

DEPARTMENT OF THE ARMY
COMPLETE STATEMENT
OF
MAJOR GENERAL WILLIAM H. MCCOY
ACTING THE INSPECTOR GENERAL
DEPARTMENT OF THE ARMY INSPECTOR GENERAL AGENCY (DAIG)

BEFORE

THE SUBCOMMITTEE ON MILITARY PERSONNEL
AND THE
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATION
OF THE COMMITTEE ON ARMED SERVICES
UNITED STATES HOUSE OF REPRESENTATIVES
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ON

THE ACCOUNTING OF GRAVESITES AT ARLINGTON NATIONAL CEMETERY AND
COMPLIANCE WITH ARMY DIRECTIVE 2010-04:
ENHANCING THE OPERATIONS AND OVERSIGHT OF THE
ARMY NATIONAL CEMETERIES PROGRAM

23 SEPTEMBER 2011

**STATEMENT OF MG WILLIAM H. MCCOY,
ACTING THE INSPECTOR GENERAL,
DEPARTMENT OF THE ARMY**

INTRODUCTION

Chairman Wilson, Ranking Member Davis, Chairman Wittman, Ranking Member Cooper and distinguished Members of the Subcommittees, thank you for the invitation and opportunity to speak to you today about Arlington National Cemetery. I became the Deputy Inspector General in October 2008 and have also been serving as Acting The Inspector General since 13 August 2010 when LTG Whitcomb retired. During my time as Deputy and now Acting Inspector General, I have been intimately involved in all efforts concerning Arlington National Cemetery almost continuously since July 2009.

DAIG'S SPECIAL INSPECTION OF ARLINGTON NATIONAL CEMETERY

The Inspector General Agency's involvement began in July 2009 when, in discussion with the Assistant Secretary of the Army for Civil Works, it was determined that there may be some significant management issues at Arlington National Cemetery. The Inspector General recommended to and received then-Secretary Geren's approval to conduct an inspection of Arlington National Cemetery. The inspection assessed policy and procedures for operation of the Cemetery; management, administration, and coordination processes and training of personnel at Arlington; and the effectiveness, coordination, and synergy of command and leadership structures relating to other commands, staff elements and agencies involved in the Cemetery's operations.

In November 2010, upon identification of other issues at Arlington, The Inspector General obtained Secretary McHugh's approval to add two more objectives to our inspection, one to assess information management systems at ANC and another to

assess contracting procedures at ANC. The Inspector General also obtained Secretary McHugh's approval to conduct an IG investigation into potential issues related to hostile work environment, inappropriate hiring practices, and improper interment and trans-interment of remains. Teams of Army IGs conducted both the investigation and the inspection simultaneously.

LTG Whitcomb signed the completed reports on 9 June 2010. The inspection report highlighted 76 deficiencies and made 101 recommendations for corrective action.

Secretary McHugh approved the inspection report on 8 July 2010.

ARMY DIRECTIVE 2010-04

On 10 June 2010, after reviewing the IG report, Secretary McHugh issued Army Directive 2010-04: "Enhancing the Operation and Oversight of Army National Cemeteries." The directive established the Army National Cemeteries Program (ANCP) Executive Director position, reporting directly to the Secretary. In his directive, Secretary McHugh further tasked the Executive Director to immediately establish an accountability baseline for all gravesites and inurnment niches at the Cemetery. He further tasked agencies and organizations across the Army to accomplish numerous actions to support the improvement of Cemetery processes and procedures.

DAIG's 2011 RE-INSPECTION OF ANCP AND ANC: PURPOSE AND OBJECTIVES

The 2010 DAIG report recommended, and the Secretary approved, that we conduct a six-month interim review and a subsequent re-inspection of Arlington National Cemetery. We completed the interim review in January 2011 and began the re-inspection in May 2011. Once Public Law 111-339 was published, the Secretary

decided that our 2011 follow-up inspection would form the basis of his report to your committees. In contrast to our 2010 inspection of ANC, which focused on the five objectives cited above, the re-inspection this summer assessed how well Arlington National Cemetery had corrected the deficiencies from last year's report and how well the Army had complied with the Secretary's follow-on directive. It also assessed outreach, information and support that Arlington National Cemetery provided to family member inquiries regarding possible burial discrepancies.

