

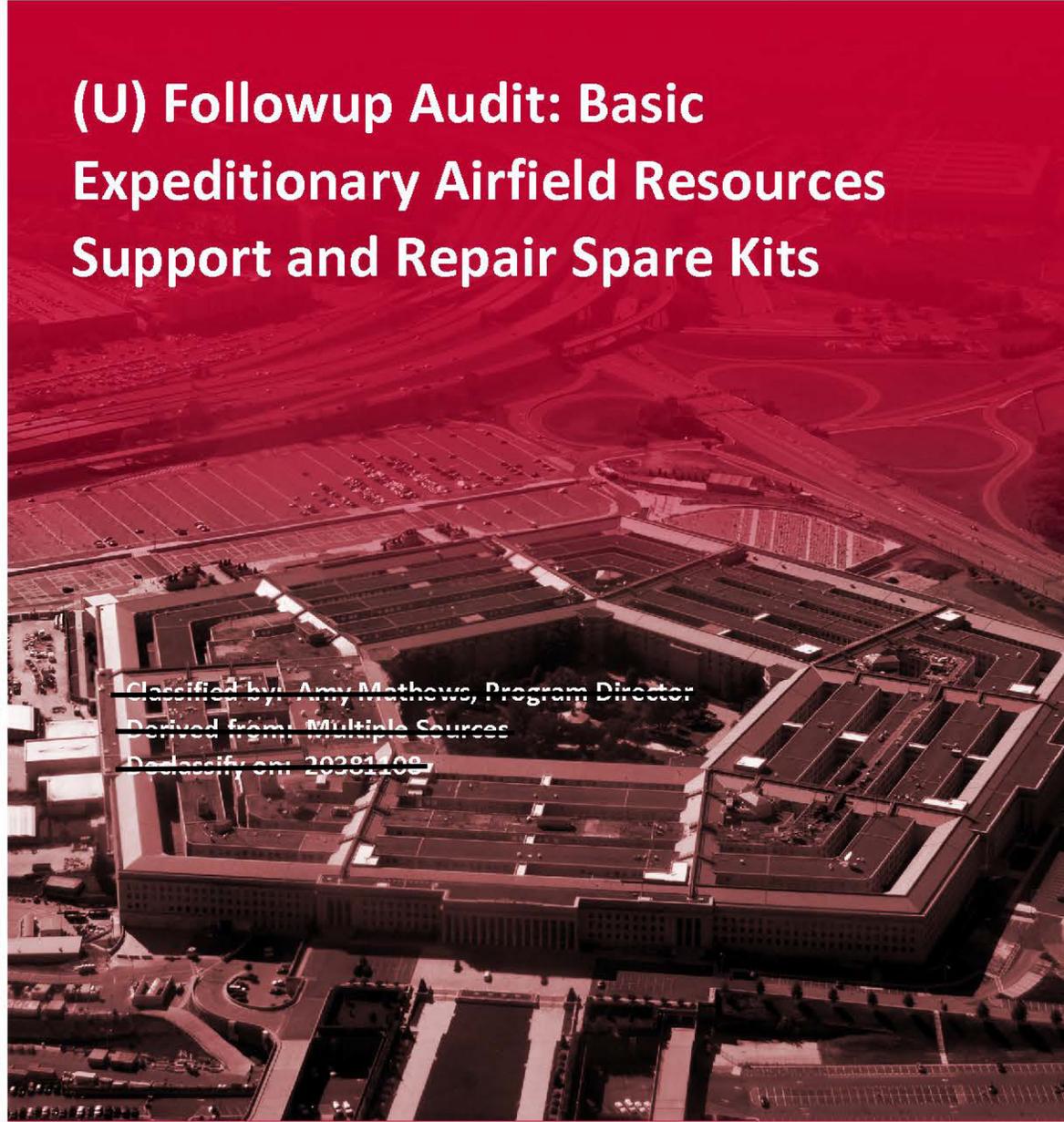
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# INSPECTOR GENERAL

*U.S. Department of Defense*

NOVEMBER 16, 2017



## (U) Followup Audit: Basic Expeditionary Airfield Resources Support and Repair Spare Kits

~~Classified by: Amy Mathews, Program Director  
Derived from: Multiple Sources  
Declassify on: 20281109~~

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# (U) Results in Brief

## *(U) Followup Audit: Basic Expeditionary Airfield Resources Support and Repair Spare Kits*

(U) November 16, 2017

### (U) Objective

(U) We determined whether the Air Combat Command (ACC) and U.S. Pacific Air Forces (PACAF) implemented the recommendations in DODIG-2014-062, "Improvements Needed in the Stocking of Air Force Basic Expeditionary Airfield Resources (BEAR) Support and Repair Spare Kits in Guam," April 17, 2014. In April 2015, the Air Force War Reserve Materiel (WRM) Global Management Office transitioned from the ACC to the Air Force Materiel Command (AFMC). Therefore, we determined whether the AFMC implemented the recommendations in DODIG-2014-062 that were originally directed to the ACC.

### (U) Background

(U) The DoD defines WRM as mission-essential principal, secondary, and end items sufficient to attain and sustain operational objectives in contingency scenarios. The Air Force WRM includes BEAR, which provides vital equipment and supplies necessary to establish and support combat forces at expeditionary sites with limited infrastructure and support facilities. The Air Force bundles BEAR assets into capabilities called Unit Type Code packages that include primary end items, and associated support and repair spare kits.

(S) In DODIG-2014-062, we determined that PACAF effectively stocked [REDACTED] BEAR support and repair spare kits required to meet U.S. Pacific Command (USPACOM) Operation Plan (OPLAN) requirements. However, PACAF/A4:

- (U) could not provide adequate justification for 146 excess kits, valued at about \$4 million, which exceeded current USPACOM OPLAN-required stock levels; and

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

- (S) may have [REDACTED].

(U) Those conditions occurred primarily because PACAF/A4 and the ACC BEAR Global Management Office had not reconciled BEAR authorizations with USPACOM OPLAN requirements since 2008, even though the plans were updated in 2011 and 2013. As a result, we recommended that the Commander, ACC:

- (U) perform and document a reconciliation of the USPACOM OPLAN and strategic plan requirements with authorizations, at least every 2 years or as updated, in coordination with PACAF; and
- (U) conduct and document a cost-benefit analysis for redistributing excess kits identified by PACAF to fulfill BEAR shortages elsewhere at least every 2 years or as needed.

(U) In addition, we recommended that the Commander, PACAF:

- (U) perform and document a validation of BEAR requirements with on-hand inventories, including the 146 excess kits we identified, within 120 days of the date of the report;
- (U) identify and notify the ACC of excess BEAR assets available for redistribution within 120 days of the date of the report and then at least annually; and
- (U) review and analyze the storage locations of BEAR assets to ensure they are in the most efficient location to support USPACOM OPLAN requirements.

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# (U) Results in Brief

## *(U) Followup Audit: Basic Expeditionary Airfield Resources Support and Repair Spare Kits*

### (U) Finding

(U) In 2016, AFMC officials implemented new business rules in the Enterprise Solution-Supply system that conduct a cost-benefit analysis for redistributing excess kits to fulfill BEAR shortages elsewhere and notify the AFMC of excess BEAR assets for redistribution. This system meets the intent of the ACC recommendation related to a cost-benefit analysis for redistribution of assets, and the PACAF recommendation related to identification and notification of excess BEAR assets available for redistribution. Additionally, PACAF provided documentation to support that it had reviewed and analyzed BEAR storage locations to ensure the BEAR kits are in the most efficient location to support USPACOM OPLAN requirements. However, AFMC did not validate USPACOM OPLAN and strategic plan requirements until June 2017 and, as of August 2017, had not validated BEAR authorizations. Without validated requirements and authorizations, the recommended reconciliation of these items could not be completed. The validations were not completed because the AFMC does not have an efficient process in place to validate requirements and conduct a reconciliation.

(U) Also, PACAF did not have documentation to support that it validated BEAR requirements with on-hand kit inventories, including the 146 excess support and repair spare kits we identified in the original report, because PACAF officials reconcile only BEAR end items, not the associated kits.

(U) As a result, PACAF continued to stock kits that did not meet USPACOM OPLAN requirements.

### (U) Management Actions Taken

(U) In October 2016, the WRM Global Management Office issued interim guidance that implements an annual cycle for establishing WRM requirements. The new process requires PACAF to validate requirements by June 1 each year.

### (U) Recommendations

(U) We recommend that the Director, Headquarters Air Force/A4L, update Air Force Instruction 25-101 to include:

- (U) a requirement to conduct annual WRM Requirements Reviews; and
- (U) a process to reconcile BEAR support and repair spare kit on-hand inventories with BEAR requirements.

