

REPORT BY THE

Comptroller General

OF THE UNITED STATES

COMPLETED
ORIGINAL**Is The Air Force Inspection
System Effective?
GAO Was Denied Access To
Pertinent Records**

The effectiveness of the Air Force inspection system cannot be evaluated because the Air Force has denied GAO access to its reports and supporting documentation.

The Inspection System covers many areas of vital interest to all levels of management within the Department of Defense and the Congress. Without access to these reports, GAO has no basis for assuring the Congress that problems are being identified, and corrective actions taken.

The Secretary of Defense should revise DOD policy and make the Inspector General's reports available on a need-to-know basis.





COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-134192

June 29, 1978

The Honorable Jack Brooks, Chairman
Subcommittee on Legislation and
National Security
Committee on Government Operations
House of Representatives

Dear Mr. Chairman:

Your September 14, 1977, letter asked us to keep you advised on the progress of our review of the Air Force inspection system. We were unable to complete our evaluation of the adequacy and effectiveness of the Air Force Inspector General's operations because the Department of the Air Force denied us access to all Inspector General reports and supporting documents essential to our efforts.

Historically, the Department of Defense (DOD) has held that Inspector General reports shall not be furnished to us except upon approval of the secretary of the military department concerned. This policy was stated to us in 1958 and 1967, and was reiterated by the acting Under Secretary of the Air Force on June 29, 1977. On the latter occasion, the acting Under Secretary told us that our request for access to reports and files was denied because the reports contained conclusions and recommendations that were derived from Inspector General inquiries conducted under the concept of confidentiality.

As an alternative to providing us access to the reports and files, the Inspector General gave us statements of fact. These were prepared from inspection reports and supporting data and included background information, inspection proposals, data on staffing, and itineraries; however, they excluded all opinions, conclusions, and recommendations: this data was screened out by the Inspector General's staff.

The opinions, conclusions, and recommendations of individuals directly engaged in programs are an essential and integral part of Inspector General operations. They, along with other essential data, form the basis for the Inspector General's report--a document management uses to make and carry out decisions. Without their access, we cannot properly evaluate the adequacy and effectiveness of Inspector General operations and assure ourselves, higher DOD-level management, and the Congress that problem areas have been identified by inspectors and corrected by management.

In 1967 DOD restated its policy of not furnishing us Inspector General reports without the express approval of the respective service secretaries. The reason given then, and recently reaffirmed by the Air Force, was essentially that the access restrictions placed on Inspector General reports are intended solely to assure confidentiality--one of the traditionally distinguishing characteristics of the inspection system.

It could be argued that some of the information in the Air Force Inspector General System should retain its confidentiality. For example, some of the personnel functions being reviewed may require confidentiality, particularly in such areas as leadership, discipline, morale, health and welfare of units and individuals, and unit inspection and complaint programs.

We are concerned, however, when this rationale is used to exclude us from other areas of management concern such as the evaluation of the efficiency, economy, and effectiveness of major weapons systems, automated information systems, and supply and inventory systems. Reports covering these areas are not routinely made available to us, DOD, or the Congress, even though information contained in them is management oriented and could be used beneficially by top management in the Air Force, DOD, and the Congress.

The Air Force's denial of access hampers our ability to (1) carry out our responsibilities to the Congress and (2) provide it with independent consideration of the effectiveness and efficiency of the Inspector General's activities. This denial may also force us to waste money by making similar reviews; inspection reports evaluating the efficiency, economy, and effectiveness of Air Force management cover similar areas and may provide essentially the same type of results that audits produce. Since we have complete and unrestricted access to Air Force audit reports, we do not believe Inspector General reports and files resulting from inspections in these areas should be privileged information.

The Air Force is subject to the provisions of the Budget and Accounting Act of 1921, which states our authority to gain access to records as follows:

"All departments and establishments shall furnish to the Comptroller General such information regarding the powers, duties, activities, organization, financial transactions, and methods of business of their respective offices as he may from time to

time require of them: and the Comptroller General, or any of his assistants or employees, when duly authorized by him, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department or establishment. * * *

These provisions do not contain any relevant limitations to the Comptroller General's access to records authority. The Department of Defense's and the Air Force's arguments that they may limit or circumscribe the access of the Comptroller General to agency records lacks support in light of the clear language of the statute. It is also contrary to the concept of an independent Comptroller General, able to undertake unrestricted analyses of executive agencies' operations.

In the immediate case, we were denied access to these kinds of Inspector General reports, even though our intended purpose was to determine if the Air Force's inspection function was being carried out adequately.

In a recent report to the Congress entitled "The Air Force Audit Agency Can Be Made More Effective" (FGMSD-78-04, Nov. 11, 1977), we pointed out that audits and inspections are carried out in the same spheres of activity and that generally, audits are more comprehensive. We were concerned that the Air Force's process for coordinating audit and inspection activities was preventing the Air Force Audit Agency from providing coverage to functional areas when inspections were substituted for audits. We were concerned that this arrangement might prevent significant problems from surfacing and being properly reported beyond the local command level because of the confidential relationship claimed by the Inspector General.

The Air Force has advanced various reasons, over the years, to justify its refusal to comply with the law. In our judgment, the reasons are without merit, and the Air Force should start complying with the law establishing our right of access to records.

We are recommending that the Secretary of Defense direct the Secretary of the Air Force to revise his policy on providing Inspector General reports to us, particularly with regard to those reports involving efficiency, economy, and effectiveness of operations in the Air Force. Details of our survey are contained in appendix I.

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Your office requested that we make no further distribution of this report prior to committee hearings at which the report will be used. These hearings are tentatively scheduled for August 3, 1978.

