

SIGAR

**Special Inspector General for
Afghanistan Reconstruction**

SIGAR 14-85 Audit Report

Afghan Mobile Strike Force Vehicles: Contractor Met Requirements, but Long-Term Operation and Maintenance Remain a Concern



JULY
2014

SIGAR

Special Inspector General for Afghanistan Reconstruction

WHAT SIGAR REVIEWED

To improve the Afghan National Army's (ANA) effectiveness, the NATO Training Mission-Afghanistan (NTM-A)/Combined Security Transition Command-Afghanistan (CSTC-A) decided that the ANA should have a Mobile Strike Force (MSF) to provide a mechanized infantry force that is rapidly deployable with integral firepower, protection, and mobility support. To meet this requirement, the Army Contracting Command-Warren (ACC-WRN) awarded two contracts to Textron Marine & Land Systems (Textron), a U.S. firm. Obligations on these contracts have totaled \$661.3 million for 634 Mobile Strike Force Vehicles (MSFV), spare parts, maintenance, and training. The MSF consists of two brigades—the 1st Brigade in Kabul containing four kandaks—an ANA unit similar in size to a U.S. battalion—and 2nd Brigade in Kandahar containing three kandaks.

The objectives of this audit were to (1) determine the extent to which Textron has met its contractual obligations to produce, deliver, train, and provide field support for the ANA MSFVs; (2) evaluate the effectiveness of U.S. government oversight in the procurement, delivery, training, and maintenance of MSFVs for the ANA; and (3) determine the extent to which the ANA has the capacity to operate and maintain its current and planned fleet of MSFVs.

WHAT SIGAR RECOMMENDS

To ensure that Textron is adequately supported in its implementation of the MSFV contracts and that appropriate contract oversight is provided, SIGAR recommends that the Executive Director, ACC-WRN, and the Commander, International Security Assistance Force Joint Command, (1) review

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WHAT SIGAR FOUND

Textron produced 634 Mobile Strike Force Vehicles (MSFVs) and provided initial operator and maintenance training to the Afghan Mobile Strike Force (MSF) at the Armor Branch School in Kabul, in accordance with contract requirements. SIGAR found that all of these vehicles were properly documented and transferred to the Department of Defense (DOD). In addition, as of March 25, 2014, DOD had transferred 419 MSFVs to the Afghan National Army (ANA) and could account for the remaining 215 vehicles, 204 of which will eventually be transferred to the ANA and 11 of which DOD will retain as test vehicles. Textron also met other contract requirements such as receiving and inspecting MSFVs upon arrival in Afghanistan; providing initial spare parts, tools, equipment and weapons installation; and maintaining training vehicles.

Textron, however, was not always able to provide Mobile Strike Force (MSF) field training and maintenance services for which it was being paid. This was primarily due to the limited number of International Security Assistance Force Joint Command personnel assigned to provide security as called for under the contract. In addition, although all four deployed kandaks received their 60-day initial supply of vehicle spare parts, only one MSF kandak assigned to the 2nd Brigade received any spare parts from the comprehensive 1-year supply maintained at the brigade level. Due to shortfalls in contract funding, the Army Contracting Command-Warren (ACC-WRN) delayed ordering these parts—including replacement engines and drive shafts—which take about a year to manufacture and deliver. As a result, for example, another MSF kandak assigned to the 2nd Brigade had no spare parts beyond the initial 60-day supply for the 9 months that it received coalition and contractor support. Coalition advisors noted that the absence of spare parts resulted in a steady deterioration of the MSF kandak's ability to conduct missions. We requested information on MSFV operational readiness rates, but this information is not maintained by the brigades, kandaks, or NTM-A.

SIGAR also found that DOD exercised limited oversight of Textron activities at MSF brigades and kandaks. ACC-WRN assigned a contracting officer's representative (COR) to oversee and monitor Textron's performance in Afghanistan. However, the COR was not always physically located in Afghanistan, which limited the COR's ability to visit MSF brigades and kandaks to observe Textron's work. The Product Manager for Allied Tactical Vehicles—a U.S. Army group of acquisition personnel responsible for the life cycle management of tactical vehicle fleets—assigned associates to help the COR oversee and monitor Textron's performance. The associate in Afghanistan arrived in Kabul in January 2014, but, as of April 2014, had been unable to reach sites outside of Kabul. For example, the associate attempted to travel to the 2nd MSF Brigade in Kandahar on multiple occasions, but the flights were always cancelled for unknown reasons. According to NATO Training Mission-



Gunner, Turret, and Ambulance Variants of the Mobile Strike Force Vehicle

Source: NATO Training Mission-Afghanistan

Afghanistan (NTM-A) officials, oversight personnel rarely conducted site inspections beyond Kabul, even though kandaks are deployed to other provinces such as Zabul and Helmand. On April 22, 2014, ACC-WRN reported that a COR was assigned to Kabul. Although this provides for oversight of activities in Kabul, it does not ensure that someone will provide oversight of Textron's activities at MSF brigades and kandaks outside of Kabul.

Although the ANA has received the majority of its MSFVs, the ANA's ability to independently operate and maintain them has been affected by training and spare parts problems. Each initial crewmember receives 8 weeks of basic operator MSFV training at the Armor Branch School in Kabul, but only in one of the three positions—driver, gunner, or vehicle commander. As a result, if for any reason an MSFV loses a crewmember, the vehicle may not operate at its full potential until that crewmember is replaced. Coalition advisors noted that replacement crewmembers are normally selected from field units and come to the force without any MSFV experience. While MSF brigades and kandaks located near Kabul can send replacements to the Armor Branch School, it is less feasible for those outside of Kabul to do so. Coalition advisors at the 3rd MSF Kandak in Kandahar stated that getting inexperienced replacements has lowered mission capable rates for the kandak. As a result, the advisors created a training program to address the issue, but other kandaks do not have a similar program.

Lastly, difficulties in distributing spare parts using the ANA logistics system raise concerns about the ANA's ability to sustain MSFVs. As part of its contract with ACC-WRN, Textron organizes and inventories MSFV spare parts arriving in Afghanistan before they are sent to the ANA. Textron assists the ANA in sending parts to the two MSF brigades, which in turn are responsible for distributing the parts to their respective kandaks. The continued drawdown of coalition personnel in Afghanistan means that neither coalition forces nor Textron will have the resources to continue to provide the level of logistics support services the MSF has relied on to date. Instead, the MSF will rely on the ANA logistics system for ordering and receiving spare parts, which SIGAR and other oversight agencies have previously reported on as having deficiencies. For example, SIGAR reported in October 2013 on the ANA's limited ability to manage vehicle spare parts.

the requirements for contractor support at the MSF brigades and kandaks, taking into account the level of security support available, and modify the contract to reflect realistic capabilities for oversight, and determine which actions are needed to conduct proper oversight of maintenance and training; and (2) assign oversight responsibilities to government personnel working with Textron at the brigades and kandaks and have them report to the contracting officer's representative.

To improve the long-term sustainability of MSF operations, SIGAR recommends that the Commanding General, NTM-A, (3) work with the ANA to provide post-Armor Branch School operator training.

In their comments, both ACC-WRN and CSTC-A concurred with recommendations one and two. NTM-A did not comment on recommendation one and did not concur with recommendation two, stating that it could not justify permanently assigning DOD personnel to the MSF brigade and kandak levels where, for example, at the kandak level there are as few as three to five contractor personnel. Instead, NTM-A stated that government personnel located in Kabul could travel to the sites to provide oversight. However, as SIGAR's draft report noted, government personnel made multiple attempts to travel to these locations but were unable to do so. SIGAR therefore maintains that the recommendation is valid. NTM-A concurred with recommendation three.



SIGAR | Office of the Special Inspector General
for Afghanistan Reconstruction

July 21, 2014

The Honorable Charles T. Hagel
Secretary of Defense

General Lloyd J. Austin III
Commander, U.S. Central Command

General Joseph F. Dunford, Jr.
Commander, U.S. Forces-Afghanistan, and
Commander, International Security Assistance Force

Lieutenant General Joseph Anderson
Commander, International Security Assistance Force
Joint Command

Major General Kevin R. Wendel
Commanding General, Combined Security Transition Command-Afghanistan
Ministerial Advisory Group

Brigadier General Simon C. Hetherington (Canada)
Commander, NATO Training Mission-Afghanistan

Mr. Kenneth P. Bousquet
Executive Director, Army Contracting Command-Warren

This report discusses the results of SIGAR's audit to determine if Textron Marine & Land Systems (Textron) met its contractual obligations to produce, deliver, and provide field support for the Afghan National Army (ANA) Mobile Strike Force Vehicles (MSFV), and the steps the Department of Defense (DOD) has taken to oversee this effort. The report also discusses the extent to which the ANA has the capacity to operate and maintain its current and planned fleet of MSFVs. SIGAR recommends that the Executive Director, Army Contracting Command-Warren (ACC-WRN), and the Commander, International Security Assistance Force Joint Command, (1) review the requirements for contractor support at the MSF brigades and kandaks, taking into account the level of security support available, and modify the contract to reflect the realistic capabilities for oversight, and determine which actions are needed to conduct proper oversight of maintenance and training; and (2) assign oversight responsibilities to government personnel working with Textron at brigades and kandaks and have them report to the contracting officer's representative. The report also recommends that the Commanding General, NATO Training Mission-Afghanistan (NTM-A), (3) work with the ANA to provide post-Armor Branch School operator training.

