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## IMPACT OF SIGIR OPERATIONS

SIGIR's work impacts many aspects of the U.S. mission in Iraq and the Government of Iraq. To validate the financial or non-financial benefits resulting from SIGIR work, SIGIR requires the staff to document the connection between the benefits reported and the work performed. SIGIR recommendations have enabled U.S. and Iraqi reconstruction management officials to:

- reduce expenditures and improve efficiency and effectiveness
- implement or improve fund and asset controls
- enhance construction quality by ensuring adequacy of design specifications, stopping inadequate construction, and avoiding re-work
- increase potential oil revenue
- avoid waste and unnecessary expenditures

## IMPACT OF SIGIR AUDITS

SIGIR reports the financial impact of audits semiannually, as required by law. Through April 30, 2009, SIGIR audits saved and recovered funds of about \$81.60 million and improved the use of \$224.72 million of funds. SIGIR audits also challenged payments of \$14.93 million, including possible duplicate payments, overpayments, or for work that was not completed. Most of the savings result from a SIGIR recommendation that the Defense Contract Audit Agency review contractor invoices for the Iraqi Police Training Program. For a detailed list of these financial impacts, see Table B.1.

# APPENDIX B

TABLE B.1

## DETAIL OF IMPACT OF SIGIR AUDITS

\$ MILLIONS

	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Provincial Reconstruction Teams: Developing A Cost-Tracking Process Will Enhance Decision-Making	09-020				Identified issues with tracking PRT costs that would impair the opportunity for the U.S. government to capture relevant historical data for use in decision-making and planning in Afghanistan or other future contingencies.
Opportunities To Improve Processes For Reporting, Investigating, And Remediating Serious Incidents Involving Private Security Contractors In Iraq	09-019				Improved the serious incident reporting, investigating, and remediating processes.
Information On Government Of Iraq Contributions To Reconstruction Costs	09-018				Presented information on GOI contributions to reconstruction.
Need To Enhance Oversight of Theater-Wide Internal Security Services Contracts	09-017				Improved contract administration and oversight.
Asset-transfer Process for Iraq Reconstruction Projects Lacks Unity and Accountability	09-016				The Iraq asset-transfer program assessments yielded several key lessons learned for other contingency reconstruction operations, such as Afghanistan.
Construction of Primary Healthcare Centers Reported Essentially Complete, But Operational Issues Remain	09-015				Identified issues with cost, outcome, and management of the Primary Healthcare Center project.
Security Forces Logistics Contract Experienced Certain Cost, Outcome, And Oversight Problems	09-014				Facilitated the transfer of maintenance operations to the Iraqi Army. SIGIR identified lessons learned on incorporating an assessment of the risks of increased costs and program failure in any similar force development initiatives.
Provincial Reconstruction Teams' Performance Measurement Process Has Improved	09-013				Identified a need for PRT cost data.
The U.S. Has Reduced Its Funding for the Iraqi Security Forces, but Continued Support Will Likely Be Necessary	09-012				Improved use of ISFF funding and provided a structured decision-making approach to ISFF versus GOI funding questions.
Opportunities To Improve Management Of The Quick Response Fund	09-011				Improved program results assessments.
Oversight Of Aegis's Performance On Security Services Contracts In Iraq With The Department Of Defense	09-010				Improved records management, enhanced communications with other coalition members for shared resources.
Cost, Outcome, and Oversight of Iraq Oil Reconstruction Contract with Kellogg Brown & Root Services, Inc.	09-008				Improved the Government of Iraq's capability to maintain critical oil projects.
Improvements Needed in Reporting Status of Reconstruction Projects to Chief of Mission	09-007				Improved the reporting on reconstruction projects, and for CETI projects, regardless of funding source or agency management, ensured that projects are accurately and adequately reported to the U.S. Ambassador.
Iraq Reconstruction Project Terminations Represent a Range of Actions	09-004		\$16.62		Reinforced the importance of screening contractors against lists of those debarred or suspended from receiving contracts.
Cost, Outcome, and Oversight of Local Governance Program Contracts with Research Triangle Institute	09-003			\$0.19	Provided recommendations to improve the overall performance of contractors.
Outcome, Cost, and Oversight of Water Sector Reconstruction Contract with FluorAMEC, LLC	08-018			\$0.57	

