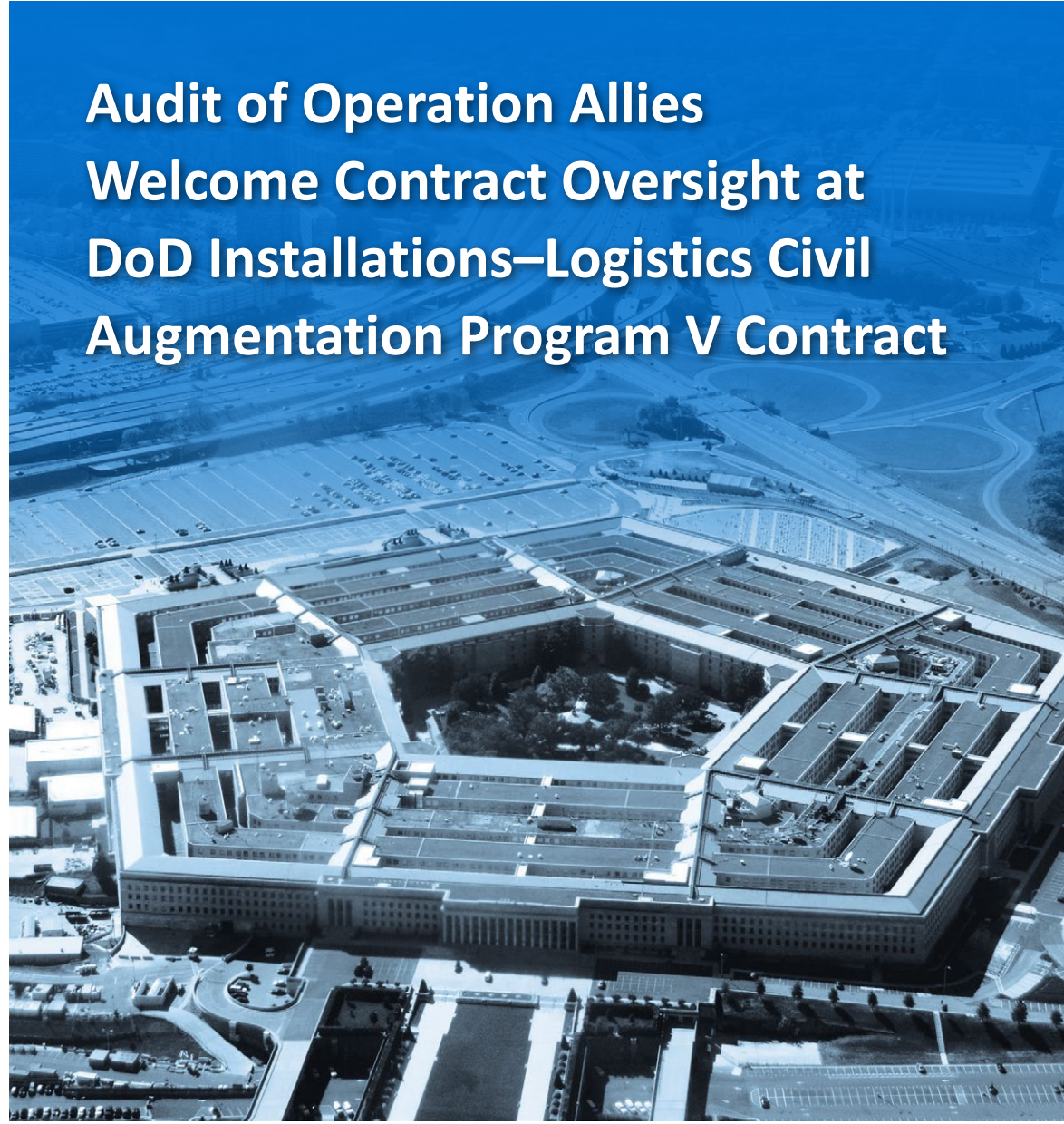




INSPECTOR GENERAL

U.S. Department of Defense

APRIL 18, 2023



Audit of Operation Allies Welcome Contract Oversight at DoD Installations—Logistics Civil Augmentation Program V Contract

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





Results in Brief

Audit of Operation Allies Welcome Contract Oversight at DoD Installations—Logistics Civil Augmentation Program V Contract

April 18, 2023

Objective

The objective of this audit was to determine whether Army contracting personnel executed contract administration responsibilities for dining, medical, and facilities sustainment services in support of Operation Allies Welcome (OAW) in accordance with Federal and DoD policies.

Background

On August 14, 2021, the Army awarded a task order under the Logistics Civil Augmentation Program (LOGCAP) V contract. The LOGCAP V task order included dining, medical, and facilities sustainment services in support of OAW at four Army installations—Camp Atterbury, Indiana; Fort Bliss, Texas; Fort McCoy, Wisconsin; and Fort Pickett, Virginia. The LOGCAP V task order included a price ceiling of \$1.9 billion.

Finding

Army contracting personnel complied with Federal and DoD guidance for contract oversight by ensuring that contracting officer's representatives (CORs) were officially appointed, completed required COR training, performed contract oversight procedures, and ensured the contractor took corrective actions to address deficiencies.

However, the procuring contracting officer (PCO) did not ensure invoices were reviewed before payment to verify contractor-reported costs. This occurred because the PCO solely relied on the Defense Contract Audit Agency (DCAA) prepayment reviews, which did not address whether invoiced amounts were allowable, allocable, or reasonable.

Finding (cont'd)

As a result, while the LOGCAP V contractor provided adequate dining, medical, and facilities sustainment services to Afghan evacuees, the Army does not have assurance that the \$1.6 billion paid to the contractor was allowable, allocable, and reasonable.

Recommendations

We recommend that the Army Contracting Command—Rock Island, Executive Director:

- Request that the DCAA review the allowability, allocability, and reasonableness of the \$1.6 billion paid to the contractor.
- Request a refund from the contractor for any excess payment or arrange for payment to the contractor for any under-billed costs that the DCAA identifies.
- Issue guidance to reinforce the importance of the contracting officer and COR roles and involvement in review of invoices before payment.

Management Comments and Our Response

Army officials agreed to request that the DCAA review the allowability, allocability, and reasonableness of the \$1.6 billion paid to the contractor and to request a refund from the contractor for any excess payment or arrange for payment to the contractor for any under-billed costs that the DCAA identifies. Therefore, these recommendations are resolved and will remain open.

Army officials partially agreed with the recommendation to issue guidance to reinforce the importance of the contracting officer and COR roles and involvement in review of invoices before payment. ACC-RI officials stated they would work with the Army Sustainment Command and DCAA to develop a process to review vouchers before payment. The proposed actions meet the intent of the recommendation. Therefore, the recommendation is resolved and will remain open.

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

Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Executive Director, Army Contracting Command-Rock Island	None	1.a, 1.b, 1.c	None

Please provide Management Comments by July 17, 2023.

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** – The DoD OIG verified that the agreed upon corrective actions were implemented.



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

April 18, 2023

**MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND
SUSTAINMENT
UNDER SECRETARY OF DEFENSE FOR POLICY
AUDITOR GENERAL, DEPARTMENT OF THE ARMY**

**SUBJECT: Audit of Operation Allies Welcome Contract Oversight at DoD
Installations-Logistics Civil Augmentation Program V Contract
(Report No. DODIG-2023-064)**

This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the recommendations. We considered management's comments on the draft report when preparing the final report. These comments are included in the report.

The Executive Director of the Army Contracting Command-Rock Island agreed to address all the recommendations presented in the report; therefore, we consider the recommendations resolved and open. As described in the Recommendations, Management Comments, and Our Response section of this report, we will close the recommendations when you provide us documentation showing that all agreed-upon actions to implement the recommendations are completed. Therefore, please provide us within 90 days your response concerning specific actions in process or completed on the recommendations. Send your response to either followup@dodig.mil if unclassified or rfunet@dodig.smil.mil if classified SECRET.

If you have any questions or would like to meet to discuss the audit, please contact me at [REDACTED]. We appreciate the cooperation and assistance received during the audit.

FOR THE INSPECTOR GENERAL:

A handwritten signature in blue ink, reading "Richard B. Vasquez", is positioned above the printed name.

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

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Introduction

Objective

The objective of this audit was to determine whether DoD contracting personnel executed contract administration procedures for supplies and services supporting the relocation of Afghan evacuees at DoD installations in support of Operation Allies Welcome (OAW) in accordance with Federal and DoD policies.

This report focused on the Logistics Civil Augmentation Program (LOGCAP) V contract dining, medical, and facilities sustainment supplies and services used to support the OAW mission at four of the five Army installations (Camp Atterbury, Indiana; Fort Bliss, Texas; Fort McCoy, Wisconsin; and Fort Pickett, Virginia).¹ See Appendix A for the scope and methodology and Appendix B for prior audit coverage related to the audit.

