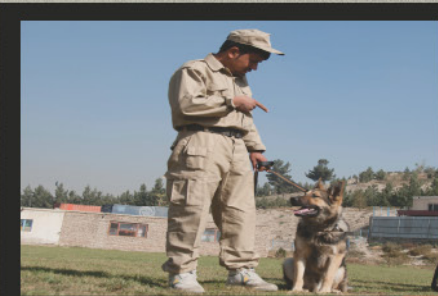




A JOINT AUDIT BY THE INSPECTORS GENERAL OF
DEPARTMENT OF STATE AND
DEPARTMENT OF DEFENSE



AFGHAN NATIONAL POLICE TRAINING PROGRAM:
LESSONS LEARNED DURING THE TRANSITION OF
CONTRACT ADMINISTRATION



AUGUST 15, 2011

(Public Law 111-383, Section 1235)

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Acronyms and Abbreviations

ABP	Afghan Border Police
ANP	Afghan National Police
AQM	Office of Acquisitions Management
CNTPO	Counter-Narcoterrorism Technology Program Office
COR	Contracting Officer's Representative
CSTC-A	Combined Security Transition Command-Afghanistan
CTAG-P	Combined Training Advisory Group-Police
DCAA	Defense Contract Audit Agency
DCMA	Defense Contract Management Agency
DOS	Department of State
GAO	U.S. Government Accountability Office
IJC	International Security Assistance Force Joint Command
INL	Bureau of International Narcotics and Law Enforcement Affairs
MOA	Memorandum of Agreement
MoI	Ministry of Interior
NTM-A	North Atlantic Treaty Organization Training Mission-Afghanistan
SOW	Statement of Work
TPSO	Training Program Support Office
USTC	U. S. Training Center

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August 15, 2011

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR POLICY
ASSISTANT SECRETARY OF STATE FOR ADMINISTRATION
COMMANDER, U.S. FORCES-AFGHANISTAN
COMMANDER, NORTH ATLANTIC TREATY ORGANIZATION
TRAINING MISSION-AFGHANISTAN/COMBINED SECURITY
TRANSITION COMMAND-AFGHANISTAN
EXECUTIVE DIRECTOR, DEPARTMENT OF STATE BUREAU OF
INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT
AFFAIRS
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY

SUBJECT: Afghan National Police Training Program: Lessons Learned During the Transition of
Contract Administration (Report No. D-2011-095 and AUD/CG-11-42)

We are providing this report for review and comment. We conducted this audit in response to a requirement in the FY 2011 National Defense Authorization Act. In 2005, DoD began to assume the lead role on behalf of the United States for reforming the Afghan National Police (ANP). In 2006, DoD assumed responsibility for funding the ANP training program, and the Department of State (DOS) continued to direct and provide oversight of the contracted civilian advisors, mentors, and trainers. In August 2009, DoD and DOS agreed to transfer the ANP training program contract administration from DOS to DoD. Despite a commitment to the Commission on Wartime Contracting in Iraq and Afghanistan to ensure a "seamless" transition, DoD and DOS officials did not conduct sufficient planning to include developing a comprehensive transition plan or a memorandum of agreement. Additionally, DoD did not have the oversight personnel in place to adequately monitor whether the contractor was performing its contractual obligations and achieving the goals of the Ministry of Interior/ANP training program.

DoD Directive 7650.3 requires that recommendations be resolved promptly. We considered management comments on a draft of this report when preparing the final report. Based on management comments, we revised and redirected draft Recommendation A.1. We request comments from the Under Secretary of Defense (Policy) and the Assistant Secretary of State for Administration on Recommendation A.1 by September 14, 2011. We also revised Recommendation A.2.

Combined Security Transition Command-Afghanistan comments to Recommendations A.2, B.1.a-b, and B.2.a-d were responsive. No additional comments are required. Defense Contract Management Agency comments on Recommendation B.3.a-b were responsive, and no additional comments are required.

DOS Bureau of International Narcotics and Law Enforcement Affairs comments on Recommendation A.2 were not responsive and comments on the final report are required. We request comments to the final report by September 14, 2011. See the recommendations table on page ii of this report.

If possible, send a .pdf file containing your comments to audjsao@dodig.mil and to Ms. Evelyn R. Klemstine, Assistant Inspector General for Audits, at klemstinee@state.gov. Copies of your comments must have the actual signature of the authorizing official for your organization. We are unable to accept the /Signed/ symbol in place of the actual signature. If you arrange to send classified comments electronically, you must send them over the SECRET Internet Protocol Router Network (SIPRNET).

We appreciate the courtesies extended to the staff. Please direct questions to Mr. Michael Roark at (703) 604-9187 (DSN 664-9187) or Ms. Evelyn Klemstine at (202) 663-0372.



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Under Secretary of Defense for Acquisition, Technology, and Logistics
Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
Under Secretary of State for Management
Commander, International Security Assistance Force Joint Command
Assistant Secretary of State for the Bureau of International Narcotics and Law Enforcement Affairs
Director, Defense Procurement and Acquisition Policy
Director, Department of State Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management
Director, Defense Contract Audit Agency
Director, Defense Security Cooperation Agency
Assistant Secretary of the Army for Acquisition, Logistics and Technology
Deputy Assistant Secretary of the Army (Procurement)
Commander, U.S. Army Space and Missile Defense Command/Army Forces Strategic Command
Executive Director, Army Contracting Command



Results in Brief: Afghan National Police Training Program: Lessons Learned During the Transition of Contract Administration



What We Did

This is the second in a series of reports to address requirements in the FY 2011 National Defense Authorization Act. This report addresses whether Government and contractor plans to transfer administration for the Ministry of Interior and Afghan National Police training program contracts were complete and feasible. In addition, this report addresses whether DoD was prepared to provide effective management and oversight of the new DoD contract.

What We Found

DoD and DOS officials did not develop a comprehensive plan or develop a memorandum of agreement to guide, monitor, and assign transition responsibilities. Instead, officials relied on independently developed contractor plans, some of which were not feasible and did not address inherently governmental tasks. This occurred because DoD and DOS lacked guidance for planning a transition of contract administration responsibilities from one agency to another, which contributed to contractor schedule delays. In addition, DoD officials reported that the incoming contractor did not have 428 of the 728 required personnel in place within the 120-day transition period,* which placed the overall mission at risk by not providing the mentoring essential for developing the Afghan Government and Police Force.

Further, at the end of the 120-day transition period, DoD did not have the personnel in place to effectively oversee the new DoD contract. This occurred because DoD did not establish a

program support office until 19 days before the contract was awarded and did not formalize an agreement for managing oversight personnel, communication, and information sharing between commands. Until oversight personnel are in place, DoD will be unable to adequately monitor whether the contractor is performing its contractual obligations and achieving the goals of the program.

We commend DoD for taking some corrective action in response to a memorandum that we issued during the audit (see Appendix F). The corrective action included developing strategies for hiring and contractor oversight and procedures for approving purchase requests and vouchers. DoD also increased the number of oversight personnel for the new DoD contract.

What We Recommend

Among other recommendations, DoD and DOS should develop guidance for planning and conducting complex transitions. DoD should also continue filling the management and oversight vacancies for the new DoD contract and agree on oversight roles and responsibilities between commands.

Management Comments and Our Response

We revised and redirected draft Recommendation A.1 and revised A.2 based on management comments. Comments from DoD officials to the draft were responsive. Comments from DOS officials were responsive to draft Recommendation A.1 but were not responsive to A.2. Comments on the final report are required by September 14, 2011. Please see the recommendations table on the next page.

* Due to the FY 2011 Act requirements, we reported the status of the new DoD contract as of April 29, 2011.

Recommendations Table

Management	Recommendations Requiring Comment	No Additional Comments Required
Under Secretary of Defense for Policy	A.1.a-d	
Assistant Secretary of State for Administration	A.1.a-d	
Director, Defense Procurement and Acquisition Policy		A.1.a-d
Director, Department of State Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management		A.1.a-d
Commander, Combined Security Transition Command-Afghanistan		A.2, B.1.a-b
Executive Director, Department of State Bureau of International Narcotics and Law Enforcement Affairs	A.2	
Commander, U.S. Forces-Afghanistan		B.2.a-d
Director, Defense Contract Management Agency		B.3.a-b

Please provide comments by September 14, 2011.

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Introduction

Objectives

We conducted this audit in response to a requirement in Public Law 111-383, “Ike Skelton National Defense Authorization Act for Fiscal Year 2011,” January 7, 2011 (the FY 2011 Act). The FY 2011 Act required that the DoD IG, in consultation with the Department of State (DOS) IG, report to Congress within 180 days a description of the Afghan National Police (ANP) training program that included: (A) components, planning, and scope; (B) cost to DoD and DOS; (C) allocation of DoD and DOS funding, oversight, and execution responsibilities; (D) personnel requirements; and (E) an assessment of the cost, performance metrics, and planning associated with the transfer of ANP training program contract administration from DOS to DoD. The FY 2011 Act also required the IGs to conduct followup activities on DoD IG Report No. D-2010-042 and DOS IG Report No. MERO-A-10-6, “DoD Obligations and Expenditures of Funds Provided to the Department of State for the Training and Mentoring of the Afghan National Police,” February 9, 2010 (the February 2010 joint audit report). See Appendix C for an excerpt of the FY 2011 Act requirements.

Our initial audit objective was to evaluate DoD and DOS efforts to transfer contract administration for the ANP training program from DOS to DoD. Specifically, we planned to assess the cost, performance measures, and planning efforts associated with the transfer to ensure enhanced contract oversight, adequate funding and support, and effective program management. We also planned to follow up on the February 2010 joint audit report. However, we revised our audit objectives and scope after meeting with and obtaining agreement from Senate Armed Services Committee staff members on January 7, 2011. Specifically, we revised the audit objective for this report to determine whether the Government and contractor plans to transfer the contract administration of the Ministry of Interior (MoI)/ANP training program were complete and feasible. In addition, we determined whether DoD was prepared to provide management and oversight of the new DoD MoI/ANP training program contract (the new DoD contract). We also agreed to issue at least two reports that would collectively meet the congressional intent of the FY 2011 Act requirements and to collect only general background information necessary to support both reports within the 180-day mandate. See Appendix D for our response to the FY 2011 Act requirements A-E.

The first report addressed whether DOS properly obligated \$1.26 billion of DoD funds in support of ANP training program requirements and in accordance with Federal laws, regulations, and reimbursable agreements.¹ That report also addressed whether DOS approved contractor invoices in accordance with Federal regulations and contract requirements. Finally, the report provided the status of management actions taken in response to the recommendations made in the February 2010 joint audit report.

¹ DoD IG Report No. D-2011-080 and DOS IG Report No. AUD/CG-11-30, “DoD and DOS Need Better Procedures to Monitor and Expend DoD Funds for the Afghan National Police Training Program.” July 7, 2011.

Background

From 2003 through 2006, DOS was primarily responsible for developing, funding, and executing the ANP training program. In February 2004, the DOS Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (AQM), awarded DynCorp International LLC (DynCorp) one of three Civilian Police contracts to strengthen the criminal justice systems and security operations overseas by employing law enforcement professionals to support international civilian police initiatives through the issuance of task orders. AQM awarded multiple DOS- and DoD-funded task orders under contract S-LMAQM-04-C-0030 to provide police advisors, mentors, and trainers and to develop and execute the ANP training program. In 2005, DoD began to assume the lead role on behalf of the United States for reforming the ANP and in 2006, DoD assumed responsibility for funding the ANP training program,² while DOS continued to perform contract administration responsibilities through reimbursable agreements between DoD and DOS. Since 2006, DoD has transferred a total of \$1.29 billion to DOS to support the ANP training program.³

Department of State

Multiple components within DOS were responsible for providing guidance and contract oversight for the ANP training program. Specifically, the Bureau of International Narcotics and Law Enforcement Affairs (INL), with financial support from DoD, continued to direct and provide oversight of the contracted civilian advisors, mentors, and trainers for the ANP program. Within INL, the Office of Afghanistan and Pakistan Programs continues to direct and oversee critical foreign assistance programs to support justice sectors and works closely with other U.S. Government agencies, including DoD, to develop and implement policies for these programs. INL's Office of Resource Management maintains financial oversight of INL funds allotted to overseas posts and provides management support to improve the effectiveness of INL programs. Within the INL Office of Resource Management, the Afghanistan, Iraq, and Jordan Support Division receives guidance from the Office of Afghanistan and Pakistan Programs and provides acquisition and contract management support for those countries. Specifically, the Afghanistan, Iraq, and Jordan Support Division provided the contracting officer's representatives (CORs) and in-country CORs for the Civilian Police contract, as well as task orders that supported the ANP training program.

AQM manages, plans, and directs the Department's acquisition programs and conducts contract administration in support of activities worldwide. AQM officials provide contract management services including acquisition planning, contract negotiation, cost and price analysis, and contract administration. The contracting officer for the Civilian Police contract resides in AQM.

² For the purposes of consistency in the report we use the term ANP training program to encompass the ANP advising, mentoring, and training performed under the DOS Civilian Police contract.

³ Our first report reviewed whether DOS properly obligated \$1.26 billion transferred from DoD for the ANP training program from November 2006 to December 2010. DoD transferred an additional \$30 million on January 28, 2011.

NATO and Department of Defense

Multiple North Atlantic Treaty Organization and DoD Components are responsible for providing oversight of the MoI/ANP training program.⁴ Under the Commander, International Security Assistance Force/U.S. Forces-Afghanistan, two subordinate commands are responsible for supporting ANP development, training, and sustainment: North Atlantic Treaty Organization Training Mission-Afghanistan/Combined Security Transition Command-Afghanistan (NTM-A/CSTC-A) and the International Security Assistance Force Joint Command (IJC). NTM-A/CSTC-A is responsible for training, mentoring, and equipping the ANP and building MoI capacity, and IJC conducts joint security and stability operations to improve the effectiveness of the ANP.

Within NTM-A/CSTC-A, two key officials, the Deputy Commander, Police, and Deputy Commander, Programs, are responsible for supporting the mentoring, training, and equipping of ANP forces. The Deputy Commander, Police, delegated responsibility for MoI development to the Assistant Commanding General-Police Development, and responsibility for institutional support, to include managing training at the majority of the ANP training sites, to the Combined Training Advisory Group-Police (CTAG-P). Under the Deputy Commander, Programs, the Training Program Support Office (TPSO) supports the execution and management of three major training and maintenance program contracts, one of which is the new DoD contract. TPSO is led by a program manager, who is supported by three contract product teams. Each team is led by a product manager, who is also the lead COR. Personnel on each product team assist in providing essential contract management and oversight functions. The Assistant Commanding General-Police Development, CTAG-P, and IJC contribute to managing program requirements and share contract oversight responsibilities.

The Defense Contract Management Agency (DCMA)⁵ and the Defense Contract Audit Agency (DCAA)⁶ provide TPSO with personnel for managing the new DoD contract. DCMA officials are responsible for contract administration, property administration, and quality assurance for the new DoD contract. DCAA officials are responsible for approving contractor interim vouchers for provisional payment.

