

Inadequate Planning for ANSF Facilities Increases Risks for \$11.4 Billion Program



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OFFICE OF THE SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

January 26, 2011

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This report discusses the results of a performance audit concerning U.S. funding and planning for Afghan National Security Forces facilities. This report includes two recommendations to NATO Training Mission-Afghanistan/Combined Security Transition Command-Afghanistan (NTM-A/CSTC-A) to maximize the use of facilities construction and maintenance funding and ensure that these facilities address strategic goals and objectives for the Afghan National Security Forces.

When preparing the final report, we considered comments from the Commanding General, NTM-A/CSTC-A. While NTM-A/CSTC-A did not fully concur with our recommendation for a long-range facilities construction plan, NTM-A/CSTC-A noted it can improve the identification of future projects and better document its priorities. NTM-A/CSTC-A fully concurred with the need to develop a long-range operations and maintenance plan. The comments are reproduced in appendix III.

A summary of this report is on page iii. This performance audit was conducted under the authority of Public Law 110-181, as amended, the Inspector General Act of 1978, and the Inspector General Reform Act of 2008.

A handwritten signature in black ink, appearing to read "K. Bernet".

Kathryn H. Bernet
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Inadequate Planning for ANSF Facilities Increases Risks for \$11.4 Billion Program

What SIGAR Reviewed

From fiscal year 2005 to 2010, Congress appropriated about \$28 billion for the Afghanistan Security Forces Fund. The Combined Security Transition Command-Afghanistan (CSTC-A), under the direction of U.S. Forces-Afghanistan (USFOR-A), uses this funding to equip, train, base, and sustain the Afghanistan National Security Forces (ANSF), which includes the Afghan National Army (ANA) and Afghan National Police (ANP). ANSF personnel strength is planned to reach 305,600 in October 2011 and, according to CSTC-A may go to 400,000 in October 2013. Additional facilities and infrastructure are needed. In previous SIGAR audits, CSTC-A was not able to provide planning documents describing the size, location, or use of ANSF facilities, such as ANA garrisons. As a result, SIGAR initiated this audit to (1) determine the U.S. funding provided or planned for ANSF facilities construction and (2) assess CSTC-A's overall planning for ANSF facilities construction and the maintenance of them. To accomplish these objectives, SIGAR reviewed numerous documents identified by CSTC-A. In particular, SIGAR examined CSTC-A's August 2010 *ANSF Comprehensive Plan for Facilities Development*. This plan was prepared by MACTEC Engineering and Consulting, Inc. (MACTEC) under a contract through the Air Force Center for Engineering and the Environment (AFCEE). SIGAR also interviewed officials from CSTC-A, AFCEE, and MACTEC. SIGAR conducted its work in Washington, D.C., from July 2010 to January 2011, in accordance with generally accepted government auditing standards.

What SIGAR Found

Based on CSTC-A documents, it has provided or plans to provide a total of \$11.4 billion through fiscal year 2012 for construction of nearly 900 ANSF facilities, including over \$7 billion in fiscal years 2010 through 2012. In addition, up to \$800 million may be provided for operations and maintenance over the next 5 years.

Despite the considerable funding and large number of facilities involved, CSTC-A has not developed a long-range construction plan, placing its \$11.4 billion ANSF facilities' construction program at risk of building facilities that are inadequate or do not meet ANSF strategic and operational needs. In 1998, the U.S. Government Accountability Office, in conjunction with the Office of Management and Budget, created an executive guide that identified best practices for planning construction of capital assets. The guide states that a long-range construction plan is necessary to ensure that, as conditions change, plans can be adapted as needed, and resources can be prioritized and used effectively to achieve applicable strategic goals. As part of its contract, MACTEC was tasked to develop the *ANSF Comprehensive Plan for Facilities Development*. Although portions of the plan were out of date and most ANSF facilities plans were not completed, it was the most complete listing and analysis of ANSF facilities that CSTC-A provided. While the plan addressed a number of desired elements for long-range capital planning, CSTC-A should, for instance, identify how current ANSF facilities are meeting Afghan security objectives, identify gaps, and evaluate how planned facilities will help to eliminate those gaps. CSTC-A recognizes that long-range operations and maintenance of ANSF facilities needs to be addressed. According to CSTC-A's 2008 *Campaign Plan*, sustainment costs may continue through 2025. However, CSTC-A does not have a long-range maintenance plan linking requirements to construction plans. Such a plan would allow CSTC-A to identify and rationalize maintenance requirements across the hundreds of completed and planned ANSF facilities to help ensure the most effective and efficient use of maintenance funding.

What SIGAR Recommends

To ensure that CSTC-A maximizes the use of facilities construction funding and that these facilities address ANSF strategic goals and objectives, SIGAR recommends that CSTC-A, (1) develop a long-range planning document that incorporates, among other things, updated requirements and justification for all ANSF facilities to meet CSTC-A's projected 400,000 ANSF personnel in 2013. In addition, to help ensure these facilities can be utilized as intended, SIGAR recommends that CSTC-A, (2) develop a long-range operations and maintenance plan for all ANSF facilities that is linked to its construction plan.

While CSTC-A did not fully concur with our recommendation for a long-range facilities construction plan, it noted it can improve the identification of future projects and better document its priorities. CSTC-A fully concurred with the need to develop a long-range operations and maintenance plan. CSTC-A outlined several steps it has taken or plans to take that will substantially address SIGAR's concerns.