We received written comments on a draft of this report from Army Materiel Command, which included comments from ACC-WRN. We also received written comments from U.S. Forces-Afghanistan, which included comments from the Combined Security Transition Command-Afghanistan (CSTC-A) and NTM-A. ACC-WRN concurred with recommendations one and two.



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CSTC-A also concurred with recommendations one and two. NTM-A did not comment on recommendation one and did not concur with recommendation two, stating that it could not justify permanently assigning DOD personnel to the MSF brigade and kandak levels where, for example, at the kandak level there are as few as three to five contractor personnel. Instead, NTM-A stated that government personnel located in Kabul could travel to the sites to provide oversight. However, as our draft report noted, government personnel made multiple attempts to travel to these locations but were unable to do so due to flight cancellations. Therefore, we maintain that the recommendation is valid. NTM-A concurred with recommendation three. Army Materiel Command's letter with comments from ACC-WRN and U.S. Forces-Afghanistan's letter with comments from CSTC-A and NTM-A, along with our responses, have been reproduced in appendices II and III, respectively. The Product Manager for Allied Tactical Vehicles provided technical comments which we incorporated in the report, as appropriate.

SIGAR conducted this work under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended; and in accordance with generally accepted government auditing standards.

A handwritten signature in black ink, appearing to read "John F. Sopko". The signature is stylized and fluid.

John F. Sopko
Special Inspector General
for Afghanistan Reconstruction

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ABBREVIATIONS

ACC-WRN	Army Contracting Command-Warren
ANA	Afghan National Army
COR	Contracting Officer's Representative
CSTC-A	Combined Security Transition Command-Afghanistan
DOD	Department of Defense
IJC	International Security Assistance Force Joint Command
MOD	Ministry of Defense
MSF	Mobile Strike Force
MSFV	Mobile Strike Force Vehicle
NTM-A	NATO Training Mission-Afghanistan
PdM-ATV	Product Manager for Allied Tactical Vehicles
Textron	Textron Marine & Land Systems

A key objective of coalition efforts in Afghanistan is to bolster the Afghan government's capacity to provide for its own security by equipping and training the Afghan National Security Forces, which consist of the Afghan National Army (ANA) and the Afghan National Police. As of April 2014, Congress appropriated \$57.33 billion for the Afghanistan Security Forces Fund to equip, train, base, and sustain Afghan military and police. The Combined Security Transition Command-Afghanistan Ministerial Advisory Group (CSTC-A) in Kabul, Afghanistan, is the Department of Defense (DOD) entity responsible for planning, programming, and implementing efforts to equip and train the ANA. In addition, the NATO Training Mission-Afghanistan (NTM-A) conducts training and capacity building in coordination with CSTC-A.¹

To improve the ANA's effectiveness, NTM-A/CSTC-A determined that the ANA should have a Mobile Strike Force (MSF) equipped with vehicles that have a high-survivability and quick-reaction capability to navigate in both rugged terrain and urban environments. According to its concept of operations, the MSF's mission is to provide a mechanized infantry force capable of the full range of tactical actions that is rapidly deployable at the kandak level, with integral firepower, protection, and mobility support, to reinforce formation operations.² After a review process and market research involving multiple DOD components, the Textron Mobile Strike Force Vehicle (MSFV) was identified as the only vehicle that could meet the ANA's operational capability and meet CSTC-A and ANA requirements including the need for delivery to begin by December 2012. In 2011, Army Contracting Command-Warren (ACC-WRN) awarded the first of two contracts, together valued at \$661.3 million, to Textron Marine & Land Systems (Textron), a U.S. firm, to produce 634 MSFVs and provide spare parts, maintenance, and training—616 MSFVs were produced to mission capable standards and 18 were test vehicles. Of the 18 test vehicles, 7 were later refurbished to be mission capable. Thus, the ANA is expected to receive 623 MSFVs. The MSFVs would be distributed to two brigades—the 1st MSF Brigade, headquartered in Kabul with an authorized strength of four kandaks, and the 2nd MSF Brigade, headquartered in Kandahar with an authorized strength of three kandaks. As of March 2014, more than 400 MSFVs had been delivered to the ANA and, as of April 2014, the ANA had fielded both brigades and four of the seven kandaks that would be receiving MSFVs.³

The objectives of this audit were to (1) determine the extent to which Textron has met its contractual obligations to produce, deliver, train, and provide field support for the ANA MSFVs; (2) evaluate the effectiveness of U.S. government oversight in the procurement, delivery, training, and maintenance of MSFVs for the ANA; and (3) determine the extent to which the ANA has the capacity to operate and maintain its current and planned fleet of MSFVs.

To accomplish these objectives, we obtained data and met with officials from NTM-A, CSTC-A, ACC-WRN, the Product Manager for Allied Tactical Vehicles (PdM-ATV)—a U.S. Army group of acquisition personnel responsible for the life cycle management of tactical vehicle fleets—Textron, the ANA's MSF, and the Afghan Ministry of Defense (MOD). We also reviewed relevant MSFV receiving and transfer documents, and analyzed the two contracts requiring Textron to provide vehicles, spare parts, maintenance, and training. We conducted our work from July 2013 through May 2014 in Washington, D.C., and at coalition and ANA sites in Kabul, Helmand, Kandahar, and Zabul provinces, Afghanistan, in accordance with generally accepted government auditing standards. Appendix I contains a more detailed discussion of our scope and methodology.

¹ Between November 2009 and October 2013, NTM-A/CSTC-A was a single command with CSTC-A representing the U.S. component, and NTM-A representing the coalition component. In October 2013, NTM-A/CSTC-A was divided into two separate commands: NTM-A and CSTC-A. For purposes of this report, we refer to actions taken by the previous single command as NTM-A/CSTC-A. For actions following the split, we use the individual command as appropriate.

² Kandak is an ANA unit similar in size to a U.S. battalion, or approximately 700 soldiers.

³ The MSF will eventually have an eighth kandak for its Special Operator Forces. However, because the specific details of how these forces operate are classified and the special operations kandak has not yet been fielded, this kandak was not included in the scope of our review.

BACKGROUND

In September 2007, CSTC-A identified a need to improve the ANA's ground vehicle capabilities. At the time, the ANA vehicle fleet included mostly light tactical vehicles—primarily Ford Ranger pickup trucks. In June 2010, NTM-A/CSTC-A decided to improve the ANA's capacity by procuring Armored Security Vehicles for the MSF.⁴ The command wanted vehicles that could withstand mine blasts and small arms fire, drive long distances over rough terrain, navigate tight urban environments, overpower and neutralize or destroy a variety of targets at up to 2,000 meters, and be compatible with U.S. government-furnished equipment currently provided to the ANA. Recognizing that the ANA would eventually need to operate and maintain these vehicles on its own, NTM-A/CSTC-A also sought simplicity in design. It submitted these requirements to the Defense Security Cooperation Agency, which subsequently tasked the Center for Army Analysis to select the best vehicle.⁵ The Textron MSFV was identified as the only vehicle that could meet the ANA's operational capability and be delivered in the required time.⁶ Currently, the MSF has three MSFV variants available for its use—one equipped with an overhead gunner's protection kit and armed with a 50-caliber machine gun, one equipped with a turret and armed with a 50-caliber machine gun and a 40-millimeter Mk-19 grenade launcher, and one outfitted as an ambulance. Photo 1 shows the gunner, turret, and ambulance variants.

Photo 1 - Gunner, Turret, and Ambulance Variants of the MSFV



Source: NTM-A

Mobile Strike Force Contracts

Textron's two contracts to provide MSFVs, spare parts, maintenance, and training together are valued at \$661.3 million. The first contract, W56HZV-11-C-0114, was awarded on January 21, 2011, and required Textron to produce 499 MSFVs, including test vehicles and initial production vehicles. This contract also

⁴ The Mobile Strike Force was originally called the "Quick Reaction Force." The name was changed in mid-2011.

⁵ The Defense Security Cooperation Agency is a DOD component that manages security cooperation programs, including Foreign Military Sales and associated programs. It provides financial and policy guidance for government-to-government transfers of defense articles, training, and services under a variety of authorities. The Center for Army Analysis is a DOD component that conducts analysis of Army forces and systems within the context of joint and combined warfighting.

