



DEPARTMENT OF DEFENSE  
Defense Commissary Agency  
Fort Lee, VA 23801-1800

# MANUAL

## Inspection, Evaluation, and Review Manual

DeCAM 90-1.1  
May 18, 2009

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Inspector General  
OPR: DeCA-IG

**1. POLICY.** Users of this Manual will comply with the policies as defined in Defense Commissary Agency Directive (DeCAD) 90-1, "Inspector General Programs, Policies and Procedures," June 26, 2006. This Manual is established in compliance with provisions of DoD Directive 5105.55, "Defense Commissary Agency (DeCA)," March 12, 2008.

**2. PURPOSE.** This Manual describes the processes involved in planning, conducting, and reporting on the results of the Office of the Inspector General (OIG) inspections, evaluations, and reviews. It contains guidance and procedures that will serve as a reference for inspectors, analysts, and evaluators whether newly assigned, experienced, or an augmented team member. OIG inspectors, analysts, and evaluators will be able to better meet mission requirements by following established Inspector General Professional Standards, DeCA Directive guidance, and this Manual.

**3. APPLICABILITY.** This Manual applies to all DeCA activities.

**4. MANAGEMENT CONTROL SYSTEM.** This Manual contains internal management control provisions that are subject to evaluation and testing as required by DeCAD 70-2 (Reference (c)).

**5. ACCESSIBILITY - UNLIMITED.** This Manual is approved for public release and is available via the Internet at [www.commissaries.com](http://www.commissaries.com).

**6. EFFECTIVE DATE.** This Manual is effective immediately.

A handwritten signature in black ink, appearing to read "John T. Maffei".

John T. Maffei  
Inspector General

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**REFERENCES**

- (a) DeCA Directive 90-1, "Inspector General Programs, Policies, and Procedures," June 26, 2006
- (b) DOD Directive 5105.55, "Defense Commissary Agency (DeCA)," March 12, 2008
- (c) DeCA Directive 70-2, "Internal Control Program," December 17, 2007

## CHAPTER 1

### INTRODUCTION

#### 1-1. PURPOSE.

a. This Manual is an internal DeCA Inspector General (IG) document developed to provide IG inspectors, evaluators, and analysts with program reference and guidance.

b. This Manual was developed to assist IG inspectors, analysts, and evaluators in the design, planning, conduct, and result reporting of inspections, evaluations, and reviews. It is intended to be a fluid document subject to annual review and updated as necessary.

c. The OIG exists to support DeCA in meeting its responsibilities in delivering the commissary benefit to our Service members and to help improve DeCA's performance and accountability.

d. It is important that the inspection and evaluation section of the IG reflect excellence in DeCA by performing effective and efficient inspections and evaluations. Excellence in the performance of all IG operations and professional endeavors is an IG goal.

e. It is the IG intent that this Manual serve as a reference for inspectors, analysts, and evaluators whether newly assigned, experienced, or an augmented team member. OIG inspectors, analysts, and evaluators will be able to better meet mission requirements by following established Inspector General Professional Standards, DeCA directive guidance, and this Manual.

**1-2. BACKGROUND.** Development and maintenance of this Manual is supported by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

**1-3. FEEDBACK.** DeCA IG is receptive to suggestions for improving this Manual and recommendations can be sent to the Defense Commissary Agency, Attn: IG, 1300 E Avenue, Fort Lee, VA 20801-1800, (804) 734-8000 Extension 48965 (DSN 687) or via e-mail to [alberta.eddy@deca.mil](mailto:alberta.eddy@deca.mil).

**1-4. INSPECTION AND EVALUATION MISSION.** As an independent and objective DeCA office, the IG reports to the Agency Director. One of the important missions of the IG is to perform inspections, evaluations, and reviews of DeCA activities, issues, and processes to ensure compliance with standards, laws, regulations, and directives designed to promote the efficiency and effectiveness of DeCA. Inspections and evaluations can be an effective Agency internal control function that provides the Agency senior leadership with a continual operational inspection measurement.

#### 1-5. STANDARDS.

a. The DeCA IG adopted and follows the Quality Standards for Inspections (QSI) promulgated by the CIGIE. The CIGIE endorses the need for these standards and encourages the consistent application of these standards throughout the IG community. These standards can be found in their entirety at Web site: [www.ignet.gov/pande/standards/oeistds.pdf](http://www.ignet.gov/pande/standards/oeistds.pdf).

b. As assistants to the DeCA IG, inspectors, analysts, and evaluators are involved in high visibility activities that receive scrutiny. The information they gather and the evaluations they make are essential to the internal management and control of DeCA, and are covered by Freedom of Information Act restrictions. Nondisclosure by inspectors to other than appropriate parties is essential in maintaining the integrity of the inspection process.

c. Inspection organizations should strive to conduct their operations in the most efficient and effective manner possible, which serves to enhance the credibility of the organizations. As used throughout these standards, the term "inspection" includes evaluations, inquiries, and similar types of reviews that do not constitute an audit, or a criminal or administrative investigation. The term "inspector" is used generically to refer to the individual conducting such work. The QSI provides uniform guidance for the Executive Branch which includes DOD and DeCA. While the standards are more elaborative in published form, the following is a synopsis of the general standards:

(1) Competency. Individuals assigned to perform inspection/evaluation/review activities should collectively possess the adequate professional core competencies (education, experience, training, etc.) for the tasks required.

(2) Independence. Inspectors must be free from personal, external, and organizational impairments that hinder objectivity. Inspectors must consistently maintain an independent, objective attitude and appearance; and shall be subject to supervisory guidance and review to preclude actual or perceived impairments or bias in conducting inspections/evaluations/reviews and presenting results.

