

DETAILED SUMMARY OF OTHER AGENCY OVERSIGHT

This appendix provides summaries of the audits listed in Section 4. All information provided is current, as of March 31, 2010.

Department of Defense Office of Inspector General

DoD continues to face many challenges in executing its Overseas Contingency Operations (OCO). The Department of Defense Office of Inspector General (DoD OIG) has identified priorities based on those challenges and high-risks and has responded by expanding coverage of OCO operations and its presence in Southwest Asia. As the Department continues its OCO, such as Operations Iraqi Freedom and Enduring Freedom, DoD OIG will stay focused on issues important to accomplish the mission and ensure that the Department makes efficient use of its resources to support the warfighter.

DoD OIG-led Southwest Asia Joint Planning Group coordinates and deconflicts federal and DoD OCO-related oversight activities. The Group held its twelfth meeting in February 2010 and issued the FY 2010 update to the Comprehensive Oversight Plan for Southwest Asia in February 2010. The comprehensive plan was expanded beyond the statutory mandates to include other functional areas that DoD OIG believes are relevant to supporting Operations Enduring Freedom and Iraqi Freedom as well as the Overseas Contingency Operations, such as contract administration

and management, reset of equipment, financial management, and reconstruction support effort.

Defense Criminal Investigative Service

DCIS continues to conduct criminal investigations in support of DoD overseas contingency operations (OCO) through investigative resources in Southwest Asia; Wiesbaden, Germany; and continental U.S. task force investigations focusing on public corruption and fraud in the Southwest Asia theater. In conjunction with DoD OIG's renewed emphasis on oversight of spending related to Southwest Asia, DCIS has continued to deploy special agents on a rotational basis to Iraq, Kuwait, and Afghanistan to conduct criminal investigations in support of DoD operations. Rotational details to Iraq, and Afghanistan continue as follows:

- **Iraq**—one Regional Director of Investigations, four Special Agents, and one administrative support professional
- **Kuwait**—one Special Agent
- **Afghanistan**—one Regional Director of Investigations and six Special Agents

Open Cases

DCIS currently has 35 open investigations being worked jointly with SIGIR, including four projects. Eight cases were closed during the second quarter of FY 2010.

TABLE G-1
DCIS INVESTIGATIONS

INVESTIGATIVE STATUS	PROCUREMENT FRAUD	PUBLIC CORRUPTION	THEFT/TECH PROTECT/OTHER	TOTAL
Open	8	23	4	35
Closed	4	3	1	8
Totals	12	26	5	43

Completed Audits/Reviews

Repair and Maintenance Contracts for Aircraft Supporting Coalition Forces in Afghanistan, Iraq, and Kuwait

(D-2010-047, ISSUED MARCH 26, 2010)

The Defense Contract Management Agency Ohio River Valley (DCMA) had generally established controls for monitoring Contract Field Team (CFT) work sites. However, more can be done to improve oversight. Specifically, improving the tracking and reporting of rework, requiring floor checks, and conducting site visits should provide DoD with reasonable assurance that services acquired for repair and maintenance of aircraft exceeding \$900 million represented the best value to DoD. Further, the Army should evaluate lower risk contract types to procure aircraft maintenance services rather than using time-and-materials contracts. In addition, the training program implemented by the Air Force, Oklahoma City Air Logistics Center CFT Program Office was not effective in preparing oversight personnel to perform their duties. Specifically, 15 of the 24 project officers and 9 of the 20 quality assurance representatives interviewed did not receive training.