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## DETAIL OF IMPACT OF SIGIR AUDITS

\$ MILLIONS

	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Transferring Reconstruction Projects to the Government of Iraq: Some Progress Made but Further Improvements Needed to Avoid Waste	08-017				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve the process of transferring assets to the GOI. (See 06-007)
Progress on Recommended Improvements to Contract Administration for the Iraqi Police Training Program	08-014				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program and contract management—including recoupment of overpayments, challenged invoices, and other funding actions. (See 06-029)
Efforts to Implement a Financial-Management Information System in Iraq	08-007				A companion to 08-001, the audit identifies lessons learned for USAID to move forward in developing a GOI IFMIS.
Commander's Emergency Response Program in Iraq Funds Many Large-Scale Projects	08-006				Improved program management. Audit recommendations focused on program documentation, sustainment, lessons learned.
Logistics Civil Augmentation Program Task Orders 130 and 151: Program Management, Reimbursement, and Transition	08-002				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program and contract management, accountability for government property. (See 06-035)
Interim Report on Efforts and Further Actions Needed to Implement a Financial Management Information System in Iraq	08-001				Improved program and contract management.
Interim Review of DynCorp International, LLC, Spending Under Its Contract for the Iraqi Police Training Program	07-016	\$20.64	\$197.12	\$4.17	
Review of the Effectiveness of the Provincial Reconstruction Team Program in Iraq	07-015				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program management of the PRT. (See 06-034)
Status of the Provincial Reconstruction Team Program Expansion in Iraq	07-014				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program management of the PRT. (See 06-034)
Sustainment of the Advanced First Responder Network (Restricted Distribution)	07-013				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program management and property accountability within the First Responder program. (See 06-020)
Controls Over Unliquidated Obligations in the Iraq Relief and Reconstruction Fund	07-011		\$3.18		
Status of U.S. Government Anticorruption Efforts in Iraq	07-007				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program management within the Anticorruption program at the U.S. Embassy-Iraq. (See 06-021)
Status of the Advanced First Responder Network	07-002				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program management and property accountability within the First Responder program. (See 06-020)
Logistics Civil Augmentation Program Task Order 130: Requirements Validation, Government Oversight, and Contractor Performance	07-001				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program and contract management, accountability for government property. (See 06-035)
Unclassified Summary of SIGIR's Review of Efforts to Increase Iraq's Capability To Protect Its Energy Infrastructure	06-038				Audit recommendations addressed critical infrastructure integrity challenges and improved program management through capacity to track and analyze inputs.

# APPENDIX B

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	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Follow-up on SIGIR Recommendations Concerning The Development Fund For Iraq (DFI)	06-036 DFI				Final in a series of reports designed to improve program management and contract administration of DFI funds. (See 05-015)
Interim Audit Report on Inappropriate Use of Proprietary Data Markings by the Logistics Civil Augmentation Program (LOGCAP) Contractor	06-035				Improved program and contract management—including potential LOGCAP-wide improvements. Also LOGCAP-wide improved accountability for government property, including lodging facilities and subsistence.
Status of the Provincial Reconstruction Team Program in Iraq	06-034				Improved program management.
Iraqi Security Forces: Weapons Provided by the U.S. Department of Defense Using the Iraq Relief and Reconstruction Fund	06-033				Improved accountability for ISF weapons.
Iraqi Security Forces: Review of Plans to Implement Logistics Capabilities	06-032				Improved program and management and accuracy ISF support funds reporting.
Management of the Iraqi Interim Government Fund	06-031				Improved accountability for funds; timely, accurate funds status reporting to the GOI.
Status of Medical Equipment and Other Non-construction Items Purchased for Primary Healthcare Centers	06-030				One of a series of reports concerning program management and accountability over property within the Healthcare Centers Construction Projects. (See 06-016)
Review of DynCorp International, LLC, Contract Number S LMAQM-04-C-0030, Task Order 0338, for the Iraqi Police Training Program Support	06-029				Improved program and contract management—including recoupment of overpayments, challenged invoices, and other funding actions.
Review of the U.S. Agency for International Development's Management of the Basrah Children's Hospital Project	06-026				Improved program management. Audit recommendations focused on improved program and contract management and accurate reporting.
Review of the Medical Equipment Purchased for the Primary Healthcare Centers Associated with Parsons Global Services, Inc., Contract Number W914NS-04-D-0006	06-025				One of a series of reports concerning program management and accountability over property within the Healthcare Centers Construction Projects. (See 06-016)
Joint Cash Count - Iraq National Weapons Card Program	06-024				Improved accountability for funds transferred from U.S. officials to a bank account for the GOI.
Joint Survey of the U.S. Embassy-Iraq's Anticorruption Program	06-021				Improved program management. Audit recommendations focused on senior leadership, levels of resources, metrics, etc.
Review of the Advanced First Responder Network Project	06-020				Improved program and contract management and improved property accountability. Audit recommendations focused on meeting technical requirements and property accountability.
Transition of Iraq Relief and Reconstruction Fund Projects to the Iraqi Government	06-017				Audit recommendations and follow-up reports focused on a single, unified transfer process, improved coordination, timely notification, and adequate sustainment.
Interim Audit Report on the Review of the Equipment Purchased for Primary Healthcare Centers Associated with Parsons Global Services, Contract Number W914NS-04-D-0006	06-016	\$23.30			
Iraqi Armed Forces Seized Assets Fund: Review of Contracts and Financial Documents	06-015			\$2.31	