Sincerely yours,

Thomas P. Stebbins

Comptroller General
of the United States

EFFECTIVENESS OF THE INSPECTION**SYSTEM CANNOT BE EVALUATED**

We tried to evaluate the adequacy and effectiveness of the Air Force inspection system's activities because (1) of its increased emphasis on analytical inspections of the efficiency, economy, and effectiveness of Air Force operations and (2) in some instances, the Air Force Audit Agency deferred its audits in reliance upon planned or initiated inspections. However, we were denied access to inspection reports and related files, thus prohibiting us from effectively evaluating the inspection system. This action increases our concern that the substitution of inspections for audits could prevent significant problems from being surfaced and reported to us, the Department of Defense, and the Congress due to the privileged status placed upon inspection records.

The Air Force inspection system was established under Title 10, United States Code, Section 8032(b)(2), which provides for investigations and reports on the efficiency of the Air Force and its preparation for military operations. Air Force Regulation 123-1 (see app. II) has broadened this basic responsibility by extending inspection activities into all areas of Air Force operations. More specifically, the inspection system provides for analytical inspections of the effectiveness and economy of Air Force policies, plans, operations, and procedures. The system consists of the inspection functions of the Inspector General, Air Force, inspectors general of major commands and separate operating agencies, and their subordinate inspectors general.

During fiscal year 1976, about \$31 million was expended for inspection activities, \$6 million of which was for the Inspector General and \$25 million for inspectors general of major commands and separate operating agencies. As of July 30, 1976, staffing of the Air Force inspection system was reported to be 1,452. Of this total, 172 were assigned to the Air Force Inspector General and 1,280 to major commands and separate operating agencies. 1/

In fiscal year 1976, the inspection system produced 1,597 reports. About 74 percent, or 1,179 inspection reports, were on functional management, system acquisition management, and

1/Costs for medical inspection activities and personnel were excluded from the scope of this survey.

management effectiveness inspections that were geared primarily to determining the efficiency, economy, and effectiveness of Air Force programs and activities. The remaining 26 percent, or 418, were in the areas of operational readiness, chemical and nuclear capability, command inspections, and health services, which we did not cover during our survey. (See app. II for a list and definition of the different types of inspections.)

INSPECTION SYSTEM EMPHASIS

Over the years the emphasis on types of inspections has changed. In 1970 a Blue Ribbon Defense Panel, convened by the President as part of a comprehensive study of DOD management procedures, noted that the inspection activities of the Inspector General and his staff were concerned primarily with such matters as operational readiness, morale, discipline, and the condition of physical facilities. In a memorandum dated December 17, 1973, the Inspector General advised the Air Force Chief of Staff that he intended to change inspection methods and procedures to provide a more analytical approach to examining Air Force functions and activities involving the identification of problems and deficiencies. In fiscal year 1975, the Inspector General's staff began putting the bulk of its efforts in functional management inspection activities involving several commands.

Historically, local unit commanders have used their inspectors to assure the combat readiness of their units. Inspectors general of major commands have also been requested to look at functional subjects falling within their scope of responsibility.

CONCERN ABOUT SUBSTITUTING INSPECTIONS FOR AUDITS

In our report to the Congress entitled "The Air Force Audit Agency Can Be Made More Effective" (FGMSD-78-4, Nov. 11, 1977), we were concerned that the system of coordination between the Inspector General's staff and the Air Force Audit Agency was preventing the Audit Agency from auditing functional areas by substituting inspections of these functions. As a result, significant problems may not surface and, therefore, not be reported to us, DOD, and the Congress due to the privileged status placed on inspection reports.

In response to our report, the Air Force stated that the mission statement of the Audit Agency would be revised to (1) clearly specify that there were no limitations on the

Audit Agency and (2) emphasize the complementary nature of audits and inspections.

DENIAL OF ACCESS TO
PERTINENT INSPECTION RECORDS

We started this survey of the Air Force inspection system in April 1977 to determine the (1) effectiveness of the system in serving the needs of managers and (2) extent to which inspection in lieu of the audit activities insures completeness of coverage on the efficiency, economy, and effectiveness of Air Force operations.

We were unable, however, to evaluate the inspection system because we were denied access to the inspection reports and files--the Inspector General's staff screened all related documents or statements, so we had no assurance that all relevant data had been provided to us.

Air Force Regulation 123-1 provides that inspection reports, including related correspondence, are privileged documents and are not releasable in whole or in part to persons or agencies outside the Air Force without the express approval of the Secretary of the Air Force. According to the regulation, this restriction also prevents unauthorized persons from reading or copying any of the reports, as well as receiving the information verbally. However, the Inspector General is authorized to release, upon request, a statement of fact of such report in lieu of releasing the report. A statement of fact excludes opinions, conclusions, recommendations, conjectures, and confidential sources.

By letter dated May 25, 1977, we requested that the Secretary provide us access (visual inspection) to the inspection reports so we could evaluate the effectiveness of the Inspector General system. In a letter dated June 29, 1977, the acting Under Secretary denied us access to the inspection reports, stating that the Air Force's position remained the same as stated to the Comptroller General in a letter dated November 10, 1967. The 1977 letter stated that:

"The Inspector General is the confidential agent of his commander, assigned to his immediate staff, and responsible directly to him.* * *

"The current reports were derived from inquiries conducted under the concept of confidentiality. Not only does this confidentiality encourage inspectors not to soften criticism, it also encourages those being interviewed to speak with candor.

Such candor might not exist if those being interviewed knew that there would be broader dissemination of their views. Release of existing reports could be construed as a breach of faith which could weaken the relationship which now exists between the inspectors and those being interviewed."

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The acting Under Secretary stated that statements of fact would be provided to us in lieu of the inspection reports. We requested nine statements of fact and related documents such as inspection proposals, itineraries, field memoranda, progress reports, a list of locations visited, and briefing documents. Most data requested was provided to us. However, all documents were screened, and we were told that opinions, conclusions, and recommendations had been extracted from the data. We were also informed that inspectors were not required to maintain records of discussions for the files.

