually and maintaining an accurate account of all enhanced EUM-designated equipment provided to the partner nation. Specifically, the SAMM requires SCOs to conduct inventories by serial number for 100 percent of enhanced EUM-designated equipment within 90 days of transfer to the partner nation and on an annual basis from the last inventory date thereafter. In addition, the SAMM requires SCOs to perform physical security assessments of the facilities where enhanced EUM-designated equipment is stored during performance of the annual enhanced EUM inventory. The SCOs are required to use the Golden Sentry physical security and accountability checklist developed by the Military Departments to document observations made during physical security assessments. The SCOs must use the SCIP to annotate the results of their completed enhanced EUM inventory and upload their completed physical security and accountability checklist to the SCIP.

### ***(U) SCOs Did Not Complete Initial Joint Inventory***

(U) The SCOs for six of the eight BPC cases did not complete the initial 90-day joint inventory. As of March 2021, only 8 of the 14 BPC cases we reviewed had enhanced EUM-designated equipment transferred to the partner nation. In all eight BPC cases, the enhanced EUM-designated equipment consisted of NVDs. For two of the eight BPC cases, we were able to obtain from the SCIP, or the SCOs were able to provide, evidence that the SCOs completed the initial 90-day inventory. However, for the remaining six BPC cases, we were not able to find in the SCIP, nor were the SCOs able to provide, evidence that the SCOs completed the initial 90-day inventory.

### ***(U) SCOs Did Not Conduct Annual Inventory of Equipment Requiring Enhanced EUM***

(U) In addition, we found that in four of eight BPC cases that included transfer of equipment requiring enhanced EUM, the SCOs did not perform annual inventories to maintain an accurate account of enhanced EUM equipment possessed by the partner nation. Specifically, SCOs did not perform or document the performance

(U) of annual inventories within the SCIP, leaving 111 NVDs unaccounted for. For example, the SCOs for Partner Nation 6 did not complete the initial inventory or the annual inventory of 16 NVDs, valued at \$36,400, for 681 days.<sup>14</sup>

(U) Additionally, even when the SCOs did perform an annual inventory, the SCOs did not accurately annotate the inventories in the SCIP. For example, during review of Receipt and Transfer Documents, we found for USAFRICOM Partner Nation 3 that 19 of 160 NVDs listed in the SCIP as requiring enhanced EUM had not been transferred to the partner nation. However, the SCO annotated the 19 NVDs as inventoried and in the possession of Partner Nation 3 in the SCIP. The SCOs stated that they originally annotated the 19 NVDs as inventoried to avoid receiving a daily, automated notification from the SCIP that the items were overdue for inventory. However, during our audit, the SCOs updated the SCIP to include a note explaining that 19 of the 160 NVDs were not delivered but were previously annotated as inventoried to avoid automated e-mails from the SCIP.

### ***(U) SCOs Did Not Complete Physical Security Assessments in the SCIP***

(U) For five of the eight BPC cases requiring enhanced EUM, SCOs did not include evidence of completed physical security assessments in the SCIP for 271 NVDs valued at \$1.4 million across three USAFRICOM partner nations. In two BPC cases, containing 184 NVDs valued at \$863,149, the SCOs provided the completed physical security assessment during the audit, but only one SCO uploaded the assessment to the SCIP. However, the SCOs for the remaining three BPC cases, consisting of 87 NVDs valued at \$565,865, were unable to provide any evidence that they completed the required physical security assessments. Therefore, without evidence to support that the SCO performed the completed physical security assessments, we concluded that the SCOs for these three BPC cases did not perform physical security assessments.

(U) Table 3 identifies the eight BPC cases, as well as NVD quantity and value, and summarizes SCO compliance with performance of enhanced EUM initial 90-day inventory, annual inventories, and physical security checklists.

<sup>14</sup> (U) According to the SCO supporting Partner Nation 6, the individual responsible for performing enhanced EUM no longer worked for the Office of Security Cooperation and the SCO could not find documentation supporting the prior SCO's performance of the annual inventory of enhanced EUM-designated equipment.

~~(CUI)~~ Table 3. USAFRICOM BPC Case Summary of SCO Enhanced EUM Performance and SCIP Documentation

<del>(CUI)</del> Partner Nation	BPC Case	Enhanced EUM Equipment Quantity	Value of Enhanced EUM Equipment (in U.S. \$)	Initial 90-Day Joint Inventory Documented in the SCIP	Annual Enhanced EUM Inventory Documented in the SCIP	Completed Physical Security Checklist in the SCIP
USAFRICOM Partner Nation 2	1. [REDACTED]	48	\$150,496	No	No	No
	2. [REDACTED]	24	340,032	No	No	No
USAFRICOM Partner Nation 3	3. [REDACTED]	149	408,050	Yes	Yes	Yes
USAFRICOM Partner Nation 4	4. [REDACTED]	160	523,117	Yes	Yes	No <sup>1</sup>
USAFRICOM Partner Nation 6	5. [REDACTED]	19	51,049	No	No	No
	6. [REDACTED]	20	364,320	No	No	No
	7. [REDACTED]	10	25,260	No	Not Applicable <sup>2</sup>	Not Applicable
	8. [REDACTED]	100	251,281	No	Not Applicable	Not Applicable
<b>Total</b>		<b>530</b>	<b>\$2,113,605</b>			<del>(CUI)</del>

(U) Note: In all eight BPC cases, the enhanced EUM-designated equipment consisted of NVDs.

<sup>1</sup> (U) During our audit, the SCOs updated the SCIP to include the missing physical security checklist.

<sup>2</sup> (U) The SCOs stated that they inventoried and transferred the equipment to the partner nation in September 2020. Therefore, SCOs supporting Partner Nation 6 are not required to complete an annual inventory and physical security checklist until September 2021, 1 year after the initial inventory.

(U) Source: The DoD OIG.

### (U) DSCA and USAFRICOM Officials Did Not Provide Sufficient Oversight of the Global Train and Equip and Golden Sentry Programs

(U) Due to the rotational nature of the SCO position, the SCOs who did not properly account for the equipment and did not perform routine and enhanced EUM were not available for us to interview. Therefore, we could not determine why the SCOs did not fully account for the transfer, perform routine and enhanced EUM of Global Train and Equip program equipment, or include required documentation in the SCIP. Specifically, the SCOs we interviewed during the audit occupied 2-year positions, and each SCO began their assigned duties in the latter half of 2019 or during the 2020 calendar year. The SCOs responsible for the six BPC cases

(U) supporting Partner Nation 6, which accounts for 103,693 of the 104,624 pieces of equipment missing transfer documentation and 149 of the 530 pieces of equipment requiring enhanced EUM, stated that the prior rotation of SCOs did not leave behind hardcopy documentation to support transfers and routine and enhanced EUM that should have occurred.

(U) However, USAFRICOM and DSCA officials did not provide the level of oversight necessary to determine SCO compliance with SAMM requirements. In a contingency environment where positions are filled on a rotational basis, it is essential for oversight personnel to identify any missing documents in the SCIP before the SCO's departure. In addition, the combat environment and security situation in some of the USAFRICOM partner nations limited the ability of SCOs to complete routine and enhanced EUM.

