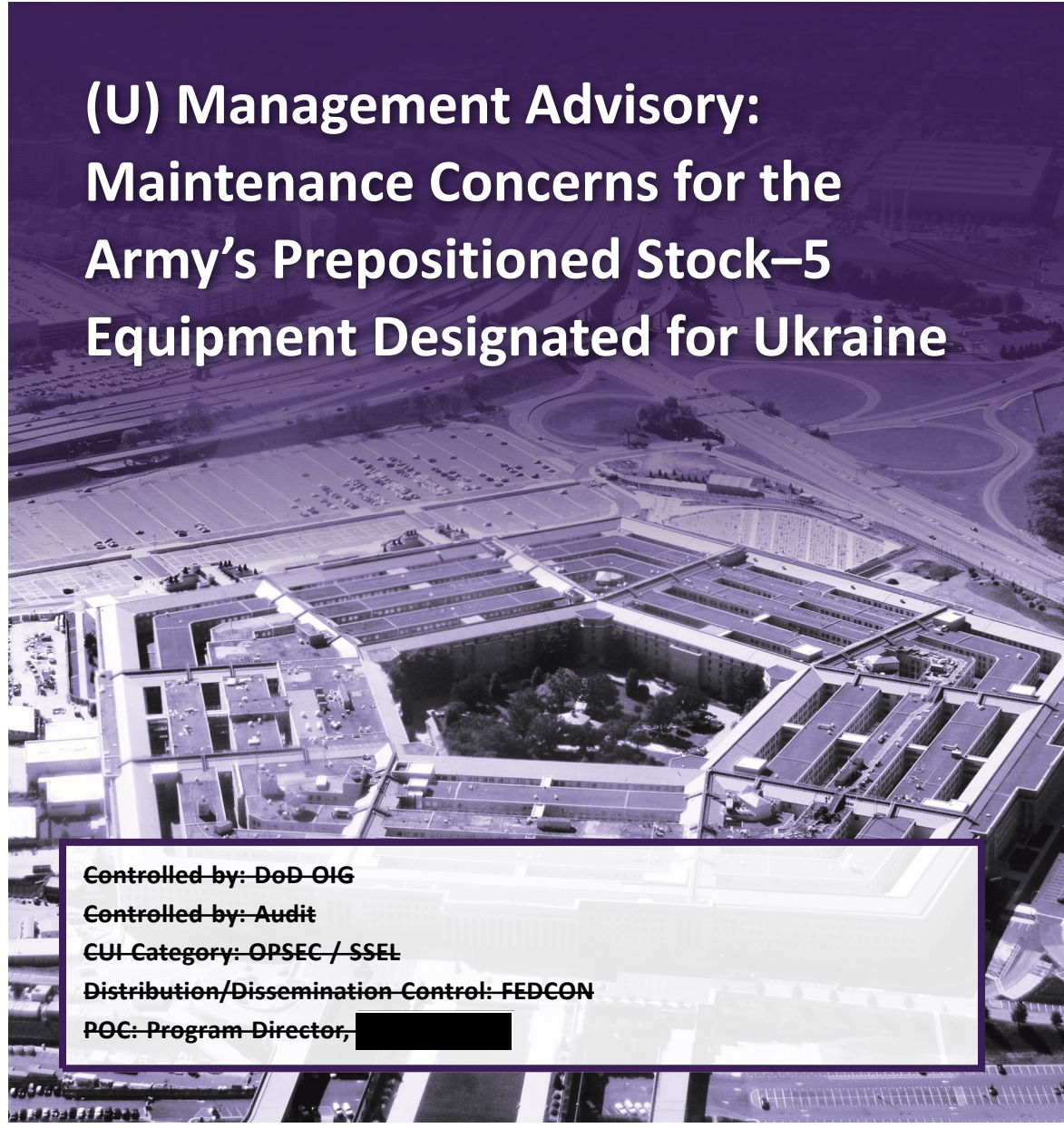


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INSPECTOR GENERAL

U.S. Department of Defense

MAY 23, 2023



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

Controlled by: DoD-OIG

Controlled by: Audit

CUI-Category: OPSEC / SSEL

Distribution/Dissemination Control: FEDCON

POC: Program Director, [REDACTED]

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

May 23, 2023

MEMORANDUM FOR CHIEF OF STAFF OF THE ARMY
 DEPUTY CHIEF OF STAFF OF THE ARMY, G-3/5/7 (OPERATIONS,
 PLANS, AND TRAINING)
 DEPUTY CHIEF OF STAFF OF THE ARMY, G-4 (LOGISTICS)
 COMMANDER, U.S. EUROPEAN COMMAND
 COMMANDER, ARMY MATERIEL COMMAND
 COMMANDER, ARMY SUSTAINMENT COMMAND
 COMMANDER, 401ST ARMY FIELD SUPPORT BATTALION-KUWAIT
 AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: (U) Management Advisory: Maintenance Concerns for the Army's Prepositioned Stock-5 Equipment Designated for Ukraine (Report No. DODIG-2023-076)

(U) The purpose of this management advisory is to inform the Department of the Army, Army Materiel Command, Army Sustainment Command, and U.S. European Command officials responsible for the designation and transfer of military equipment to the Ukrainian Armed Forces of concerns for the readiness of Army Prepositioned Stock-5 equipment. During our audit of the Army's management of Army Prepositioned Stock-5 equipment (D2022-D000RJ-0163.000), we identified issues that resulted in unanticipated maintenance, repairs, and extended leadtimes to ensure the readiness of the military equipment selected to support the Ukrainian Armed Forces. Specifically, we found that 25 of 29 M1167 High-Mobility Multipurpose Wheeled Vehicles and all six M777 howitzers were not mission ready and required repairs before the U.S. European Command could transfer the equipment to the Ukrainian Armed Forces. Issues with poor maintenance and lax oversight of Army Prepositioned Stock-5 equipment could result in future delays for equipment support provided to the Ukrainian Armed Forces. In addition, if U.S. forces needed this equipment, they would have encountered the same challenges. We will cover these issues in more depth in the final report we issue after completing our ongoing audit of Army Prepositioned Stock-5 equipment. We conducted the work on this management advisory with integrity, objectivity, and independence, as required by the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Federal Offices of Inspector General.