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ACRONYMS

AFCEE	Air Force Center for Engineering and the Environment
ANA	Afghan National Army
ANP	Afghan National Police
ANSF	Afghanistan National Security Forces
ASFF	Afghanistan Security Forces Fund
CENTCOM	U.S. Central Command
CSTC-A	Combined Security Transition Command-Afghanistan
GAO	U.S. Government Accountability Office
ISFF	Iraq Security Forces Fund
JCMB	Joint Coordination and Monitoring Board
MACTEC	MACTEC Engineering and Consulting, Inc.
NTM-A/CSTC-A	NATO Training Mission-Afghanistan/Combined Security Transition Command-Afghanistan
OMB	Office of Management and Budget
SIGAR	Special Inspector General for Afghanistan Reconstruction
USFOR-A	U.S. Forces-Afghanistan



Inadequate Planning for ANSF Facilities Increases Risks for \$11.4 Billion Program

From fiscal year 2005 to 2010, Congress appropriated about \$28 billion for the Afghanistan Security Forces Fund. The Combined Security Transition Command-Afghanistan (CSTC-A),¹ under the command of U.S. Forces-Afghanistan (USFOR-A),² uses this funding to equip, train, base, and sustain the Afghanistan National Security Forces (ANSF), which includes the Afghan National Army (ANA) and Afghan National Police (ANP). According to the Joint Coordination and Monitoring Board (JCMB),³ total ANSF personnel are planned to reach 305,600 in October 2011. According to CSTC-A, this number may increase to 400,000 by October 31, 2013. As a result, additional facilities and infrastructure are needed.

In our previous audits of construction contracts for ANA garrisons located in Kunduz, Gamberi, and Farah, we attempted to determine the manner in which the contract requirements were developed.⁴ However, CSTC-A was not able to document the U.S. plans and justification for the number and types of ANA facilities, including documents delineating the size, location, or use of the garrisons.⁵ As we noted, such planning documents are critical for CSTC-A to ensure that, as requirements change, plans can be adapted as needed, resources can be prioritized and used to achieve strategic goals, and potential waste can be minimized.

As a result, we initiated this audit. Our objectives were to (1) determine the U.S. funding provided or planned to be provided for ANSF facilities construction and (2) assess CSTC-A's overall planning for ANSF facilities' construction and the maintenance of them. To accomplish these objectives, we reviewed all planning documents, strategies, operational orders, a fragmentary order, and other documents identified by CSTC-A. In particular, we examined CSTC-A's *ANSF Comprehensive Plan for Facilities Development*. This plan was prepared for CSTC-A by MACTEC Engineering and Consulting, Inc., (MACTEC) under a contract with the Air Force Center for Engineering and the Environment (AFCEE). We also interviewed officials from CSTC-A, AFCEE, and MACTEC. We conducted our work in Washington,

¹ CSTC-A is a joint command with the NATO Training Mission-Afghanistan (NTM-A). Because CSTC-A distributes and manages all U.S.-provided funding to support ANSF, this report refers to CSTC-A.

² USFOR-A is the command and control headquarters for U.S. forces operating in Afghanistan. The Commander of USFOR-A is also the Commander of the International Security Assistance Force. USFOR-A oversees CSTC-A's efforts to develop the ANSF.

³ The Afghan government and the international community agreed in 2006 to create the JCMB. The JCMB is a high-level, decision-making body focusing on resolving strategic problems arising from the implementation of the Afghanistan Compact. It consists of 28 members; seven are from the Afghan government consisting of the Senior Economic Advisor to the President, who is also a co-chair of the JCMB; the Ministers of Foreign Affairs, Finance, Economy, Education, and Justice; and the National Security Advisor. The remaining 21 JCMB members are from the international community.

⁴ As mandated in the *National Defense Authorization Act of 2008*, Pub. L. No. 110-181, Sec. 842(g)(1).

⁵ SIGAR, *ANA Garrison at Farah Appeared Well Built Overall but Some Construction Issues Should Be Addressed*, Audit-10-14 (July 30, 2010); SIGAR, *ANA Garrison at Kunduz Does Not Meet All Quality and Oversight Requirements; Serious Soil Issues Need to Be Addressed*, Audit-10-09 (Apr. 30, 2010); and SIGAR, *ANA Garrison at Gamberi Appears Well Built Overall but Some Construction Issues Need to Be Addressed*, Audit-10-10 (Apr. 30, 2010).

D.C., from July 2010 to January 2011, in accordance with generally accepted government auditing standards. See appendix I for a more detailed discussion of our scope and methodology.

BACKGROUND

ANSF facilities and infrastructure requirements have increased dramatically over the years as ANA and ANP planned personnel end-strengths have more than tripled. In 2001, the Bonn Agreement set initial ANA troop levels at 50,000 and ANP personnel levels at 62,000, for a total of 112,000. As shown in table 1, since 2006, the Afghan government and international community through the JCMB have agreed on successive increases to ANSF personnel with the current approved end-strength totaling 305,600 in October 2011.

Table 1: ANSF Personnel Levels Approved by JCMB

Date Issued	ANA	ANP	Total ANSF End-Strength	Notes
Feb 2006	70,000	62,000	132,000	
May 2007	70,000	82,000	152,000	
Feb 2008	80,000	82,000	162,000	
Sept 2008	134,000	82,000	216,000	
Apr 2009	134,000	86,800	220,800	(added 4,800 Kabul police)
Jun 2009	134,000	96,800	230,800	(added 10,000 provincial police)
Jan 2010	134,000	109,000	243,000	(as of Oct. 31, 2010)
Jan 2010	171,600	134,000	305,600	(by Oct. 31, 2011)