### ***(U) Oversight of SCOs Was Ineffective***

(U) USAFRICOM and DSCA officials did not provide oversight of the SCOs to ensure that the SCOs complied with SAMM requirements for transferring equipment, performing routine and enhanced EUM, and documenting performance of those activities in the SCIP. The USAFRICOM officials responsible for oversight of the SCOs admitted that they did not review SCIP documentation to monitor SCO recording of transfer, documentation, or routine and enhanced EUM inventories in the SCIP. The SAMM states that the combatant command has overall responsibility for prioritizing, coordinating, and evaluating the success of security cooperation activities. In addition, the SAMM requires each combatant command to ensure that SCOs conduct routine and enhanced EUM and annotate all accountability and physical security checks in the SCIP. However, each of the four USAFRICOM program managers for six of the seven partner nations included in our review stated that they view their role as an intermediary between the SCOs and the many individuals and entities involved throughout the BPC case process, not as one of accountability or oversight.

(U) In addition, the two USAFRICOM EUM officials responsible for oversight of SCOs supporting all seven partner nations we reviewed, stated that they do not review SCIP records to assess SCO compliance with SAMM requirements because the SAMM does not clearly require them to do so. However, the SAMM states that each combatant command is required to ensure that SCOs conduct routine and enhanced EUM and annotate all accountability and physical security checks in the SCIP. The USAFRICOM BPC and EUM officials should use the SCIP to oversee the SCOs and periodically monitor SCO compliance with the SAMM requirements to record transfers, inventories, routine monitoring, and enhanced EUM in the SCIP. For example, USAFRICOM BPC officials should be aware of SCO transfers of

(U) equipment to the partner nation and review the SCIP at least 30 days after scheduled transfer to determine whether the SCO included the required documentation in the SCIP. USAFRICOM EUM officials can also use SAMP requirements to establish a schedule for periodic monitoring of SCO compliance with routine and enhanced EUM performance in the SCIP. For example, EUM officials could review the SCIP every 90 days to ensure that initial inventories and routine EUM are documented. Therefore, the Director, USAFRICOM, Strategy, Engagement and Programs (J-5), should develop a written process that details the roles and responsibilities of the USAFRICOM BPC and EUM officials in their day-to-day oversight and monitoring of the SCOs to ensure that the USAFRICOM BPC and EUM officials have a process in place to review the SCIP and enforce SCO compliance with transfer and routine and enhanced EUM requirements of the SAMP. In addition, the DSCA Director should update the SAMP to include explicit language describing the combatant command responsibility for oversight of the SCO's transfer documentation in the SCIP and include explicit language describing the frequency with which combatant commands should review the SCO transfer and routine and enhanced EUM documentation in the SCIP.

(U) The SAMP requires that the DSCA conduct compliance assessment visits to assess SCO performance of routine and enhanced EUM. DSCA officials explained that their goal is to conduct compliance assessment visits on a 2-year cycle. Of the seven partner nations included in our review, DSCA officials performed four compliance assessment visits from FY 2017 to FY 2020; however, we found that these assessments were not effective at assessing SCO compliance with transfer or routine and enhanced EUM requirements. For example, DSCA officials completed a compliance assessment visit for USAFRICOM Partner Nation 4 in June 2019. Within the compliance assessment visit report, DSCA officials noted that the SCOs documented routine EUM in the SCIP without noting any deficiencies related to routine EUM. However, based on our review of the SCIP, as documented in Table 2, for 5 of the 10 quarters before June 2019, the SCOs did not have evidence of routine EUM performance in the SCIP; yet, in the DSCA August 2019 compliance assessment visit report, DSCA officials assessed SCO compliance as "satisfactory," the highest rating possible. The DSCA official responsible for performance of all USAFRICOM compliance assessment visits, including USAFRICOM Partner Nation 4's June 2019 assessment, stated that the review of whether the SCOs' routine and enhanced EUM documentation is complete in the SCIP is part of the compliance assessment visit. However, the DSCA official stated that although documentation for routine and enhanced EUM is required to be in the SCIP, she accepts the SCOs' routine and enhanced EUM documentation outside of the SCIP, provides verbal instruction for the SCOs to upload the documentation to the SCIP, and then assigns a satisfactory rating. However, when we requested the missing routine EUM documentation,

(U) the SCO stated that due to turnover she was unable to provide routine EUM documentation that was not in the SCIP. Therefore, 2 years after the DSCA completed the compliance assessment visit, the evidence that the SCO for Partner Nation 4 performed routine EUM as required was not in the SCIP, despite the DSCA official verbally instructing the SCO to upload the information. This also indicates that the DSCA official was not validating that her instructions were followed after the compliance assessment visit.

(U) The compliance assessment visit reports do not provide the details of which aspects of SCO performance DSCA EUM officials are assessing or provide any details explaining periodic followup requirements to ensure that the SCO corrected identified deficiencies. In addition, the compliance assessment visit reports did not identify any of the noncompliance deficiencies documented throughout this report, such as lack of documentation within the SCIP to support SCO transfer of equipment designated for enhanced EUM and evidence that SCOs performed routine and enhanced EUM. Furthermore, DSCA officials acknowledged that the final rating is not based on set criteria, is subjective, and is not quantifiable. Therefore, the DSCA's compliance assessment visits did not include objective or quantifiable ratings to effectively assess SCO compliance with updating the SCIP and SCO performance of routine and enhanced EUM. The DSCA Director should update the SAMM to include objective criteria for assessing SCO compliance with SAMM transfer and routine and enhanced documentation requirements during compliance assessment visits and develop a system to follow up to ensure that identified deficiencies in SCO performance are corrected in a timely manner.

### ***(U) USAFRICOM Security Situation Limited the Ability of SCOs to Perform Routine and Enhanced EUM***

(U) The combat environment and security situation for some USAFRICOM partner nations limited the ability of SCOs to perform routine and enhanced EUM. SCOs supporting five of the seven partner nations included in our review cited challenges in performing routine and enhanced EUM due to the security situation of the partner nation or deployment of the equipment to combat environments. This included 1,847 pieces of equipment requiring routine EUM and 232 pieces of equipment requiring enhanced EUM. For example, when explaining why prior SCOs may not have performed routine EUM, the SCO for USAFRICOM Partner Nation 7 stated that at times equipment is deployed to combat locations that are off-limits to SCOs. In addition, the SCOs explained that they do not know when missions will be completed, which limits their ability to plan for routine and enhanced EUM. In these instances when equipment is in use supporting a mission in a combat location, the SCOs cannot perform routine or enhanced EUM because the SCOs are not permitted to travel to and access the EUM-designated equipment.

(U) The inability of SCOs to perform EUM due to combat environments and security constraints was also identified outside of the USAFRICOM area of responsibility. Specifically, a Special Inspector General for Afghanistan Reconstruction report issued in December 2020, found that from May 2019 to April 2020, EUM officials in Afghanistan inventoried only 5,088 of 12,681 pieces of enhanced EUM-designated equipment (40 percent).<sup>15</sup> According to the report, EUM officials in Afghanistan stated that travel restrictions and security constraints limited their ability to fulfill EUM requirements. The Special Inspector General for Afghanistan Reconstruction recommended in its report that the DSCA Director update the SAMP to implement modifications to enhanced EUM procedures that take into account the country's combat environment. In response, the DSCA developed a partner nation observation code and policy guidance to facilitate recording partner nation enhanced EUM inventories in the SCIP. The new partner nation observation code provides SCOs with an alternate method of accounting for enhanced EUM-designated equipment under conditions where U.S. observation of enhanced EUM-designated equipment is not achievable. Specifically, the partner nation observation code allows SCOs to add partner nation inventory documentation to the SCIP when U.S. inventory observations are not possible due to the combat environment.