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	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Management of the Primary Healthcare Centers Construction Projects	06-011				Improved program and contract management, property accountability and accurate reporting.
Review of the Multi-National Security Transition Command-Iraq Reconciliation of the Iraqi Armed Forces Seized Assets Fund	06-010 DFI	\$1.51		\$3.46	
Review of Task Force Shield Programs	06-009 DFI	\$12.80			Improved property accountability.
Development Fund for Iraq Cash Accountability Review: Joint Area Support Group-Central	06-008 DFI				Improved cash accountability. Audit recommendations addressed proper storage, retrieval, and contingency planning.
U.S. Agency for International Development Management of the Transfer of Iraq Relief and Reconstruction Fund Projects to the Iraqi Government	06-007				Audit recommendations and follow-up reports focused on a single, unified transfer process, improved coordination, timely notification, and adequate sustainment.
Multi-National Security Transition Command-Iraq Management of the Transfer of Iraq Relief and Reconstruction Fund Projects to the Iraqi Government	06-006				Audit recommendations led agency to creation of an IRRF coordinating sustainment office.
Follow-up on Recommendations Made in SIGIR Audit Reports Related to Management and Control of the Development Fund for Iraq	06-005 DFI				One of a series of reports designed to improve program management and contract administration of DFI funds. (See 05-015)
Review of Data Entry and General Controls in the Collecting and Reporting of the Iraq Relief and Reconstruction Fund	06-003				Improved program management and accuracy of IRRF status reporting.
Prompt Payment Act: Analysis of Expenditures Made from the Iraq Relief and Reconstruction Fund	06-002				Improved IRRF program management.
Management of the Iraq Relief and Reconstruction Fund Program: The Evolution of the Iraq Reconstruction Management System	06-001				Audit recommendations led to improved IRMS systems development and documentation.
GRD-PCO Management of the Transfer of IRRF-funded Assets to the Iraqi Government	05-028				Audit recommendations led agency to creation of an IRRF coordinating sustainment office.
Methodologies for Reporting Cost-to-complete Estimates	05-027				Improved program management and accuracy of reporting to the Congress.
Management of the Commander's Emergency Response Program for Fiscal Year 2005	05-025				Improved program management of appropriated funds.
Management of Rapid Regional Response Program Contracts in South-Central Iraq	05-023 DFI				One of a series of reports designed to improve program management and contract administration of DFI funds. (See 05-015)
Managing Sustainment for Iraq Relief and Reconstruction Fund Programs	05-022				Improved IRRF program management and protection of U.S. reconstruction investment.
Management of Iraq Relief and Reconstruction Fund Programs – Cost-to-Complete Estimate Reporting	05-021				Improved program management and accuracy of reporting to the Congress.
Management of the Contracts, Grant, and Micro-Purchases Used To Rehabilitate the Karbala Library	05-020 DFI	\$0.15			This audit report is one of a series of reports to improve controls over cash, contract management, and grant management for the CPA South-Central Region. (See 05-015)