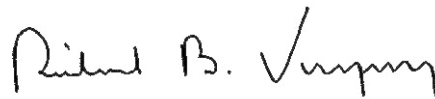
(U) We are providing this final management advisory for your review and comment on the recommendations. We previously provided copies of the draft advisory and requested written comments on the recommendations. We considered management's comments on the draft advisory when preparing this final advisory. These comments are included in the advisory.

(U) Of the two recommendations in this advisory, we consider one resolved, and one unresolved because the Commander of the 401st Army Field Support Battalion–Kuwait did not fully address the recommendation. As discussed in the Recommendations, Management Comments, and Our Response section of this advisory, we will close the resolved Recommendation 1 when the Deputy Chief of Staff of the Army, G-3/5/7 provides us with adequate documentation showing that all agreed-upon actions to implement the recommendation are completed. 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.

(U) We will track the unresolved Recommendation 2 until we reach an agreement on the actions that the Commander of the 401st Army Field Support Battalion–Kuwait will take to address the recommendation, and the Commander has submitted adequate documentation showing that all agreed-upon actions are completed. DoD Instruction 7650.03 requires that recommendations be resolved promptly. Therefore, please provide us within 30 days your response concerning specific actions in process or alternative corrective actions proposed on the recommendations. Send your response to either audrgo@dodig.mil if unclassified or over the SECRET Internet Protocol Router Network (SIPRNET) if classified SECRET.

(U) If you have any questions please contact me at [REDACTED]. We appreciate the cooperation and assistance received during the conduct of our audit, which resulted in this advisory.

FOR THE INSPECTOR GENERAL:



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

(U) Concerns with Condition of Army Prepositioned Stock-5 Equipment

(U) During our audit of the Army’s management of Army Prepositioned Stock-5 (APS-5) equipment, we identified issues that resulted in unanticipated maintenance, repairs, and extended leadtimes to ensure the readiness of the military equipment selected to support the Ukrainian Armed Forces.¹ During the audit, we determined that the 401st Army Field Support Battalion-Kuwait (401st AFSBn-Kuwait) did not adequately oversee the maintenance of M1167 High-Mobility Multipurpose Wheeled Vehicles (HMMWVs) and M777 howitzers in the APS-5 inventory.

(U) The HMMWVs and M777 howitzers were prepositioned for potential use by U.S. forces, and the Army Materiel Command (AMC) identified the equipment as fully mission capable and ready for issue to the Ukrainian Armed Forces. However, the poor condition of the HMMWVs resulted in delayed delivery of the equipment to Ukraine, and the M777 howitzers required extensive maintenance before the 401st AFSBn-Kuwait shipped the equipment to the Ukrainian Armed Forces. If U.S. forces needed this equipment, they would have encountered the same challenges. In this advisory, we are focusing on issues directly related to support provided to Ukraine. While this advisory focuses on the condition of equipment identified for use by Ukrainian Armed Forces, the advisory also provides insights into larger issues with the maintenance of all APS-5 equipment. Audit work on the overall APS-5 program is ongoing and we will issue a separate report that addresses in detail contract oversight, improper storage and maintenance of other APS-5 equipment, and concerns with the overall readiness rating of APS-5 equipment. Given the urgent nature of the support, this advisory addresses the specific issues related to equipment provided to Ukraine.

(U) Army Prepositioned Stock Program

~~(CUI)~~ The Army Prepositioned Stock (APS) program strategically positions sets of equipment, such as combat vehicles and weapons systems, worldwide to reduce deployment response times. There are seven Army prepositioned stock locations—including APS-5 (Southwest Asia). [REDACTED]

[REDACTED]² Military units use APS-5 equipment to support operations throughout the Middle East, including Operation Inherent Resolve and Operation Spartan Shield.

¹ (U) “Audit of the Army’s Management of APS-5 Equipment” (Project No. D2022-D000RJ-0163.000), announced on August 1, 2022. The objective of this audit is to determine whether the Army adequately maintained and accurately accounted for APS-5 equipment in accordance with Federal and DoD regulations. The conclusions in this management advisory are based on our work to date. There is additional work ongoing to satisfy the full audit objective.

² (U) APS-5 equipment is stored at Camp Arifjan, Kuwait.

(U) The 401st AFSBn-Kuwait is responsible for receiving, maintaining, and issuing APS-5 equipment to support the missions of all combatant commanders during contingency operations, major exercises, and humanitarian missions. To accomplish this mission, the Army Contracting Command–Rock Island awarded a contract to provide maintenance, supply, and transportation services for APS-5 equipment in Kuwait.³ The 401st AFSBn-Kuwait contracting officer’s representatives are responsible for overseeing the APS-5 contractor’s work, including the maintenance and issuance of APS-5 equipment. The 401st AFSBn-Kuwait supports U.S. Army Central, which is responsible for providing managerial oversight and monitoring operational readiness of APS-5 equipment.

(U) Presidential Drawdown Authority

(U) In response to Russia’s invasion of Ukraine in February 2022, the U.S. Government used Presidential Drawdown Authority to provide military assistance to the Ukrainian Armed Forces. The Presidential Drawdown Authority allows for the quick delivery of defense articles from DoD stocks to foreign countries in response to unforeseen emergencies. Between August 27, 2021, and January 19, 2023, the U.S. Government used the Presidential Drawdown Authority 30 times to provide approximately \$18.3 billion in equipment and ammunition to the Ukrainian Armed Forces.

(U) Army Execution Orders Directing APS-5 Equipment to Support Ukraine

(CUI) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]⁴ The six M777 howitzers accounted for all of the M777 howitzers in the APS-5 inventory.

(CUI) [REDACTED]
[REDACTED]
[REDACTED]⁵ [REDACTED]

the AMC provided 29 M1167 HMMWVs from APS-5. The 29 M1167 HMMWVs accounted for all M1167 HMMWVs in the APS-5 inventory.