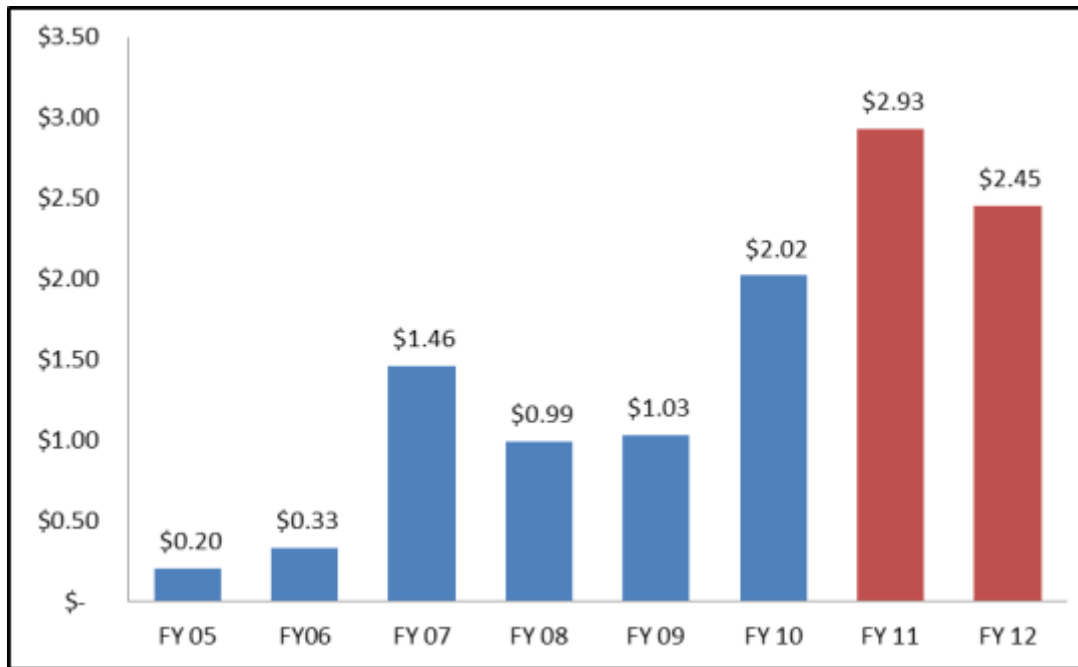
Source: SIGAR analysis of CSTC-A documents entitled *ANSF Force Structure Growth*, as of January 30, 2010, and *ANA Force Generation*, as of May 15, 2010.

According to CSTC-A, the personnel levels for the ANA and ANP may increase to 240,000 and 160,000, respectively, for a total of 400,000 in October 2013. In addition, and adding further pressure to the need to plan for and provide ANSF facilities, the International Security Assistance Force reports that as of September 2010, the ANA had increased to 138,200 and the ANP to 120,500. This resulted in a total of 258,700 ANSF personnel—exceeding the JCMB planned end-strength for October 2010 by more than 15,000 personnel.

CSTC-A ESTIMATES THAT \$11.4 BILLION IS NEEDED FOR ANSF FACILITIES CONSTRUCTION

Based on CSTC-A funding data, it has provided or plans to provide a total of \$11.4 billion for ANSF facilities construction for fiscal years 2005 through 2012, including over \$7 billion in fiscal years 2010 through 2012. Figure 1 shows CSTC-A facilities funding by year for fiscal years 2005 through 2012.

Figure 1: Funding Provided through Afghanistan Security Forces Fund for ANSF facilities Construction, Fiscal Years 2005-2012 (dollars in billions)



Source: SIGAR analysis of CSTC-A funding data, January 16, 2011.

Note: Funding for fiscal years 2011 and 2012 has not been appropriated and is indicated in red.

According to a November 2010 CSTC-A briefing document, 884 ANSF construction projects are planned through fiscal year 2012—673 projects have not started, 78 are under construction, and 133 are completed. In its July 2010 *ANSF Force Generation Plans*, CSTC-A stated that current and planned force structure will require new facilities or sharing/expansion of those already planned. It also noted that at least 12 months is required for new facilities.

CSTC-A HAS NOT DEVELOPED A LONG-RANGE CONSTRUCTION PLAN THAT MEETS U.S. GOVERNMENT CAPITAL PLANNING GUIDANCE AND BEST PRACTICES

CSTC-A has not developed a long-range construction plan for ANSF facilities. In 1998, the U.S. Government Accountability Office (GAO) in conjunction with the Office of Management and Budget (OMB) created an executive guide that identified best practices for planning construction of capital assets. The guide states that a long-range construction plan is necessary to ensure that, as conditions change, plans can be adapted as needed and resources prioritized and used effectively to achieve applicable strategic goals. Moreover, CSTC-A does not have a long-range maintenance plan linking

requirements to long-range construction plans to help ensure the most effective and efficient use of maintenance funding.

CSTC-A Has Not Developed a Long-Range Construction Plan that Addresses Strategic Objectives

In conducting audits of construction contracts for ANA garrisons located at Gamberi and Kunduz, CSTC-A provided us a number of documents related to ANSF facilities planning, but none addressed the overall justification or rationale for these facilities or provided details on long-range plans to expand, share, or construct new facilities to meet additional requirements. The documents CSTC-A provided, others we reviewed, and our assessments of them are addressed in appendix II. As we noted in July 2010, without a facilities plan that reflects current requirements, CSTC-A runs the risk of building facilities that do not meet ANSF needs or are inadequate for projected personnel end-strengths.⁶

CSTC-A tasked AFCEE with awarding a contract to develop and update a master planning document for ANSF facilities. AFCEE awarded a time-and-materials contract to MACTEC in April 2006.⁷ The contract states that MACTEC would develop planning documents for facilities related to CSTC-A's mission as identified by CSTC-A's Combined Joint-Engineering office. To date, MACTEC has been paid more than \$33.1 million to design ANSF facilities, including conducting site surveys, meeting with Afghan military and police officials, and developing the requirements for new facilities such as the type of housing for military and police personnel, the primary purpose of the facility, and the types of supplies needed.