(U) We also recommend that the Commander, U.S. Pacific Air Forces:

- (U) comply with the WRM Global Management Office's annual cycle for validating requirements;
- (U) ensure that base commanders promptly update their inventories upon receipt of the annually validated requirements;
- (U) coordinate with the WRM Global Management Office to establish a process for performing and documenting kit reconciliations; and
- (U) perform and document a reconciliation of BEAR support and repair spare kit on-hand inventories with BEAR requirements at least annually.

### (U) Management Comments and Our Response

(U) The Director, Headquarters Air Force/A4L, agreed with our recommendations and stated that the draft Air Force Instruction 25-101, "War Reserve Materiel," includes updated WRM requirements processes that include an annual requirement to review BEAR requirements and authorizations and conduct WRM reconciliations with requirements, authorizations, and on-hand inventory. The Director



# (U) Results in Brief

## *(U) Followup Audit: Basic Expeditionary Airfield Resources Support and Repair Spare Kits*

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

(U) stated that the draft guidance is expected to be released in January 2018. Therefore, the recommendations are resolved and will be closed once the updated Air Force Instruction 25-101 has been issued and we verify that an annual WRM requirements review and a process to reconcile BEAR support and repair spare kit on-hand inventories with BEAR requirements was included.

(U) The Commander, U.S. Pacific Air Forces, did not respond to the recommendations in the report. Therefore, the recommendations are unresolved. We request that the Commander provide comments on the final report.

(U) Although not required to comment, the Chief, WRM Global Management Office, stated that he partially agreed with the report's finding but fundamentally disagreed that the AFMC's OPLAN reconciliation process is ineffective and that BEAR equipment and associated kits do not support USPACOM OPLAN requirements. We appreciate the Chief, WRM Global Management Office's comments; however, our report does not state or imply that the BEAR requirements reconciliation process is ineffective; rather, we concluded the process was inefficient because it took over 2 years to complete the Theater Working Group that was started in 2015 by the WRM Global Management Office's predecessor, Air Combat Command.

(U) In addition, although not required to comment, the Command WRM Officer, PACAF, partially agreed with the report's finding, but did not agree that PACAF could not support that it had taken actions to validate BEAR requirements with on-hand kit inventories and our conclusion that stocked BEAR kits did not meet USPACOM OPLAN requirements. The Command WRM Officer stated that the report suggests that PACAF should validate BEAR kits in the same manner it compares on-hand end item inventory with War Plans Additive Requirements Report requirements; however, kit validation is done separately. We appreciate the Command WRM Officer, PACAF's comments; however, our report does not imply the BEAR kit requirements should be validated in the same manner as BEAR end items requirements. We understand the two processes are mutually exclusive; however, as stated in our report, PACAF officials stated that when they reconcile the end items, the kits are also reconciled because the end items determine the requirement for associated support and repair spare kits. The Command WRM Officer, PACAF, agreed in principle with Recommendation 2 and acknowledged the specifics of Recommendation 2.a and 2.b, but did not acknowledge all elements of Recommendations 2.c and 2.d.

(U) Please see the Recommendations Table on the next page.

***(U) Recommendations Table***

<b>(U) Management</b>	<b>Recommendations Unresolved</b>	<b>Recommendations Resolved</b>	<b>Recommendations Closed</b>
Director, Headquarters Air Force/A4L	None	1.a, 1.b	None
Commander, U.S. Pacific Air Forces	2.a, 2.b, 2.c, 2.d	None	None (U)

(U) Please provide Management Comments by December 15, 2017.

(U) The following categories are used to describe an 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** – The DoD OIG verified that the agreed-upon corrective actions were implemented.



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

(U) November 16, 2017

(U) MEMORANDUM FOR DIRECTOR, HEADQUARTERS AIR FORCE/A4L  
COMMANDER, AIR FORCE MATERIEL COMMAND  
COMMANDER, PACIFIC AIR FORCES

(U) SUBJECT: Followup Audit: Basic Expeditionary Airfield Resources Support and  
Repair Spare Kits (Report No. DODIG-2018-029)

(U) We are providing this report for review and comment. We identified that Air Force Materiel Command officials did not validate U.S. Pacific Command Operation Plan and strategic plan requirements until June 2017 and, as of August 2017, had not validated authorizations. Without validated requirements and authorizations, the recommended reconciliation of these items could not be completed. Also, U.S. Pacific Air Forces did not have documentation to support that it validated Basic Expeditionary Airfield Resources requirements with on-hand kit inventories, including the 146 excess support and repair spare kits we identified in the original report. As a result, U.S. Pacific Air Forces continued to stock Basic Expeditionary Airfield Resources support and repair spare kits that did not meet requirements. We conducted this audit in accordance with generally accepted government auditing standards.

(U) We considered management comments on a draft of this report when preparing the final report. DoD Instruction 7650.03 requires that recommendations be resolved promptly. Comments from the Director, Headquarters Air Force/A4L, addressed the specifics of Recommendations 1.a and 1.b and conformed to the requirements of DoD Instruction 7650.03; therefore, we do not require additional comments. The Commander, U.S. Pacific Air Forces, did not provide comments to the draft report; therefore, we request the Commander, U.S. Pacific Air Forces, provide comments on Recommendations 2.a, 2.b, 2.c, and 2.d by December 15, 2017.

(U) Please send a PDF file containing your comments to [audrco@dodig.mil](mailto:audrco@dodig.mil). Copies of your comments must have the actual signature of the authorizing official for your organization. We cannot accept the /Signed/ symbol in place of the actual signature. If you arrange to send classified comments electronically, you must send them over the SECRET Internet Protocol Router Network (SIPRNET).

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(U) We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 699-7331 (DSN 499-7331).

A handwritten signature in dark ink, reading "Carol N. Gorman". The signature is written in a cursive style with a long horizontal flourish at the end.

Carol N. Gorman  
Assistant Inspector General  
Readiness and Cyber Operations

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## (U) Introduction

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### (U) Objective

(U) We determined whether the Air Combat Command (ACC) and U.S. Pacific Air Forces (PACAF) implemented the recommendations in DODIG-2014-062, “Improvements Needed in the Stocking of Air Force Basic Expeditionary Airfield Resources Support and Repair Spare Kits in Guam,” April 17, 2014. In April 2015, the Air Force War Reserve Materiel (WRM) Global Management Office (GMO) transitioned from the ACC to the Air Force Materiel Command (AFMC). Therefore, we determined whether the AFMC implemented the recommendations in DODIG-2014-062 that were originally directed to the ACC.

### (U) Background

(S) The DoD defines WRM as mission-essential principal, secondary, and end items sufficient to attain and sustain operational objectives in contingency scenarios authorized in the Secretary of Defense, “Guidance for Development of the Force,” and “Joint Strategic Capabilities Plan.” In the Pacific theater, the primary contingency scenarios are documented in U.S. Pacific Command (USPACOM) Operation Plans (OPLANs) [REDACTED] and [REDACTED]. The OPLANs are written descriptions of the combatant commander’s concept of operations to counter a perceived threat. OPLANs include annexes, appendixes, and a supporting time-phased force deployment data (TPFDD) document. The TPFDD details what assets are required, where the assets will be used, and how quickly the Services need to transport the assets to the location of intended use, among other information. The Air Force WRM program consists of an enterprise-managed global strategy, which includes the equipment, vehicles, and consumables required to support operations across a full range of Air Force operations. According to PACAF officials, WRM requirements may also include additional “Set the Theater” requirements that support the alignment of Air Force processes with global resource manager processes to ensure the most efficient use of constrained combat support capabilities.

(U) Air Force WRM includes Basic Expeditionary Airfield Resources (BEAR), which provide vital equipment and supplies necessary to establish and support combat forces at expeditionary sites—with limited infrastructure and support facilities—providing global basing capability. BEAR assets include:

- (U) shelters for personnel and aircraft;
- (U) food service facilities and equipment;
- (U) hygiene facilities;

- (U) power and water production and distribution equipment;
- (U) heating, air conditioning, and refrigeration equipment;
- (U) runway lighting;
- (U) civil engineering equipment; and
- (U) associated support and repair spare kits.

(U) When combined, these systems and equipment create the infrastructure needed to establish an air base in a deployed environment.

(U) The Air Force bundles BEAR assets into capabilities called Unit Type Code (UTC) “sets” or “packages” to provide agile combat support. UTC packages include primary end items, support kits, and repair spare kits. For example, two kitchen UTCs include 84 end items, two support kits with 1,156 items, and one repair spare kit with 48 items. The contents and quantity of support and repair spare kits vary between UTC packages. For example, a kitchen support kit includes 578 items, such as a coffee maker and silverware, and a shower/shave support kit includes 641 items, such as vanity lamps and mops for cleaning. See Figure 1 for an example of a complete BEAR shower/shave UTC.

*(U) Figure 1. BEAR Shower/Shave UTC*



(U) Source: Air Force Handbook 10-222, volume 2, February 6, 2012.

