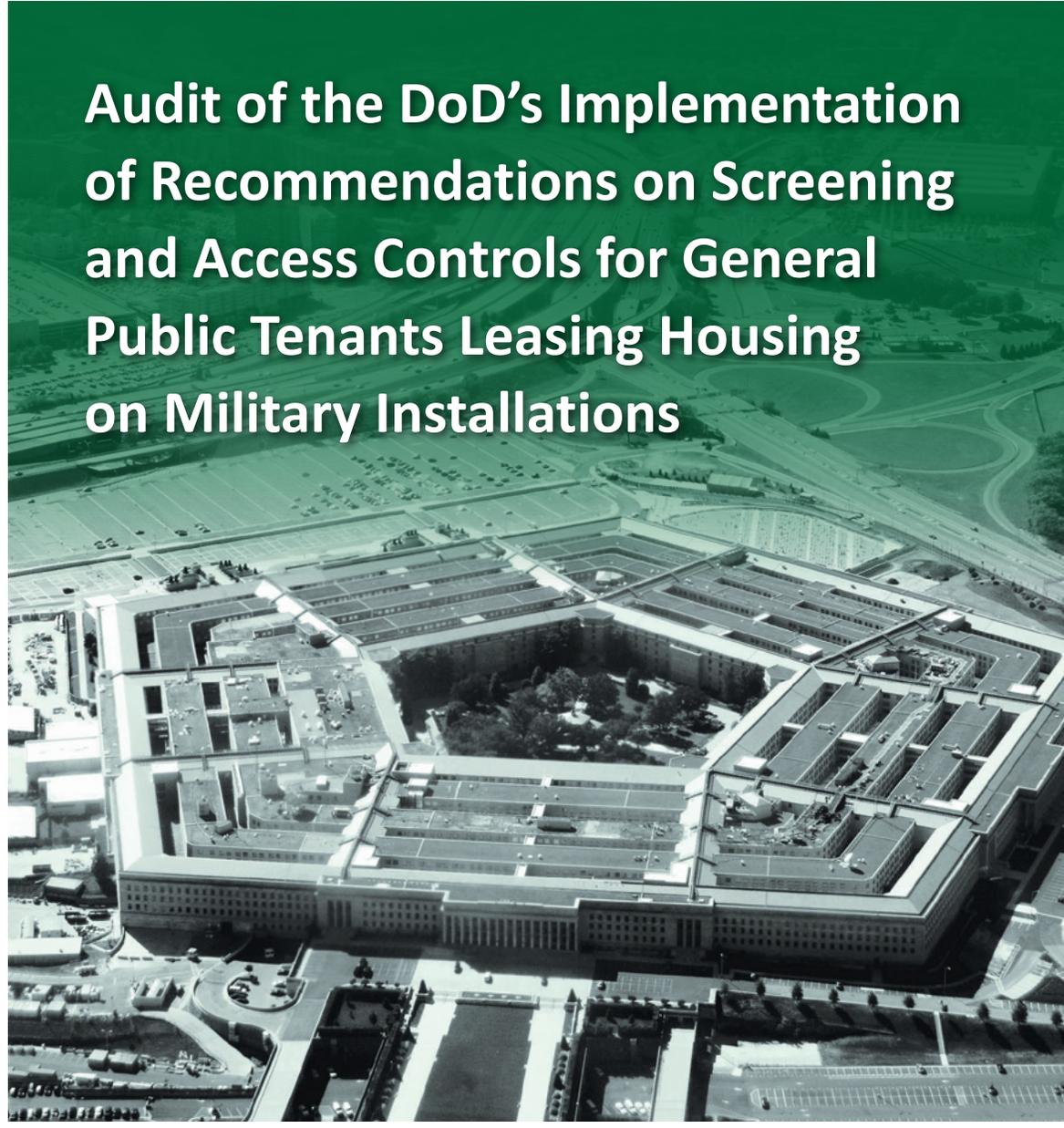


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# INSPECTOR GENERAL

*U.S. Department of Defense*

MARCH 7, 2019



## Audit of the DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE

The document contains information that may be exempt from mandatory disclosure under the Freedom of Information Act.

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# Results in Brief

## *Audit of the DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations*

March 7, 2019

### Objective

We determined whether actions taken by the Military Departments in response to a prior Office of Inspector General (OIG) report, Report No. DODIG-2016-072, "DoD Needs to Improve Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations," April 1, 2016, improved controls over the Military Housing Privatization Initiative (MHPI) program's screening and access-related procedures for general public tenants.

### Background

The MHPI program is a public private partnership through which private sector developers may own, operate, maintain, improve, and assume responsibility for military family housing located inside military installation gates or in the surrounding community. According to the FY 2019 Defense-wide Department's Budget Request, the Military Departments partnered with private developers on 81 projects with over 200,000 housing units under the MHPI program.

In Report No. DODIG-2016-072, we made 10 recommendations to the Army, Navy, and Air Force to address deficiencies in DoD screening and access procedures for general public tenants. In October 2017, we closed one recommendation directed the Air Force to review all general public tenants background checks to ensure that the background checks were conducted in accordance with service regulations. The Air Force showed that it directed all installations to review background checks

### Background (cont'd)

for general public tenants and ensure that personnel used the proper database queries to perform the background checks; therefore, we closed the recommendation.

However, as of May 2, 2018, 9 of the 10 recommendations included in Report No. DODIG-2016-072 remained open.

### Finding

In this audit, we determined that the Military Departments implemented some corrective actions that improved controls over the MHPI program's screening and access-related procedures for general public tenants. Specifically, Army and Air Force personnel implemented corrective actions for four recommendations in Report No. DODIG-2016-072 by drafting revised guidance to include the exact query codes used in the National Crime Information Center database for conducting background checks and establishing access badge expiration dates for general public tenants that align with the tenants' lease expiration dates. Therefore, those recommendations are resolved and will remain open until the revised guidance has been issued.

The remaining five recommendations—requiring reviews of background checks and access badge expiration dates for all general public tenants leasing privatized housing on military installations—remain open because the:

- U.S. Army Installation Management Command did not review background checks and access badge expiration dates for general public tenants;
- Navy Installations Command did not provide sufficient documentation to support its reviews of completed background checks and reviews of access badges expiration dates for general public tenants; and
- Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters Air Force did not provide documentation to support the results of access badge reviews conducted by the Air Force Major Commands.



# Results in Brief

## *Audit of the DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations*

### **Finding (cont'd)**

However, we are closing these five recommendations because the recommendations require the Military Departments to provide results of reviews performed using outdated guidance of general public tenants who may no longer be tenants. Therefore, we are making new recommendations to review background checks and access badge expiration dates for all general public tenants using the updated guidance related to conducting background checks and issuing access badges.

~~(FOUO)~~ In addition, because the Military Departments did not provide sufficient documentation to close the remaining five recommendations, we reviewed records at Fort Detrick, Maryland; Naval Station Mayport, Florida; and Barksdale Air Force Base (AFB), Louisiana. Based on our review, we determined that security personnel had improved their performance of background checks and reviews of access badge expiration dates for general public tenants by using the proper query codes when conducting background checks and ensuring that badge expiration dates did not exceed expiration dates of lease agreements. However, we also determined that security personnel at:

- Naval Station Mayport did not document that they performed background checks for general public tenants renewing their leases; and
- ~~(FOUO)~~ Barksdale AFB did not consistently conduct complete background checks for general public tenants because personnel did not have updated guidance to follow when conducting reviews.

As a result, the safety and security of military personnel, dependents, civilians, and assets remain at preventable risk because unescorted access is granted to general public tenants without complete background checks and for periods that extend beyond their lease expiration dates.

### **Recommendations**

We recommend that the Commander of the U.S. Army Installation Management Command and the Director of Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters U.S. Air Force, conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with current Military Department guidance.

We recommend that the Commander of Navy Installations Command:

- Update guidance requiring installations to document the background check approval process to include the process to be followed when renewing lease agreements.
- Conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with Navy Installations Command guidance.