DAIG's 2011 RE-INSPECTION OF ANCP AND ANC: KEY FINDINGS

Since the Secretary signed Army Directive 2010-04, the Executive Director has led her staff and other Army stakeholders to make significant improvements at Arlington, while still accomplishing the Cemetery's daily mission. Every day at Arlington this past year, an average of 27 veterans were buried, an estimated 11,000 visitors toured the Cemetery, and seven public ceremonies were hosted. This drives home the fact that, even while corrective action and future visioning are critical at Arlington, the Cemetery must also execute its mission, with dignity, compassion and professionalism every single day. Neither are negotiable.

By way of comparison, the 2010 inspection report listed 76 findings and made 101 recommendations. Sixty-one of those findings were "deficiencies"; defined as serious deviations from an Army standard warranting the attention of the Army's senior leadership. During this follow-up inspection, there were no deficiencies noted; rather, we made 31 observations on the progress that has been made and the work still to be

done. This alone underscores the tremendous progress ANCP and the Army have made in correcting the problems at Arlington.

Improvement of ANC's Organizational Culture and Climate. We found that the new ANCP leadership and staff have made tremendous progress in addressing the Cemetery's organizational culture and climate. Last year we found that the Cemetery's previous leadership fostered an "insular" environment at the Cemetery; effectively disengaged from much of the institutional Army. This insularity prevented the sustainment of functional relationships with Army command and staff elements that could provide support, resources and oversight. This insularity contributed greatly to the mismanagement, impropriety, and ineffectiveness uncovered at the Cemetery. The Executive Director's staff immediately sought to make connections, and to collaborate actively, with the Army commands, staff elements and agencies that Secretary McHugh had directed to provide support to ANCP through Army Directive 2010-04. In this way, the Executive Director eliminated any significant vestiges of insularity in the Cemetery's culture and paved the way for improvement in all aspects of ANC's administration, operations, and maintenance. It is important to note here that, contrary to the recommendation in the 2010 report to delegate responsibility for Arlington to a single command in the Army, Secretary McHugh assumed personal responsibility for the Army's failure and for ensuring the corrections. In hindsight a year later, this was a good call. I believe a year later that this kind of intense management and leadership was necessary as a forcing function in order to make the kind of progress we witnessed during the re-inspection.

Equally important, the Executive Director and Superintendent are equally responsible for leading the effort to successfully transform the Cemetery's organizational climate. We administered two Defense Equal Opportunity Management Institute surveys to Cemetery employees—one in January 2011 and one in June 2011. Both surveys reflect improving morale and increasing organizational effectiveness in the year since the Executive Director and new Superintendent assumed leadership responsibility at Arlington National Cemetery. In the five months between the surveys, those who agreed that the overall health and morale at Arlington was better than it was a year ago almost doubled. The number of those who disagreed or neither agreed nor disagreed with that sentiment dropped sharply. Six of seven Equal Opportunity areas are now rated as organizational strengths with significant improvement in command behavior to minorities reported by employees. In organizational effectiveness areas, employee's trust in the organization area received large improvements between the January and June surveys, and employees rate five of six areas of organizational effectiveness as strengths. Sensing sessions conducted by inspectors confirm survey findings. These radical improvements can be directly attributed to the leadership style and approach of both the Executive Director and the Superintendent.