MoI/ANP Training Program Transition

In August 2009, DoD and DOS officials agreed to transfer ANP training program contract administration responsibility from DOS to DoD. DoD and DOS officials expected that the new DoD contract would be awarded before the DOS ANP task orders' period of performance ended and that DoD would transfer all program responsibilities by January 2010. However, a contractor protested DoD's acquisition strategy, which led to

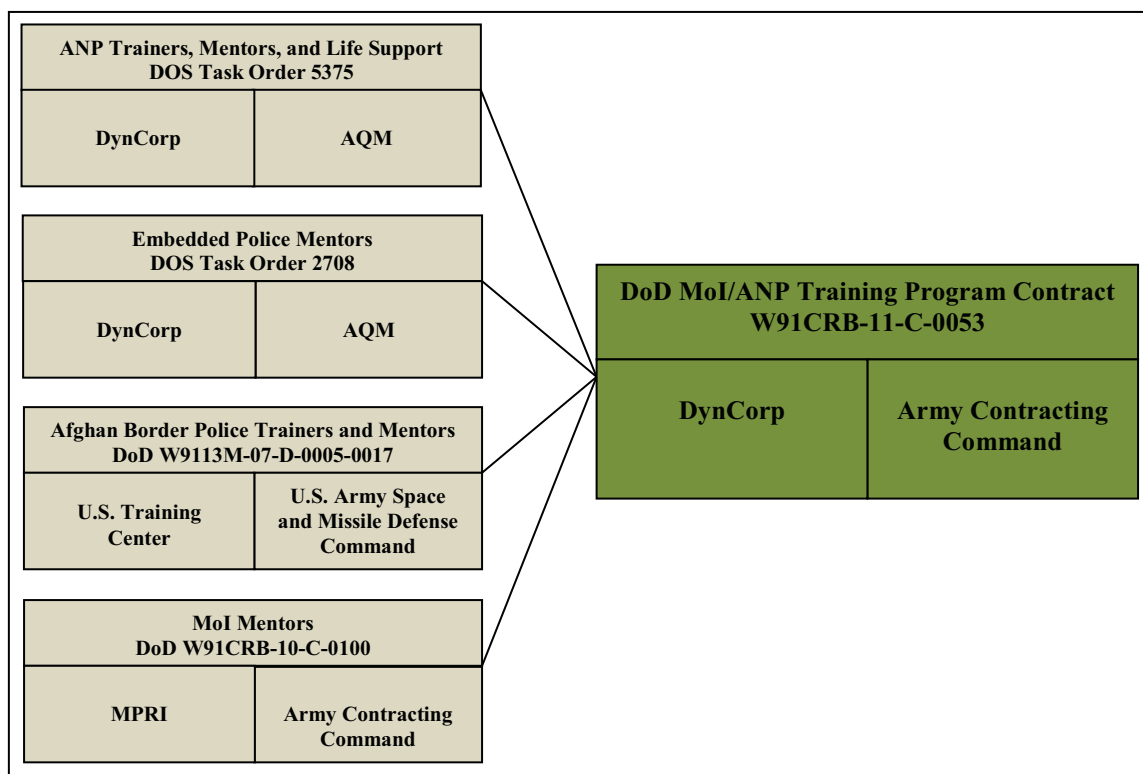
⁴ For the purposes of consistency in the report we use the term MoI/ANP training program to encompass the work performed under the new DoD contract W91CRB-11-C-0053, which includes ANP and MoI advising, mentoring, and training, and life support at 15 locations.

⁵ DCMA is a DoD Component under the Under Secretary of Defense for Acquisition, Technology and Logistics, responsible for providing contract administration services to the DoD community.

⁶ DCAA is a DoD Component under the Under Secretary of Defense (Comptroller)/Chief Financial Officer, responsible for conducting contract audits and providing accounting and financial advisory services for the DoD community.

delays in transferring the administration of four DOS and DoD task orders and contracts to the new DoD contract. Figure 1 shows the four DOS and DoD task orders and contracts to be replaced by the new DoD contract by the type of service, the task order and contract number, contractor, and contracting office.

Figure 1. DOS and DoD Task Orders and Contracts Being Replaced by the New DoD Contract



DOS Task Orders for ANP Trainers, Mentors, and Life Support

In February 2004, AQM awarded DynCorp one of three worldwide Civilian Police indefinite-delivery, indefinite-quantity contracts, valued at approximately \$1.75 billion, which consisted of 1 base year and 4 option years. In August 2005, AQM awarded task order S-AQMPD-05F-4305 (task order 4305) for ANP training program services and supplies, including life support, at eight training centers. In July 2008, AQM awarded task order S-AQMMA-08F-5375 (task order 5375) to continue providing ANP training program services.⁷ On July 16, 2010, AQM extended task order 5375 through June 30, 2011. In September 2010, AQM awarded task order S-AQMMA-10F-2708 (task order 2708) to provide embedded police mentors. As of April 30, 2011, DOS officials stated that the total value of this worldwide contract was more than \$4.66 billion. The contract is scheduled to expire January 2012.

⁷ Task order 5375 included contractor sub-tasks for advisor services and support services, such as life and mission support, security services, information technology, and communications support.

DoD Task Order for Afghan Border Police Trainers and Mentors

On September 29, 2008, U.S. Army Space and Missile Defense Command, Army Forces Strategic Command, issued task order number W9113M-07-D-0005-0017 to U.S. Training Center (USTC), a Xe subsidiary, for training and mentoring the Afghan Border Police (ABP). The task order included 1 base year and 3 option years. The total task order value as of April 30, 2011, was approximately \$262.3 million. The task order is scheduled to expire September 29, 2011.

DoD Contract for MoI Mentors

In April 2010, a U.S. Army Contracting Command Aberdeen Proving Ground contracting officer awarded contract number W91CRB-10-C-0100, a cost-plus-fixed-fee contract, to MPRI for mentoring MoI personnel. The contract period of performance was for 1 year. DoD officials reported that the total contract value was approximately \$32 million; the contract expired on April 30, 2011.

New DoD Contract

As part of the original acquisition strategy for the MoI/ANP training program, DoD issued two requests for proposal using an existing Army Space and Missile Defense Command/Army Forces Strategic Command indefinite-delivery/indefinite-quantity contract that provided program and operations support for the DoD Counter-Narcoterrorism Technology Program Office (CNTPO). The requests for proposal limited the competition to the five contractors already on the contract. DynCorp, the outgoing contractor under the DOS task orders, protested DoD's acquisition strategy of using the existing contract, and on March 15, 2010, the U.S. Government Accountability Office (GAO) sustained the protest.⁸

Because of the protest, DoD and DOS officials took action to ensure contracted services for training and mentoring the ANP continued while DoD revised the acquisition strategy for the new DoD contract. Specifically, DOS extended⁹ task order 5375 until June 30, 2011, and the Army Space and Missile Defense Command/Army Forces Strategic Command exercised a contract option that extended the ABP task order until September 29, 2011. DoD revised its acquisition strategy, and on July 16, 2010, DoD released a full and open solicitation. On December 20, 2010, the U.S. Army Contracting Command Aberdeen Proving Ground contracting officer awarded DoD contract W91CRB-11-C-0053, a cost-plus-fixed-fee contract, to DynCorp to provide MoI and ANP training and mentoring services and life support. The contract included a 120-day transition period for the contractor to become fully operational, a 2-year base period, and a 1-year option period, for a total contract value of more than \$1 billion. The 120-day transition period for transitioning the DoD and DOS task orders and contracts into the

⁸ GAO Decision B-402349 ruled that the ANP training program was out of the scope of the CNTPO contract and recommended that DoD conduct a full and open competition or prepare the justification required to limit the competition.

⁹ DOS extended task order 5375 twice to facilitate the transition of contract administration; first, from January 31, 2010, to July 31, 2010, and second, from August 1, 2010, through June 30, 2011.

new DoD contract began December 30, 2010, and ended April 29, 2011. See Table 1 for a timeline of the contracting events.

Table 1. Timeline of Contracting Events

GAO Sustained Protest	March 15, 2010
New Solicitation Released	July 16, 2010
Contract Awarded	December 20, 2010
120-Day Transition Period Began	December 30, 2010
120-Day Transition Period Ended	April 29, 2011
DOS Task Order 5375 Expired	June 30, 2011
ABP Task Order Expires	September 29, 2011

Review of Internal Controls

DoD Instruction 5010.40, “Managers’ Internal Control Program (MICP) Procedures,” July 29, 2010, requires DoD organizations to implement a comprehensive system of internal controls that provide reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls. In addition, the U.S. Department of State Foreign Affairs Manual (FAM) 2 FAM 021.1, requires DOS to establish and maintain cost-effective systems of management controls over all DOS operations to ensure that activities are managed effectively, efficiently, economically, and with integrity, and to provide reasonable assurance regarding the prevention of or prompt detection of errors, irregularities, and mismanagement.

We identified internal control weaknesses related to the transition of the MoI/ANP training program. Specifically, DoD and DOS did not have guidance in place to require the development of a comprehensive transition plan for effectively managing complex transitions. We also identified that NTM-A/CSTC-A and IJC officials did not have a formalized agreement establishing a cooperative relationship and communication process between the commands for managing the CORs and providing consistent oversight of contractor personnel. We will provide a copy of this report to senior officials responsible for internal controls at NTM-A/CSTC-A and IJC.

Finding A. DoD and DOS Did Not Sufficiently Plan for the Transition

DoD and DOS officials did not conduct sufficient planning to include developing a comprehensive transition plan or a memorandum of agreement to guide, monitor, and assign transition responsibilities. Instead, DoD and DOS officials relied on independently developed contractor transition-in and demobilization¹⁰ plans, some of which were not feasible and did not address inherently governmental tasks,¹¹ such as developing shared use agreements.

DoD and DOS had no guidance for planning the transfer of contract administration responsibilities from one agency to another, which contributed to contractor schedule delays. Specifically, the Departments lacked guidance for planning or conducting complex transition-related activities, such as:

- developing coordinated transition requirements;
- identifying and completing inherently governmental tasks;
- conducting risk assessments and developing risk mitigation strategies;
- defining metrics; and
- establishing a council of senior officials to provide oversight of the transition and resolve collaboration and cooperation difficulties.

In addition, DoD officials reported that the incoming contractor did not have 428 of the 728 required trainer and mentor positions in place within the 120-day transition period, placing the overall MoI/ANP training program mission at risk because the MoI, field police units, and Afghan training command were not receiving the mentoring essential to developing a self-sustainable Afghan Government and Police Force. Therefore, DoD officials made the decision to continue one of the outgoing contracts¹² through September 30, 2011, and reduced the incoming contractor's transition award fee. See Appendix E for a timeline of transition events.

Comprehensive Planning Not Conducted

Despite testimony before the Commission on Wartime Contracting in Iraq and Afghanistan to ensure a seamless transition of the new DoD contract administration responsibilities, DoD and DOS did not fully implement planning efforts. Specifically, on November 24, 2009, DOS officials stated that DoD and DOS had agreed to sign a memorandum of agreement (MOA) that outlined major tasks, responsibilities, and

¹⁰ A demobilization plan is a drawdown of task order or contract activities.

¹¹ An inherently governmental task is considered to be an activity so intimately related to the public interest as to mandate performance by Federal employees.

¹² The contracting officer had previously initiated action to terminate the contract for convenience.

timelines for the transition. Further, on December 18, 2009, the DOS Assistant Secretary for INL testified before the Commission on Wartime Contracting in Iraq and Afghanistan that DOS intended to develop a comprehensive transition plan, which would incorporate the contractor's transition plans while taking into account all inventory, security, and life support services that needed to be transferred. However, DoD and DOS officials did not complete the MOA or the comprehensive transition plan.

DoD and DOS had agreed to sign a memorandum of agreement that outlined major tasks, responsibilities, and timelines for the transition.

Instead, DoD and DOS officials relied on independently developed contractor transition-in and demobilization plans to identify transition tasks, responsibilities, and schedules. DoD officials stated that they relied on the contractor plans because the contractor was being paid to develop a plan. A DOS official stated that the Department's demobilization statement of work (SOW) contained the DOS requirements for transition.

DoD and DOS Lacked Guidance for Transferring Contract Administration Responsibilities

Neither DoD nor DOS had guidance for transition planning to ensure a seamless and timely transfer of contract administration responsibilities from one agency to another. Specifically, the Departments lacked guidance to ensure that they coordinated contractor transition requirements, identified and completed inherently governmental tasks, conducted risk assessments and developed risk mitigation strategies, defined metrics, and established a council of senior officials to oversee and direct Departmental actions. Because DoD and DOS had no guidance for planning and executing transitions of this magnitude, we used GAO's transition planning practices¹³ and the U.S. General Services Administration's "Transition Training Handbook," (the Handbook), September 29, 2009, during our assessment. Although GAO's transition planning practices and the Handbook contain guidance on planning and overseeing specific transition efforts, the basic principles outlined in the guidance can be broadly applied to transfers of contract administration from one agency to another.

Transition Planning Practices

According to GAO's transition planning practices and the Handbook, transition planning should define what requirements will be transitioned and how the transition will be conducted, to include processes and schedules. Also, planning efforts should include measures of success, a risk assessment to identify sources of risk that may affect the transition, and mitigation strategies to address those risks, which could help minimize the likelihood of both expected and unexpected transition delays. Finally, transition management is critical to successfully overseeing a transition and requires participation by all relevant stakeholders. Specifically, the Handbook recommends the development of

¹³ GAO reported on transition planning practices in GAO-08-759 "Telecommunications: Agencies Are Generally Following Sound Transition Planning Practices, and GSA Is Taking Action to Resolve Challenges," June 2008, and GAO-06-476 "Telecommunications: Full Adoption of Sound Transition Planning Practices by GSA and Selected Agencies Could Improve Planning Efforts," June 2006.

a transition management team, a council of senior officials, and transition managers who are all responsible for planning, preparing, and executing the transition. During the

During the MoI/ANP training program transition, we observed events that contributed to contractor schedule delays.

MoI/ANP training program transition, we observed events that contributed to contractor schedule delays. DoD and DOS officials could have prevented some of these delays had they broadly applied similar guidance to the transition of contract administration for the MoI/ANP training program.

Requirements for Contractor Transitions Separately Developed

DoD and DOS officials separately developed requirements for DynCorp's transition-in and demobilization plans and relied on the contractors to develop plans to complete the transition based on two different sets of requirements. Specifically, DoD officials independently developed and included in the contract a vague, one-page list of transition requirements, which allowed DynCorp officials to determine the tasks necessary to meet required transition milestones. In comparison, DOS officials developed and provided outgoing DynCorp officials a seven-page document with detailed demobilization requirements that included specific tasks DOS expected DynCorp to include in the demobilization plan. Had DoD and DOS officials coordinated the development of comparable requirements and included transition priorities, such as when to transfer sites and personnel, incoming and outgoing DynCorp officials could have developed one transition-in and demobilization plan to meet both agencies' needs.

During a January 12, 2011, meeting hosted by DOS, incoming and outgoing DynCorp officials stated that DynCorp could develop one transition-in and demobilization plan to

DynCorp officials stated that DynCorp could develop one transition-in and demobilization plan to facilitate a more efficient transition if DoD and DOS officials could agree on the requirements...

facilitate a more efficient transition if DoD and DOS officials could agree on the requirements and priorities. Yet, DoD and DOS officials could not agree upon the transition requirements and priorities during the meeting. Therefore, a DOS official stated that DOS would wait for DoD to approve the contractor's transition-in plan so that DOS's contractor's demobilization plan would match or mirror DoD's transition-in plan.

However, DoD officials did not approve

DynCorp's transition-in plan until January 26, 2011, 27 days into the transition. Subsequently, DOS officials did not approve DynCorp's final demobilization plan until February 9, 2011, which further delayed the transition because DynCorp was scheduled to begin demobilizing the DOS sites on February 1, 2011. Had DoD and DOS officials agreed on the requirements and priorities before the transition, DynCorp could have initiated some of the transition tasks earlier.

Inherently Governmental Tasks Not Identified or Completed

DoD and DOS officials did not identify or complete some inherently governmental tasks during the transition. Specifically, DoD did not ensure that all contracting officers for the outgoing contracts executed the continuity-of-services clause, and DoD and DOS officials did not complete a shared-use agreement for life support at the regional training centers.

Continuity-of-Services Clause

DoD officials did not ensure that the contracting officer for each outgoing contract executed the continuity-of-services clause to facilitate a more timely and efficient

The continuity-of-services clause should be incorporated into contracts when contracted services are considered vital to the Government...or when the Government anticipates problems during the transition...

transition. The Federal Acquisition Regulation Subpart 37.110 states that the continuity-of-services clause should be incorporated into contracts when contracted services are considered vital to the Government and must continue without interruption, or when the Government anticipates problems during the transition from one contractor to another. Once executed, the clause requires the outgoing

contractor to facilitate an orderly and efficient transfer of authority by working with the incoming contractor to develop a transition plan with a detailed schedule for phase-in and phase-out service, including specific dates for transferring responsibilities. The clause further requires the outgoing contractor to disclose necessary personnel records and allow the incoming contractor to conduct onsite interviews.

Although the continuity-of-services clause was incorporated into the USTC task order through its base contract, the U.S. Army Space and Missile Defense Command/Army Forces Strategic Command contracting officer did not execute the clause and, therefore, USTC officials were not required to work with incoming DynCorp officials to develop a coordinated plan early in the transition period. On January 14, 2011, DoD officials stated that they would not request USTC to develop a demobilization plan for the ABP sites until they had received DynCorp's approved transition-in plan. In addition, a CNTPO official stated that they could not compel USTC officials to provide contact information for their employees. As a result, incoming DynCorp officials had to independently develop a transfer schedule for the ABP sites with little knowledge of the sites or USTC's operations. Incoming DynCorp officials could have coordinated with USTC officials earlier in the transition period, had the contracting officer executed the continuity-of-service clause. Instead, the contracting officer used the January 31, 2011, "Notice of Partial Termination for Convenience," to direct the contractor to submit a plan to transition services to the incoming contractor and stated that the DynCorp plan for the new DoD contract would subsequently be provided.