### **Management Comments and Our Response**

The Deputy Commanding General of the U.S. Army Installation Management Command and the Office of the Assistant Chief of Staff for Installation Management, Army Housing Division Chief agreed with the recommendation to conduct a review of all general public tenants leasing privatized housing as of January 1, 2019. Management's comments addressed



# Results in Brief

## *Audit of the DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations*

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

the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close this recommendation once we verify that the Army has reviewed all general public tenants' background checks and badge expiration dates.

The Deputy Director of Security Forces, Logistics, Engineering and Force Protection partially agreed with the recommendation to conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019. The Deputy Director agreed that a review of compliance with policy is necessary but disagreed with the recommendation to conduct a review of all general public tenants on every Air Force installation. The Deputy Director proposed the use of a risk-based sampling strategy to conduct a review. Management's comments did not address the specifics of the recommendation; therefore, the recommendation remains unresolved. Reviewing a sample of general public tenants would not provide the level of assurance needed to ensure the security and safety of military personnel, dependents, civilians, and assets that a review of all general public tenants would provide. We request that the Deputy Director reconsider his position on the recommendation and provide comments on the final report.

The Commander, Navy Installations Command, Inspector General, responding for the Commander, Navy Installations Command, agreed with the recommendation to update guidance, stating that the Commander, Navy Installations Command, prepared new guidance that requires installations to document the background check approval process, including the process to be followed when renewing lease agreements, and expects to issue the guidance by May 2019.

The Inspector General also agreed with the recommendation to conduct a review of all general public tenants leasing privatized housing as of January 1, 2019.

Management's comments addressed the specifics of the recommendations; therefore, the recommendations are resolved but will remain open. We will close these recommendations when we review the updated guidance and confirm that the Navy has reviewed all general public tenants' background checks and badge expiration dates. Please see the Recommendations Table on the next page for the status of the recommendations.

### Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Commander, U.S. Army Installation Management Command	None	1	None
Commander, Navy Installations Command	None	2.a, 2.b	None
Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters Air Force	1	None	None

Please provide Management Comments by April 5, 2019.

**Note:** The following categories are used to describe agency management’s comments to individual recommendations.

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



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

March 7, 2019

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION  
AND SUSTAINMENT  
UNDER SECRETARY OF DEFENSE FOR POLICY  
ASSISTANT SECRETARY OF THE AIR FORCE  
(FINANCIAL MANAGEMENT AND COMPROLLER)  
NAVAL INSPECTOR GENERAL  
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Audit of the DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations (Report No. DODIG-2019-061)

We are providing this report for review and comment. We conducted this audit in accordance with generally accepted government auditing standards. We considered management comments on a draft of this report when preparing the final report. Comments from the Deputy Commanding General, U.S. Army Installation Management Command; the Chief, Army Housing Division, Office of the Assistant Chief of Staff for Installation Management; and the Commander, Navy Installations Command Inspector General conformed to the requirements of DoD Instruction 7650.03; therefore, we do not require additional comments.

DoD Instruction 7650.03 requires that all recommendations be resolved promptly. Comments from the Deputy Director of Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters, U.S. Air Force did not fully address Recommendation 1. Therefore, we request additional comments on Recommendation 1 by April 5, 2019.

Please send a PDF file containing your comments to [audrgo@dodig.mil](mailto:audrgo@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).

If you have any questions please contact me at (703) 604-8905 (DSN 664-8905). We appreciate the cooperation and assistance received during the audit.

A handwritten signature in black ink that reads "Troy M. Meyer".

Troy M. Meyer  
Principal Assistant Inspector General  
for Audit



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# Introduction

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## Objective

We determined whether actions taken by the Military Departments in response to a prior Office of Inspector General (OIG) report, Report No. DODIG-2016-072, “DoD Needs to Improve Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations,” April 1, 2016, improved controls over the Military Housing Privatization Initiative (MHPI) program’s screening and access-related procedures for general public tenants.

## Background

### ***Military Housing Privatization Initiative***

The MHPI is a public private partnership through which private sector developers may own, operate, maintain, improve, and assume responsibility for military family housing when it is economically advantageous and national security is not adversely affected. The MHPI was enacted on February 10, 1996, under Public Law 104-106.<sup>1</sup> Under MHPI authorities, the DoD can work with the private sector to revitalize military family housing through direct loans, loan guarantees, equity investments, and conveyance or leasing of property or facilities. The Office of the Assistant Secretary of Defense for Energy, Installation, and Environment oversees the MHPI, but each Military Department implements and oversees its own program.

Privatized housing is located inside the military installation gates or in the surrounding community. Service members assigned to the military installation have priority to occupy privatized housing. However, if occupancy rates fall below a certain level for a defined period, the private leasing company can rent to other eligible tenants through a “waterfall” policy.<sup>2</sup> The tenant waterfall is a list of other eligible tenants that may be prioritized as follows: service members not assigned to the installation, National Guard and Reserve members, Government civilians, retired military, retired Government civilians, contractors, and the general public. According to the FY 2019 Defense-wide Department’s Budget Request, the Military Departments partnered with private developers on 81 projects with over 200,000 housing units under the MHPI program.

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<sup>1</sup> Public Law 104-106, “National Defense Authorization Act for Fiscal Year 1996,” February 10, 1996.

<sup>2</sup> The defined period varies by Military Department and individual projects within installations.

## ***Access Controls for DoD Installations***

DoD policy states that individuals without a Federal Government or DoD-issued identification card who request unescorted access to military installations must undergo identity verification and screening to determine fitness and eligibility for access.<sup>3</sup> Specifically, installation representatives must query the National Crime Information Center (NCIC) database and the Terrorist Screening Database using the person's name, date of birth, and Social Security number.<sup>4</sup> Installation representatives can also query other sources as determined by the DoD Component or the local commander. For example, the Military Departments require an Interstate Identification Index (III) background check in addition to the NCIC background check.<sup>5</sup>

### *National Crime Information Center Database and Interstate Identification Index*

The NCIC database contains criminal information available to criminal justice agencies.<sup>6</sup> The NCIC database allows for prompt disclosure of and access to up-to-date crime data (alleged and convicted) posted by criminal justice agencies. The NCIC contains 14 person-files:

- |   |  |
|---|--|
| 1. Known or Appropriately Suspected Terrorist | 8. Protection Order  |
| 2. Wanted Person                              | 9. Supervised Release  |
| 3. National Sex Offender Registry             | 10. Unidentified Persons   |
| 4. Missing Persons                            | 11. Protective Interest  |
| 5. Foreign Fugitive                           | 12. Gang   |
| 6. Identity Theft                             | 13. National Instant Criminal Background Check System Denied Transaction |
| 7. Immigration Violator                       | 14. Violent Person   |

The person-files were designed to provide adequate warning about individuals involved in criminal activities or who are known to represent a potential danger to the public. The Federal Bureau of Investigation (FBI) maintains the NCIC database.

<sup>3</sup> Directive-Type Memorandum 09-012, "Interim Policy Guidance for DoD Physical Access Control," December 8, 2009, Incorporating Change 8, July 19, 2017, defines individuals without a Federal Government or DoD-issued identification card as persons not possessing a DoD-issued Common Access Card.

<sup>4</sup> The NCIC is a computerized database of criminal information available to criminal justice agencies.

<sup>5</sup> The III contains specific details of the crimes reported in NCIC.

<sup>6</sup> Title 28, C.F.R. § 20.3(g) defines a criminal justice agency as "(1) Courts; [or] (2) A governmental agency or any subunit thereof which performs the administration of criminal justice pursuant to a statute or executive order, and which allocates a substantial part (interpreted to mean at more than 50 percent) of its annual budget to the administration of criminal justice." For example, the Department of Justice and Virginia Department of Corrections are criminal justice agencies.

The III, also maintained by the FBI, contains criminal history records—arrests and indictments—and is accessible through the NCIC. The III contains specific details of the crimes reported in the NCIC database, and facilitates the interstate exchange of criminal history records among state justice agencies.

### *National Crime Information Center Database and Interstate Identification Index Queries*

The NCIC database operating manual directs users to enter query codes for specific results.<sup>7</sup> For example, entering the following query codes allows access to the NCIC database and the III files:

- QWA (Wanted Person File Inquiry–All): Used to access all NCIC person-files and returns all felony and misdemeanor records from the Wanted Persons File.
- QH (Inquiry Message [III Name Check]): Used to access the III files (criminal history record).
- QWI (Inquiry Message [NCIC Person Files, except the Unidentified Person File and III Name Check]): Used to perform two transactions in one—“QWA” and “QH” queries—to access the NCIC and III files with one query.