## ***(U) Roles and Responsibilities***

(U) Air Force Instruction 25-101, “Air Force WRM Policies and Guidance,” January 14, 2015, designates the AFMC as the Global Manager for the Air Force WRM Program. The AFMC assigned the WRM Global Manager duties to the Air Force Sustainment Center. The Air Force Sustainment Center designated the 635th Supply Chain Operations Wing as the GMO and tasked it with centralized WRM Global Management. PACAF/A4 is the Pacific theater WRM Office responsible for identifying Air Force WRM requirements to meet USPACOM operations. The PACAF/A4 Chief WRM Officer identifies and validates WRM authorizations and allocations.

## ***(U) Theater Working Group***

(U) As the Global Manager, the 635th Supply Chain Operations Wing facilitates a Theater Working Group (TWG) to define required WRM capabilities to support strategic and OPLAN requirements. TWG members include representatives from the Air Force Civil Engineer Center, PACAF/A4 (WRM Program), PACAF functional planners, and the WRM GMO, among others, who work together with subject matter experts to review, validate, posture, and plan the movement of WRM assets, including BEAR, globally.<sup>1</sup>

(U) According to WRM GMO officials, the WRM GMO facilitates a face-to-face TWG meeting when an official OPLAN update takes place.<sup>2</sup> The officials stated that, in the absence of an OPLAN update, the WRM GMO facilitates an electronic TWG to determine requirements and the TWG process includes the following.

1. (U) PACAF functional planners update the TPFDDs with requirements to meet OPLAN objectives.
2. (U) WRM GMO officials create the “WRM UTC Requirements Document (WURD)” and “War Plans Additive Requirements Report (WPARR)” based on the updated TPFDD. The WURD provides a UTC-level view of WRM capabilities to meet the global needs of all combatant commanders. The WPARR provides a National Stock Number-level view of WRM end item requirements and serves as the supply system authorization for WRM end items.

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<sup>1</sup> (U) Air Force Instruction 25-101 identifies additional principal members of the TWG, including the BEAR Center of Excellence, 49th Materiel Maintenance Group, Air Combat Command, Air Force/A4LX, Air Force/A4PY, Air Force Sustainment Center/Financial Management, and Air Force Element Logistics Management Vehicle and Equipment Management Support Office.

<sup>2</sup> (U) These official updates are documented in Plan Identification of Records.

3. (U) Once the PACAF Chief WRM Officer approves the WURD, the PACAF/A3 updates systems such as the UTC Availability system.<sup>3</sup>
4. (U) The PACAF Chief WRM Officer validates the WPARR requirements and the WRM GMO ensures that applicable authorization documents are updated.
5. (U) PACAF officials provide the validated WPARR to Air Force base personnel so they can update the coding on their on-hand inventories to designate those that meet WPARR requirements and those that are excess.
6. (U) Once the Air Force base personnel notify PACAF that they have updated their inventory coding, the TWG is complete.

### (U) Summary of DODIG-2014-062, April 17, 2014

(S) In DODIG-2014-062, we determined that PACAF effectively stocked [REDACTED] BEAR support and repair spare kits required to meet USPACOM OPLAN requirements. However, PACAF/A4:

- (U) could not provide adequate justification for 146 excess kits, valued at about \$4 million, which exceeded current USPACOM OPLAN-required stock levels;<sup>4</sup> and
- (S) may have [REDACTED]  
[REDACTED].

(U) Those conditions occurred primarily because PACAF/A4 and the ACC BEAR GMO had not reconciled BEAR authorizations with USPACOM OPLAN requirements since 2008, even though the plans were updated in 2011 and 2013. As a result, the ACC BEAR GMO and PACAF/A4 could have missed redistribution opportunities to fulfill worldwide BEAR shortages and prevent unnecessary new purchases. Additionally, PACAF's mission execution may be affected if assets are not placed in the best location.

### (U) DODIG-2014-062 Recommendations

(U) In DODIG-2014-062, we made five recommendations—two recommendations to the Commander, ACC, and three recommendations to the Commander, PACAF. Specifically, we recommended that the Commander, ACC:

<sup>3</sup> (U) The UTC Availability system is the official Air Force data source for identifying the availability of all Air Force UTCs.

<sup>4</sup> (S) Overall, PACAF [REDACTED]

- (U) perform and document a reconciliation of the USPACOM OPLAN and strategic plan requirements with authorizations, at least every 2 years or as updated, in coordination with PACAF; and
- (U) conduct and document a cost-benefit analysis for redistributing excess kits identified by PACAF to fulfill BEAR shortages elsewhere at least every 2 years or as needed.

(U) In addition, we recommended that the Commander, PACAF:

- (U) perform and document a validation of BEAR requirements with on-hand inventories, including the 146 excess kits we identified, within 120 days of the date of the report;
- (U) identify and notify the ACC of excess BEAR assets available for redistribution within 120 days of the date of the report and then at least annually; and
- (U) review and analyze the storage locations of BEAR assets to ensure they are in the most efficient location to support USPACOM OPLAN requirements.

(U) The Commander, ACC, agreed, stating that the ACC would complete all recommendations no later than November 2014. The Vice Commander, PACAF, responding for the Commander, PACAF, agreed, stating that PACAF would implement all recommendations within 90 days after USPACOM issued a Plan Identification of Record.

## **(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>5</sup> We identified internal control weaknesses in the Air Force's BEAR program. Specifically, the AFMC did not have an efficient process in place to validate BEAR requirements and reconcile authorizations, and PACAF did not have documentation to support that it validated BEAR requirements with on-hand kit inventories. We will provide a copy of the report to the senior official responsible for internal controls in the Department of the Air Force.

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<sup>5</sup> (U) DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

## **(U) Finding**

### **(U) BEAR Recommendations Remain Open**

(U) In 2016, AFMC officials implemented new business rules in the Enterprise Solution-Supply system that conduct a cost-benefit analysis for redistributing excess kits to fulfill BEAR shortages elsewhere and notify the AFMC of excess BEAR assets for redistribution. This system meets the intent of the ACC recommendation related to a cost-benefit analysis for redistribution of assets, and the PACAF recommendation related to identification and notification of excess BEAR assets available for redistribution. Additionally, PACAF provided documentation to support that it had reviewed and analyzed BEAR storage locations to ensure the BEAR kits are in the most efficient location to support USPACOM OPLAN requirements. However, the AFMC did not complete actions to validate USPACOM OPLAN and strategic plan requirements until June 2017 and, as of August 2017, had not validated authorizations. Without validated requirements and authorizations, a reconciliation could not be completed. These validations were not completed because the AFMC did not have an efficient process in place to validate requirements and reconcile BEAR authorizations.

(U) Additionally, PACAF could not support that it had taken actions to validate BEAR requirements with on-hand kit inventories, including the 146 excess kits we identified, because PACAF officials reconcile only BEAR end items, not the associated kits.

(U) As a result, PACAF continued to stock kits that did not meet USPACOM OPLAN requirements.

### **(U) Management Actions Taken to Implement Recommendations**

(U) In 2016, AFMC officials implemented new business rules in the Enterprise Solution-Supply (ES-S) system which has an auto-sourcing feature that conducts a cost-benefit analysis for redistributing excess kits to fulfill BEAR shortages elsewhere and notifies the AFMC of excess BEAR assets for redistribution. According to AFMC officials, the cost-benefit analysis compares shipping costs with the cost or value of the

(U) item being shipped and identifies instances when it is more costly to redistribute items to bases rather than retaining the assets at their current location.

(U) According to the ES-S system manual, the automatic re-sourcing function can be used to periodically check for the availability of assets to satisfy requisitions that remain in a backordered status. The system identifies eligible orders and if any exist, will prioritize the orders and then attempt to locate and release assets. If the system identifies that excess assets are sufficient to satisfy a need, the system will automatically process a transaction to fulfill that need.

(U) Because the ES-S system performs the internal redistribution, the WRM GMO BEAR kit manager is aware of excess available for redistribution. According to the WRM GMO BEAR kit manager, he receives an e-mail notification that items are transferred and reviews those items that the system flagged because it could not process the request. After redistributed assets are received, base personnel notify the PACAF WRM kit manager, who in turn notifies the WRM GMO BEAR kit manager. Therefore, we closed the ACC recommendation related to a cost-benefit analysis for redistribution of assets, and the PACAF recommendation related to identification and notification of excess BEAR assets available for redistribution. However, the ES-S system determines the excess assets based on how Air Force base personnel have coded their inventory, which may not be current if requirements and authorizations are not validated and reconciled in a timely manner, as recommended in the previous report. The next section of this report discusses the importance of this timely reconciliation.

**(U) We closed the ACC recommendation related to a cost-benefit analysis for redistribution of assets, and the PACAF recommendation related to identification and notification of excess BEAR assets available for redistribution.**

(U) Additionally, PACAF provided documentation to support that it had reviewed and analyzed BEAR storage locations to ensure the BEAR kits are in the most efficient location to support USPACOM OPLAN requirements. Specifically, PACAF personnel provided documentation from April 2014 showing their internal review request, the methodology used to conduct the analysis, and the analysis results—including a list of BEAR assets to be relocated. Therefore, we closed the recommendation related to the review and analysis of BEAR assets storage locations. Also, PACAF could not support that it had taken actions to validate BEAR requirements with on-hand kit inventories, as discussed in this report.