³ (U) Army Contracting Command–Rock Island provides contracting support to the 401st AFSBn-Kuwait.

⁴ (U) M777 howitzers are lightweight 155-millimeter howitzers.

⁵ (U) M1167 HMMWVs are equipped with the tube-launched, optically tracked, wire-guided Improved Target Acquisition System.

(U) The Army’s Process for Sending Equipment to Ukraine

(U) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] The Department of the Army G-3 assesses the AMC and ASC recommendation and makes the final determination on which Army commands will provide the equipment to fulfill the Presidential Drawdown requirements. The Department of the Army G-3/5/7 serves as the release authority for APS and is responsible for creating the Department of the Army execution orders. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(U) Concerns with Sending APS-5 Equipment to Support Ukraine

(U) During our audit, we identified concerns with the readiness of APS-5 equipment that the 401st AFSBn-Kuwait used to fulfill Army Execution Orders 230-22 and 293-22. Before the ASC selected the M777 howitzers to fulfill Army Execution Order 230-22, the 401st AFSBn-Kuwait did not ensure that the APS-5 contractor properly maintained or repaired the M777 howitzers to be fully mission capable. The RDC-U officials stated that all six M777 howitzers the 401st AFSBn-Kuwait provided for delivery to Ukraine had faults that made them non-mission capable. Furthermore, we identified issues with the readiness of APS-5 equipment the 401st AFSBn-Kuwait used to fulfill Army Execution Order 293-22. The 401st AFSBn-Kuwait did not ensure that the APS-5 contractor maintained or repaired HMMWVs to be fully mission capable.

(U) Howitzer Readiness Concerns

(U) The 401st AFSBn-Kuwait did not ensure that the APS-5 contractor adequately maintained M777 howitzers in accordance with contract requirements. In addition, the 401st AFSBn-Kuwait did not ensure the equipment was fully mission capable before preparing the equipment for shipment to Ukraine. According to an official from the U.S. Army Tank-Automotive and Armaments Command (TACOM), before any M777 howitzer Presidential Drawdown requests, an AMC Senior Command Representative from Kuwait issued an assistance request, prompting the APS-5 Commander to contact TACOM for howitzer maintenance and repair support. The TACOM official further stated that TACOM personnel were asked to maintain the howitzers because the APS-5 contractor did not conduct quarterly and annual services, as required by the equipment-specific technical manual, for approximately 19 months. The 401st AFSBn-Kuwait’s failure to ensure the APS-5

(U) contractor conducted and documented the maintenance or repair services resulted in the weapons being non-mission capable and created potential hazards to both life and safety. For example, the technical manual for the M777 howitzer warns that injury or death could occur if components are not properly pressurized or maintained by trained personnel.

~~(CUI)~~ While 401st AFSBn-Kuwait officials stated that the administrative contracting officer verified that all APS-5 contractor personnel were qualified on paper to perform maintenance on the six M777 howitzers, [REDACTED]

[REDACTED]⁶ [REDACTED]
[REDACTED]
[REDACTED]

as detailed below.

(U) On March 25, 2022, because the 401st AFSBn-Kuwait did not ensure that the APS-5 contractor properly maintained or repaired the six M777 howitzers, TACOM deployed an Anniston Army Depot (ANAD) Mobile Repair Team (MRT) to Camp Arifjan to conduct maintenance on the howitzers.⁷ On the arrival of the ANAD MRT, the APS-5 contractor presented for inspection one M777 howitzer that the contractor deemed fully mission capable. According to the 401st AFSBn-Kuwait contracting officer’s representatives and the ANAD MRT, the M777 howitzer the contractor provided was not maintained in accordance with the technical manual and “would have killed somebody [the operator]” in its current condition. As agreed, the ANAD MRT performed quarterly and annual services on the six M777 howitzers and found that all six M777 howitzers had problems that resulted in the equipment being non-mission capable and unable to support the Ukrainian Armed Forces. Specifically, the ANAD MRT found the following operational issues with the six M777 howitzers.

- (U) On four of the six M777 howitzers, the breech block was not correctly aligned with the rack gear and was not properly locking to the breech.⁸ Failure to properly lock the breech block could result in an explosion at the breech that could be fatal to the crew operating the howitzer.
- (U) On all six M777 howitzers the APS-5 contractor reused old hydraulic fluid in various parts of the howitzer. According to the M777 howitzer technical manual, reusing fluids is not allowed because hydraulic fluid degrades over time and can lead to “disastrous results and malfunctions of critical systems.”

⁶ (U) The administrative contracting officer provides on-ground contract oversight support ensuring all required monthly reporting is completed in accordance with regulations. The administrative contracting officer for the APS-5 contract is from the 408th Contracting Support Brigade.

⁷ (U) TACOM oversees the operation of five manufacturing Arsenals and maintenance depots across the United States to include ANAD.

⁸ (U) The breech permits loading ammunition from the rear of the howitzer.

(CUI) [REDACTED]

[REDACTED] The APS-5 contractor reimbursed the DoD \$114,087 to cover the labor and travel expenses for the ANAD MRT to complete the annual and quarterly maintenance on the six M777 howitzers.

(U) On June 21, 2022, one of the six M777 howitzers experienced a brake fire when the APS-5 contractor moved the howitzer in preparation for shipment to USEUCOM. While a 401st AFSBn-Kuwait official stated that the brake fire was a result of leaking brake fluid, an ANAD MRT M777 Specialist stated that the brake fire would likely be the result of the contractor failing to follow the standard operating procedure and not releasing the parking brake. The 401st AFSBn-Kuwait official stated that the APS-5 contractor repaired the M777 howitzer that had the brake fire to the point that the 401st AFSBn-Kuwait could send it to USEUCOM for final repairs.