Contracting for Tactical Vehicle Field Maintenance at Joint Base Balad, Iraq

(D-2010-046, ISSUED MARCH 3, 2010)

DoD OIG found that DoD did not efficiently and effectively contract for tactical vehicle field maintenance at Joint Base Balad, Iraq. According to data provided by KBR, Inc. (KBR), the utilization of contractor-provided tactical vehicle field maintenance services was less than the 85 percent required by Army Regulation 750-1. Specifically, from September 1, 2008, through August 31, 2009, the rate ranged from a low of 3.97 percent to a high of 9.65 percent. This occurred because the task order 159 statement of work did not contain

requirements for the contractor to report utilization data and supporting documentation to the Army. In addition, the Army was not conducting adequate reviews of contractor utilization data provided by KBR and taking proper corrective action. As a result, about \$4.6 million of the \$5 million in costs incurred by DoD were for tactical vehicle field maintenance services that were not required. The Army began reducing contractor field maintenance personnel levels in August 2009. Specifically, Administrative Change Letter KBR-09-159-CLSS-4294R3, issued August 5, 2009, reduced the field maintenance personnel level at Joint Base Balad, Iraq, to 75. DoD OIG commended the Army for this action, but believes they could make further reductions.

Information Assurance Controls Over the Outside the Continental of the United States Navy Enterprise Network as Related to the Operations in Southwest Asia

(D-2010-044, ISSUED MARCH 2, 2010)

This report is For Official Use Only (FOUO).

Deferred Maintenance and Carryover on the Army Abrams Tank

(D-2010-043, ISSUED MARCH 2, 2010)

This report is For Official Use Only (FOUO).

Review of Army Decision Not to Withhold Funds on the Logistics Civil Augmentation Program (LOGCAP) III Contract

(D-2010-6-0001, ISSUED FEBRUARY 16, 2010)

DoD OIG issued the subject report in response to a Senate Armed Services Committee request, finding that two commanding generals postponed the withholding of funds on the LOGCAP III contract, in noncompliance with the Federal Acquisition Regulation (FAR). The decision was influenced by

contractor claims that withholding funds might adversely affect vital support services provided to the troops. The Army's FAR deviation request for waiving the withhold requirement did not include complete or accurate information. The review did not find sufficient evidence to substantiate that two contracting officials' efforts to withhold funds were the basis for their reassignments.

Evaluation of DoD Sexual Assault Response in Operations Enduring and Iraqi Freedom Areas of Operation

(IP02010E001, ISSUED FEBRUARY 1, 2010)

DoD OIG found that DoD policies for receiving, processing, and reporting sexual assaults address only active duty service members and other individuals authorized treatment in a military medical treatment facility, and do not address other categories of personnel, such as DoD civilian and contractor personnel who deploy with military forces. With eligibility for treatment determined by the military services, this lack of program guidance was remedied by deployed commanders implementing local procedures to care for all sexual assault complainants. The report recommended that the Under Secretary of Defense (Personnel and Readiness) (USD(P&R)) establish policy to provide an immediate response by trained personnel for all sexual assaults involving U.S. personnel reported to DoD medical treatment facilities. The report also recommended that the Sexual Assault Prevention and Response Program Office of USD (P&R) develop a data system to record relevant data on sexual assault cases involving U.S. civilian and contractor personnel.

Recapitalization and Acquisition of Light Tactical Wheeled Vehicles

(D-2010-039, ISSUED JANUARY 29, 2010)

The High Mobility Multi-Purpose Wheeled Vehicle (HMMWV) recapitalization program may significantly improve crew survivability by using the

semimonocoque cab of the XM1166, or a similar configuration, for recapitalizing vehicles. However, the project manager for tactical vehicles (Project Manager) stopped the testing on the XM1166 and did not assess the feasibility of recapitalizing other HMMWV models to the XM1166 configuration. The Project Manager planned to acquire 11,500 ECV2s at an estimated cost of \$3.84 billion without establishing the ECV2 Program as a new start acquisition program, without planning to conduct full and open acquisition, and without determining the ECV2's capabilities compared with those of current and planned light tactical wheeled vehicles. The Under Secretary of Defense for Acquisition, Technology, and Logistics was not informed, as required, of this acquisition. The Project Manager risked procuring a vehicle that duplicated existing capabilities and had vulnerabilities that other vehicles are being procured to mitigate. During the audit and after discussions with DoD OIG, the Project Manager decided to stop the ECV2 Program because the Army Depot Chief of Staff (G-8) decided not to invest in it. As a result, the Army put \$3.84 billion in Other Procurement, Army funding to better use for FY 2010 through FY 2013. On November 20, 2009, the Under Secretary of Defense for Acquisition, Technology, and Logistics designated the HMMWV Program and Acquisition Category IC major Defense acquisition program. He also required the Assistant Secretary of the Army (Acquisition, Logistics, and Technology) to notify him of the Army plans to procure a new model or variant of the HMMWV. The Project Manager's actions show an internal control weakness in oversight by the Program Executive Office for Combat Support and Combat Service Support.