Upon receiving DynCorp's transition-in plan, USTC officials submitted a demobilization plan on February 14, 2011, which recommended changes to DynCorp's schedule, 46 days into the transition period. Most significantly, DynCorp planned to conduct property inventories during the same time that USTC scheduled to in-process students at the ABP

sites. USTC officials stated that the in-processing of students is a chaotic and manpower-intensive time period. To ensure training was not disrupted, USTC officials recommended that DynCorp revise its schedule to conduct inventories during a more manageable time in the training cycle. Subsequent to these events, DynCorp and USTC officials worked together to modify the schedule for conducting property inventories and other transition tasks.

Shared Use Agreements for Regional Training Centers

DoD and DOS officials did not develop or complete a shared use agreement for some of the regional training centers. Although DoD and DOS officials discussed the development of a shared use agreement in October 2010, as of May 2, 2011, officials had not developed an agreement for the shared use of the regional training centers. An agreement between the agencies is needed because some of the courses in the DOS rule-of-law programs,¹⁴ specifically the Justice Sector Support Program and Corrections System Support Program, are also taught at those centers. The incoming contractor, DynCorp, is also providing life support services such as food, lodging, and security to DOS contractor personnel residing at those centers. DoD officials stated that instead of developing a reimbursement agreement with DOS officials to reimburse DoD for life

The MoI/ANP training program may not receive a benefit for the DoD funds being used to provide life support for the DOS contractors co-located at the training centers.

support services, as of May 2, 2011, DOS was working with the DoD contracting officer to potentially modify the new DoD contract to allow DynCorp to separately track and directly bill life support costs to DOS. Until this matter is resolved, the MoI/ANP training program may not receive a benefit for the DoD funds being used to provide life support for the DOS contractors co-

located at the training centers. DoD may also be in violation of the purpose statute,¹⁵ which requires that entities apply appropriations only to the objects for which the appropriations were made, except as otherwise provided by law.

Risk Assessments and Risk Mitigation Strategies Not Conducted

DoD and DOS officials did not conduct risk assessments or develop risk mitigation strategies. DoD and DOS officials could have identified the transfer of property, security clearances, and air support as potential sources of risks and developed mitigation strategies if they had conducted risk assessments.

DoD and DOS Officials Did Not Identify Property as a Potential Risk

Before the contract award, DoD and DOS officials did not identify the transfer of property, such as weapons, vehicles, and other equipment, as a potential source of risk, nor did they develop risk mitigation strategies for this issue. Instead, officials relied on the contractor to determine what property would transfer, resulting in the identification of property that would not transfer to the incoming contractor late in the transition. For example, the demobilization SOW that DOS provided to DynCorp required the contractor

¹⁴ Afghanistan Rule of Law programs are designed to develop justice sector institutions, improve the Afghan government's credibility and legitimacy, and reduce support for insurgent factions.

¹⁵ Section 1301(a) title 31, United States Code.

to determine what property and equipment could transfer, including how it was to be procured and what licenses might be required. On February 7, 2011, 39 days into the transition, DOS officials announced that some of the weapons the outgoing contractor used could not transfer to the new DoD contractor because the weapons were purchased with DOS funds.¹⁶ To mitigate this issue, on March 7, 2011, 67 days into the transition period, DOS officials developed a memorandum of understanding to temporarily transfer DOS-purchased weapons to DoD and the new contractor for the duration of the new DoD contract. Had DoD and DOS officials identified the transfer of property as a potential source of risk, officials could have developed risk mitigation strategies to allow for a more seamless transition.

The announcement by DOS officials that some property may not transfer led to a discussion between USTC and DoD officials regarding the weapons at the ABP sites. USTC officials stated that the weapons used at these sites were owned by USTC and also would not transfer to the incoming contractor. Although on May 4, 2011, DynCorp officials stated that they were still unsure whether they would need to purchase additional equipment for the ABP sites to adequately cover their requirements, on June 20, 2011, DoD officials confirmed that they had enough weapons, temporarily transferred from DOS, to cover all contract requirements, including the ABP sites.

DoD and DOS Did Not Identify Security Clearances for Transferring Personnel as a Potential Risk

Before the contract award, DoD and DOS officials did not identify security clearances for transferring contractor personnel as a potential source of risk, nor did they develop risk mitigation strategies for this issue. Instead, not until late in the 120-day transition period did DoD and DOS officials identify concerns with differences in security clearance procedures for transferring contractor personnel.

On March 14, 2011, 74 days into the transition, DoD and DOS officials announced that there were security clearance concerns associated with the transfer of personnel from DOS to the DoD contract caused by differences in how the two agencies process clearances. According to DoD officials, when DOS processes a security clearance for a contractor employee, the employee's background check remains "open" until the employee is terminated. However, DoD officials stated that when an individual has an open background check, DoD cannot initiate the background check process, which is required prior to issuing an employee a DoD Common Access Card.¹⁷ Therefore, each contractor employee transferring from the DOS to the DoD contract had to be removed or terminated from the DOS's system before DoD could initiate a background check. Not until April 4, 2011, 95 days into the transition, did DoD and DOS officials develop a strategy to mitigate this issue. Specifically, DoD officials granted transferring employees a 90-day waiver to the requirement to have a Common Access Card, providing DOS officials time to close the employee's background check and allowing the initiation of the

¹⁶ Both DoD and DOS provided funds for task order 4305.

¹⁷ According to the Deputy Secretary of Defense's November 26, 2008, Directive-Type memorandum 08-006 "DoD Implementation of Homeland Security Presidential Directive-12," the Common Access Card is DoD's Federal credential for employees and contractors, granting physical access to all Federally controlled facilities and information systems.

DoD background check process. DoD and DOS officials could have developed risk mitigation strategies to allow for a smoother transition had officials identified the transfer of contractor personnel security clearances as a potential source of risk prior to contract award.

DoD Did Not Identify Aviation Transportation Support as a Potential Risk

DoD officials did not identify aviation transportation support as a potential source of risk or develop risk mitigation strategies for this issue prior to contract award. Although DoD officials discussed the review of the existing air support agreement with DOS in October 2010, DoD officials did not identify the lack of reliable air support for transporting DoD contractors and DoD personnel as a potential source of risk. Instead,

Neither DoD nor contracted air resources were readily available at the beginning of the transition.

DoD officials relied on the contractor to obtain its own air support while simultaneously planning and conducting transition tasks. Specifically, the new DoD contract required the incoming contractor to obtain its own air support or coordinate with DoD for air movement or convoy to and from each training site, but neither DoD nor contracted air resources were readily available at the beginning of the transition. Since DOS officials were already providing air support for outgoing DynCorp officials, DoD, DOS, and DynCorp officials met on several occasions to discuss whether DOS could also provide air support to DoD and its incoming contractor, DynCorp. DOS officials stated that they had already committed their air resources to meet other requirements. Not until February 28, 2011, 60 days into the transition period, did DOS officials agree to provide air support for the transition on a space available basis, only.

DynCorp's lack of reliable contracted air support during the early stages of transition contributed to schedule delays for the ABP sites. For example, DynCorp's transition-in plan stated it would begin site surveys at the ABP sites on February 3, 2011, and town hall meetings on February 26, 2011. However, on February 28, 2011, a DoD official stated that DynCorp had not yet arrived at the ABP sites. Subsequently, DynCorp subcontracted with an aviation contractor on March 3, 2011, 63 days into the transition period. Had DoD officials identified aviation transportation support as a source of risk prior to contract award, officials could have developed risk mitigation strategies to allow for a more timely transition.

Performance Metrics

DoD and DOS officials did not develop documented metrics to assess the execution of the transition while ensuring desired program outcomes were achieved. Although no metrics were documented in a comprehensive transition plan, DoD officials stated that, for the transition to be successful, there must be no loss in training days or the number of Afghans trained, and the transition must be completed within the 120-day time frame. Despite schedule delays, DoD officials reported on May 2, 2011, and DynCorp officials confirmed on June 1, 2011, that no loss of training days or reduction in the number of Afghans trained occurred during the transition period.

Council of Senior Officials

DoD and DOS did not establish a council of senior officials from all relevant stakeholders to oversee and direct Department actions or resolve collaboration and cooperation issues. Establishing a council of this nature was particularly relevant to the transition of the MoI/ANP training program because DoD and DOS have historically encountered challenges when collaborating on Afghanistan-related projects. For example, during June 18, 2008, testimony before the Subcommittee on National Security and Foreign Affairs, Committee on Oversight and Government Reform, House of Representatives, “U.S. Efforts to Develop Capable Afghan Police Forces Face Challenges and Need a Coordinated, Detailed Plan to Help Ensure Accountability,” a GAO official¹⁸ testified that DoD and DOS had a history of being unable to effectively collaborate and coordinate on previous Afghan National Security Forces projects. The official stated that despite a prior 2005 audit recommendation for DoD and DOS to develop a coordinated and detailed plan to sustain the Afghan National Security Forces, the agencies developed no such plan. Specifically, in 2007, DoD prepared a five-page plan to meet the GAO recommendation, but it did not identify or discuss DOS’s roles or responsibilities. Additionally, DOS did not contribute to the development of DoD’s document or develop a plan of its own.

Instead of assigning a council of senior officials from both Departments, DoD and DOS relied on a joint working group¹⁹ comprised of program and contract management officials. The group found it difficult to reach agreements on various issues, which in turn, affected the transition and contributed to schedule delays. For example, during a January 27, 2011, joint working group meeting, DoD officials requested that DOS officials permit the outgoing contractor to proceed with demobilization. However, DOS officials stated they would not permit the contractor to proceed until they reviewed the contractor’s demobilization plan and cost proposal and received \$30 million in funds requested from DoD to fund the remainder of the transition.²⁰ This decision contributed to DynCorp being unable to begin demobilization until February 9, 2011, 41 days into the transition period. Transition coordination difficulties could have been reduced and resolved timely had DoD and DOS created a council of senior officials with the proper level of authority to direct Departmental actions commensurate with the complexity of the MoI/ANP training program.

Schedule Delays Contributed to Incomplete Transition

As previously discussed, the lack of guidance to ensure DoD and DOS developed a coordinated and comprehensive transition plan contributed to contractor schedule delays. In addition, the incoming contractor was unable to achieve full operational capability within the 120-day transition period.

The incoming contractor was unable to achieve full operational capability within the 120-day transition period.

¹⁸ The GAO Director of International Affairs and Trade testified on June 18, 2008, GAO-08-883T.

¹⁹ The interagency working group included, but was not limited to, officials from NTM-A/CSTC-A; DCMA; CNTPO; Army Contracting Command; DOS INL; DynCorp; USTC; and MPRI.

²⁰ Under the DOS task order, DoD provided funds for the ANP training program through an MOA.

As a result, DoD officials decided to continue the outgoing contract for the ABP sites through September 30, 2011, to ensure training continuity. In addition, the DoD contracting officer took action to reduce the incoming contractor's transition award fee for its inability to meet some of the contract requirements.

Contractor Did Not Obtain Full Operational Capability

DoD officials decided to continue the outgoing contract for the ABP sites through September 30, 2011, based on DynCorp, the incoming contractor, being unable to meet its contractual requirements to obtain full operational capability for the MoI/ANP training program within 120 days. According to contract requirements, full operating capability is defined as the contractor having all mentors and trainers at assigned duty locations and prepared to conduct training or mentoring. Although DynCorp was successful in transitioning life support functions at all 15 locations,²¹ as of April 29, 2011, TPSO officials reported that DynCorp had not filled 428 of the 728 required trainer and mentor positions, which included the ABP trainer positions. See Table 2 for the contract requirements and the actual number of unfilled contractor positions leaving the contractor unprepared to conduct training and mentoring within the 120-day transition period.

Table 2. Contractor Personnel Prepared to Conduct Training and Mentoring Within 120 days

	Contractor Personnel Positions Required	Actual Contractor Personnel On-Site	Unfilled Contractor Positions
MoI Mentors	178	89	89
Trainers and Advisors*	173	47	126
Fielded Police Mentors	377	164	213
Total	728	300	428

* Includes trainers at the ABP sites.

Source: TPSO official

Although no training classes were cancelled, DoD officials reported that DynCorp's inability to have all contractor personnel in place impacted the overall mission of the MoI/ANP training program because the MoI positions, field police units, and Afghan training command were not receiving the mentoring essential to developing a self-sustainable Afghan Government and Police Force.

²¹ DynCorp transferred all life support functions from the incumbent contractors by April 29, 2011, except for security services at one site, which were extended until May 28, 2011.

Award Fee Reduced

On May 26, 2011, the DoD contracting officer took action to reduce the \$601,671 award fee for the transition period by \$326,204. The contracting officer also requested that DynCorp officials develop a plan to rectify the staffing issues and obtain full operating capability by August 1, 2011, at no additional fee to the Government. On June 1, 2011, DynCorp officials agreed with the award fee reduction and submitted their staffing plan. A DynCorp official attributed the staffing issues to three SOW revisions, issues with transitioning security clearances from DOS to DoD, and personnel-related issues such as reduction in salaries and leave time. DynCorp officials further stated that although staffing levels did not reach projected requirements, they managed the staffing to ensure that all training requirements were met and no training had to be cancelled.

Improving Future Contract Transitions

By developing and implementing guidance similar to the principles outlined in GAO's transition planning practices and the Handbook, DoD and DOS officials could have allowed for a more seamless and timely transition. The lack of guidance for transition planning was previously reported in DoD IG report number D-2009-114, "Transition Planning for the Logistics Civil Augmentation Program IV Contract," September 25, 2009. Specifically, the report cited that DoD had no policies or procedures for transferring services from one contract to another. Further, the development of policies and procedures for planning and overseeing a transition between agencies could also be used to manage more complex intra-agency transitions when multiple contracts are involved.

Developing guidance for the transfer of contract administration is particularly important in overseas contingency operations in which complex transitions from one agency to another are likely to continue to occur. For example, as stated in the 2010 Department of State and U.S. Agency for International Development Quadrennial Diplomacy and Development Review, with the planned transition to Afghan-led security in 2014, civilian departments and agencies will be taking on tasks previously performed by the military. Therefore, developing policies for conducting and planning transitions from one agency to another could also result in enhanced cooperation between DoD and DOS and further assist the Government of Afghanistan in stabilizing and securing the country.

Recommendations, Management Comments, and Our Response

Revised and Redirected Recommendations

We revised and redirected draft Recommendation A.1 based on management comments. We revised the recommendation to clarify that DoD and DOS should collaborate the development of Departmental guidance to address the issues identified in this report. We also consolidated two of the recommendation subparts. Further, we redirected the recommendation to the Under Secretary of Defense (Policy) and the Assistant Secretary of State for Administration to ensure that the guidance includes all aspects of conducting

a complex transition to include program, financial, and contract management, oversight, and execution.

We also revised draft Recommendation A.2 based on management comments. We clarified that the intent of the recommendation is for DoD and DOS to develop an agreement and procedures for DOS to reimburse DoD for services provided under the new DoD contract, not the previous DOS contract.

A.1 We recommend that the Under Secretary of Defense (Policy) in coordination with the Director, Defense Procurement and Acquisition Policy, and the Under Secretary of Defense (Comptroller)/Chief Financial Officer and the Assistant Secretary of State for Administration, in coordination with the Assistant Secretary of State for the Bureau of Resource Management and Chief Financial Officer collaborate the development of Departmental guidance for conducting complex transitions from one agency or entity to another. The guidance should include all aspects of conducting a complex transition such as program, financial, and contract management, oversight, and execution. The guidance should also include the development of a comprehensive transition plan that considers:

- a. developing coordinated and comprehensive requirements for contractor transition-in and demobilization.**
- b. defining responsibilities for managing the transition to include identifying inherently governmental tasks and ensuring that the proper level of oversight is commensurate with the program's complexity and can effect Departmental action.**
- c. identifying risks and developing risk mitigation strategies to minimize the likelihood of expected and unexpected delays.**
- d. identifying measures of success to assess the execution of the transition while ensuring desired program outcomes are achieved.**

Defense Procurement and Acquisition Policy Comments

The Director, Defense Procurement and Acquisition Policy, agreed with the recommendation and provided additional comments. The Director, requested that the recommendation be redirected and revised to include program management, financial management, and contract execution and administration functions in the transition guidance. The Director also contacted us and requested that we clarify whether the intent of the recommendation was for DoD and DOS to develop joint or Department-specific guidance.