To perform the NCIC background check, the user enters a QWA or QWI code. To perform an NCIC and III background check, the user can enter QWA and QH codes in separate transactions or a QWI code.

### **Summary of Report No. DODIG-2016-072**

~~(FOUO)~~ In Report No. DODIG-2016-072, we determined that DoD officials did not properly screen general public tenants who leased privatized housing at Fort Detrick, Maryland; Naval Station Mayport, Florida; and Barksdale Air Force Base (AFB), Louisiana, before granting unescorted access to the installations, and issued access badges with expiration dates that exceeded the tenants’ lease terms.<sup>8</sup> We concluded that this occurred because Army and Air Force guidance did not clearly define the process for obtaining background checks or require that badge expiration dates match lease terms. In addition, although Navy officials had adequate guidance for conducting complete background checks and reviewing access badge expiration dates, they did not fully implement their screening system for background checks. As a result, the DoD assumed an unnecessary safety and security risk to military personnel, their dependents, civilians, and assets. We made

<sup>7</sup> “NCIC Operating Manual,” September 2018, Section 2, “NCIC Messages,” Paragraph 2.5, “Inquiry.”

<sup>8</sup> DODIG-2016-072, “DoD Needs to Improve Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations,” April 1, 2016.

(FOUO) recommendations to the Army, Navy, and Air Force to address deficiencies in DoD screening and access procedures for general public tenants. See Table 1 for the recommendations and whether management agreed with the recommendation.

Table 1. Recommendations Made in Report No. DODIG-2016-072

DoD OIG Recommendation	Recommendation Directed to:			
	OPMG	ACSIM	CNIC	HQ USAF/ A4S
1.a. Issue or update guidance specifying the queries required to access the NCIC and the III files and conduct background checks in accordance with service regulations.	Agreed	N/A	N/A	Agreed
1.b. Issue or update guidance that specifically addresses general public housing tenants' access badge expiration dates.	Agreed	N/A	N/A	Agreed
2.a. Conduct a review of all general public tenants leasing privatized housing to ensure those tenants received the complete and adequate background check in accordance with service regulations.	N/A	Agreed	Agreed	Agreed
2.b. Instruct security officials to conduct a badge review for general public tenants living inside the installations and re-issue badges as needed to ensure the badge expiration date aligns with the end of the tenants' lease terms.	N/A	Agreed	Agreed	Agreed
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>4</b>

**Legend**

ACSIM	Office of the Assistant Chief of Staff for Installation Management
OPMG	Office of the Provost Marshal General, U.S. Army
CNIC	Commander, Navy Installations Command
HQ USAF/A4S	Director of Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters U.S. Air Force
N/A	Not Applicable

Source: The DoD OIG.

In October 2017, we closed Recommendation 2.a—review all general public tenants' background checks to ensure that they were conducted in accordance with service regulations—addressed to the Director of Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters Air Force (HQ USAF/A4S). We closed the recommendation because HQ USAF/A4S provided documentation showing that it directed all installations to review background checks for general public tenants and ensured that personnel used the proper queries to access the NCIC and III files when performing the checks. Additionally, HQ USAF/A4S ensured

that installations that lacked direct access to the NCIC database now had this capability. However, on May 2, 2018, when we started this followup audit, 9 of the 10 recommendations from Report No. DODIG-2016-072 were open.<sup>9</sup>

## Review of Internal Controls

~~(FOUO)~~ 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>10</sup> We identified internal control weaknesses in procedures for screening general public tenants leasing housing at Naval Station Mayport and Barksdale AFB. Specifically, personnel at Naval Station Mayport did not document when they conducted background checks for general public tenants renewing their leases. Additionally, personnel at Barksdale AFB did not follow their established process for conducting background checks. We will provide a copy of the report to the senior official responsible for internal controls in the Department of the Navy and the Department of the Air Force.

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<sup>9</sup> We announced the followup audit on May 2, 2018.

<sup>10</sup> DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

## Finding

### **Military Installations Have Not Fully Implemented Recommendations for Reviewing Background Checks and Access Badge Expiration Dates of General Public Tenants**

In this audit, we determined that the Military Departments implemented some corrective actions that improved controls over the MHPI program's screening and access-related procedures for general public tenants. Specifically, Army and Air Force personnel implemented corrective actions for four recommendations in Report No. DODIG-2016-072 by drafting revised guidance to include the exact query codes that are required to be used in the NCIC database for conducting background checks and to include instructions to establish access badge expiration dates for general public tenants that align with the tenants' lease terms. However, because the revised guidance had not been issued as of February 2019, these recommendations remain resolved but open.<sup>11</sup> We will close these recommendations once the revised guidance has been issued (Recommendations 1.a and 1.b).

The remaining five recommendations—requiring reviews of background checks and access badge expiration dates for all general public tenants leasing privatized housing on military installations—remain open because the:

- U.S. Army Installation Management Command (IMCOM) did not review background checks and badge expiration dates for general public tenants (Recommendations 2.a and 2.b);
- Commander, Navy Installations Command (CNIC), did not provide sufficient documentation to support that it conducted reviews of the completed background checks to ensure that tenants with installation access were properly screened and reviews of access badges expiration dates for general public tenants to ensure that tenants who accessed the installation were authorized (Recommendations 2.a and 2.b); and
- HQ USAF/A4S personnel did not provide documentation to support the results of access badge reviews conducted by the Air Force Major Commands (Recommendation 2.b).<sup>12</sup>

<sup>11</sup> As of February 2019, the Army Publishing Directorate has the revised Army guidance for publication, which includes final processing, legal review, and issuance. Additionally, the Air Force is formally coordinating the revised Air Force guidance and estimates sending the guidance to the Air Force Departmental Publishing Office for publication in April 2019.

<sup>12</sup> The recommendations directed to IMCOM were originally directed to the Office of the Assistant Chief of Staff for Installation Management.

However, we are closing these recommendations because the recommendations require the Military Departments to provide results of reviews performed using outdated guidance of general public tenants who may no longer be tenants. The Army and Air Force are issuing revised guidance about background checks and access badges for general public tenants, and the Navy provided information for only one installation when responding to Report No. DODIG-2016-072. Therefore, we are making new recommendations to review background checks and access badge expiration dates for all general public tenants leasing privatized housing on military installations, using updated guidance related to conducting background checks and issuing access badges.

(FOUO) In addition, the Military Departments did not provide sufficient documentation to close the remaining five recommendations. Therefore, in this audit, we reviewed records at Fort Detrick, Naval Station Mayport, and Barksdale AFB to determine whether security personnel improved their performance of background checks by using the proper query codes and of reviews to ensure that access badge expiration dates for general public tenants did not exceed lease expiration dates. However, security personnel at:

- Naval Station Mayport did not fully support that they performed background checks for general public tenants in the process of renewing their leases because security personnel did not document when these background checks were completed; and
- (FOUO) Barksdale AFB did not consistently conduct complete background checks for general public tenants because personnel did not have updated guidance to follow when conducting reviews.

As a result, the safety and security of military personnel, dependents, civilians, and assets remain at preventable risk because unescorted access is granted to general public tenants without complete background checks and for periods that extend beyond their lease expiration dates.

## **Army and Air Force Revised Guidance for Screening and Access Controls**

U.S. Army Office of the Provost Marshal General (OPMG) and HQ USAF/A4S personnel implemented corrective actions for four recommendations in Report No. DODIG-2016-072. We recommended that the OPMG and HQ USAF/A4S issue or update:

- guidance specifying the queries required to access the NCIC and the III files and conduct background checks in accordance with service regulations (Recommendation 1.a); and

- guidance that specifically addresses general public tenants' access badge expiration dates (Recommendation 1.b).

OPMG and HQ USAF/A4S personnel drafted revised department guidance to include specific requirements for conducting general public tenant background checks and establishing badge expiration dates. As of February 2019, the Army Publishing Directorate has the revised Army guidance for publication. Additionally, the Air Force is formally coordinating the revised Air Force guidance and estimates sending the guidance to the Air Force Departmental Publishing Office for publication in April 2019.