(3) Due Professional Judgment/Care and Confidentiality. Inspectors must follow professional, Agency, and organizational standards; conduct timely, diligent, and complete work using appropriate methods; gather evidence in a fair, unbiased, and independent manner; report valid and documented findings, conclusions, recommendations; and, conform to high ethical conduct and be free of any work related conflict of interest. IG inspectors, analysts, evaluators, and reviewers must follow established legal and Agency procedures for safeguarding the identity of confidential sources; and for protecting privileged and confidential information.

(4) Quality Control. To ensure quality and to expedite the progress of an inspection, evaluation, or review, proper supervision will be exercised during inspection/evaluation/review planning, conduct, and completion of the final fully supported formal report.

(5) Planning. To ensure adequate planning, inspections/evaluations/reviews will be properly coordinated, well researched, and carefully designed to achieve objectives. During inspection planning, consideration should be given to whether the inspection is likely to touch upon sensitive information; and if so, appropriate steps must be taken to ensure the proper protection of that information throughout the inspection, evaluation, or review process. Planning will include a review of internal and external audit, Black Belt, and other Agency activities scheduled in order to avoid duplication of effort.

(6) Data Collection. The source, scope, procedure, confidentiality, and safeguard of all qualitative and quantitative information gathered about the inspected DeCA commissary, program, activity, or function must be attended. The gathered information must be sufficiently reliable and valid for use; supported by documented work papers; subject to supervisory review; and presented logically so findings have elements of criteria, condition, cause, and effect.

(7) Evidence. Evidence supporting inspection, evaluation, or review findings, observations, discussions, and recommendations must be sufficient, competent, and relevant; and lead a reasonable person to sustain the findings, observations, conclusions, and recommendations presented.

(8) Records Maintenance. All relevant information generated, obtained, and used in supporting inspection/evaluation/review findings, conclusions, observations, and recommendations must be retained as required in active or inactive file status for each inspection/evaluation/review performed.

(9) Timeliness. Inspectors must deliver information found to appropriate management officials and other customers in a timely manner.

(10) Fraud, Other Illegal Acts, and Abuse. If, during, or in connection with an evaluation, inspection, or review inspectors become aware of possible or probable fraud or other illegal acts and abuse, they must promptly present such information to the team chief; Deputy IG (DIG); and fraud, waste and abuse (FWA) unit for action, as required.

(11) Reporting. All inspection/evaluation/review reports shall present factual data accurately, fairly, and objectively; and present findings, determinations, conclusions, and recommendations in a definitive, professional manner.

(12) Performance Measurement. IG inspection/evaluation/review results are briefed at staff stand-up and senior staff meetings. The DeCA Annual Statement of Assurance and Annual Summary of Serious Management Challenges describe outcomes from inspection/evaluation/review work. The OIG is subject to DOD inspector general (DOD IG) peer review. IG customer satisfaction surveys are conducted after every compliance inspection (CI). Functional process owners (FPO), region, and store satisfaction with IG programs are surveyed annually.

(13) Working Relationships and Communication. Inspectors are expected to foster open communication within DeCA and interact with professionalism and respect by recognizing Agency priorities, work requirements, and the activity or FPO's point of view. By staying engaged and keeping abreast of DeCA operations, both formally and informally, inspectors/evaluators can develop positive working relationships while maintaining effective lines of communication with those entities under inspection/evaluation/review and other interested parties.

(14) Follow-Up. Appropriate follow-up (reinspection, corrective action status report (CASR), phone call, after action report such as the region director's weekly update, etc.) will be performed or used to assure that commissary management officials adequately considered and appropriately addressed recommendations made in a timely, complete, and reasonable fashion.

**1-6. TYPES OF INSPECTIONS.** The DeCA IG performs activity CIs. Commissaries, central distribution centers (CDC), and the central meat processing plant (CMPP) are the activities normally subject to CIs. The majority of inspections are unannounced and mostly at commissaries with results officially published and reported DeCA-wide. DeCA leadership, usually the region director, region deputy director, or zone manager, can request a staff assistance compliance inspection (SACI). SACI results are not disseminated DeCA-wide, but only given to the requestor and the inspected activity head. SACIs can be announced or unannounced at the requestor's discretion. The process for conducting a CI and SACI is basically the same.

**1-7. TYPES OF EVALUATIONS AND REVIEWS.** The DeCA IG performs evaluations and reviews as an alternative nonaudit and noninspection means to analyze and evaluate the efficiency or vulnerability of DeCA's programs and operations. These evaluations and reviews use various study methods and

evaluation techniques designed to quickly provide information to improve programs, procedures, and policies. They are designed and planned consistent with the CIGIE quality standards and often address systemic or local issues based on senior leadership request or management and system indicators.

## CHAPTER 2

### INSPECTION APPROACHES

**2-1. TWO INSPECTION APPROACHES.** The DeCA IG can choose to approach an inspection in two basic ways - as a structure or as a system. Both approaches are equally important and one approach is no better than the other. However, one particular approach may be more appropriate in certain instances.

a. Structural Approach. A structure is comprised of elements and subelements, like a commissary (element) and its various, subelement departments (meat, produce, grocery, bakery, administrative office, etc.). A structural approach to an inspection will help an inspector determine how these elements relate to each other (cross merchandising, patron satisfaction, etc.); where their boundaries rest (separate accountability, item pricing methodologies, etc.); and, where their responsibilities overlap (safety, security duties, benefit delivery, etc.). CIs are generally considered structural approaches in that they inspect the overall health of a commissary, CDC, or CMPP. If one department is not performing satisfactorily, the overall performance of the entire activity may suffer.

b. System Approach. A system is an activity that processes data or material (an input) and transforms it into something useful (an output). The overall system is comprised of subsystems that interact to produce an output. For example, store produce pricing consists of receipt costs, data entry into the resale price calculation system; the application of that output onto the display sign and into the point-of-sale (register); and, the resultant effect on single (or aggregate) store(s) accountability and customer satisfaction. The outcome is a narrower, more focused approach that allows inspectors/evaluators/analysts to take a systemic look at a topic, function, issue, or problem and determine whether the standard is met or if deficiencies exist. Fixing the system or subsystem is the inspection/evaluation/review goal.