As part of the contract, MACTEC was also tasked to develop the *ANSF Comprehensive Plan for Facilities Development*, which is updated monthly. According to the executive summary, it "is a living document that will be regularly updated as the plans for specific locations are updated or as new sites and missions are identified." We analyzed the August 2010 plan in detail and found that portions of the plan, such as the strategic and operational analysis sections for the ANA and ANP, were out of date. For example, the ANA operational section referred to ANA personnel end-strength figures from April 2007—namely, that the ANA would increase to 70,000 troops rather than the current ANA end-strength of 240,000 troops in October 2013. Nevertheless, this plan was the most complete listing and analysis of ANSF facilities that CSTC-A provided. It contained 632 facility design plans.⁸ According to the contract, the ANSF plan should include one of the following for each facility:

- A conceptual master plan and supporting information, including (1) an introduction and planning process section; (2) a mission, vision, and charette⁹ section; (3) a discussion and tabulation of existing and required facilities section; (4) a design-build scope of work section; and (5) an estimate section.

⁶ See SIGAR Audit-10-14.

⁷ A time-and-materials contract provides for the acquisition of supplies or services on the basis of direct labor hours at fixed hourly rates and actual costs of materials. See the Federal Acquisition Regulation, Subpart 16.601(b).

⁸ In some cases, MACTEC noted that design plans could be used for similar facilities in multiple locations; thus, it had plans for more than 1,500 ANSF facilities.

⁹ According to MACTEC officials, master planning charettes (or meetings) are conducted with as many stakeholders as possible to discuss the planning for a specific ANSF site. Stakeholders include officials from CSTC-A and other U.S. officials depending on the type of facility, the Afghan Ministry of Defense or Ministry of Interior, as appropriate.

- A conceptual master site plan and abbreviated information section, including a summary of planning information currently available and a statement outlining the path forward for planning.
- A conceptual master plan template that would provide a prototype for sites that are similar in nature. Such templates include an estimate for the prototype, a design-build scope of work, and information for further planning or execution.

For the purposes of our analysis, we separated the facility design plans into eight key components:

- introduction and planning;
- mission, vision, and charette;
- existing condition of component;
- required facilities and assumptions;
- conceptual master plan;
- implementation program, including cost;
- scope of work; and
- reference figures.

As shown in table 2, we found that for 255 of the 632 design plans (40 percent), none of the eight components had been completed; another 113 design plans (18 percent) addressed four or fewer of the eight components. Only 24 design plans (less than 4 percent) addressed all eight components.

Table 2: Facilities with Completed Components in the ANSF Comprehensive Plan dated August 2010

Number of completed components	ANA	ANP	ANSF total	Percentage of total
8	10	14	24	3.8
7	13	107	120	18.9
6	8	92	100	15.8
5	5	15	20	3.2
4	3	5	8	1.3
3	1	1	2	0.3
2	21	1	22	3.5
1	74	7	81	12.8
0	75	180	255	40.3
Total	210	422	632	100.0

Source: SIGAR analysis of the ANSF Comprehensive Plan for Facilities Development, August 2010.

According to MACTEC officials, the majority of the ANA and ANP design plans were not completed because CSTC-A had not tasked MACTEC to do so. However, a CSTC-A official stated that the ANSF plan was not meant to be a strategic planning document for facilities but rather a document that allows CSTC-A to keep track of facilities planning. According to this official, it is not a “forecasting document” that CSTC-A uses to provide a strategic rationale for the location of new facilities constructed for the ANSF. However, as we describe below, the *ANSF Comprehensive Plan for Facilities Development* includes a number of desired elements for long-range capital planning.

GAO and OMB Have Developed Best Practices for Capital Investment that Could Improve Planning for ANSF Facilities

In 1998, GAO reported that leading private sector firms and state government organizations rank their future capital projects based on applicable criteria and prepare long-range capital plans based on preliminary assumptions and estimates to identify specific planned projects, plan for long-range resource use, and establish priorities for implementation.¹⁰ Moreover, OMB encourages federal agencies to develop long-range capital plans as part of their capital planning process.¹¹

¹⁰ GAO, *Executive Guide: Leading Practices in Capital Decision-Making*, GAO-AIMD-99-32, Dec. 1998. GAO developed this executive guide in conjunction with OMB.

¹¹ OMB, *Capital Programming Guide*, Version 2.0, Supplement to Office of Management and Budget Circular A-11, Part 7: Planning, Budgeting, and Acquisition of Capital Assets, June 2006.

According to the GAO guide, these plans usually cover 5-, 6-, or 10-year periods and are updated annually or biennially. The guide also notes that industry and state government leaders have found that long-range plans help control capital costs, and that developing long-range capital plans enables organizations to review and refine a proposed project's scope and cost estimates over several years, which helps reduce cost overruns. The guide describes five principles and twelve best practices for making capital investment decisions.

The ANSF Comprehensive Plan for Facilities Development addresses some of the principles and best practices outlined in the GAO guide. According to SIGAR analysis, it incorporates project management techniques, involves stakeholders, uses a cross-functional team to plan for projects, monitors project performance, and budgets for segments of projects. However, it does not address principles that relate to long-range planning. For example, CSTC-A has not done a comprehensive needs assessment of the Afghan security goals that is linked to the construction of ANSF facilities and how they would help achieve those goals. Additionally, CSTC-A should identify how current ANSF facilities are meeting Afghan security objectives, identify gaps in current facilities' ability to meet security objectives, and evaluate how planned facilities will help to eliminate those gaps. Table 3 illustrates the best practices outlined by GAO and whether CSTC-A's planning document met those practices.