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\$ MILLIONS

	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Acquisition of Armored Vehicles Purchased Through Contract W914NS-05-M-1189	05-018				Improved contract management and administration.
Award Fee Process for Contractors Involved in Iraq Reconstruction	05-017 DFI		\$7.80		
Management of the Contracts and Grants Used To Construct and Operate the Babylon Police Academy	05-016 DFI			\$1.30	This audit report is one of a series of reports to improve controls over cash, contract management, and grant management for the CPA South-Central Region. (See 05-015)
Management of Rapid Regional Response Program Grants in South-Central Iraq	05-015 DFI			\$2.70	This was the first in a series of audits to improve compliance with applicable guidance and control and accountability for Development Fund for Iraq cash assets and expenditures.
Interim Briefing to the Project and Contracting Office - Iraq and the Joint Contracting Command – Iraq on the Audit of the Award Fee Process	05-010				Improved contract management and administration.
Reconciliation of Reporting Differences of the Source of Funds Used on Contracts After June 28, 2004	05-009				Improved accuracy of contract administration information.
Administration of Contracts Funded by the Development Fund of Iraq	05-008 DFI			\$0.04	
Administration of Iraq Relief and Reconstruction Fund Contract Files	05-007				Improved contract administration and management.
Control of Cash Provided to South-Central Iraq	05-006 DFI				Improved contract administration and accountability.
Compliance with Contract No. W91150-04-C-0003 Awarded to Aegis Defense Services Limited	05-005				Improved contract administration and program management.
Oversight of Funds Provided to Iraqi Ministries through the National Budget Process	05-004 DFI				Improved controls over payroll.
Accountability and Control of Materiel Assets of the Coalition Provisional Authority in Kuwait	05-002				Improved accountability over property.
Coalition Provisional Authority's Contracting Processes Leading Up To and Including Contract Award	04-013	\$5.00		\$0.19	Improved contract administration and transparency.
Audit of the Accountability and Control of Materiel Assets of the Coalition Provisional Authority in Baghdad	04-011 DFI				Improved accountability over property.
Coalition Provisional Authority Control Over Seized and Vested Assets	04-008				Improved accountability over non-cash assets.
Oil for Food Cash Controls for the Office of Project Coordination in Erbil, Iraq	04-007				Improved the CPA's internal controls over the transfer of cash.
Task Orders Awarded by the Air Force Center for Environmental Excellence in Support of the Coalition Provisional Authority	04-004				Improved contract administration and program management.
Federal Deployment Center Forward Operations at the Kuwait Hilton	04-003 DFI	\$18.20			Improved economy and efficiency and contract administration.
Management of Personnel Assigned to the Coalition Provisional Authority in Baghdad	04-002				Improved CPA's control over and insight into the number of civilians assigned to CPA in Baghdad, including both U.S. Government and contractor personnel.
Coalition Provisional Authority Coordination of Donated Funds	04-001				Improved transparency and accountability for donor funds.
<b>Total</b>		<b>\$81.60</b>	<b>\$224.72</b>	<b>\$14.93</b>	

## Impact of SIGIR Investigations

SIGIR investigators have recovered or seized assets valued at more than \$35.04 million as a result of court-ordered restitution and forfeiture. Investigators also prevented about \$3.8 million of incurred cost by alerting contracting officers to improper contracts. For details, see Table B.2.

These impacts are the result of investigative actions from 414 open, closed, or referred cases. Seized funds were recovered from subjects

identified in ongoing and closed SIGIR investigations. Recoveries are documented from fraudulent payments and seizures of unaccounted-for cash. Property seizures reflect the assessed value of currently seized assets purchased with illegally obtained funds and recovered in criminal investigations.

TABLE B.2

### DETAIL OF FINANCIAL-RELATED IMPACT OF SIGIR INVESTIGATIONS

\$ MILLIONS

	COURT-ORDERED RESTITUTION/FORFEITURE	COST AVOIDANCE
Total	\$35.04	\$3.8

**Note:** Numbers are provided in aggregate. Individual tracking is done on a case level and maintained by SIGIR AIG for Investigations.