AQM Comments

The Director, AQM, agreed with the recommendation to coordinate with DoD for developing guidance that includes as many of the areas addressed in this report as practicable. The Director, stated that although DOS currently coordinates with DoD, the guidance will provide a framework for the development of transition plans.

Our Response

The Director, Defense Procurement and Acquisition Policy's and the Director, AQM's comments on the draft recommendation were responsive. However, we revised and redirected the recommendation based on the Director, Defense Procurement and Acquisition Policy's, and the Director, AQM's comments. The intent of the recommendation was for DoD and DOS to collaborate the development of Departmental guidance that could be used for planning and conducting complex transitions from one agency to another or from one entity to another within the Department. We also modified the recommendation to ensure all aspects of conducting a complex transition (such as program, financial, and contract management, oversight, and execution) were included in the guidance. As a result, we redirected the recommendation to the appropriate Components within each Department. We request the Under Secretary of Defense (Policy) and the Assistant Secretary of State for Administration provide comments on the final report.

A.2 We recommend that Commander, Combined Security Transition Command-Afghanistan and the Executive Director, Department of State Bureau of International Narcotics and Law Enforcement Affairs, determine and implement the most appropriate method for the Department of State to reimburse DoD for the shared use of the regional training centers to ensure that DoD complies with all applicable appropriations law for the new DoD contract.

CSTC-A Comments

The Deputy Commander for Programs, responding for the Commander, stated that the Army Contracting Command-Rock Island and DOS have drafted a MOA that will allow DOS to place funds on the DoD contract to reimburse DoD for shared use of the training centers. The Deputy Commander for Programs, stated that the MOA should be completed by August 5, 2011.

Our Response

The Deputy Commander for Programs' comments were responsive, and no additional comments are required.

INL Comments

The Assistant Secretary, responding for the Executive Director, disagreed with the recommendation. The Assistant Secretary, stated that the recommendation was duplicative of a recommendation in the third draft report titled, "Afghan National Police Training Program Would Benefit From Better Compliance With the Economy Act and Reimbursable Agreements," July 25, 2011. The Assistant Secretary also stated that the recommendation does not specify the amount of funds to be reimbursed to DoD.

Our Response

The Assistant Secretary's comments were not responsive. The third report recommends DOS reimburse DoD for appropriations that were improperly used for DOS programs, under the previous DOS contract. The intent of Recommendation A.2 in this report is for

both Departments to determine how DOS will reimburse DoD for shared use of the training centers under the new DoD contract. Based on the Assistant Secretary's comments, we revised recommendation A.2 to clarify that the recommendation is applicable to the new DoD contract. We request that INL provide comments to the final report by September 14, 2011.

Finding B. Additional Personnel Needed for Program Management and Contract Oversight

Although DoD took action to address some of our concerns identified during fieldwork, as of April 29, 2011, at the end of the 120-day transition period, DoD did not have all personnel in place to effectively manage or oversee the new DoD contract.²² Specifically, of the positions directly or indirectly supporting the new DoD contract:

- TPSO officials had not filled 7 of the 12 positions designated to provide program and contract management;
- DCMA officials had not filled three of the six positions designated to provide contract administration;
- NTM-A/CSTC-A officials had not nominated 22 of the 56 CORs that they were responsible for providing; and
- IJC officials had nominated none of the 114 CORs that they were responsible for providing.

This occurred because DoD did not establish TPSO until December 1, 2010, 19 days before the contract was awarded. In addition, NTM-A/CSTC-A and IJC officials lacked a formalized agreement establishing a cooperative relationship and communication process between the commands for managing the CORs and providing consistent oversight of contractor personnel. Without adequate staffing and command agreements, DoD will be unable to adequately monitor whether the contractor is performing its contractual obligations and achieving the goals of the MoI/ANP training program.

As a result of concerns identified during fieldwork, we issued a memorandum to NTM-A/CSTC-A and IJC documenting these concerns. In response to the memorandum, DoD officials took corrective action to improve controls over purchases and contractor payments, develop oversight strategies, and increase the number of oversight personnel for the new DoD contract.

Concerns Identified During Fieldwork Resulted in Corrective Action, but Additional Action Needed

Although DoD officials took corrective action in response to concerns we identified during fieldwork, additional action is still needed to establish and fully implement

²² Based on our agreement with the Senate Armed Services Committee staff members on January 7, 2011, we reported the status of the program management and contract oversight structure at the end of the contractual transition period. A separate audit of DoD's implementation of the program may be announced at a later date.

effective program management and oversight of the new DoD contract. During our initial fieldwork, we identified that:

- TPSO and DCMA officials did not have the program management office fully staffed;
- TPSO officials lacked policies and procedures for approving contractor purchase requests and vouchers and for receiving inventory; and
- NTM-A/CSTC-A and IJC officials lacked an oversight strategy to include identifying the appropriate number of CORs, developing a command reporting structure, or ensuring means for more secure communications.

On February 12, 2011, we discussed these preliminary concerns with NTM-A/CSTC-A and IJC officials. Subsequently, on March 4, 2011, we issued a memorandum to NTM-A/CSTC-A and IJC documenting those concerns that required immediate action (see Appendix F for the memorandum and Appendix G for management's response to the memorandum). On March 30, 2011, NTM-A/CSTC-A and IJC officials responded, citing management actions taken and providing their hiring and oversight strategies, a project management plan to manage the remainder of the transition tasks, and procedures for approving purchases and vouchers. We commend NTM-A/CSTC-A and IJC officials for taking these actions; however, additional work is needed to sustain the program and contract management structure and ensure adequate oversight of the contractor during the life of the new DoD contract.

TPSO and DCMA Not Fully Staffed

During the transition, TPSO and DCMA were not fully staffed with permanent, full-time employees to support the new DoD contract, and TPSO experienced several changes to its organizational structure and to product team assignments.²³ For example, the January 20, 2011, TPSO organization chart included 11 total positions, 7 of which were vacant.²⁴ Two of those seven vacancies were assistant product manager positions for the new DoD contract.

Between January 20 and March 26, 2011, TPSO officials continued to make changes to their staffing numbers and organizational structure. On February 20, 2011, the total number of TPSO positions increased from 11 to 16, and on March 26, 2011, the total positions increased to 17. The TPSO management structure also changed significantly during the transition. Between January 20 and March 26, 2011, the number of TPSO positions directly or indirectly related to the new DoD contract increased from 7 to 12. See Table 3 for the changes in the number of (1) positions within TPSO, (2) positions relating to the new DoD contract, and (3) vacancies throughout the transition.²⁵

²³ TPSO product teams include the MoI/ANP training program, the Afghan Technical Equipment Maintenance Program, and the Afghan National Security Sector Development and Fielding Program.

²⁴ For the purposes of this report we define a vacant position as one that is not staffed or staff that were identified but not yet deployed to Afghanistan.

²⁵ The number of TPSO positions does not include the number of DCMA positions.

Table 3. Changes to the TPSO Organization During the Transition

Date	Total Number of TPSO Positions	Total Number of TPSO Positions Vacant	Total Number of Positions Related to the New DoD Contract	Total Number of Positions Vacant Related to the New DoD Contract
January 20, 2011	11	7	7	4
February 20, 2011	16	7	11	5
March 26, 2011	17	9	12	6

Source: TPSO

Between January 20, 2011, and March 26, 2011, the number of DCMA positions directly or indirectly related to the new DoD contract also increased from three to six. As of March 26, 2011, three of the six positions were vacant, including one of the two administrative contracting officers assigned to the contract.

Throughout the transition, TPSO officials also continued to make changes to the product teams. For example, the MoI/ANP product manager changed three times from January 20 to April 30, 2011, and the product manager for the other two programs changed twice during the same period. Until TPSO has filled all planned staffing positions, DoD may be unable to effectively monitor whether the contractor is performing its contractual obligations and achieving the goals of the MoI/ANP training program.

Management Actions Taken, but Additional Actions Are Needed

In response to concerns identified throughout our fieldwork, a NTM-A/CSTC-A official stated they would temporarily fill vacancies with military personnel already deployed to Afghanistan. TPSO officials also began pursuing long-term staffing strategies to recruit civilians, such as instituting job opportunity announcements and partnering with recruiters and recruiting programs such as the Army Quality Federation and the Civilian Expeditionary Workforce program. To increase staff continuity, TPSO officials began pursuing staffing strategies aimed at hiring qualified, experienced acquisition personnel for terms of greater than 12 months.

We commend TPSO officials for taking action to remedy their staffing issues; however, further action is necessary to ensure effective and sustainable program management and contract oversight of the new DoD contract. As of April 30, 2011, TPSO had seven vacancies and DCMA had three vacancies, all of which directly or indirectly related to the new DoD contract. TPSO and DCMA should hire the remaining number of personnel needed to fill the vacant positions.²⁶ Within 6 months, NTM-A/CSTC-A officials should also review the program management and contract oversight structure to determine

²⁶ On June 25, 2011, TPSO officials reported that they had filled the remaining positions directly related to the new DoD contract.

whether it is operating effectively or should be modified to more effectively meet the MoI/ANP training program requirements.

Oversight Procedures for Contractor Purchases and Vouchers Were Not Established

DoD officials did not develop procedures for reviewing and approving the contractor's purchases and vouchers until March 2, 2011. Although procedures were developed prior to April 30, 2011, DoD could have improved planning efforts for providing oversight of the contractor's processes.

Procedures for Purchase Requests and Inventory Acceptance Not Established

Prior to March 2, 2011, TPSO officials had not established processes or procedures for validating contractor purchase requests or inspecting and accepting the receipt of inventory. In accordance with the terms and conditions of the contract, the contractor was only required to obtain written approval from the COR for purchases exceeding \$5,000. TPSO officials stated that they generally planned to rely on the contractor to purchase and receive its own inventory. However, by allowing the contractor to purchase and receive items without oversight, DoD may not be able to ensure that items the contractor purchased are allowable within the terms of the contract or that items are properly accounted for in the inventory.

The need for oversight of contractor purchases and voucher approval is further supported by the control weaknesses identified during our review of DOS contractor oversight, as discussed in the first report.²⁷ We found that a single contractor employee was allowed to submit a purchase request, and receive and account for the same item in the inventory, without Government oversight. A lack of separation of duties also increases the Government's risk of fraud, waste, and abuse. During our fieldwork, we accounted for all items selected for review during a non-statistical sample of the DOS contractor's inventory at five training locations. However, the DOS lead in-country COR stated that there were approximately \$9 million in unresolved discrepancies during an October 2009 inventory.²⁸

The risk to DoD that items the contractor purchased may not be allowable or that items may not be properly accounted for is further increased by the contractor's lack of a DCMA-approved purchasing system.²⁹ From 2007 through 2010, DCAA officials

²⁷ DoD IG Report No. D-2011-080 and DOS IG Report No. AUD/CG-11-30, "DoD and DOS Need Better Procedures to Monitor and Expend DoD Funds for the Afghan National Police Training Program," July 7, 2011.

²⁸ As a result of the discrepancies, we reissued and redirected Recommendation B.1 to INL in the first report. DOS officials responded stating that the inventory was completed in May 2011, and that the differences between the inventory and the property book will be reconciled.

²⁹ Federal Acquisition Regulation Subpart 44.302, states that the administrative contracting officer shall determine the need for a contractor purchasing system review based on, but not limited to, the past performance of the contractor and the volume, complexity, and dollar value of subcontracts. The review provides the administrative contracting officer with a basis for granting, withholding, or withdrawing approval of the contractor's purchasing system.

reported deficiencies in DynCorp's business systems, to include labor accounting, billing, purchasing, and other direct cost systems. In addition, in a June 6, 2010, memorandum, the DCMA Corporate Administrative Contracting Officer disapproved DynCorp's purchasing system. A DCMA review team initiated a followup review of the system in October 2010, but then suspended the review because the team identified recurring internal control weaknesses early in the review process. The DCMA Corporate Administrative Contracting Officer issued a second memorandum on November 1, 2010, stating that the system would remain in a disapproved status.

Voucher Review Process Not Established

Prior to March 2, 2011, TPSO officials had not established a process or developed procedures for reviewing the contractor's vouchers prior to approval for provisional payment. During our initial fieldwork, TPSO officials stated that they planned to rely on DCAA to review vouchers prior to payment. DCAA officials stated that while they will conduct an initial review of costs before payment, they have only 5 days to review the accuracy of a voucher; therefore, they will likely be unable to perform a 100-percent review of costs during that period. Further, DCAA officials stated that they may or may not review 100 percent of the costs charged subsequent to payment.³⁰

During our review of the DOS oversight of DynCorp, as discussed in the first report, DOS officials conducted limited invoice reviews prior to payment and identified control weaknesses related to the contractor's invoicing process. Specifically, DOS officials stated they rejected a high percentage of the contractor's other direct cost and reimbursable invoices. We reviewed the DOS officials' rationale for all rejected invoices through February 7, 2011, and found that officials rejected some of the invoices because the contractor had not provided sufficient supporting documentation or had not obtained an in-country COR approval for purchase requests. DOS officials also rejected invoices containing duplicative requests for reimbursement or unallowable charges. TPSO's implementation of a similar voucher review process prior to provisional payment could reduce the risk of improper payment or waste before they occur.

As previously discussed, the risk to DoD that the contractor may claim costs that are not allowable is further increased by the systemic internal control weaknesses DCAA officials identified in the contractor's billing system. The deficiencies and internal control weaknesses increase DynCorp's risk for producing inaccurate invoices.³¹

³⁰ While DCAA may not review 100 percent of costs charged, DCAA officials stated that they do perform additional audit procedures throughout the life of the contract to determine if such costs are allowable, allocable, and reasonable in accordance with the Federal Acquisition Regulation and contract terms. For example, DCAA officials stated that they perform random physical verifications of employees and materials. DCAA officials also stated that they plan to conduct direct cost testing every six months for the new DoD contract.

³¹ DynCorp could submit either an invoice or voucher for payment. For the purposes of this report, these terms are interchangeable.

Management Actions Taken, but Additional Actions Are Needed

In response to preliminary concerns discussed at the February 12, 2011, briefing, NTM-A/CSTC-A in coordination with DCMA officials, issued a “Guide for Government Approval & Oversight of Contractor Purchasing & Invoicing,” (the Guide) on March 2, 2011. The Guide delineates the roles and responsibilities for each DoD organization and position for performing oversight of contractor purchasing and invoicing. The organizations and positions noted in the Guide include the Procurement Contracting Officer, Administrative Contracting Officer, CORs, TPSO, and DCAA. The Guide states that the procurement contracting officer will approve all invoices after concurrence with TPSO. The Guide also states that every contractor purchase request, regardless of dollar amount, will be validated by an assistant COR and approved by the administrative contracting officer. Although the Guide does not provide detailed procedures for providing oversight of the contractor’s inventory receiving process, it states that the assistant COR is responsible for confirming that purchased items are properly annotated in the contractor’s property system upon arrival of the item at the site. Additionally, the assistant COR is responsible for validating that the item matches what was approved on the purchase request and that the item is properly documented in the contractor’s property book system.

In addition to the Guide, the contracting officer issued a contract modification on February 15, 2011, that requires additional Government oversight of contractor purchases

Within 6 months, NTM-A/CSTC-A, in coordination with DCMA and IJC officials, should assess whether the procedures are being effectively implemented and make modifications to the procedures, as necessary.

by both the COR and the administrative contracting officer. The modified contract requires the contractor to obtain written validation from the COR and approval from the administrative contracting officer or procurement contracting officer for purchase requests exceeding a unit cost threshold of \$5,000, a cumulative cost of \$25,000, and for purchases that require the issuance of a subcontract valued greater than \$50,000. Officials updated the Guide on April 27, 2011, to include

additional controls on purchases. The updated Guide states that due to the importance of cost oversight, the contractor will provide justification letters to the administrative contracting officer for all purchased items that fall under the threshold values defined in the contract. We commend DoD officials for taking immediate action to develop policies and procedures but, as stated in the Guide, they need to evaluate and update implementation of the procedures to ensure they have the desired effect. Within 6 months, NTM-A/CSTC-A, in coordination with DCMA and IJC officials, should assess whether the procedures are being effectively implemented and make modifications to the procedures, as necessary.

DoD Lacked an Oversight Strategy

Although NTM-A/CSTC-A officials tracked the status of each identified COR position, such as whether an individual had been nominated or trained, the appointment status, and the redeployment date, prior to March 24, 2011, officials had not defined an oversight strategy. Specifically, NTM-A/CSTC-A and IJC officials lacked an oversight strategy

that identified the total number of CORs required, a command structure for reporting, or assurance of an appropriate means of communication through which personnel could report the results of that oversight. Although DoD officials developed an oversight strategy and procedures in response to our memorandum, they still were unable to fill the number of identified COR positions.