Table 3: Principles and Practices for Making Capital Investment Decisions and Those Practices Met by the ANSF Comprehensive Plan for Facilities Development, August 2010

Principles	Practices	Practice met?	
		Yes	No
I. Integrate organizational goals into the capital decision-making process.	1. Conduct comprehensive assessment of needs to meet results oriented goals and objectives.		√
	2. Identify current capabilities, including the use of an inventory of assets and their condition and determine if there is a gap between current and needed capabilities.		√
	3. Decide how to best meet the gap by identifying and evaluating alternative approaches.		√
II. Evaluate and select capital assets using an investment approach.	4. Establish review and approval framework supported by analysis.	√	
	5. Rank and select projects based on established criteria.		√
	6. Develop a long-term capital plan that defines capital asset decisions.		√
III. Balance budgetary control and managerial flexibility when funding capital projects.	7. Budget for projects in useful segments.	√	
	8. Consider innovative approaches to full up-front funding.		√
IV. Use project management techniques to optimize project success.	9. Monitor project performance and establish incentives for accountability.	√	
	10. Use cross-functional teams to plan for and manage projects.	√	
V. Evaluate results and incorporate lessons learned into the decision making process.	11. Evaluate results to determine if organization-wide goals have been met.		√
	12. Evaluate the decision-making process, reappraise, and update to ensure that goals are met.		√

Source: SIGAR analysis of GAO, *Executive Guide: Leading Practices in Capital Decision-Making*, Dec. 1998, and CSTC-A's *ANSF Comprehensive Plan for Facilities Development*, August 2010.

The GAO guide further states that although cost estimates contained in long-range capital plans are preliminary, they provide decision-makers with an overall sense of a project's funding needs. Developing preliminary cost estimates for planned ANSF facilities would help commanders determine the total cost for a specific facility and apply it to similar facilities.

Other U.S. departments and agencies have prepared long-range capital plans. In response to a January 2001 GAO report,¹² for example, the Department of State developed a *Long-Range Overseas Buildings Plan*.¹³ It is a comprehensive 6-year plan documenting State's overseas buildings program for the replacement of the least secure embassies and consulates around the world. Additionally, State developed a *Long-Range Overseas Maintenance Plan* in recognition of the importance of planning for the maintenance and sustainment of completed facilities.¹⁴ State notes that these two volumes provide a more complete picture of what is needed to fully respond to each facility's needs and protects its facilities and property investments. Moreover, State adds that proper maintenance of its multi-billion dollar investment in buildings will ultimately save the taxpayers money.

Long-Range Maintenance Plan Would Help CSTC-A Plan for Sustainability of ANSF Facilities

CSTC-A recognizes that long-range operations and maintenance for ANSF facilities need to be addressed. However, it does not have a separate plan to identify and rationalize ANSF maintenance requirements across the hundreds of ANSF facilities completed or planned. As State notes, its long-range maintenance plan for embassies and consulates around the world has allowed it to prioritize maintenance requirements to help ensure the most effective and efficient use of appropriated maintenance funding.

As we previously reported, according to CSTC-A officials, the government of Afghanistan does not have the financial or technical capacity to sustain ANSF facilities once they are completed.¹⁵ Since 2002, the United States and the international community have provided funding for sustainment of ANSF facilities. According to the CSTC-A 2008 *Campaign Plan*, future costs of sustainment may continue through 2025. In September 2006, U.S. Army Corps of Engineers, Afghanistan Engineer District, awarded an operations and maintenance contract for \$200 million to Contrack International, Inc., to provide for the sustainment of ANSF facilities. When the contract expired in October 2009, it exercised an option to extend the ANA contract with Contrack International, Inc., until a new contract was awarded.

In July 2010, the United States Army Corps of Engineers, Afghanistan Engineer District, awarded two new contracts for operations and maintenance for ANSF facilities. These contracts cover ANA and ANP facilities in northern and southern Afghanistan for \$450 million and \$350 million, respectively. These indefinite delivery/indefinite quantity contracts are for 1 base year plus 4 optional years.¹⁶ According to the program manager, these contracts may cover more than 660 sites. As sites are completed, they will be added with task orders as warranted.

¹² GAO, *Embassy Construction: Better Long-Term Planning Will Enhance Program Decision-making*, GAO-01-11 (Jan. 22, 2001).

¹³ The most current version is Department of State, *Bureau of Overseas Buildings Operations, FY2010-2015, Long-Range Overseas Buildings Plan* (March 2010).

¹⁴ The most current version is Department of State, *Bureau of Overseas Buildings Operations, FY2010-2015, Long-Range Overseas Maintenance Plan* (March 2010).

¹⁵ See SIGAR-Audit-10-09, SIGAR-Audit-10-10, and SIGAR-Audit-10-14. See also SIGAR, *ANP Compound at Kandahar Generally Met Contract Terms but Has Project Planning, Oversight, and Sustainability Issues*, Audit-10-12 (July 22, 2010).

¹⁶ Indefinite delivery/indefinite quantity contracts may be used to acquire supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award. See the Federal Acquisition Regulation, Subpart 16.5.

According to the program manager, the new contracts require a training program for Afghan workers in all aspects of operations and maintenance. The program will be expanded with each additional year to include all regions in Afghanistan. CSTC-A plans to transfer responsibility for all operations and maintenance for the ANSF facilities to the government of Afghanistan by 2013. The additional optional years for the contract would be included if all the ANSF facilities are not turned over by 2013.

CONCLUSION

Although the rapid pace of operations in Afghanistan and changing ANSF requirements are fluid and difficult to predict, these conditions also reinforce the need for overall planning and justification for both planned ANA and ANP facilities and those completed or under construction. Our prior audits of ANA and ANP infrastructure projects have highlighted shortcomings in facilities planning and maintenance. CSTC-A reports that over \$7 billion is needed for ANSF facilities construction in fiscal years 2010 through 2012; and we note that up to \$800 million may be provided for operations and maintenance over the next 5 years.