### ***Army Revised Physical Security Program Guidance***

OPMG personnel revised Army Regulation 190-13, "The Army Physical Security Program," to include requirements for general public tenant background checks and badge expiration dates. In their response to Report No. DODIG-2016-072, OPMG officials estimated that they would publish the revised guidance by September 2016. In November 2016, OPMG personnel notified the DoD OIG that Army Regulation 190-13 was still undergoing internal review and that the OPMG expected to provide the revised draft guidance Army-wide for comment in January 2017, and have it published in the spring or summer of 2017. On April 3, 2018, OPMG personnel submitted the revised Army Regulation 190-13 to the Army Publishing Directorate for publication. The revisions included requirements for installation personnel to:

- use the "QWI" query code when conducting background checks for general public tenants; and
- issue installation access identification cards to general public tenants with expiration dates that match the end of the tenants' lease.

The Army Publishing Directorate accepted this submission on April 12, 2018. Army regulations require the Army Publishing Directorate to complete major revisions, such as the revision of Army Regulation 190-13, within 240 days after accepting the submission.<sup>13</sup> However, in November 2018, the OPMG notified the DoD OIG that publication of the revised Army Regulation 190-13 would be delayed until 2019 due to delays the Army Publishing Directorate experienced in reviewing a large volume of Army directive updates. As an interim measure, on July 8, 2016, Army Headquarters specified the correct NCIC and III query code and access badge matching requirements in Fragmentary Order 2 to Execute Order 033-15, "Installation Access," November 7, 2014.

<sup>13</sup> Army Regulation 25-30, "The Army Publishing Program," March 27, 2006.

## ***Air Force Revised Installation Perimeter Access Control Guidance***

HQ USAF/A4S personnel revised Air Force Manual 31-113, "Installation Perimeter Access Control," to include requirements for general public tenant background checks and badge expiration dates. In their response to Report No. DODIG-2016-072, HQ USAF/A4S officials stated that they would revise Air Force Manual 31-113 by May 2016. In an August 25, 2017, memorandum to the DoD OIG, a HQ USAF/A4S official stated that the Air Force expected to issue the revised Air Force Manual 31-113 by September 2017, and included a copy of the draft revision as an attachment. The proposed revisions included specific requirements for directing Air Force personnel to require:

- security personnel to use the proper query types when completing NCIC and III background checks: (a "QWI" query or separate transactions using "QWA" and "QH" queries); and
- commanders and local housing offices to establish a process that ensures badge access dates match lease expiration dates for general public tenants.

In May 2018, HQ USAF/A4S personnel notified the DoD OIG that publication of the revised Air Force Manual 31-113 would be delayed until September 2018 to allow for the processing of other guidance revisions with higher priority. Then, in October 2018, HQ USAF/A4S personnel notified the DoD OIG that publication of the revised Air Force Manual 31-113 will be delayed until 2019 to incorporate changes that the Office of the Undersecretary of Defense for Intelligence made to DoD-wide guidance on security at military installations. In the interim, HQ USAF issued Air Force Guidance Memorandum, "Immediate Implementation of Air Force Guidance Memorandum 2018-01 to Air Force Manual 31-113, Installation Perimeter Access Control," on April 4, 2018, which is effective until April 3, 2019. The memorandum added specific requirements for installation personnel to (1) use the "QWI" or a combination of "QWA" and "QH" query codes in NCIC and III when performing background checks for civilians applying for residence in privatized housing on military installations, and (2) coordinate with leasing companies to ensure that lease and access badge expiration dates match.

After reviewing the proposed revisions to Army Regulation 190-13 and Air Force Manual 31-113 and the interim guidance, we determined that the OPMG and HQ USAF/A4S policies, if issued, will meet the intent of Recommendations 1.a and 1.b to use the proper query codes when conducting background checks and ensure that badge access dates match lease expiration dates for general public tenants. Therefore, those four recommendations will be closed once the revised guidance is issued.

## Screening and Access Reviews Were Not Specific or Supported

IMCOM, CNIC, and HQ USAF/A4S personnel could not provide documentation to support that they completed reviews of background checks or expiration dates of access badges for general public tenants, as recommended in the prior report. Specifically, in Report No. DODIG-2016-072, we recommended that ACSIM, CNIC, and HQ USAF/A4S:

- conduct a review of all general public tenants leasing privatized housing to ensure those tenants received the complete and adequate background check in accordance with service regulations (Recommendation 2.a), and
- instruct security personnel to conduct a badge review for general public tenants living inside the installations and re-issue badges as needed to ensure that the badge expiration date aligns with the end of the tenants' lease terms (Recommendation 2.b).

However, the corrective actions IMCOM personnel took to address two recommendations directed to the ACSIM did not specifically address reviews of background checks and access badge expiration dates for general public tenants. Additionally, CNIC personnel did not provide sufficient documentation to support reviews of completed background checks and access badge expiration dates for general public tenants. Also, HQ USAF/A4S personnel could not provide documentation to support the results of access badge reviews conducted by the Air Force Major Commands.<sup>14</sup>

### ***IMCOM Actions Were Not Specific to Background Check or Access Badge Reviews***

*The corrective actions IMCOM personnel took to address two recommendations did not specifically address reviews of background checks or access badge expiration dates for general public tenants.*

The corrective actions IMCOM personnel took to address two recommendations directed to the ACSIM did not specifically address reviews of background checks or access badge expiration dates for general public tenants. In January 2017, ACSIM, IMCOM, and the U.S. Army Audit Agency agreed that recommendations directed

to the ACSIM to conduct reviews of background checks and access badge expiration dates would be redirected to the IMCOM. However, in a March 22, 2018, e-mail, an IMCOM official stated that the ACSIM did not task the IMCOM to implement

<sup>14</sup> As discussed earlier in this report, in October 2017, we closed Recommendation 2.a directed to HQ USAF/A4S.

corrective action. Instead, the IMCOM Director of Internal Review stated in a July 25, 2018, memorandum to the DoD OIG that IMCOM took alternative actions to address the recommendations, including:

- issuing six fragmentary orders between December 2014 and June 2016 to update Operations Order 15-031, "Implement Access Control Procedures at IMCOM Installations," November 21, 2014; and
- directing the IMCOM Provost Marshal and Protection Directorate to conduct an inspection to verify installations' compliance with the fragmentary orders.

However, the alternative actions did not specifically address reviews of background checks or access badge expiration dates for general public tenants. In addition, five of the six fragmentary orders that IMCOM issued did not contain guidance that met the intent of Recommendations 2.a and 2.b because the guidance did not specifically address reviews of background checks and access badge expiration dates for general public tenants.

While Fragmentary Order 6, June 15, 2016, did add a requirement for personnel to use the proper queries to conduct background checks, the IMCOM Provost Marshal and Protection Directorate inspection did not validate whether personnel used the proper queries to conduct background checks as a part of its inspection. Additionally, IMCOM personnel provided a snapshot, dated July 24, 2018 listing the name of the installation and the date when the inspection was completed. However, the results were not supported and were outdated. Specifically, 40 of the 47 installations that reported compliance with the requirement showed compliance dates that predated Report No. DODIG-2016-072. While those actions did not meet the intent of Recommendations 2.a and 2.b, we are closing these recommendations because the Army recently revised its guidance to include requirements that specifically address background checks and badge expiration dates for general public tenants. Therefore, we are making a new recommendation that reviews of background checks and badge expiration dates for general public tenants be conducted using updated processes and current general public tenant information. The IMCOM Commander should conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with the revised IMCOM guidance. Once implemented, the IMCOM should provide the DoD OIG with a listing that includes the identifying information for each tenant, the date the background check was performed, the badge expiration date, and the lease expiration date.

## ***CNIC Did Not Provide Sufficient Documentation to Support Background Check and Access Badge Reviews***

CNIC personnel did not provide sufficient documentation to support reviews of completed background checks and access badges for general public tenants. In a June 15, 2018, memorandum to the DoD OIG, a CNIC official stated that all installations had conducted reviews of general public tenants’:

- background checks for completeness and accuracy; and
- access badges to ensure that badge expiration dates did not exceed lease expiration dates.