Total Number of CORs Not Identified

IJC and NTM-A/CSTC-A officials were in various stages of identifying and nominating CORs for their respective pillars of the new DoD contract.³² For example, the Assistant Commanding General-Police Development officials identified the total number of CORs needed but were still in the process of nominating those CORs. In addition, IJC officials stated that they were still in the process of determining the number of CORs needed. Furthermore, CTAG-P officials stated that they had identified the number of CORs needed at the life support locations;³³ however, they were still in the process of determining the number of CORs needed to provide contractor oversight at other locations. CTAG-P officials also stated that they had neither established a formal command reporting structure nor defined contractor oversight responsibilities.

Guidance and Communication Processes Were Needed

We interviewed DoD transition assistants³⁴ at five of the regional training centers still under the operational control of the outgoing DOS contractor. The transition assistants stated that while they will eventually be appointed as CORs under the new DoD contract, they had received little guidance as to their responsibilities. The transition assistants also stated that some of the regional training centers did not have Non-Secure Internet Protocol Router Network access.³⁵ As a result, the transition assistants were using commercial e-mail to communicate with their management. Thus, some oversight personnel lacked an appropriate method of sending and receiving contract files or contract modifications, which could contain sensitive information.

Management Actions Taken

In response to preliminary concerns discussed at the February 12, 2011, briefing and our subsequent March 4, 2011, memorandum, NTM-A/CSTC-A, DCMA, and IJC officials developed and issued “Contracting Officer Representative (COR) Strategy,” (the COR Strategy) March 24, 2011, which provided CORs guidance on their roles and responsibilities. For example, the COR Strategy stated that the COR is required to conduct independent examinations and reviews of contractor services and processes in accordance with the contract requirements. Further, those responsibilities require

³² The MoI/ANP training program contract is composed of three pillars—ANP training site support (managed by CTAG-P), MoI mentoring (managed by the Assistant Commanding General-Police Development), and the embedded police (or fielded) mentors (managed by IJC).

³³ As of January 18, 2011, there were 15 life support locations at Adraskan, Bamiyan, Central Training Center Kabul, Gardez, Helmand, Herat, Jalalabad, Kandahar, Konduz, Lonestar, Mazar-e-Sharif, Mehter Lam, Sherbeghan, Shouz, and Spin Boldak.

³⁴ The DoD transition assistants were deployed to multiple regional training centers to observe contractor operations.

³⁵ Non-Secure Internet Protocol Router Network is an unclassified but sensitive global network to support unclassified data communications services for DoD.

oversight personnel to be on location on a routine basis to interact with contractor personnel and military units. The COR Strategy also stressed the importance of maintaining documentation on contractor compliance or noncompliance. In addition, the COR Strategy defined the COR chain of command for reporting contractor performance, procedures for elevating contractor oversight concerns, and the process for communicating those concerns. Finally, the COR Strategy provided a listing of all 15 life support locations and their connectivity status to support NTM-A/CSTC-A officials in actively pursuing Non-Secure Internet Protocol Router access where possible.

Also in response to our concerns, DCMA officials reported that NTM-A/CSTC-A and IJC had identified that 170 COR positions were needed to provide oversight of contractor operations (a 1 to 4.48 ratio of Government-to-contractor personnel).³⁶ DCMA officials developed quality assurance checklists for food services, maintenance, and security based on the most recent modified SOW and distributed those checklists to the CORs on March 26, 2011. DCMA officials also developed and distributed three training and mentoring checklists to the CORs. As of April 25, 2011, DCMA officials stated that all appointed CORs had received the most recent SOW, quality assurance checklists, and contract modifications necessary to perform their duties.

Further Management Actions Needed

Despite management actions taken, as of April 29, 2011, NTM-A/CSTC-A, IJC, and DCMA officials did not have all CORs nominated, trained, or appointed.³⁷ Specifically, of the 170 COR positions identified, only 34 CORs were nominated by NTM-A/CSTC-A and IJC and appointed by DCMA.³⁸ As shown in Table 4, of the 136 vacant COR positions, IJC had not identified and nominated any of their required 114 CORs.

IJC had not identified and nominated any of their required 114 CORs.

³⁶ Although DoD identified 170 total COR positions, 1 individual can serve in 1 or more positions or locations. The 170 COR positions identified include 15 oversight positions for life support. Based on the February 2011 modified SOW, the contract had a requirement for 762 contractor personnel.

³⁷ NTM-A/CSTC-A and IJC are responsible for nominating each COR, and DCMA is responsible for appointing them. As of April 29, 2011, all CORs that were nominated had also been appointed by DCMA.

³⁸ Although DoD had appointed only 34 of the 170 COR positions, the contractor also did not have all identified positions filled. As of April 29, 2011, the contractor was required to have 728 positions working at full operational capability on the MoI/ANP training program contract. However, at the time of independent Government verification, the contractor had only 300 personnel filling those positions. See Appendix C for further details.

Table 4. Status of COR Positions as of April 29, 2011

Component Responsible for Oversight	Requirement Identified	Appointed	Vacant
ACG-PD*	21	19	2
CTAG-P	35	15	20
NTM-A/CSTC-A Subtotal	56	34	22
IJC	114	0	114
Total	170	34	136

* Note: ACG-PD - Assistant Commanding General-Police Development

Source: DCMA spreadsheet

The need for additional CORs puts DoD at an increased risk of being unable to monitor whether the contractor is performing its contractual obligations. In the short-term, DCMA officials will perform desk audits³⁹ to ensure contractor compliance. While desk audits are better than not having any oversight of contractor performance, they are not as effective as CORs with on-site knowledge of contractor operations. Also, with the frequent rotation of civilian and military personnel in an overseas contingency environment, we are also concerned that desk audits could become the standard means of performing oversight. Further action is needed to ensure that NTM-A/CSTC-A and IJC officials have CORs in place throughout Afghanistan and can ensure continuous quality contractor oversight.

Recently Established TPSO Lacked Resources to Provide Effective Program Management and Oversight

DoD did not establish a program management office (TPSO) to manage the transition until December 1, 2010, 19 days before contract award. While we commend DoD officials for establishing a local program management office to more quickly respond to changes in MoI/ANP training program

DoD did not establish a program management office (TPSO) to manage the transition until December 1, 2010, 19 days before contract award.

requirements, TPSO did not have adequate time or resources to effectively establish a program management and oversight structure. Because the structure was still being established, TPSO also did not conduct adequate planning to assign accountability, establish milestones, and identify

and monitor the completion of critical tasks through the end of the transition period. Industry best practices stress the importance of project planning and assigning accountability, particularly during complex interagency efforts. Specifically, proper project planning should describe, among other factors, lines of responsibility, resources, and estimated milestones.

³⁹ According to DCMA, desk audits are document-only reviews used when on-site physical reviews cannot be accomplished.

For example, TPSO officials could have assigned accountability, established milestones, and identified and closely monitored critical transition tasks, such as:

- hiring permanent, full-time staff to fill positions;
- delegating contract administration, property administration, and quality assurance authority;
- identifying, nominating, and appointing CORs;
- developing contractor oversight policies and procedures; and
- developing quality assurance procedures for the maintenance, security, food, and training services SOWs.

In response to our March 4, 2011, memorandum, TPSO officials developed what they refer to as a program management plan that identified the DoD Components involved in the MoI/ANP training program and provided general roles and responsibilities for each. The plan also included a timeline for tasks to be completed through the end of transition including, among other things, training site transition dates, appointment of contract oversight personnel, and the transfer of contractor personnel at the training locations.

Agreement to Establish a Cooperative Relationship Not Formalized

NTM-A/CSTC-A and IJC officials are working toward providing more effective contractor oversight, as seen by their contributions to the COR Strategy. In addition, on

*As of April 30, 2011,
neither command had
formalized the MOA.*

February 9, 2011, we obtained a draft MOA between NTM-A/CSTC-A and IJC officials. The intent of the draft MOA was to establish a cooperative relationship for managing contract oversight personnel as well as communication and information-sharing across the

commands. The draft MOA also assigns each command responsibilities necessary to achieve effective contract oversight. However, as of April 30, 2011, neither command had formalized the MOA. As these commands share responsibilities for MoI/ANP training and mentoring, it is imperative that they also fully coordinate and integrate their oversight efforts. Without an MOA to hold the commands accountable for ensuring cooperation, DoD is at increased risk that it will continue to lack the committed resources necessary to provide effective management and oversight of the new DoD contract. NTM-A/CSTC-A and IJC officials should take immediate action to finalize the MOA.

Management Action Needed

As of June 28, 2011, IJC officials stated that they had nominated 23 CORs and another 44 personnel were in the process of completing training. Additionally, NTM-A/CSTC-A officials stated that they had 48 appointed CORs. Additional work is needed to identify, nominate, appoint, and deploy the remaining CORs.

Although we did not identify guidance dictating the number of CORs needed to provide adequate contract oversight, the lack of oversight personnel in place is indicative of recurring issues within the U.S. Central Command area of operations. As previously reported in multiple GAO and DoD audit reports, DoD continues to have an inadequate number of personnel to conduct oversight of its contractors. Due to the complexities of operating in an overseas contingency environment, DoD should continuously monitor the effectiveness of the program management and contract oversight of the MoI/ANP training program. With the possibility of frequent rotations of the CORs and DCMA personnel, it may be difficult for DoD to continuously identify systemic issues with contractor performance. NTM-A/CSTC-A, in coordination with DCMA and IJC officials, should hold monthly COR coordination meetings in which personnel from each command can meet regularly to address oversight issues, continuously review the adequacy of COR oversight, and monitor the COR nomination, training, and appointment process to ensure quality coverage of contractor surveillance in Afghanistan.

Recommendations, Management Comments, and Our Response

B.1. We recommend that the Commander, Combined Security Transition Command-Afghanistan, in coordination with the Deputy Assistant Secretary of the Army (Procurement):

a. Hire personnel to fill the remaining vacant Training Program Support Office positions.

b. Within 6 months, review the program management and contract oversight structure to determine whether it is operating effectively or should be modified to more effectively meet the Ministry of Interior/Afghan National Police training program mission requirements.

CSTC-A Comments

The Deputy Commander for Programs, CSTC-A, responding for the Commander, CSTC-A, stated that hiring actions for the three personnel directly assigned to support the MoI/ANP training program and two key supporting positions are complete and all required personnel are in theater except one. The Deputy Commander, also stated that a staff officer, a financial management analyst and three CORs with extensive quality assurance experience were added to TPSO. Further, the program management and contract oversight structure of TPSO has already been adjusted and hiring action has been initiated to add two financial managers to the Army Contracting Command Rock Island contracting office. Finally, the Deputy Commander, stated that the management and oversight structure will be continuously reviewed to determine whether it is operating effectively or requires modification to meet mission requirements.

Our Response

The Deputy Commander for Programs' comments were responsive. Although the Deputy Commander for Programs did not discuss the remaining indirect support positions, a TPSO official stated that these positions were also in the process of being filled. No additional comments are required.

B.2. We recommend that the Commander, United States Forces-Afghanistan, have the Deputy Commander, United States Forces-Afghanistan, and the Commander, Combined Security Transition Command-Afghanistan:

a. Identify and nominate the remaining contracting officer representatives required for contractor oversight for the Ministry of Interior/Afghan National Police training program contract.

b. Sign the memorandum of agreement to establish a cooperative relationship and communication process between both commands for managing contracting officer's representatives and providing oversight of contractor personnel.

c. Within 6 months, in coordination with the Defense Contract Management Agency, assess whether the "Guide for Government Approval & Oversight of Contractor Purchasing and Invoicing," March 2, 2011, is being implemented by each DoD organization responsible for providing contractor oversight effectively or whether modifications to the guide are appropriate.

d. Conduct monthly contracting officer representatives' coordination meetings where personnel from each command meet regularly to address oversight issues, continuously review the adequacy of contracting officer representatives' oversight, and monitor the contracting officer representative's nomination, training, and appointment process to ensure quality coverage of contractor surveillance in Afghanistan.

CSTC-A Comments

The Deputy Commander for Programs, CSTC-A, responding for the Commander, U.S. Forces-Afghanistan, stated that they continue to identify, nominate, and train CORs. As of July 25, 2011, NTMA/CSTC-A had 50 of 53 required CORs, and IJC nominated 31 of 53 CORs, of which 6 have been appointed. The Deputy Commander also stated that NTM-A/CSTC-A and IJC jointly developed a fragmentary order and issued it to IJC's field units to identify and provide necessary audit coverage of the fielded police mentors, thereby serving as the agreement between the two commands. Additionally, the "Guide for Government Approval & Oversight of Contractor Purchasing and Invoicing" was revised to include more specific guidance regarding responsibilities and articulates a refined process for invoice review. NTM-A/CSTC-A plans to conduct another review in mid-October 2011. The Deputy Commander further stated that NTM-A/CSTC-A, IJC, and DCMA conduct weekly meetings to discuss contract oversight requirements, assess the CORs selection process, and address the CORs fill status. In addition to the weekly

meeting, monthly meetings are also conducted with the contractor to review contract oversight audits and address corrective actions.

Our Response

The Deputy Commander for Programs' comments were responsive, and no additional comments are required.

B.3. We recommend that the Director, Defense Contract Management Agency:

a. Fill the remaining vacant positions directly and indirectly supporting the Ministry of Interior/Afghan National Police training program contract.

b. Train and appoint the remaining contracting officer representatives needed for the Ministry of Interior/Afghan National Police training program contract after recommendation B.2.a is completed.

DCMA Comments

The Commander for DCMA International, responding for the Director, DCMA, stated that the remaining vacancies were filled in May 2011. The Commander also stated that the recommendation implies that DCMA was not appointing CORs when the report states that all nominated CORs had been appointed. Further, the Commander, stated DCMA will continue to appoint CORs and a recommendation was not required nor warranted.

Our Response

The Commander's comments were responsive, and no additional comments are required. Recommendation B.3.b for DCMA to appoint the remaining CORs logically follows the recommendation made to the Commander, U.S. Forces-Afghanistan, to identify and nominate the remaining CORs. Specifically, the recommendation states that DCMA should train and appoint the remaining CORs once NTM-A/CSTC-A and IJC fully implement Recommendation B.2.a.

Appendix A. Scope and Methodology

We conducted this performance audit from September 2010 through July 2011 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. The evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

To accomplish our audit objectives and to address the FY 2011 Act reporting requirements, we held discussions with officials from:

- Defense Procurement and Acquisition Policy;
- Assistant Secretary of the Army for Acquisition, Logistics, and Technology;
- U.S. Central Command;
- U.S. Forces-Afghanistan;
- DCAA;
- DCMA;
- NTM-A/CSTC-A;
- IJC;
- U.S. Army Contracting Command; and
- Red River Army Depot.

Additionally, we coordinated with or interviewed DOS officials from the Bureau of Resource Management and Chief Financial Officer, AQM, and from various INL entities, including the Office of Afghanistan and Pakistan Programs; the Office of Resource Management; and the Afghanistan, Iraq, and Jordan Support Division. We also interviewed DynCorp officials operating under both the DOS Civilian Police contract and the new DoD contract, as well as contractor officials with MPRI and USTC.

We conducted fieldwork from January 17 through February 13, 2011, at various locations in Afghanistan including Camp Eggers, Kabul; U.S. Embassy Kabul; and Camp Gibson, Kabul, as well as regional training centers in Herat; Jalalabad; Kandahar; Konduz; and Mazar-e-Sharif. We also reviewed a non-statistical sample of physical inventory based on cost and category and performed both existence and completeness testing of the sampled inventory items at five of the training centers and found no discrepancies.

We obtained and reviewed the DOS Civilian Police contract, and original and modified SOWs for task orders 4305, 5375, and 2708. We obtained and reviewed the new DoD contract, original and modified SOWs, quality assurance checklists, and the quality assurance surveillance plan. In addition, we reviewed TPSO organizational charts, DoD guidance for purchase requests, program management, and COR structure, and the number of COR oversight personnel.

We also reviewed sections of the Federal Acquisition Regulation, Congressional testimony, and DoD reports to Congress on the security and stability in Afghanistan.

To address the FY 2011 Act requirement for assessing the transfer of contract administration from DOS to DoD, we attended weekly working group meetings where officials from various DoD, DOS, and contractor organizations discussed issues related to the transition. We obtained and reviewed draft interagency agreements relating to the transition. We also observed the joint assessments at the Central Training Center in Kabul and at the Mazar-e-Sharif regional training center.