⁶ Textron's MSFV is derived from the M1117 Guardian Armored Security Vehicle and Armored Personnel Carrier, manufactured by Textron for use by the U.S. Army's Military Police Corps and other military police units in Iraq, Bulgaria, and Columbia. The M1117 serves as a more heavily protected and armed alternative to the M1114 High Mobility Multipurpose Wheeled Vehicle. The MSFV platform (originally known as the Medium Armored Security Vehicle) differs from the M1117 in that it has been configured with enhanced survivability capability, giving it improved blast protection to Mine-Resistant, Ambush-Protected levels. The MSFV also has an extended hull design that provides increased interior space and allows for additional seating configuration.

included provisions for tools, spares parts, maintenance, “de-processing” support,⁷ and training (to include training materials and aids). The second contract, W56HZV-13-C-0170, was awarded in February 2013 for the purchase of 135 additional vehicles. The Defense Contract Management Agency administered the two contracts with the program office, PdM-ATV providing program management support. Table 1 presents the contract numbers, the amounts obligated, number of MSFVs provided, and a brief description of the contracts’ scope.

Table 1 - Textron Contracts as of March 17, 2014

Contract Number	Obligated (\$ in millions) ^a	Number of MSFVs	Scope
W56HZV-11-C-0114	\$547.9	499	<ul style="list-style-type: none"> Phase I (from January 21, 2011 to May 26, 2011) required Textron to supply the government with 18 test MSFVs, 41 MSFVs, and associated personnel, tools, and spare parts. Phase II (from May 26, 2011 to December 31, 2014) required Textron to deliver 440 MSFVs, training materials, tools, spare parts, and field service support personnel in Afghanistan for maintenance, de-processing, and training.
W56HZV-13-C-0170	\$113.4	135	Purchased additional MSFVs.
Total	\$661.3	634	

Source: SIGAR review of Textron contracts W56HZV-11-C-0114 and W56HZV-13-C-0170.

Note: ^a Dollars rounded to the hundred thousand.

As table 1 shows, contract W56HZV-11-C-0114 is divided into two phases. Phase I began on January 21, 2011, and covered pre-production testing of the MSFV platform and the associated personnel, tools, and spare parts. During this phase, Textron produced 18 test MSFVs and 41 MSFVs.⁸ Phase II began on May 26, 2011, and required Textron to deliver an additional 440 MSFVs. In addition to the production and delivery of MSFVs, Phase II of the contract requires Textron to provide each of the seven MSF kandaks an initial 60-day supply of spare parts for preventative maintenance and basic repairs, a comprehensive 1-year supply of spare parts to repair normal wear and tear, and enough spare parts to repair vehicles damaged in transit to Afghanistan or during training activities at the Armor Branch School.

Additionally, under the first contract, ACC-WRN exercised options that require Textron to provide tools, training manuals in Dari and English, and field service representative support in Kabul and at the brigades and kandaks. The contract specifies that this field service representative support includes vehicle fielding, de-processing activities, training at the Armor Branch School (including direct training to ANA personnel, “train the trainer” classes for ANA instructors, and advising support for coalition and ANA instructors), maintenance

⁷ De-processing activities include receiving and off-loading MSFVs upon arrival in Afghanistan; unpacking, inspecting, and inventorying MSFV equipment; documenting and repairing damage to the vehicles incurred during the shipment process; replacing any missing equipment; installing weapons, intercoms, and communications systems (including government furnished equipment); and performing pre-operational checks of the vehicles before they are transferred to the ANA.

⁸ W56HZV-11-C-0114 required Textron to produce and submit 18 test vehicles for live fire survivability, performance, and durability testing. The contract did not require test vehicles be manufactured to “fully mission capable” standards. Fully mission capable is defined in the contract as “all component and systems operate as designed.” Once testing was completed, the contract required Textron to initially produce 41 MSFVs, which were manufactured to fully mission capable standards. After the government completed a final inspection of these 41 MSFVs, the vehicles were shipped to Afghanistan for use by the ANA and the MSFV platform was moved into the mass production stage, represented in the contract as Phase II. Textron was also required to refurbish seven of the test MSFVs to fully mission capable standards, for use by the ANA.

support for MSFVs damaged during training activities, and kandak-level maintenance and maintenance training.⁹ Textron is also required to provide weekly status reports to PdM-ATV detailing MSFV de-processing status. The first contract is currently scheduled to end on December 31, 2014.

Delivery and Acceptance of Vehicles

Textron began delivering vehicles to DOD in May 2011. The Defense Contract Management Agency, the entity responsible for administering the procurement process, accepted the vehicles on behalf of the U.S. government using a DD Form 250.¹⁰ Once an MSFV passes government inspection at the Defense Contract Management Agency in Dallas, Texas, the vehicle is sent to Afghanistan where it arrives at the MSFV staging site in Pol-e-Charki, Afghanistan.

CSTC-A acts as the receiving authority for the MSFVs arriving in Afghanistan and coordinates the paperwork and vehicle tracking. According to the contract, Textron is responsible for de-processing and preparing the MSFVs for the ANA. Textron is also responsible for repairing any damage sustained during transit. As each MSFV kandak completes training and begins preparing for deployment, CSTC-A formally transfers custody, title, and responsibility for that kandak's vehicles to the ANA. CSTC-A and ANA personnel sign a transfer and receipt document, MOD Form 9, for each vehicle to acknowledge this official transfer of ownership.¹¹

⁹ Textron's main de-processing facility is located across from the Armor Branch School outside of Pol-e-Charki. This facility is where the contractors receive, inspect, inventory, de-process, and deliver to the ANA the MSFVs, tools, and spare parts packages contracted by the U.S. government. Textron contractors also have classrooms and repair facilities within the Armor Branch School, where they conduct field level maintenance classes and repair vehicles damaged during driver training.

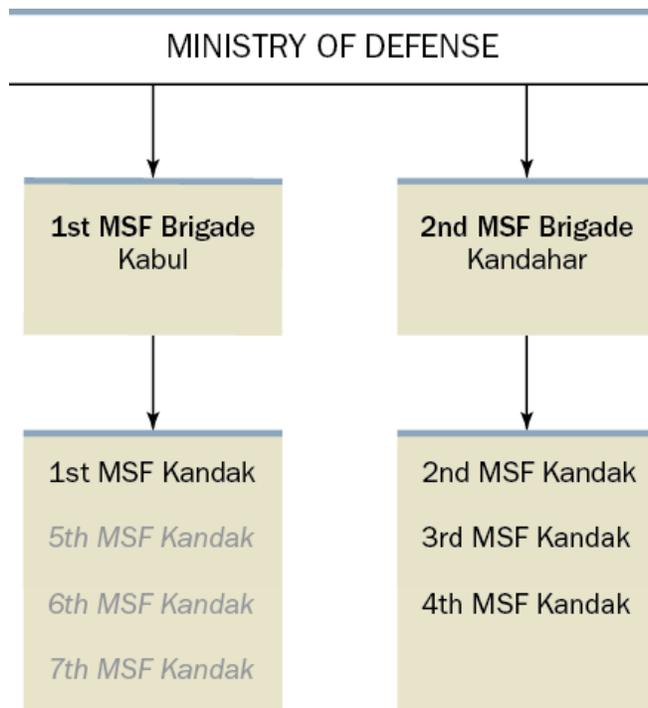
¹⁰ While ACC-WRN is the contracting office that awarded the contracts, the Defense Contract Management Agency is responsible for contract administration. The Agency uses DD Form 250—"Material Inspection and Receiving Report"—to document the point at which the U.S. government takes title of a particular good, such as a vehicle.

¹¹ The MOD Form 9 documents the formal vehicle transfer from the U.S. government to the Afghan government.

MSF Structure and Training

While the ANA owns the MSFVs, the MSF has its own organizational structure within the ANA and reports separately to the MOD. The MSF consists of two brigades—the 1st MSF Brigade in Kabul and 2nd MSF Brigade in Kandahar. As of April 2014, the 1st MSF Brigade had received one of its four planned kandaks and the 2nd MSF Brigade had received all three of its planned kandaks (see figure 1). While the MSF kandaks report to brigades in Kabul and Kandahar, MOD can task them to operate anywhere in the country. With MOD approval, these kandaks are employed to support the operations of a particular ANA Corps, which control military operations in

Figure 1 - MSF Organization and Deployment Status as of April 2014



Note: *Italics* = Kandaks not yet fielded.

Source: SIGAR review of NTM-A records.

a particular region. For a MSF kandak to be tasked with a particular mission, a regional Corps coordinates with the appropriate MSF brigade, and then sends a request to MOD Operations for MSF support. MOD Operations either approves or rejects the request and notifies the MSF brigade. If approved, the MSF brigade tasks the MSF kandak to conduct the mission. Each mission has a specified task and a specified duration.

According to the MSF concept of operations, the MSF kandaks would receive a total of 406 vehicles, 58 for each of the seven MSF kandaks—31 in the turret variant, 24 in the gunner variant, and 3 in the ambulance variant. The two MSF brigades headquarters were each allotted 6 MSFVs, for a total of 12 vehicles. In addition, there were 21 training vehicles, and 56 “float” vehicles for training and to replace vehicles damaged beyond repair during operations.