(U) While use of the partner nation observation code is an improvement, the purpose of enhanced EUM is not to rely on the partner nation but to verify through U.S.-designated SCOs that partner nations comply with requirements for use, transfer, and protection of U.S. provided equipment. Given that USAFRICOM has approximately 49 Offices of Security Cooperation, the SCOs supporting each office could support each other in the performance of EUM. For example, if Partner Nation 1's equipment designated for enhanced EUM is deployed to Partner Nation 2 for an extended period, the SCOs supporting Partner Nation 2 could perform enhanced EUM on behalf of the SCOs for Partner Nation 1. During this audit, SCOs supporting Partner Nation 7 stated they were working informally with the SCOs supporting another USAFRICOM partner nation in order to gain the SCOs' assistance in completing enhanced EUM of equipment that was deployed. Therefore, the DSCA should determine whether it is feasible for USAFRICOM SCOs to provide mutual support for enhanced EUM inventories of deployed equipment. If the DSCA determines that it is feasible for USAFRICOM SCOs to support one another in performing enhanced EUM of deployed equipment, the DSCA should provide guidance to the Director, USAFRICOM, Strategy, Engagement and Programs (J-5), for implementation across the approximately 49 Offices of Security Cooperation supporting USAFRICOM partner nations.

<sup>15</sup> (U) Special Inspector General for Afghanistan Reconstruction Audit Report 21-11, "Military Equipment Transferred to the Afghan Government: DoD Did Not Conduct Required Monitoring to Account for Sensitive Articles," December 2020.

## **(U) DSCA Routine and Enhanced EUM Guidance Did Not Include Condition Assessment**

(U) SCOs did not consistently assess the working condition of equipment when conducting routine and enhanced EUM because the SMM did not require it. The SMM states that one objective of the DoD EUM program is for the SCOs to report on partner nations' use of equipment. We believe that this includes the partner nations' ability to use equipment as operationally intended. While the SMM requires the SCOs to report losses or disposal of EUM-designated equipment immediately, the SMM does not require the SCOs to assess and report the working condition of equipment when performing routine and enhanced EUM. The Arms Export Control Act requires that the EUM program be designed to provide reasonable assurance that equipment provided by the U.S. Government is being used for the purposes for which it is provided. In order for equipment to be used for the purposes for which it is provided, partner nations need to maintain it in proper working condition. The DoD also provides partner nations with maintenance support to ensure that partner nations are able to maintain equipment to be used for the purpose specified in congressional notifications. Therefore, monitoring of equipment condition can also help inform the oversight of the maintenance support that is being provided. In addition, problems with the working condition of equipment could lead to the compromise of a specific mission.

(U) SCO assessment of the working condition of equipment would ensure that the equipment provided to the partner nation is operational and the partner nation is able to use the equipment for the intended purpose. For example, of the seven Offices of Security Cooperation that we reviewed during our audit, only one SCO stated that he assessed the working condition of equipment during performance of routine and enhanced EUM. The SCO stated that he did not know whether SCOs were required to check the physical condition of equipment but believed that assessing the working condition of equipment was prudent to his performance of routine and enhanced EUM. The SCO stated that he checked the working condition of equipment because he wanted to ensure that the equipment that the U.S. Government provided is being maintained by the partner nation, the partner nation is able to use the equipment, and the equipment meets the partner nation's needs. The SCOs supporting five of the six remaining partner nations we reviewed each stated that they understood how assessing the working condition of equipment when performing routine or enhanced EUM would be beneficial to ensuring that the partner nation could use the equipment. However, the SCOs stated that they do not assess the operational condition of equipment when conducting routine or enhanced EUM because the SMM does not require the SCO to do so.

(U) By requiring SCOs to assess the working condition of equipment provided to USAFRICOM partner nations, and reporting the results to USAFRICOM, the DSCA and USAFRICOM can gain additional assurance that equipment provided to partner nations is available to be used for the intended purpose and BPC programs are operating effectively, as defined in the Arms Export Control Act. Therefore, the DSCA Director should determine whether it is feasible for SCOs to periodically assess the working condition of equipment when conducting routine and enhanced EUM. If feasible, the DSCA Director should update the SAMM to incorporate criteria, such as a sampling methodology, that requires SCOs to periodically assess the working condition of equipment when conducting routine and enhanced EUM.

### **(U) BPC Programs Are at Increased Risk of Not Achieving Desired Outcomes**

(U) As a result of SCOs not properly accounting for transferred equipment or performing routine and enhanced EUM; DSCA's insufficient compliance assessment visits; and USAFRICOM's lack of oversight of SCO compliance with the SAMM's requirements for receipt, transfer, and routine and enhanced EUM, the DSCA does not have an accurate, readily available inventory of all equipment in the possession of USAFRICOM partner nations. In addition, the DSCA is more reliant upon the USAFRICOM partner nations' records for equipment transferred and received. Without a reliable inventory, routine and enhanced EUM-designated equipment is more susceptible to loss, theft, misuse, or diversion. For example, the DSCA did not have assurance that USAFRICOM partner nations were in possession of or used 530 pieces of equipment, valued at \$2.1 million, only for their intended purposes. Furthermore, without assessing the condition of equipment during routine and enhanced EUM, USAFRICOM is not capturing pertinent information for use in ascertaining success of BPC cases; ultimately, whether partner nations are able to use the equipment as intended. For example, while we did not find any specific instances of this during our audit, it is possible for a partner nation to transfer equipment that was provided to support a specific U.S. Government objective to an opposing force.

## (U) Management Actions Taken

(U) During the audit, we informed DSCA, USAFRICOM BPC, and EUM officials that deficiencies existed in their oversight of SCO compliance with SAMM requirements for receipt, transfer, and routine and enhanced EUM of Global Train and Equip program equipment. Specifically, we explained that while the DSCA assigned combatant command responsibilities in the SAMM, the combatant command responsibility to monitor SCO performance of receipt, transfer, and routine and enhanced EUM through the SCIP was not clear to USAFRICOM BPC and EUM officials. DSCA officials partially agreed with our observation. Specifically, the DSCA officials stated that the SAMM clearly describes combatant command responsibility to ensure that SCOs conduct routine and enhanced EUM and annotate all accountability and physical security checks in the SCIP. However, DSCA officials explained that development of new tracking tools and reports in the SCIP will allow the DSCA to provide greater oversight of whether SCOs have uploaded receipt and transfer documentation in the SCIP. We reviewed the DSCA's objectives for the new SCIP tracking tools and reports, including the fields that the DSCA plans to add to the SCIP in order to capture BPC case information from shipment through SCO transfer to the partner nation. DSCA officials estimated that they will begin using the newly developed tracking tools and reports in October 2021, and stated that they will reinforce the requirements for the SCO to upload transfer documentation to the SCIP.

(U) In addition, we explained that while the DSCA implemented compliance assessment visits to monitor SCO compliance with SAMM routine and enhanced EUM requirements, the assessment visits did not include objective or quantifiable ratings to effectively assess SCO compliance with updating the SCIP and SCO performance of routine and enhanced EUM. DSCA EUM officials agreed with our observation and shared newly developed metrics that assign a numeric rating to each assessment category. We reviewed the newly defined assessment categories and determined that they included a review of whether the SCO maintained routine and enhanced EUM documentation in the SCIP and a review of prior deficiencies to determine whether the SCO completed the corrective actions. DSCA EUM officials stated that the DSCA implemented the newly developed metrics in compliance assessment visits in January 2021.