**(U) We closed the recommendation related to the review and analysis of BEAR assets storage locations.**

## **(U) AFMC Did Not Complete a Reconciliation of Requirements to Authorizations**

(U) The AFMC did not complete actions to implement the recommendation to perform and document a reconciliation of the USPACOM OPLAN and strategic plan requirements with authorizations, at least every 2 years or as updated, in coordination with PACAF. Specifically, AFMC officials did not validate USPACOM OPLAN and strategic plan requirements until June 2017 and, as of August 2017, had not validated authorizations. Without validated requirements and authorizations, the AFMC cannot reconcile the two to determine whether authorizations are sufficient to meet requirements. According to a WRM GMO official, when the ACC was the BEAR GMO, the ACC implemented the TWG process to validate USPACOM OPLAN requirements and reconcile those requirements with validated authorizations. According to PACAF officials, TWGs should take place annually or as official OPLAN updates are issued.<sup>6</sup> However, the last official TWG process that began in February 2015 did not result in validated requirements until June 2017 and has not yet produced validated authorizations. As a result, as of August 2017, the AFMC had not completed a reconciliation of validated requirements to validated authorizations. According to the PACAF WRM Officer, the reasons for the delay included that the TWG did not analyze several required capabilities, some data fields in the allowance standard system were incorrect and needed to be updated, and the analysis needed to be revised as the TPFDD requirements were restructured.

## **(U) Inefficient Theater Working Group Process**

(U) AFMC officials did not complete a reconciliation of USPACOM OPLAN and strategic plan requirements with authorizations because the AFMC did not have an efficient TWG process in place to validate requirements and reconcile authorizations. According to PACAF officials, the TWG process allows the AFMC to validate TPFDD requirements and reconciles these requirements with authorizations and existing inventories. However, the reconciliations could not take place for over 2 years because the requirements were being revised and revalidated by PACAF. Additionally, the WRM planning process requires information from multiple systems across multiple commands. These systems, for the most part, do not interface with each other, which increases the risk for human

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<sup>6</sup> (U) These official updates are documented in Plan Identification of Records. USPACOM has not issued an updated OPLAN Plan Identification of Record for OPLAN 5077 since the prior report was issued in April 2014, but issued an updated OPLAN Plan Identification of Record for OPLAN 5025 in 2017.

(U) errors. While the TWG provides the opportunity for personnel from different areas within the WRM process to discuss and update data, PACAF officials stated that ensuring the data is correct extends the time needed to produce validated requirements. Additionally, frequently changing requirements result in updates that must be re-analyzed. For example, PACAF provided validated requirements to base personnel in April 2017, but later recalled and provided updates to those requirements in June 2017 to account for additional items needed to meet “Set the Theater” requirements not previously included.

**(U) While the TWG provides the opportunity for personnel from different areas within the WRM process to discuss and update data, PACAF officials stated that ensuring the data is correct extends the time needed to produce validated requirements.**

(U) In October 2016, the WRM GMO issued interim guidance that implements an annual cycle for establishing WRM requirements. The new process requires PACAF to validate requirements by June 1 each year. Only after PACAF validates the requirements, can the WRM GMO validate the authorizations and reconcile them with the PACAF requirements. For 2017, PACAF provided the final validated requirements to base personnel on June 5, and on July 18, PACAF officials confirmed that base personnel had updated their inventories. According to the WRM GMO, the next TWG process is scheduled to begin in October 2017. To ensure this annual process is completed on time, the Director, Headquarters Air Force/A4L, needs to update Air Force Instruction 25-101 to include the interim guidance. Additionally, PACAF needs to comply with the WRM GMO’s annual cycle for validating WRM requirements by June 1, 2018, and ensure that base commanders promptly update their inventories upon receipt of the annually validated requirements.

### **(U) PACAF Could Not Support That It Had Implemented One Recommendation**

(U) PACAF did not have documentation to support that it performed and documented a validation of BEAR kit requirements with on-hand inventories, including the 146 excess kits we identified, because PACAF officials reconciled BEAR end items, not the associated kits. When asked for the BEAR kit validation, PACAF officials provided supporting documentation that reconciled BEAR requirements with on-hand end item inventories—which is only one part of the total UTC package—however, the analysis did not include BEAR support and repair spare kits. Specifically, the PACAF WRM Manager conducted a line-by-line comparison of on-hand end item inventory with the WPARR items, but not the support and repair spare kits.

## (U) PACAF Officials Did Not Reconcile BEAR Kits

(U) According to PACAF officials, when they reconcile the end items, the kits are also reconciled because the end items determine the requirement for associated support and repair spare kits. However, BEAR kit requirements are not included in PACAF's reconciliation process with the WPARR. For example, the WPARR lists 11 end items included in one shower/shave UTC, but it does not include the 641 items in the shower/shave support kit or the 25 items in the shower/shave repair spare kit, nor does it list how many support and repair spare kits are needed for each Shower/Shave UTC. Without reconciling the associated kits, PACAF could have a shower/shave UTC on the ground that is unusable or unsanitary because it has no lighting or mops for cleaning.

(S) Additionally, the WRM GMO reconciles BEAR requirements with on-hand inventory; however, it does not use the TPFDD, which details the requirements needed to execute each USPACOM OPLAN. Instead, the WRM GMO uses the WURD, which is not referenced in Air Force guidance.<sup>7</sup> The WURD provides a UTC-level view of WRM capabilities to meet the global needs of all combatant commanders.<sup>8</sup> Once the PACAF Chief WRM Officer validates the WURD, the WRM GMO uses that document to update BEAR kit authorizations in the Consumable Reserves Spare Packages (RSP) Utilization Management System (CRUMS) and performs a reconciliation between BEAR kit authorizations and on-hand inventory in the ES-S system. The WRM GMO researches any flagged items that result from this reconciliation. Although the WRM GMO has a process in place to reconcile requirements with on-hand inventory, the process has not resulted in the correct allocations of resources. For example, the WURD states that [REDACTED] power UTCs are needed to meet OPLAN [REDACTED] requirements, which should result in PACAF stocking [REDACTED] power support kits and [REDACTED] power repair spare kits. However, PACAF stocked [REDACTED] power support kits as on-hand inventory and coded another [REDACTED] power support kits as excess and stocked [REDACTED] repair spare kits and coded another [REDACTED] repair spare kits as excess. In this example, [REDACTED].

**(U) Although the WRM GMO has a process in place to reconcile requirements with on-hand inventory, the process has not resulted in the correct allocations of resources.**

<sup>7</sup> (U) The draft Air Force Instruction 25-101 requires command WRM officers to use the WRM UTC Requirements Document to identify their requirements.

<sup>8</sup> (U) According to PACAF officials, UTC packages include primary end items, support kits, and repair spare kits.

(U) While the WRM GMO and PACAF each have processes to perform reconciliations of BEAR assets, neither reconciliation adequately compares validated BEAR kit requirements with on-hand inventories. PACAF should coordinate with the WRM GMO to establish a process for performing and documenting BEAR kit reconciliations. In addition, PACAF needs to perform and document a reconciliation of BEAR support and repair spare kit on-hand inventories with BEAR requirements at least annually. Also, once the WRM GMO and PACAF establish a process for reconciling on-hand kit inventories with BEAR requirements, the Headquarters Air Force/A4 should update Air Force Instruction 25-101 to include the new process.

### **(U) Inefficient BEAR Kit Stocks Compromise Mission Execution**

(S) In our prior report, we identified inefficiencies with the BEAR reconciliation processes and PACAF's BEAR assets prepositioning. Because AFMC and PACAF officials did not implement the recommendations to perform and document a reconciliation of the USPACOM OPLAN and strategic plan requirements with authorizations and perform and document a validation of BEAR kit requirements with on-hand inventories, PACAF continued to stock kits that did not meet USPACOM OPLAN requirements. While PACAF and the AFMC have implemented processes to address some of the inefficiencies, the continued delay in the validation of requirements and authorizations and the lack of reconciliation between BEAR requirements and on-hand kit inventory leaves the warfighters at risk that their needs will not be met during mission execution. For example, the validated WURD requires [REDACTED] support and repair spare kits for the water distribution UTC, but the TPFDD requires [REDACTED] support and repair spare kits. Without knowing which requirement is correct, [REDACTED]

## **(U) Unsolicited Management Comments on the Finding and Our Response**

### *(U) War Reserve Materiel Global Management Office Comments*

(U) Although not required to comment, the Chief, WRM GMO, stated that he partially agreed with the report's finding but fundamentally disagreed that the AFMC's OPLAN reconciliation process is ineffective and that BEAR equipment [in the report we refer to equipment as an end item] and associated kits do not support USPACOM OPLAN requirements. The Chief, WRM GMO, stated that the report verbiage indicates a lack of understanding of the end-to-end OPLAN reconciliation process and delegation of roles and responsibilities, which is evidenced by the inclusion of the BEAR equipment requirements to BEAR kit requirement reconciliation processes in the report. He stated that the WRM GMO facilitates face-to-face TWGs where Major Commands have the ability to influence the range and depth of BEAR in theater to support OPLAN requirements. The Chief, WRM GMO, stated that the TWG results in a WURD that lists the required UTCs and number of occurrences of the UTC in the theater to support the theater OPLANS. He stated that TWGs are conducted at the UTC level, not the BEAR equipment level, as reflected in the report. He stated that in turn, the posturing of the UTCs drive where and how many associated kits are loaded.