**ATTEMPT TO EVALUATE INSPECTION
SYSTEM UNSUCCESSFUL**

We reviewed the nine statements of fact and related data and held discussions with inspectors to determine if we could use the information provided to evaluate the effectiveness of the inspection system and whether the inspections warranted the privileged status assigned.

We determined that while the statements of fact would be useful to us if we were reviewing the functional area covered by the inspection, they did not provide an adequate basis for evaluating the effectiveness of the inspection system. This is because the true measure of an inspection system's effectiveness is the extent to which it brings about needed improvements; thus, we needed to know the conclusions and recommendations reached and management actions taken. The statements of fact and supporting data reviewed did not provide this information. Also, due to a 2-year rotation policy (with a voluntary 1-year extension) for traveling inspectors, we were unable to talk to the inspectors that had performed the field work in some cases. In addition, those inspectors queried, although willing to discuss the inspection method and provide clarification on statements in the documents we received, were precluded by regulations from discussing the conclusions and recommendations.

Based on our review of the statements of fact and discussions with the inspection personnel, we could not discern

any valid reason for the inspections to be of a privileged nature. The statements of fact addressed identified problem areas and their underlying causes. Audits are designed to provide the same type of information, except audits identify the extent of the problems more often and in more depth than inspections. We believe the information identified in the inspection report could just as well have been disclosed by audits.

CONCLUSIONS

Over the past several years, the Air Force Inspector General system has increased its emphasis on analytical inspections of the effectiveness, efficiency, and economy of Air Force policies, plans, operations, and procedures, which in our opinion, is similar to the analytical approach used by the Air Force Audit Agency. Inspection and audit activities are coordinated, but in some instances audits are not being made because inspections were planned or initiated. Because of the privileged status placed on inspection reports, we are concerned that significant problems may not surface and, therefore, not be reported to us, DOD, and the Congress.

The functional areas covered by inspections in the analysis of effectiveness, efficiency, and economy of Air Force operations are not sensitive in terms of Air Force management. And disclosure of internal opinions, conclusions, and recommendations to us is not contrary to the public interest. The system of management control which results in such internal communications should be properly conceived, administered, and dedicated to efficient and effective operations (rather than defense of possible criticism). The acting Under Secretary's denial of access to us hampers any external review or independent consideration of the effectiveness and efficiency of the activities.

RECOMMENDATIONS

We recommend that the Secretary of Defense direct the Secretary of the Air Force to amend the regulations relating to inspection of the efficiency, economy, and effectiveness of Air Force operations to

- allow us complete and unlimited access to all reports, files, and documents related to efficiency, economy, and effectiveness of Air Force operations to enable us to exercise our responsibility to review and evaluate the results of Government programs and activities and

--make these same inspection reports available to appropriate evaluation groups in DOD and the Congress to enable them to utilize the data in planning and carrying out their activities.

APPENDIX II

DEPARTMENT OF THE AIR FORCE
 Headquarters US Air Force
 Washington DC 20330

APPENDIX II**AF REGULATION 123-1****7 April 1978****Inspection****THE INSPECTION SYSTEM**

This regulation tells how the Air Force inspection system works. It makes all Air Force functions and activities (including the Air Reserve Forces (ARF)) subject to inspection. It tells how and when inspections are conducted, and who is responsible for conducting which inspection. It applies to The Inspector General, HQ USAF, and to the inspectors general of major commands and separate operating agencies. It implements DOD Directive S100.82, 30 June 1976.

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Supersedes AFRs 123-1, 1 August 1975, and 123-7, 14 December 1966. (For summary of revised, deleted, or added material, see signature page.)

No of Printed Pages: 11

OPR: IGD (AFISC/PG, Maj Kirkpatrick, by delegation)

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Writer-Editor: M. O. Norby

DISTRIBUTION: F

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SECTION A — GENERAL INFORMATION

1. System Objective. The Air Force inspection system is designed to give the Secretary of the Air Force; the Chief of Staff, USAF; and MAJCOM/ SOA commanders:

- a. A way to measure readiness.
- b. A measure of the effectiveness of Air Force management systems and a valid information base for determining proper management improvement actions.
- c. A means to find important problems, to recommend solutions, and to identify exceptionally good management methods.
- d. A way to rate Air Force safety and occupational health programs including those required by Air Force directives such as 127-, 122-, and 161-series regulations.

2. System Concept:

- a. Inspection is a basic responsibility of command. The success of any inspection system depends on the commander's personal involvement.
- b. Inspector observations and findings must be based on facts. Reports should be short and clear. Findings should:
 - (1) Identify problems.
 - (2) Identify the basic cause of those problems.
 - (3) Estimate mission impact of the problems.
 - (4) Offer recommendations, where appropriate, for solving the problems.
 - (5) Identify outstanding personnel and management methods.

3. System Scope. Certain functions established at HQ USAF, the major commands, and separate operating agencies, make up the inspection system (AFR 20-68). This system examines the ability of the Air Force to carry out its assigned role. It rates the effectiveness, efficiency, and economy of Air Force policies, plans, operations, and procedures. It investigates subjects as directed by the Secretary of the Air Force; the Chief of Staff, USAF; or the commander concerned. The Chief, National Guard Bureau (NGB/LF); the Chief, Air Force Reserve (HQ USAF/RE); and the Vice Commander, Headquarters Air Force Reserve (AFRES/CV), may request special inspections of their activities. The system extends into every field of Air Force affairs including the Air Force Technical Representative of the Contracting Officer (TRCO) or Contract Monitor/Administration functions. Exception: Contractor performance may not be inspected (see paragraph 13b).