**2-2. SELECTING AN APPROACH.** The structural approach means the inspection team must be very knowledgeable about the activity before conducting the inspection. The systems approach requires the inspection team to understand how the system works and what the correct output should be. Selecting the proper approach helps the inspector to understand the scope of the inspection effort and defines boundaries within which to conduct the inspection. Some inspection situations can compel the inspection team to use both approaches.

## CHAPTER 3

### BASIC ELEMENTS OF AN INSPECTION

**3-1. INTENTION.** The intent of inspections is to provide feedback to the DeCA Director, chief operating officer (COO), and other senior leaders through continual operational/administrative assessments of DeCA activities so decisions can be made to sustain and deliver the benefit successfully. Meaningful inspections contain the following five basic elements:

- a. Measuring Performance Against a Standard. Inspection results are a measure of compliance against a standard and/or goal. Generally, DeCA standards are contained in various directives, handbooks, policy letters, and other official guidance.
- b. Determining the Magnitude of the Problem. Inspection findings should focus on significant issues that affect the activity's ability to achieve the mission and help deliver the benefit successfully. Focusing mostly on insignificant issues (e.g., poorly painted commissary parking lines) is not the most effective and efficient use of inspection resources, nor a particularly value-added item.
- c. Identifying the Root Cause of the Problem. The inspector determines why a standard was not met. One method to achieve this is to ask open-ended questions of the individuals involved in the process under inspection. This type of questioning is designed to allow spontaneous and unguided responses. Avoid the strict reliance on checklist-type questions. The literal use of "yes" or "no" type questions is limiting. Use of the inspection checklist must be supplemented with follow-on, probing-type questions that help to determine a problem's root cause(s). A checklist alone will not help an inspector determine the root cause or contributing problem factors.
- d. Recommending a Solution. Examine the root causes that were uncovered and use them to recommend an effective and meaningful solution to the problem. Avoid short-term fixes, if possible. Focus on achieving long-term and far-reaching solutions to problems identified.
- e. Assigning Corrective Action or Further Action Responsibility. Inspected and interested parties receive a copy of the formal report with inspection findings, observations, discussions, and recommendations so that appropriate individuals may be identified with fixing the problems. The inspector must identify the appropriate individual or office for implementing corrective action.

## CHAPTER 4

### IDENTIFYING ROOT CAUSES

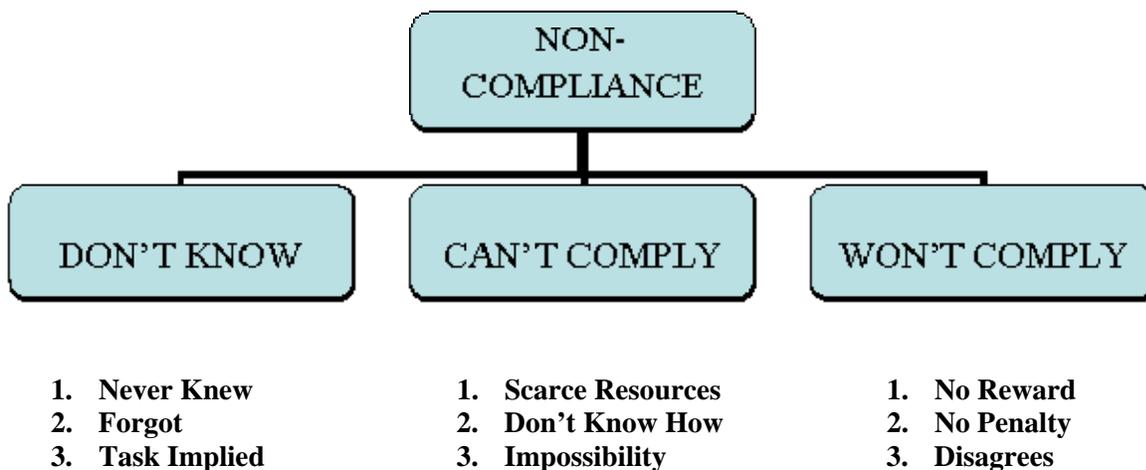
**4-1. DEFINITION.** Root cause is the underlying reason something happens or does not happen. It is the underlying reason that something occurs by answering the question why. An inspector can apply the root cause analysis model (Figure 1) to any inspection category to determine whether an individual is complying, or failing to comply, with a particular standard, law, rule, policy, or regulation. Inspectors should use the model not just to seek reasons for noncompliance, but also to determine why something is going well. The inspector may find some good news that is worth sharing.

**4-2. TWO FORMS OF ROOT CAUSES.** An inspector will normally encounter two basic forms of root causes - systemic root causes and local root causes. Each problem has a root cause or contributing factor, but some root causes are widespread while others are more localized.

a. Systemic Root Causes. When a problem is widespread and presents a pattern, the problem is likely to be systemic in nature. For example, an inspector may be able to trace a systemic problem back to a regulation, policy, or standard that is confusing, impossible to accomplish, or in conflict with another standard. These problems need to be taken to the proponent that wrote the standard for resolution.

b. Local Root Causes. When a problem is not widespread and does not present a pattern, the problem is likely to be local in nature or peculiar to that activity. Local problems affect only a small group of individuals. The solution to the problem usually rests within that particular group. Local root causes are often associated with a particular person's decisions, demeanor, or statements. In any case, the activity or office should fix the problem at their level.

**4-3. THE ROOT CAUSE ANALYSIS MODEL.** The Root Cause Analysis Model represents a framework that helps an inspector think through all of the reasons why something is happening or not happening. The model helps to structure the analytical process of determining what went right or wrong by posing a series of questions to the inspector in a particular form and sequence.