(U) Furthermore, the Chief, WRM GMO, stated that since our 2014 report, a TWG was conducted, and as required, the TWG produced a list of UTC's to support USPACOM OPLAN requirements. He stated that the UTCs were further dissected and postured, then pushed back to PACAF in the form of the War Plans Additive Requirements document.<sup>9</sup> He stated that the WRM GMO agreed that PACAF storage locations delayed the updating of records, but not that the process itself was ineffective. The Chief, WRM GMO, stated that the output of the TWG/WURD was used to update the allowance standards preface, which is used to control the TWG authorizations and associated equipment in theater. He stated that the allowance standard preface and War Plans Additive Requirements document are used to determine the number of associated kits authorized per location. The WRM GMO then updates associated kit contents and authorizations information in CRUMS and, using a reconciliation tool in the ES-S, centrally performs the reconciliations at the kit and national stock number level for all BEAR storage locations.

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<sup>9</sup> (U) According to WRM GMO officials, the War Plans Additive Requirements document is derived from the WURD and is used to update the Air Force Equipment Management System (WRM UTC and equipment authorizations). They stated that this is different from the WPARR document, which is the final requirements report PACAF pulls from the Air Force Equipment Management System and pushed to the base personnel.

(U) Moreover, the Chief, WRM GMO, stated that our report indicated a misalignment of a number of kits for a UTC, but the ES-S reconciliation tool would not reflect “green” for a kit until the components and number of occurrences match CRUMS data. He concluded that the WRM GMO does not agree that the WRM GMO process for reconciliation is ineffective and stated that the WRM GMO has implemented concrete processes to align UTCs, equipment, and associated kits in theater to support OPLANs. For the full text of the Chief’s comments, see the Management Comments section.

*(U) Our Response*

(U) We appreciate the WRM GMO’s comments; however, our report does not state or imply that the BEAR requirements reconciliation process is ineffective, rather, we conclude that the process was inefficient. WRM GMO officials stated that the TWG process is not completed until PACAF sends the WPARR to base personnel and base personnel update their stocked inventory to match validated BEAR requirements. We identified that the TWG process was not completed until 2017 but acknowledged that the WRM GMO had issued interim guidance in October 2016 that established a more efficient, yearly TWG cycle. If we had determined the TWG process was ineffective, we would have included a recommendation to the WRM GMO to establish a process to replace the TWG instead of requesting PACAF to follow the WRM GMO’s interim guidance from October 2016.

(U) Additionally, our audit objective required us to review PACAF reconciliation processes to determine whether PACAF reconciled BEAR requirements with on-hand kit inventory. PACAF officials provided information about the reconciliation process they perform, which does not include kits. As stated in our report, PACAF officials stated that when they reconcile end items, the associated kits are also reconciled. However, PACAF’s BEAR requirements reconciliation process does not include the associated BEAR support and repair spare kits.

(U) Furthermore, in DODIG-2014-062, we recommended that PACAF perform and document a reconciliation of BEAR requirements with on-hand inventories, including the 146 excess kits we identified. WRM GMO officials stated that they implemented the ES-S system for reconciling stocked kits with authorizations and the Chief WRM Officer, PACAF, stated that PACAF implemented procedures within its daily activities. Therefore, we reviewed the BEAR requirements documents and compared those requirements with the on-hand inventory to determine whether the ES-S reconciliation or the PACAF activities resulted in kit stock levels that support OPLAN requirements. Based on our analysis, we identified inconsistencies between BEAR requirements and stocking of associated support and repair spare kits.

(U) We disagree that the report shows a lack of understanding of the OPLAN reconciliation process and the delegation of roles and responsibilities. In this report, we summarized the BEAR UTC requirements determination process within the WRM requirements program and the main steps completed to convert BEAR UTC requirements into the requirement for associated support and repair spare kits inventory. This summary was based directly on information provided by WRM GMO officials and was discussed before the draft report was issued.

(U) In conclusion, we agree there have been improvements made to the management of BEAR requirements, as we closed three of the five DODIG-2014-062 recommendations; however, processes to reconcile OPLAN UTC requirements with validated authorizations, and BEAR UTC requirements with on-hand inventories need improvement, as incorporated in our Recommendations 2.c and 2.d, to which the Command WRM Officer, PACAF, partially agreed. See Unsolicited Management Comments on the Recommendations and Our Response in the next section.

*(U) U.S. Pacific Air Forces Comments*

(U) Although not required to comment, the Command WRM Officer, Headquarters, PACAF, partially agreed with the report's finding, but did not agree that PACAF could not support that it had taken actions to validate BEAR requirements with on-hand kit inventories and our conclusion that stocked BEAR kits did not meet USPACOM OPLAN requirements. The Command WRM Officer stated that the report suggests that PACAF should validate BEAR kits in the same manner it compares on-hand end item inventory with WPARR requirements; however, kit validation is done separately. Specifically, the Command WRM officer stated that the line-by-line comparison conducted using the WPARR and the equipment supply detail is to ensure that authorizations are loaded correctly at the unit level and identified detail record variances are corrected by the base equipment custodians. Conversely, the Command WRM Officer stated that BEAR kit requirements are based on the TWG/WURD update to the allowance standard (which captures UTC authorizations) for a particular UTC and associated equipment. He stated that CRUMS is then updated with associated kit contents and authorization information. The Command WRM Officer also stated that the validation of BEAR kit requirements is a centralized function performed by the WRM GMO. He stated that in October 2017, the WRM GMO will reconcile BEAR kits using the ES-S and CRUMS data, which produces an RSP Dashboard.<sup>10</sup> He stated that the WRM GMO will notify PACAF of

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<sup>10</sup> (U) According to WRM GMO officials, the RSP Dashboard is a report produced from ES-S that is used to complete and record BEAR kit reconciliations.

(U) mismatches within BEAR kit contents and PACAF will manage the mismatches with the base level supply personnel until kit components and number of occurrences match the CRUMS data. The Command WRM Officer stated that his office has worked with the WRM GMO to reconcile BEAR kit requirements in 2015, 2016, and 2017.

(U) Furthermore, the Command WRM Officer agreed that PACAF reissuing requirements highly contributed to the 2-month delay in completing the annual cycle for establishing WRM requirements, but stated that it should not cause the process to be considered inefficient. He stated that PACAF WRM managers have frequently asserted that changes to planning factors extends the time needed to validate requirements through the WPARR and WURD process. The Command WRM Officer concluded that ensuring theater requirements are correct is arduous in nature, and it should not be interpreted to mean that its process is inefficient. For the full text of the Command WRM Officer's comments, see the Management Comments section.

#### *(U) Our Response*

(U) We appreciate the Command WRM Officer's comments. Our report did not imply the BEAR kit requirements should be validated in the same manner as BEAR end item requirements. We understand that the two processes are mutually exclusive; however, as stated in our report, PACAF officials stated that when they reconcile the end items, the kits are also reconciled because the end items determine the requirement for associated support and repair spare kits. Additionally, we include PACAF's end item reconciliation process because our prior recommendation was directed to PACAF, and we wanted to fairly present what processes PACAF performs for reconciling BEAR end item requirements, which is only one aspect of the BEAR UTC "package," and to show that their process does not include the BEAR support and repair spare kits portion of the UTC "package."

(U) Furthermore, in DODIG-2014-062, we recommended that the ACC, as the BEAR GMO, perform and document a reconciliation of requirements with authorizations, at least every 2 years, or as requirements are updated. PACAF's 2-month delay that resulted from reissued requirements was not the basis for reporting that the TWG process was inefficient. We determined that the TWG process was inefficient because it took over 2 years to complete. Specifically, according to WRM GMO officials, a complete TWG reconciles TPFDD requirements with authorizations. WRM GMO officials stated that the TWG that began in February 2015 was not complete until the WPARR was pushed to base personnel and base personnel updated the coding of their inventory

(U) [distinguishing between those UTCs that meet requirements and those that are excess] in the ES-S, which occurred in July 2017. Therefore, while PACAF officials stated they validated requirements multiple times since our 2014 report, as of August 2017, the authorization document used to support BEAR requirements has not been validated since 2015.