NOTE: The inspection of sensitive compartmented information (SCI) security management programs (i.e., administrative, personnel, physical, and com-

munications security) within the Air Force is the responsibility of the Assistant Chief of Staff, Intelligence, HQ USAF (AF/IN), in accordance with USAFINTELS 201-1 and 201-4. Inspections which directly involve security management of SCI programs require prior notification to AF/IN. Prior notification to DIA/RSS is required for similar inspections of USAF elements under the SCI security cognizance of DIA in accordance with DOD Directives S-5200.17 (M-2) and TS-5001.2(M-1).

4. Access to Information. Inspectors must have access to information which they need to know to complete an inspection. This need to know must be within the limits of their security clearance.

SECTION B — PERSONNEL POLICIES

5. Inspector Requirements. AFR 20-68 tells how inspectors general are appointed. Inspectors should be fully qualified and highly experienced in their functional areas. They should complete the Inspection School before performing duties as an inspector. Exceptions:

- a. Class quotas may prevent immediate attendance. The course must be completed within 90 days of assignment.
- b. United States Air Forces, Europe and Pacific Air Forces inspectors will go to the first class given in their area.
- c. Team chiefs will complete the course before assuming this duty.

6. Tour of Duty. The normal inspection duty tour is 2 years (see AFRs 36-20 and 39-11). After 2 years, personnel may move within the MAJCOM or SOA headquarters to complete a command tour. After they complete an inspection tour, they are not to be assigned to inspection duties for at least 3 years. Personnel who are serving in an inspection organization but are doing other than full-time inspection duties come under rules for a normal tour length.

7. Augmentation Personnel. HQ USAF Staff offices, MAJCOMs, and SOAs will make personnel with special skills available to assist in inspections.

SECTION C — INSPECTION RESPONSIBILITIES

8. Inspection Offices. All inspectors general will carry out the basic functions of the inspection system and other responsibilities given by their commander. These include:

- a. Reviewing and analyzing plans, programs, statistics, and other material to identify areas for inspection.

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b. Maintaining or having access to a current library with data about all activities of the command to be inspected.

c. Preparing and maintaining scenarios and guides used in inspections of command activities and functions.

d. Preparing inspection programs that reduce duplication and ensure essential functions are looked at.

e. Preparing and processing inspection reports and related records.

f. Maintaining records and analyzing problem areas to find trends that may require future inspections.

g. Following up on inspection findings and reporting periodically to the commander those areas to be corrected which are not receiving adequate attention.

9. The Inspector General, HQ USAF (TIG). The Inspector General may inspect any Air Force activity, including ANG and USAFR organizations and units. This officer is a professional assistant to the Secretary of the Air Force who reports to the Secretary as well as to the Chief of Staff, USAF (10 U.S.C. 8032). The Inspector General:

a. Conducts Command Inspection System Inspections (CISI) to evaluate the effectiveness of command inspection systems.

b. Conducts Functional Management Inspections (FMI) to evaluate a single program, function or a activity on an Air Force-wide basis.

c. Conducts Health Services Management Inspections (HSMI) to evaluate the management of functional elements within active and ARF medical units.

d. Conducts System Acquisition Management Inspections (SAMI) to evaluate all functional aspects of the acquisition process across a broad range of individual systems. A SAMI may evaluate government activities and may include visits to contractor facilities.

e. Conducts Management Effectiveness Inspections (MEI) of Air Force Intelligence activities not under the purview of a MAJCOM/SOA IG.

f. Conducts Management Effectiveness Inspections (MEI) of Air Force activities as may be agreed upon by MAJCOM Inspectors General and the Air Force Inspector General.

g. Conducts inspections of joint service activities based on interservice agreements.

h. Conducts Air Force intelligence oversight activities and inspections. Submits quarterly reports of activities that raise questions of legality or propriety to the Intelligence Oversight Board (AFR 200-13).

i. Processes inspection reports, analyzes findings, finds trends, and reviews proposed corrective actions.

j. Briefs the Secretary of the Air Force; Chief of Staff, USAF; and HQ USAF Staff offices, MAJCOM, and other appropriate officials on the results of important inspections.

k. Advises the Secretary of the Air Force; Chief of Staff, USAF; and appropriate HQ USAF Staff officials of problem areas that need more study or action.

l. Coordinates on appropriate Air Force and ANG directives.

m. Supervises the Air Force inspection system and assists command inspection organizations.

n. Conducts investigations (AFR 120-3).

o. Conducts the Inspection School for individuals who are assigned inspection duties.

p. Reviews Operational Readiness Inspection (ORI) criteria developed by MAJCOMs and sends comments to HQ USAF/XO (AFR 123-6).

q. Conducts other inspections, evaluations, assessments, and studies as needed.

r. Approves or disapproves requests for waivers of this regulation.

s. Provides requested support to the Inspector General for Defense Intelligence (DOD Directive 5100.82).

t. Convenes the Air Force Intelligence Oversight Panel to review Air Force intelligence activities to see if they are legal and proper (AFR 200-13).

u. Operates the Special Interest Item (SII) program. The SII program focuses inspection effort on specific Air Force management problems. All or part of the inspection system can be used to investigate specific areas.

(1) SII proposals may come from any level within the Air Force. An agency or individual initiating an SII must submit the proposal by letter through command channels to HQ USAF/IG.

(2) A proposal must outline the problem and provide enough background information to give inspectors a basis to begin the investigation. The proposal will include a short guide or list of questions that can be used as key problem indicators.

(3) HQ USAF/IG evaluates all proposals. Proposals selected are sent to the appropriate MAJCOMs/SOAs by letter. The letter gives the background, explains the action and information required, specifies the reporting format, and tells applicability of the SII to Air Reserve Forces (ARF).

10. MAJCOM and SOA Inspectors General. Each MAJCOM and SOA inspector general will schedule inspections of subordinate units. The MAJCOM and SOA commanders will determine the inspection intervals, except for Nuclear Surety Inspections

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(NSI). Nuclear capable units must receive an NSI at least every 18 months. An NSI is usually done in conjunction with an ORI. Other duties are to:

a. Conduct inspections to evaluate the effectiveness of command management. These include:

(1) FMIs that evaluate programs, functions, and activities (except medical) on a command-wide basis.