Improved Information Technology and Processes. This summer, inspectors observed that ANC now possesses a fully-functional information technology architecture, enabled by current software applications and hardware systems and supported by a comprehensive service agreement with the Army's Information Technology Agency (ITA). Starting in December 2010, Arlington partnered with ITA to route all incoming calls to ITA's Consolidated Customer Service Center (CCSC) at Fort

Detrick, MD. This process significantly improved customer service and enabled a tiered response system which freed Cemetery personnel to focus on funeral scheduling while ensuring callers inquiring about tourism-related questions were assisted promptly and efficiently by CCSC employees. Additionally, the CCSC provided Arlington's Interment Services Branch the full capabilities of its Remedy tracking system. For example, every call made to the CCSC is now captured in a digital file and assigned a Remedy case number in the CCSC's database. This allows collaborative resolution by CCSC personnel and Cemetery Representatives from the Interment Services Branch. Cemetery leadership periodically reviews the CCSC data and applies measures of effectiveness to assess staff performance.

Other improvements to Arlington's information technology architecture include the replacement of antiquated and vulnerable computer hardware and applications identified in the 2010 report with the latest the Army can provide. From now through Fiscal Year 2012, the Cemetery and the Veterans Administration are partnering to integrate ISS and BOSS; this enhancement will save significant staff hours within the Interment Service Branch. The Cemetery has partnered with the Army's Chief Information Officer and Army Data Center-Fairfield to provide Arlington with a digital "Research Tool" for digitizing burial records and headstone photographs. This tool is enabling the Executive Director's Gravesite Accounting Task Force to re-establish accountability of each gravesite and inurnment niche at Arlington and already assists Cemetery Representatives in generating digital records for new interments and inurnments. This digitization of all records should be complete in early 2012. Finally, by February 2012, this digitized database of burial records will automatically update a new

digital Cemetery map using the Army's most current geospatial mapping program; replacing the paper maps that contributed **to the discrepancies** that were the impetus for the initial media reports of mismanagement at Arlington. Finally, the Executive Director is establishing an operations center to ensure situation awareness of all current and future cemetery and ceremonial operations at Arlington and facilitate the liaison and sharing of real-time information with Army, Navy, Marine Corps, and Air Force headquarters in the National Capital Region that support the Cemetery every day.

Improvement in Compliance with Army Information Assurance Focus Areas.

During the DAIG's Information Assurance compliance inspection of Arlington in 2010, ANC did not meet the Army standard in any of the 12 of 14 IA functional areas inspected (two functional areas did not apply at that time). Out of those 12 functional areas, 57 serious information assurance deficiencies were identified. The Cemetery's information technology architecture was grossly outmoded and vulnerable; and the Cemetery's workforce was untrained in these critical areas and understaffed in qualified information assurance personnel. A follow-on Army compliance inspection of the Cemetery was conducted from 20-27 June 2011. Compared to last year's inspection, where none of the applicable functional areas met the standard, Arlington met Army standards in all applicable information assurance functional areas during the most recent inspection. ANC's improved information assurance readiness can be attributed to a strong tenant-service provider relationship, leadership focus, and ANC's proactive staff. Today, we rate the Cemetery as one of the best organizations in the Army for compliance with information assurance requirements.

Improvement in Acquisition and Contracting. During our first inspection, we found the Cemetery's procurement and contracting actions were not in compliance with Army, Defense Department, and Federal acquisition rules and regulations. Untrained and unqualified personnel on the Cemetery's staff were developing requirements and committing funds to contracts without appropriate oversight. This summer, our team reviewed 17 contracts from the Mission Installation Contracting Command's Fort Meyer and Fort Belvoir offices and eight contracts from the Army Corps of Engineer's Baltimore District. Most of the MICC contracts were recently completed service contracts which gave an indication of current performance. In our reviews, we focused on Arlington's pre-award compliance, teaming between Arlington and the supporting contracting agencies, requirements packages, and the training of contracting officer representatives and their execution and oversight of contracts. Finally, we looked at their management controls and acquisition processes and procedures. Today, the Cemetery's contracting actions are now properly aligned, based on scope of work, with either the Army Contracting Command or the Corps of Engineers. Furthermore, both the Contracting Command and the Corps of Engineers are providing support teams to the Cemetery and properly providing the oversight necessary to ensure that quality contracts are produced and being monitored in execution. ANC support teams subject new acquisitions to rigorous requirements determination, pre-award compliance checks, and contract packet reviews for quality assurance. Now, active ANC contracts are in accordance with applicable rules and regulations as a result of the support, oversight, and resources provided by the Army's appropriate contracting commands and

procurement support agencies to the Cemetery. This improvement is due in no small part to the emphasis the Executive Director places on proper contracting practices.