(U) On June 24, 2022, all six M777 howitzers were shipped to USEUCOM. The 401st AFSBn-Kuwait reported that the APS-5 contractor corrected all deficiencies except the one howitzer with the brake fire before sending the equipment to USEUCOM. However, the RDC-U officials in Poland stated that all six M777 howitzers had faults that made them non-mission capable. Some of the problems identified by the RDC-U were worn firing pins, a broken dog coupler, and issues with the firing mechanism. The RDC-U was required to open work orders to repair all six M777 howitzers, resulting in \$17,490 in labor and material costs.⁹ RDC-U officials stated that they were able to perform the necessary maintenance on the M777 howitzers and avoid any delay in providing the equipment to the Ukrainian Armed Forces. Though an ASC official stated that the 401st AFSBn-Kuwait met established shipping timelines, the APS-5 contractor's inadequate maintenance of the M777 howitzers highlights the need for the Department of the Army to consider the necessary level of maintenance and leadtimes when selecting APS-5 equipment to support urgent needs in Ukraine.

(U) HMMWV Readiness Concerns

(U) The 401st AFSBn-Kuwait did not ensure that the APS-5 contractor adequately maintained 26 of the 29 HMMWVs. In addition, the 401st AFSBn-Kuwait did not ensure the equipment was fully mission capable before preparing it for shipment to Ukraine. Before August 24, 2022, the 401st AFSBn-Kuwait reported 28 of the 29 HMMWVs as fully mission capable. After receiving the order on August 24, 2022, to issue the 29 HMMWVs to the Ukrainian Armed Forces, the 401st AFSBn-Kuwait determined that 26 of the 29 HMMWVs were non-mission capable. Specifically, the 26 HMMWVs had problems such as dead batteries, inoperative lights, faulty gauges, damaged seatbelts, broken door lock latches, and fluid leaks.

⁹ (U) The \$17,490 in labor and material costs did not include the costs of active duty military personnel who performed maintenance on the M777 howitzers.

(U) For example, 1 of the 26 HMMWVs the 401st AFSBn-Kuwait reported as fully mission capable but later deemed non-mission capable had the following problems.

- (U) The air conditioner compressor had a class II leak.¹⁰
- (U) The engine wiring harness diode was burned.
- (U) The seat belt was damaged.
- (U) The transmission oil was overfilled.
- (U) The door lock latch was not engaged properly.
- (U) The roof mount bolt was missing bumper bushings.
- (U) The cargo door did not operate correctly.

(U) Officials from the 401st AFSBn-Kuwait stated that for the APS-5 contractor to bring the 26 HMMWVs to fully mission capable and meet the deadlines to ship the equipment to USEUCOM, the APS-5 contractor took parts from other HMMWVs in the APS-5 inventory, potentially making that equipment non-mission capable. On August 29, 2022, the APS-5 contractor had repaired 23 of the 26 HMMWVs, and the 401st AFSBn-Kuwait deemed them fully mission capable. The 401st AFSBn-Kuwait officials stated that the remaining three HMMWVs were not fully mission capable because one had a transmission issue, one had an air conditioning issue, and one was waiting for verification that all faults had been corrected. To remedy the transmission issue on one HMMWV, the APS-5 contractor exchanged the existing non-working transmission with a working transmission from another HMMWV degrading its operational readiness. After the APS-5 contractor completed the repairs, the 401st AFSBn-Kuwait verified the repairs and shipped the 29 HMMWVs to USEUCOM to fulfill the request to support Ukraine.

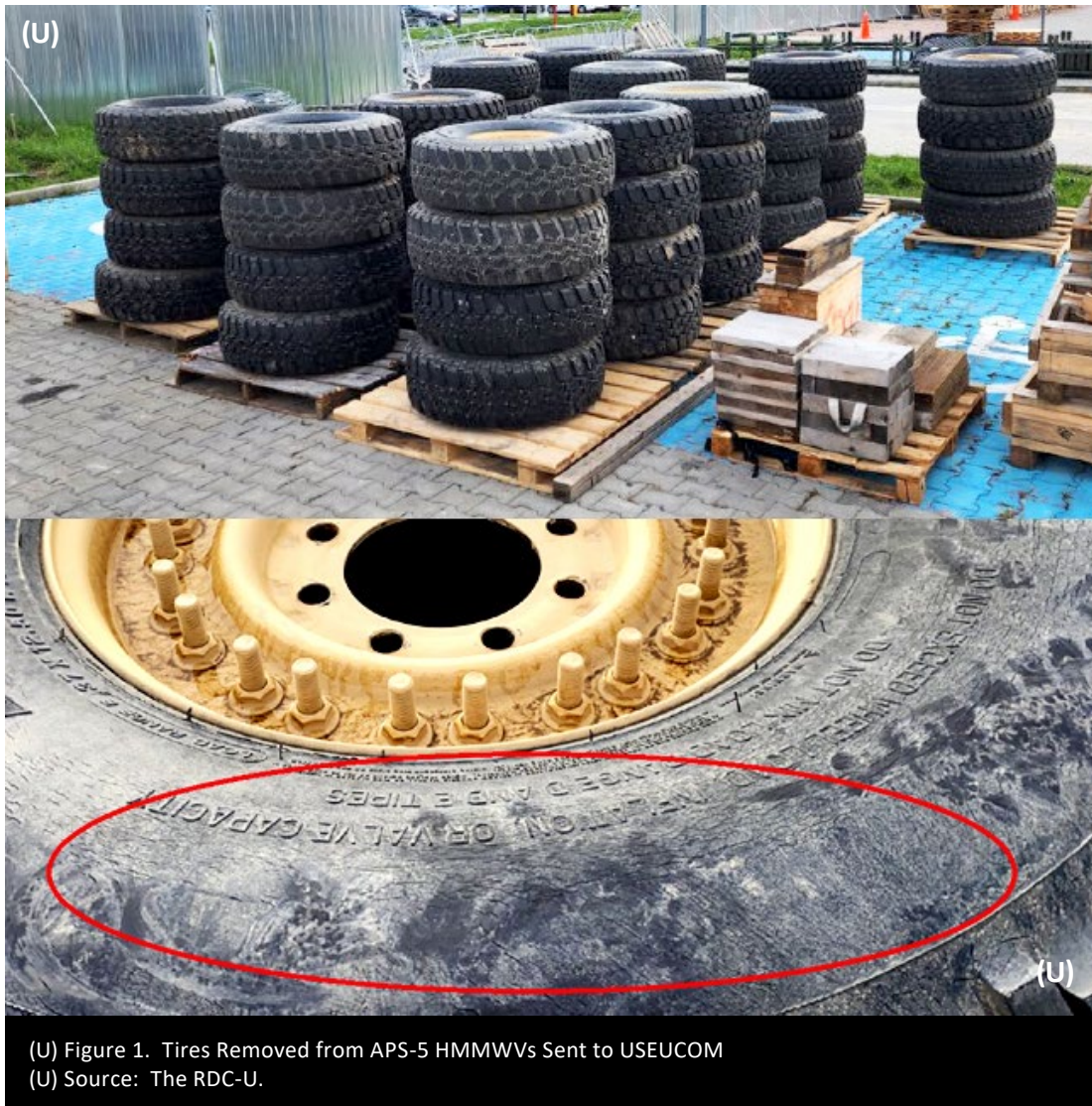
(U) The 401st AFSBn-Kuwait and the APS-5 contractor reported correcting all deficiencies before sending the equipment to USEUCOM. However, RDC-U officials stated that 25 of the 29 HMMWVs arrived with tires damaged by dry rot. For example, RDC-U officials stated that one of the tires on a HMMWV shredded during the vehicle's delivery to the Ukrainian Armed Forces, leaving the HMMWV inoperable. RDC-U officials stated that when they replaced the tire with the spare tire, the spare tire also failed due to dry rot.