We obtained and reviewed the DOS contract modification that provided demobilization plan requirements. We obtained and reviewed multiple versions of DynCorp's transition-in plans; and demobilization plans from DynCorp, USTC, and MPRI. We reviewed the plans to identify differences and assess each plan's completeness with respect to requirements and the feasibility of whether the plans could be completed within the contracted 120-day transition period. Although we reviewed the DynCorp demobilization plan for the DOS Afghan Civilian Advisor Support program (task order 5375), to expedite our review, we did not analyze the DynCorp demobilization plan for the DOS Embedded Police Mentor program (task order 2708).

Based on meetings attended, discussions held, and documentation obtained, reviewed and analyzed, we issued eight quick-response e-mails and one memorandum addressing concerns we identified during fieldwork that required immediate action (see Appendix F for the memorandum and Appendix G for the response).

Upon completing our fieldwork in Afghanistan, we coordinated with DoD and DOS officials to address concerns we observed during the audit, provided recommendations, and verified actions taken, where appropriate. To validate factual accuracy, we also provided a discussion draft to DoD and DOS officials discussed in this report.

Use of Computer-Processed Data

We relied on data obtained from DCMA officials to determine the number of CORs identified, trained, nominated, and appointed. Using these data, we non-statistically sampled COR personnel and verified their nomination and appointment letters were completed and found no discrepancies. Therefore, we determined that the DCMA data were sufficiently reliable for the purposes of this report. We also recalculated and totaled the number of CORs by component and provided our calculations to DCMA officials to confirm that the calculations were accurate. DCMA officials concurred with our calculations.

We relied on additional data provided by DynCorp to determine the type and amount of physical inventory in Afghanistan. Using these data, we non-statistically selected a sample of inventory, based on cost and category, to review at five regional training centers in Afghanistan. We performed existence and completeness testing on the sampled inventory and found no discrepancies. Therefore, we determined that the DynCorp inventory data were sufficiently reliable for the purposes of this report.

Appendix B. Prior Coverage

During the last 5 years, GAO, the DoD IG, the DOS IG, the Special Inspector General for Afghanistan Reconstruction, and the Special Inspector General for Iraq Reconstruction issued 13 reports discussing challenges with the ANP training program or contractual oversight issues. Unrestricted GAO reports can be accessed over the Internet at <http://www.gao.gov>. Unrestricted DoD IG reports can be accessed at <http://www.dodig.mil/audit/reports>. Unrestricted DOS IG reports can be accessed at <http://oig.state.gov>. Unrestricted Special Inspector General for Afghanistan Reconstruction reports can be accessed at <http://www.sigar.mil>. Unrestricted Special Inspector General for Iraq Reconstruction reports can be accessed at <http://www.sigir.mil>.

GAO

GAO Report No. GAO-09-280, “Afghanistan Security – U.S. Programs to Further Reform Ministry of Interior and National Police Challenged by Lack of Military Personnel and Afghan Cooperation,” March 9, 2009

GAO Report No. GAO-08-661, “Afghanistan Security – Further Congressional Action May Be Needed to Ensure Completion of a Detailed Plan to Develop and Sustain Capable Afghan National Security Forces,” June 18, 2008

DOS IG

DOS Report No. AUD/IQO-07-48, “Accounting for Government-Owned Personal Property Held by Selected Contractors in Afghanistan,” August 2007

DoD IG

DoD Report No. SPO-2011-003, “Assessment of U.S. Government Efforts to Train, Equip, and Mentor the Expanded Afghan National Police,” March 3, 2011

DoD Report No. SPO-2009-007, “Report on the Assessment of U.S. and Coalition Plans to Train, Equip, and Field the Afghan National Security Forces,” September 30, 2009

DoD Report No. D-2009-114, “Transition Planning for the Logistics Civil Augmentation Program IV Contract,” September 25, 2009

DOS IG and DoD IG

DoD Report No. D-2011-080 and DOS Report AUD/CG-11-30, “DoD and DOS Need Better Procedures to Monitor and Expend DoD Funds for the Afghan National Police Training Program,” July 7, 2011

DOS Report No. MERO-A-10-06 and DoD Report No. D-2010-042, “DOD Obligations and Expenditures of Funds Provided to the Department Of State for the Training and Mentoring of the Afghan National Police,” February 9, 2010

DOS Report No. ISP-IQO-0707 and DoD Report No. IE-2007-001, “Interagency Assessment of Afghanistan National Police Training and Readiness,” November 14, 2006

Special Inspector General for Afghanistan Reconstruction

SIGAR Audit-10-12, “ANP Compound at Kandahar Generally Met Contract Terms but Has Project Planning, Oversight, and Sustainability Issues,” July 22, 2010

SIGAR Audit-10-11, “Actions Needed to Improve the Reliability of Afghan Security Force Assessments,” June 29, 2010

SIGAR Audit-09-1, “Contract Oversight Capabilities of the Defense Department’s Combined Security Transition Command-Afghanistan (CSTC-A) Need Strengthening,” May 19, 2009

Special Inspector General for Iraq Reconstruction

SIGIR 10-008, “Long-standing Weaknesses in the DOS’s Oversight of DynCorp Contract for Support of the Iraqi Police Training Program,” January 25, 2010

Appendix C. FY 2011 National Defense Authorization Act, P.L. 111-383 Section 1235



111TH CONGRESS 2d Session	HOUSE OF REPRESENTATIVES	HASC No. 5
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IKE SKELTON
NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 2011

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COMMITTEE PRINT

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

—————

LEGISLATIVE TEXT AND
JOINT EXPLANATORY STATEMENT

TO ACCOMPANY

H.R. 6523

PUBLIC LAW 111-383



DECEMBER 2010

SEC. 1235. REPORTS ON POLICE TRAINING PROGRAMS.

(a) DOD INSPECTOR GENERAL REPORT ON AFGHAN NATIONAL POLICE TRAINING PROGRAM.—

(1) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Inspector General of the Department of Defense shall, in consultation with the Inspector General of the Department of State, submit to the appropriate committees of Congress a report on the Afghan National Police training program.

(2) REVIEW.—In preparing the report required by paragraph (1), the Inspector General of the Department of Defense shall conduct a review of the Afghan National Police training program that focuses on developments since the Inspector General of the Department of Defense and the Inspector General of the Department of State released the report entitled “Department of Defense Obligations and Expenditures of Funds Provided to the Department of State for the Training and Mentoring of the Afghan National Police” (DODIG Report No. D-2010-042, DOSIG Report No. MERO-A-10-06, February 9, 2010).

(3) ELEMENTS OF REPORT.—The report required by paragraph (1) shall include the following:

(A) A description of the components, planning, and scope of the Afghan National Police training program since the United States assumed control of the program in 2003.

(B) A description of the cost to the United States of the Afghan National Police training program, including the source and amount of funding, and a description of the allocation of responsibility between the Department of Defense and the Department of State for funding the program.

(C) A description of the allocation of responsibility between the Department of Defense and the Department of State for the oversight and execution of the program.

(D) A description of the personnel and staffing requirements for overseeing and executing the program, both in the United States and in theater, including United States civilian government and military personnel, contractor personnel, and nongovernmental personnel, and non-United States civilian and military personnel, contractor personnel, and nongovernmental personnel.

(E) An assessment of the cost, performance metrics, and planning associated with the transfer of administration of the contract for the Afghan National Police training program from the Department of State to the Department of Defense.

Appendix D. Our Response to the FY 2011 National Defense Authorization Act Report Requirements for the Afghan National Police

The FY 2011 Act required the DoD OIG, in consultation with the DOS OIG, to report to Congress a description of the ANP training program that included: (A) components, planning, and scope; (B) cost to DoD and DOS; (C) allocation of DoD and DOS funding, oversight, and execution responsibilities; (D) personnel requirements; and (E) an assessment of the cost, performance metrics, and planning associated with the transfer of the ANP training program contract administration from DOS to DoD. See Appendix C for the complete text.

On January 7, 2011, after meeting with and obtaining agreement from Senate Armed Services Committee staff members, we agreed to collect only general background information necessary to support our reports within the 180-day mandate.

(A) A description of the components, planning, and scope of the ANP training program since the United States assumed control of the program in 2003.

One NTM-A/CSTC-A official stated that the ANP training program included courses for in-country ANP⁴⁰ basic and advanced training and MoI mentoring, as well as life support and security at the central and regional training center locations.⁴¹

For the purposes of this report, we considered the ANP training program as work performed under the Civilian Police task orders 4305, 5375, and 2708. To support basic and advanced ANP training courses, the original DOS SOW for task order 4305 included requirements for 178 advisors, mentors, and trainers; and task order 5375 included requirements for 584 advisors, mentors, and trainers. Both SOWs included requirements for life support services, such as food, security, and maintenance, at eight training centers. The DOS SOW for task order 2708 included requirements for 308 embedded police mentors.

For the purposes of this report, we considered the MoI/ANP training program as work to be performed under the new DoD contract, which included a requirement for 762 ANP and MoI advisors, mentors, and trainers; and life support at 15 locations, to include food, security, and maintenance.

⁴⁰ ANP components provide internal security to Afghanistan and enforce the rule of law. Primary ANP components include the Afghan Uniformed Police, the Afghan National Civil Order Police, the ABP, and the Women's Police Corps.

⁴¹ We considered ANP training such as leadership, management, and specialized courses, on topics such as medical, counternarcotics, and criminal investigations, outside the scope of the ANP training program definition. NTM-A/CSTC-A officials reported that there were 37 ANP training locations throughout Afghanistan.

(B) A description of the cost to the United States for the ANP training program, including the source and amount of funding, and a description of the allocation of responsibility between DoD and DOS for funding the program.

From August 2005 through September 2010, DOS officials obligated approximately \$323.49 million of DOS funds for task order 4305 and approximately \$0.98 million of DOS funds for task order 5375. From November 2006 to December 2010, DOS obligated the majority of approximately \$1.26 billion of DoD funds primarily for DOS task orders 4305, 5375, and 2708. DoD officials stated that they obligated approximately \$33.97 million for mentoring the MoI through a DoD contract with MPRI, and another \$116.60 million for the training and mentoring the ABP through a DoD contract with USTC.⁴² See the background and Finding A sections of our first report, which addressed the requirements of the FY 2011 Act regarding the source and amount of funding and a description of the allocation of responsibility between DoD and DOS for funding the ANP training program.

(C) A description of the allocation of responsibility between DoD and the DOS for the oversight and execution of the program.

We addressed this requirement in the background sections of this report and the first report.

(D) A description of the personnel and staffing requirements for overseeing and executing the program both in the United States and in theater, including United States civilian and military personnel, and non-United States civilian and military personnel, contractor personnel, and nongovernmental personnel.

We were unable to obtain a clear description of the personnel staffing requirements for overseeing and executing the ANP training program. We did, however, obtain from NTM-A/CSTC-A officials the statistics shown in Table D-1 for the four outgoing DoD and DOS contractors as of January 31, 2011. See the first report for a ratio of DOS officials providing oversight to contractor personnel for task order 5375 and the planned ratio of DoD officials to contractor personnel for the new DoD contract.⁴³

⁴² We did not verify these amounts.

⁴³ For additional information, see the narratives for recommendations B.2.a and B.3.e in DoD Report No. D-2011-080 and DOS Report AUD/CG-11-30, "DoD and DOS Need Better Procedures to Monitor and Expend DoD Funds for the Afghan National Police Training Program," July 7, 2011, "Status of DoD and DOS Implementation of Prior Audit Report Recommendations." The DOS ratio included contractor advisor and support services under multiple subtasks. The DoD ratio included contractor trainers, mentors, and advisors as well as 15 DoD oversight positions for life support.

**Table D-1. DoD and DOS ANP Outgoing Contractors
Authorized, Assigned, and In Place as of January 31, 2011**

Contract/Task Order	Authorized	Assigned	In Place
DOS Task Order 5375†	207*	224	183
DOS Task Order 2708	308	300	290
DoD USTC Contract	216	216	177
DoD MPRI Contract	117	110	99
Totals	848	850	749

†Note: Includes advisor services only.

*Note: Authorized positions were reduced in January 2011.

DoD officials identified the number of oversight positions and contractor personnel required and in place for the new DoD contract as of April 29, 2011. Specifically, DoD officials identified the need for 170 COR positions and 728 contractor positions.⁴⁴ However, as shown in Table D-2, neither the CORs nor contractor positions were fully staffed. Table D-2 also displays the required number of COR and contractor positions, the actual number of CORs appointed and contractors in place,⁴⁵ and the ratio of Government officials providing oversight to contractor personnel for each, separated by command, as of April 29, 2011.

Table D-2. Government and Contractor Position Requirements, Actual Personnel In Place, and Government to Contractor Oversight Ratios as of April 29, 2011

Command Responsible for Oversight	COR Requirement Identified*	Contractor Requirement Identified	Ratio per COR	Actual CORs Appointed	Actual Contractors In Place	Ratio Per COR
ACG-PD†	21	178	8.48	19	89	4.68
CTAG-P	35	173	4.94	15	47	3.13
IJC	114	377	3.31	0	164	0.00
Total	170	728	4.28	34	300	8.82

*Note: The COR requirement also includes 15 oversight positions for life support.

†Note: ACG PD - Assistant Commanding General-Police Development

Source: DoD OIG and DOS OIG analysis of DoD-provided data

(E) An assessment of the cost, performance metrics, and planning associated with the transfer of contract administration for the ANP training program from the DOS to the DoD.

⁴⁴ The new DoD contract includes a flexibility clause that allows for the expanding and shrinking of requirements. As such, the number of contractors required as of a specified date will differ from the number required in the original or modified SOW. The 728 contractor positions include advisor, mentor, and trainer positions only.

⁴⁵ TPSO officials provided the amounts for contractor requirements identified and actual contractors in place. We did not verify this data.

We did not assess the cost associated with the transfer of contract administration of the ANP training program based upon our agreement with the Senate Armed Services Committee staff members. However, the new DoD contract included estimated transition costs for labor, travel, other direct costs, and the award fee associated with transition to full performance, at approximately \$18.5 million.⁴⁶ As of April 25, 2011, the contracting officer stated that DynCorp had not submitted a voucher for those costs.

We obtained from DoD and DOS officials the estimated monthly costs for the ANP training program, to include DOS task orders 5375 and 2708, at \$19 million; and the DoD MoI and ABP contracts at \$3 million each. To estimate the total transition costs for ANP training and MoI mentors, we applied a graduated rate of 25 percent for each 30-day increment of the 120-day transition to the estimated monthly cost. Because a portion of the ABP contract was continued through September 2011, we used 100 percent of their estimated monthly cost for each 30-day increment of the 120-day transition period. Therefore, we estimated transition costs for all four outgoing contracts and the new DoD contract to be approximately \$85.5 million, as seen in Table D-3.

Table D-3. Total Estimated Transition Costs (in millions)

Contract/Task Order	Day 0-30	Day 30-60	Day 60-90	Day 90-120	Total
ANP-5375/2708	\$19.00	\$14.25	\$9.50	\$4.75	\$47.50
MoI-0010	3.00	2.25	1.50	0.75	7.50
ABP-0017	3.00	3.00	3.00	3.00	12.00
MoI/ANP-0053	N/A	N/A	N/A	N/A	18.50*
Total	\$25.00	\$19.50	\$14.00	\$8.50	\$85.50

*The MoI/ANP-0053 contract estimated the cost-plus-fixed-fee of the 120-day transition to be approximately \$18.5 million. Items in total row do not sum to \$85.50 million.

We did not assess the performance metrics per our agreement with the Senate Armed Services Committee staff members. However, we asked DoD officials about metrics they would use to determine whether the transition was successful. DoD officials stated that the transition would be a success if there were no loss in training days, no loss in the number of trained Afghans, and if it was completed in 120 days. Although we are not aware of a loss in training days or trainees, DoD had only 20 percent of the CORs in place, and the contractor had only 41 percent of its personnel in place as of April 29, 2011.

In the “Status of DoD and DOS Implementation of Prior Audit Report Recommendations” section of our first report, we also assessed DoD’s contactor

⁴⁶ On May 26, 2011, the contracting officer for the MoI/ANP training program contract notified the contractor of a reduction in fee in the amount of \$326,204 for failure to achieve full operational capability by April 29, 2011.