(2) MEIs that evaluate resource management (except medical) and rate the ability of a support activity or unit to perform its mission.

(3) CISIs that evaluate subordinate command inspection systems.

(4) SAMIs that evaluate command-wide acquisition processes.

b. Conduct inspections of units that are making intercommand transfers. Without an agreement between commands, the losing command is responsible for inspections of the affected units. All inspections due up to 90 days after the programmed transfer date will be completed before transfer.

c. Conduct Chemical Capability Inspections (CCT) (AFR 123-2); ORIs (AFR 123-6); and NSIs (AFR 123-9).

d. Conduct natural disaster capability evaluations, major accident and attack response exercises.

NOTE: For those commands which conduct ORIs, the attack response exercise should be conducted as part of the ORI.

e. Identify and conduct inspections of training programs that could subject personnel to undue physical or psychological stress.

f. Conduct other inspections to include:

(1) Special subjects such as paperwork reduction and on-base transient quarters use (AFR 121-12).

(2) ANG and USAFR units and base support activities (except medical) for which they are the gaining command. These inspections should include the ANG United States Property and Fiscal Officer (USP&FO) as described in r below.

(3) The Civil Air Patrol (CAP-USAF), USAF Auxiliary, and supporting Air Force liaison units.

g. Conduct joint MEIs with HQ AFRES, when appropriate.

h. Conduct written examinations if required.

i. Conduct personal conference periods (AFR 123-11).

j. Conduct investigations (AFR 120-3).

k. Review and evaluate replies to their command inspection reports.

l. Advise their commanders or staff officers, including ANG (NGB/CF), and USAFR (HQ USAF/RE and AFRES/CV) of major problems in need of command attention and staff action. Send analyzed data on problem areas to AFISC/IGTX (AFISC/SG for medical).

m. Send inspection support requirements to each activity that may be inspected and make sure each activity develops an inspection reception plan. The plan should include billeting, transportation, and work area information. The base chief, area audit office and the OSI representative should be told of any inspection visit. A unit project officer should be selected to work out specific team requirements.

n. For those inspections required by AFR 123-9, send one copy of the command checklists with changes to Det 1 AFISC/SNW, Kirtland AFB NM 87117.

o. Schedule new inspectors for the Inspection School.

p. Send requests for waivers to this regulation to AFISC/PG.

q. Send one copy of the report of each MAJCOM medical staff assistance visit and each medical staff assistance visit performed by HQ AFRES or its Numbered Air Forces (NAF(R)) to AFISC/DAP.

r. Inspect ANG units (except medical), state headquarters, and support given by air technicians under this and other directives.

(1) A USP&FO inspection must be conducted (32 U.S.C. 708). The report must state whether this inspection is part of an MEI/ORI. In many cases, it is necessary to inspect the assistant USP&FO functions at ANG unit level. If the contracting officer authority is at the state USP&FO, ANG procurement within the state USP&FO must be inspected (ANGR 11-02).

(2) Inspections of ANG state headquarters, the state USP&FO, and permanent field sites will take place as agreed upon by gaining commands and NGB.

(3) The gaining command will make a Federal Recognition Inspection (FRI) of a state unit when the unit is being considered for Federal recognition and for wartime tasking, or when asked to do so by the NGB.

(a) The FRI will be conducted as in ANGR 26-2.

(b) An FRI of a detachment is not needed if the parent unit is federally recognized. If a detachment is being made a part of a state unit to be federally recognized, the FRI should include the unit and the detachment.

(c) As soon as a satisfactory FRI is completed on the unit, the gaining command assumes the responsibility assigned in AFR 45-1.

(4) If an ANG unit is rated unsatisfactory, the inspection team chief may recommend probation for the unit or the withdrawal of Federal recognition. This recommendation must be in writing to the gaining MAJCOM commander, and explain why the recommendation is being made. The letter is

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processed as outlined in ANGR 26-2. The gaining major command sends a letter to the Chief, NGB, with recommendations. Information copies of this letter to NGB will be sent to the state adjutants general concerned; the ANG units concerned; The Inspector General, USAF; the Directorate of Operations, USAF; and the Deputy Inspector General for Inspection and Safety.

(S) ANG units rated unsatisfactory are reinspected at the discretion of the gaining command. Reinspection will be coordinated with NGB.

s. Report to the MAJCOM, SOA, or numbered Air Force accounting and finance office the inspection resources that were used in the inspection of morale, welfare, and recreation activities (AFM 177-101, Part IV, Chapter 12).

t. Maintain a system to give inspection coverage of MAJCOM and USAF SIs. A current list of MAJCOM SIs/special emphasis topics must be sent to AFISC/IGTX.

SECTION D — PREPARING, COORDINATING, AND CONDUCTING INSPECTION PROGRAMS

11. **Managing Inspection Programs.** Inspection programs must be prepared and coordinated to reduce inspections and cut out duplication. To do this:

a. Each agency with inspection duties will build a quarterly program, and send it to the next higher headquarters for coordination and consolidation. This merged program must reach AFISC/PG 60 days (1 February, 1 May, 1 August, or 1 November) before the program starts.

b. HQ USAF inspection programs will be coordinated with the HQ Air Force Audit Agency to minimize duplication between planned inspections and audits and to enhance the complementary results that often occur when inspections and audits are performed in similar functional areas. MAJCOM inspection programs will be coordinated with their MAJCOM command AFAA representative, as appropriate.

c. Headquarters staff assistance teams will coordinate their visits with their inspector general (AFR 11-13). The inspector general will ensure the staff is aware of this requirement.

d. Inspectors general at each level will designate certain individuals as trusted agents to handle and safeguard programming and planning information for no-notice inspections. No-notice inspection schedules are handled through the trusted agent system and marked as "TRUSTED AGENT INFORMATION." The IG at the MAJCOM level, and the NGB will send the names and telephone numbers of all its trusted agents to AFISC/PG.

e. Each SOA that does not conduct a formal inspection of all headquarters and subordinate functional areas must set up a self-inspection program.