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

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

**(U) We recommend that the Director, Headquarters Air Force/A4L, update Air Force Instruction 25-101 to include:**

- a. **(U) The War Reserve Materiel Global Management Office's requirement to conduct annual War Reserve Materiel Unit Type Code Requirements Document and War Plans Additive Requirements review.**

#### *(U) Headquarters Air Force/A4L Comments*

(U) The Director, Headquarters Air Force/A4L, agreed, stating that a revised compliance section was added to the Air Force Instruction 25-101 that requires the WRM GMO to conduct annual WRM equipment reviews to identify BEAR requirements and authorizations. He stated that the projected publication date for the updated Air Force Instruction 25-101 is January 15, 2018.

#### *(U) Our Response*

(U) Comments from the Director addressed all specifics of the recommendation; therefore the recommendation is resolved. We will close the recommendation once we verify that the updated policy includes an annual requirement for reviewing all BEAR requirements, including the WURD and WPARR.

- b. **(U) A process that this report recommends to reconcile Basic Expeditionary Airfield Resources support and repair spare kit on-hand inventories with Basic Expeditionary Airfield Resources requirements.**

#### *(U) Headquarters Air Force/A4L Comments*

(U) The Director, Headquarters Air Force/A4L, agreed, stating that a comprehensive "determination process" requiring annual completion was added to the updated Air Force Instruction 25-101, and it describes the WRM requirements, authorization, and inventory reconciliation processes. He stated that the projected publication date for the updated Air Force Instruction 25-101 is January 15, 2018.

*(U) Our Response*

(U) Comments from the Director addressed all specifics of the recommendation; therefore, the recommendation is resolved. We will close the recommendation once we verify that the updated policy includes a process for reconciling BEAR support and repair spare kits on-hand inventories with authorizations and requirements.

**(U) Recommendation 2**

**(U) We recommend that the Commander, U.S. Pacific Air Forces:**

- a. **(U) Comply with the War Reserve Materiel Global Management Office's annual cycle for validating requirements by June 1, 2018.**
- b. **(U) Ensure that base commanders promptly update their inventories upon receipt of the annually validated requirements.**
- c. **(U) Coordinate with the War Reserve Materiel Global Management Office to establish a process for performing and documenting kit reconciliations.**
- d. **(U) Perform and document a reconciliation of Basic Expeditionary Airfield Resources support and repair spare kit on-hand inventories with Basic Expeditionary Airfield Resources requirements at least annually.**

*(U) Management Comments Required*

(U) The Commander, PACAF, did not respond to the draft report; therefore, the recommendations are unresolved. We request the Commander, PACAF, provide comments on the final report by December 15, 2017. We will close the recommendations once we verify that the information provided and actions the Commander takes fully address the recommendations.

**(U) Unsolicited Management Comments to the Recommendations and Our Response**

*(U) U.S. Pacific Air Forces Comments*

(U) Although not required to comment, the Command WRM Officer, PACAF, agreed in principle with Recommendation 2, stating that PACAF will comply with the WRM GMO's annual cycle for validating requirements, with an estimated completion date of June 2018 (Recommendation 2.a); and ensure base personnel update their inventories in a timely manner by establishing suspense dates when PACAF notifies them of

(U) requirement changes (Recommendation 2.b). He suggested combining Recommendations 2.c and 2.d into one because a process has already been established and practiced in 2015, 2016, and 2017. The Command WRM Officer provided an estimated completion time of December 2017 for both Recommendations 2.c and 2.d.

*(U) Our Response*

(U) We appreciate the comments received from the Command WRM Officer, PACAF, on his agreement in principle to Recommendation 2; however, for Recommendations 2.c and 2.d, he stated that the reconciliation process was already established and practiced in 2015, 2016, and 2017. In our report, we acknowledge the WRM GMO's process for performing kit reconciliations, and we understand their reconciliations are captured in the RSP Dashboard; however, the process is not documented and still results in inconsistencies between requirements and stocked inventories. Specifically, the reconciliation compares on-hand inventory with authorizations based on the WURD requirements, instead of TPFDD requirements. Although the proposed update to Air Force Instruction 25-101, "War Reserve Materiel," will recognize the WURD as a requirements document to facilitate OPLAN TPFDD updates, that link was not previously documented. Additionally, while the RSP Dashboard showed a "green" status for all kits, our analysis showed instances where the on-hand inventory did not match the requirements in either the TPFDD or the WURD.

## **(U) Appendix**

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### **(U) Scope and Methodology**

(U) We conducted this performance audit from March 2017 through September 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

(U) We reviewed our prior report, "Improvements Needed in the Stocking of Air Force BEAR Support and Repair Spare Kits in Guam," April 17, 2014, and met with DoD OIG Audit and Report Followup division personnel to identify the status of followup actions taken since the final report was issued. We reviewed BEAR support and repair spare kit requirements, authorizations, and on-hand inventory records for Andersen Air Force Base, Guam, and relevant Federal, DoD, and Air Force WRM guidance. We also reviewed draft Air Force BEAR guidance.

(U) We met with PACAF and AFMC WRM GMO officials to discuss their roles and responsibilities, and internal controls processes related to the BEAR program. We also conducted a site visit to the 635th Supply Chain Operations Wing at Scott Air Force Base, Illinois, to obtain supporting documentation and to identify current BEAR requirements, authorizations, and on-hand inventory management processes. Specifically, we reviewed the following documents.

- (U) USPACOM OPLAN TPFDD
- (U) WURD
- (U) WPARR
- (U) R-34 report
- (U) CRUMS data (support and repair spare kit contents and authorizations)
- (U) Non-Airborne Readiness Spare Packages Authorization, Document, Volume II
- (U) Allowance Standard 159
- (U) Andersen Air Force Base BEAR Readiness Spare Packages Reconciliation Dashboard

(U) To determine requirements, we interviewed WRM GMO and PACAF/A4 officials to identify processes in place for developing and validating BEAR OPLAN and other strategic plan requirements. Additionally, we reviewed the USPACOM OPLAN TPFDDs for OPLANs 5027 (2017) and 5077 (2013) to identify BEAR requirements. We also reviewed the WURD.

(U) To determine authorizations, we reviewed Air Force Allowance Standard 159 (BEAR UTCs) and the Non-Airborne Readiness Spare Packages Authorization (BEAR kits) documents.<sup>11</sup> To determine whether authorizations were appropriate, we compared a nonstatistically selected number of authorizations with USPACOM OPLAN requirements.

(U) To identify on-hand BEAR kit inventories, we reviewed ES-S inventory records. To determine whether BEAR kit quantities were appropriate, we compared a number of nonstatistically selected June 2017 ES-S inventory records with current OPLAN requirements and validated Air Force authorizations. The June 5, 2017, inventory records consisted of 266 BEAR support and repair spare kits, valued at \$6.9 million.

### ***(U) Determination of Recommendation Implementation***

(U) To determine whether the WRM GMO performed and documented a reconciliation of USPACOM OPLAN and strategic plan requirements with authorizations, we compared critical BEAR UTC authorizations, such as water and power UTCs, with USPACOM OPLAN TPFDDs. Based on this comparison, our meetings with WRM GMO and PACAF/A4 officials, and our review of updated BEAR procedures, we determined that the comparison of critical BEAR UTC authorizations to requirements was sufficient to support our audit findings.

(U) To determine whether the WRM GMO conducted and documented a cost-benefit analysis of redistributing excess kits identified by PACAF to fulfill BEAR shortages elsewhere, we interviewed WRM GMO and PACAF/A4 officials and reviewed current processes the WRM GMO implemented in ES-S since the prior audit. We reviewed Air Force business rules related to the auto-sourcing function in ES-S and observed the process. We also reviewed documentation provided by the WRM GMO and base personnel to confirm the documented redistribution process.

(U) To determine whether PACAF/A4 performed and documented a validation of BEAR requirements with on-hand inventories, including the 146 excess kits we identified, we reviewed the on-hand inventory supply report, and compared items whose stocked capability was more than \$1 million with the USPACOM OPLAN TPFDDs. We also

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<sup>11</sup> (U) Allowance Standard 159, "Worldwide BEAR in BEAR Order of Battle (BOB) Configuration," April 27, 2015; "Non-Airborne RSP Authorization Document," Volume II, March 31, 2017.

(U) reviewed the on-hand supply inventory report, and compared the capabilities that required the largest number of support and repair spare kits with the most demanding TPFDD quantity. We also reviewed the Andersen Air Force Base Reconciliation Dashboard. Based on these comparisons, our meetings with WRM GMO and PACAF/A4 officials, and our review of the BEAR support and repair spare kits listed as on-hand inventory and supporting documentation, we determined that our comparisons of high dollar value and high-quantity on-hand kit inventory to requirements were sufficient to support our audit findings.