Background

On July 14, 2021, the President announced Operation Allies Refuge to support the relocation of interested and eligible Afghan nationals who supported the U.S. Government, and their immediate families. This initiative followed through on America's commitment to Afghan citizens who had helped the United States and provided them essential support at secure locations. The Afghans took significant risks to support the U.S. military and civilian personnel in Afghanistan, were employed by or on behalf of the U.S. Government in Afghanistan or coalition forces, or were a family member of someone who did.

On August 29, 2021, the President announced OAW and directed the Department of Homeland Security to lead and coordinate ongoing efforts across the Government to support vulnerable Afghans as they safely resettled in the United States. This effort consisted of various operational phases to support Afghan evacuees. Prior to arrival, the Government conducted security screenings and vetting of Afghan evacuees, with the dual goals of protecting national security and providing protection for its Afghan allies.

On August 30, 2021, the President stated that our troops executed the largest airlift in U.S. history, evacuating over 120,000 people from Afghanistan. Upon arrival at the port of entry and after completion of processing, the Department of Homeland Security transported Afghan evacuees to U.S. military facilities, where they received a full medical screening and a variety of services.

¹ Army Contracting Command–Rock Island awarded a separate task order to provide supplies and services to the Afghan evacuees at Fort Lee, Virginia.

Facilities sustainment services include cleaning, housing, and housing supply services.

DoD Support for Operation Allies Welcome

To support the Afghan resettlement effort, the DoD provided essential supplies and services, such as shelters, electricity, fuel, water, vaccinations, and halal meals for Afghan evacuees within the continental United States at eight installations: Camp Atterbury, Indiana; Fort Bliss, Texas; Fort Lee, Virginia; Fort McCoy, Wisconsin; Fort Pickett, Virginia; Holloman Air Force Base, New Mexico; Joint Base McGuire-Dix-Lakehurst, New Jersey; and Marine Corps Base Quantico, Virginia.² Table 1 shows key information for each installation, including the number of days' notice received by the installations before the first Afghan evacuees arrived, the first arrival and final departure dates of Afghan evacuees, the number of days each installation was active in support of OAW, and the total number of Afghan evacuees housed at each installation.

Table 1. Key Information for Each U.S. Installation Providing Temporary Support of OAW

Supporting DoD Service	Location	Number of Days' Notice	Date of First Afghan Evacuee Arrival	Date of Last Afghan Evacuee Departure	Total Number of Days Installation Was Active	Total Number of Afghan Evacuees Housed
Air Force	Holloman Air Force Base, New Mexico	7	8/31/2021	1/26/2022	149	7,324
	Joint Base McGuire-Dix-Lakehurst, New Jersey	4	8/25/2021	2/19/2022	179	16,503
Navy	Marine Corps Base Quantico, Virginia	5	8/29/2021	12/22/2021	116	5,081
Army	Camp Atterbury, Indiana	3	9/3/2021	1/25/2022	145	7,192
	Fort Bliss, Texas	8	8/21/2021	12/30/2021	132	11,472
	Fort McCoy, Wisconsin	6	8/22/2021	2/15/2022	178	12,706
	Fort Pickett, Virginia	3	8/28/2021	2/1/2022	158	10,492
	Fort Lee, Virginia	15	7/30/2021	11/17/2021	111	3,108

Source: The DoD OIG.

The DoD executed task orders under three contracts to provide Afghan evacuees with essential supplies and services.

- Air Force Contract Augmentation Program
- Navy Global Contingency Services Contract
- Army LOGCAP V

² Halal is Arabic for "permissible" and indicates the food was prepared in accordance with Islamic law.

Logistics Civil Augmentation Program

The Army used LOGCAP V to provide dining, medical, and facilities sustainment services to support OAW. LOGCAP is an Army program established in 1992 that uses contractors to provide logistical and sustainment services to deployed forces at U.S. military installations around the world. The Army Sustainment Command's LOGCAP Program Management Office has global oversight of LOGCAP V and is responsible for the planning, policy, and direction of the program. The LOGCAP Program Management Office assists requiring activities in developing, executing, monitoring, validating, and adjusting LOGCAP-provided services with assistance from the procuring contracting officer (PCO), such as adjusting contract requirements for dining, medical, and facilities sustainment services supporting OAW.

On August 14, 2021, Army Contracting Command–Rock Island (ACC-RI) awarded an undefinitized, sole-source, cost-plus-fixed-fee task order under the LOGCAP V contract.³ The LOGCAP V task order included dining, medical, and facilities sustainment services in support of OAW at four Army installations within the continental United States—Camp Atterbury, Indiana; Fort Bliss, Texas; Fort McCoy, Wisconsin; and Fort Pickett, Virginia. The LOGCAP V task order included a price ceiling of \$1.9 billion and a preliminary fixed fee of 6 percent. While the LOGCAP V contract was originally intended to support military personnel, over the course of the DoD's support of OAW, ACC-RI issued 11 modifications to tailor the LOGCAP V task order requirements to meet the needs of the Afghan evacuees. Table 2 provides a summary of requirements changes, the funding ceilings, and expenditures at the four installations using the LOGCAP V task order as of December 6, 2022.

Table 2. LOGCAP V Task Order Requirements Changes, Funding, and Expenditures as of December 6, 2022

Location	Number of Requirements Changes	Total Funding	Amount Expended
Camp Atterbury, Indiana	22	\$340,390,619	\$307,543,217
Fort Bliss, Texas	15	688,388,477	587,632,841
Fort McCoy, Wisconsin	29	400,915,075	354,116,226
Fort Pickett, Virginia	14	448,237,152	391,973,184
Total	80	\$1,877,931,323	\$1,641,265,468

Source: The DoD OIG.

³ For an undefinitized contract or task order, the contract terms, specifications, or price are not agreed upon before performance under the contract or task order begins. ACC-RI expects to definitize the LOGCAP V task order in January 2023.

LOGCAP Contract Administration Roles and Responsibilities

The key contract administration personnel responsible for carrying out Government surveillance under the Federal Acquisition Regulation (FAR) include the PCO, the administrative contracting officer (ACO), and the contracting officer's representative (COR). Several commands, including ACC-RI, the Army's 418th and 419th Contracting Support Brigades (CSBs) and installation-level active and reserve command personnel, worked together to provide the required contract administration.

Army Contracting Command–Rock Island

ACC-RI is one of six Army Contracting Command centers providing worldwide procurement support to Soldiers, civilians, and contractors. An ACC-RI PCO awarded the LOGCAP V task order. Pursuant to FAR requirements, the PCO is responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships.⁴ PCO roles and responsibilities vary by contract. Generally, the PCO develops contract technical documents, executes contract awards, and can delegate any post-award contract administration, such as quality assurance surveillance, cost monitoring, and invoice review, to an ACO. The PCO retains any contract administration duties that the PCO does not delegate in writing. Under LOGCAP V, the PCO retained primary responsibility for reviewing invoices and negotiating, funding, modifying, and monitoring costs on the LOGCAP V task order.

In addition, the FAR requires the PCO to receive, from the requiring activity, contract quality requirements and for service contracts, a quality assurance surveillance plan (QASP). The contract quality requirements or QASP must specify the inspection, testing, and other contract quality requirements to ensure the integrity of the supplies or services.⁵ The Defense Federal Acquisition Regulation Supplement (DFARS) states that the PCO should ensure the QASP is prepared in conjunction with the contract's performance work statement and tailored to address the performance risk inherent in the specific contract type.⁶ QASPs should detail the work requiring surveillance and the surveillance methodology to ensure the contractor complies with all contractual requirements in its performance work statement. The LOGCAP V PCO delegated all quality assurance surveillance responsibilities to the 418th and 419th CSBs.

⁴ FAR Part 1, "Federal Acquisition Regulations System," Subpart 1.6, "Career Development, Contracting Authority, and Responsibilities," Section 1.602, "Contracting Officers," Subsection 1.602-2, "Responsibilities."

⁵ FAR Part 46, "Quality Assurance," Subpart 46.1, "General," Section 46.103, "Contracting office responsibilities."

⁶ DFARS Part 237, "Service Contracting," Subpart 237.1, "Service Contracts—General," Section 237.172, "Service contracts surveillance."

418th and 419th Contracting Support Brigades

The 418th CSB, based at Fort Hood, Texas, and the 419th CSB, based at Fort Bragg, North Carolina, are subordinate units of the Army Mission and Installation Contracting Command. The 418th and 419th CSBs provide contracting support to commands and installations. The 418th and 419th CSBs assigned one “lead” ACO and 12 site-specific ACOs at the four Army installations using the LOGCAP V task order to support the OAW mission (two ACOs at Camp Atterbury, four ACOs at Fort Bliss, two ACOs at Fort McCoy, and four ACOs at Fort Pickett).