**Figure 1**  
**Root Cause Analysis Model**

**4-4. USING THE MODEL.** The Root Cause Analysis Model has three major headings: "Don't Know," "Can't Comply," and "Won't Comply." Each heading includes three categories that the inspector can pose as questions. The inspector should start with the heading "Don't Know" and ask questions one through three in sequence. For example, under the heading "Don't Know" the inspector should ask, "Did the person or department ever know about the requirement?" The information that the inspector gathers from interviews, sensing sessions, observations, and document reviews, should lead them to a particular answer. The inspector should not stop in pursuit of finding an answer to a question. More than one reason or factor may exist for compliance or noncompliance, so the inspector should follow all the way through the entire model.

a. **Don't Know.**

(1) Never Knew. Did the person or activity ever know about the requirement?

A negative answer to this question usually means that leadership at some DeCA level failed to get the information down to the required level.

(2) Forgot. Did the person or activity forget about the requirement?

A positive answer to this question usually suggests a local or personal problem and not a systemic problem.

(3) Task Implied. Was the task implied but the activity or person lacked the knowledge or experience to recognize the requirement?

This is often the result of a lack of experience and/or lack of specificity in the guidance provided. In DeCA, where members are highly experienced, identifying and accomplishing implied tasks is second nature. But in DeCA activities that suffer from rapid turnover and varying levels of experience, leadership should compensate by providing more explicit guidance to newly assigned personnel.

b. **Can't Comply.**

(1) Scarce Resources. Did the person or activity have the resources to accomplish the requirement?

(a) DeCA activities can often lack the resources to accomplish some of their requirements. The scarcest resources tend to be time and money. Part of the problem may be a conscious decision that a manager made concerning priorities.

(b) Before an inspector challenges an activity's priorities, the inspector must view and understand the bigger picture.

(c) The priorities the manager selected or directed may be the correct ones, but that fact does not mean that the inspector cannot question the decision.

(2) Don't Know How. Did the person or activity know how to meet the requirement?

A negative response to this question might suggest a lack of training or experience. The resources may be available, but the activity or person simply lacked the knowledge to perform the task, even if the activity or person knew about the requirement.

(3) Impossibility. Was the requirement impossible to perform for the activity or person?

A positive response to this question suggests that training, resources, and knowledge of the requirement were there, but the activity or person found the task impossible to accomplish. A number of potential

reasons may surface. Perhaps the task was overly ambitious and incredibly difficult to perform under any circumstances.

c. **Won't Comply.**

(1) No Reward. Would the person or activity be rewarded for completing the requirement?

(a) Some people consciously decide not to comply with requirements that do not benefit them or their activity, or view the requirement as "dumb" in their estimation.

(b) Some people simply avoid difficult tasks.

(c) A penalty may be involved in decisions of this nature.

(2) No Penalty. Would the person or activity suffer a penalty by failing to complete the requirement?

(a) Some activities or individuals choose not to comply with what they deem to be "unpleasant" or "dumb" tasks because no one will punish them for their noncompliance.

(b) Some people focus only on what keeps them out of trouble.

(c) A penalty may be involved in a decision of this nature.

(3) Disagrees. Did the person or activity disagree with the requirement?

(a) In rare instances, individuals refuse to comply with a requirement that they think is "dumb" or "stupid."

(b) Sometimes they are correct, and sometimes they are not.

(c) When professional inspectors agree (and can articulate/argue) that a requirement is not in DeCA's best interest in a particular or general case, an exception to policy or a policy change can be requested via higher headquarters that noncompliance exists and why.

(d) Depending on circumstances, a penalty may be involved.

d. **Determine a Solution.** Having identified the root cause(s) for noncompliance, inspectors should seek solutions that address these problems. Some solutions are short-term (band-aid) fixes that are temporary in nature and essentially buy time for the long-term fixes to take effect. Others are long-term. In either case, inspectors need to work with the inspected party and develop possible fixes to the problem. A systemic problem, or one outside the activity's ability to fix, should be directed to the appropriate authority for resolution. Merely identifying noncompliance is not acceptable. Identifying why there was noncompliance is the key to resolving the condition found.

## CHAPTER 5

### COMPLIANCE INSPECTION PROCESS

**5-1. OBJECTIVE.** The primary objective of an IG CI is to inspect key result areas (KRA) tied to the Agency's critical business decisions, along with identifying areas for improvement and promoting best business practices found.

**5-2. INSPECTION DESIGN.** The CI and SACI are designed to measure results in the KRA areas of patron satisfaction, leadership, and personnel and assets management. These areas are critical to the success of DeCA's Strategic Plan, Goals and Objectives. Commissary compliance inspection (CCI), SACI, CDC, and CMPP checklists are used to facilitate inspections.

**5-3. DEVELOPMENTAL STAGE OF THE INSPECTION PROCESS.** Data call results and management indicators are two elements used to largely determine who and what gets inspected. Command interest is another. The end result is a schedule of inspection and evaluation events determined for the forthcoming fiscal year (FY).

a. Data Call and Risk Assessment. At each FY end and generally in August, a program data and input call is issued by the IG to DeCA leadership and field activities requesting inspection site recommendations, inspection topic suggestions, and recommendations for program improvement. A risk assessment, using management indicators, is also conducted.

b. Management Indicators. Results (operating, scorecard, accounting, etc.) from 13 or more established moderate to high risk areas are entered into an Excel calculation program that produces a rank/order report of commissaries that would most benefit from an inspection during the forthcoming FY.

c. Planning Results. Program data and input call information received is used to update the current CCI, CDC, and CMPP checklists. Program data call and input information received is also combined with management indicator information (risk assessment data) to develop an itinerary of commissaries to be inspected within budget.