## **(U) Recommendations, Management Comments, and Our Response**

### **(U) Recommendation 1**

**(U) We recommend that the Director, U.S. Africa Command, Strategy, Engagement and Programs (J-5), develop a written process that details the roles and responsibilities of the U.S. Africa Command Building Partner Capacity and end-use monitoring officials in their day-to-day oversight and monitoring of the Security Cooperation Officers to ensure that the U.S. Africa Command Building Partner Capacity and end-use monitoring officials have a process in place to review the Security Cooperation Information Portal and enforce Security Cooperation Officer compliance with transfer and routine and enhanced end-use monitoring requirements of the Security Assistance Management Manual.**

### ***(U) Division Chief of Security Cooperation Programs U.S. Africa Command Comments***

(U) The USAFRICOM, Strategy, Engagement and Programs (J-5), Security Cooperation Programs, Division Chief agreed with the recommendation and stated that USAFRICOM would implement changes to USAFRICOM Command Instruction 2100.01. The Division Chief stated that revisions to the Instruction would reflect current guidance for USAFRICOM EUM officials with the oversight of equipment transfers and the frequency with which EUM officials should monitor SCO EUM inputs in the SCIP.

### ***(U) Our Response***

(U) Comments from the Division Chief addressed all specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation once we verify that the updates were made to USAFRICOM Command Instruction 2100.01 and that the updates fully address the recommendation.

### **(U) Recommendation 2**

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

- a. **(U) Update the Security Assistance Management Manual to include explicit language describing the combatant command's responsibility for oversight of the Security Cooperation Officers' transfer documentation in the Security Cooperation Information Portal. The update should also include explicit language describing**

**(U) the frequency with which combatant commands should review the Security Cooperation Officer's transfer and routine and enhanced end-use monitoring documentation in the Security Cooperation Information Portal.**

***(U) Director of the Defense Security Cooperation Agency Comments***

(U) The DSCA Director agreed with Recommendation 2.a and stated that the DSCA will update SAMM Chapters 8 and 15 to include explicit language to ensure combatant command oversight of the SCOs, including confirmation of EUM inventory and physical security inspection documentation in the SCIP.

***(U) Our Response***

(U) Comments from the DSCA Director and management action taken during the audit addressed Recommendation 2.a. Therefore, Recommendation 2.a is resolved and will remain open. We will close Recommendation 2.a once we verify that the SCIP tracking tools and reporting features being developed and implemented by the DSCA in October 2021 are functional within the SCIP for USAFRICOM, and that SAMM Chapters 8 and 15 are updated to include explicit language describing the frequency with which combatant commands should review SCO transfer and routine and enhanced EUM documentation in the SCIP.

- b. (U) Update the Security Assistance Management Manual to include objective criteria for assessing Security Cooperation Officer compliance with Security Assistance Management Manual transfer and routine and enhanced documentation requirements during compliance assessment visits and develop a system to follow up to ensure identified deficiencies in Security Cooperation Officer performance are corrected in a timely manner.**

***(U) Director of the Defense Security Cooperation Agency Comments***

(U) The DSCA Director agreed with Recommendation 2.b and stated that the DSCA will add reference material to the SAMM that explains compliance assessment visit execution guidance and includes criteria for assessing SCO compliance with routine and enhanced EUM SCIP documentation requirements. In addition, the DSCA implemented a new SCO Metrics Rating criteria, effective the third quarter of FY 2021, to document SCO compliance with the EUM program policy and procedures and compliance with the transfer of routine and enhanced documentation requirements as part of compliance assessments. Finally, the Director stated that DSCA EUM program managers use an EUM action tracker located in the SCIP to document and monitor corrective actions resulting from compliance assessment visits.

### ***(U) Our Response***

(U) Comments from the DSCA Director addressed the specifics of Recommendation 2.b, and the DSCA's implementation of the rating criteria to assess SCO compliance with SAMM routine and enhanced EUM requirements during compliance assessments visits resolves the recommendation. However, Recommendation 2.b. will remain open. We will close Recommendation 2.b when we verify that DSCA EUM officials are using the new SCO assessment metrics and SCIP EUM corrective action tracker for USAFRICOM.

- c. **(U) Determine whether it is feasible for U.S. Africa Command Security Cooperation Officers to provide mutual support for enhanced end-use monitoring inventories of deployed equipment. For example, if Partner Nation 1's equipment designated for enhanced end-use monitoring is deployed to Partner Nation 2 for an extended period, the Security Cooperation Officers supporting Partner Nation 2 could perform enhanced EUM on behalf of the Security Cooperation Officers for Partner Nation 1. If the Defense Security Cooperation Agency determines that it is feasible for U.S. Africa Command Security Cooperation Officers to support one another in performing enhanced end-use monitoring of deployed equipment, the Defense Security Cooperation Agency should provide guidance to the Director, U.S. Africa Command, Strategy, Engagement and Programs (J-5), for implementation across the approximately 49 Offices of Security Cooperation supporting U.S. Africa Command partner nations.**

### ***(U) Director of the Defense Security Cooperation Agency Comments***

(U) The DSCA Director disagreed with Recommendation 2.c and explained that combatant commands can direct mutual support for enhanced EUM inventories of deployed equipment without DSCA guidance. The DSCA Director also stated that DSCA may forward this recommendation to the combatant commands or the Joint Staff for action. However, there is a liability and risk associated with providing guidance to an SCO to inspect or inventory defense articles owned by a partner nation to which the SCO is not assigned. The DSCA Director stated that once EUM items return from deployment, USAFRICOM will work with the SCOs to ensure that the items are properly inventoried and will adhere to the guidance outlined in the SAMM.

### ***(U) Our Response***

(U) Comments from the DSCA Director did not fully address Recommendation 2.c; therefore, the recommendation is unresolved. We agree that the SAMP does allow combatant commands to develop and issue supplementary guidance for unique requirements within their command. However, the SAMP requires that any deviations from SAMP guidance must first be approved by DSCA prior to implementation. The SAMP does not provide the combatant commands with any guidance with respect to mutual use of SCOs; therefore, any guidance developed by the combatant commands must be approved by DSCA. In addition, the DSCA Director stated that she may forward Recommendation 2.c to the combatant commands or the Joint Staff for action but the DSCA Director did not provide any details in regards to whether SCOs assigned to USAFRICOM's approximately 49 Offices of Security Cooperation have the ability to provide mutual support for EUM inventories when equipment requiring EUM is deployed outside of their area of responsibility. During this audit, SCOs supporting Partner Nation 7 stated they were working informally with the SCOs supporting another USAFRICOM partner nation in order to gain the SCOs' assistance in completing enhanced EUM of equipment that was deployed. Therefore, in order to resolve Recommendation 2.c, we request that, after coordinating with USAFRICOM or the Joint Staff, the DSCA Director provide her final determination on whether it is feasible for USAFRICOM SCOs to provide mutual support for enhanced EUM inventories of deployed equipment and whether DSCA will update the SAMP to include this guidance or approve combatant command guidance to establish this requirement.