(U) On September 20, 2022, RDC-U officials opened work orders to replace tires damaged by dry rot on 25 of the 29 HMMWVs. According to RDC-U officials, the tire sidewalls were covered with cracks, which is not explicitly covered in the technical manual.¹¹ RDC-U officials stated that the vehicles did not have spare tires and the concern was that the vehicles would cross the border and fail without a replacement. RDC-U officials had to use tires from other equipment being prepared to ship to Ukraine for the 25 HMMWVs to be fully mission capable.

¹⁰ (U) Class I is leakage indicated by wetness or discoloration but not great enough to form drops. Class II is leakage that forms drops but not enough to cause drops to drip from the inspected item. Class III leakage forms drops that fall from the inspected item.

¹¹ (U) Technical Manual 38-470, "Storage and Maintenance of Army Prepositioned Stock Materiel," January 28, 2022.

(U) RDC-U officials stated that replacing the HMMWV tires delayed the shipment of other equipment to Ukraine and required significant labor and time, pulling Soldiers away from their primary duties. In addition to the Soldier work hours required to replace the tires, the labor and material cost for replacing the tires on the 25 HMMWVs was \$173,524. See Figure 1 for the pallets of tires that the RDC-U removed from the HMMWVs sent to USEUCOM from APS-5.



(U) Figure 1. Tires Removed from APS-5 HMMWVs Sent to USEUCOM
(U) Source: The RDC-U.

(U) Furthermore, RDC-U officials stated that one of the HMMWVs had a damaged body mount that needed to be replaced. Due to the operating tempo, the HMMWV was shipped without a replaced body mount, but with a note for the Ukrainian Armed Forces to request a body mount through the established process for requesting parts. While the damaged body

(U) mount did not render the vehicle non-mission capable, this is an example of not ready for issue equipment being provided for Ukrainian Armed Forces, that will require Ukraine officials to perform maintenance earlier than normally expected. Figure 2 shows the HMMWV with the damaged body mount.



(~~CUI~~) The APS-5 contractor is contractually required to maintain APS-5 equipment at Technical Manual 10/20 fully mission capable standards, [REDACTED] [REDACTED] 12 [REDACTED] [REDACTED] which necessitates the equipment to move, operate, and meet all safety standards, while Technical Manual 10/20 standards require equipment to be maintained at a level in which the equipment requires little or no major repairs through the initial duration of a conflict. However, 25 of the 29 HMMWVs arrived in USEUCOM with issues that the RDC-U needed to correct before issuing the HMMWVs to the Ukrainian Armed Forces.

(U) Conclusion

(U) The maintenance issues identified in this management advisory, if not corrected, could have endangered DoD military, civilian, and contractor personnel transferring sensitive military equipment to USEUCOM. In addition, if the RDC-U had not inspected and addressed the equipment problems before delivery to the Ukrainian Armed Forces, the problems could have endangered Ukrainian Armed Forces personnel or caused the equipment to fail when

¹² (U) Army Techniques Publication 3-35.1 states that APS should be stored and maintained in Technical Manual 10/20 standards condition or better; specifically, in such condition that it is survivable for the entire initial phases of a conflict with little or no major repairs required by the unit. Maintenance is conducted in accordance with the Technical Manual 10 series and Technical Manual 20 series to meet the Technical Manual 10/20 standards for the equipment.

(U) put into service during battle. While the HMMWVs and M777 howitzers were sent to support the Ukrainian Armed Forces, U.S. forces would have encountered the same challenges and risks to life and safety if the equipment were needed to support U.S. operations.

(U) As the U.S. Government continues to provide additional equipment to Ukraine, the Deputy Chief of Staff of the Army G-3/5/7 should consider the level of maintenance and leadtime required to ensure equipment is fully mission capable before asking APS-5 to rapidly ship equipment to support Ukraine.

(U) In addition, before sending equipment to support the Ukrainian Armed Forces, the Commander of the 401st AFSBn-Kuwait should ensure the APS-5 contractor is providing the required maintenance to standards by performing a thorough inspection of equipment and correcting any deficiencies, including replacing tires damaged by dry rot. We will cover the maintenance issues, contractor non-performance, impacts to the operational readiness of APS-5 equipment, and the need for additional government oversight at APS-5 in more depth in the ongoing audit.