Budget Formulation and Execution. Arlington is funded separately by the Congress through a MilCon/VA funding line item. The funds the Cemetery receives are 'no-year' funds. The 2010 Inspection report found the budget and appropriation structure for Arlington was exacerbated by the lack of organizational command and control. This structure also limited the ability of the Secretary of the Army to shift resources to the Cemetery if needed. The Secretary's 2010 directive directed the Executive Director to realign budget oversight and execution along more standard Army practices. The Executive Director and her team now work closely with the Office of the Administrative Assistant (OAA), the Assistant Secretary of the Army for Financial Management and Controls, and the Office of the General Counsel to improve oversight of Arlington's budget formulation and execution. The Executive Director's decision to transition Arlington to the General Fund Enterprise Business System, providing her and the Army full visibility on the Cemetery's expenditures, has been critical to turning around perceived budget shortfalls. This transition enabled the Executive Director and her staff to reconcile unobligated funds from the last several years, something that had not been previously accomplished. As a result, to-date more than \$15M in un-liquidated obligations previously caused by faulty contracting actions has been recouped and will be applied to future ANC budgets.

The Army Has Effectively Executed and Complied with AD 2010-04. During this summer's re-inspection, inspectors found that ANCP and Army commands, staff

elements and agencies have complied with Army Directive 2010-04 and effectively executed the tasks Secretary McHugh assigned them to enhance the operations and oversight of the Army National Cemeteries Program. Furthermore, the Gravesite Accountability Task Force is currently on track to complete its task of establishing an accountability baseline for all gravesites and inurnment niches within Army National Cemeteries. This baseline will inform the report being provided to the Congress by 22 December 2011 under the provisions of Public Law 111-339.

The Army Secretariat and Cemetery's new leadership have initiated several other actions which will provide for longer term improvements. These include changes to the Code of Federal Regulations and Army policy to document the jurisdictional realignment of the Army National Cemeteries program, the creation of a new public affairs policy for the Cemeteries, the establishment of more effective oversight of ANC's budget formulation and execution, the review of ANC contracting in detail, and the establishment of the Army National Cemeteries Advisory Commission. To ensure steady progress in correcting ANC's deficiencies between the 2010 and 2011 IG inspections, Secretary McHugh directed a series of external reviews. These included an interim review by the DAIG, and contract reviews by the Assistant Secretary of the Army for Logistics and Technology and the Army Audit Agency. The Army's Chief Information Officer was directed to conduct a complete review of information technology systems and applications. The Army's Force Management Agency and Manpower Analysis Agency were also directed to review Arlington's force structure and make recommendations. All of these directives were properly accomplished. These reviews combined with our 2011 follow-up inspection have ensured Arlington National Cemetery

is receiving the necessary external oversight and assessment. It is clear to me that in adhering to Secretary McHugh's directive, the Army has effectively set the conditions for continued and enduring mission accomplishment to standard at Arlington.

Effective Outreach and Support to Families Regarding Burial Discrepancies.

During this summer's inspection, we found that the ANCP's leadership and staff were professional, compassionate, and supportive in providing information, support, and outreach to Families of interred and inurned veterans regarding inquiries over possible burial discrepancies at Arlington. Immediately upon assuming her position, the ANCP Executive Director established a hotline at Arlington to respond to burial inquiries and developed a tiered system to ensure that proper efforts were made to address family member concerns. In several cases, even though documents confirmed the locations of the deceased, the Cemetery supported family requests for physical verification in order to fully satisfy their concerns. To date, the Cemetery has received almost 1,300 inquiries from family members. Since the hotline was established, in all but thirteen cases (which include the eight urns with cremated remains found in an unmarked grave in October 2010), the Cemetery was able to assure family members that there were no discrepancies regarding the burial locations of their loved ones. In the 13 cases of substantiated burial discrepancies, the Cemetery worked closely with each family concerned and invited their participation (at Army expense, when required) in correcting the error and correcting and updating records accordingly. In the case of eight urns found in the one grave, only four were able to be positively identified. The Cemetery has reinterred the unidentified urns as "Unknown" remains, with the full dignity and respect they provide to any funeral service. To ensure that these inexcusable breaches