**5-4. INSPECTION TEAM COMPOSITION.** Based on the schedule of events, a team chief is selected for each inspection. The team chief is in charge of the site/process/item inspection and is responsible for managing and coordinating team activities in all aspects of the planning, preinspection research, inspection process, logistic, administrative, and team strength support. Individuals assigned to the team assist the team chief in this regard. Team chiefs and team members must adhere to the QSI.

a. Team Chiefs. Team chiefs shall:

(1) Determine the type and number of team members and advance briefings needed to prepare for and perform the inspection.

(2) Function as facilitators.

(3) Determine the proper evaluation methodologies required.

(4) Advise the team on how to best capture and convey findings and determine unique factors relating to what is inspected.

(5) Have broad interdisciplinary inquiry ability, possess qualitative and quantitative analytical skills, and demonstrate advanced writing and oral briefing capabilities.

(6) Duties include, but are not limited to:

(a) Ensuring the inspection team is fully prepared.

(b) Coordinating all inspection correspondence, meeting with senior officials (such as the installation commander and their staff or headquarters command group personnel), as required.

(c) Leaving a draft "out-brief summary" with commissary management at inspection completion; tying in inspection strengths, observations, findings, conclusions, and recommendations into a meaningful and quality formal report.

(d) Preparing inspection material (work papers, etc.) for the archives.

(e) A brief on-the-job training plan for the augments(s) will be submitted to the DIG by the team chief prior to trip departure.

(f) Complete the Preinspection Research Worksheet and submit it to the DIG prior to departure, certifying what preinspection research was accomplished.

b. Team Members. Team members shall be:

(1) Subject matter experts either by virtue of professional experience or technical qualifications.

(2) Professionally proficient in inspection techniques and tasks required.

(3) Objectively collect reliable, valid, and accurate information.

(4) Responsible for ensuring all materials collected during the inspection are given to the team chief.

(5) Augmented by non-IG personnel within DeCA. Augments(s) should be selected based on their subject matter expertise, interview/investigatory strength, and communication (oral and written) skills.

**5-5. PLANNING, RESEARCH, AND LOGISTICS.** The following must be done when planning an inspection:

a. Preinspection Research.

(1) Data gathering research must be conducted to gain an understanding of the activity, process, or item within the inspection scope.

(2) Applicable regulations and directives must be researched relative to the inspection.

(3) Data sources such as internal audits, external audits, management reports, FWA reports and complaints, DOD Hotline files, Your Action Line files, inventory results, Commissary Customer Service Survey results, Cross-Ring and Exception Reports, and previous activity or process inspections, are among those documents that are examined.

(4) System data mining is another tool used to examine information in the data warehouse.

b. Foreign Clearances, Passports, Visas. For outside the continental United States (OCONUS) venues:

(1) Consult the DOD Foreign Clearance Guide on requirements for country, theater, or personnel clearances, passport and visa requirements, or any other unique needs specific to the country to be visited.

(2) Requirements are often different for military and civilian personnel.

(3) Request for OCONUS clearances generally must be obtained at least 30 days prior to date of entry.

(4) Special medical requirements, such as inoculations, should be verified.

(5) For further assistance, the DOD Foreign Clearance Guide can be found at [www.fcg.pentagon.mil](http://www.fcg.pentagon.mil).

c. Security Clearances.

(1) The IG staff actions analyst will be consulted to provide inspection team members security clearances to the inspected activity.

(2) This will also facilitate the inspected activity's preparation of entry procedures, visitor badges, etc.

d. Transportation.

(1) The team chief/members should arrange for team transportation, generally via commercial/government auto and airline, through the appropriate travel system.

(2) Arrangements must be made for ground transportation. This could include determinations to use rental cars, government vehicles, or privately owned vehicles.

(3) When traveling by commercial (rental) auto, the DeCA Logistics Services Group should be contacted first for government vehicle availability.

e. Lodging.

(1) Arrangements for lodging should be made as soon as practical (when team size and inspection dates are officially approved).

(2) It is preferable from a logistics standpoint to lodge the inspection team at one location.

(3) Inspection demands will determine the justification of selecting on-base versus commercial lodging.

(4) Team chiefs are encouraged to inquire as to the availability of on-base lodging and use it when practical, available, and quarters meet acceptable standards.

f. Information Packages.

(1) Packages will be prepared to provide team members information on the inspected activity/item/process, research data, inspection procedures, and the logistics involved with traveling.

(2) The duties of preparing information packages are generally shared by the team chief and members.

(3) Team chiefs will brief the DIG, or in his/her absence the DeCA IG, on the inspection plan for individual sites to be visited and the results of the preinspection research prior to departure, i.e. trends anomalies, potential significant issues.

g. Team Orientation.

(1) A team meeting will be held prior to the start of the inspection to discuss inspection parameters, philosophy/approach, procedures, and logistical details.

(2) Information packages are handed out and inspection areas of responsibility assigned.

(3) Augmenter(s), if part of the team composition, will be included and informed of their role in the inspection and under what inspection guidelines they are expected to operate.

## CHAPTER 6

### INSPECTION TEAM AUGMENTER GUIDE

**6-1. PURPOSE.** Team chiefs will instruct and encourage augments accordingly. The team chief must ensure that augments understand their obligation concerning nondisclosure, privileged-information status of IG reports, and associated information prohibiting unauthorized disclosure, unauthorized retention, or negligent handling of information obtained in the course of an inspection.