*CNIC personnel did not provide sufficient documentation to support that a review of background checks occurred or that an access badge review was performed at all Navy installations.*

However, CNIC personnel did not provide sufficient documentation to support that a review of background checks occurred, and instead provided only one spreadsheet supporting an access badge review performed at one Navy installation (Naval Station Mayport)-not all Navy

installations, as recommended in the Report No. DODIG-2016-072. Specifically, the report recommended that the CNIC conduct a review of all general public tenants leasing privatized housing to ensure that those tenants received complete and adequate background checks; and to instruct security officials to conduct a badge review to ensure that badge expiration dates for those tenants do not exceed lease expiration dates. CNIC personnel provided a spreadsheet that listed the lease expiration dates and access badge expiration dates for general public tenants for Naval Station Mayport to support that corrective actions were implemented Navy-wide and the recommendation for a review of all Navy-wide general public tenants’ access badges should be closed.<sup>15</sup>

During the audit, we asked for this information for the other Navy installations. As of February 2019, CNIC has not provided the documentation. In addition, CNIC personnel stated that they had taken other actions to address the two recommendations, including validating installations’ compliance with Navy guidance for access badge issuance to general public tenants and ensuring that CNIC installations deployed the Defense Biometrics Identification System in 2016.<sup>16</sup>

While neither of these actions met the intent of Recommendations 2.a and 2.b, we are closing these recommendations because CNIC personnel provided information

<sup>15</sup> Naval Station Mayport was the Navy installation reviewed in Report No. DODIG-2016-072.

<sup>16</sup> (FOUO) The Defense Biometric Identification System is a networked database developed as a force protection program that manages personnel and installation access at DoD facilities. It is designed to easily verify the access authorization of personnel entering military installations by the use of barcode, contactless, and fingerprint biometric technology. Both Naval Station Mayport and Barksdale AFB use the Defense Biometric Identification System.

for only one installation in response to Report No. DODIG-2016-072. We will make a new recommendation that CNIC review the background checks and access badges for all general public tenants using updated processes and current tenant information. The CNIC Commander should conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure those tenants received complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with current CNIC guidance. Once implemented, the CNIC should provide the DoD OIG with a listing that includes the identifying information for each tenant at each military installation, the date the background check was performed, the badge expiration date, and the lease expiration date.

**HQ USAF/A4S Could Not Provide Documentation to Support Access Badge Review Results**

(FOUO) The HQ USAF/A4S was unable to provide documentation to support its review of access badges. In response to our requests, HQ USAF/A4S personnel provided an Air Force Major Command-level summary showing a review of badge expiration dates and lease dates; however, HQ USAF/A4S personnel could not provide documentation to support the results of access badge reviews conducted by the Air Force Major Commands. HQ USAF/A4S personnel stated that they used e-mail to request that the Air Force Major Commands conduct the reviews, and provided a spreadsheet listing the Major Commands that complied with the request. HQ USAF/A4S personnel could not provide documentation supporting the results of their review. When we asked Barksdale AFB personnel about the review request, they stated that they had no knowledge of the review and that they did not compile information for the request.<sup>17</sup>

*The HQ USAF/A4S was unable to provide documentation to support its review of access badges.*

While this action did not meet the intent of Recommendation 2.b, we are closing this recommendation because the Air Force recently revised its guidance to include requirements that address background checks and badge expiration dates for general public tenants. Therefore, we will make a new recommendation that HQ USAF/A4S review general public tenants' background checks and badge expiration dates using updated processes and current tenant information in accordance with recently revised guidance. The HQ USAF/A4S Director should conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure those tenants received complete and adequate background checks and that access badge expiration dates do not

<sup>17</sup> (FOUO) Barksdale AFB is part of the Air Force Global Strike Command, which was included in the review request.

exceed lease expiration dates in accordance with current Air Force guidance. Once implemented, the HQ USAF/A4S should provide the DoD OIG with a listing that includes the identifying information for each tenant, the date the background check was performed, the badge expiration date, and the lease expiration date.

## Installations Improved Performance of Background Checks for General Public Tenants

(FOUO) IMCOM and CNIC could not provide sufficient documentation to close Recommendation 2.a from Report No. DODIG-2016-072. Therefore, in our audit, we reviewed the Army and Navy locations reviewed in that report. We also reviewed the Air Force location reviewed in the prior report so that we could compare the performance of all three locations. We determined that security personnel at Fort Detrick, Naval Station Mayport, and Barksdale AFB improved their performance of background checks for general public tenants. However, security personnel at:

- Naval Station Mayport did not fully support that they performed background checks for general public tenants who were in the process of renewing their leases because security personnel did not document when these background checks were completed; and
- (FOUO) Barksdale AFB did not consistently conduct complete background checks for general public tenants because personnel did not have updated guidance to follow when conducting background checks.

See Table 2 for a comparison of completed background checks for three installations from Report No. DODIG-2016-072 to the results of the current audit.<sup>18</sup>

Table 2. Comparison of Public Tenant Background Check Review Results

(FOUO) Installation	This Audit Tenants With Complete Background Check		Report No. DODIG-2016-072 Tenants With Complete Background Check	
	Complete	Total	Complete	Total
Fort Detrick	21	21	0	26
Naval Station Mayport	49	56	6	7
Barksdale Air Force Base	40	76	2	95
<b>Total</b>	<b>110</b>	<b>153</b>	<b>8</b>	<b>128 (FOUO)</b>

Source: The DoD OIG.

<sup>18</sup> In Report No. DODIG-2016-072, we reviewed documentation for tenants who lived on the installation between July 1, 2014, and June 30, 2015.

~~(FOUO)~~ Fort Detrick personnel conducted complete background checks for all 21 general public tenants in our review. According to Fort Detrick personnel, they took immediate action after the previous audit to properly re-screen general public tenants by using the proper query codes to conduct their background checks and updated their Visitor Control Center standard operating procedure to specify the proper queries to perform when conducting background checks.<sup>19</sup>

Naval Station Mayport personnel conducted complete background checks for 49 of 56 general public tenants in our review. For the seven tenants for which a background check was not completed:

- five were long-time tenants who were in the process or renewing their leases, and Naval Station Mayport personnel conducted background checks in the past; and
- two did not have a background check, and Naval Station Mayport personnel could not show that a search was performed in either the NCIC database or the III.

CNIC guidance requires base personnel to perform an NCIC and III query (“QWI” code) as the minimum fitness determination standard before issuing access badges.<sup>20</sup> However, CNIC guidance does not specify how background checks are to be documented when reviewing renewal of lease agreements. The CNIC Commander should update guidance requiring installations to document the background check approval process to include the process to be followed when renewing lease agreements. Naval Station Mayport security personnel stated that they are reviewing the seven incomplete background checks to ensure that they were properly performed.

~~(FOUO)~~ Barksdale AFB personnel conducted complete background checks for 40 of 76 general public tenants in our review. We reviewed logs provided by the FBI for 36 incomplete background checks and found that:

- 15 had only an NCIC query (“QWA” code) performed;
- 5 had only a III query (“QH” code) performed; and
- 16 did not have any query performed.

~~(FOUO)~~ The Air Force issued guidance on April 4, 2018, that specified the proper query codes to perform when conducting background checks.<sup>21</sup> The Air Force guidance requires personnel to perform background checks using either the NCIC query (“QWA” code) and III query (“QH” code) in separate transactions or

<sup>19</sup> ~~(FOUO)~~ Fort Detrick Visitor Control Center Standard Operating Procedure 2-8, April 18, 2018.

<sup>20</sup> CNIC Instruction 5530.14A, Change Transmittal 2, “Commander Navy Installations Command Ashore Protection Program,” June 6, 2016.

<sup>21</sup> Air Force Guidance Memorandum 2018-01 to Air Force Manual 31-113, “Installation Perimeter Access Control,” April 4, 2018.

(FOUO) the “QWI” code to conduct a combined complete NCIC-III background check.<sup>22</sup> However, Barksdale AFB personnel still did not conduct proper background checks for 8 of 9 general public tenants whose leases began after April 3, 2018. Barksdale AFB personnel acknowledged that they identified internal control weaknesses in their processes based on our audit and that existing processes were not being enforced. Barksdale AFB security personnel stated that they are reviewing the 36 incomplete background checks to ensure they were properly performed.