TEXTRON MET VEHICLE DELIVERY AND INITIAL TRAINING REQUIREMENTS, BUT LIMITED SECURITY SUPPORT AND SPARE PARTS HINDERED ITS ABILITY TO CONDUCT FIELD MAINTENANCE AND TRAINING

Textron Met Contractual Obligations to Produce and Deliver MSFVs and Provide Initial Training

DOD documents showed that as of March 25, 2014, Textron had produced all 634 MSFVs required under its two contracts with ACC-WRN—616 regular production and 18 test MSFVs—and provided initial training at the Armor Branch School in accordance with the contract requirements. In addition, Textron had finished refurbishing 7 of the 18 test MSFVs for use by the ANA in accordance with contract W56HZV-11-C-0114, modification 23. NTM-A and PdM-ATV officials stated that Textron also met other contractual requirements such as conducting de-processing and advising activities at the Armor Branch School; providing spare parts, tools, equipment and weapons installation; maintaining training vehicles; and providing training. The Office of the Secretary of Defense (Policy) provided us with documentation showing that Textron supplied training materials in Dari and English. Lastly, PdM-ATV officials gave us 4 months of Textron weekly status reports covering the period September 9, 2013, to January 12, 2014, showing that Textron continually provided maintenance, de-processing, and instruction services at the Armor Branch School.

We also visited the Armor Branch School in Pol-e-Charki (just outside Kabul) on October 14, 2013, and January 15, 2014. During these visits, Textron showed us its classroom facilities and the damaged training vehicles it was repairing. At the de-processing site located across from the school, contractors opened shipping containers and showed us how they were assembling packages of field tools, sustainment tools, and spare parts. In addition to speaking with Textron at the Armor Branch School, we interviewed ANA instructors who have been trained and mentored by Textron. These ANA instructors stated that they had a good working relationship with the Textron contractors and that Textron's continued assistance has been greatly appreciated.

Inability to get to Brigades and Kandaks—Because of Security Concerns—Limited Textron's Ability to Fully Conduct Required Field Maintenance and Training

Textron has been unable to provide required maintenance and training services to the brigades and kandaks due to security concerns. The first contract required Textron to provide three maintenance and training field support teams to rotate at the seven MSF kandaks expected to be deployed in the field. Textron's field support teams need security protection to do their work, and DOD is responsible for providing it. Coalition advisors or security forces, under the International Security Assistance Force Joint Command (IJC) provide security to Textron field support teams.

Textron contractor support personnel reside at the same facility as the coalition advisors or security forces and travel with them on their convoys to the MSF brigade headquarters or kandaks. Once at the MSF brigade headquarters or kandak, each Textron contractor is supposed to be protected by at least two coalition advisors or security forces when conducting vehicle maintenance or interacting with small groups of ANA personnel. When interacting with larger groups of ANA personnel, as when conducting maintenance classes, contractor personnel are supposed to be protected by five coalition advisors or security forces.

Textron's contract does not specify how often contractors should visit the brigades and kandaks for maintenance and training. However, Textron's MSFV project manager stated that its field service representatives should provide these services 6 days a week to prevent vehicles from falling into disrepair, and to provide MSF mechanics the greatest opportunity to retain and improve their skills. In January 2014, NTM-A and Textron officials acknowledged that two of the four kandaks that have been deployed to date were not

receiving adequate levels of maintenance and training because of limited security support. Specifically, the 2nd MSF Kandak based in Qalat experienced a 3-month period in which coalition advisors were not available to provide security support to Textron. Consequently, Textron could not conduct field maintenance and training. Even after coalition advisors arrived, the kandak went several more months when it received Textron-provided maintenance and training only once every 1 to 2 weeks due to the limited availability of coalition security forces. Similarly, at the 3rd MSF Kandak based in Shorabak, Textron did not receive the necessary security support from the coalition advisors or security forces, which limited its ability to conduct maintenance and training. According to the Textron program manager, the situation at 3rd MSF Kandak improved when a new team of coalition advisors arrived in 2013 and made supporting the contractors a higher priority.

According to coalition commanders advising ANA brigades and kandaks, they are not able to provide the level of support necessary for Textron to fulfill all of its duties to MSF brigades and kandaks because they have a limited number of coalition advisors and security forces. According to these commanders, most teams assigned at either the ANA brigade or kandak level have an average of 18 members to provide security for Textron, amongst other duties. They also stated that the primary role of the coalition advisors is to advise and assist Afghan security forces and not to provide security support for contractors. While the advisors say that they generally can bring contractor personnel in their convoys to the MSF brigade headquarters and kandaks, they do not have the resources to provide constant security for contractor personnel.

Spare Parts Delivery Delays Limited Textron's Ability to Conduct Field Maintenance and Training

Initial delays in ordering MSFV spare parts, delivery challenges, and an immature ANA logistics system limited Textron's ability to conduct MSFV field maintenance and ANA maintenance training for the first four MSF kandaks that received MSFVs. According to coalition and Textron personnel, as of January 2014, all four deployed kandaks had received an initial 60-day complement of spare parts upon completing training at the Armor Branch School. However, contractor representatives stated that some of the 60-day packages lacked the full planned complement of spare parts due to problems importing some spare parts into Afghanistan. Moreover, the standard 60-day initial spare parts package contains a limited supply of the items and components needed for routine maintenance and basic repairs. Other key items and components, such as replacement engines and drive shafts, are only included in the comprehensive, 1-year spare parts packages sent through the ANA logistics system. According to coalition advisors, after an MSF kandak deploys and begins to conduct missions, spare parts from the 1-year supply become necessary for repairing battle damage as well as operational wear and tear. During our fieldwork in January 2014, only the 3rd MSF Kandak in Helmand had received any additional spare parts from the brigade's comprehensive 1-year supply. The remaining three kandaks had not received any additional spare parts from their brigades, despite the fact that some of the kandaks had long since exhausted their initial 60-day supply.¹² For example, the 2nd MSF Kandak was without spare parts for the 9 months it received coalition advisor and contractor support, and, according to coalition advisors, the lack of spare parts resulted in a steady deterioration of the 2nd MSF Kandak's ability to conduct missions. We requested information on MSFV operational readiness rates, but this information is not maintained by the brigades, kandaks or NTM-A.

Under the first contract (W56HZV-11-C-0114), ACC-WRN is responsible for ordering an initial 60-day and also the comprehensive 1-year supply of spare parts for the MSF. According to Textron and PdM-ATV officials, under normal circumstances it takes approximately 1 year to manufacture and deliver large quantities of spare parts for the MSFV. However, due to shortfalls in contract funding, ACC-WRN was not able to order these spare parts until March 2012, only 3 months before the 1st MSF Kandak was fielded. According to PdM-ATV, even if the

¹² At the time of our fieldwork in January 2014, the 4th MSF Kandak had just completed its training at the Armor Branch School and was in the process of deploying to Kandahar, so it did not yet need more than its initial 60-day supply of spare parts. According to NTM-A, the 2nd MSF Brigade has since received its one year supply of spare parts, and should be able to push these parts down to the 1st, 2nd, and 4th MSF Kandaks.

parts were ordered on time, delivery issues in getting parts into Afghanistan as well as ANA logistics distribution challenges added additional delays outside of DOD's control. For example, shipments going through Pakistan experienced delays due to the closure of the Pakistan ground transportation corridor. In November 2013, DOD reported that most of the blocked cargo from last year's Pakistan ground transportation corridor had arrived in Afghanistan.¹³ However, in April 2014, the NTM-A MSF program manager stated that containers of spare parts as well as MSFVs continued to face significant delays going through Pakistan. As of March 2014, 76 containers containing MSF spare parts were stuck in Pakistan. Furthermore, according to coalition advisors, once parts arrive in Afghanistan, the immature ANA logistics system faces numerous challenges, such as the effective ordering and processing of spare parts, which limits the ANA's ability to distribute parts to brigades and kandaks, including the MSF.

DOD CAN ACCOUNT FOR ALL MSFVS, BUT ITS OVERSIGHT OF TEXTRON'S SUPPORT TO FIELDING MSFVS IS LIMITED

DOD Can Fully Account for All MSFVs

As of March 25, 2014, DOD was able to account for all MSFVs produced and their status. Once Textron produces the MSFVs, DOD takes ownership when the Defense Contract Management Agency accepts delivery using a DD Form 250. Our analysis of these forms shows that, as of March 25, 2014, Textron had delivered, and the Defense Contract Management Agency had accepted, all 634 MSFVs Textron was contracted to provide—623 that will be provided to the ANA and 11 that will remain in DOD's possession as test vehicles. For each form, we checked the shipment number, shipment date, vehicle serial number, contract number line item, and comments made by personnel accepting the vehicles.