**6-2. GENERAL.** Augments will be given a copy of this Manual and will be guided by the following:

a. Team Chief. The team chief will brief the DIG after the CCI regarding performance of the augments. The DIG will prepare appropriate recognition to the augments and appreciation to the augments' supervisor.

b. Augments. Augments responsibilities include:

- (1) Prior to departing, obtain, review and follow the standards in the QSI.
- (2) While on-site, report to the team chief for the duration of the inspection.
- (3) Gather data objectively and look at the inspected activity from the standpoint of what is best for DeCA.
- (4) Be agents of the IG while conducting IG business and be accountable for actions. Personal, external, and organizational biases have no place in an OIG inspection.
- (5) The inspection contribution of every augments is valued; it helps achieve inspection objectives.

c. Teamwork.

- (1) There may be times when a finding could affect another team member's area of review, and should therefore be shared with the team.
- (2) It is important that augments advise other team members each time they receive information in order that the team determine validity and usefulness with regard to the overall inspection objectives.

d. Team Chief and Augments Working Relationships. The team chief shall:

- (1) Provide guidance at team meetings or via other appropriate means to convey inspection information, taskings, and requirements to augments.
- (2) Accept input as a result of the augments efforts in gathering data relating to interview and document review results, observations, proposed findings, conclusions, recommendations, and team member consultations and meetings.
- (3) Adjudicate conflicts; select and define issues for augments.
- (4) Review, edit, guide initial draft write-ups for out-brief and formal inspection reports.

(5) Respectfully consider augments(s) views on issues.

(6) Elevate unresolved issues to the senior IG official.

e. Inspected Activity Process Guidelines. The augmenters shall:

(1) Be considerate and minimize disruption to the inspected activity.

(2) Seek cooperation diplomatically as the inspected party provides information requested.

(3) Notify the team chief if they believe "stonewalling" or less than full cooperation exists.

(4) Photo copy documents and related material to better substantiate findings.

(5) Prepare adequate and sufficient work papers to authenticate findings.

(6) Prepare the draft out-brief summary with sufficient detail to address the who, what, where, when, how, and why.

f. Useful Inspection Tips.

(1) Inquisitiveness is an important inspector skill; ask probing, definitive type questions.

(2) Open-ended questions; namely, "How do you usually perform this task?" are better than those that require a "yes/no" response because they allow additional information to be obtained.

(3) Discover all the facts possible. Report good findings, as well as bad ones; it is the right thing to do.

(4) After information is gathered and a determination is made, assist inspected personnel to correct what is wrong by teaching them the proper way of doing things regarding systems, processes, and procedures.

(5) Spread innovative ideas and best practices learned.

(6) Do not take someone's word; verbal evidence is the least reliable; documentation is critical.

(7) Do not scrutinize-pick; place viewpoints in perspective; evaluate the impact of the findings.

(8) Significant findings are better than trivial ones. Determine the magnitude of the deficiency and the impact on the mission and/or patron. Determine the deficiency's root cause.

g. Work Schedule.

(1) Will be as normal as possible, depending on logistics and work conditions.

(2) The first hours spent on-site are often dedicated to information gathering.

(3) Subsequent time is spent refining issues, identifying responsibility for corrective action, ensuring all pertinent documentation has been obtained, and drafting write-ups.

- (4) The team chief will be notified when assignments are finished.
- (5) If an inspection exceeds a week, the intervening weekend is normally a nonworking one.

## CHAPTER 7

### CONDUCT OF THE COMPLIANCE INSPECTION

**7-1. OBJECTIVE.** CI and SACI measure conformity with DeCA standards identified in KRAs. Virtually all functional processes and field operating activities contribute to results in the following KRAs:

a. Patron Satisfaction. Inspectors look at the performance of assigned tasks and functions related to an activity's success in preserving and delivering a premier quality of life benefit to better serve our military service men and women and other patrons.

b. Leadership. The effectiveness and efficiency of systems' controls used by managers and supervisors, including personnel related items (safety, security, health, etc.), are evaluated consistent with DeCA's desire to transform and develop the workforce.

c. Personnel and Assets Management. The management and accountability of resources to implement best business models and practices that help strengthen internal controls and Agency governance are evaluated.

### 7-2. CONDUCTING AN INSPECTION.

a. CCI and SACI are presently unannounced which allows for "as is" or "normal" operational evaluation. Inspectors analyze operational and administrative areas to determine how well the activity is performing and if obstacles to better performance exist.

b. DeCAD 90-1 (Reference (a)), addresses inspections, reviews, conduct and responsibilities. While inspectors check compliance with DeCA directives, processes and systems may be reviewed to determine the root causes or contributing factors for the problem issues or obstacles found.

c. Inspection information gathering methods include interaction and discussions with as many employees associated in one way or another with the activity or process under inspection/review; e.g., senior store management, general managers, department managers, and administrative support staff. Observations, reviewing documents, and one-on-one interviews requested by activity employees are other means of gathering information. Information collected and analyzed may be quantitative and/or qualitative. The degree of reliance on one analytical method or another to make a determination will depend upon the conditions present, the information sources available, and the resources available to fully pursue them. Identifying the key information that is essential for making accurate conclusions is critical.

d. There are several inspection proceedings that take place once the inspection team arrives on-site.

(1) In-Brief. On the first inspection day, the team chief greets the senior official present (store director/general manager, CDC manager, CMPP manager, etc.) of the activity to be inspected and requests in-brief with supervisors. Topics covered during the in-brief include:

- (a) Inspection tools to be used (checklist, observations, customer interviews, etc.).
- (b) Explanation of KRAs.
- (c) Inspection scoring methodology to be used.

- (d) How to earn inspection credits (bonus points).
- (e) Penalty points and their significance on the overall inspection process.
- (f) Procedures for conducting patron/employee interviews.
- (g) Protocol for meeting with the installation commander, if desired.
- (h) Other information pertinent to the particular inspection.

(2) Familiarity Walk-Through. The senior store official present (store director/general manager) should escort the inspection team through the sales area to acquaint the inspection team with the store layout while introducing available employee/management staff personnel. Observations and information gained during a walk-through are part of the inspection.