- d. (U) Determine whether it is feasible for the Security Cooperation Officers to periodically assess the working condition of equipment when conducting routine and enhanced end-use monitoring. If feasible, the Director of the Defense Security Cooperation Agency should update the Security Assistance Management Manual to incorporate criteria, such as a sampling methodology, that requires Security Cooperation Officers to periodically assess the working condition of equipment when conducting routine and enhanced end-use monitoring.**

### ***(U) Director of the Defense Security Cooperation Agency Comments***

(U) The DSCA Director disagreed with Recommendation 2.d and stated that operational readiness inspections of partner nation equipment during EUM checks is not a feasible work task for SCOs because operational tests would entail a determination of whether the equipment was performing in accordance with maintenance standards. Additionally, operational testing may require technical facilities and specialized personnel, which are not normally available during

(U) routine and enhanced EUM. The DSCA Director stated that these inspections could damage the equipment under the partner nation's title which the U.S. Government does not warrant or guarantee, creating an argument from the partner nation that the U.S. Government caused or contributed to the defective equipment during the operational inspection. The DSCA Director also stated that operational testing may result in extended liability to the U.S. Government because SCOs would require custody and control of the equipment for operational testing and ultimately identification of performance issues is the responsibility of the partner nation.

### ***(U) Our Response***

(U) Comments from the DSCA Director addressed the specifics of Recommendation 2.d; therefore, this recommendation is closed. Specifically, the Director considered the recommendation and provided details that thoroughly explained that SCO assessment of the working condition of equipment during routine and enhanced EUM is not feasible for several reasons, including lack of availability of technical facilities and specialized personnel. We agree with the Director's assessment because operational testing by non-specialized personnel could ultimately result in damage to the equipment transferred to the partner nation. In addition, the operational testing would require the partner nation to allow the SCO custody and control of equipment where title to that equipment was passed to the partner nation at transfer. SCO custody and control of equipment is not a requirement of the LOA which allows for routine and enhanced EUM of equipment in the possession of the partner nation. Because title of the equipment passed to the partner nation at transfer this could create additional liability and expense to DoD to replace or repair equipment damaged by SCOs who did not have the technical knowledge required to test the operational performance of equipment within the required maintenance standards.

## (U) Appendix A

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### (U) Scope and Methodology

(U) We conducted this performance audit from August 2020 through May 2021 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

(U) The scope of this audit included the universe of 348 BPC cases, valued at \$549.7 million, supporting USAFRICOM partner nations from FY 2017 through FY 2020. All BPC cases require routine EUM. The DSCA personnel identified 13 BPC cases within the universe that included equipment that also required enhanced EUM. Because the DSCA manually created the BPC case universe, we reviewed enhanced EUM information within the SCIP for FY 2017 through FY 2020. Through this review, we determined that there was one additional BPC case, funded in FY 2017, supporting a USAFRICOM partner nation, which included equipment requiring enhanced EUM. Therefore, we selected a nonstatistical sample from the universe of 348 BPC cases based on whether the BPC case included equipment requiring enhanced EUM. We determined that 14 of the 348 BPC cases, valued at \$24.9 million, supporting seven USAFRICOM partner nations included equipment requiring enhanced EUM, and 13 of the BPC cases also included equipment requiring routine EUM. Table 4 identifies the USAFRICOM partner nation, equipment quantity and status, value, and type of EUM required for the 14 BPC cases within the scope of this audit.

~~(U)~~ Table 4. USAFRICOM BPC Cases That Include Equipment Requiring Enhanced EUM

<del>(U)</del> USAFRICOM Partner Nation	BPC Case	EEUM <sup>1</sup> Equipment Quantity and Status	EEUM Equipment Value	REUM <sup>2</sup> Equipment Quantity and Status	REUM Equipment Value	Total BPC Case Value <sup>3</sup>
USAFRICOM Partner Nation 1	1. ██████	150 NVDs (Not Delivered to SCO)	\$417,450	284 of 438 items (Partially Transferred)	\$1,570,997	\$1,988,447
	2. ██████	150 NVDs (Not Delivered to SCO)	396,047	359 items (Transferred)	2,363,092	2,759,139
USAFRICOM Partner Nation 2	3. ██████	48 NVDs (Transferred)	150,486	716 items (Transferred)	936,640	1,087,126
	4. ██████	24 NVDs (Transferred)	340,032	5 items (Transferred)	163,641	503,673
USAFRICOM Partner Nation 3	5. ██████	149 of 168 NVDs (Transferred)	458,331	463 items (Transferred)	1,742,198	2,200,529
USAFRICOM Partner Nation 4	6. ██████	160 NVDs (Transferred)	523,117	329 items (Transferred)	2,446,537	2,969,654
USAFRICOM Partner Nation 5	7. ██████	15 NVDs (Not Delivered to SCO)	45,540	89 items (Received by SCO; Pending Transfer)	523,819	569,359
USAFRICOM Partner Nation 6	8. ██████	100 NVDs (Transferred)	251,381	114 of 364 items (Partially Transferred)	75,806	327,187
	9. ██████	65 NVDs (Not Delivered to SCO)	161,819	53 of 99 items (Partially Transferred)	649,436	811,255
	10. ██████	10 NVDs (Transferred)	25,260	40 of 44 items (Partially Transferred)	506,523	531,783
	11. ██████	23 of 113 NVDs (Partially Transferred)	561,858	406 items (Transferred)	2,695,249	3,257,107
	12. ██████	19 NVDs (Transferred)	51,049	852 items (Transferred)	682,201	733,250
	13. ██████	20 NVDs (Transferred)	364,320	102,056 items (Transferred)	6,596,103	6,960,423
USAFRICOM Partner Nation 7	14. ██████	25 NVDs (Not Delivered to SCO)	247,517	0	0	247,517
<b>Total</b>		<b>1,067 NVDs</b>	<b>\$3,994,207</b>	<b>106,220 Equipment Items</b>	<b>\$20,952,242</b>	<b>\$24,946,449</b> <del>(U)</del>

<sup>1</sup> (U) Enhanced EUM<sup>2</sup> (U) Routine EUM<sup>3</sup> (U) Our audit focused on equipment; therefore, we did not include the value of services or training listed in the LOA.

(U) Source: The DoD OIG.

(U) We reviewed DoD and DSCA criteria to determine whether the DoD properly transferred Global Train and Equip program equipment to USAFRICOM partner nations and adequately monitored to ensure that the transferred equipment was used in accordance with U.S. law, DoD regulations, and transfer agreement terms and conditions. Specifically, we reviewed 10 U.S.C. § 333 (2016), LOAs, and congressional notifications to determine equipment transfer requirements. We also reviewed EUM standard operating procedures and “The Management of Security Cooperation”, published by the Defense Institute of Security Cooperation Studies, to identify roles and responsibilities for the oversight of equipment transfers and EUM.<sup>16</sup> Lastly, we reviewed the following Federal law and DoD criteria to determine requirements for performing routine and enhanced EUM.

- (U) Section 2785, title 22, U.S.C., “End-Use Monitoring of Defense Articles and Defense Services”
- (U) DoD Instruction 4140.66, “Registration and End-Use Monitoring of Defense Articles and/or Defense Services,” May 24, 2017
- (U) DSCA Manual 5105.38-M, “SAMM,” Chapter 8, “End-Use Monitoring,” April 30, 2012

(U) We interviewed DSCA and USAFRICOM BPC and EUM officials responsible for managing transfers and EUM to obtain supporting documentation, and to understand their role and responsibilities for providing oversight of SCO compliance with SAMM requirements. In addition, we interviewed the SCOs to understand their roles and responsibilities for acceptance and transfer of equipment to the partner nation, and performance of routine and enhanced EUM functions. We reviewed each SCO’s training certificates to verify that the SCOs completed their required EUM training.