## Installations Improved Performance of Access Badge Reviews

(FOUO) IMCOM, CNIC, and HQ USAF/A4S could not provide sufficient documentation to close Recommendation 2.b from Report No. DODIG-2016-072. Therefore, in our audit, we reviewed the same three locations reviewed in that report and determined that security personnel at Fort Detrick, Naval Station Mayport, and Barksdale AFB improved their performance of reviews to ensure that access badge expiration dates for general public tenants did not exceed lease expiration dates. See Table 3 for a comparison of results between our review of access badges for three installations from Report No. DODIG-2016-072 to the results of the current audit.<sup>23</sup>

Table 3. Comparison of Public Tenant Access Badge Review Results

(FOUO) Installation	This Audit Access Badge Expiration Date That Did Not Exceed Lease Term		Report No. DODIG-2016-072 Access Badge Expiration Date That Did Not Exceed Lease Term	
	Did Not Exceed	Total	Did Not Exceed	Total
Fort Detrick	14	16	5	26
Naval Station Mayport	50	55	6	7
Barksdale Air Force Base	62	73	56	95
<b>Total</b>	<b>126</b>	<b>144</b>	<b>67</b>	<b>128</b> (FOUO)

Source: The DoD OIG.

(FOUO) Fort Detrick security personnel significantly improved their performance of access badge reviews compared with the prior report’s findings. For 14 of 16 general public tenants we reviewed, Fort Detrick security personnel ensured that access

<sup>22</sup> (FOUO) The QWA code accesses all NCIC person-files and returns felony and misdemeanor records from the Wanted Persons File. The QH code accesses the III criminal history file. The QWI code includes the QWA and QH codes. According to the Louisiana State Police Department, Barksdale AFB personnel do not have the capability to conduct “QWI” queries; therefore, they must use the combined “QWA” and “QH” queries to meet Air Force guidance requirements.

<sup>23</sup> In Report No. DODIG-2016-072, we reviewed documentation for tenants who lived on the installation between July 1, 2014, and June 30, 2015.

~~(FOUO)~~ badge expiration dates did not exceed lease expiration dates. For one general public tenant, the access badge expiration date exceeded the lease expiration dates by 8 days. For the other general public tenant, Fort Detrick personnel could not explain why the access badge expiration date exceeded the lease expiration by 129 days; however, they stated that this tenant renewed the lease on July 1, 2018, and that they will reissue the new badge to match the current lease expiration date in November 2018 when the current badge expires.

Naval Station Mayport personnel improved their performance of access badge reviews compared to the prior report's findings. For 50 of 55 general public tenants we reviewed, Naval Station Mayport personnel ensured that access badge expiration dates did not exceed lease expiration dates. The other five general public tenants had access badge expiration dates that exceeded their lease expiration dates by an average of 58 days, with a minimum of 13 days and a maximum of 215 days. Naval Station Mayport personnel stated that the five exceptions were due to administrative errors, such as the tenant picking up their badge after the lease start date and the badge mistakenly being issued for a full year instead of the matching the lease expiration date. Naval Station Mayport personnel stated that they were working to correct these badges.

~~(FOUO)~~ Barksdale AFB personnel improved their performance of access badge reviews compared to the prior report's findings. For 62 of 73 general public tenants we reviewed, Barksdale AFB personnel ensured that access badge expiration dates did not exceed lease expiration dates. The other 11 general public tenants had badge expiration dates that exceeded their lease expiration dates by an average of 42 days, with a minimum of 1 day and a maximum of 299 days. Barksdale AFB personnel stated that the 11 exceptions were due to administrative errors, such as a tenant's access badge being terminated during the lease, but reissued for an entire year instead of the matching lease expiration date. During the audit, Barksdale AFB personnel took action to correct eight access badges with expiration dates that exceeded the general public tenants' lease expiration dates. Barksdale AFB personnel were still working on the other three cases.

## **Safety and Security Risks Still Present**

Overall, the DoD improved controls over the MHPI program's screening and access-related procedures for general public tenants. Specifically, the Army and Air Force are in the process of issuing revised guidance to specify the proper queries for background checks and specifically address general public tenants' badge expiration dates and issued interim guidance clarifying the new requirements.

In addition, our review of the records at three military installations showed that security personnel improved their performance of background checks and of ensuring that access badge expiration dates for general public tenants did not exceed lease expiration dates, compared to the prior report's findings.

~~(FOUO)~~ However, the safety and security of military personnel, dependents, civilians, and assets are at an otherwise preventable risk because unescorted access is granted to general public tenants without a complete background check and for periods that extend beyond their lease expiration dates. For example, Fort Detrick, one of the installations visited during the audit, is home to the DoD laboratories where personnel study chemical or biological agents that can cause severe human diseases for which there are no available vaccines or treatments. The consequences of unauthorized access to or near this type of facility could be catastrophic. In addition, recent security incidents and ongoing domestic terrorism efforts targeting the U.S. military demonstrate the critical need for adequate and thorough background checks and proper badging.

## **Recommendations, Management Comments, and Our Response**

### ***Recommendation 1***

**We recommend that the Commander of U.S. Army Installation Management Command and the Director of Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters U.S. Air Force, conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with current Military Department guidance.**

#### ***Commander, U.S. Army Installation Management Command Comments***

The IMCOM Deputy Commanding General agreed, stating that IMCOM will conduct a review of all general public tenants leasing privatized housing as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates.

The Deputy Commanding General stated that IMCOM plans to issue an operations order by the end of February 2019 to implement those actions and plans to complete the reviews within 60 days of the issuance of the operations order.

*Chief, Army Housing Division, Office of the Assistant Chief of Staff for Installation Management Comments*

The ACSIM Army Housing Division Chief agreed with the recommendation that IMCOM conduct a review of all general public tenants leasing privatized housing as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates.

*Director of Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection Comments*

The HQ USAF/A4S Security Forces Deputy Director partially agreed, stating that a review of installation compliance with policy is necessary, but disagreed that a review of all general public tenants on every Air Force installation should be conducted. Instead, the Deputy Director proposed using a risk-based sampling strategy and coordinating with Major Command Inspectors General on their sampling strategy to assess the level of compliance across all Air Force installations. The Deputy Director stated that proposed sampling will allow for the sampling of the entire Air Force and assess the effectiveness of the policy execution. The Deputy Director stated that HQ USAF/A4S will coordinate with the DoD OIG on acceptable documentation resulting from the sampling. The Deputy Director estimated that sampling will be completed by June 2019.

*Our Response*

Comments from the IMCOM Deputy Commanding General and the ACSIM Army Housing Division Chief addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation directed to IMCOM once we review IMCOM's review of all general tenants' background checks and badge expiration dates, including the identifying information for each tenant, the date the background check was performed, the badge expiration date, and the lease expiration date.

Comments from the HQ USAF/A4S Deputy Director did not address the specifics of the recommendation; therefore, the recommendation is unresolved. Reviewing a sample of general public tenants would not provide the level of assurance needed to ensure the security and safety of military personnel, dependents, civilians, and assets that a review of all general public tenants would provide. We request that the Deputy Director reconsider his position on the recommendation and provide comments on the final report.

## **Recommendation 2**

We recommend that the Commander, Navy Installations Command:

- a. **Update guidance requiring installations to document the background check approval process to include the process to be followed when renewing lease agreements.**

### *Commander, Navy Installations Command Comments*

The CNIC Inspector General, responding for the CNIC Commander, agreed, stating that CNIC prepared new guidance that requires installations to document the background check approval process, including the process to be followed when renewing lease agreements and expects to issue the guidance by May 1, 2019.

### *Our Response*

Comments from the CNIC Inspector General addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close this recommendation when we review the new guidance and ensure that the requirement to document the background check approval process, including the process when renewing lease agreements, is incorporated.

- b. **Conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with Navy Installations Command guidance.**

### *Commander, Navy Installations Command Comments*

The CNIC Inspector General, responding for the CNIC Commander, agreed, stating that CNIC would review the installation-level reviews of all background checks and access badge expiration dates for general public tenants' who were leasing privatized housing as of January 1, 2019. The data call will ensure that all tenants receive complete and adequate background checks, and that access badge expiration dates do not exceed lease expiration dates. The estimated completion date is March 29, 2019.