The lead ACO served as the link between the 12 site-specific ACOs and the PCO. The lead ACO provided guidance and mentorship to the 12 ACOs as they rotated in and out of each installation. Additionally, the lead ACO addressed any common issues or trends with the PCO. For the LOGCAP V task order, the 12 site-specific ACOs’ responsibilities included:

- appointing, managing, and terminating CORs;
- surveilling the contractor to ensure its compliance with quality assurance and safety requirements; and
- reporting contract non-conformances to the contractor for resolution.

Installation-Level Command Support

Installation-level active and reserve command personnel from each of the four installations served as CORs. DoD Instruction 5000.72 establishes requirements for identifying, training, and certifying CORs across the DoD.⁷ According to the LOGCAP V QASP, the COR should serve as the “eyes and ears” of the PCO and ACOs by conducting contract oversight through surveillance checklists and monthly status reports. The LOGCAP V QASP states that CORs should complete their contractor surveillance and performance reports thoroughly, accurately, and in a timely manner so the PCO can properly assess the contractor’s performance. The DFARS requires CORs to include all surveillance documentation in the Surveillance and Performance Monitoring system.⁸

Voucher Review Roles and Responsibilities

The DoD COR Guidebook and the DFARS detail the invoice review and approval responsibilities for contract administration personnel such as the PCO, ACO, COR, and the Defense Contract Audit Agency (DCAA) auditor.⁹ According to the DoD COR

⁷ DoD Instruction 5000.72, “DoD Standard for Contracting Officer’s Representative (COR) Certification,” March 26, 2015 (Incorporating Change 2, November 6, 2020)

⁸ DFARS Procedures, Guidance, and Information Part 201, “Federal Acquisition Regulation System,” Subpart 201.6, “Career Development, Contracting Authority, and Responsibilities,” Section 201.602, “Contracting officers,” Subsection 201.602-2, “Responsibilities.”

⁹ “DoD Contracting Officer’s Representatives Guidebook,” May 2021.

Guidebook, for cost-reimbursement contracts, only contracting officers such as PCOs and ACOs can approve invoices for final payment. CORs can review, but not approve, invoices for payment. The DoD COR Guidebook states that CORs should review billing statements thoroughly and on time, monitor contractor performance, make onsite visits, and perform surveillance to ensure that the Government gets what it paid for.

The DCAA operates under the authority of the Under Secretary of Defense (Comptroller)/Chief Financial Officer. The mission of the DCAA is to perform contract audits and to provide accounting and financial advisory services regarding contracts and subcontracts for the DoD. The DFARS assigns the DCAA responsibility for performing prepayment review of contractor invoices on cost-reimbursement contracts.¹⁰ According to the DCAA Contract Audit Manual, during prepayment review, the DCAA auditor verifies that the contract number, invoice number, and dollar amount on the invoice agree with the attached supporting documentation and that the invoice is free from mathematical errors.¹¹ The prepayment review, performed by a DCAA auditor, is not a detailed review of the allowability, allocability, and reasonableness of specific costs.

In addition to prepayment reviews, the DCAA performs incurred cost audits of the contractor's costs reimbursed or claimed for the fiscal year. The purpose of incurred cost audits is to verify the allowability, allocability, and reasonableness of the contractor's costs in accordance with the FAR and DFARS. The FAR states that a cost is allowable only when it complies with reasonableness, allocability, relevant accounting standards, and contract terms among other requirements.¹² Costs are allocable when incurred specifically for the contract, benefit both the contract and other work and can be distributed in reasonable proportion to the benefits received, or necessary to the overall operation of business. Finally, a cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business. The scope of the incurred cost audit covers all of the contractor's business operations as opposed to individual contracts. To perform incurred cost audits, DCAA auditors perform testing on selected cost areas such as direct labor cost, material cost, and subcontractor costs based on prior audit results, materiality, and risk. Furthermore, Government agencies can request contract audit services from the DCAA such as review of specific contractor invoices to determine whether costs were allowable, allocable, and reasonable.

¹⁰ DFARS Part 242, "Contract Administration," Subpart 242.8, "Disallowance of Costs," Section 242.803, "Disallowing costs after incurrence."

Throughout this report we use the term "invoice" to refer to the contractor-submitted vouchers on cost reimbursement contracts.

¹¹ DCAA Manual 7640.1, "DCAA Contract Audit Manual."

¹² FAR Part 31, "Contract Cost Principles and Procedures," Subpart 31.2, "Contracts with Commercial Organizations," Section 31.201, "General," Subsection 31.201-2, "Determining allowability."

Review of Internal Controls

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.¹³

We identified internal control weaknesses with the Army's review of the LOGCAP V contractor invoices. Specifically, the PCO at ACC-RI did not review invoices prior to payment to verify contractor-reported costs. We will provide a copy of the report to the senior official responsible for internal controls in the Department of the Army and ACC-RI.

¹³ DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013 (Incorporating Change 1, June 30, 2020).

Finding

Army Contracting Personnel Did Not Perform Sufficient Contract Administration

Army contracting personnel provided adequate oversight of contractor performance for dining, medical, and facilities sustainment services supporting the relocation of Afghan evacuees but did not review invoices. Specifically, Army contracting personnel complied with Federal and DoD guidance by ensuring that CORs:

- were officially appointed;
- completed required COR training; and
- performed contract oversight procedures, such as generating and executing QASP checklists, documenting surveillance results, and ensuring the contractor took corrective actions to address deficiencies.

However, the PCO did not review invoices before payment to verify contractor-reported costs. This occurred because the PCO solely relied on the DCAA prepayment reviews, which did not address whether invoiced amounts were allowable, allocable, or reasonable.

As a result of the Army's oversight structure and the CORs' execution of contract oversight procedures, the LOGCAP V contractor provided adequate dining, medical, and facilities sustainment services to Afghan evacuees. However, the Army does not have assurance that the \$1.6 billion paid to the contractor was allowable, allocable, and reasonable.

Army Contracting Personnel Provided Adequate Oversight of Contractor Performance

Army contracting personnel provided adequate oversight of contractor performance for dining, medical, and facilities sustainment services supporting the relocation of Afghan evacuees in accordance with Federal and DoD guidance. Specifically, Army contracting personnel appointed 98 trained CORs to perform surveillance, document surveillance results, and ensure the contractor took corrective actions to address identified deficiencies at all four Army installations for the dining, medical, and facilities sustainment services provided under LOGCAP V in support of the OAW mission.

Army Contracting Personnel Appointed CORs at All Four Army Installations

The ACOs appointed CORs to provide oversight of dining, medical, and facilities sustainment services at all four Army installations. The FAR requires contracting officers to designate and authorize CORs in writing on all contracts other than those that are firm-fixed price. Additionally, DoD Instruction 5000.72 requires contracting officers to ensure that CORs maintain their appointment letters in the Joint Appointment Module (JAM) and Surveillance and Performance Monitoring (SPM) systems. The installation-level ACOs appointed 98 CORs to provide oversight of dining, medical, and facilities sustainment services at the four Army installations.

Table 3 identifies the number of CORs overseeing dining, medical, and facilities sustainment services compared to the number of CORs who maintained their appointment letter in the systems. Of the 98 appointed CORs, 7 did not maintain their COR appointment letter in the required systems. However, the ACOs were able to provide the seven COR appointment letters outside of the systems. Therefore, each installation maintained properly appointed CORs to oversee dining, medical, and facilities sustainment services.¹⁴

Table 3. Number of CORs Overseeing Dining, Medical, and Facilities Sustainment Services at Each Army Installation

Location	Service	Number of Appointed CORs	Number of COR Appointment Letters in JAM/SPM	Number of COR Appointment Letters Maintained Outside JAM/SPM
Camp Atterbury	Dining	4	3	1
	Medical	6	4	2
	Facilities Sustainment	16	12	4
	Camp Atterbury - Total	26	19	7
Fort Bliss	Dining	4	4	0
	Medical	2	2	0
	Facilities Sustainment	39	39	0
	Fort Bliss - Total	45	45	0
Fort McCoy	Dining	3	3	0
	Medical	3	3	0
	Facilities Sustainment	7	7	0
	Fort McCoy - Total	13	13	0

¹⁴ Although the seven CORs did not maintain their appointment letters in JAM or SPM, we considered them properly appointed because the ACOs did complete their COR appointments in writing, as required by the FAR.

Table 3. Number of CORs Overseeing Dining, Medical, and Facilities Sustainment Services at Each Army Installation (cont'd)

Location	Service	Number of Appointed CORs	Number of COR Appointment Letters in JAM/SPM	Number of COR Appointment Letters Maintained Outside JAM/SPM
Fort Pickett	Dining	3	3	0
	Medical	5	5	0
	Facilities Sustainment	6	6	0
	Fort Pickett - Total	14	14	0
Total of All Four Installations		98	91	7

Source: The DoD OIG.