(U) To determine whether LOAs included only equipment within the BPC categories authorized by Congress, we obtained and evaluated congressional notifications for each of the 14 BPC cases in our sample and identified the BPC categories authorized by Congress in 10 U.S.C. § 333 (2016). We also evaluated each congressional notification to determine whether the congressional notification was dated at least 15 days before the implemented LOA.

(U) To determine whether the SCOs documented and properly transferred equipment to USAFRICOM partner nations, we obtained access to the SCIP to acquire DD Forms 1149, “Requisition and Invoice/Shipping Document,” Transfer and Receipt documents, and material inventory lists maintained in the SCIP for each of the 12 BPC cases that had partial or full transfer of equipment. We then compared the transfer documents obtained from the SCIP or provided by the SCOs to each piece of equipment listed on the LOA and verified that each piece of equipment matched.

<sup>16</sup> (U) Defense Institute of Security Cooperation Studies, “The Management of Security Cooperation,” January 2019.

(U) To determine whether SCOs performed quarterly routine EUM, we reviewed the EUM module in the SCIP to obtain screenshots for routine EUM checks from FY 2017 to FY 2020 for each country in our nonstatistical sample of 14 BPC cases and verified that routine EUM was performed at least once a quarter. Finally, to determine whether SCOs conducted inventory of enhanced EUM equipment within 90 days of transfer to the partner nation and on an annual basis from the last inventory, we obtained item history ad hoc reports for each BPC case from the SCIP, verified that the quantities listed matched, and verified that the initial inventory was performed within 90 days from the host nation receipt date listed in the SCIP.

## **(U) Internal Control Assessment and Compliance**

(U) We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed the control activities within the DSCA's BPC case development, implementation, execution, and routine and enhanced EUM processes to determine whether the DSCA designed and implemented effective internal controls for equipment transferred to USAFRICOM partner nations. Control activities are actions that management establishes through policies and procedures to achieve objectives. We found that the DSCA designed and implemented monitoring and control activities for the administration and execution of Global Train and Equip program activities throughout the BPC case process.

(U) We assessed the DSCA internal control components for monitoring equipment transfers, routine and enhanced EUM, and ensuring that SCOs included required transfer records and evidence of EUM in the SCIP. Monitoring includes establishing and operating monitoring activities to assess the quality of performance over time and promptly resolve any findings. During our audit work, we noted that the USAFRICOM BPC and EUM officials did not perform monitoring activities and exercise oversight responsibilities, which are both requirements for effective internal controls. Therefore, SCO personnel did not fully account for transfer of equipment or provide evidence that they performed routine and enhanced EUM. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

## (U) Use of Computer-Processed Data

(U) We used computer-processed data obtained from the SCIP and provided by USAFRICOM SCOs. During the audit, we determined that the SCIP did not contain complete records to support transfer or performance of routine and enhanced EUM of all U.S. Government-provided equipment in our nonstatistical sample. Therefore, we relied on testimonial evidence, information within source Transfer and Receipt documents, and shipping reports to determine which equipment was transferred to the partner nation and required routine and enhanced EUM. In addition, we verified that the types and quantities of enhanced EUM-designated equipment listed in the LOAs matched the type and quantity of the equipment identified in the SCIP for the eight BPC cases in which the SCOs transferred enhanced EUM-designated equipment to the partner nations in our nonstatistical sample. Specifically, we used SCIP item history ad hoc reports for each of the eight BPC cases to verify that the EUM-designated equipment listed in the LOAs was accounted for by serial number and description. Because the information within the SCIP was incomplete, we did not perform testing to determine the reliability of the SCIP data. Based on testimonial evidence, source documentation, and shipping reports, we determined that the data we obtained from the SCIP were sufficiently reliable for the purposes of this report.

## (U) Prior Coverage

(U) During the last 5 years, the Government Accountability Office (GAO) and the DoD Office of Inspector General (DoD OIG) issued five reports discussing EUM or the Golden Sentry program. Unrestricted GAO reports can be accessed at <http://www.gao.gov>. Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/reports.html/>.

### (U) GAO

(U) Report No. GAO 20-176, “Actions Needed to Assess U.S. Activities and Ensure Timely Inspections of Equipment Transferred to Lebanon,” December 2019

(U) The GAO was asked to review U.S. security assistance provided to Lebanon. The U.S. support includes equipment and training to build the capacity of Lebanese security forces. The GAO found that the Department of State and the DoD report improvements in Lebanese security forces’ capabilities in key areas, such as border security. As part of monitoring such improvements and assessing the performance of security activities in Lebanon, the Department of State created related indicators but has not established targets for all of these indicators. Furthermore, the Department of State’s data were incomplete for 11 of the 15 indicators that the GAO analyzed. Without addressing

(U) these gaps, the Department of State has limited ability to determine to what extent it is achieving the intended results of its security-related activities in Lebanon. Additionally, the GAO found that the DoD did not meet its timeliness standards for observations and that without conducting checks in a timely manner, the DoD cannot fully ensure the equipment is properly accounted for and safeguarded.

(U) Report No. GAO-17-433, "DoD Needs to Improve Visibility and Accountability Over Equipment Provided to Iraq's Security Forces," May 2017

(U) The GAO was asked to review the DoD's ability to account for Iraq Train and Equip Fund-funded equipment intended for Iraq's security forces. The GAO found that the DoD maintains limited visibility and accountability over equipment funded by the Iraq Train and Equip Fund. Specifically, the DoD is not ensuring SCIP is consistently capturing key transportation dates of Iraq Train and Equip Fund-funded equipment. In addition, the DoD cannot fully account for Iraq Train and Equip Fund-funded equipment transfers because of missing or incomplete transfer documentation. Without timely and accurate transit information, the DoD cannot ensure that the equipment has reached its intended destination, nor can program managers conduct effective oversight of Iraq Train and Equip Fund-funded equipment.

(U) Report No. GAO 16-435, "U.S. Government Should Strengthen End-Use Monitoring and Human Rights Vetting for Egypt," April 2016

(U) The GAO was asked to review various aspects of security-related assistance to Egypt. The GAO found that the DoD and the Department of State implemented EUM for equipment transferred to Egyptian security forces, but challenges, including obtaining Egyptian government cooperation, hindered some efforts. The DoD completed all required EUM inventories and physical security inspections of storage sites for missiles and NVDs in FY 2015, but the DoD lacked documentation showing that it completed physical security inspections for these sensitive items in prior years. Despite this lack of cooperation, since 2008, the Department of State has not used outreach programs in Egypt that are intended to facilitate host country cooperation and compliance with the Department of State's monitoring program.

**(U) DoD OIG**

(U) Report No. DODIG-2020-121, "Evaluation of Department of Defense Enhanced End-Use-Monitoring for Equipment Transferred to the Government of Ukraine," August 27, 2020

(U) The DoD OIG determined that DoD officials generally complied with enhanced EUM requirements for Javelin missiles and their associated Command Launch Units. Specifically, the DoD did not fully comply with enhanced EUM requirements for NVDs until 2018. Additionally, information in the DoD's SCIP database about the quantity, location, and condition of NVDs was not accurate. The DoD OIG also found that Ukraine's storage facilities for Javelin anti-armor missiles and their associated Command Launch Units met physical security requirements set forth in LOAs.