### *Our Response*

Comments from the Inspector General addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close this recommendation when we review CNIC's review of all general public tenants' background checks and badge expiration dates, including the identifying information for each tenant at each military installation, the date the background check was performed, the badge expiration date, and the lease expiration date.

## Appendix

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### Scope and Methodology

We conducted this performance audit from May 2018 through January 2019 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.

### Work Performed

We reviewed Report No. DODIG-2016-072 to gain an understanding of the prior audit's findings and recommendations. Additionally, we reviewed DoD OIG Report Followup Branch files to identify actions taken by DoD OIG and DoD management from April 1, 2016, through May 2, 2018. Also, we reviewed DoD and Military Department guidance and interviewed personnel from the following organizations to identify changes in relevant policies and procedures since the prior report was issued.

- Office of the Assistant Secretary of Defense for Energy, Installation, and Environment
- Office of the Provost Marshal General, U.S. Army (OPMG)
- Office of the Assistant Chief of Staff for Installation Management (ACSIM)
- U.S. Army Installation Management Command (IMCOM)
- Commander, Navy Installations Command (CNIC)
- Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters Air Force (HQ USAF/A4S)

We met with FBI personnel to obtain further information regarding background check query codes and requested assistance with confirming background check queries performed on general public tenants from the NCIC database and the III.

~~(FOUO)~~ We conducted site visits to Fort Detrick and Barksdale AFB in June 2018 and held teleconferences with Naval Station Mayport to interview installation security and housing and private leasing company personnel and identify processes for the screening of and granting installation access to general public tenants. We also obtained supporting documentation for 153 general public tenants leasing housing on installations as of May 16, 2018, including lease agreements, background checks, and screenshots of access badges issued.

## ***Methodology for Determining the Status of Open Recommendations From Report No. DODIG-2016-072***

We reviewed DoD OIG Report Followup Branch records to determine whether the agreed-upon corrective actions were implemented. We then obtained and reviewed supporting documentation for the corrective actions that OPMG, IMCOM, CNIC, and HQ USAF/A4S personnel provided as support for their corrective actions.

### ***Recommendations Requiring Guidance Revisions for Background Check Queries and Access Badge Expiration Dates***

We reviewed OPMG and HQ USAF/A4S draft revisions to department guidance and interim guidance to determine whether the draft guidance specified the correct NCIC and III queries to be used to conduct background checks and required that general public tenants' access badge expiration dates did not exceed lease expiration dates. We also monitored progress by the Army and Air Force to publish the revised versions of Army Regulation 190-13 and Air Force Manual 31-113 (Recommendations 1.a and 1.b).

### ***Recommendations Requiring Review of Background Checks***

We determined whether IMCOM and CNIC personnel reviewed all general public tenants leasing privatized housing to ensure that those tenants received complete and adequate background checks, as recommended in Report No. DODIG-2016-072. Specifically, we reviewed supporting documentation for corrective actions that IMCOM and CNIC personnel stated were sufficient to close Recommendation 2.a, including guidance issuances, compliance inspections, and implementation of the Defense Biometric Identification System.

### ***Recommendations Requiring Review of Access Badge Expiration Dates***

We determined whether the IMCOM, CNIC, and HQ USAF/A4S instructed security personnel to conduct a badge review for general public tenants living on military installations and re-issue badges, as needed, to ensure that the badge expiration date did not exceed the end of the tenants' lease terms, as recommended in Report No. DODIG-2016-072. Specifically, we reviewed supporting documentation for corrective actions that IMCOM, CNIC, and HQ USAF/A4S personnel implemented in response to Recommendation 2.b, including guidance issuances, compliance inspection results, major command access badge review results, list of general public tenants at one installation showing access badge expiration and lease expiration dates, and implementation of the Defense Biometric Identification System.

## ***Methodology for Reviewing Background Checks and Access Badges at Installations***

~~(FOUO)~~ Since IMCOM and CNIC could not provide sufficient documentation to close Recommendation 2.a from Report No. DODIG-2016-072, we reviewed the same three locations reviewed in that report to determine whether Fort Detrick, Naval Station Mayport, and Barksdale AFB properly conducted background checks before signing leases with general public tenants. Specifically, we met with installation security and housing personnel and leasing company personnel to clarify background check processes for general public tenants and to obtain copies of background check data for our review. We compared the background check data obtained from the installations with the NCIC data and the III we obtained from the FBI. In addition, we met with Louisiana State Police Department personnel to obtain information about the state's master query system, the system's relationship to the NCIC and the III, and obtain additional transaction logs to determine whether Barksdale AFB personnel were properly performing background check queries.<sup>24</sup>

~~(FOUO)~~ Additionally, since IMCOM, CNIC, and HQ USAF/A4S could not provide sufficient documentation to close Recommendation 2.b from Report No. DODIG-2016-072, we reviewed the same three locations reviewed in that report to determine whether Fort Detrick, Naval Station Mayport, and Barksdale AFB ensured that general public tenants' installation access expiration dates did not exceed lease agreement expiration dates. Specifically, we met with installation security and housing personnel and leasing company personnel to clarify the access badge issuance process and to obtain copies of access identification badges for the general public tenants. We compared the badge expiration dates with the lease expiration dates.

## **Use of Computer-Processed Data**

We used computer-processed data for our audit. Specifically, we used general public tenants' transaction log data from the NCIC database and the III provided by the FBI to validate background check and access badge information provided by the three installations. To verify that the data from the NCIC database and the III were reliable, we interviewed FBI Criminal Justice Information Services personnel knowledgeable with the data. We identified that data from the NCIC database and the III are widely accepted by criminal justice agencies. Therefore, we determined that the data used were sufficiently reliable for purposes of this audit.

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<sup>24</sup> ~~(FOUO)~~ According to Barksdale AFB personnel, they use the Master Query to perform NCIC and III queries.

## Prior Coverage

During the last 5 years, the DoD OIG issued three reports discussing screening and access controls at DoD installations. Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/reports.html/>.

### **DoD OIG**

Report No. DODIG-2016-072, “DoD Needs to Improve Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations,” April 1, 2016

~~(FOUO)~~ DoD officials did not effectively screen and adequately control installation access for general public tenants who leased privatized housing on Fort Detrick, Naval Station Mayport, and Barksdale AFB. Specifically, DoD officials did not properly screen general public tenants before granting unescorted access to installations and issued access badges with expiration dates that exceeded tenants’ lease terms. As a result, the DoD assumed an unnecessary safety and security risk to military personnel, their dependents, civilians, and assets.

Report No. DODIG-2016-018, “Followup Audit: Navy Access Control Still Needs Improvement,” November 9, 2015

The followup audit found that the Navy did not properly implement corrective actions for one of two recommendations it agreed to in Report No. DODIG-2013-134, “Navy Commercial Access Control System Did Not Effectively Mitigate Access Control Risks,” September 16, 2013. Specifically, CNIC provided vetting capability to access the NCIC to all selected Navy installations. However, Navy officials did not properly access NCIC when vetting Navy Commercial Access Control System applicants. As a result, the CNIC was at risk of allowing individuals who may be on NCIC person-files to enter Navy installations, potentially placing military personnel, dependents, civilians, and installations at an increased security risk.

Report No. DODIG-2013-134, “Navy Commercial Access Control System Did Not Effectively Mitigate Access Control Risks,” September 16, 2013

The Navy Commercial Access Control System did not effectively mitigate access control risks associated with contractor installation access. Specifically, numerous contractor employees enrolled in the Navy Commercial Access Control System received interim installation access and credentials without having their identities vetted through mandatory authoritative databases, such as the NCIC database. As a result, 52 convicted felons received routine unauthorized access to Navy installations, placing military personnel, dependents, civilians, and installations at an increased security risk.

# Management Comments

## U.S. Army Installation Management Command



DEPARTMENT OF THE ARMY  
US ARMY INSTALLATION MANAGEMENT COMMAND  
2405 GUN SHED ROAD  
JOINT BASE SAN ANTONIO FORT SAM HOUSTON, TX 78234-1223

FEB 07 2019

IMIR

MEMORANDUM FOR THE Inspector General, Department of Defense, Readiness and Global Operations Program, 4800 Mark Center Drive, Alexandria, Virginia 22350-1500

SUBJECT: Draft Report, The DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations (Project No. D2018-D000RL-0149.000)

1. The U.S. Army Installation Management Command (IMCOM) response to the subject draft report is enclosed. IMCOM Concurs with Recommendation 1.
2. The IMCOM Internal Review point of contact for this action is [REDACTED] who can be reached at [REDACTED]

Encl  
as

Handwritten signature of Timothy P. McGuire in black ink.

