

Navy's OASIS Program All Wet Because of Mismanagement, According to DOD IG

Written by Nick Sanders

Wednesday, 16 May 2012 00:00



The U.S. Navy's "Organic Airborne and Surface Influence Sweep" (OASIS) Program is an ambitious ACAT II program, established in 2002, with the objective of developing a new towed minesweeping system. When operational, OASIS will conduct "influence minesweeping"—which is (as we understand it) the use of a helicopter to tow an object that mimics a ship's magnetic or acoustic signature and, when the object passes near to a mine that detects such signatures, the decoy will cause the mine will explode. In the past 10 years, the Navy has spent about \$112 Million in RDT&E funds pursuing development of OASIS.

The DOD IG reviewed the OASIS Program "to determine whether the Navy was effectively preparing the program for the low-rate initial production phase of the acquisition process." The DOD IG will be issuing two audit reports. The first audit report, [DoDIG-2012-081](#), was released April 27, 2012. Its focus was to determine "whether the Defense Contract Management Agency (DCMA) was providing effective support to the Program.

The audit report discussed DCMA's various oversight and support roles, and provided a decent summary of the regulatory requirements imposed on DOD. We were interested to read the following paragraph—

The DCMA Major Program Support Instruction, November 2010, (the DCMA Support Instruction) provides policy and guidance for performing the contract management functions listed in the FAR. Specifically, the Instruction provides the DCMA staff with direction when supporting the program, product and project offices regarding program reviews, program status, program performance and actual or anticipated program problems, including direction to establish:

- a MOA with the program manager that focuses on desired program outcomes,

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- a program support plan that details the tasks needed to meet the provisions of the MOA, and
- a program integrator to manage the program support team and perform the tasks documented in the program support plan.

In addition, the Instruction provides policy and guidance on the program integrator and program support team responsibilities for monthly program assessment reports, cost, schedule, and technical analysis; EVM assessments; and integrated baseline reviews of major programs.

The foregoing (along with other items) established the baseline against which the DOD IG reviewed the relationship between DCMA and the OASIS Program.

There was a fair amount of churn within DCMA. The DOD IG audit report stated that, over the past decade, three separate DCMA offices have had oversight responsibility over the OASIS program. According to the audit report, the three DCMA offices were—

- DCMA Garden City, in Garden City, New York (April 2002 to February 2008);
- DCMA Huntsville, in Huntsville, Alabama (February 2008 to June 2010); and
- DCMA Orlando, in Orlando, Florida (June 2010 to present).

Given the churn and hand-offs between DMCA Contract Management Offices (CMOs), it probably was unsurprising that the DOD IG found some issues of concern. Specifically, the DOD IG “identified internal control weaknesses in the Navy’s management of the OASIS contract.” Specifically, the DOD IG—

... determined DCMA officials and the Program Manager, Mine Warfare (Program Manager), did not effectively transition the program integrator and a program support team for the OASIS contract in February 2008. Additionally, the Program Manager did not request DCMA program management support after the MOA with DCMA expired. We also determined that the Program Manager relied on a support contractor to provide data analysis that DCMA could have provided at no cost to the program.

The DOD IG audit report found several instances of communication failures between the various DCMA CMOs. The audit report stated—

On February 26, 2008, DCMA Garden City transferred the OASIS contract administration responsibilities to DCMA Huntsville after the prime contractor moved from Amityville, New York, to Panama City, Florida. The administrative contracting officer at DCMA Huntsville stated that she thought that the OASIS contract was sent to her for close out because there were minimal unliquidated obligation funds on the contract. Subsequently, DCMA Huntsville transferred OASIS contract administration responsibilities to DCMA Orlando on June 5, 2010, due to an organizational realignment. When asked, DCMA could not provide documentation showing communication between the two DCMA offices.

The DOD IG found that the Director of DCMA (Orlando) admitted that he did not even know he was responsible for the OASIS Program until April, 2011, nearly a year after the Program was

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transferred to his office for contract administration. (April 2011, was when DOD IG performed its audit. Had the IG not performed an audit, the DCMA (Orlando) Director well might still be blissfully unaware of the contract under his cognizance.)

Once the oversight was brought to his attention, the DCMA (Orlando) Director took immediate action. According to the audit report—

As a result of our audit, on April 22, 2011, the Director, DCMA Orlando, assigned a program integrator and a six-person program support team that included an engineer, an EVM System specialist, two quality assurance specialists, and two administrative contacting officers to the OASIS Program. Since being assigned to the OASIS Program, the program integrator and the program support team have regularly attended meetings, visited the prime contractor facility in Panama City, Florida, and issued five Program Assessment Reports to the Program Manager.

Program Assessment Reports are independent DCMA assessments of contractor performance with details including actual costs versus budgeted costs, performance schedule, and the way forward. ...

On September 13, 2011, the Director DCMA Orlando, stated that the DCMA Chief Operating Officer approved an additional personnel resource to support the OASIS contract. DCMA also changed its policy as a result of our audit that will ensure that all Acquisition Category I and II programs receive continuous DCMA support.

So here's the thing. Remember when [we told you](#) about the organizational and people challenges that DCMA had imposed on itself through mismanagement? Remember when [we reported](#) that DCMA was reorganizing to better manage its mission?

Yeah, we don't think those changes would really prevent the missed hand-offs experienced by the OASIS Program. The churn was the problem. That, and a lack of follow-through. Those problems stem from a lack of ownership, and not from an organizational alignment issue.

We need DCMA Contracting Officers and other functional specialists to own their roles on the programs they support—own them and take pride in the important jobs they do, helping the taxpayers get value for obligated funds and helping the warfighters get the systems they need to defend our nation.

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In our view, what we need is a change in mindset, or a change in culture. We don't need more rearrangements of the deck chairs.