In addition, we found that CSTC-A could account for the status of the 623 MSFVs being provided to the ANA. As of March 25, 2014, CSTC-A had transferred 419 of the planned 623 MSFVs to the ANA and was able to provide us with MOD Form 9s for all transferred vehicles.¹⁴ MOD Form 9s record the transfer of ownership from CSTC-A to the ANA. The 204 vehicles that are still in DOD's possession before being transferred to the ANA were either de-processing in Afghanistan, being used for training, in transit to Afghanistan, awaiting transportation in the United States, or were refurbished test vehicles.

DOD Oversight of Support to Fielded MSFVs Is Limited

Although ACC-WRN assigned contracting officer's representatives (COR) and PdM-ATV provided assistance to oversee Textron's performance in Afghanistan,¹⁵ DOD has limited oversight of Textron at ANA brigades and kandaks. From April 2011 through May 2014, 11 PdM-ATV personnel, consisting of CORs, associates, and one contractor, performed oversight of Textron's activities in Afghanistan. Although there was some overlap among these individuals, for the most part there was only one of these individuals in Afghanistan at any given time. At

¹³ U.S. Department of Defense, *Report on Progress Toward Security and Stability in Afghanistan*, November 2013.

¹⁴ As noted above, 634 is the total number of MSFVs ACC-WRN contracted with Textron to produce and deliver. The concept of operations calls for 623 MSFVs to be transferred to the ANA. The remaining 11 vehicles are test vehicles that will not undergo refurbishment and will not be provided to the ANA. This brings the total number of MSFVs currently in DOD's possession to 215 vehicles—204 that will be transferred to the ANA and 11 test vehicles that will remain in DOD's possession.

¹⁵ While ACC-WRN is the implementer of the MSFV contract, the COR within PdM-ATV oversees Textron's performance. To support the contractor oversight process, PdM-ATV deployed assistant CORs to Afghanistan who provided information regarding contractor performance to the COR who was located at the PdM-ATV in the United States. The COR can recommend contract actions to ACC-WRN but cannot award, agree to, or sign any agreements, commitments, or modifications that involve price, quantity, quality, delivery schedule, or other terms and conditions. Only the contracting officer at ACC-WRN can implement such contract actions.

the time of our fieldwork in October 2013 and January 2014, for example, only one person in Afghanistan was assigned oversight functions at the active MSF sites—the Armor Branch School, 1st and 2nd MSF Brigade headquarters, and the four MSF kandak locations—throughout Afghanistan. According to the COR designation letter, the COR’s primary responsibilities are to monitor Textron’s performance and maintain documentary evidence of oversight. The COR must verify that Textron fulfills all the technical requirements of the contract and related work orders. If, during monitoring activities, the COR observes incidents of faulty work, work delays, or other problems with contractor performance, the COR must record and report the issue to both Textron and the contracting officer. The COR designation letter also stipulates that the COR will “perform, or cause to be performed, inspections” to verify that these issues have been rectified. However, the COR was not always located in Afghanistan. According to PdM-ATV, from October 2011 to January 2012, from June 2012 to March 2013, and from July 2013 to April 2014, the COR assigned to the program was located outside of Afghanistan.

The Defense Contingency COR Handbook recommends that multiple CORs be designated when the contract requires several functions to be performed across multiple locations. Although PdM-ATV provided an associate to assist the COR in oversight responsibilities, this individual was not formally tasked or given the authorities of a COR. Furthermore, most of the oversight was conducted in Kabul with limited visits to the brigades and kandaks. For example, the most recent PdM-ATV associate arrived in Afghanistan in January 2014, but, as of April 2014, had been unable to reach any sites outside of Kabul to conduct direct oversight. The associate attempted to travel to the 2nd MSF Brigade on multiple occasions, but the flights were cancelled for unknown reasons. According to NTM-A officials and advisory team commanders, the associate has spent most of the time at the de-processing and training sites in and around Kabul, where a majority of the contractor’s work takes place. According to NTM-A officials, past associates rarely conducted site inspections at other sites, even though the 2nd MSF Kandak has been deployed to Zabul province since November 2012, the 3rd MSF Kandak to Helmand province since April 2013, the 2nd MSF Brigade to Kandahar province since April 2013, and the 4th MSF Kandak to Kandahar province since January 2014. On April 2, 2014, ACC-WRN reported that a new COR was assigned to Kabul. While this provides formal direct oversight of activities in Kabul, it does not ensure that oversight will be provided at the brigades and kandaks.

PdM-ATV officials told us they have relied on reporting from the coalition advisors and Textron—the entity they are supposed to be monitoring—to help them conduct technical oversight and administer the contracts outside of Kabul. The PdM-ATV associate stated that coalition advisors often call and relay their concerns when problems with the MSFV arise. The associate also told us that the coalition advisory teams sometimes report problems up their chains of command, but when this occurs, the COR does not learn of the problems until up to a week later. To keep all stakeholders aware of the contractor’s work, the associate holds teleconferences every other week with PdM-ATV, CSTC-A, and other officials. The advisory team commanders also told us that they frequently talk with the associate, but that they prefer more on-the-ground oversight. In addition to the teleconference, the COR prepares and submits a monthly report of contractor performance to ACC-WRN, as required by the COR appointment letter.

ANA’S CAPACITY TO INDEPENDENTLY OPERATE AND MAINTAIN THE MOBILE STRIKE FORCE VEHICLES IS AFFECTED BY A LACK OF TRAINING AND PROBLEMS WITH OBTAINING SPARE PARTS

MSF Crewmembers Lack Comprehensive Training

MSF crewmembers receive 8 weeks of initial MSFV operator training at the Armor Branch School. Although the courses at the school cover the basic technical elements required to operate the MSFV, each MSF crewmember is trained to be proficient in only one of the three positions—driver, gunner, and vehicle commander—considered critical to the full operation of the MSFV. For example, any MSFV crewmember trained as a driver cannot necessarily operate as a gunner or vice versa. Therefore, if a MSF crew loses any of its three

crewmembers, the remaining members may not be able to operate the vehicle at its full capability until that crewmember is replaced. At the 3rd MSF Kandak, coalition advisors created their own cross-training for the kandak's drivers, gunners, and vehicles commanders to remedy this situation. It is unclear, however, whether other kandaks will create a similar training program.

Adding to the risk for MSF operations, replacement crewmembers at deployed kandaks may not receive any training in MSFV operations. ANA soldiers selected to replace MSF crewmembers lost to attrition are often selected from infantry units and lack any MSFV experience. While the MSF brigade and kandaks in the Kabul vicinity can send individuals to the Armor Branch School, this is less feasible for the brigade and kandaks located away from Kabul, such as the 2nd MSF Kandak in Zabul province (southeastern Afghanistan) and the 3rd MSF Kandak in Helmand province (southwestern Afghanistan). For example, during our fieldwork in January 2014, coalition advisors at the 3rd MSF Kandak in Kandahar stated that most of the kandak's replacements did not have any training, resulting in lower mission capable rates for the kandak. The 3rd MSF coalition advisors worked with 2nd Brigade advisors to create a training program to address this and other issues, which helped increase the kandak's mission capability rate. However, there are no similar programs at other kandaks. We requested information on MSF attrition and operational readiness, but this information is not maintained by the brigades, kandaks, or NTM-A.

Supplying MSF Spare Parts Continues To Be a Challenge

Difficulties in distributing parts through the ANA logistics system raise concerns about the ANA's ability to sustain the MSFV. As previously noted, MSF brigades and kandaks faced delays in receiving their full complement of spare parts with only one of the three kandaks receiving parts after exhausting its 60-day supply of initial spare parts. Textron conducts de-processing, sorting, and delivery to the ANA for MSFV spare parts. Textron field service representatives receive spare parts at their de-processing facility near Pol-e-Charki. Textron then organizes and inventories the spare parts before they are sent to the two MSF brigades, which in turn are responsible for the final distribution of spare parts, on an as needed basis, to their respective kandaks.

SIGAR and other oversight agencies have previously reported on concerns regarding the ANA logistics system. Specifically, in October 2013, we issued a report focusing on the ANA's limited ability to manage and track vehicle spare parts.¹⁶ The DOD Inspector General also issued a report in December 2011 highlighting significant vulnerabilities and weaknesses in the ANA logistical system, including the challenge of establishing a more effective system of oversight with respect to ANA equipment, supplies, and installations.¹⁷

Even with coalition and Textron support, supplying MSFV spare parts is a challenge. According to the PdM-ATV, the MSF faces challenges in ordering spare parts through the ANA's Central Supply Depot. A simple parts request requires multiple approvals, which creates administrative backlogs. In addition, the ANA relies on paper records and suffers from low literacy, further complicating the process of ordering spare parts.

According to an advisory team commander, between November 2013 and late January 2014, personnel from the Central Supply Depot held up a large shipment of MSFV parts for the 2nd MSF Brigade in order to conduct an inventory, despite the parts already having been inventoried by Textron upon arrival in Afghanistan. According to the commander, the parts remained held up by Central Supply Depot personnel even after a senior ANA official issued an order in late November 2013 authorizing a special convoy to deliver the parts. The parts were released in late January 2014 only after direct involvement from the Commanding General, NTM-A.