CORs Were Trained to Perform OAW Oversight

The CORs providing oversight of dining, medical, and facilities sustainment services at the four installations completed COR training requirements in accordance with DoD Instruction 5000.72. Specifically, the Instruction requires CORs to complete ethics, combatting trafficking in persons, and “Contracting Officer’s Representative” training courses, to ensure effective COR performance. Table 4 shows the total number of CORs at each installation and the number of CORs who completed each of the required COR trainings.

Table 4. Summary of COR Training Completion

Location	Service	Required COR Training		
		COR	Annual Ethics	Combatting Trafficking in Persons
Camp Atterbury (26 CORs)	Dining (4 CORs)	4	4	4
	Medical (6 CORs)	6	6	6
	Facilities Sustainment (16 CORs)	16	16	16
	Camp Atterbury - Total	26	26	26
Fort Bliss (45 CORs)	Dining (4 CORs)	4	4	4
	Medical (2 CORs)	2	2	2
	Facilities Sustainment (39 CORs)	39	38*	39
	Fort Bliss - Total	45	44	45

Table 4. Summary of COR Training Completion (cont'd)

Location	Service	Required COR Training		
		COR	Annual Ethics	Combatting Trafficking in Persons
Fort McCoy (13 CORs)	Dining (3 CORs)	3	3	3
	Medical (3 CORs)	3	3	3
	Facilities Sustainment (7 CORs)	7	7	7
	Fort McCoy - Total	13	13	13
Fort Pickett (14 CORs)	Dining (3 CORs)	3	3	3
	Medical (5 CORs)	5	5	5
	Facilities Sustainment (6 CORs)	6	6	6
	Fort Pickett - Total	14	14	14
Total of All Four Installations		98	97	98

*The Lead ACO was unable to obtain from one COR or locate in the COR's training files annual ethics certification for the 2021 calendar year (the year the OAW mission began).

Source: The DoD OIG.

In addition, while DoD Instruction 5000.72 does not explicitly require a COR to have relevant technical experience, the Instruction allows contracting officers to consider relevant technical experience and defines relevant technical experience for a COR as knowledge or practical experience in technical, professional, or administrative fields commensurate with assigned responsibilities. As such, the ACOs for each of the four installations stated that all CORs appointed to oversee dining services had a military background in food service. Furthermore, the Camp Atterbury ACO explained that the ACOs appointed military nurses as CORs to oversee the medical services. Because facilities sustainment included services that were not overly technical such as cleaning, housing, and housing supply services, we did not determine whether the facilities sustainment CORs' military or civilian backgrounds aligned with assigned COR responsibilities.

CORs Provided Surveillance of Dining, Medical, and Facilities Sustainment Services

The CORs executed contract surveillance of dining, medical, and facilities sustainment services at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett in compliance with Federal and DoD guidance. Specifically, in conjunction with the installation-level ACOs, the CORs tailored standard LOGCAP V QASP checklists to ensure thorough surveillance of all OAW-specific requirements. For example, the standard LOGCAP V QASP required COR surveillance of seven dining service requirements, whereas the initial tailored QASP checklists required CORs to surveil:

- 9 dining service requirements at Camp Atterbury, such as verifying that the contractor provided personnel to perform incidental functions such as cleaning the dining facility and dishwashing;
- 47 dining service requirements at Fort Bliss, such as verifying that the contractor prepared meals for evacuees that were receiving medical care and could not visit the dining facility;
- 91 dining service requirements at Fort McCoy, such as verifying that the menus included halal options; and
- 15 dining service requirements at Fort Pickett, which included extra procedures for verifying that the contractor disinfected all dining facility areas.

In addition, as OAW requirements changed, the CORs routinely updated the applicable QASP checklists to ensure their surveillance reflected the change in requirements. Over the course of 6 months, the Army changed the LOGCAP V task order requirements ranging from 14 to 29 times at the four installations. For example, to ensure that Afghan evacuees had access to medical services personnel of the same gender at Camp Atterbury, the PCO added a requirement for the contractor to provide an equal number of male and female medical service personnel. Accordingly, the CORs updated their QASP checklists to verify that the contractor staffed equal ratios of male and female medical service personnel, and upon surveillance, the CORs found that the contractor complied with the unique staffing requirements.

According to the LOGCAP V QASP, surveillance monitoring should occur throughout the duration of the OAW mission and the CORs should document their surveillance results in SPM at least once per month. While ACOs attested to COR completion of monthly QASP checklists to document surveillance of dining, medical, and facilities sustainment services at each installation, Camp Atterbury and Fort McCoy were the only installations that could provide the QASP checklist documentation for the duration of OAW. On average, the CORs retained completed QASP checklists in SPM or ACOs were able to provide completed QASP checklists maintained outside of SPM to support that CORs performed surveillance for 85 percent of the duration of the OAW mission. In the instances where at least one completed QASP checklist was not available for a particular month, the ACOs explained that surveillance did occur. However, some CORs had challenges saving completed QASP checklists in SPM. For instance, at Fort Pickett, CORs who could not gain access to SPM saved completed QASP checklists to a folder shared by all Fort Pickett contracting personnel. According to the lead ACO, some of the QASP checklists were inadvertently deleted from the shared folder. During our review of SPM, we found that in addition to saving their own QASP checklists, some CORs saved QASP checklists completed by another COR, which demonstrated that not all CORs could access SPM. Table 5 shows the total number of QASP checklists CORs completed each month and the percentage of CORs that completed the minimum required—one QASP checklist per month, for the duration of the OAW mission at each installation.

Table 5. Number of QASP Checklists CORs Completed Monthly

Location	Duration of OAW Mission	Service	Sept. 2021	Oct. 2021	Nov. 2021	Dec. 2021	Jan. 2022*	Feb. 2022	Total of Months with at Least One Completed QASP Checklist
Camp Atterbury	September 3, 2021–January 25, 2022	Dining	6	3	4	5	4	N/A	5 of 5 months (100%)
		Medical	37	11	35	66	57	N/A	5 of 5 months (100%)
		Facilities Sustainment	25	14	29	52	29	N/A	5 of 5 months (100%)
Fort Bliss	August 21, 2021–December 30, 2021	Dining	0	16	4	0	N/A	N/A	2 of 4 months (50%)
		Medical	0	41	81	66	N/A	N/A	3 of 4 months (75%)
		Facilities Sustainment	0	85	67	43	N/A	N/A	3 of 4 months (75%)
Fort McCoy	August 22, 2021–February 15, 2022	Dining	4	4	4	6	4	2	6 of 6 months (100%)
		Medical	1	23	15	15	4	15	6 of 6 months (100%)
		Facilities Sustainment	1	3	3	1	3	3	6 of 6 months (100%)
Fort Pickett	August 28, 2021–February 1, 2022	Dining	2	0	0	7	9	N/A	3 of 5 months (60%)
		Medical	0	23	12	8	28	N/A	4 of 5 months (80%)
		Facilities Sustainment	11	0	0	34	18	N/A	3 of 5 months (60%)
Total									51 of 60 months (85%)

* Locations labelled with “N/A” indicate that the OAW mission ended at the location. Therefore, the CORs did not perform contract surveillance.
 Source: The DoD OIG.

While Table 5 identifies that Fort Bliss and Fort Pickett CORs did not retain all surveillance documentation, we did not find that this impacted the ACOs’ ability to document, address, and resolve incidents of contract noncompliance. For example, Fort Pickett had the highest percentage of missing QASP checklists but the ACOs were able to document the contractor’s noncompliance with dining services requirements through a letter of concern. In addition, the Fort Pickett ACOs stated that because the ACOs held meetings with dining, medical, and facilities sustainment services CORs daily, the ACOs were able to resolve identified noncompliance the same day. Because the missing QASP checklists did not limit the ACOs in resolving contract noncompliance and the OAW mission is complete, we are not making a recommendation regarding retention of surveillance documentation.

The PCO Did Not Review Invoices but Relied on DCAA Prepayment Reviews

The PCO did not review invoices to verify that the contractor's costs were allowable, allocable, and reasonable for services performed under the LOGCAP V task order; or delegate invoice review responsibilities to the ACOs and CORs. The LOGCAP V contractor submitted, and the Government paid, 26 vouchers, valued at \$1.6 billion for services provided at the four installations for the period of September 2021 to December 2022. According to the FAR, the PCO retains any contract administration duties that the PCO does not delegate in writing.

In addition, on April 30, 2019, the Acting Director, Office of the Under Secretary of Defense for Acquisition and Sustainment, Defense Pricing and Contracting (DPC) issued a memorandum that established expectations for contracting officers to reinforce the use of CORs to augment invoice reviews on other than fixed-price contracts before DCAA prepayment review and approval.¹⁵ In addition to the memorandum, DPC personnel updated the DoD COR Guidebook to include detailed guidance on the contracting officer's use of CORs to assist with invoice reviews that included a template for reviewing labor hour, subcontractor, equipment, and other costs. Although the DPC issued the memorandum in 2019, the PCO did not review the 26 contractor-submitted invoices nor did he delegate any responsibility for invoice review to the ACOs or CORs.