Because the mission and organizational structure varies with each unit, the unit commander will decide on the type and frequency of self-inspection programs to be implemented. AFRES is exempted from this requirement.

12. **AF Form 503, Inspection Program and Visit Report.** Each MAJCOM and SOA will:

a. Prepare their inspection programs on AF Form 503, HAF-IGD (AR) 7301. (To prepare the form see instructions in Attachment 1.) Self-inspections need not be included. The program must include:

(1) All safety efforts. If the safety function is not within the inspector general function, the program must be coordinated with the proper director of safety.

(2) Exact team compositions and travel plan with dates of visits at each site.

(3) Dates of each phase if the inspection is to be done in phases.

b. Send one copy of AF Form 503 to AFISC/PG. Enter prior-notice and no-notice inspections on the same form. When no-notice inspections are listed, mark the package "TRUSTED AGENT INFORMATION" before sending it to AFISC/PG.

c. If the major command has nuclear capable units, also send one copy of AF Form 503 to Det 1 AFISC/SNW, Kirtland AFB NM 87117.

d. Report at once any program change involving a unit, type, or date of inspection by sending a revised AF Form 503. If the change cannot arrive 10 duty days before the start of the inspection, notify AFISC/PG, and AFISC/SNW if necessary, by telephone, and confirm it with the AF Form 503.

e. Notify AFISC/PG of all other visits (AFR 11-13). Report all changes at once.

13. **Conducting the Inspection:**

a. **Inspection Notification.** Inspections should be on a prior-notice basis unless no-notice serves a specific purpose such as simulation of wartime notification.

b. **Contractor Facility.** On a visit to a contractor-operated facility to see what is being done by Air Force contract administration organizations, or to check the value of contracts awarded by Air Force procurement offices, follow the guidance in AFR 11-12. As a minimum, the inspection team will ask for an in-depth briefing on:

(1) Contract terms.

(2) The responsibilities of any assigned technical representative of the contracting officer.

(3) Methods to be used to get records and data from the contractor.

c. **Personal Information.** Normally, inspectors do not ask individuals for personal information. If

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such information is asked for and recorded, the inspector will give the individual a Privacy Act advisement as AFR 12-35 requires. The inspector will, if necessary, consult with the OPR for the inspection (and with Staff Judge Advocate (JA), if necessary) for guidance as to the form of required advice.

d. **Standard Adjectival Ratings.** If adjectival ratings are used in an inspection report, they should reflect leadership and management of resources. The following terms should be used:

(1) **OUTSTANDING (O).** Far exceeds requirements as prescribed in mission directives.

(2) **EXCELLENT (E).** Performance or operation exceeds requirements as prescribed in mission directives.

(3) **SATISFACTORY (S).** Meets requirements as prescribed in mission directives.

(4) **MARGINAL (M).** Does not meet all requirements as prescribed in mission directives. Wartime operation or support may be limited by existing deficiencies.

(5) **UNSATISFACTORY (U).** Does not meet requirements as prescribed in mission directives. Wartime operation or support will be seriously limited by existing deficiencies.

e. **Inspection Outbrief.** An inspection outbrief will be presented to the commander of the inspected unit/agency. With the commander's agreement and, if proper, invite the command AFAA representative or the resident auditor to attend the briefing.

SECTION E — INSPECTION REPORTS

14. **Types of Inspection Reports.** The following types and formats of reports are used by The USAF Inspector General (TIG). These formats should be used for all inspection reports, as appropriate.

a. **Basic Report.** This report is usually in a pamphlet or booklet form. It may be sent with a cover letter. It is a three-part report.

(1) Part I may cover:

(a) The inspection purpose and coverage.

(b) Commendable observations, if applicable.

(c) A summary of major problem areas and their basic causes.

(d) Suggested corrective actions, where proper.

(2) Part II must cover the findings on the issues in Part I. These may require USAF Staff and/or MAJCOM/SOA actions. They must describe the symptom, impact, cause, and, if proper, suggested actions. The findings on commendable items must be discussed first, and then the findings on the most important problem areas. If exhibits are needed, they should be attached.

(3) Part III should cover any administrative details, such as report distribution and reply instructions.

b. **Memorandum Report.** This report may be used as an interim report, pending a final report. It may also be used when a basic report is not needed. The format is like Part I of the basic report.

c. **Letter Report.** This is an informal report to USAF Staff offices or MAJCOM and SOA inspectors general describing a problem that needs their attention and action.

d. **Problem Summary Report.** This is a short and specific summary of a well-defined problem. It is sent to an agency that has asked for comments. The source is an analysis of inspections or of safety information. These comments are part of the final report that is sent to MAJCOMs and SOAs.

e. **Message Report.** This report is prepared in the field and dispatched as outlined in the 123 series regulation that covers the specific inspection. Information copies are sent to HQ USAF/IG and AFISC/CC. For nuclear surety items send an information copy to Det 1 AFISC/S, Kirtland AFB NM 87117.

f. **Field Memorandum.** This is a letter report the inspector leaves with the commander during an inspection. The intent is to leave a record of all findings and recommendations with the commander so he can start action on problem areas before the basic report is published. A copy of this report may be given to each commander through MAJCOM level.

g. **Extract Report.** This is an extract from an inspection report that has information of interest to or needing action by an activity not inspected. It is sent with a cover letter that gives instructions for replies or other actions.

h. **CISI Report.** This is a CISI team's written report of the command inspection system, containing comments, when applicable, on team qualification, organization, management, scenario, criteria, and other significant areas. For CISI electrical message report, see AFR 123-6.