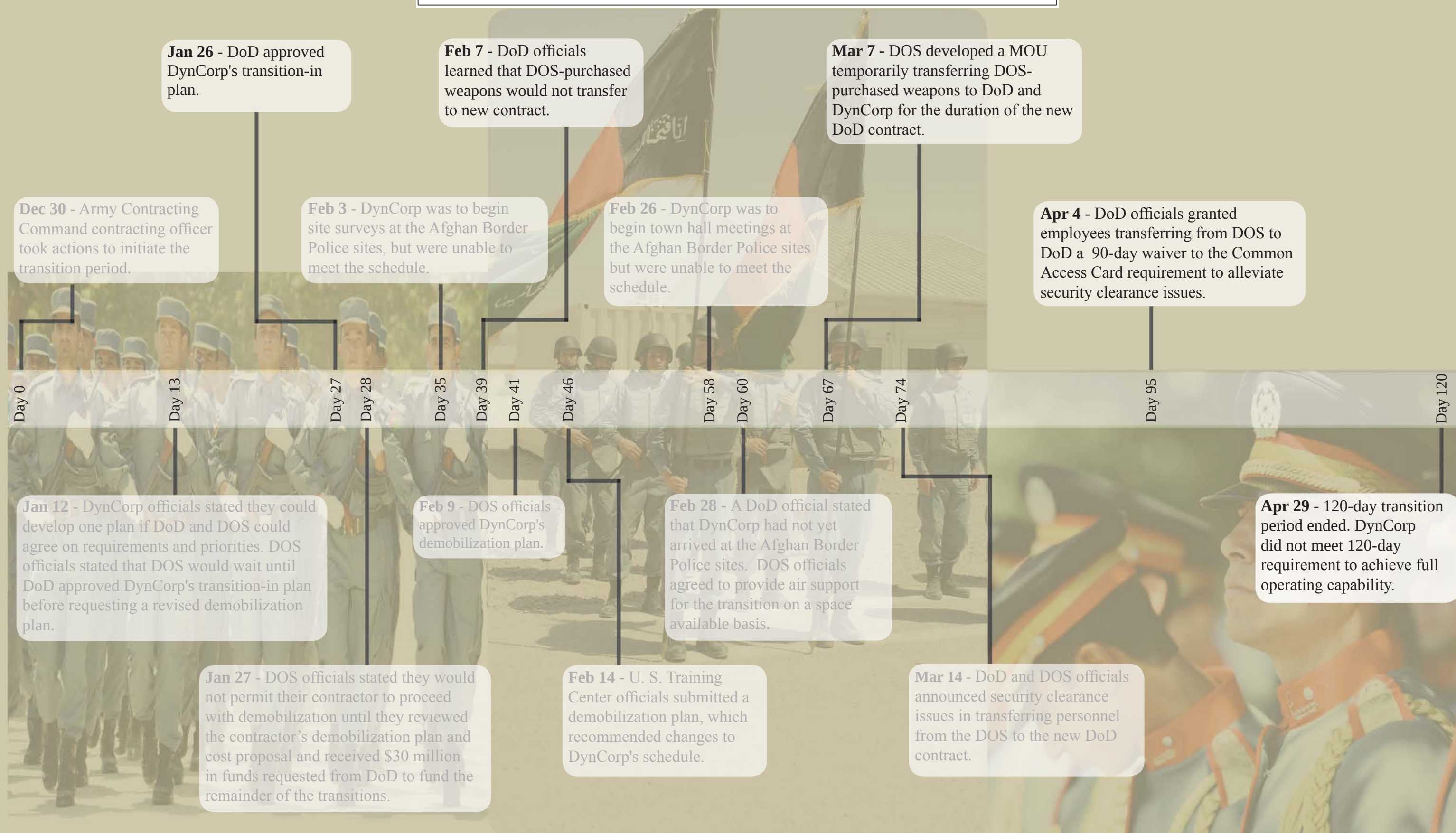
performance standards using the January 2011 modified SOW for the MoI/ANP training program. We also determined whether the MoI/ANP training program requirements in the January 2011 modified SOW aligned with the goals, objectives, and priorities in the Afghan Ministry of Interior 2010 ANP Plan. For additional information, see the “Status of DoD and DOS Implementation of Prior Audit Report Recommendations,” narratives for recommendations A.1 and A.2 in the first report.

We assessed the planning associated with the transfer of contract administration for the ANP training program in Finding A and Finding B of this report.

Appendix E. 120-Day Transition Period Timeline of Events

The following chart is a timeline of transition events that occurred after the U.S. Army Contracting Command Aberdeen Proving Ground contracting officer awarded DoD contract W91CRB-11-C-0053 to DynCorp on December 20, 2010. This timeline depicts some of the major events that occurred during the 120-day transition period.

Ministry of Interior/Afghan National Police Training Contract 120-Day Transition Period Timeline of Events (December 30, 2010 - April 29, 2011)



Appendix F. Memorandum



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

March 4, 2011

MEMORANDUM FOR DEPUTY CHIEF OF STAFF, INTERNATIONAL SECURITY
ASSISTANCE FORCE JOINT COMMAND
DEPUTY COMMANDER FOR PROGRAMS, NORTH ATLANTIC
TREATY ORGANIZATION TRAINING MISSION-
AFGHANISTAN/COMBINED SECURITY TRANSITION
COMMAND-AFGHANISTAN
COMMANDER, DEFENSE CONTRACT MANAGEMENT
AGENCY, AFGHANISTAN

SUBJECT: Concerns Identified During the Department of Defense and Department of State
Office of Inspectors General Joint Audit of the Afghan National Police Training
Program (DoD Project No. D2011-D000JA-0009.000)
(DOS Project No. 11AUD3001)

In January and February 2011, Department of Defense (DoD) Office of Inspector General (OIG) and Department of State (DOS) OIG auditors performed fieldwork for the audit of the Afghan National Police (ANP) training program. During fieldwork, we conducted interviews with DoD, DOS, North Atlantic Treaty Organization Training Mission-Afghanistan/Combined Security Transition Command-Afghanistan (NTM-A/CSTC-A), and International Security Assistance Force Joint Command (IJC) officials. We also visited five of the DOS police training centers throughout Afghanistan. As we performed our fieldwork, we identified concerns with the transition of the ANP training program and issued six quick reaction e-mails to the applicable DoD Component involved in the transition (see the Attachment for a list of the e-mail issuance dates and applicable subject lines). This memorandum formalizes those concerns that require immediate action by DoD officials to include the status of the Training Program Support Office (TPSO) organizational staffing, project management, and policies and procedures for approving purchase requests, inventory receipts, and vouchers. Additional concerns include the Combined Training Advisory Group-Police (CTAG-P) and IJC's progress in identifying and nominating an appropriate number of contracting officer's representatives (CORs) to provide oversight of ANP training program contractor's performance.

Background

Since FY 2006, DoD has been responsible for executing and funding the ANP training program, while DOS has been responsible for overseeing the execution of the contract. In August 2009, DoD and DOS agreed to transfer most of the responsibility for the ANP training program to DoD. As part of the transition, DoD was to assume contract administration and oversight responsibilities for the ANP training program contract. On December 20, 2010, DoD awarded a new ANP training program contract to DynCorp. The new contract allows DynCorp a 120-day transition period to become fully operational, which ends on April 29, 2011. The predecessor DOS contract, also awarded to DynCorp, will expire on June 30, 2011.

In February 2011, the Office of the Secretary of Defense, NTM-A/CSTC-A, and Defense Contract Management Agency (DCMA) officials signed an agreement to support the development and sustainment of TPSO. TPSO was created to support the execution and management of three major training and maintenance contracts, one of which is the new ANP training program contract. TPSO has one lead program manager and a small support staff consisting of three product teams to support each of the three contracts. Within each product team, the lead product manager assumes the role of a super COR. Each product team also has a set of matrixed personnel who assist in providing essential contract management and oversight functions. DCMA and CTAG-P are two of the DoD Components providing matrixed personnel for the ANP training program contract. Those personnel are responsible for generating and managing requirements, and providing contract administration, property administration, and quality assurance for the ANP training program contract. Although CTAG-P is the primary ANP training program requirements generator, IJC and the Assistant Commanding General-Police Development (ACG-PD) also contribute to developing requirements and therefore, share in CTAG-P's responsibility to monitor contractor oversight during the execution of the contract.

Multiple Vacancies at TPSO May Adversely Affect Oversight

TPSO is not fully staffed with permanent employees, and as a result, the office may be unable to provide proper oversight of the ANP training program contract. Our review of the January 20, 2011, TPSO organization chart identified multiple vacancies, including two ANP product manager positions. Although DoD has since selected individuals to fill the vacant ANP product manager positions, it was still unknown when those personnel will arrive in Afghanistan and be fully engaged to conduct oversight of the ANP training program contract. While the remainder of the vacant TPSO positions were designated for other contracts, those vacancies may also require ANP personnel to take on responsibilities for the other programs and therefore, may not be fully dedicated to overseeing the ANP training program contract.

We request that the TPSO program manager temporarily fill vacancies with fully dedicated personnel to ensure proper oversight and continuous coverage of the ANP training program contract. We further request that the TPSO program manager develop a staffing plan to ensure continuous coverage of TPSO positions during redeployments and rest and recuperation leave throughout the life of the ANP training program contract.

Project Management Plan Needed for an Efficient Transition

TPSO personnel have not developed a project management plan to identify DoD-specific transition tasks, timelines, or the DoD Components responsible for completing those tasks through the end of the transition period. We identified that various DoD Components involved in the transition planning process, had yet to perform certain tasks, such as delegating administrative contract authority, identifying and nominating CORs, and developing quality assurance checklists. Although we acknowledge that there is no requirement for TPSO personnel to develop a project management plan, such a plan could have identified all major DoD transition tasks, clarified roles and responsibilities, and held DoD Components accountable for meeting agreed-upon milestones.

We request that the TPSO program manager develop a project management plan to manage the remainder of the ANP training program transition tasks. The plan should be coordinated with all

DoD Components to ensure that they are aware of assigned tasks and the impact of not completing the tasks within established time frames.

Validation Process for Purchase Requests and Inventory Acceptance Was Not Established

TPSO personnel have not established a process or developed procedures for validating contractor purchase requests and for inspecting and accepting the receipt of inventory. For the predecessor DOS ANP training program contract, we identified control weaknesses in the purchasing and inventory receipt process. For example, under the DOS contract a single DynCorp official can submit a purchase request for an item, receive the item, and account for the item in the inventory. Government Accountability Office guidance on internal controls highlights the importance of segregating key responsibilities to reduce the risk of errors or fraud. Although issues were identified with purchase request and inventory acceptance procedures under the DOS contract, the new DoD contract only requires the contractor to obtain written approval from the COR for purchases exceeding \$5,000. DoD could increase controls over the purchase request process by requiring the onsite COR to validate the need for specified purchase requests and receipt of inventory. This would decrease DoD's risk that items purchased may not be allowable¹ or that items may not be received or accounted for in the inventory.

We request that the TPSO program manager, in coordination with DCMA officials, establish a process and develop procedures for validating contractor purchase requests and for inspecting and accepting the receipt of inventory.

Voucher Review Process Was Not Established

TPSO personnel have not established a process or developed procedures for reviewing DynCorp's vouchers to ensure contractor costs are allowable, allocable, and reasonable as required by the Federal Acquisition Regulation 31.201.² For the predecessor contract, we identified concerns with the accuracy of DynCorp invoices submitted to DOS. DOS officials stated that a large amount of DynCorp's other direct cost and reimbursable invoices have been rejected for payment. Based on our preliminary review, DOS rejected the invoices because DynCorp did not provide sufficient documentation or have the COR's approval for purchase requests. Other rejected invoices contained duplicative requests for reimbursement, unauthorized charges for a first-class airline ticket, and improper travel charges for an unaccompanied minor.

We request that the TPSO program manager, in coordination with DCMA officials, establish a process and develop procedures for validating the accuracy of vouchers. While the Defense Contract Audit Agency (DCAA) will conduct an initial review of the vouchers before payment under the new DoD contract, DCAA officials stated they will have approximately 5 days to test the accuracy of the voucher and may not perform a 100 percent review of all vouchers submitted by DynCorp. A validation process will assist in limiting the number of improper payments in conjunction with the new contract.

¹ According to the Federal Acquisition Regulation, a cost is allowable only when the cost is reasonable, allocable, and conforms to the terms of the contract. A cost is allocable if it is incurred specifically for the contract. A cost is reasonable if, in its nature and amount, does not exceed that which would be incurred by a prudent person.

² Under the predecessor contract, DynCorp submits invoices to DoS. For the new contract, DynCorp submits vouchers to DoD.

Strategy Needed for Contracting Officer Representatives

CTAG-P and IJC personnel have not developed a COR strategy that clearly defines the COR chain of command for contractor performance reporting, procedures for elevating contractor oversight concerns, and the process for communicating those concerns.

CTAG-P is responsible for providing contractor oversight of 15 life support locations and approximately 211 mentors and trainers throughout Afghanistan. While CTAG-P has identified personnel responsible for providing oversight of the 15 life support locations; officials have not clearly identified the COR structure for contractors providing ANP mentoring and training. While IJC is responsible for providing contractor oversight of 377 Embedded Police Mentors (EPMs) spread across 166 Police Mentoring Teams (PMTs) throughout Afghanistan, IJC officials were still identifying how many CORs are needed and where they should be located. We also found that the majority of the police training sites that we visited did not have access to DoD's Non-classified Internet Protocol Router Network (NIPR). Instead, DoD personnel used unsecure internet access to communicate transition issues and concerns.

We request that the lead CTAG-P and IJC CORs develop individual COR strategies to include: (1) a clear command and reporting structure for all assigned CORs; (2) a plan for ensuring continuous contract oversight during redeployments and rest and recuperation leave; and (3) a communication strategy at sites with limited network access. We also request that the lead CTAG-P and IJC CORs, in coordination with the TPSO program manager and DCMA officials, immediately identify and nominate the remainder of the CORs to allow DCMA sufficient time to complete their quality assurance responsibilities.³ Finally, we request that the lead CTAG-P and IJC CORs be dedicated full-time to completing transition tasks, such as developing and implementing the COR strategy, through the remainder of the transition period.

Management Actions Taken

We commend TPSO for taking immediate action to address our staffing concerns. On February 20, 2011, TPSO officials provided the audit team with a contingency staffing plan that will be continuously refined and updated. TPSO officials stated that

- military personnel are temporarily filling the vacant positions until the permanent civilian staff is onsite,
- with the exception of one vacancy, personnel have either been hired against the other vacancies or the vacancy is still in the process of being filled.
- they are developing strategies for filling future vacancies using continuous open job announcements through different Government programs, forums, and communication with other agencies.

³ As the delegated Quality Assurance Representative for the ANP training program contract, DCMA is responsible for providing the CORs with on-the-job training and conducting a joint validation audit before each COR's appointment.

Conclusion

We request that the Deputy Commander Programs, NTM-A/CSTC-A and Deputy Chief of Staff, IJC, in coordination with DCMA officials, direct the applicable DoD Components to take immediate action to ensure that TPSO is fully staffed, a project management plan and COR strategy is developed, and policies and procedures are established for validating contractor purchase requests, inspecting and accepting the receipt of inventory, and reviewing the accuracy of vouchers. Implementing these actions should increase DoD's assurance that it will be prepared to provide effective management and oversight of the new ANP training program contract. We appreciate your immediate action and request comments on the remaining actions taken or to be taken by April 1, 2011. Please respond to [REDACTED]

or [REDACTED]



Carol Gorman
Director
Joint and Southwest Asia Operations

Attachment:
As stated

Attachment

Date of Issuance	E-mail Subject Line
January 16, 2011	Audit of the Afghan National Police Training program
January 21, 2011	Audit of the Afghan National Police
January 27, 2011	DoD and DOS Joint Audit of the Afghan National Police
February 1, 2011	Joint DoD and DOS OIG Audit of the ANP
February 8, 2011	Joint DoD and DOS OIG Audit of the ANP
February 11, 2011	DoD/DOS OIG Audit of the Afghan National Police Training program (D2011-D000JA-0009.000)

Appendix G. Management Comments on the Memorandum

NATO TRAINING MISSION - AFGHANISTAN
COMBINED SECURITY TRANSITION COMMAND – AFGHANISTAN
KABUL, AFGHANISTAN
APO AE 09356

Reply to
Attention of
DCOM-Programs

30 March 2011

MEMORANDUM FOR INSPECTOR GENERAL, DEPARTMENT OF DEFENSE, 400 ARMY NAVY DRIVE, ARLINGTON VIRGINIA 22202-4704

SUBJECT: Response to Concerns Identified During the Department of Defense and Department of State Office of Inspector General Joint Audit of the Afghan National Police Training Program (DoD Project No. D2011-D000JA-0009.000) (DOS Project No. 11AUD 3001)

1. The following concerns were raised by the DoD and DoS OIG joint audit of the Afghan National Police Training Program.

- Multiple Vacancies at TPSO May Adversely Affect Oversight
- Project Management Plan Needed for an Efficient Transition
- Validation Process for Purchase Requests and Inventory Acceptance Was Not Established
- Voucher Review Process Was Not Established
- Strategy Needed for Contracting Officer Representatives

2. In response to the concerns, attached are the following:

- TPSO Organization Chart
- Project Management Plan
- The Guide for Government Approval & Oversight of the Contractor Purchasing and Invoicing addresses the third and fourth concerns by providing a detailed description of the initiation, validation, approval and archival of financial documentation expected on the DoD ANP contract.
- The Contracting Officer Representative (COR) Strategy defines the COR chain of command for contractor performance reporting, procedures for elevating contractor oversight concerns, and the process for communicating those concerns on contract, thus alleviating the final concern.