According to the FAR, cost-plus-fixed-fee contracts such as the LOGCAP V task order offer minimal incentive for the contractor to control costs.¹⁶ Therefore, the FAR requires appropriate Government surveillance during performance to provide reasonable assurance that effective cost controls are used.¹⁷ However, the PCO did not delegate these responsibilities to the CORs and did not personally perform invoice reviews. If delegated to the CORs, the PCO could have included invoice reviews in the CORs' surveillance of the LOGCAP V task order by including procedures to verify costs such as reviewing contractor purchases of supplies and equipment. For example, the medical service CORs' QASP checklists included procedures to verify that contracted medical personnel were administering

¹⁵ The Acting Director, DPC issued the memorandum based on the deficiencies identified in Report No. DODIG-2018-119, "DoD Oversight of Logistics Civil Augmentation Program in Afghanistan Invoice Review and Payment," May 11, 2018.

Office of the Under Secretary of Defense (Acquisition and Sustainment), DPC, "Improvement to Voucher/Invoice Reviews in Contingency Operations," April 30, 2019.

¹⁶ FAR Part 16, "Types of Contracts," Subpart 16.3, "Cost-Reimbursement Contracts," Section 16.306, "Cost-plus-fixed-fee contracts."

¹⁷ FAR Part 16, "Types of Contracts," Subpart 16.3, "Cost-Reimbursement Contracts," Section 16.301, "General," Subsection 16.301-3, "Limitations."

immunizations. However, the surveillance plan did not have procedures to count the number of immunizations administered and compare those results to the number of immunizations ordered to validate the contractor's costs.

Instead, the PCO improperly relied on the DCAA prepayment reviews as the only form of oversight for the contractor-submitted invoices. However, the DCAA's prepayment reviews are administrative in nature and do not trace individual invoice lines to source documentation to determine whether the costs were allowable, allocable, and reasonable. In addition, DCAA auditors sample vouchers for prepayment review. DCAA auditors completed prepayment reviews on 10 of 26 invoices valued at a total of \$1.4 billion of the \$1.6 billion paid to the contractor. By only relying on DCAA's administrative prepayment reviews and not personally reviewing invoices or delegating the responsibility to the ACO or COR to validate costs in conjunction with their contract surveillance, the Army does not know whether payments totaling \$1.6 billion to the contractor were allowable, allocable, and reasonable. See Appendix C for details on potential monetary benefits.

To assist with validating contract payments, contracting personnel can request that the DCAA perform additional audit services. For example, Navy contracting personnel overseeing the contractor-provided services that supported OAW at Marine Corps Base Quantico under the Navy's Global Contingency Services Contract requested assistance from the DCAA to review and verify the costs on three invoices because Navy contracting personnel could not verify whether costs were allowable and allocable based on the supporting documentation provided by the contractor.¹⁸

Because the PCO did not review or delegate review responsibility for any of the 26 contractor invoices for the period of contract performance, and the ACOs and CORs who performed the oversight of the dining, medical, and facilities sustainment services may not be available now that the OAW mission has ended, the ACC-RI Executive Director should request that the DCAA review the allowability, allocability, and reasonableness of all \$1.6 billion in payments made to the contractor for services performed on the LOGCAP V task order supporting OAW at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett. Based on the results of the DCAA's review, the ACC-RI Executive Director should request a refund for any excess payment made to the contractor or arrange payment to the contractor for any under-billed costs. In addition, to ensure that all PCOs, ACOs, and CORs assigned to award and administer ACC-RI contracts understand that review of invoices before DCAA prepayment review is not a duplication of effort, the ACC-RI Executive Director should issue guidance to reinforce the importance of the contracting officer and COR roles and involvement in review of invoices prior to payment.

¹⁸ The contractor for the LOGCAP V task order is also the Global Contingency Services contractor.

The Army Provided Adequate Oversight of Services but Did Not Verify Costs

Although Army contracting personnel had limited advance notice before the arrival of thousands of Afghan evacuees at four installations, the Army provided contract oversight for dining, medical, and facilities sustainment services in accordance with Federal and DoD requirements. Specifically, the four Army installations received advance notice ranging from 3 to 8 days to prepare for the arrival of the first Afghan evacuees. The Army used 98 trained CORs to conduct contract surveillance for dining, medical, and facilities sustainment services at each installation. In addition, over the course of 6 months, the Army changed the LOGCAP V task order requirements ranging from 14 to 29 times at the four installations to accommodate the needs of Afghan evacuees. Even with these frequent requirements changes, CORs tailored their QASP checklists to coincide with the changes, which ensured their surveillance included oversight of all contractual requirements. Given these challenges, although Army contracting personnel did not retain all QASP checklist documentation, the Army provided adequate oversight of the contractor's performance.

However, because the PCO did not ensure adequate reviews of the contractor's invoices, the Army is at risk that the \$1.6 billion in payments made to the contractor were not allowable, allocable, and reasonable for supplies and services provided by the LOGCAP V contractor. Because the LOGCAP V task order is cost-plus-fixed-fee, the contractor has minimum incentive to control costs. Therefore, appropriate surveillance in conjunction with ACO and COR invoice reviews should have been in place to oversee the \$1.6 billion paid to the contractor.

Recommendations, Management Comments, and Our Response

Recommendation 1

We recommend that the Army Contracting Command–Rock Island Executive Director:

- a. Request that the Defense Contract Audit Agency review the allowability, allocability, and reasonableness of the \$1.6 billion in payments made to the contractor on the Logistics Civil Augmentation Program V task order supporting Operation Allies Welcome at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett.**

Army Contracting Command–Rock Island Comments

The ACC-RI Power Projections & Base Readiness Director, responding for the Executive director, agreed with our recommendation. The Director stated that the ACC-RI pricing office spoke to the DCAA Financial Advisor at ACC-RI to request an audit of the vouchers and payments made under LOGCAP V task order for allowability, allocability, and reasonableness. The DCAA Financial Advisor set up a meeting to discuss the request with the DCAA field office. On February 14, 2023, ACC-RI met with the DCAA field office that will conduct the audit. The Director stated that a formal written request will be issued with an estimated completion by the end of May 2023.

Our Response

Comments from the Director addressed the specifics of the recommendation; therefore the recommendation is resolved but will remain open. We will close the recommendation when ACC-RI personnel provide us with the results of DCAA's review of the allowability, allocability, and reasonableness of the \$1.6 billion in payments made to the contractor on the LOGCAP V task order.

We acknowledge and appreciate the unsolicited comments summarized below from the Deputy Assistant Secretary of the Army (Procurement); the Executive Deputy to the Commanding General, Army Materiel Command; and the Commanding General, Army Contracting Command.

Assistant Secretary of the Army (Acquisition, Logistics and Technology) Comments

Although not required to comment, the Deputy Assistant Secretary of the Army (Procurement) agreed with the recommendation, stating that the Army has already taken actions to resolve the recommendation.

Army Materiel Command Comments

Although not required to comment, the Executive Deputy to the Commanding General, Army Materiel Command, stated that they agreed with the comments provided by Army Contracting Command.

Army Contracting Command Comments

Although not required to comment, the Commanding General, Army Contracting Command, agreed with the recommendation, stating that on February 8, 2023, the ACC-RI pricing office requested that the DCAA review the vouchers and \$1.6 billion in payments made to the contractor on the LOGCAP V task order

supporting Operation Allies Welcome at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett for allowability, allocability, and reasonableness. A formal written request will be issued by May 31, 2023.

- b. Request a refund from the contractor for any excess payment or arrange for payment to the contractor for any under-billed costs identified by the Defense Contract Audit Agency.**

Army Contracting Command–Rock Island Comments

The ACC-RI Power Projections & Base Readiness Director, responding for the Executive Director, agreed with our recommendation. The Director stated that upon DCAA's audit of the vouchers, any over-payment or under-billed costs will be corrected. The estimated completion date for this action is the end of February 2024.

Our Response

Comments from the ACC-RI Power Projections & Base Readiness Director addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. We will close the recommendation when ACC-RI personnel provide us with documentation to support that ACC-RI requested a refund from the contractor for any excess payment or arrange for payment to the contractor for any under-billed costs. We consider the commitment to request a refund from the contractor or reimbursement to the contractor for any excess payments as concurrence with the \$1.6 billion in potential monetary benefits identified in this report. However, the actual realized amount of monetary benefits is subject to the results of DCAA's review of the paid vouchers under the LOGCAP V task order.

We acknowledge and appreciate the unsolicited comments summarized below from the Deputy Assistant Secretary of the Army (Procurement); the Executive Deputy to the Commanding General, Army Materiel Command; and the Commanding General, Army Contracting Command.

Assistant Secretary of the Army (Acquisition, Logistics and Technology) Comments

Although not required to comment, the Deputy Assistant Secretary of the Army (Procurement) concurred with the recommendation, stating that the Army has already taken actions to resolve the recommendation.