15. Preparing and Processing Inspection Reports:

a. **Report Distribution.** Reports, other than those sent electrically should be distributed to the proper levels of command, to include information copies to NGB (and state chain of command) or AFRES, as applicable.

(1) If the report is made by a MAJCOM, a subordinate command, or an SOA inspector general one copy must be sent to AFISC/DAP within 5 days after publication. Exceptions: If the report is made by HQ AFOSI or HQ USAFSS, send one copy to AFISC/IGTI. This does not apply to field memoranda, which do not need a reply.

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(2) If the report covers nuclear surety problems, it must be sent to Det 1 AFISC/SN, Kirtland AFB NM 87117, with one extra deficiency analysis worksheet.

(3) If the report covers an ANG unit, one copy must be sent to HQ USAF/IGR and to AFISC/CCG. Ten copies must be sent to NGB/SE.

(4) If the report covers an Air Force Reserve (USAFR) unit, one copy must be sent to HQ USAF/IGR and to AFISC/CCR. Three copies must be sent to HQ USAF/RE and to AFRES/IG.

(5) If a joint inspection is ordered by the Secretary of Defense or by the Joint Chiefs of Staff, the report must be handled as decided at the time the inspection is directed.

(6) If the report covers an inspection, survey, or investigation of an Air Force component command conducted by The Inspector General (TIG), it will be sent to the Chief of Staff, USAF, or other high-ranking official(s), as determined by The Inspector General (TIG).

(7) Each inspector general must make sure that the command AFAA representative gets one copy of the report of each inspection run by his command.

b. Replies to Inspection Reports. Replies to inspection reports are needed only for those findings identified as requiring a response. Replies go through command channels. Each interested headquarters staff agency reviews all replies within its area of responsibility. Comments are needed only if the staff agency does not agree with the response or the corrective actions.

(1) MAJCOM replies to The Inspector General (TIG) inspection reports are sent to the USAF Staff OPR noted in the inspection report. USAF Staff replies are sent to AFISC/IGT (AFISC/SG for medical).

(2) The responsible command replies to extract reports and includes any corrective actions. The reply is sent through command channels to the inspecting headquarters.

(3) The ANG unit commander replies through ANG command channels to the state adjutant general, then to the USAF commander who conducted the inspection. The unit commander sends four copies to NGB/SE, and sends an information copy of these inspection replies to all levels of the ANG chain of command in another state, if another state is involved, including the other state adjutant general.

(4) Six copies of all replies to ANG state headquarters inspections are sent to NGB/SE by the inspected unit. NGB/SE will furnish the MAJCOM/IG two copies of the state headquarters replies with NGB comments, if appropriate.

(5) USAFR unit commanders reply through USAFR command channels to HQ AFRES. HQ

AFRES then replies to the commander who ordered the inspection.

(6) NGB and HQ AFRES replies to inspection reports on matters within their area of responsibility and not correctable at unit level or another level of Air Reserve Forces command are sent to the gaining command.

(7) If the report covers an Army and Air Force Exchange or Motion Picture Service activity, one copy of the report, or the applicable portion of the report, must be sent to the Commander, Army and Air Force Exchange Service. Guidelines contained in paragraph 16 apply.

16. Privileged Nature of Inspection Reports. Inspectors general and inspectors are confidential agents of their commander. Reports of inspections and related correspondence are "privileged" documents, and their distribution is controlled. Commanders must ensure that all personnel under their command are aware of the privileged nature of inspection reports and will protect accordingly. For example, neither ratings nor findings may be repeated verbatim in base newspapers, etc.

a. The following statement must appear on the cover of, or in the body, of each report:

This is a privileged document, not releasable in whole or in part to persons or agencies outside the Air Force without the express approval of The Secretary of the Air Force.

NOTE: This restriction does not apply to inspections conducted jointly with evaluation teams from US or Allied Services and DOD agencies provided they agree to identify subject information with an appropriate statement such as: "This is a Privileged Document not releasable in whole or in part to persons or agencies outside the (applicable agency) or the Air Force (Authority: applicable agency regulation and AFR 123-1)."

b. If brevity is needed, such as in messages, use: "Privileged document—ref AFR 123-1, paragraph 16" instead of the above statement.

c. A report control symbol (AFR 178-7) is not required on an inspection report or on related correspondence.

d. Inspection reports are exempt from disclosure to the public under the Freedom of Information Act (AFR 12-30).

e. All state adjutants general, regardless of service, are authorized to receive privileged information that comments on units under their control.

f. Requests from the Congress and the General Accounting Office (GAO) for information about inspections and inspection reports are handled as outlined in AFRs 11-7, 11-8.

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(1) Requests for copies of a report on an inspection, investigation, or other inquiry must be referred to HQ AFJSC. An information copy of the request must be sent to the Secretary of the Air Force (SAF/LL) and to HQ USAF/GI.

(2) In place of these reports, The Inspector General (TIG) may release statements of fact, which are prepared by the Inspection Agency. Such a statement is made of the facts of the report only. It does not give any opinions, conclusions, recom-

mendations, conjecture or confidential sources of information. Requests for statements of fact are to be sent to HQ AFJSC, with an information copy to HQ USAF/GI.

17. *Maintaining and Disposing of Inspection Reports.* The commander, or the command inspector general, takes care of all files of inspection reports. Reports are filed and maintained as in AFM 12-20, and are disposed of as in AFM 12-50.