(U) To determine whether PACAF/A4 identified and notified the WRM GMO of excess BEAR assets available for redistribution within 120 days of the date of the report and then at least annually, we reviewed current processes that the WRM GMO implemented in ES-S, interviewed PACAF/A4 and WRM GMO officials to clarify the process, and reviewed documentation of BEAR asset redistribution.

(U) To determine whether PACAF/A4 reviewed and analyzed the storage locations of BEAR assets to ensure they were in the most efficient location to support USPACOM OPLAN requirements, we interviewed PACAF/A4 and WRM GMO officials and requested supporting documentation. We also reviewed the USPACOM OPLAN TPFDDs to identify whether BEAR UTCs were stored at their place of intended use.

## **(U) Use of Computer-Processed Data**

(U) We used computer-processed data to perform this audit. We identified multiple systems that the WRM GMO and PACAF use for validating BEAR requirements and reviewed access controls for those systems. To identify OPLAN requirements, we obtained OPLAN TFPDDs that were developed using the Deliberate and Crisis Action Planning and Execution System. The TPFDD data are Microsoft Excel spreadsheets that show the estimated deployment activity needed to execute contingency missions. To identify BEAR authorizations, we obtained Allowance Standard 159 from the Air Force Equipment Management System and the Mobility Readiness Spare Package Authorization Document. To assess data reliability of BEAR authorizations, we reviewed access controls and determined that the controls were adequate because only the allowance standard manager, who is not part of the WRM GMO, is approved to update authorizations. We determined data reliability of the OPLAN requirements and allowance standard authorizations when we compared UTCs stated in each document. We also performed data testing on the OPLAN requirements and authorization documents by looking for duplicate or missing records.

(U) To identify BEAR support and repair spare kit contents, we obtained reports from CRUMS. The CRUMS database is used to perform annual BEAR Readiness Spare Package reconciliations. CRUMS data are Microsoft Excel spreadsheets that show the authorized

(U) number of items within a BEAR support or repair spare kit. To assess the reliability of CRUMS data, we compared it with on-hand inventory report (R-34) data and reviewed access controls. We did not identify errors that would preclude the use of computer-processed data to meet our audit objectives. In addition, we determined that the access controls were adequate because only the WRM GMO BEAR support and repair spare kit manager is authorized to make changes within the system.

(U) To review redistribution and notification of excess BEAR assets, we reviewed ES-S, which conducts an internal cost-benefit analysis, performs the automatic redistribution of excess BEAR assets, and includes the current on-hand inventory report. We reviewed ES-S business process rules and observed the WRM GMO computer screen as ES-S performed a cost-benefit analysis and automatic redistribution of excess BEAR assets. To identify on-hand BEAR support and repair spare kit inventory, we obtained the R-34 inventory report that was downloaded from ES-S. The R-34 report is a Microsoft Excel spreadsheet that shows on-hand inventory items. We determined the ES-S data to be reliable based on our validation from the prior report, interviews with WRM GMO and PACAF/A4 officials, observing ES-S processing, reviewing the ES-S manual, and analyzing documentation from the process. We believe the computer-processed data we used were sufficient to support the Finding.

### **(U) Prior Coverage**

(U) During the last 5 years, the DoD OIG and Air Force Audit Agency (AFAA) issued five reports discussing BEAR, UTC authorizations, and WRM prepositioning. Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/>. Unrestricted Air Force Audit Agency reports can be accessed from <https://www.foia.af.mil/palMain.aspx> by clicking on Freedom of Information Act Reading Room and then selecting audit reports.

### **(U) DoD OIG**

(U) Report No. DODIG-2014-062, "Improvements Needed in the Stocking of Air Force Basic Expeditionary Airfield Resources Support and Repair Spare Kits in Guam," April 14, 2014

(S) The DoD OIG identified that PACAF effectively stocked [REDACTED] BEAR support and repair spare kits required to meet USPACOM OPLAN requirements. However, the DoD OIG identified that PACAF could not provide adequate justification for 146 excess kits, which exceeded USPACOM OPLAN-required stock levels. Additionally, the DoD OIG identified that PACAF may have [REDACTED]

[REDACTED]

**(U) Air Force**

(U) Report No. F2016-0003-L40000, "Air Force Equipment Management System Data," September 19, 2016

(U) The AFAA identified that Air Force equipment management personnel did not properly manage the Air Force Equipment Management System data. The AFAA also identified that Air Force equipment management personnel did not accurately record asset data and did not maintain adequate supporting documentation for equipment.

(U) Report No. F2016-0002-L20000, "Maintenance of Unit Type Codes," October 6, 2015

(U) The AFAA identified that Air Force personnel did not properly identify manpower and equipment requirements for deployment. Specifically, the AFAA identified that outdated or erroneous allowance standards were used to determine equipment requirements for 30 percent of equipment items. Consequently, the AFAA identified that the UTCs contained excess equipment authorizations.

(U) Report No. F2013-0009-O20000, "Warehouse Space Utilization," April 10, 2013

(U) The AFAA identified that Air Force personnel can use warehouse space more efficiently. Specifically, the AFAA identified that the Air Force has underutilized warehouse space due to the lack of excess facility identification, prioritized funding, and timely demolition of facilities not needed for mission support.

(U) Report No. F2013-0003-L40000, "Weapon System Equipment Allowance Standards," February 7, 2013

(U) The AFAA identified that Air Force personnel could improve management of weapon system equipment allowances. Specifically, the AFAA identified that base-level equipment custodians provided inaccurate allowance data to allowance managers for both mobility-use and base-use weapon system equipment allowance standards.

## (U) Management Comments

### (U) Headquarters, Air Force/A4L Comments



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DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC



MEMORANDUM FOR DOD OFFICE OF THE INSPECTOR GENERAL  
ATTN: [REDACTED]

FROM: Director of Logistics (AF/A4L)

SUBJECT: (U) Follow Up Audit: Basic Expeditionary Airfield Resources (BEAR) Support and Repair Spare Kits (DoDIG D2017D0000RA-0096.000)

1. (U) Below are the AF/A4L responses to DoDIG BEAR Support and Repair Spare Kits audit recommendations 1a and 1b identified for Headquarters Air Force/Director of Logistics (AF/A4L) action.

a. (U) Recommendation 1a: Concur. A revised compliance item has been added to the draft, AFI 25-101 WRM that requires the 635 Supply Chain Operations Wing/WRM Management Office to conduct an annual WRM equipment review to identify BEAR, Fuels Support Equipment (FSE), Aerospace Ground Equipment (AGE), and Rapid Repair Damage Repair (RADR) requirements and authorizations. Projected AFI 25-101, WRM publication date is 15 January 2018.

b. (U) Recommendation 1b: Concur. A comprehensive "determination process" requiring annual completion has been added to the draft, AFI 25-101 WRM that describes the WRM requirements, authorization, and inventory reconciliation processes. Projected AFI 25-101, WRM publication date is 15 January 2018.

2. (U) The AF/A4L point of contact is AF/A4LX: [REDACTED]

[REDACTED]  
DONALD E. KIRKLAND, Maj Gen, USAF  
Director of Logistics  
DCS/Logistics, Engineering & Force Protection

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## (U) War Reserve Materiel Global Management Office Comments



DEPARTMENT OF THE AIR FORCE  
AIR FORCE SUSTAINMENT CENTER (AFSC)  
635TH SUPPLY CHAIN OPERATIONS WING



3 October 2017

MEMORANDUM FOR DOD OFFICE OF THE INSPECTOR GENERAL

FROM: 635 SCOW/WM

SUBJECT: WRM GMO Response to DoD IG Draft Report Project No. D2017-D000RA-0096.000, "Basic Expeditionary Airfield Resource Support and Repair Spare Kits

(U) 1. BLUF: The 635 SCOW WRM GMO fundamentally disagrees with the overarching assertion of the report that AFMC's OPLAN reconciliation process is ineffective and that BEAR equipment and associated kits don't support USPACOM OPLAN requirements.

(U) 2. The 635 SCOW WRM GMO agrees with the closure of the recommendation related to the movement of enterprise kits and kit components to support enterprise kit shortages.

(U) 3. At the most basic level, the report verbiage indicates a lack of understanding of the end-to-end theater OPLAN reconciliation process and delegation of roles and responsibilities between PACAF and the WRM GMO. In addition, the fact the report associates BEAR equipment requirements to the reconciliation process further supports a lack of understanding.

(U) The WRM GMO facilitates face-to-face Theater Working Groups (TWG), which equates to a WRM UTC Requirements Document (WURD). Regardless, MAJCOMs have the ability to influence the range and depth of BEAR in the theater to support OPLAN requirements. The output of the TWG/WURD is a list of UTCs and the number of occurrences of the UTC in the theater required to support a theater's OPLAN. Theater Working Groups are conducted at the UTC-level, not the BEAR equipment level as reflected in the report. In turn, the posturing of the UTCs drive where and how many associated kits are loaded.