¹⁶ SIGAR Audit 10-11, *Afghan National Army: Combined Security Transition Command-Afghanistan Lacks Key Information on Inventory in Stock and Requirements for Vehicle Spare Parts*, October 16, 2013.

¹⁷ Department of Defense Inspector General Report No. DODIG-2012-028, *Assessment of U.S. Government and Coalition Efforts to Develop the Logistics Sustainment Capability of the Afghan National Army*, December 9, 2011.

Similarly, MSF kandaks rely on coalition advisor support to process orders for spare parts. For example, advisors with the 2nd MSF Kandak scanned spare parts orders and sent them to an advisor at the Central Supply Depot to provide to the ANA rather than rely on hand delivery by the ANA. The first Textron MSFV contract, which includes the Textron logistics support, is scheduled to end in December 2014. The pending drawdown of coalition troops in the same timeframe means that neither coalition forces nor Textron will have the personnel or resources to continue to provide the level of logistics support services that the MSF has relied upon to date. Instead, the MSF will rely on the ANA logistics system for ordering and receiving spare parts.

CONCLUSION

Textron performed well under its contract to produce and deliver MSFVs for the ANA, and to provide the MSFV's crewmembers—driver, gunner, and vehicle commander—the required initial training at the Armor Branch School in Kabul. Although Textron is also being paid to provide field training and maintenance, it has not been able to do so through no fault of its own. DOD has not had personnel available to provide the security as called for under the contract when Textron is conducting field training and maintenance. The absence of such training and maintenance will eventually impact the MSF units' ability to operate their vehicles at optimal levels. Similarly, DOD has not had adequate oversight personnel available to verify that Textron is adhering to contract requirements when conducting work at ANA brigades and kandaks.

Compounding this situation are problems with the lack of crewmember cross-training and the lack of spare parts availability. First, since each crewmember is only trained in one of the three MSFV positions, the loss of any one crewmember could render the vehicle incapable of conducting missions. In addition, replacement crewmembers are taken from field units with no MSFV training and, particularly for those units away from the Armor Branch School in Kabul, the individuals will likely not get needed training. Second, the ANA's spare parts logistics system remains weak and, as a result, MSFV spare parts are not getting to the MSF brigades and kandaks. To their credit, coalition forces are providing some field training and securing spare parts when they can, but their assistance will be ending soon. This instance of the U.S. purchasing equipment for the Afghan military and police, which they struggle to sustain, is not new. In this case, the \$661.3 million spent acquiring the MSFVs for the Afghans would not be optimized unless the MSFV crewmembers receive full and continuous training and the MSF brigades and kandaks receive adequate levels of spare parts to keep their vehicles mission capable.

RECOMMENDATIONS

To ensure that Textron is adequately supported in its implementation of the MSFV contracts and that appropriate contract oversight is provided, SIGAR recommends that the Executive Director, ACC-WRN, and the Commander, IJC:

- 1. Review the requirements for contractor support at the MSF brigades and kandaks, taking into account the level of security support available, and modify the contract to reflect realistic capabilities for oversight, and determine which actions are needed to conduct proper oversight of maintenance and training; and**
- 2. Assign oversight responsibilities to government personnel working with Textron at the brigades and kandaks and have them report to the COR.**

To improve the long-term sustainability of MSF operations, we recommend that the Commanding General, NTM-A:

- 3. Work with the ANA to provide post-Armor Branch School operator training.**

AGENCY COMMENTS

Army Materiel Command and U.S. Forces-Afghanistan provided written comments on a draft of this report. Army Materiel Command's comments—which include comments from ACC-WRN—and U.S. Forces-Afghanistan's comments—which include comments from CSTC-A and NTM-A—are incorporated in the report, as appropriate. These comments, along with our responses, are also reproduced in appendices II and III, respectively. In addition, PdM-ATV submitted informal technical comments which we incorporated in the report, as appropriate.

Although NTM-A did not comment on the first recommendation to review requirements for contractor support at the MSF brigades and kandaks, ACC-WRN and CSTC-A concurred with it. In its comments, ACC-WRN stated that it will adjust the contract as necessary by December 31, 2014. In its comments, CSTC-A noted changes to the contract's language to ensure appropriate security and oversight and stated that the 4th MSF Kandak in Kandahar is currently receiving its full support under the contract.

ACC-WRN and CSTC-A also concurred with the second recommendation to assign oversight responsibilities to government personnel working with Textron at the brigades and kandaks and have them report to the COR. In its comments, ACC-WRN stated that it will assign additional CORs or government monitors to oversee Textron's work at the brigades and kandaks by December 31, 2014. CSTC-A stated that it will recommend that PdM-ATV assign assistant CORs to the 2nd MSF Kandak in Qalat and 3rd MSF Kandak in Shorabak to support its COR or associate in Kabul. However, NTM-A did not concur with the second recommendation, stating that it could not justify permanently assigning DOD personnel to the MSF brigade and kandak levels where, for example, at the kandak level there are as few as three to five contractor personnel. NTM-A further stated that because the number of MSF sites will be decreasing, the COR or associate in Kabul will have more time to visit the MSF brigades and kandaks on a regular basis and provide sufficient oversight. However, we did not recommend assigning a permanent individual to solely provide oversight of Textron's contractors at the MSF brigades and kandaks. As we noted in the draft report, coalition advisors already interact with Textron contractors, and, therefore, are in a position to provide oversight. In addition, while the COR or PdM-ATV's forward associate may now have additional time to conduct oversight at the MSF brigades and kandaks, this does not mean they will be able to access these locations on a regular basis and provide sufficient oversight. As we noted in our draft report, the PdM-ATV associate in Kabul made multiple attempts to visit the 2nd MSF Brigade in Kandahar, but was unable to do so due to flight cancellations.

NTM-A concurred with the third recommendation to work with the ANA to provide post-Armor Branch School operator training, and commented that it is developing post-Armor Branch School operator training to provide

new recruits MSFV-specific training before they join an MSF unit. NTM-A added that the Armor Branch School will form a Quality Assurance Cell responsible for developing common standards and assessing MSF units against those standards.

APPENDIX I - SCOPE AND METHODOLOGY

This audit focuses on the procurement, training, operation, and maintenance of Mobile Strike Force Vehicles (MSFV) for the Afghan National Army (ANA). The objectives of this audit were to (1) determine the extent to which Textron has met its contractual obligations to produce, deliver, train and provide field support for the ANA MSFVs; (2) evaluate the effectiveness of U.S. government oversight in the procurement, delivery, training and maintenance of MSFVs for the ANA; and (3) determine the extent to which the ANA has the capacity to operate and maintain its current and planned fleet of MSFVs. To accomplish these objectives, we obtained data from and met with officials from the NATO Training Mission–Afghanistan (NTM-A), the Combined Security Transition Command–Afghanistan (CSTC-A), other Department of Defense (DOD) components, Textron, the ANA’s Mobile Strike Force (MSF), and Afghan Ministry of Defense (MOD). We also reviewed relevant MSFV receiving and transfer documents, and analyzed the two contracts requiring Textron to provide vehicles, spare parts, maintenance, and training.

To determine the extent to which Textron met its contractual obligations to produce, deliver, and provide field support for the ANA’s MSFVs, we reviewed two contracts awarded to Textron. We reviewed DD Form 250 receiving forms to verify delivery of vehicles from Textron to the U.S. government, and MOD Form 9 transfer forms to verify the transfer of vehicles from CSTC-A to the ANA. Additionally, we analyzed data from Textron’s weekly vehicle de-processing reports from September 1, 2013 through January 12, 2014, to confirm the arrival of MSFVs in Afghanistan that had not yet been transferred to the ANA.

We also reviewed Textron’s MSFV course materials for classes taught at the Armor Branch School. We conducted site visits to Textron’s field level maintenance classroom and main de-processing facilities at Pol-e-Charki on October 14, 2013 and January 15, 2014. During our field visits, we toured the MSF brigades and kandaks and spoke with Textron contractor personnel, NTM-A and CSTC-A officials, and the Product Manager for Allied Tactical Vehicles (PdM-ATV)—a U.S. Army group of acquisition personnel responsible for the life cycle management of tactical vehicle fleets. We also interviewed members of the advisory teams attached to the Armor Branch School, members of the advisory teams attached to the MSF brigades and kandaks, ANA students at the Armor Branch School, ANA MSFV instructors at the Armor Branch School, and ANA commanders for the 1st MSF Brigade, 2nd MSF Brigade, 2nd MSF Kandak, and 3rd MSF Kandak.

To evaluate the effectiveness of U.S. government oversight of the MSF program, we reviewed contract performance work statements, quality assurance surveillance plans, and weekly status reports by Textron’s lead field service representative. We interviewed officials from PdM-ATV, NTM-A, CSTC-A, and Textron to obtain a greater understanding of the processes in place to effectively provide program oversight. We also interviewed members of the advisory teams attached to the MSF brigades and kandaks to obtain their views on whether sufficient U.S. government oversight existed at the brigades and kandaks.