(3) Observations and Document Reviews. These are made relative to activity mission accomplishment with relation to the KRAs, organization (departments, etc.), manpower, personnel, training, resource management, information systems management, contracting/procurement, facilities, standards of conduct, special interest items, sanitation, safety, security, travel, equipment, store construction (new and renovated), and other related benefit delivery areas.

(4) Interview Sessions.

- (a) A number of randomly selected patrons are interviewed.
- (b) Official installation visits are prearranged, generally at the request of the installation commanders/officials.

(5) Consultations.

- (a) Inspectors are available for one-on-one consultations with employees anytime during the inspection.
- (b) IG consultations provides a venue for possible issue resolution when the commissary chain of command process for employees has been exhausted, and/or employees opt to bring allegations about abuse of authority, mismanagement, or fraud and waste to the attention of the IG.

(6) Issue Resolution. Consultations with appropriate activity representatives are held. These are frequently conducted throughout the inspection when identified and potential problem areas surface; possible resolution actions are discussed.

(7) Team Meetings.

- (a) Are held throughout the inspection for all team members to openly communicate findings and potential issues.
- (b) Allows for a free interchange of information.
- (c) Resulting discussions help facilitate issue determinations and proposed recommendations.

(d) Information one team member obtains during the course of their inspection may impact issues being worked by another team member.

(8) Work Papers.

(a) Preparing and obtaining adequate documentation to support findings is critical.

(b) Provide a link between inspection/evaluation/review work and the formal report.

(c) Must be sufficient, indexed, and cross-referenced.

(d) Protect the team regarding areas inspected/evaluated/reviewed, helps meet CIGIE standards, and pass DOD IG or other peer reviews.

(9) Out-Brief.

(a) This is a forum where inspection team members and activity principals discuss the findings and results of the inspection and obtain management concurrence.

(b) In preparation for this meeting, the team chief provides team members and inspected party members a written out-brief report summary.

(c) The team chief briefs the principals on inspection result details, items, and issues that will eventually appear in the final published formal report.

(d) A draft inspection summary report is provided to the inspected activity. This is generally the last on-site inspection event.

## CHAPTER 8

### FORMAL INSPECTION/EVALUATION/REVIEW REPORTS

**8-1. PURPOSE.** Inspection and evaluation reports formally and officially advise the DeCA Director, COO, region director, zone manager, FPOs, and other appropriate officials of inspection/review/evaluation results. The formal report is transmitted via e-mail or transmittal memorandum signed by the DIG. A CCI executive summary report is provided separately to the DeCA Director.

**8-2. EXECUTIVE OR GENERAL SUMMARY.** The formal report must contain an executive summary which is a concise synopsis of significant findings/issues identified during the inspection/evaluation/review. The executive summary must contain, at a minimum, the following:

a. Subject. The title must include the inspected activity's location and dates of the inspection/evaluation.

b. General/Background. Provide relevant information that helps the reader understand the conditions (law, regulation, directive, etc.) and action (mission-related, Command-directed, etc.) pertaining to what precipitated the inspection/evaluation/review.

c. Purpose. State the purpose of the inspection/evaluation/review; e.g., compliance review, efficiency and effectiveness assessment, planned, special circumstance.

d. Scope.

(1) Explain the nature and extent of the inspection/evaluation/review performed, to include when and under what circumstances it was conducted.

(2) Outline the parameters of the subject area evaluated.

(3) Present any mitigating or limiting factors.

(4) Identify the inspection methodology used; e.g., observations, documents reviewed, interviews conducted.

e. Inspection/Review/Evaluation Details. A synopsis of significant observations/findings/issues identified during the inspection/evaluation/review.

**8-3. REPORT BODY.** The body of the inspection/evaluation/review report should present findings, observations, discussions, and recommendations, as well as conclusions resulting from the inspection/evaluation/review conducted. For all types of reports the following applies:

a. A finding normally articulates the criteria, condition, effect, and cause noted. The discussion should amplify the finding by fairly presenting the conditions and not overstate or understate a condition found. The report should be written in terms a non-DeCA person can understand. There must be sufficient detail in the report to substantiate and support the finding, discussion, and recommendation.

b. All adverse findings will include a KRA category designation (major, mandatory, minor, etc.) and analysis. Finding categories are further explained in the annual OIG Fiscal Year Inspection/Evaluation

Program data call, and can be researched in DeCA Public Folders, Store Library, Office of the Inspector General, IG Statistical Data, IG Program Update. Major and mandatory findings require a discussion and recommendation.

c. Positive findings are reported as strengths and/or best practices that may be exportable to other comparable activities. The OIG advocates the recognition of "good news" found during CCIs and SACIs via inspection credits, in the form of bonus points. These points are awarded to activities achieving the required level of performance and are recognized in the formal inspection report.

d. Observations made outside the checklist scope will be reported but not rated. Observations that are a violation of law, policy, directive, or guidance will have a recommendation attached to the formal report.

e. The discussion should provide the big picture by describing the processes, issues, and other information (who, what, where, when, how, why) concerning the finding. The discussion should fully support the finding, describe the actual or potential impact, and sufficiently explain why there is a problem and why it must be remedied. The root cause, on which the recommendation is predicated, should also be included in the discussion.

f. The recommendation logically and sensibly ties the finding and discussion together. It must suggest corrective or punitive actions to take. Each recommendation should be based on a sound, reasonable conclusion and logically follow the same sequence as the comments cited in the discussion section. Recommendations must be substantially and factually supported. When corrective actions cannot be achieved at the local level, recommendations shall be addressed to the appropriate higher level(s).

g. Items of special interest to DeCA senior leadership will be separate discussion topics and is subject to change throughout the year.

h. A significant deficiency is one which substantially reduces the effectiveness of commissary/CDC/CMPP operations and may impact the overall inspection score. For example, should falsification of documents or a major sanitation, safety, security, or health hazard be found, it should be reported immediately to senior officials in the activity's chain of command. These types of findings will likely have inspection penalty points assessed after conferring with the DeCA IG. Details of the infraction shall be included in the discussion portion of the formal report.