However, despite the considerable funding and the large number of facilities involved, CSTC-A has not prepared a long-range capital construction plan that supports strategic objectives; maximizes the strategic effectiveness of the ANSF; and, in the end, will meet the Government of Afghanistan's security objectives. A long-range capital construction plan would improve accountability and transparency over CSTC-A's decision-making for ANSF facilities construction that will be ongoing through 2012 and beyond, as well as help CSTC-A and the government of Afghanistan to ensure that, as requirements change, plans can be adapted as required and resources can be prioritized and used effectively to achieve overall strategic goals. Other U.S. departments and agencies have prepared long-range capital plans—State has done so for its multiyear, multibillion dollar worldwide embassy construction program. Industry and state government leaders have found that long-range plans help control capital costs, and that developing long-range capital plans enables organizations to review and refine a proposed project's scope and cost estimates over several years, which helps reduce cost overruns. Without an ANSF facilities plan that reflects current requirements, CSTC-A puts its \$11.4 billion ANSF facilities construction program at risk, including building facilities that are inadequate for the projected 400,000 ANSF personnel in 2013 or do not meet the ANSF's strategic and operational needs.

In addition, although the United States has a contract for operations and maintenance of ANSF facilities potentially through 2015, CSTC-A does not have a long-range maintenance plan linking requirements to long-range construction plans. Such a plan would allow CSTC-A to prioritize requirements to help ensure the most effective and efficient use of maintenance funding and help ensure that ANSF facilities are available for use as intended and, with proper maintenance of the multi-billion dollar investment in ANSF facilities, ultimately save the taxpayers money.

RECOMMENDATIONS

To ensure that CSTC-A maximizes the use of facilities construction funding and that these facilities address ANSF strategic goals and objectives, we recommend that the Commanding General, CSTC-A:

1. Develop a planning document that incorporates updated requirements for ANSF facilities; addresses the justification for and location of all ANSF facilities; determines how they meet strategic objectives for security; and discusses how facilities will be shared, expanded, or constructed to meet CSTC-A's projected end strength of 400,000 personnel in October 2013. This plan should address the principles and best practices identified in the December 1998 *Executive Guide: Leading Practices in Capital Decision-Making*.

In addition, to help ensure these facilities can be utilized as intended, we recommend that the Commanding General, CSTC-A:

2. Develop a long-range operations and maintenance plan for all ANSF facilities that is linked to a long-range construction plan.

COMMENTS

We provided a draft of this report to USFOR-A and CSTC-A for their comments. CSTC-A provided us written comments through USFOR-A and CENTCOM (see appendix III). We also met with CSTC-A officials to discuss their comments.

Overall, CSTC-A agreed with the report's findings. In addition, CSTC-A noted several steps it has taken or is in the process of taking to enhance its planning effort, including expanding its engineering capability and establishing the Strategic Basing Executive Board to oversee the development of a "holistic" basing concept that includes coalition, U.S. Forces, and ANSF construction. Once this and the other steps outlined in CSTC-A's comments have been completed, CSTC-A will have substantially addressed our concerns.

CSTC-A did not fully concur with our recommendation to develop a long-range facilities' construction plan, but CSTC-A noted that it can improve the identification of future projects and better document its priorities. However, CSTC-A questioned the applicability of the GAO/OMB *Executive Guide's* suggested approach for developing a long-range facilities' construction plan in a war zone. In the report, we cited the example of the Department of State and its long-range facilities construction and operations and maintenance plans because we considered it particularly relevant. The Department of State has thousands of facilities around the world, with some in contingency environments, including Afghanistan. While we understand the exigencies and demands of operating in a contingency environment, these conditions reinforce the need for an overall planning document and justification for the hundreds of ANSF facilities CSTC-A has built or plans to build. Such a document is important for CSTC-A and the Afghan government to ensure that, as requirements change, plans can be adapted as needed and resources can be prioritized and used effectively to achieve overall strategic goals.

In regard to our recommendation to develop a long-range operations and maintenance plan, CSTC-A stated that it completely agreed, and added that it has asked for additional staff from DOD to form the Infrastructure Training and Advisory Group. The Group will implement a long-range operations and

maintenance plan for all ANSF facilities. According to CSTC-A, the current operations and maintenance contract is meant as a bridge to span several years until this effort is resourced.

Finally, CSTC-A provided us with updated funding figures for ANSF facilities construction, which we incorporated into the final report.

APPENDIX I: SCOPE AND METHODOLOGY

This report provides the results of the Office of the Special Inspector General for Afghanistan Reconstruction's audit of the U.S. overall planning process for the construction of the Afghanistan National Security Forces (ANSF) facilities in Afghanistan. SIGAR initially contacted the U.S. Central Command (CENTCOM) to begin this audit, but CENTCOM directed us to U.S. Forces-Afghanistan (USFOR-A), which in turn directed us to the Combined Security Transition Command-Afghanistan (CSTC-A).

To identify the funding provided and planned for ANSF facilities, we reviewed documents that CSTC-A provided on the ANSF facilities and infrastructure cost; we also addressed these matters with CSTC-A officials.