TIMOTHY P. MCGUIRE  
Major General, USA  
Deputy Commanding General

## U.S. Army Installation Management Command (cont'd)

Inspector General, Department of Defense Draft Report,  
The DoD's Implementation of Recommendations on Screening and Access Controls  
for General Public Tenants Leasing Housing on Military Installations  
(Project No. D2018-D000RL-0149.000)

### Command Reply for Recommendation 1

For the Commanding General,  
U.S. Army Installation Management Command:

#### Recommendation 1

The Inspector General, Department of Defense recommends that the Commander of U.S. Army Installation Management Command conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with current Military Department guidance.

#### IMCOM Comments to Recommendation 1

IMCOM Concur. IMCOM will perform and document the actions to implement the requirements in recommendation 1 on IMCOM managed installations. All general public tenants leasing military housing as of 1 January 2019 will be reviewed. IMCOM will ensure that all tenants are vetted through the required background checks. IMCOM will also ensure that access badge expiration dates do not exceed lease expiration dates.

IMCOM will publish an operations order to implement these actions, requiring Garrison Directors of Emergency Services and Housing Offices coordination in order to collect lease agreements, tenant names, background checks, and badge expiration date information. HQ IMCOM Provost Marshal/Protection Division will review documentation and confirm the intent of recommendation 1 is being met.

IMCOM anticipates the operations order will be published by the end of February 2019, and all reviews completed within 60 days of the publication date.

Enclosure

## Office of the Assistant Chief of Staff for Installation Management



DEPARTMENT OF THE ARMY  
OFFICE OF THE ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT  
600 ARMY PENTAGON  
WASHINGTON, DC 20310-0600

DAIM-ISH

MEMORANDUM FOR THE Inspector General, Department of Defense, Readiness and Global Operations Program, 4800 Mark Center Drive, Alexandria, Virginia 22350-1500

SUBJECT: Draft Report, The DoD's Implementation of Recommendation on Screening and Access controls for General Public Tenants Leasing Housing on Military Installations (Project No. D2018-D000RL-0149.000)

1. Reference memorandum, IMCOM, 07 Feb 19, subject: Draft Report, The DoD's Implementation of Recommendation on Screening and Access controls for General Public Tenants Leasing Housing on Military Installations (Project No. D2018-D000RL-0149.000)
2. The office of the Assistant Chief of Staff for Installation Management reviewed Inspector General, Department of Defense Draft Report D2018-D000RL-0149.000 and concurs with recommendation 1.
3. Our office concurs with the recommendation that the Commander of U.S. Army Installation Management Command conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with current Military Department guidance.

COLLINS CHRISTO  
FER M

CHRISTOFER M. COLLINS  
Chief, Army Housing Division

## Commander, Navy Installations Command



DEPARTMENT OF THE NAVY  
 COMMANDER, NAVY INSTALLATIONS COMMAND  
 716 SICARD STREET, SE, SUITE 1000  
 WASHINGTON NAVY YARD, DC 20374-5140

5530  
 Ser N00G/19U003  
 8 Feb 19

From: Commander, Navy Installations Command  
 To: Inspector General, Department of Defense (Attn: Policy and Oversight)  
 Subj: CNIC RESPONSE TO DODIG PROJECT NO. D2018-D000RL-0149.000 THE  
 DOD'S IMPLEMENTATION OF RECOMMENDATIONS ON SCREENING AND  
 ACCESS CONTROLS FOR GENERAL PUBLIC TENANTS LEASING HOUSING  
 ON MILITARY INSTALLATIONS DRAFT REPORT  
 Ref: (a) DoDIG Project No. D2018-D000RL-0149.000 of 9 Jan 19

1. Per reference (a), Commander, Navy Installations Command's (CNIC's) management comments to the subject are provided below.

**a. Recommendation 2.a:** Update guidance requiring installations to document the background check approval process to include the process to be followed when renewing lease agreements.

**b. CNIC Response:** Concur. CNIC N3 has drafted a new access control instruction which requires installations to document the background check approval process to include the process to be followed when renewing lease agreements. The instruction is currently being staffed, and has an estimated completion date of 1 May 2019.

**c. Recommendation 2.b:** Conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with Navy Installations Command guidance.

**d. CNIC Response:** Concur. CNIC will conduct a data call review of all general public tenants leasing privatized housing on military installations. This data call will be dated as of 1 January 2019, and will ensure that all tenants receive complete and adequate background checks, and that access badge expiration dates do not exceed lease expiration dates. The estimated completion date is 29 March 2019.

2. CNIC does not require any FOUO markings for this report.

3. CNIC does not require a FOIA exemption for this report.

4. The technical point of contact is [REDACTED]. The audit liaison point of contact is [REDACTED].

MANLEY.GERAL  
 D.ROLLIN  
 [REDACTED]  
 GERALD MANLEY  
 By direction

Copy to:  
 CNIC (OIG)  
 NAVINSGEN

# Security Forces, Deputy Chief of Staff for Logistics, Engineering and Force Protection, Headquarters, U.S. Air Force



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

6 February 2019

MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

FROM: HQ USAF/A4S  
1030 Air Force Pentagon Suite 5E1040  
Washington, DC 20330

SUBJECT: Air Force Response to DoD Office of Inspector General Draft (or Final) Report, "The DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations" (Project No. D2018-D000RL-0149.000)

1. This is the Department of the Air Force response to the response to the DoDIG DRAFT Report, "The DoD's Implementation of Recommendations on Screening and Access Controls for General Public Tenants Leasing Housing on Military Installations (Project no. D2018-D000RL-0149.000). The Air Force partially concurs with the report as written and welcomes the opportunity to work with the DoDIG to come to an effective resolution to comments concerning this Draft.

**RECOMMENDATION 1:** We recommend that the Commander of U.S. Army Installation Management Command and the Director of Security Forces, Deputy Chief of Staff for Logistics, Engineering, and Force Protection, Headquarters U.S. Air Force, conduct a review of all general public tenants leasing privatized housing on military installations as of January 1, 2019, to ensure that those tenants receive complete and adequate background checks and that access badge expiration dates do not exceed lease expiration dates in accordance with current Military Department guidance.

**AIR FORCE RESPONSE:** We partially concur with the DoDIG recommendation. We agree a review of compliance with policy is necessary given the findings at Barksdale AFB. We disagree with the mandate to conduct a review of all general public tenants on every installation and instead propose a sampling regimen.

We propose utilizing existing mechanisms such as our Management Internal Control Toolset (MICT) and work in coordination with Major Command Inspector Generals via a risk-based sampling strategy to conduct the review. This effort will allow us to sample the entire Air Force to assess the effectiveness of policy execution. A4S will coordinate with DoDIG on acceptable documentation resulting from the Major Command Inspector General sampling. We anticipate that by June 2019, data from both MICT and IG sampling will be available for analysis.

2. Thank you for the opportunity to provide feedback on this very important review. Should you have any additional questions or concerns, my point of contact is [REDACTED].

SCHEPPERS, HEIDI L. [REDACTED]  
HEIDI L. SCHEPPERS, SES, DAF  
Deputy Director of Security Forces  
DCS/Logistics, Engineering & Force Protection

## Acronyms and Abbreviations

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<b>ACSIM</b>	Office of the Assistant Chief of Staff for Installation Management
<b>AFB</b>	Air Force Base
<b>CNIC</b>	Commander, Navy Installations Command
<b>FBI</b>	Federal Bureau of Investigation
<b>HQ USAF/A4S</b>	Headquarters, U.S. Air Force Security Forces
<b>IMCOM</b>	U.S. Army Installation Management Command
<b>III</b>	Interstate Identification Index
<b>MHPI</b>	Military Housing Privatization Initiative
<b>NCIC</b>	National Crime Information Center
<b>OPMG</b>	Office of the Provost Marshal General, U.S. Army

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