Identification of Classified Information in an Unclassified DoD System and an Unsecured DoD Facility

(D-2010-038, ISSUED JANUARY 25, 2010)

This report is For Official Use Only (FOUO).

Internal Controls Over United States Marine Corps Commercial and Miscellaneous Payments Processed Through the Deployable Disbursing System

(D-2010-037, ISSUED JANUARY 25, 2010)

United States Marine Corps (USMC) internal controls over payments processed through Deployable Disbursing System (DDS) were not adequate to ensure the reliability of the data processed. Specifically, USMC did not: properly authorize 9,675 payment vouchers, totaling \$310.4 million; separate authorization and payment duties; adequately control access because it used 14 multiple user accounts and 14 generic user accounts to process a combined total of \$52.7 million in payments; and maintain a centralized database of the transactions processed through DDS. In addition, the USMC made 32 duplicate payments, totaling \$2.5 million that if collected, could be funds put to better use. The Defense Finance and Accounting Service did not design DDS to: provide sufficient functionality for management to readily review and monitor DDS access and usage; capture the audit trail for key payment information, such as, certifying officer name, contract or requisition numbers, invoice received date and, invoice number for 185 of 200 payments in our sample; adequately capture line of accounting information; and centralize data for efficient management oversight and review. DoD OIG determined the USMC did record timely and sufficiently \$6.3 million in obligations for 150 commercial and miscellaneous payments.

Controls Over Navy Military Payroll Disbursed in Support of Operations at Southwest Asia at San Diego-Area Disbursing Center

(D-2010-036, ISSUED JANUARY 22, 2010)

San Diego-area disbursing center personnel were not always able to provide supporting documentation for combat zone (CZ) entitlements. They provided complete support for a statistically projected

18,227 CZ entitlements, of which a projected 1,824 were inaccurate. However, they provided incomplete support for a projected 27,622 CZ entitlements. This occurred because personnel were not able to identify the geographically separated units that processed CZ entitlements under their Accounting and Disbursing Station Numbers to obtain the support. In addition, the disbursing centers did not have efficient and effective procedures in place to ensure that supporting documentation was adequately stored and retained. The lack of proper supporting documentation adversely affects the Navy's ability to detect fraud or improper payments. In addition, DFAS did not process Hostile Fire Pay/Imminent Danger Pay (HFP/IDP) in accordance with established laws and regulations. This occurred because the Defense Joint Military Pay System is programmed to prorate HFP/IDP based on the member's date of separation or date of death. DFAS also did not implement procedures for revised policy eliminating the proration of HFP/IDP. As a result, 768 former Navy members did not receive approximately \$64,000 of earned HFP/IDP payments since 2001. Until procedures are implemented to ensure proper payment of HFP/IDP, warfighters who separate while serving in a CZ will not receive all HFP/IDP payments to which they are entitled.

Information Operations in Iraq

(D-2010-033, ISSUED JANUARY 21, 2010)

This report is Classified.