Army Materiel Command Comments

Although not required to comment, the Executive Deputy to the Commanding General, Army Materiel Command, stated that they agreed with the comments provided by the Army Contracting Command.

Army Contracting Command Comments

Although not required to comment, the Commanding General, Army Contracting Command, agreed with the recommendation. The Commanding General stated that by February 29, 2024, they, in coordination with the Executive Director, ACC-RI will request a refund from the contractor for any excess payment or arrange for payment to the contractor for any under-billed costs identified by DCAA.

- c. Issue guidance to reinforce the importance of the contracting officer and contracting officer's representative roles and involvement in review of invoices prior to payment.**

Army Contracting Command–Rock Island Comments

The ACC-RI Power Projections & Base Readiness Director, responding for the Executive director, partially agreed with our recommendation. The Director stated that ACC-RI will work with the Army Sustainment Command and DCAA to develop a process to review vouchers before payment. Furthermore, the Director stated that they do not believe that this review should fall solely on the PCO, ACO, or COR. ACC-RI expects to complete this action by February 2024.

Our Response

Although the ACC-RI Power Projections & Base Readiness Director partially agreed with the recommendation, the proposed actions to develop a process to review vouchers before payment satisfied the intent of the recommendation. Therefore, the recommendation is resolved and will remain open. We will close the recommendation when ACC-RI provides the documented voucher process and documentation to support the implementation of the process.

We acknowledge and appreciate the unsolicited comments summarized below from the Deputy Assistant Secretary of the Army (Procurement); the Executive Deputy to the Commanding General, Army Materiel Command; and the Commanding General, Army Contracting Command.

Assistant Secretary of the Army (Acquisition, Logistics and Technology) Comments

Although not required to comment, the Deputy Assistant Secretary of the Army (Procurement) concurred with the recommendation, stating that the Army has already taken actions to resolve the recommendation.

Army Materiel Command Comments

Although not required to comment, the Executive Deputy to the Commanding General, Army Materiel Command, stated that they agreed with the comments provided by Army Contracting Command.

Army Contracting Command Comments

Although not required to comment, the Commanding General, Army Contracting Command agreed with the recommendation, stating that by February 29, 2024, the Commander, Army Contracting Command, in coordination with the Executive Director, ACC-RI will work with the Army Sustainment Command and DCAA to develop a process to review vouchers before payment.

Appendix A

Scope and Methodology

We conducted this performance audit from May 2022 through February 2023 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.

We reviewed Federal and DoD criteria to determine whether Army contracting personnel executed contract administration responsibilities for dining, medical, and facilities sustainment services in accordance with applicable policies. Specifically, we reviewed the following sections of the FAR, DFARS, and DoD Directive, Instruction, and Policy Memorandum.

- FAR Subpart, “1.6 Career Development, Contracting Authority, and Responsibilities”
- FAR Part 16, “Types of Contracts”
- FAR Subpart 42.3, “Contract Administration and Office Functions”
- FAR Part 46, “Quality Assurance”
- DFARS Part 215, “Contracting by Negotiation”
- DoD Directive 5105.36, “Defense Contract Audit Agency,” December 1, 2021
- DoD Instruction 5000.72, “DoD Standard for COR Certification,” March 26, 2015 (Incorporating Change 2, November 6, 2020)
- “DoD Contracting Officer’s Representatives Guidebook,” May 2021
- Office of the Under Secretary of Defense for Acquisition and Sustainment Memorandum, “Improvement to Voucher/Invoice Reviews in Contingency Operations,” April 30, 2019

To assess the Army’s compliance with COR appointment, training, and oversight procedures for the LOGCAP V task order, we interviewed the PCO and ACOs to understand the oversight structure and procedures in place at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett. To verify information we obtained from interviews, we reviewed contract documentation, including the ACOs’ delegation matrix; COR appointment letters and training records; the performance work statement; the QASP; dining, medical and facilities sustainment QASP checklists; and nonconformance reports. We assessed the QASP and QASP checklists used by CORs at each of the four Army installations to validate that these oversight plans included surveillance of dining, medical, and facilities sustainment performance

work statement requirements. In addition, we determined whether appointed CORs completed required training and executed and documented oversight of the contractor in accordance with QASP procedures.

To determine the Army's process for review and approval of the LOGCAP V task order invoices, we interviewed the PCO, ACOs, and DCAA auditors. In addition, to document the amount the Army paid the LOGCAP V task order contractor as of December 6, 2022, we obtained the 26 invoices and totaled the amounts paid. Finally, we reviewed all paid invoices to document the number and type of reviews DCAA auditors conducted before payment. We did not review invoices to verify contractor-reported costs due to the number of invoices and lack of detailed supporting documentation that we could trace directly to dining, medical, and facilities sustainment services.

Internal Control Assessment and Compliance

We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. We assessed the internal controls and underlying principles related to the Army's processes for contract oversight and invoice review. In particular, we assessed the control environment, control activities, and monitoring components of internal controls. However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

Use of Computer-Processed Data

We did not use computer-processed data to perform this audit.

Appendix B

Prior Coverage

During the last 5 years, the Department of Defense Office of Inspector General (DoD OIG) issued 18 reports, 15 of which related to DoD support for the relocation of Afghan Nationals. The other three reports related to contract administration and oversight.

Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/reports.html/>.

DoD OIG

Report No. DODIG-2023-056, “Audit of the Air Force Contract Augmentation Program’s Oversight of Operation Allies Welcome Contracts at DoD Installations,” March 17, 2023

The DoD OIG determined that Air Force contracting personnel executed contract administration procedures for medical, dining, and facility supplies and services supporting the relocation of Afghan evacuees in accordance with Federal and DoD policies. In addition, Air Force personnel performed effective oversight to ensure that invoices included reasonable costs. As a result, the DoD provided Afghan evacuees at Holloman Air Force Base and Joint Base McGuire-Dix-Lakehurst with essential support services while the evacuees completed the steps necessary to resettle in the United States. In addition, Air Force contracting personnel properly oversaw \$1.3 billion of taxpayer funds spent in support of this mission. The DoD OIG did not make any recommendations in this audit report.

Report No. DODIG-2023-008, “Evaluation of DoD Security and Life Support for Afghan Evacuees at Camp Bondsteel,” October 25, 2022

The DoD OIG determined that the Area Support Group-Balkans provided adequate support, such as lodging, security, and medical care for Afghan evacuees diverted to Camp Bondsteel, Kosovo, for further processing. However, the DoD OIG determined that Area Support Group-Balkans may encounter future lodging, security, and medical care challenges for Afghan travelers as the length of stay for Afghan travelers increases. The DoD OIG recommended that the Commander, Area Support Group-Balkans document the lessons learned for lodging, security, and medical care for Afghan evacuees and provide the lessons learned through the chain of command for review and distribution to interagency partners.

Report No. DODIG-2022-114, “Special Report: Lessons Learned From the Audit of DoD Support for the Relocation of Afghan Nationals,” August 5, 2022

The DoD OIG identified eight lessons learned within the 11 management advisories related to Operation Allies Refuge and OAW. For example, the DoD did not establish memorandums of agreement with the lead Federal agencies responsible for the resettlement of Afghan evacuees and experienced issues obtaining licensed medical personnel. The DoD OIG also identified lessons learned related to in-processing, sustainment, medical care, and physical security for non-DoD personnel temporarily housed on DoD installations. The DoD OIG did not make any recommendations in this report.

Report No. DODIG-2022-070, “Management Advisory: DoD Support for Relocation of Afghan Nationals at Camp Atterbury, Indiana,” March 9, 2022

This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to Task Force (TF) Camp Atterbury, Indiana. While TF Camp Atterbury, Indiana housed and sustained Afghan evacuees, TF personnel experienced challenges, such as communicating with Afghan evacuees, tracking medical records, and addressing security incidents. The DoD OIG did not make any recommendations in this advisory.

Report No. DODIG-2022-067, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Holloman Air Force Base, New Mexico,” March 3, 2022

This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Holloman at Holloman Air Force Base, New Mexico. While TF Holloman housed and sustained Afghan evacuees, TF personnel experienced challenges due to limited resources in the local economy, such as purchasing needed supplies and providing medical care for Afghan evacuees. Additionally, the base operations and support services contractor experienced challenges hiring personnel. The DoD OIG did not make any recommendations in this advisory.

Report No. DODIG-2022-066, “Management Advisory on the Lack of Memorandums of Agreement for DoD Support for the Relocation of Afghan Nationals,” March 1, 2022

This management advisory informed DoD leadership of the lack of memorandums of agreement between the DoD, the Department of Homeland Security, and the Department of State for DoD support for OAW. During eight site visits, the DoD OIG identified the lack of memorandums of agreement

as a systemic issue and found that the lack of memorandums of agreement caused confusion concerning the roles and responsibilities of DoD, Department of State, and Department of Homeland Security personnel, limiting the effectiveness of TF operations. The DoD OIG made one recommendation that the Under Secretary of Defense for Policy establish memorandums of agreement with the appropriate interagency partners to clarify roles and responsibilities and to define cost-sharing and reimbursement terms and conditions for OAW, in accordance with DoD policy and the Economy Act.