(U) Report No. DODIG-2017-056, "U.S. European Command Needs to Improve Oversight of the Golden Sentry Program," February 17, 2017

(U) The DoD OIG determined that U.S. European Command was not effectively conducting the Golden Sentry program. Specifically, the SCO Golden Sentry Program Managers did not correctly perform oversight duties when conducting enhanced EUM for defense articles.

## (U) Appendix B

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### (U) Defense Articles Designated for Enhanced End-Use Monitoring

(U) Defense articles are designated for enhanced EUM by the Military Departments' export policy, the interagency release process, or by DoD policy. The SAMM (DoD policy) designated the following defense articles for enhanced EUM.

- (U) Advanced Medium Range Air-to-Air Missiles and Air Intercept Missiles-9X
- (U) Advanced Threat Infrared Countermeasures System
- (U) Communication Security Equipment
- (U) Harpoon Block II Missiles
- (U) Javelin Missiles and Command Launch Units
- (U) Joint Air-to-Surface Standoff Missiles
- (U) Joint Standoff Weapons
- (U) Large Aircraft Infrared Countermeasures
- (U) Lethal Miniature Aerial Missile System Switchblade
- (U) Night Vision Devices
- (U) Standard Missiles-3
- (U) Standard Missiles-6
- (U) Standoff Land Attack Missiles Expanded Response
- (U) Stinger Missiles and Gripstocks
- (U) Terminal High Altitude Area Defense
- (U) Tomahawk Missiles
- (U) Tube-Launched, Optically-Tracked, Wire-Guided Missiles
- (U) Unmanned Aerial Systems

## (U) Appendix C

### (U) Congressional Notification and LOA Purpose, Type, and Cost Comparison

~~(CUI)~~ Table 5. Congressional Notification and LOA Purpose, Type, and Cost Comparison

<del>(CUI)</del> USAFRICOM Partner Nation	BPC Case	10 U.S.C. § 333 Category	No. of Days CN* Submitted Before LOA Implementation	LOA Equipment Amount	CN Equipment Amount	Equipment Type on the LOA Matched the CN
USAFRICOM Partner Nation 1	1. [REDACTED]	Counterterrorism Operations	133	\$1,988,447	\$6,755,000	Yes
	2. [REDACTED]	Counterterrorism and Border Security Operations	148	2,759,139	7,490,000	Yes
USAFRICOM Partner Nation 2	3. [REDACTED]	Counterterrorism and Border Security Operations	134	1,087,126	12,395,000	Yes
	4. [REDACTED]	Counterterrorism Operations	134	503,673	15,000,000	Yes
USAFRICOM Partner Nation 3	5. [REDACTED]	Counterterrorism Operations	92	2,200,529	6,525,000	Yes
USAFRICOM Partner Nation 4	6. [REDACTED]	Counterterrorism Operations	74	2,969,654	11,910,000	Yes
USAFRICOM Partner Nation 5	7. [REDACTED]	Counterterrorism Operations	148	569,359	6,050,000	Yes
USAFRICOM Partner Nation 6	8. [REDACTED]	Counterterrorism Operations	123	531,783	7,535,000	Yes
	9. [REDACTED]	Counterterrorism Operations	150	3,257,107	4,640,000	Yes
	10. [REDACTED]	Counterterrorism Operations	126	327,187	1,775,000	Yes
	11. [REDACTED]	Counterterrorism and Border Security	124	811,255	7,240,000	Yes
	12. [REDACTED]	Counterterrorism Operations	121	733,250	4,665,000	Yes
USAFRICOM Partner Nation 7	13. [REDACTED]	Counterterrorism Operations	134	6,960,423	12,405,000	Yes
	14. [REDACTED]	Counterterrorism Operations	75	247,517	20,920,000	Yes <del>(CUI)</del>

\* (U) Congressional Notification

(U) Source: The DoD OIG.

# (U) Appendix D

## (U) Review of Transfer and Receipt Documents in the SCIP

(U) Table 6. Review of Transfer and Receipt Documents in the SCIP

(CUI)  USAFRICOM Partner Nation	Transfer and Receipt Document					
	BPC Case	Quantity of LOA Equipment Received	Quantity of Equipment With Transfer and Receipt Records in the SCIP	Quantity of Equipment Without Transfer and Receipt Records in the SCIP but SCO Provided	Quantity of Equipment Without Transfer and Receipt Records Inside or Outside of the SCIP	Percentage of Equipment Where Transfer and Receipt Records Did Not Exist Inside or Outside of the SCIP
USAFRICOM Partner Nation 1	1. [REDACTED]	284	0	258	26	9
	2. [REDACTED]	33	0	33	0	0
USAFRICOM Partner Nation 2	3. [REDACTED]	764	0	0	764	100
	4. [REDACTED]	29	0	29	0	0
USAFRICOM Partner Nation 3	5. [REDACTED]	612	0	471	141	23
USAFRICOM Partner Nation 4	6. [REDACTED]	489	0	489	0	0
USAFRICOM Partner Nation 6	7. [REDACTED]	50	0	0	50	100
	8. [REDACTED]	429	0	0	429	100
	9. [REDACTED]	214	0	0	214	100
	10. [REDACTED]	53	0	0	53	100
	11. [REDACTED]	871	0	0	871	100
	12. [REDACTED]	102,076	0	0	102,076	100
	<b>Totals</b>	<b>105,904</b>	<b>0</b>	<b>1,280</b>	<b>104,624</b>	<b>(CUI)</b>

(U) Source: The DoD OIG.

# (U) Management Comments

## (U) U.S. Africa Command, Strategy, Engagement and Programs (J-5), Security Cooperation Programs



**HEADQUARTERS  
UNITED STATES AFRICA COMMAND**  
UNIT 29951  
APO AE 09751-9951

ACJ58

10 June 2021

Kelly M. Haller  
Division Chief  
J58, Security Cooperation Programs  
U.S. Africa Command

[Redacted]

Auditor  
DoD Office of the Inspector General  
Readiness and Global Operations

SUBJECT: U.S. Africa Command Response to DoD IG Draft Report Recommendation

[Redacted]

1. U.S. Africa Command agrees with Recommendation 1 of draft report, "Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations."
2. ACJ58 will revise the current AFRICOM Command Instruction (ACI) 2100.01 (dtd 26 March 2018) to reflect current guidance for AFRICOM EUM officials in oversight of equipment transfers and the frequency in which EUM officials should monitor Security Cooperation Officers EUM inputs in Security Cooperation Information Portal. The ACI draft update will be staffed for AO and O6 review and GO/FO approval and disseminated to AFRICOM Security Cooperation Officers for implementation.
3. ACJ58 will complete these actions NLT 18 August 2021.
4. Please let me know if you have any questions.