To assess CSTC-A's planning for the construction of ANSF facilities, we interviewed officials at CSTC-A, Air Force Center for Engineering and the Environment (AFCEE), and MACTEC Engineering and Consulting, Inc., (MACTEC). MACTEC provided us with the ANSF Comprehensive Plan for Facilities Development, August 2010. We reviewed the comprehensive plan to determine how many of the eight key components MACTEC considered for each facility planning section. Based on our analysis, the eight key components were (1) introduction and planning; (2) mission, vision, and charette; (3) existing condition of component; (4) required facilities and assumptions; (5) conceptual master plan; (6) implementation program, including cost; (7) scope of work; and (8) reference figures. Additionally, in response to our inquiries, CSTC-A provided other documents that it asserted addressed ANSF facilities planning (see app. II). We also reviewed several U.S. Government Accountability Office (GAO) reports addressing long-term capital planning and met with its subject matter experts to determine the applicability of its December 1998 Executive Guide: Leading Practices in Capital Decision-Making to ANSF facilities planning. We used the GAO guide's descriptions of the principles and practices to determine which ones the ANSF Comprehensive Plan for Facilities Development addressed.

To assess CSTC-A's planning for the maintenance of ANSF facilities, we confirmed that a facilities' operation and maintenance contract was entered into by the U.S. Army Corp of Engineers, Afghan Engineering District. In connection with other audits, we discussed the contracts with the project manager to help ensure we understood the contracts' provisions and requirements.

We conducted work in Washington, D.C., from July 2010 to January 2011 in accordance with generally accepted government auditing standards. These 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The audit was conducted by the Office of the Special Inspector General for Afghanistan Reconstruction under the authority of Public Law No. 110-181, as amended, the Inspector General Act of 1978, and the Inspector General Reform Act of 2008.

APPENDIX II: PLANNING DOCUMENTS PROVIDED TO SIGAR

Since February 2010, Combined Security Transition Command-Afghanistan (CSTC-A) has provided us with numerous documents that it asserted addressed the planning for Afghanistan National Security Forces (ANSF) facilities. However, we determined that none of these documents addressed the overall justification or rationale for these facilities or provided details on how CSTC-A plans to expand, share, or construct new facilities to meet ongoing and future requirements. The documents CSTC-A provided, others we reviewed, and our assessments of them follow.

- *United States Plan for Sustaining the Afghanistan National Security Forces*, June 2008. We reviewed this plan in January 2010. We found that it details how CSTC-A would work with the Afghan Ministry of Defense and Afghan Ministry of Interior to increase management and assessment procedures for the ANSF. Also in January 2010, we reviewed the *CSTC-A Campaign Plan for the Development of Afghanistan National Security Forces*, September 2008. It addressed goals to build and develop Afghan ministerial institutional capability and to generate and develop fielded forces. However, neither plan provided information on how current and future Afghanistan National Army (ANA) personnel will be deployed or the rationale and long-range plans for ANA garrisons.
- Office of the Secretary of Defense, *Fiscal Year 2008, Security Forces Fund Justification for Iraq Security Forces Fund (ISFF) and Afghanistan Security Forces Fund (ASFF)*. CSTC-A provided this document in February 2010. We found that this funding document addressed several ANSF facilities, including several ANA garrisons, and cited an *ANA Master Plan for Facilities Development, October 2005*, as justification. However, CSTC-A officials were not aware of this “master plan” and could not locate a copy.
- *Conceptual Master Plan for the ANA*. CSTC-A provided this document in April 2010. We found that it addressed the mission and facility requirements for a number of ANA command-level sustainment organizations—including the Kabul Military Training Center, a Ministry of Defense compound, a medical command, an acquisition agency, and an Afghan National Army training command. The planning and analysis of these ANA facilities appeared detailed and comprehensive. However, the plan provided to us did not address the ANA Corps, was not signed or dated, and was missing numerous pages.
- *Operations Order #01/2010*. CSTC-A provided this document in June 2010. We determined that the order appeared to be an overall statement of CSTC-A’s role and its relationship with other organizations.
- *ANA Fielding Plan (Annex K), Version 20*. CSTC-A provided this to us in June 2010. We determined that Annex K was a spreadsheet listing numerous ANA kandaks (battalions) and the dates they were scheduled to attend training and deploy to a garrison or other facility.
- *Islamic Republic of Afghanistan Campaign Plan for the Development of Enduring National Security and Police Forces*. MACTEC Engineering and Consulting, Inc., (MACTEC) provided us this plan in September 2010. We found that the document was not dated or signed, and referred to ANA and ANP personnel levels from 2007. It did not address ANSF facilities planning.
- *MOI Internal National Security Strategy*, dated September 2006. MACTEC provided this strategy document in September 2010. We found that it had not been updated since 2006 and did not provide information on the justification for ANSF facilities.

- *Afghan National Army Force Generation Plan* and support documents to this plan, dated May 2010. CSTC-A provided us this plan in November 2010. We found that it did not address how ANSF facilities will support planned troop increases.
- The *U.S. Basing Strategy-Afghanistan*. CSTC-A provided this strategy in November 2010. It was created in response to a March 2010 U.S. Central Command tasking that stated that United States Forces-Afghanistan (USFOR-A) had no U.S. basing strategy that outlined the planned expansion of infrastructure in Afghanistan to support Operation Enduring Freedom. The *U.S. Basing Strategy-Afghanistan* provides base planning criteria for USFOR-A to use to locate a new base or expand an existing base but did not address any ANSF facilities.

APPENDIX III: COMMENTS FROM NATO TRAINING MISSION-AFGHANISTAN/COMBINED SECURITY TRANSITION COMMAND-AFGHANISTAN(NTM-A/CSTC-A)



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



MEMORANDUM THRU

January 16, 2011

Commander, United States Forces - Afghanistan, APO AE 09356
Commander, United States Central Command, MacDill AFB, FL 33621

FOR Office of the Special Inspector General for Afghanistan Reconstruction, 400 Army-Navy Drive, Arlington, VA 22202

SUBJECT: NTM-A Response to Draft SIGAR Audit Report No. 11-6, Dated January 2011

1. I would like to thank you for the time your team has taken to examine the planning process associated with the construction of facilities for the Afghan Army and Police. We partially concur with the recommendations and are updating our guidance documents to incorporate some of the planning principles you reference. Applied logically, we can improve the identification of future projects and better document our priorities.