To determine the extent to which the ANA had the capacity to operate and maintain its current and planned fleet of MSFVs, we reviewed the NTM-A concept of operations for the MSF. We interviewed U.S. and coalition officials from PdM-ATV, NTM-A, CSTC-A, and International Security Assistance Force Joint Command (IJC), about the roles they played in developing and adapting the concept. To gain an understanding of the MSF operations in the field and the performance of the force, we interviewed Textron field service representatives, and members of the advisory teams attached to the MSF brigades and kandaks, and ANA commanders for the 1st MSF Brigade, 2nd MSF Brigade, 2nd MSF Kandak, and 3rd MSF Kandak.

We did not use or rely on computer-processed data for the purpose of the audit objectives, and, therefore, did not assess its reliability. With respect to assessing internal controls, we analyzed agency internal control processes including processes to oversee contractor operations to accomplish our first objective of determining whether Textron and CSTC-A could account for all vehicles produced under the contract. We also reviewed the contracting officer’s representative appointment letter. We interviewed officials at PdM-ATV, NTM-A, CSTC-A, IJC, and Textron. We reviewed receiving and transfer documents as well as contractor-provided weekly status reports.

We conducted our work from July 2013 through May 2014 in Washington, D.C., and at coalition and ANA sites in Kabul, Helmand, Kandahar, and Zabul provinces, Afghanistan, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. SIGAR conducted this audit under the authority of Public Law No. 110-181, as amended; the Inspector General Act of 1978, as amended; and in accordance with generally accepted government auditing standards.

APPENDIX II - COMMENTS FROM ARMY MATERIEL COMMAND



REPLY TO
ATTENTION OF:

AMCIR

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

JUL 11 2014

MEMORANDUM FOR Special Inspector General Afghanistan Reconstruction (SIGAR),
ATTN: Mr. John F. Sopko, Special Inspector General for Afghanistan Reconstruction,
2530 Crystal Drive Arlington, VA 22202-3940

SUBJECT: AMC Response to (FOUO) Special Inspector General for Afghanistan
Reconstruction (SIGAR) Afghan Mobile Strike Force Vehicles: Contractor Met
Requirements, but Long-Term Operation and Maintenance Remain a Concern

1. The U.S. Army Materiel Command (AMC) has reviewed the subject report and endorses the enclosed ACC/ACC-Warren Command response.
2. The AMC point of contact is Mr. Peter P. Gilreath, [REDACTED] or email: [REDACTED]

Encls


JOHN B. NERGER
Executive Deputy to the
Commanding General

Printed on  Recycled Paper



REPLY TO
ATTENTION OF.

DEPARTMENT OF THE ARMY
U.S. ARMY CONTRACTING COMMAND
3334A WELLS ROAD
REDSTONE ARSENAL, AL 35898-5000

AMSCC-IR

02 July 2014

MEMORANDUM FOR Mr. Randy Flisak, Director, Internal Review and Audit
Compliance Office, Headquarters, U.S. Army Materiel Command, 4400 Martin Road,
Redstone Arsenal, AL 35898-5340

SUBJECT: (FOUO) Special Inspector General for Afghanistan Reconstruction (SIGAR)
Afghan Mobile Strike Force Vehicles: Contractor Met Requirements, but Long-Term
Operation and Maintenance Remain a Concern (S1327) (1823)

1. Memorandum and Draft Report, SIGAR, 11 July 2013, subject as above.
2. The Army Contracting Command concurs with the enclosed response.
3. The ACC point of contact is Ms. Avis Hawkins, Internal Review and Audit
Compliance Office, [REDACTED] or email: [REDACTED]

Encl

Michael R. Hutchison
MICHAEL HUTCHISON
Deputy to the Commanding General

U.S. Army Contracting Command-Warren (ACC-WRN)
Comments to Special Inspector General for Afghanistan Reconstruction
(SIGAR)
Draft Report
Afghan Mobile Strike Force Vehicles: Contractor Met Requirements, but
Long-Term Operation and Maintenance Remain a Concern
(Project No. SIGAR 085A)

OBJECTIVES: The objectives of this audit were to (1) determine the extent to which Textron has met its contractual obligations to produce, deliver, train and provide field support for the ANA MSFVs; (2) evaluate the effectiveness of U.S. government oversight in the procurement, delivery, training and maintenance of MSFVs for the ANA; and, (3) determine the extent to which the ANA has the capacity to operate and maintain its current and planned fleet of MSFVs

CONCLUSION: Textron performed well under its contract to produce and deliver MSFVs for the ANA, and to provide the MSFV's crewmembers—driver, gunner, and vehicle commander—the required initial training at the Armor Branch School in Kabul. Although Textron is also being paid to provide field training and maintenance, it has not been able do so through no fault of its own. DOD has not had personnel available to provide the security as called for under the contract when Textron is conducting field training and maintenance. The absence of such training and maintenance will eventually impact the MSF units' ability to operate their vehicles at optimal levels. Similarly, DOD has not had adequate oversight personnel available to verify that Textron is adhering to contract requirements when conducting work at ANA brigades and kandaks.

Compounding this situation are problems with the lack of crewmember cross-training and the lack of spare parts availability. First, since each crewmember is only trained in one of the three MSFV positions, the loss of any one crewmember could render the vehicle incapable of conducting missions. In addition, replacement crewmembers are taken from field units with no MSFV training and, particularly for those units away from the Armor Branch School in Kabul, the individuals will likely not get needed training. Second, the ANA's spare parts logistics system remains weak and, as a result, MSFV spare parts are not getting to the MSF brigades and kandaks. To their credit, coalition forces are providing some field training and securing spare parts when they can, but their assistance will be ending soon. This instance of the U.S. purchasing equipment for the Afghan military and police, which they struggle to sustain, is not new.

ADDITIONAL COMMENT: In this case, receipt of full, consistent, and continuous training, combined with development of a reliable spare parts system, will enable the ANA to keep its vehicles mission capable and optimize the dollars spent on the MSFV program.

Encl

RECOMMENDATIONS AND COMMAND COMMENTS

To ensure that Textron is adequately supported in its implementation of the MSFV contracts and that appropriate contract oversight is provided, SIGAR recommends that the Acting Executive Director, ACC-WRN, and the Commander, IJC:

Recommendation 1: Review the requirements for contractor support at the MSF brigades and kandaks, taking into account the level of security support available, and modify the contract to reflect realistic capabilities for oversight, and determine which actions are needed to conduct proper oversight of maintenance and training.

Acting Executive Director, ACC-WRN Comments: Concur. The Acting Executive Director, ACC-WRN, in conjunction with PEO, CS&CSS will coordinate the appropriate level of contractor support providing adequate oversight in theatre, based on the amount of coalition security support and adjust the contract as necessary.

Target completion date: 31 December 2014.

Recommendation 2: Assign oversight responsibilities to government personnel working with Textron at the brigades and kandaks and have them report to the COR.

Acting Executive Director, ACC-WRN Comments: Concur. The Acting Executive Director, ACC-WRN, in conjunction with the PEO, CS&CSS will assign additional Contracting Officer's Representatives or Government Technical Monitors to oversee Textron's work at the kandaks and brigades.

Target completion date: 31 December 2014.

APPENDIX III - COMMENTS FROM U.S. FORCES-AFGHANISTAN



HEADQUARTERS
UNITED STATES FORCES-AFGHANISTAN
BAGRAM, AFGHANISTAN
APO AE 09354

USFOR-A DCDR-S

12 July 2014

MEMORANDUM FOR United States Central Command (USCENTCOM), MacDill Air Force Base, FL 33621

SUBJECT: United States Forces-Afghanistan (USFOR-A) Response to Draft SIGAR 14-X Audit Report, "Afghanistan Mobile Strike Force Vehicle: Contractor Met Requirements, but Long Term Operation and Maintenance Remain a Concern"

1. References:

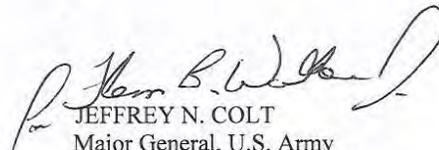
- a. SIGAR Draft Audit Report (14-X), Mobile Strike Force Vehicle July 2014 (Encl 1)
- b. Combined Security Transition Command-Afghanistan (CSTC-A) Response Memo to SIGAR Draft Audit Report, 24 June 2014 (Encl 2)
- c. International Security Assistance Force, Joint Command (IJC) North Atlantic Treaty Organization (NATO) Training Mission-Afghanistan (NTM-A) Response Memo to SIGAR Draft Audit Report dated 19 June 2014 (Encl 3)

2. I have reviewed SIGAR's Draft Report reference 1.a., CSTC-A's response reference 1.b., and IJC NTM-A's response reference 1.c. The responses provided are acknowledged by this command and included as feedback to this audit.