3. We are also working with DCAA to discuss the feasibility and suitability of adding DCAA personnel to the TPSO organization.

4. The Point of Contact for this memorandum is [REDACTED].


John G. Ferrari
Colonel, USA
Deputy Commander for Programs

Attachments
omitted because
of length.

Defense Procurement and Acquisition Policy Comments

Final Report
Reference



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

AUG -3 2011

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL FOR AUDITING,
DEPARTMENT OF DEFENSE OFFICE OF INSPECTOR
GENERAL

THROUGH: DIRECTOR, ACQUISITION RESOURCES AND ANALYSIS *7/23 9/3/11*

SUBJECT: Draft Report, Afghan National Police Training Program: Lessons Learned During
the Transition of Contract Administration (DoD Project No. D2011-D000JA-
0009.001 and DoS Project No. 11AUD3001)

As requested, I am providing responses to the general content and recommendations
contained in the subject report.

Recommendation A.1:

We recommend that the Director, Defense Procurement and Acquisition Policy (DPAP), in
coordination with the Under Secretary of Defense (Policy) (USD(P)), and the Director,
Department of State Bureau of Administration, Office of Logistics Management, Office of
Acquisitions Management, develop Departmental guidance for transferring contract
administration (1) from one agency to another and (2) involving intra-agency transfers of
contracts of a defined dollar threshold or complexity level.

Response:

Concur with comment. As written, it is unclear the true intent of the recommendation and who
the appropriate responsible Department representative is. Our comments are provided below:

- 1) We recommend changing "...guidance for transferring contract administration..." to
"...guidance and/or lessons learned for transferring project and/or program responsibility from
one agency to another." This guidance should include program management, financial
management, contract execution and administration, and all other areas of project/program
execution.
- 2) We recommend not addressing inter- and intra-agency transfers separately as the guidance
and/or lessons learned should be the same.
- 3) We recommend deleting paragraph A.1.b.
- 4) We recommend rewriting paragraph A.1.c. to include responsibilities for the agencies
involved and the incumbent and the new contractor.
- 5) Given the redefinition of "contract administration" to "project and/or program responsibility",
we request reconsideration of the lead Department representative for the recommendation.

Revised,
recommendation on
page 17

Please contact [REDACTED] if additional information is required.


Richard Ginman
Director, Defense Procurement
and Acquisition Policy

Department of State Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management Comments



United States Department of State

Washington, D.C. 20520

JULY 29, 2011

MEMORADUM

TO: OIG/AUD – Evelyn R. Klemstine

FROM: A/LM/AQM  Cathy J. Read

SUBJECT: Draft Report on Afghan National Police Training Program: Lessons Learned During the Transition of Contract Administration (DOD Project No. D2011-D000JA-0009.001 and DOS Project No. 11AUD3001) (AUD/CG-11-XX, June 2011)

Please find below the Bureau of Administration's response to the subject report regarding recommendation A.1.

Recommendation A.1: We recommend that the Director, Defense Procurement and Acquisition Policy, in coordination with the Under Secretary of Defense (Policy), and the Director, Department of State Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop Departmental guidance for transferring contract administration (1) from one agency to another and (2) involving intra-agency transfers of contracts of a defined dollar threshold or complexity level. Guidance should include the development of a comprehensive transition plan that considers:

- a. developing coordinated and comprehensive requirements for contractor transition-in and demobilization.
- b. identifying inherently governmental tasks to include the execution of the Federal Acquisition Regulation Subpart 37.110, continuity-of-services clause, and whether governmental-related agreements need to be completed.
- c. defining responsibilities for managing the transition to include ensuring that the proper level of oversight is commensurate with the program's complexity and can effect Departmental action.
- d. identifying risks and developing risk mitigation strategies to minimize the likelihood of expected and unexpected delays.

UNCLASSIFIED

- e. identifying measures of success to assess the execution of the transition while ensuring desired program outcomes are achieved.

A/LM/AQM Response: The Department currently coordinates with DoD as contract administration transfers from one agency to another. Since each contract brings forth unique conditions and operating factors, A/LM/AQM agrees with the recommendation to coordinate with DoD to develop guidance that provides the framework for transition plans that incorporate as many of the areas addressed as practical.

UNCLASSIFIED

Combined Security Transition Command-Afghanistan Comments



HEADQUARTERS
NATO TRAINING MISSION - AFGHANISTAN
COMBINED SECURITY TRANSITION COMMAND - AFGHANISTAN
KABUL, AFGHANISTAN
APO, AE 09356



27 July 2011

MEMORANDUM FOR Office of the Inspectors General of the Department of Defense (DoD) and Department of State (DoS), 400 Army-Navy Drive, Arlington, VA 22202

SUBJECT: Response to DoD and DOS Inspectors General Draft of the Afghan National Police Training Program: Lessons Learned During the Transition of Contract Administration Report (DoD Project # D2011-D000JA-0009.001)

1. We would once again like to thank the audit team for their diligent effort in reviewing the Afghan Police Training Program Transition Process. Our revised responses to your recommendations are attached.
2. Our Training Program Support Office (TPSO) is now fully staffed. Together with the embedded personnel from the Defense Contract Management Agency and the Defense Contract Audit Agency, TPSO now provides effective daily oversight of all assigned contracts.
3. IJC continues to make progress in nominating and training contracting officer representatives, and we expect this issue to be fully resolved in the near future.
4. Please feel free to contact us at anytime should you have any further questions.

A handwritten signature in black ink, appearing to read "P. Fuller", written over a horizontal line.

PETER N. FULLER
Major General, US Army
Deputy Commander for Programs

NTM-A/CSTC-A Response to Draft Report
(D2001-D000JA-0009.001)
Afghan National Police Training Program:
Lessons Learned During the Transition of Contract Administration

Recommendation A.2: “That the Commander, Combined Security Transition Command-Afghanistan and the Executive Director, Department of State Bureau of International Narcotics and Law Enforcement Affairs, determine and implement the most appropriate method for the Department of State to reimburse DoD for the shared use of the regional training centers to ensure that DoD complies with all applicable appropriations law.”

- **CSTC-A Response:** Army Contracting Command – Rock Island and the Department of State prepared a draft Memorandum of Agreement (MOA) allowing DoS to place funding on a line of accounting on the Afghan National Police Training Program contract for the reimbursement of the shared use of the regional training centers. Planned completion date for the MOA is 5 August 2011.

Recommendation B.1.a: “That the Commander, Combined Security Transition Command-Afghanistan hire personnel to fill the remaining vacant Training Program Support Office positions.”

- **CSTC-A Response:** We completed the hiring actions for the three personnel directly assigned to support the Afghan National Police Training Program, and these personnel are in theater. We also completed the hiring actions for two key supporting positions (Deputy Program Manager and Staff Project Officer). The Deputy Program Manager is also already in theater.

Recommendation B.1.b: “That the Commander, Combined Security Transition Command-Afghanistan within 180 days, review the program management and contract oversight structure to determine whether it is operating effectively or should be modified to effectively meet the MoI/ANP training program mission requirements.”

- **CSTC-A Response:** NTM-A/CSTC-A already reviewed and adjusted the program management and contract oversight structure of the Training Program Support Office. We decided to add a staff officer, a financial management analyst, and three Contractor Officer Representatives (CORs) with extensive Quality Assurance (QA) experience to the organization. We initiated a hiring action to add two financial managers to the Army Contracting Command Rock Island contracting office, and these individuals will provide dedicated support to the fiscal management of the contract. We will continuously review the management and oversight structure to determine whether it is operating effectively or should be modified yet again to more effectively meet mission requirements.

Recommendation B.2.a: “That the Commander, United States Forces-Afghanistan, have the Deputy Commander, United States Forces-Afghanistan and the Commander, Combined Security Transition Command-Afghanistan identify and nominate the remaining contracting officer

representatives required for contractor oversight for the Ministry of Interior/Afghan National Police training program contract.”

- **CSTC-A Response:** We continue to identify, nominate, and train personnel for contracting officer representatives. As of 25 July 2011, NTM-A/CSTC-A has 50 of 53 required contracting officer representatives. IJC nominated 31 of 53 required contracting officer representatives, with 6 trained and appointed by the contracting officer.

Recommendation B.2.b: “That the Commander, United States Forces-Afghanistan, have the Deputy Commander, United States Forces-Afghanistan and the Commander, Combined Security Transition Command-Afghanistan sign the memorandum of agreement to establish a cooperative relationship and communication process between both commands for managing contracting officer’s representatives and providing oversight of contractor personnel.”

- **CSTC-A Response:** ISAF Joint Command (IJC) issued a FRAGO order to its field units to identify and provide the necessary audit coverage of the fielded police mentors. This FRAGO was jointly developed by NTM-A/CSTC-A and IJC, thereby serving as the agreement between the two commands. It should be noted that within the combat zone, FRAGOs are the preferred method for codifying agreements between commands, rather than memorandum of agreements.

Recommendation B.2.c: “That the Commander, United States Forces-Afghanistan, have the Deputy Commander, United States Forces-Afghanistan and the Commander, Combined Security Transition Command-Afghanistan within 6 months, in coordination with the Defense Contract Management Agency, assess whether the “Guide for Government Approval & Oversight of Contractor Purchasing and Invoicing,” March 2, 2011, is being implemented effectively or whether modifications to the guide is appropriate.”

- **CSTC-A Response:** We revised the “Guide for Government Approval & Oversight of Contractor Purchasing and Invoicing” and it now includes more specific guidance regarding contractor responsibilities in the purchase process as well as for all personnel involved in the purchasing and invoicing process. The guide also articulates the process for an invoice review, as refined by TPSO-embedded DCAA teammates and DynCorp resident DCAA members. The final revision of the guide was incorporated into the DynCorp contracts managed by TPSO (0030 and 0053) on 29 June and 27 June, 2011 respectively. We plan to conduct another review in mid-October 2011.

Recommendation B.2.d: “That the Commander, United States Forces-Afghanistan, have the Deputy Commander, United States Forces-Afghanistan and the Commander, Combined Security Transition Command-Afghanistan develop a contracting officer’s representative coordination office where personnel from each command meet regularly to address oversight issues, continuously review the adequacy of contracting officer’s representative oversight, and monitor

the contracting officer's representative nomination, training, and appointment process to ensure quality coverage of contractor surveillance in Afghanistan."

- CSTC-A response: We have taken two actions to address this recommendation. First, we conduct weekly meetings to address contract oversight requirements, assess the contracting officer's representative's selection process, and address the contracting officer's representative's fill status. This NTM-A/CSTC-A meeting is attended by both the IJC and the Defense Contract Management Agency. Second, we conduct a monthly performance review of the contract oversight audits in order to take corrective actions. In addition to the government personnel, this monthly performance review is attended by the contractor.

Department of State Bureau of International Narcotics and Law Enforcement Affairs Comments

Final Report
Reference



United States Department of State

Washington, D.C. 20520

JUL 29 2011

UNCLASSIFIED

TO: OIG – Harold Geisel, Acting

FROM: INL – William R. Brownfield



SUBJECT: Comments on the Joint Department of State/Department of Defense Inspectors General Discussion Draft Report, *Afghan National Police Training Program: Lessons Learned During the Transition of Contract Administration (DoD Project No. D2011-D000JA-0009.001, DOS Project No. 11AUD3001, dated July 14, 2011)*

The Bureau of International Narcotics and Law Enforcement Affairs (INL) continues to develop and strengthen the operational systems and controls necessary to support our significant growth in program funding and scope. INL appreciates working with the oversight community to help strengthen the Bureau's processes and controls. However, INL is equally concerned with the subject report just as we were with the previous report in this series. It remains unclear what criteria the audit team used to make recommendations. Moreover, the recommendation to INL in this draft report is also the subject of another draft report (the third in this series of draft audit reports), which is under review for INL comment.

OIG Recommendation A. 2. *We recommend that Commander, Combined Security Transition Command – Afghanistan and the Executive Director, Department of State Bureau of International Narcotics and Law Enforcement Affairs, determine and implement the most appropriate method for the Department of State to reimburse DoD for the shared use of the regional training centers to ensure that DoD complies with all applicable appropriations law.*

INL Response: INL disagrees with the recommendation. INL notes that the recommendation is duplicative of a recommendation presented in the third draft audit report entitled, *Afghan National Police Training Program Would Benefit From Better Compliance With the Economy Act and Reimbursable Agreements (DoD Project No. D2011-D000JA-0009.002 DOS Project No. 11AUD3020, dated July 25, 2011)*. It should be noted that this draft does not specify a finite amount of funds for reimbursement as a result of the audit. In light of the duplication and ambiguity, INL suggests that this recommendation be dropped from the final report.

UNCLASSIFIED

Revised,
recommendation on
page 18

Drafted by: [REDACTED] ([REDACTED])

Cleared by:

INL/FO – [REDACTED] (ok)
INL/FO – [REDACTED] (ok)
INL/AP – [REDACTED] (ok)
INL/AP – [REDACTED] (info)
INL/AP – [REDACTED] (info)
INL/RM – [REDACTED] (ok)
INL/RM – [REDACTED] (info)
INL/RM – [REDACTED] (ok)
A/LM/AQM – [REDACTED] (ok)

Defense Contract Management Agency Comments



DEFENSE CONTRACT MANAGEMENT AGENCY
Defense Contract Management Agency-International
3901 Adams Avenue, Building 10500
Fort Lee, Virginia 23801

27 July 2011

MEMORANDUM FOR DEPARTMENT OF DEFENSE, INSPECTOR GENERAL, JOINT
AND SOUTHWEST ASIA OPERATIONS

SUBJECT: Comments to Official Draft Report- Afghan National Police Training Program:
Lessons Learned During the Transition of Contract Administration (DoD Project
No. D2011-D000JA-0009.001 and DOS Project No. 11AUD3001)

Reference: (Project No. D-2011-D000JA-0009.001)

We have attached the Headquarters, Defense Contract Management Agency's comments
to the above subject discussion draft report.

Point of contact for this audit is [REDACTED] or
[REDACTED]

A handwritten signature in black ink, appearing to read "R. Gilbeau", is positioned above the printed name of the Commander.

ROBERT J. GILBEAU
RDML, SC, USN
Commander, DCMA International

Attachment:
As stated

Comments to Official Draft Report- Afghan National Police Training Program: Lessons Learned During the Transition of Contract Administration (DoD Project No. D2011-D000JA-0009.001 and DOS Project No. 11AUD3001)

DCMA Review of Draft Report for Technical Accuracy and Significant Issues:

Draft Report states on page 29, paragraph 2:

B.3. We recommend that the Director, Defense Contract Management Agency:

a. Fill the remaining vacant positions directly and indirectly supporting the Ministry of Interior/Afghan National Police training program contract.

DCMA COMMENTS: The report states (page 20) "Between January 20, 2011, and March 26, 2011, the number of DCMA positions directly or indirectly related to the new DoD contract also increased from three to six. As of March 26, 2011, three of the six positions were vacant, including one of the two administrative contracting officers assigned to the contract." These vacancies have now been filled, in May 2011. Recommend removing this recommendation from this report.

Draft Report states on page 29, paragraph 2:

B.3. We recommend that the Director, Defense Contract Management Agency:

b. Train and appoint the remaining contracting officer representatives needed for the Ministry of Interior/Afghan National Police training program contract after recommendation B.2.a is completed.

DCMA COMMENTS: The report states (page 25) "NTM-A/CSTC-A is responsible for nominating each COR, and DCMA is responsible for appointing them. As of April 29, 2011, all CORs that were nominated had also been appointed by DCMA." All properly nominated CORs have been appointed by DCMA. The recommendation being made would imply a finding DCMA was not appointing CORs and this was/ is not the case. DCMA will continue to appoint CORs and a recommendation to the Director is not required nor warranted.

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