Sincerely,

[Redacted Signature]

Kelly M. Haller  
Division Chief  
J58, Security Cooperation Programs  
U.S. Africa Command

## (U) Defense Security Cooperation Agency



DEFENSE SECURITY COOPERATION AGENCY  
201 12<sup>TH</sup> STREET SOUTH, SUITE 101  
ARLINGTON, VA 22202-5408

JUN 29 2021

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

SUBJECT: Response to the Department of Defense Office of Inspector General (OIG) Draft Report on the Audit of the DoD's Management of Global Train and Equip Program Resources Provided to U.S. Africa Command Partner Nations (Project No. D2020-D000RJ-0172.000)

Thank you for the opportunity to review and respond to your recommendations provided in the subject report. I concur with recommendations 2.a. and 2.b. I non-concur with recommendations 2.c. and 2.d.

**Recommendation 2.a.**, Update the Security Assistance Management Manual (SAMM) to include explicit language describing the combatant command's responsibility for oversight of the Security Cooperation Officers. Recommendation 2.a. also includes a recommendation to include explicit language describing the frequency by which combatant commands should review the Security Cooperation Officer (SCO)'s transfer documentation of routine and enhanced end-use monitoring documentation in SCIP-EUM database.

**2.a. Response:** Concur. DSCA will update the SAMM Chapter 8 to include explicit language to ensure CCMD oversight of the SCOs, to include confirmation of EUM inventory and physical security inspection documentation in SCIP. DSCA is also developing an automatic SCIP notification, to alert CCMDs of delinquent Routine inventory inspections. The CCMDs are responsible for providing guidance and oversight of SCOs in the planning and execution of security cooperation activities in alignment with DoD policies and priorities. DoD Dir 5132.03, "DoD Policy and Responsibilities Relating to Security Cooperation," December 29, 2016, section 2.14. DSCA also concurs with the portion of the recommendation relating to review of a SCO's transfer documentation. The SAMM Chapter 15 update is currently in coordination at DSCA and specifies the SCO will receive a DD Form 1149 packet that includes a list of EEUM articles' serial numbers, a handover receipt, and a tentative delivery date.

**Recommendation 2.b.**, Add suggested language or intent to the SAMM to include objective criteria for assessing SCO compliance with transfer of routine and enhanced documentation requirements during compliance assessment visits (CAVs) and developing a system to follow-up to ensure identified deficiencies in SCO performance are corrected in a timely manner.

**2.b. Response:** Concur. DSCA will add a SAMM reference regarding purpose and execution guidance to include criteria for assessing SCO compliance with transfer of routine and enhanced documentation requirements during a CAV. Additionally, DSCA has developed and implemented a new SCO Metrics Rating criteria effective FY21 3rd Qtr to document the SCOs compliance with the EUM Program policy and procedures and compliance with transfer of routine and enhanced documentation requirements as part of compliance assessment.

## (U) Defense Security Cooperation Agency (cont'd)

Further, DSCA EUM program managers use a multi-purpose EUM action tracker to document and monitor ongoing CAV corrective actions. The tracker is located in SCIP-EUM repository. Program managers upload discrepancies and recommendations identified during a CAV. Program managers use the tool to track progress and ensure implementation of corrective actions, (EUM Handbook, paragraph 5.7).

Finally, the DSCA CAV report requests COCOM/Partner Nation/SCO provide corrective action plans 90 days after receipt of the CAV report. These plans provide detailed action plans to correct deficiencies identified during the assessment.

**Recommendation 2.c.**, Determine whether it is feasible for U.S. Africa Command Security Cooperation Officers to provide mutual support for enhanced end-use monitoring inventories of deployed equipment. For example, if Partner Nation 1's equipment designated for enhanced end-use monitoring is deployed to Partner Nation 2, the SCOs supporting Partner Nation 2, could perform enhanced EUM on behalf of the SCO for Partner Nation 1. If the Defense Security Cooperation Agency determines that it is feasible for U.S. Africa Command Security Cooperation Officers to support one another in performing enhanced end-use monitoring of deployed equipment, the Defense Security Cooperation Agency should provide guidance to the Director, U.S. Africa Command, J5 - Strategy, Engagement and Programs for implementation across the approximately 49 Offices of Security Cooperation Africa Command partner nations.

**2.c. Response:** Non-concur. CCMDs can direct this action without DSCA guidance. In accordance with SAMM C8.T2., "CCMDs are responsible for developing and promulgating policy, Standard Operating Procedures (SOPs), and/or Compliance plans to support execution of the Golden Sentry program." DSCA may forward this recommendation to the CCMDs or the Joint Staff for action. There is liability and risk associated with providing guidance to a SCO to inspect or inventory defense articles owned by a partner nation to which the SCO is not assigned. DSCA recognizes Partner Nations deploy with EEUM defense articles for extended periods of time. The SAMM Chapter 8.4.1.2 requires "EEUM-designated items not available for inventory during their annual inventory cycle due to deployment, returned to the United States for repair, or other legitimate reason, must be inventoried within 90 days after returning from deployment." Once the EUM-designated items are returned, AFRICOM will work with the SCOs to ensure they are properly inventoried and will adhere to the guidance outlined in the SAMM.

**Recommendation 2.d.**, Determine whether it is feasible for the Security Cooperation Officers to periodically assess the working condition of equipment when conducting routine and enhanced end-use monitoring. If feasible, the Director of the Defense Security Cooperation Agency should update the Security Assistance Management Manual to incorporate criteria, such as a sampling methodology, that requires Security Cooperation Officers to periodically assess the working condition of equipment when conducting routine and enhanced end-use monitoring.

**2.d. Response:** Non-concur. Operational readiness inspections of Partner Nation equipment during EUM checks are not a feasible work task for SCOs. Assessing serviceability means conducting an operational test to determine if the equipment is performing up to system maintenance standards. The partner nation must grant permission and expend resources for these proposed tests. This may require the use of partner nation technical facilities and specialized

## (U) Defense Security Cooperation Agency (cont'd)

personnel not normally available during EUM inspections. Additionally, these serviceability inspections could damage the defense articles resulting in USG liability.

Generally, the USG does not warrant or guarantee any items it sells under an LOA in accordance with Section 6.1 of the Standard Terms and Conditions. Under section 6.2, the USG does agree to repair or replace defective defense articles if the defect pre-dated passage of title. Of course, when a SCO performs an EUM check, title to the defense articles has already passed to the Partner Nation. Title typically passes at the initial point of shipment, such as the manufacturer's loading facility in the U.S. The SCO's check for operative equipment will have no relevance on whether a defect occurred before passage of title.

Section 5.4 of the LOA Standard Terms and Conditions prescribes the Supply Discrepancy Report (SDR) process for partner nations to claim against the U.S. for nonperformance. Under that process, the partner nation has one year after delivery or passage of title to submit an SDR. Thus, identifying performance issue is the responsibility of the partner, not the U.S. If DoD were to insert USG officials for testing of transferred defense articles, we risk expanding the scope of the USG liability as USG officials would have custody and control of defense articles for their test and create an argument from the partner nation that our custody and control caused or contributed to the defect.

I appreciate the thorough and comprehensive work that went into this report. Please direct any questions or comments regarding this response to [REDACTED]



Heidi H. Grant  
Director

## (U) Acronyms and Abbreviations

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- (U) **BPC** Building Partner Capacity
- (U) **DSCA** Defense Security Cooperation Agency
- (U) **EUM** End-Use Monitoring
- (U) **LOA** Letter of Offer and Acceptance
- (U) **NVD** Night Vision Device
- (U) **SAMM** Security Assistance Management Manual
- (U) **SCIP** Security Cooperation Information Portal
- (U) **SCO** Security Cooperation Officer
- (U) **USAFRICOM** U.S. Africa Command



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