(U) Management Comments on the Advisory and Our Response

(U) Army Materiel Command and Army Sustainment Command General Comments

(U) The Executive Deputy to the AMC Commanding General endorsed the draft management advisory and endorsed comments on our advisory provided by the ASC Commanding General. The ASC Commanding General stated that the Army only resourced the ASC to perform Care of Supplies in Storage maintenance in accordance with Army Technical Manual 38-470, “Storage and Maintenance of Army Prepositioned Stock Materiel,” and not to the Technical Manual 10/20 standards. The Commander further explained that the Army funded APS-5 maintenance at 30 percent of the validated requirement in FY 2023, or \$27.8 million of the \$91.3 million validated requirement. In addition, the Commander stated that the contractor maintaining APS-5 equipment is not contractually obligated or appropriately resourced to maintain APS-5 equipment at Technical Manual 10/20 standards, and that the ASC will continue to maintain APS equipment in accordance with Army Technical Manual 38-470 and within the constraints of available resources.

(U) Furthermore, the Commander of the 401st AFSBn-Kuwait and ASC Support Operations disagreed with the technical manuals used in the audit. ASC Support Operations stated that there was a discrepancy in the technical manual used by the audit team to establish that dry rot makes a tire unserviceable. The Commander stated that Technical Manual 9-2610-200-14 is for tires under “Care of Supplies in Storage” and not for tires mounted on vehicles.¹³

¹³ (U) Technical Manual 9-2610-200-14, “Operators, Unit, Direct Support, and General Support Maintenance Manual for Care, Maintenance Repair, and Inspection of Pneumatic Tires and Inner Tubes,” September 15, 2005.

(U) Our Response

(U) This advisory did not review the level of funding required to execute the APS-5 mission. Therefore, we cannot comment on whether the lack of resources affected the maintenance of APS-5 equipment. However, we disagree with the ASC Commanding General's comment that the APS-5 maintenance contractor is not contractually obligated or appropriately resourced to maintain APS-5 equipment at Technical Manual 10/20 standards. The performance work statement for the APS-5 contract states that the contractor must perform field-level maintenance in accordance with Army Regulation 750-1, "Army Materiel Maintenance Policy," section 3-2, "The Army Maintenance Standard," which requires equipment to be maintained at Technical Manual 10/20 standards.¹⁴ Furthermore, between August 31, 2016, and April 13, 2023, the Army obligated \$971.8 million for the APS-5 contractor to maintain and store APS-5 equipment in accordance with Army regulations. If the ASC continues to disregard contractually required maintenance standards, the 401st AFSBn-Kuwait and the APS-5 contractor will continue the maintenance practices that led to the deficiencies identified in this advisory. Finally, we disagree with the assertion by the 401st AFSBn-Kuwait Commander and ASC Support Operations that the audit team used the wrong technical manual to determine that 25 of the 29 HMMWVs arrived with tires damaged by dry rot. The audit team obtained and reviewed maintenance work orders created by the RDC-U that identified how the dry rot on the tires made the HMMWVs non-mission capable and required replacement before USEUCOM could provide the HMMWVs to the Ukrainian Armed Forces.

(U) Recommendations, Management Comments, and Our Response

(U) Recommendation 1

(U) We recommend that the Deputy Chief of Staff of the Army, G-3/5/7 consider the level of maintenance and leadtime required before selecting Army Prepositioned Stock-5 equipment for sourcing Ukrainian Armed Forces requirements.

(U) Department of the Army G-3/5/7 Comments

(U) The Chief, Army Strategist War Plans Division, responding for the Deputy Chief of Staff of the Army, G-3/5/7, agreed with our recommendation. The Division Chief stated that the Deputy Chief of Staff of the Army, G-3/5/7 must carefully balance the impact of overall Army readiness with the requirement to provide the best available equipment to the Ukrainian Armed Forces. The Army G-3/5/7 will request a current maintenance status from the AMC and the estimated leadtime required to correct any deficiencies before sourcing any additional equipment from APS, effective immediately.

¹⁴ (U) Army Regulation 750-1, "Army Materiel Maintenance Policy," October 28, 2019.

(U) Our Response

(U) Comments from the Chief, Army Strategist War Plans Division, addressed the specifics of the recommendation; therefore, the recommendation is resolved but will remain open. During a discussion of the status of this recommendation, the Army G-3/5/7 Lead APS Planner explained that the Deputy Chief of Staff of the Army, G-3/5/7 will direct the AMC to provide the current maintenance status and estimated leadtime required to correct any deficiencies the next time APS equipment is considered as a source for supporting the Ukrainian Armed Forces. Because the plan of action by the Deputy Chief of Staff of the Army, G-3/5/7 is contingent on whether APS is sourced for Ukraine support in the future, we will close this recommendation once we verify that the Army G-3/5/7 has formally documented the requirement for the AMC to begin including maintenance status and leadtimes before sourcing additional APS equipment.

(U) Recommendation 2

(U) We recommend that the Commander of the 401st Army Field Support Battalion–Kuwait develop and implement increased inspection procedures to not only validate that the Army Prepositioned Stock–5 contractor has properly corrected known maintenance deficiencies but also to conduct a thorough visual inspection of equipment and correct any deficiencies, including tires damaged by dry rot, before shipping the equipment to the U.S. European Command for transfer to the Ukrainian Armed Forces.

(U) Army Sustainment Command Comments

(U) The ASC Commanding General, responding for the Commander of the 401st AFSBn-Kuwait, acknowledged the advisory findings but disagreed with the recommendation. The Commander stated that vehicles shipped from Kuwait in support of Presidential Directive 19 had tires within regulation and technical manual standards. After the conclusion of Presidential Drawdown 19, the 401st AFSBn-Kuwait planned and implemented process improvements during the preparation for Presidential Directive 21. Specifically, the 401st AFSBn-Kuwait improved surveillance using uniformed quality assurance personnel to verify 100 percent of deficiencies identified by the APS-5 contractor. In addition, the uniformed quality assurance personnel worked with TACOM representatives to perform random inspections of vehicles undergoing service and repair. The Commander stated that this newly implemented and stringent inspection process prevented any misconception of the condition of tires on vehicles shipping to USEUCOM and resulted in replacement

(U) of all marginally suspect tires. Furthermore, since implementation, USEUCOM has not reported any discrepancies with the vehicles received during Presidential Directive 21, which further demonstrated the effectiveness of the inspection process improvements. Finally, the Commander stated that the 401st AFSBn-Kuwait will:

- (U) continue to perform joint inspections of equipment shipping to USEUCOM;
- (U) work with the 401st Army Field Support Brigade to have the gaining unit present during joint inspections of equipment for USEUCOM before shipment; and
- (U) continue to implement and enforce current maintenance practices, including required Government surveillance of the contractor.