2. I would like to propose two recommendations for you to consider, provide some additional information that you may wish to include in your report, and then finally update the funding figures to reflect more current information.

a. First, the title you have chosen for the draft report may not be an accurate reflection of the progress made in planning, specifically the operational and organization changes over the past year. We recommend you use the title that was used in the notification document: "CSTC-A's Planning for ANSF Facilities."

b. Second, you referred to the 1998 US Government Accountability Office's Executive Guide for planning construction of capital assets. We recommend that your organization consider publishing a best practices guide that is tailored to Afghanistan and other contingency operations, taking into account the varied skill and experience levels typically found in a combat zone. We welcome any additional recommendations, particularly those based on experiences on the ground in Afghanistan or other theaters. Any insights for future operations regarding the composition of the skills and number of people needed to accomplish the necessary tasks would assist future commanders to ensure they are resourced appropriately at the beginning of the operation.

- Having reviewed the 1998 GAO document, it is clear that this particular document was not put together to provide best practices for planning in a war zone. While many of the best practices apply, it does not appear to be the optimal document for a combat zone.

- For example, the best practice of "consider innovative approaches to full-upfront funding" does not seem to apply, and if it does, implementing it in theater likely requires additional regulatory or legislative authority.

- If you believe that particular best practice does apply, we welcome suggestions for implementing it in Afghanistan.
- While we will cull applicable “best practices” from this document, it would be very helpful if your agency produced a guide based upon lessons learned in combat zone construction over the past decade.
- I refer you to the Department of Defense Inspector General Report D-2010-056, dated May 14, 2010 and titled “Contingency Contracting: A Framework for Reform.” This report has been immensely valuable, and we suggest that a similar guide for combat zone construction would prove to be of more value than the 1998 GAO Executive Guide that was written more than a decade ago for peacetime construction.
- While we realize that your agency has limited assets, we would find a product such as the one described immensely useful and of significant practical value.

3. We agree with your findings that a five-year plan does not exist, but believe that your report does not adequately address the context and significant progress in planning that has been made in the last fourteen months. Without that context, readers of your assessment may not have a full appreciation of why a five-year plan does not exist.

- November 2009: A short fourteen months ago, the international community had only agreed to grow the Afghan Army and Police to 243K by October 2010. There was no agreement at that time as to the future duration of the mission, coalition presence, or future growth. In fact, CSTC-A only had about thirty personnel to manage the program, a clearly insufficient number to both plan and execute. At that time, the ASFF construction budget was only \$6.5B, not the \$11.4B that is currently projected.

- January 2010: During this month, the international community approved the growth of the Afghan Security Forces to 305.6K by October 2011. Shortly thereafter, the President requested from the US Congress an additional \$3.9B for infrastructure expansion to support this growth.

- Actions to Increase Planning Capacity: This command took the following steps to enhance the planning effort:

- Expansion of CSTC-A Engineer Capability: Following the January 2010 decisions, the Department of Defense expanded CSTC-A’s engineer capability by 200%, from 30 people to approximately 96. This significantly enhanced our ability to plan, and the initial focus of effort was to expand the planning horizon beyond October 2010 to the October 2011 goal of a 305.6K Afghan Army and Police.

- Additional Expansion of CSTC-A Engineer Capability: As you stated, our ability to plan for the transition of long-term operations and maintenance of facilities must be addressed. We completely agree and have asked for an additional 66 engineers from the Department of Defense to form an Infrastructure Training and Advisory Group

implement a long range operations and maintenance plan for all ANSF facilities. The current contract is meant to serve as a bridge for several years until this effort is resourced. Your report does not mention that we have already identified this as a shortcoming and have asked the Department of Defense for additional manpower.

- Joint Program Integration Office: While this office stood up in October 2009, it is only now reaching full operational capability. The JPIO provides division-level oversight and planning of the US Army Afghan Engineer Districts, as well as the Air Force Center for Engineering and the Environment. CSTC-A planning is now fully integrated with this office and they have helped to focus the planning effort.
- ISAF Strategic Basing Executive Board: The ISAF Commander established this board in October 2010 for the purpose of overseeing the development of a holistic basing concept that includes coalition construction, US Forces construction, and ASFF construction. This basing board's focus is primarily to look out towards the year 2014, while a monthly Steering Committee reinforces the Board's efforts for resolution of programmatic issues.
- COIN Construction Contracting Guidance: This implementation guidance provides specific go/no go criteria for moving forward with individual projects in the battlespace and is codified in the Operation OMID 1390 planning documents.

4. We would also like to provide an update on funding. We have updated the data to reflect the OSD Comptroller March 2010 Execution Data for FY 2005 through FY 2009. FY 2010 reflects the realignment of funds that has recently been notified to the US Congress. As such, the total program should reflect \$11.4B, rather than \$12.3B.

FY05	FY06	FY07	FY08	FY09	FY10	FY11 PB Request	FY12 Estimate	Total
204.74	326.07	1,456.33	993.11	1,028.17	2,024.00	2,927.61	2,447.93	11,407.97

5. We will be working over the next several months to incorporate your recommendations to both extend our planning horizon and develop a long-range operations and maintenance plan.

6. We appreciate your efforts to assist our Command, and look forward to continued cooperation in the future.



William B. Caldwell, IV
Lieutenant General, US Army
Commanding

(This report was conducted under the audit project code SIGAR-028A).

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The mission of the Special Inspector General for Afghanistan Reconstruction (SIGAR) is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

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