Report No. DODIG-2022-064, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort Bliss, Texas,” February 16, 2022

This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Bliss at Fort Bliss, Texas. TF Bliss used the Doña Ana Range Complex, New Mexico, to support the mission. While TF Bliss personnel housed and sustained Afghan evacuees, TF personnel experienced challenges, such as contractor medical providers obtaining licenses to practice in New Mexico and inadequate implementation of security measures. Additionally, according to TF Bliss personnel, the extensive use of the 2nd Brigade Combat Team, 1st Armored Division, for the TF Bliss mission degraded the 2nd Brigade Combat Team’s ability to train for future combat missions. The DoD OIG did not make any recommendations in this advisory.

Report No. DODIG-2022-065, “Evaluation of the Screening of Displaced Persons from Afghanistan,” February 15, 2022

This evaluation determined that the DoD had a supporting role during the biometric enrollment of Afghan evacuees in staging locations outside the continental United States and assisted in screening Special Immigrant Visa applicants. However, the DoD did not have a role in enrolling, screening, or overseeing the departure of Afghan parolees at temporary housing facilities (safe havens) within the continental United States. The evaluation found that Afghan evacuees were not vetted by the National Counter-Terrorism Center using all DoD data prior to arriving in the continental United States. As a result of the National Counter-Terrorism Center not vetting Afghan evacuees against all available data, the United States faces potential security risks if individuals with derogatory information are allowed to stay in the country. In addition, the Government could mistakenly grant Special Immigrant Visa or parolee status to ineligible Afghan evacuees with derogatory information gathered from the DoD Automated Biometric Identification System database.

The DoD OIG made two recommendations, including that the Under Secretary of Defense for Intelligence and Security develop procedures for sharing derogatory information on Afghan evacuees with the DoD and interagency stakeholders.

Report No. DODIG-2022-063, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort McCoy, Wisconsin,” February 15, 2022

This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF McCoy at Fort McCoy, Wisconsin. While TF McCoy housed and sustained Afghan evacuees, TF personnel experienced challenges, such as maintaining dining facilities, identifying the required contracted medical skill sets, providing behavioral health services, and holding Afghan evacuees accountable for misdemeanor crimes. The DoD OIG did not make any recommendations in this advisory.

Report No. DODIG-2022-059, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Joint Base McGuire-Dix-Lakehurst, New Jersey,” February 2, 2022

This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Liberty at Joint Base McGuire-Dix-Lakehurst, New Jersey. While TF Liberty housed and sustained Afghan evacuees, the DoD OIG identified potential procedural obstacles for law enforcement officers investigating potential criminal activity and challenges for other security personnel with ensuring only individuals with proper credentials could access the villages. The DoD OIG did not make any recommendations in this advisory.

Report No. DODOIG-2022-055, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort Pickett, Virginia” January 20, 2022

This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Pickett at Fort Pickett, Virginia. While Fort Pickett housed and sustained Afghan evacuees, TF personnel experienced challenges, such as providing medical screenings and medical care, and ensuring accountability of Afghan evacuees. TF Pickett personnel also experienced security challenges, including controlling access to the joint operations area where Afghan evacuees were located and holding Afghan evacuees accountable for misdemeanor crimes. The DoD OIG did not make any recommendations in this advisory.

Report No. DODIG-2022-050, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Marine Corps Base Quantico, Virginia,” January 5, 2022

This management advisory provided DoD officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from a DoD OIG site visit to TF Quantico at Marine Corps Base Quantico, Virginia. While TF Quantico housed and sustained Afghan evacuees, TF personnel experienced challenges, such as ensuring accountability of Afghan evacuees and providing Afghan evacuees with all 13 immunizations required by the Centers for Disease Control and Prevention. The DoD OIG did not make any recommendations in this advisory.

Report No. DODIG-2022-051, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Fort Lee, Virginia,” January 5, 2022

This management advisory provided the officials responsible for receiving, housing, supporting, and preparing Afghan evacuees for movement to their final resettlement location with the results from the DoD OIG site visit to TF Eagle at Fort Lee, Virginia. TF Eagle housed and sustained Afghan evacuees, and aside from one fire safety issue in the privately-owned hotel used for housing Afghan refugees, the DoD OIG did not identify any significant issues or challenges at TF Eagle. The DoD OIG did not make any recommendations in this advisory.

Report No. DODIG-2022-045, “Management Advisory: DoD Support for the Relocation of Afghan Nationals at Rhine Ordnance Barracks,” December 17, 2021

This management advisory provided DoD officials responsible for the relocation of Afghan evacuees with the results from the DoD OIG site visit to Rhine Ordnance Barracks, Germany. While Rhine Ordnance Barracks personnel provided sustainment resources and had security measures in place to help ensure Afghan evacuees, Service members, and volunteers were safe, the execution of this effort came at a significant cost to the 21st Theater Sustainment Command. Specifically, the 21st Theater Sustainment Command reported that, as of September 30, 2021, it had obligated \$37.5 million in support of Operation Allies Refuge and anticipated that it would continue to incur additional costs in FY 2022. The DoD OIG did not make any recommendations in this advisory.

Report No. DODOIG-2022-040, "Management Advisory: DoD Support for the Relocation of Afghan Nationals at Ramstein Air Base," November 29, 2021

This management advisory provided DoD officials responsible for the relocation of Afghan evacuees with the results from the DoD OIG site visit to Ramstein Air Base, Germany, on September 14, 2021, where the audit team observed the housing conditions and support of Afghan evacuees. The DoD OIG determined that the 86th Airlift Wing and other personnel supporting Operation Allies Refuge at Ramstein Air Base implemented procedures for identifying and screening Afghan evacuees, and provided living conditions and other resources to meet Afghan evacuees' basic needs. Additionally, 86th Airlift Wing personnel had security measures in place to help ensure that Afghan evacuees, Service members, volunteers, and local residents were safe. However, the execution of this effort did come at a significant cost to the command. For the funds spent on the Operations Allies Refuge effort at Ramstein Air Base, the 86th Airlift Wing reported approximately \$56.3 million in FY 2021 costs and expected an additional \$50 million in FY 2022 costs. The DoD OIG did not make any recommendations in this advisory.

Report No. DODOIG-2019-103, "Audit of Air Force Accountability of Government Property and Oversight of Contractual Maintenance Requirements in the Contract Augmentation Program IV in Southwest Asia," July 18, 2019

The DoD OIG determined that the Air Force did not perform oversight of contracted services for maintenance and repairs of Government property because Air force Contract Augmentation Program IV PCOs did not coordinate with the requiring activity to establish clear Government property surveillance measures in the QASP, such as procedures to oversee contractor performance of routine maintenance tasks and repairs. As a result of the Air Force's lack of oversight of contractually required maintenance services, the Air Force did not have assurance that base support contractors in Qatar maintained at least \$20.6 million of Government property in accordance with contract requirements. The DoD OIG made eight recommendations, including that the Chief of Air Forces Central Command Contracting Division update Air Force secondary delegation procedures to specify that deployed ACOs receive not only verbal instruction, but also a written delegation to outline the specific contract administration duties each ACO is responsible for performing.

Report No. DODIG-2018-119, “DoD Oversight of Logistics Civil Augmentation Program in Afghanistan Invoice Review and Payment,” May 11, 2018

The DoD OIG determined that DoD officials did not conduct sufficient voucher reviews for services provided under the LOGCAP IV contract. In addition, the Army Contracting Command–Afghanistan did not monitor all contract requirements. These conditions occurred because DoD policy regarding voucher reviews did not clearly state what role contracting officials should have in reviewing vouchers or establish an expectation of how the contract administration office could augment DCAA voucher reviews. As a result, the Army paid all vouchers LOGCAP contractors submitted from 2015 to 2017, valued at \$2.4 billion, with little or no examination of the supporting documentation, of which at least \$536 million was billed on vouchers that were supported by questionable documentation and warranted further analysis. The DoD OIG made six recommendations, including that multiple offices develop guidance and establish voucher review responsibilities to ensure better monitoring of contractor billings, and that the Army Contracting Command–Afghanistan Principal Assistant Responsible for Contracting develop a new QASP specific to the task order requirements in Afghanistan.