(U) Our Response

(U) Comments from the ASC Commanding General partially addressed the recommendation; therefore, the recommendation is unresolved. In our draft report, we identified concerns regarding equipment and the level of oversight for equipment sent to Ukraine as a result of Presidential Directives 12 and 19, issued June 16, 2022, and August 24, 2022, respectively. Specifically, we found that 25 of 29 M1167 HMMWVs and all six M777 howitzers were not mission ready and required repairs before USEUCOM could transfer the equipment to the Ukrainian Armed Forces. Actions taken by the Commander of the 401st AFSBn-Kuwait after Presidential Directive 19 partially met the intent of the recommendation by implementing increased inspection procedures during the issuance of Presidential Directives 21 and 29, issued October 21, 2022, and January 9, 2023, respectively. The Commander stated that after implementation of the increased inspection procedures, USEUCOM did not find any deficiencies with the vehicles received from Kuwait. However, the Commander has not formalized these additional inspection procedures in the 401st AFSBn-Kuwait standard operating procedures. Given the rotational nature of the 401st AFSBn-Kuwait personnel, the Commander should ensure the enhanced inspection process is formally documented. Therefore, we request that the Commander of the 401st AFSBn-Kuwait provide comments to the final report to reconsider formalizing the additional inspection procedures when issuing equipment to USEUCOM for transfer to the Ukrainian Armed Forces in the 401st AFSBn-Kuwait's standard operating procedures.

(U) Department of the Army G-3/5/7 Comments

(U) Although not required to comment, the Chief, Army Strategist War Plans Division, responding for the Deputy Chief of Staff of the Army, G-3/5/7 agreed with the recommendation. The Division Chief stated that if the Army sources additional equipment from APS for Ukraine, then the Army G-3/5/7 will request the AMC to conduct a full and thorough visual inspection of the equipment. The Division Chief stated that the Army G-3/5/7 will direct AMC to correct any deficiencies found and report corrective actions back to the Army G-3/5/7 as required, effectively immediately.

(U) Management Comments

(U) Department of the Army G-3/5/7



DEPARTMENT OF THE ARMY
OFFICE OF THE DEPUTY CHIEF OF STAFF, G-3/5/7
3200 ARMY PENTAGON
WASHINGTON, DC 20310-3200

DAMO-SSW

17 April 2023

MEMORANDUM FOR DoD Inspector General 4800 Mark Center Drive, Alexandria, VA 22350-1500

SUBJECT: HQDA, G-3/5/7 Response to DoDIG Draft Report Management Advisory: Concerns Over the Maintenance of the Army's Prepositioned Stock-5 Equipment Designated for Ukraine, Project No. D2022-D000RJ-0163.001

1. References: DoDIG Draft Report Management Advisory: Concerns Over the Maintenance of the Army's Prepositioned Stock-5 Equipment Designated for Ukraine, Project No. D2022-D000RJ-0163.001.
2. Recommendation 1: We recommend that the Deputy Chief of Staff of the Army G-3/5/7 consider the level of maintenance and lead time required before selecting Army Prepositioned Stock-5 equipment for sourcing Ukrainian Armed Forces requirements.
 - HQDA, Deputy Chief of Staff (DCS) G-3/5/7 DAMO-SSW concurs with comment. HQDA DCS G-3/5/7 must carefully balance the impact to overall Army readiness vs. the requirement to provide the best available equipment to the Ukrainian Armed Force. The Army always carefully considers the maintenance status of every piece of equipment sourced from APS for Presidential Drawdowns. The G-3/5/7 will request a current maintenance status from AMC and estimated lead time required to correct any deficiencies prior to sourcing any additional equipment from APS, effective immediately.
3. Recommendation 2: We recommend that the Commander of the 401st Army Field Support Battalion-Kuwait develop and implement increased inspection procedures to not only validate that the Army Prepositioned Stock-5 contractor has properly corrected known maintenance deficiencies but also conduct a thorough visual inspection of equipment and correct any deficiencies, including tires damaged by dry rot, before shipping the equipment to the U.S. European Command for transfer to the Ukrainian Armed Forces.
 - HQDA, Deputy Chief of Staff (DCS) G-3/5/7 DAMO-SSW concurs with comment. If the Army sources additional equipment from APS for the Ukrainian Army, G-3/5/7 will request AMC to conduct a full and thorough visual inspection of the equipment. AMC will be directed to correct any deficiencies found and report corrective actions back to HQDA G-3/5/7 as required, effectively immediately.

(U) Department of the Army G-3/5/7 (cont'd)

DAMO-SSW
SUBJECT: HQDA, G-3/5/7 Response to DoDIG Draft Report Management Advisory:
Concerns Over the Maintenance of the Army's Prepositioned Stock-5 Equipment
Designated for Ukraine, Project No. D2022-D000RJ-0163.001

4. The POC for this approval is [REDACTED]

MARCHETTI.CHRI
STOPHER.DENNI [REDACTED]

CHRISTOPHER D. MARCHETTI
COL, Army Strategist
War Plans Division Chief

(U) Army Materiel Command



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

20 APR 2023

AMIR

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: Management Advisory - Concerns Over the Maintenance of the Army's Prepositioned Stock-5 Equipment Designated for Ukraine, Project: D2022-D000RJ-0163.001.