(U) Since the 2014 audit report, a TWG was conducted for PACAF. The outcome, as required, was a list of UTCs to support USPACOM's OPLAN requirements. The UTCs were further dissected and postured to the NSN-level (based on the MEFFPAK LOGDET and MAJCOM input. This information was pushed back to PACAF in the form of a War Planning Additive Requirement (WPAR) document. The 635 SCOW WRM GMO agrees PACAF storage locations delayed the updating of records, but not that the process itself was ineffective.

(U) The output of the TWG/WURD was used to update the allowance standard preface which is used to control the authorizations for a particular UTC and the associated equipment in the theater. The allowance standard preface and WPAR were used to determine the number of associated kits authorized per location. The 635 SCOW WRM GMO updates associated kit contents and authorization information in the Consumable RSP Utilization and Management

## (U) War Reserve Materiel Global Management Office Comments (cont'd)

System (CRUMS). The 635 SCOW WRM GMO centrally performs the reconciliations at the kit and NSN-level for all BEAR storage locations, not the MAJCOM or storage location. Reconciliations are done using a newly developed tool in Enterprise Solution-Supply (ES-S) using CRUMS data. The global reconciliation starts in Oct of each year and continues until all kits are reconciled.

(U) The report indicated a misalignment of the number of kits for a particular UTC. ES-S reconciliation tool will not reflect "green" for a kit until the components and number of occurrences match CRUMS data.

(U) 4. In summary, the 635 SCOW WRM GMO disagrees with the basic assertion of this report. Since 2014, concrete processes were developed and implemented to align UTCs, equipment and associated kits in theater to support OPLANs. PACAF still has MAJCOM and base-level responsibilities beyond the WRM GMO's ability to control. If the report is published as written, there is no action for the WRM GMO to take. Changes to AFI 25-101 contain updated TWG/WURD guidance.

(U) 5. If you have any questions regarding this letter, please contact [REDACTED]

10/17/2017

X 

REX W. LUTZ, Civ, DAF  
Chief, WRM Global Management  
[REDACTED]

## (U) Unsolicited U.S. Pacific Air Forces Comments



DEPARTMENT OF THE AIR FORCE  
PACIFIC AIR FORCES



10 October 2017

MEMORANDUM FOR DOD OFFICE OF THE INSPECTOR GENERAL

FROM: HQ PACAF/A4RE

SUBJECT: (U) Response to DoD IG Draft Report, Project No. D2017-D000RA-0096.000,  
Followup Audit: Basic Expeditionary Airfield Resource Support and Repair Spare Kits

(U) 1. HQ PACAF/A4 WRM managers do not agree in part with the audit's Finding that PACAF could not support it had implemented one recommendation from the 2014 audit. In that PACAF could not support that it had taken actions to validate BEAR requirements with on-hand kit inventories. Concluding that stocked kits do not meet USPACOM OPLAN requirements.

(U) 2. The process of reconciliation of BEAR requirements as it is laid out in this audit report describes a "line-by-line comparison of *on-hand* end item inventory with the War Plans Additive Requirements Report (WPARR) items, suggesting that BEAR kits should be validated in the same manner does not mean PACAF is not validating BEAR kits with on-hand inventories. Kit validation is done separately and described below.

(U) 3. As part of the reconciliation process, PACAF WRM Managers receive the War Planning Additive Requirement (WPARR) document from the WRM GMO and translates that into a WPARR for the MAJCOM. The WPARR annotates the authorization for the equipment sets based on the Allowance Standards for each capability. The line-by-line comparison conducted using the WPARR and the equipment supply detail, R23 is to ensure that authorizations are loaded correctly at the unit level and identified detail record variances are corrected by the base equipment custodians.

(U) PACAF WRM Managers have frequently asserted that changes to planning factors extends the time needed to validate requirements back through the WPAR/WURD process. We agree that our initial push of the WPARR in April 2017 to the unit level WRM AOs and the subsequent re-issue in June 2017, highly contributed to the delay in completing the annual cycle for establishing WRM requirements and in so doing created a delay which should not be looked upon as an inefficient process in part.

(U) 4. BEAR kit requirement determination is based on the TWG/WURD update to the allowance standard for a particular UTC and associated equipment. The Consumable RSP Utilization and Management System (CRUMS) is then updated with associated kit contents and authorization information. CRUMS is the authorization document against which the kits authorization are validated and the WPARR is the authorization document against which equipment end item authorizations are validated. The two reconciliation processes are mutually

## (U) Unsolicited U.S. Pacific Air Forces Comments (cont'd)

exclusive in nature but are derived from the same associated information which comes from the TWG/WURD output aligned to support USPACOM's OPLAN requirements.

(U) Validation of BEAR kit requirements is a centralized function performed at the 635 SCOW WRM GMO for the MAJCOM and storage locations. The WRM GMO describes the process as, "Reconciliations are done using a newly developed tool in Enterprise Solution-Supply (ES-S) using CRUMS data. The global reconciliation starts in Oct of each year and continues until all kits are reconciled." BEAR kit reconciliations have been scheduled by the WRM GMO starting in Oct 2017 and MAJCOMs will be notified of misalignments of number of kits for a particular UTC and as in the past, PACAF will manage the mis-matches with the unit level supply personnel until kit components and number of occurrences match the CRUMS data. Since the 2014 audit report, PACAF has worked with the 635 SCOW WRM GMO to reconcile BEAR kit requirements in 2015, 2016, and 2017 with results captured on the RSP Dashboard in ES-S.

(U) 5. We agree in principle with Recommendation 2.

(U) 5.1. Recommendation 2a. We will comply with the Global Management Office's annual cycle for validating requirements by June 1, 2018. ECD: June 2018.

(U) 5.2. Recommendation 2b. We will ensure the bases update their inventories (details) in a timely manner by establishing suspense dates when we notify them of requirement changes.

(U) 5.2. Recommendations 2c and 2d. Suggest combining these two into one. The process is already established and practiced in 2015, 2016, and 2017. ECD: December 2017

(U) 6. To summarize, PACAF WRM does not agree fully with the report as it is written. Ensuring that theater requirements are correct is arduous in nature and should not be construed to mean that the process in which it is controlled is inefficient. Centralized management of the BEAR kit reconciliation by the 635 SCOW WRM GMO has contributed significantly to the accuracy of the CRUMS data which drives the kit authorizations linked to UTCs. PACAF WRM will continue to manage theater assets in the most efficient manner possible and adhere to the 12 month cycle for BEAR kit reconciliation as we have on previous occasions.

(U) 5. If you have any questions regarding this letter, please contact me at DSN [REDACTED]

[REDACTED]  
DAVIS D. DUFOUR, DAFC, USAF  
Command War Reserve Materiel Officer  
Headquarters Pacific Air Forces  
Directorate of Logistics, Engineering & Force Protection  
Logistics Readiness Division

## **(U) List of Classified Sources**

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**Source 1:** (U) DoD OIG Report No. DODIG-2014-062, "Improvements Needed in the Stocking of Air Force Basic Expeditionary Airfield Resources Support and Repair Spare Kits in Guam": (Document classified SECRET//NOFORN)  
Declassification Date: November 8, 2038  
Date of Source: April 17, 2014

**Source 2:** (U) U.S. Air Force War and Mobilization Plan: (Document classified SECRET)  
Declassification Date: October 1, 2035  
Date of Source: July 15, 2012

**Source 3:** (U) War Reserve Materiel Unit Type Code Requirements Document:  
(Document classified SECRET//NOFORN)  
Declassification Date: undated  
Date of Source: April 24, 2017

**Source 4:** (U) Operation Plan 5025 Time-Phased Force Deployment Data:  
(Document classified SECRET//NOFORN)  
Declassification Date: undated  
Date of Source: January 17, 2017

**Source 5:** (U) Operation Plan 5077 Time-Phased Force Deployment Data:  
(Document classified SECRET//NOFORN)  
Declassification Date: undated  
Date of Source: January 28, 2013

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

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<b>ACC</b>	Air Combat Command
<b>AFAA</b>	Air Force Audit Agency
<b>AFMC</b>	Air Force Materiel Command
<b>BEAR</b>	Basic Expeditionary Airfield Resources
<b>CRUMS</b>	Consumable Reserves Spare Packages Utilization Management System
<b>ES-S</b>	Enterprise Solution-Supply
<b>GMO</b>	Global Management Office
<b>OPLAN</b>	Operation Plan
<b>PACAF</b>	Pacific Air Forces
<b>RSP</b>	Reserves Spares Package
<b>TPFDD</b>	Time-Phased Force Deployment Data
<b>TWG</b>	Theater Working Group
<b>USPACOM</b>	U.S. Pacific Command
<b>UTC</b>	Unit Type Code
<b>WPARR</b>	War Plans Additive Requirements Report
<b>WRM</b>	War Reserve Materiel
<b>WURD</b>	WRM UTC Requirements Document

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