BY ORDER OF THE SECRETARY OF THE AIR FORCE

OFFICIAL

DAVID C. JONES, General, USAF
 Chief of Staff

JAMES J. SHEPARD, Colonel, USAF
 Director of Administration

SUMMARY OF REVISED, DELETED, OR ADDED MATERIAL

This regulation has been revised throughout for improved readability. Some of the detailed procedures have been shortened to allow MAJCOMs the opportunity for more initiative in the inspection process. It incorporates the guidance formerly issued in AFR 123-7 (The Case Report); it (and AFR 123-6) also incorporates the guidance formerly issued in AFR 123-4 (Disaster Preparedness Response and Capability Inspections). It deletes references to Executive Order 11807 as pertains to OSHA; adds Air Reserve Forces to USAF units requiring inspection (para 1); gives more guidance on procurement evaluation and contractor performance (para 3, 9); deletes obvious portions of personnel actions—extensions (para 5, 6) and inspection augments (para 7); adds Special Interest Item requirements and intelligence inspection requirements (para 9); adds requirements for Chemical Capability Inspections (para 10); adds a requirement to inspect training programs for physical or psychological stress (para 10); deletes requirements for a written examination unless required by the MAJCOM (Para 10); deletes annual inspection and annual US Property and Fiscal Officer inspection for Air National Guard units (para 10); deletes suggested number of trusted agents and adds SOA self-inspection program (para 11); reduces Conduct of Inspection detail to allow MAJCOMs to determine requirements; adds a requirement for a Privacy Act statement for personal information taken during an inspection; simplifies adjectival ratings to align unit performance more closely to readiness (para 13); reduces report disposition guidance to allow for MAJCOM prerogative; changes title of Supplemental Report to Written Report (para 14); deletes excessive guidance in Preparing and Processing Reports section (para 15); adds a note to privileged nature of reports; allows for release of some joint inspection items (para 16); changes LNCI and NCI to LNSI and NSI (Archs 1, 2 and 3).

INSPECTION PROGRAM AND VISIT REPORT (SEE INSTRUCTIONS ON REVERSE)		MAJCOM		DATE		REPORT CONTROL SYMBOL			
LOCATION AND UNIT(S)	AGENCY	TYPE INSPECTION/VISIT	TEAM COMPOSITION	OCT	NOV	DEC	JAN	FEB	MAR
				APR	MAY	JUN	JUL	AUG	SEP
Cape Charles AFS VA 771 RADS	ADCOM	PEI	A/14				7-13	(08/1130Z)	
Langley AFB VA 48 FIS	ADCOM	ORI/MEI/LNSI	B/28				7-14	(07/1900Z)	
Kalispell AFS MT 716 RADS	ADCOM	MEI	A/14				19-23	(19/1900Z)	
Halmstrom AFB MT 17 DSES	ADCOM	ORI/MEI	C/21				19-29	(19/1900Z)	
Finley AFS ND 785 RADS	ADCOM	MEI	A/14				27-----2	(27/1800Z)	
Mt Hebo AFS OR Det 2, 14 MWS, 689 RADS	ADCOM	MEI	M/18					2-9 (03/1500Z) 2-5 5-9	
McChord AFB WA 318 FIS	ADCOM	ORI/MEI/NSI	F/36					2-10 (02/2100Z)	
Langley AFB VA	ADCOM	LNSI - Redo	5;4016 4054(2) 46290(2)					15-18 (15/1900Z)	
(NOTE: When the inspection team includes OIs, DETs, or CSUs, show the inclusive dates and the exact team size for each location.)		(NOTE: Command will identify joint inspections.)	(NOTE: Commands will submit specific augmentor information.)						

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TEAM COMPOSITION BY AFSC

Team Composition A (14)—RADS Remote (MEI)

1-3076/96	Team Chief	1-7016/702XO	Admin
1-24190	Safety		
1-27671	Radar Ops	1-7324/73293	Personnel
1-30393	C & E		
1-30474	Radio Maint	1-74171	Rec Svcs
1-30574	Comp Maint	1-8124/81271	Security
1-55161	Civ Engr		
555XO		1-9025/90270	Medic
1-61290	Supply Svcs		
1-6424/64590	Supply		

Team Composition B (28)—Tomcat FTR (ORI/MEI/LNSI)

1-0036	Team Chief	1-42173	AGE
1-1465	Asst Team Ch	1-4016	Avionics
1-1465	Ops/Safety	1-32390	Avionics
1-1416	Ops Staff Off	1-31790	Munitions
1-24190	Safety (G)	1-46270	Munitions
1-27190	Air Ops	1-6424A	Supply
1-92270	Life Spt	1-81291	Security
1-4054	Muns/Nuc Safety	1-70270	Admin Coord
1-4054A	Muns	1-70490	Admin
1-463XO	Wpns Maint	1-70450	Secretary
3-4016	Maint	1-73270	Personnel
1-43191	Maint	2-17XX	Scorekeeper
1-43270	Eng Maint		

Team Composition C (21)—DSES (ORI/MEI)

1-0036	Team Chief	1-24190	Safety (G)
1-1465	Asst Tm Ch	1-27190	Air Ops
1-1325	EB-57	1-73270/90	Personnel
1-2275D	Elec Warfare		
2-4016	Acft Maint	1-81291	Security
1-431XX	Acft Maint	1-70490	Admin
1-4016	Avionics	1-70270/90	Admin Coord
1-322XX	Avionics		
1-6424A	Supply	1-70450	Secretary
1-432XX	Eng Maint	1-922XX	Life Spt
1-42173	AGE	1-90190	Medic

AFR 123-1 Attachment 3 7 April 1978**TYPES OF INSPECTIONS AND ABBREVIATIONS**

Type	Abbreviation
USP&PO (ANG)	PFI
Chemical Capability Inspection	CCI
Command Inspection System Inspection	CISI
Functional Management Inspection	FMI
Health Services Management Inspection	HSMI
Limited Management Effectiveness Inspection	LMEI
Limited Nuclear Surety Inspection	LNSI
Limited Operational Readiness Inspection	LORI
Management Effectiveness Inspection	MEI
Nuclear Surety Inspection	NSI
Operational Readiness Inspection	ORI
System Acquisition Management Inspection	SAMI

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