Report No. DODIG-2018-074, “The U.S. Navy’s Oversight and Administration of the Base Support Contracts in Bahrain,” February 13, 2018

The DoD OIG determined that the U.S. Navy did not provide effective oversight of the base support contracts in Bahrain. Specifically, CORs relied on performance assessment representatives, who were foreign national direct hires at Naval Support Activity–Bahrain and foreign national contractors at Isa Air Base, to execute all quality assurance oversight of the contractors. However, the CORs did not ensure the performance assessment representatives oversaw all contractual requirements or possessed the knowledge and experience to oversee their respective annexes. As a result, the Naval Facilities Engineering Command did not have assurance that the \$161.5 million the U.S. Navy paid for base support resulted in adequately performed or contractually compliant services and the CORs may not have obtained sufficient evidence to evaluate contractor performance. The DoD OIG made six recommendations, including that the Commander, Naval Facilities Engineering Command Europe, Africa, Southwest Asia establish a summary of the COR’s contract oversight responsibilities, provide incoming CORs with contract-specific training on contract oversight responsibilities, review and monitor COR usage of performance assessment representatives, and tailor performance assessment procedures to require review of all contractual requirements.

Appendix C

Potential Monetary Benefits

Table 6 identifies the \$1.6 billion paid to the contractor. The PCO did not ensure adequate reviews of the contractor's invoices prior to payment; therefore, there is an increased risk that the \$1.6 billion in payments made to the contractor were not allowable, allocable, and reasonable. The actual amount of potential monetary benefits is subject to the results of DCAA's review of the \$1.6 billion in payments made to the contractor for services performed on the LOGCAP V task order.

Table 6. Potential Monetary Benefit

Recommendation	Type of Benefit	Amount of Benefit	Account
1.b	Questioned Costs	\$1,641,265,468*	LOGCAP V task for services provided at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett in support of OAW

* Amount is subject to the results of DCAA's review of the paid vouchers under the LOGCAP V task order supporting OAW at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett.

Source: The DoD OIG.

Management Comments

Army Contracting Command–Rock Island



DEPARTMENT OF THE ARMY
ARMY CONTRACTING COMMAND – ROCK ISLAND
3055 Rodman Avenue
ROCK ISLAND, IL 61299-8000

REPLY TO
ATTENTION OF:
CCRI-V

MEMORANDUM FOR

U.S. Army Audit Agency

SUBJECT: Army Contracting Command – Rock Island (ACC-RI) Responses to the Preliminary Findings on Audit of Operation Allies Welcome Contract Oversight at DoD installations (Project No. D2022-D000RJ-0133.000).

Project: D2022-D000RJ-0133.000

Recommendation(s):

Recommendation 1a. Request that the Defense Contract Audit Agency (DCAA) review the allowability, allocability, and reasonableness of the \$1.6 billion in payments made to the contractor for services performed on LOGCAP V Task Order [REDACTED].

Response/Action taken: Concur, on 8 Feb 2023, Army Contracting Command – Rock Island (ACC-RI) pricing office spoke to the DCAA Financial Advisor at ACC-RI to request an audit of the vouchers and payments made under LOGCAP V Task Order [REDACTED] for allowability, allocability, and reasonableness. The DCAA Financial Advisor set up a meeting to discuss the request with the DCAA field office. On 14 Feb 2023, ACC-RI met with the DCAA field office that will conduct the audit. A formal written request will be issued. Estimated completion, end of May 2023.

Recommendation 1b. Request a refund from the contractor for any excess payment or arrange for payment to the contractor for any under-billed costs identified by the Defense Contract Audit Agency.

Response: Concur, upon DCAA's audit of the vouchers, any over-payment or under-billed costs will be corrected. Estimated completion, end of February 2024.

Recommendation 1c. Issue guidance to reinforce the importance of the contracting officer and COR roles and involvement in review of invoices prior to payment.

Response: Concur in part, ACC-RI will work with Army Sustainment Command and DCAA to develop a process to review vouchers before payment. However, we do not believe that this review should fall solely on the PCO, ACO, or COR. Estimated completion, end of February 2024.

CAULKINS.AMBE [REDACTED]
R.L. [REDACTED]
Amber Caulkins
Power Projections & Base Readiness Director

Assistant Secretary of the Army (Acquisition, Logistics and Technology)



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
ACQUISITION LOGISTICS AND TECHNOLOGY
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

SAAL-ZP

MEMORANDUM FOR DEPARTMENT OF DEFENSE (DOD) INSPECTOR GENERAL,
4800 MARK CENTER DRIVE, ALEXANDRIA, VIRGINIA 22350-5000

SUBJECT: DODIG Draft Report: Audit of Operation Allies Welcome Contract Oversight
at DoD Installations-Logistics Civil Augmentation Program V Contract (Project No.
D2022-D000RJ-0133.000)

1. In accordance with Army Regulation 36-2, Audit Services in the Department of the Army, Section II, paragraph 1-9 (f), I am providing the official Army position for the enclosed recommendations. The Army concurs with the recommendations and has already taken actions to resolve them.

2. If there are any questions, please contact [REDACTED] at ([REDACTED]) [REDACTED] or via email: [REDACTED].

DAKE.MEGAN [REDACTED]
.R. [REDACTED]
Megan R. Dake
Deputy Assistant Secretary of
the Army (Procurement)

Encls

Army Materiel Command



DEPARTMENT OF THE ARMY
HEADQUARTERS, U.S. ARMY MATERIEL COMMAND
4400 MARTIN ROAD
REDSTONE ARSENAL, AL 35898-5000

AMIR

23 MAR 2023

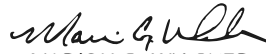
MEMORANDUM FOR Department of Defense Inspector General (DoDIG [REDACTED]), Program Director for Audit Readiness and Global Operations, 4800 Mark Center Drive, Alexandria, VA 22350-1500

SUBJECT: Command Comments to Department of Defense Inspector General Draft Report: Audit of Operation Allies Welcome Contract Oversight at DoD Installations – Logistics Civil Augmentation Program V Contract, Project: D2022-D000RJ-0133.000

1. The U.S. Army Materiel Command has reviewed and endorses the subject draft report and responses from the U.S. Army Contracting Command. Specific comments are included at the enclosure.

2. The U.S. Army Materiel Command point of contact is [REDACTED] ([REDACTED]) or email: [REDACTED]

Encl


MARION G. WHICKER
Executive Deputy to the
Commanding General

Army Contracting Command



DEPARTMENT OF THE ARMY
U.S. ARMY CONTRACTING COMMAND
4505 MARTIN ROAD
REDSTONE ARSENAL, AL 35898-5000

08 MAR 2023

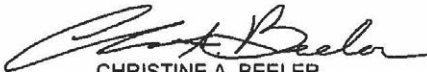
AMCC-IR (RN 11-7a)

MEMORANDUM FOR [REDACTED], Director, Internal Review and Audit Compliance Office, Headquarters, U.S. Army Material Command, 4400 Martin Road, Redstone Arsenal, AL 35898-5000

SUBJECT: U.S. Department of Defense Inspector General (DoDIG) Audit Draft Report Project No. D2022-D000RJ-0133.000 (CUI) Operation Allies Welcome Contract Oversight at DoD Installations – Logistics Civil Augmentation Program V Program

1. Reference. DoDIG Audit Draft Report (CUI) "Operation Allies Welcome Contract Oversight at DoD Installations – Logistics Civil Augmentation Program (LOGCAP) V Program" (Project Number D2022-D000RJ-0133.000)
2. The Commanding General, U.S. Army Contracting Command (ACC) concurs with Recommendations 1a, 1b and 1c.
3. On 8 February 2023, ACC-Rock Island (RI) pricing office requested that the Defense Contract Audit Agency (DCAA) review the vouchers and \$1.6 billion in payments made to the contractor on the LOGCAP V task order supporting Operation Allies Welcome at Camp Atterbury, Fort Bliss, Fort McCoy, and Fort Pickett for allowability, allocability, and reasonableness. A formal written request will be issued by 31 May 2023. (Recommendation 1a)
4. By 29 February 2024, the Commander, ACC in coordination with the Executive Director ACC-RI will request a refund from the contractor for any excess payment or arrange for payment to the contractor for any under-billed costs identified by the DCAA. (Recommendation 1b)
5. By 29 February 2024, the Commander, ACC in coordination with the Executive Director ACC-RI will work with Army Sustainment Command and DCAA to develop a process to review vouchers before payment. (Recommendation 1c)
6. The ACC point of contact for this memorandum is [REDACTED], Internal Review Audit and Compliance Office, at [REDACTED] or [REDACTED]

Encl


CHRISTINE A. BEELER
Brigadier General, USA
Commanding

Acronyms and Abbreviations

ACC-RI	Army Contracting Command–Rock Island
ACO	Administrative Contracting Officer
COR	Contracting Officer's Representative
CSB	Contracting Support Brigade
DCAA	Defense Contract Audit Agency
DFARS	Defense Federal Acquisition Regulation Supplement
DPC	Defense Pricing and Contracting
FAR	Federal Acquisition Regulation
JAM	Joint Appointment Module
LOGCAP	Logistics Civil Augmentation Program
OAW	Operation Allies Welcome
PCO	Procuring Contracting Officer
QASP	Quality Assurance Surveillance Plan
SPM	Surveillance and Performance Monitoring

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