3. Point of contact for this memo is Lieutenant Colonel Michael C. Hill, [redacted] or email at [redacted]

3 Encl

1. SIGAR Draft Report, July 2014
2. CSTC-A Response, 24 June 2014
3. IJC NTM-A Response, 19 June 2014


JEFFREY N. COLT
Major General, U.S. Army
Deputy Commander, Support
United States Forces-Afghanistan



HEADQUARTERS
COMBINED SECURITY TRANSITION COMMAND - AFGHANISTAN
MINISTERIAL ADVISORY GROUP
KABUL, AFGHANISTAN
APO AE 09356

REPLY TO
ATTENTION OF
CSTC-A

24 JUN 2014

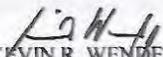
MEMORANDUM THRU United States Forces - Afghanistan (CJIG), APO AE 09356
United States Central Command (CCIG), MacDill AFB, FL 33621

FOR: Special Inspector General for Afghanistan Reconstruction, 2530 Crystal Drive, Arlington, VA
22202-3940

SUBJECT: CSTC-A Draft Response to SIGAR Draft Report: "Afghan Mobile Strike Force Vehicles:
Contractor Met Requirements, But Long-Term Operation and Maintenance Remain a Concern" (SIGAR
14-X Audit Report).

REFERENCE: Draft Report, dated July 2014, Special Inspector General for Afghanistan Reconstruction
(SIGAR 14-X Audit Report).

1. The purpose of this memorandum is to provide responses to recommendations made in the SIGAR 14-X Audit Report.
2. CSTC-A appreciates SIGAR's concerns with the long term operation and maintenance of the Mobile Strike Force Vehicle (MSFV) contract. Contractor support remains a priority of CSTC-A, while the oversight of maintenance and training at the brigade and kandak levels continue to be an invaluable asset to the safety of the MSFV Field Service Representatives (FSR). To ensure proper security is provided, CSTC-A has taken steps to dedicate increased oversight by government employees, as well as the Contracting Officer Representative (COR) at the forward locations. Furthermore, the MSFV support will transition to two major locations in Kandahar and Kabul, providing the COR a better opportunity of oversight from a Coalition Force secured location.
3. SIGAR has requested responses to three recommendations made in the draft report. CSTC-A has provided responses to recommendations one and two.
4. Point of contact for this action is CPT Todd R. Williams at [REDACTED] or via e-mail at [REDACTED]


KEVIN R. WENDEL
Major General, US Army
Commanding General

Enclosure:
CSTC-A Draft Report Response

CSTC-A DRAFT REPORT RESPONSE

"Afghan Mobile Strike Force Vehicles: Contractor Met Requirements, But Long-Term Operation and Maintenance Remain a Concern"
(SIGAR 14-X Audit Report)

To ensure that Textron is adequately supported in its implementation of the MSFV contracts and that appropriate contract oversight is provided, SIGAR recommends that the Executive Director, ACC-WRN, and the Commander, IJC:

1. Recommendation 1:

Review the requirements for contractor support at the MSF brigades and kandaks, taking into account the level of security support available, and modify the contract to reflect realistic capabilities for oversight, and determine which actions are needed to conduct proper oversight of maintenance and training.

a. CSTC-A response:

CSTC-A concurs with this recommendation. The locations in question in the report are 1st MSF Brigade in Kabul, 1st MSF Kandak located in Band-e-Sardek, 2nd MSF Brigade and 4th MSF Kandak in Kandahar, 2nd MSF Kandak in Qalat, and 3rd MSF Kandak in Shorbak. Each location has three (3) or more Field Service Representatives (FSRs) that live and work at the supported location. All locations have security provided by ANA or Coalition Forces (CFs). Contract modification W56HZV-11-C-0114-00043 updated Section C.18.1.g to "ensure sufficient personnel are available from the FSR man-day discipline categories." In addition, the following security language was added to Section II.16, "In accordance with FAR 252.225-7040 (c) (1) (ii), the government shall continue to provide security at duty stations and in accordance with movement requirements and current theater policy." The Afghan Ministry of Defense (AMOD) recognizes the FSR support impact on the 1st MSF Kandak in Band-e-Sardeh and will redeploy this Kandak to the Armor Branch School in Kabul for vehicle maintenance and refresher training. The 4th MSF Kandak support issue has been resolved and this unit is currently receiving its full contracted FSR support in Kandahar. Contract modification P00046 in Contract Line Item Number (CLIN) 0004AB references the required acceptance and approval by COR for the refurbishment of test vehicles. Will recommend PM assign ACORs at 2nd MSF in Qalat and 3rd MSF in Shorbak to support PCOR in over sight

2. Recommendation 2:

Assign oversight responsibilities to government personnel working with Textron at the brigades and kandaks and have them report to the COR.

a. CSTC-A response:

CSTC-A concurs with this recommendation. The Contract Officer Representative (COR) has increased site visits to ensure proper contract support. Audits for the last three months are up to date for contract W56HZV-11-C-0114. At the Kandak level, the MSF program is in the final stages of vehicle preparation. The MSF program begins 30/40 level maintenance training for the ANA and ceases FSR support to forward deployed MSF Kandak locations in CY 15. Until this time, all FSRs are co-located with a Government representative that reports any findings to the COR. There are not any ACORs assigned at this time and a recommendation to assign ACORs will be passed to the COR. The 30/40 level maintenance training will be limited to two centralized locations in Kabul and Kandahar. This will allow the COR or ACOR to have greater oversight at the Textron FSRs locations.

APPROVED BY:
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COL, Contract Enabler Cell (CEC)
Director

PREPARED BY:
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LTC, Contract Enabler Cell (CI:C)
Deputy Director,



NATO TRAINING MISSION-AFGHANISTAN
KABUL, AFGHANISTAN, APO AE 09354

DCOS NTM-A

19 June 2014

MEMORANDUM FOR Special Inspector General for Afghanistan Reconstruction

DRAFT
SUBJECT: Follow-up on ~~Final~~ **Report SIGAR 085A**, "Afghan Mobile Strike Force Vehicles Audit"

As requested NTM-A has provided the following additional comments to the SIGAR Audit Report draft JULY 2014 "Afghan Mobile Strike Forces Vehicles: Contractor Met Requirements, But Long-Term Operation And Maintenance Remain A Concern."

Recommendation 2: "Assign oversight responsibilities to government personnel working with Textron at the brigades and kandaks and have them report to the COR."

Response:

It seems unnecessary for government personnel to be permanently assigned to MSF brigade and kandak levels. At the kandak level, there are as few as 3-5 Field Service Representatives (FSRs) and these low numbers do not justify a permanent DoD position. Due to the fact the MSF Program is now in the final phase of vehicle preparation, the COR will have more time to visit forward FSF unit locations on a regular basis and provide greater oversight of the Textron contract. When the MSF Program begins 30/40 level maintenance training for the ANA and ceases FSR support to forward deployed MSF Kandak locations in CY15, the 30/40 level maintenance training will be limited to two centralized locations in Kabul and Kandahar. This allows the COR to have greater oversight due to the limited location of Textron FSRs.

See SIGAR
Comment 1

Recommendation 3: "Work with the ANA to provide post-Armour Branch School operator training".

Response:

It is acknowledged that MSF units need to replace soldiers due to retirement, combat casualties, AWOL, etc. Therefore, the MSF Program is developing post-Armour Branch School (ABS) operator training in order to provide new recruits with MSF specific training prior to joining their units. In addition, the ABS will form a Quality Assurance Cell charged with developing common standards and assessing MSF units against those standards.

Questions regarding this input should be directed to LTC Jason Good at [redacted] or LtCol Rob Norton at [redacted]

Heather J.
Anderson

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APPROVED BY:
HEATHER J. ANDERSON
Lt Col, USAF
Deputy Chief of Staff

SIGAR's Response to Comments from DOD

1. We are not recommending assigning a permanent individual to solely provide oversight of Textron's contractors at the MSF brigades and kandaks. As we note in the report, coalition advisors already interact with Textron contractors and are in a position to provide oversight. In addition, while the contracting officer's representative or the Product Manager for Allied Tactical Vehicles' forward associate may now have additional time to conduct oversight at the MSF brigades and kandaks, this does not mean that they will be able to access these locations on a regular basis and provide sufficient oversight. As we note in our report, the Product Manager for Allied Tactical Vehicles' associate in Kabul made multiple attempts to visit the 2nd MSF Brigade in Kandahar, but was unable to do so due to flight cancellations.

APPENDIX IV - ACKNOWLEDGMENTS

Daniel Chen, Senior Program Manager

Parker S. Laite III, Senior Program Analyst

Zachary J. Rosenfeld, Program Analyst

Mia E. Bonarski, Methodologist

Lieutenant General John F. Goodman (U.S. Marine Corps, retired), Special Advisor to the Inspector General

This audit report was conducted
under project code SIGAR-085A.

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- advance U.S. interests in reconstructing Afghanistan.

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