**8-4. ADMINISTRATIVE DETAILS.** Other documents included in the formal report are the coversheet, table of contents, mission statement, executive summary letter, scoring summary sheet, customer interview summary, key inspection details, list of installation and inspected activity key personnel, inspectors, report distribution list, and instructions for inspected parties and their supervisors on how to complete the inspection feedback survey.

**8-5. FIRST DRAFT STANDARDS.** Before submitting the first draft of the formal report, make sure the report is grammatically and content correct, and written in terms that a person outside of DeCA can understand. The first draft of the formal inspection report will be submitted to the DIG for editing as soon as possible; but not later than ten working days after end of temporary duty ends. The final approved draft report is then sent to the Staff Actions Analyst for administrative review and preparation for signature release. The team chief should not plan to take annual leave until the final draft report is approved.

**8-6. DISTRIBUTION.** Once signed by the DIG, the formal inspection report will be released through appropriate channels by electronic means. Formal CCI report distribution is made to the inspected activity, their chain of command, FPOs, and other appropriate DeCA officials and posted to the DeCA Public Folders. A formal SACI report will only be distributed to the requestor and is not posted to the Public Folders nor disseminated within DeCA. Other evaluation and review reports will be distributed to affected and related parties, as appropriate.

## CHAPTER 9

### REPORT FOLLOW-UP PROCEDURES

**9-1. TYPES OF FOLLOW-UP.** The IG uses follow-up procedures to ensure adequate action on recommendations offered by the inspection team is taken by activity senior management/process owners to correct identified deficiencies. These procedures include the use of e-mail reports, phone calls, briefings, official management comments obtained, and the CASR for CCIs.

**9-2. EVALUATION AND REVIEW REPORTS.** Evaluation and review report results are coordinated with the process owner and related parties, as necessary. Management comments are obtained and included in all evaluation and review reports. Management comments are sought to obtain concurrence with findings and recommendations offered. The IG determines if management's comments or action taken are considered responsive.

**9-3. CORRECTIVE ACTION STATUS REPORT (CASR).** CASRs are required when a CCI inspected activity obtains a compliance score of less than 65 percent. The CASR is prepared by the inspected official and submitted to the inspection team chief at 6-week intervals from the published report date until all corrective actions are closed out. The following instructions for completing DeCA-IG CASR for all findings contained in the CI report are:

a. The report date or "as of" date is generally the date the status is verified or when the CASR form is completed.

b. The name, work phone, fax number, and e-mail address to be provided is that of the inspection team chief, who is the CASR primary point of contact.

c. The CASR should reflect the finding as it appears in the inspection report by KRA.

d. The inspected activity will provide a narrative of the actions taken since the finding was initially reported and since the last CASR was submitted. If more time is required to close the finding, the activity should indicate the present status of the respective finding as "OPEN." The narrative should be provided directly under identification of the action item. For the activity's convenience, the list of corrective action(s) taken can be inserted into the e-mail copy of this status report. When action is considered accomplished and in essence, the recommendation(s) have been completely implemented and the commissary is now in full, operational compliance, the CASR submission should contain the statement "Action is considered complete" or simply "CLOSED" to signify the status of the respective finding. For example:

**FINDING:** "Store computer assisted ordering (CAO) function was not properly funded and adversely impacted stock availability standards."

**ACTION TAKEN:** "As of January 10, 20XX, all findings assigned to the store have been examined by region and zone personnel. Funding for CAO positions initially assigned were identified and provided to the store on January 17, 20XX. CAO full-time equivalent positions were recruited on January 24, 20XX, and hired on January 27, 20XX. CAO specialists were trained February 3-7, 20XX, and were fully performing all CAO duties as of February 9, 20XX. The store director reviews the CAO process weekly. The current store stock availability position is 98.7 percent and is tracked daily."

**STATUS:** CLOSED

**9-4. COORDINATING POINTS.** List all offices with which the CASR has been coordinated. List only coordination actually done. At a minimum, coordination will be accomplished with the store director, CDC, or CMPP manager, zone manager, and region director.

**9-5. CASR FREQUENCY.** The initial CASR is due to the DeCA OIG 6 weeks from the date the formal report is sent via e-mail to the activity. Subsequent CASRs are due every 6 weeks thereafter until all findings are closed.

**9-6. CASR RECEIPT POINT.** E-mail CASRs to the inspection team chief. Access the team chief via the DeCA e-mail address book.

## GLOSSARY

### ACRONYMS

<b>CAO</b>	computer assisted ordering
<b>CASR</b>	corrective action status report
<b>CCI</b>	commissary compliance inspection
<b>CDC</b>	Central Distribution Center
<b>CI</b>	compliance inspection
<b>CIGIE</b>	Council of the Inspectors General on Integrity and Efficiency
<b>CMPP</b>	Central Meat Processing Plant
<b>COO</b>	chief operating officer
<b>DeCAD</b>	Defense Commissary Agency Directive
<b>DeCAM</b>	Defense Commissary Agency Manual
<b>DIG</b>	Deputy Inspector General
<b>DOD</b>	Department of Defense
<b>DOD IG</b>	Department of Defense inspector general
<b>DSN</b>	Defense Switched Network
<b>FPO</b>	functional process owners
<b>FWA</b>	fraud, waste and abuse
<b>FY</b>	fiscal year
<b>IG</b>	inspector general
<b>KRA</b>	key result area
<b>OCONUS</b>	outside the continental United States
<b>OIG</b>	Office of the Inspector General
<b>QSI</b>	quality standards for inspections
<b>SACI</b>	staff assistance compliance inspection