1. The U.S. Army Materiel Command has reviewed and endorses the subject draft report and responses from the U.S. Army Sustainment Command. Specific comments are included at the enclosure.
2. The U.S. Army Materiel Command point of contact is [REDACTED] or email: [REDACTED]

Encl

Marion G. Whicker
MARION G. WHICKER
Executive Deputy to the
Commanding General

(U) Army Sustainment Command**UNCLASSIFIED**

DEPARTMENT OF THE ARMY
 HEADQUARTERS US ARMY SUSTAINMENT COMMAND
 1 ROCK ISLAND ARSENAL
 ROCK ISLAND IL 61299-6500

MAR 24 2023

AMAS-CG

MEMORANDUM THRU U.S. Army Materiel Command (AMCIR), 4400 Martin Road
 Redstone Arsenal, AL 35898-5000

FOR U.S. Army Audit Agency, Office of the Deputy Auditor General, Acquisition and
 Logistics Audits, 6000 6th Street, Building 1464, Fort Belvoir, VA 22060-5609

SUBJECT: Response to Proposed Report – Management Advisory: Concerns Over the
 Maintenance of the Army's Prepositioned Stock-5 Equipment Designated for Ukraine

1. ASC **concurs with comment** to the DoD Inspector General findings highlighting the need for the Department of the Army to consider the level of maintenance needed and lead times associated with selecting Army Prepositioned Stock (APS) equipment to support urgent needs.
2. The Army only resources U.S. Army Sustainment Command (ASC) to perform Care of Supplies in Storage (COSIS) maintenance IAW TM 38-470, Storage and Maintenance of Army Prepositioned Stock Material. The Army does not resource APS equipment to be maintained at the TM 10/20 level.
3. The contractor maintaining APS-5 is not contractually obligated, nor are they resourced, to maintain APS equipment to the TM 10/20 level.
4. The Army only funded APS-5 at 30 percent of the validated requirement for FY 23. The validated requirement is \$91,291,059; the Army only provided \$27,844,000 to support APS-5, which equates to 30 percent of the total requirement. ASC will continue to maintain authorized APS equipment at the defined COSIS standard per TM 38-470 within the constraints of available resources.
5. The POC is [REDACTED] Senior Auditor, AMAS-IR, Commercial
 [REDACTED] E-mail: [REDACTED]

DAVID WILSON
 Major General, USA
 Commanding

UNCLASSIFIED

(U) Army Sustainment Command (cont'd)

**DoDIG
Draft Report Management Advisory: Concerns Over
the Maintenance of the Army's
Prepositioned Stock-5 Equipment
Designated for Ukraine
Army's management of Army Prepositioned Stock-5 (APS-5)
equipment (D2022-D000RJ-0163.000)**

General Comments:

The 401st Army Field Support Brigade and ASC Support Operations acknowledges the DoDIG finding but disagrees with the technical manuals that were used in the audit. ASC non-concurs with the recommendation. We have provided a specific response to Recommendation 2 below.

DoDIG Recommendation 2:

(U) We recommend that the Commander of the 401st Army Field Support Battalion-Kuwait develops and implement increased inspection procedures to not only validate that the Army Prepositioned Stock-5 contractor has properly corrected known maintenance deficiencies but also conduct a thorough visual inspection of equipment and correct any deficiencies, including tires damaged by dry rot, before shipping the equipment to the U.S. European Command (USEUCOM) for transfer to the Ukrainian Armed Forces.

Command Comments:

Commander of the 401st Army Field Support Battalion-Kuwait acknowledges and non-concurs with the DODIG findings contained within recommendation 2. After the conclusion of Presidential Directive (PD) 19, 401st Army Field Support Battalion-Kuwait planned and implemented process improvements during the preparation of PD-21. These improvements in surveillance consisted of uniformed QA personnel verifying 100% of faults identified by the contractor and work in conjunction with Tank and Automotive Command (TACOM) representatives to conduct random in process inspections of vehicles while undergoing service and repair. Each vehicle was road tested with uniformed Quality Assurance (QA) personnel present in the vehicle to ensure that all faults were corrected. Finally, the vehicle passed Joint Inspections conducted by uniformed QA personnel and the contractor with no known issues or faults documented. Vehicles for PD-19 shipped out of Kuwait had tires within regulation and TM standards, this was confirmed by ASC Maintenance Chief during a recent call with DODIG. Commander of the 401st Army Field Support Battalion-Kuwait prevented any future misconception of the condition of tires on vehicles shipping to USEUCOM with the implementation of a stringent inspection process concerning tires for all vehicles shipping to USEUCOM. This resulted in replacing any marginally suspect tires on all subsequent PDs. No discrepancies have been reported with the vehicles received during PD-21 by USEUCOM, showing further implemented process improvements were

(U) Army Sustainment Command (cont'd)

effective. 401st Army Field Support Battalion-Kuwait will continue to improve its processes.

ASC SPO supports the 401st AFSB Commander's non-concurrence. During the exit briefing, as well as discussions with DODIG on 08 December 2022, ASC personnel informed the DODIG auditors that service life and dry rot does not necessarily make a tire unserviceable. There was a discrepancy in the Technical Manuals used to establish the standard. Technical Manual (TM) 9-2610-200-14 is for tires under COSIS and not tires mounted on vehicles.

In addition, the repair and service information contained in the TM does not take precedence over the specific procedures or the Preventive Maintenance Checks and Services (PMCS) requirements listed in the vehicle support maintenance manual.

Concur/Non-Concur: Non-Concur

Actions that will be taken:

1. 401st Army Field Support Battalion-Kuwait will continue to involve outside agencies to conduct joint inspections of equipment going to U.S. European Command within the available time constraints.
2. 401st Army Field Support Battalion-Kuwait will work with 401st Army Field Support Brigade to contact the gaining unit to be present during joint inspections of equipment going to U.S. European Command before equipment is shipped.
3. 401st Army Field Support Battalion-Kuwait will continue to implement and enforce its current maintenance policy and Standard Operating Procedures (SOP), in addition to required surveillances, to ensure that the USG is properly providing contractor government oversight.

Estimated Completion Date for Actions: Continuous

PD-12 issued 16 June 2022 directing six M777 Howitzers to USEUCOM
PD-19 issued 24 August 2022 directing 29 M1167 HMMWVs to USEUCOM
PD-21 issued 22 October 2022 directing four M983A4 LET and eight M870A1 to USEUCOM
PD 29 issued 09 JAN 23 directing 12 M119A3s, 24 M1097s, and 12 M1102s to USEUCOM.

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