of procedure are prevented in the future, the new Executive Director and Superintendent have thoroughly revised the Cemetery's procedures for interring and disintering veterans to ensure safeguards exist to prevent this kind of behavior in the future. The Executive Director and Superintendent published a 20 June 2011 policy memorandum titled *Assurance of Proper Casket/Urn Placement*. This policy addresses procedures the Cemetery staff must use that begins with the intake of the burial request through interment, addresses training and accountability, and provides guidance for correcting the misplacement of casketed or cremated remains. In each step, ANC Field Operations Supervisors are required to physically confirm preparation and closure of graves and countersign a "dig slip" to verify remains are interned or inurned in the correct gravesite. The Cemetery's General Foreman then inspects the process to ensure no deviation from the standard. The Cemetery continuously trains the workforce on these procedures and provides consistent, direct supervision. Because of these improvements, Arlington has experienced no burial discrepancies in the last year.

DAIG's 2011 RE-INSPECTION OF ANCP AND ANC: KEY RECOMMENDATIONS

While the Army and ANCP staff have made great strides in correcting deficiencies noted in the DAIG's 2010 inspection, fulfilled Secretary McHugh's guidance issued in Army Directive 2010-04 and supported Families regarding burial errors, there is still more to do at Arlington. In this summer's report, we presented Secretary McHugh with 53 recommendations designed to enhance the progress made to this point. A description of some of our key recommendations follows.

Policy Documentation. Army Directive 2010-04 established immediate oversight mechanisms to improve information technology, information assurance, contracting, engineering support, and force structure. In his directive, the Secretary established the Executive Director as the proponent for all policies related to the Army National Cemeteries Program. In the last year, the Executive Director, the Assistant Secretary for Manpower and Reserve Affairs, and the Office of the General Counsel have revised the rule in the Code of Federal Regulations (CFR) which applies to Arlington based on new processes and practices which have been established. The new proposed rule was forwarded to OSD in August 2011 for public comment. Inspectors recognized the CFR would need to be completed prior to any revision of Army Regulation 290-5 *Army National Cemeteries*, could begin.

The Executive Director is now working closely with the Army Staff to update this regulation now that the CFR revision has been submitted for public comment. We recommended in the 2011 report that the Executive Director should incorporate requirements for long-term, robust and continuous oversight processes and mechanisms in a revision of Army Regulation 290-5. We also recommended the Executive Director should publish a full revision of Department of the Army Pamphlet 290-5, *Administration, Operation, Maintenance of Army Cemeteries*, to provide all 28 Army post cemeteries with sound, authoritative, and current guidance on standardized processes and procedures for cemetery operations. As part of this revision, we also recommended any procedures peculiar to Arlington be removed from the DA pamphlet and instead be reflected in Arlington National Cemetery's standing operating procedures.

