

In response to the Washington Times media query about the US Army Audit Agency report titled "Cost Sharing: Logistics Support, Services and Supplies", dated 13 June 2013, USFOR-A releases the following statement:

Recognizing the importance and necessity of good stewardship of taxpayer dollars, in 2012 the US Forces-Afghanistan (USFOR-A) Deputy Commander requested US Army Audit Agency's (AAA) assistance to verify if sufficient procedures were in place to equitably allocate costs and recoup funds from coalition partners for logistics support, services, and supplies (LSSS).

The 2012 AAA audit highlighted the lack of systems and processes necessary to recoup expenses from coalition partners. The problem resided with the contractor failure to capture cost data for each coalition partner receiving support through the contract and absence of a reconciliation mechanism between the supporting contractors and USFOR-A. After receiving AAA's recommendations, the command implemented a proactive, collaborative process that effectively addressed these findings.

The Logistics Civil Augmentation Program (LOGCAP) office now provides a monthly Contract Data Requirement List (CDRL) to the USFOR-A Coalition Support Cell, initiating the billing to the coalition nation, through the use of the CC-35 process, a document used by U.S. Central Command (CENTCOM) to capture and process payment for Acquisition and Cross Serving Agreement (ACSA) services.

The Coalition Support Cell is organized with ACSA coordinators at each Regional Command (RC). Once they receive the CDRLs the ACSA coordinators create the CC-35s for the countries within their respective areas, and distribute it to the individual countries for their approval. After the individual countries validate the forms, the documents are forwarded to the ACSA Manager for processing, to include a final review for accuracy. The documents are tracked in an ACCESS database and uploaded into the USFOR-A Resource Management Directorate's (J8) SharePoint site for further processing, and into the Department of Defense General Fund Enterprise Business System (GFEBs) for payment. Army Central Command (ARCENT) or the Defense Finance and Accounting Services retrieve the documents for payment or invoicing. As a result of this process, the command has recouped approximately \$40 million dollars during fiscal year 2014.

As a clear signal of the command's emphasis on transparency and accountability, the J4 and J8 directorates have successfully implemented an internal control process to monthly reconcile the actions processed separately by both departments. This practice also reviews J8 and ARCENT's GFEBs reports, reconciling payments against documents and allowing the RC coordinators to effectively answer payment questions from coalition countries. As part of this initiative, the command has reviewed non-LOGCAP contracts and identified reimbursement actions that had not previously been billed to coalition partners.

USFOR-A is committed to accurately collect funds from outstanding expenditures. In addition, the command developed an ACSA coordinators training program that focuses on the J4 areas of support.

The established procedures show stewardship of money allocated to theater, but more importantly facilitate the involvement of coalition partners. Coalition involvement has allowed the International Security Assistance Force to combine goals and resources to become more powerful in the execution of building a viable Afghan National Security Forces.

USFOR-A continues building an enduring legacy of transparent stewardship and oversight through a proactive and aggressive approach to accomplish the mission in a manner that is fiscally responsible and flexible, in accordance with the very fluid operational environment of Afghanistan.

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