Creation of a Multi-Service Policy for Arlington. We recommended a multi-Service policy for Arlington. Service members and veterans of all five Services (and Family members) are eligible for burial at Army National Cemeteries. Excluding Service Members who are killed in combat operations, wait times for funerals and burial are increasing and vary by Service. For example, in June 2010, it took an average of 74 days (from the day eligibility was determined) before a deceased veteran was interred / inurned with full honors at ANC, compared to 87 days in June 2011, with a range of delay of almost 30 days between Services. This disparity in wait times is attributed to the lack of a multi-Service policy for interment / inurnment honors and the different procedures employed by the Services to manage ceremonial and band units. The increase in wait times is due to the more accurate tracking of calls by the call center which created a more accurate demand signal for burials at Arlington than was being obtained under the previous administration. Under the previous system, Arlington lacked even a voice mail system for callers who were not able reach a live person on the phone. Many of these families ultimately gave up having their loved ones buried at Arlington and sought arrangements elsewhere and the Cemetery never knew about their attempts. With the new call center, callers are assured of getting through to Arlington and getting a case opened to have their loved ones interred or inured, and therefore are more accepting of the delay because they know they will receive services. As trust in confidence has been restored, the true demand signal for burial at Arlington has increased, thereby increasing wait times. However, because of the lack of a multi-Service policy for interment / inurnment honors and the different procedures employed by the Services to manage ceremonial and band units, we have recommended the

Army Secretariat engage the Office of the Secretary of Defense to develop common policy, processes and procedures for honors and cemetery support operations that apply to all the Armed Services.

Long Term Command, Control, and Oversight of Army National Cemeteries. The Army must sustain the progress made at Arlington and prevent the Cemetery from returning to the insular organization it once was. We note that the Executive Director and her staff have fundamentally transitioned the control mechanisms and oversight of Cemetery operations. However, to ensure this occurs for the long-term, we recommend the Department of the Army G3/5/7 provide Secretary McHugh options for his decision on how to integrate the Army National Cemeteries Program's long-term command and control, organizational alignment and support relationships into standard methods for overseeing unique Army organizations such (Direct Report Units and Field Operating Agencies, for example). We believe establishing this type of organizational identity and standard command and control structure for ANC will better align long-term responsibilities and oversight.

Inquiry into Wait Times and Cemetery Lifespan. During our inspection, we found that interments and inurnments at Arlington are increasing each year and that wait times at Arlington continue to increase. This may result in the Cemetery reaching its capacity before current projections. We recommended the Secretary of the Army request the Army National Cemeteries Advisory Commission, when convened, to examine the causes and effects of increasing wait times and increasing demand, and then make recommendations to contend with these issues.

CONCLUSION

As our inspection report indicates, the progress made at Arlington since last June is a “good news” story and shows a significant turn-around in performance at the Cemetery. Our inspection team found that the ANCP Executive Director, Superintendent, and staff are systematically correcting the deficiencies found in the 9 June 2010 DAIG inspection report. As Secretary McHugh directed, Army agencies and organizations have completed (or are in the process of completing) the tasks specifically assigned to them in Army Directive 2010-04. Finally, the inspection team also found that ANCP’s efforts at providing outreach, information and support to Family members regarding burial discrepancies were professional and supportive. Simply put, the mismanagement that was found at the Cemetery in 2010 no longer exists.

The improvements observed and reported by the DAIG validate the Secretary’s approach to restoring the processes, systems, and management we found to be missing at Arlington in 2010. This strategy---executed passionately and diligently by the Cemeteries new leadership and staff, with the support of the Army, the Defense Department, other federal agencies, and Congress---have set the conditions for continued improvement and ultimate success.

With this good news comes a realization that more hard work lays before us. The leadership and staff of the Army National Cemeteries Program must continue to complete the painstaking work required to revise the applicable federal rules and update the Army’s relevant policy and procedural documents. The gravesite accountability baseline must be completed accurately and on time. The efficiencies and tools built and employed in the critical effort to establish gravesite accountability must be applied to the processes and systems currently at use at Arlington to avoid any future loss of fidelity.

The Cemetery must complete the enhancement of its internal processes, protocols, and systems, and document these enhancements to ensure future effectiveness. Finally, the Army must optimize and institutionalize the support and oversight it provides its National Cemeteries and apply what it has learned and to all cemeteries, great and small, under Army purview.

As the Army's Inspector General, I know that restoring Arlington remains a priority for the Secretary. In reflecting on the observations our agency has made during the many months of inspecting Arlington, I am confident that the Army National Cemeteries Program and the Army will succeed in this great endeavor.