Defense Logistics Agency Contracts for M2 Machine Gun Spare Parts in Support of Operations in Southwest Asia

(D-2010-035, ISSUED JANUARY 11, 2010)

The Defense Logistics Agency (DLA) did not have effective internal controls in place to ensure appropriate and effective contracting procedures related to contract quality assurance, product

quality deficiency report processing, spare part kit assembly, and oversight of contractor deliveries. Specifically, contractors provided at least 7,100 nonconforming parts on 24 contracts. DLA did not adequately process 95 of 127 product quality deficiency reports, did not deliver 60 spare part kits on time to support a U.S. Army program to overhaul 2,600 M2 machine guns, and provided nonconforming parts in kits. DLA did not pursue adequate compensation from contractors who were significantly late in providing critical parts on 49 contracts. As a result, warfighters had to wait for critical M2 gun parts as DLA had backorders on 7,183 requisitions for 60,701 parts during a 12-month period, priority group 1 comprised 4,097 of these requisitions for 40,333 parts. Additionally, a U.S. Army program to overhaul M2 machine guns was negatively impacted, and DLA missed opportunities to identify contractors with performance problems and obtain adequate compensation, because of the quality problems, the government spent at least \$655,000 in funds that could have been put to better use. DLA missed an opportunity to obtain approximately \$405,000 in contractor compensation for late deliveries. DLA has initiated several corrective actions to improve the quality of M2 machine gun parts.

Internal Controls Over the Army, General Fund Cash and Other Monetary Assets Held in Southwest Asia

(D-2010-034, ISSUED JANUARY 8, 2010)

Statement of Accountability documents were generally accurate, and observed cash counts agreed with cash balances reported on the statement of accountability. However, some Army and Defense Finance and Accounting Service internal controls over cash and other monetary assets held in Southwest Asia were not effective. Internal controls were not in place or operating effectively at deputy disbursing offices in Afghanistan and Egypt that report to the disbursing officer for Disbursing Station 5570. DoD OIG identified the following

internal control deficiencies: the deputy disbursing offices did not have adequate physical controls; the disbursing officer (DO) and the deputy disbursing officers (DDOs) did not have support for their cash-holding authority amounts, and DDOs were improperly appointed; DDOs incorrectly prepared Daily Statements of Accountability (SOA), inappropriately accepted checks, improperly stored checks, did not have comprehensive security programs and records of semiannual security reviews, and had deficient quarterly cash verifications. Internal controls were not in place or operating effectively at Army disbursing offices in Iraq, Kuwait, and Saudi Arabia. DoD OIG identified the following internal control deficiencies: disbursing offices did not have security alarms in place and operating; DOs did not have comprehensive security programs and did not ensure that semiannual security reviews were performed or performed properly; a DO did not prepare Daily SOAs each business day, DOs did not prepare and document analysis to support their justification for cash-holding authority amounts, and DOs had deficient quarterly cash verifications. Disbursing Station 5588 had an unreconciled U.S. Treasury Limited Depository Account difference of \$2.9 million. During FY 2008, the Army used cash instead of government purchase cards to pay for trips in support of the Combined Security Transition Command-Afghanistan.

Ongoing Audits

Assessment of U.S. Government Efforts to Transition the Security Assistance Mission Supporting the Government of Iraq from Department of Defense Authority to Department of State Authority
(PROJECT NO. D2009-DOOSPO-0287.000, DATE INITIATED NOT REPORTED)

DoD IG will determine whether: 1) U.S. government goals, objectives, plans, and guidance are issued and operative for the transition of the Iraqi Security Assistance Mission from Department of

Defense authority to an office of security cooperation under Department of State authority, and 2) ongoing U.S. efforts to provide security assistance to the Government of Iraq are adversely impacted by the drawdown plans of U.S. Forces-Iraq and the implementation of those plans.

Evaluation of the DoD Combating Trafficking in Persons (CTIP) Program

(PROJECT NO. D2009-DIPoE3-0260.000, INITIATED AUGUST 5, 2010)

DoD IG will review Department of Defense compliance with CTIP statutes, executive direction, and department policy. Specifically, DoD OIG will: 1) review a sample of Department of Defense contracts for compliance with the “Trafficking Victims Protection Act of 2000,” (Title 22, U.S. Code, Chapter 78), as amended, 2) summarize Department of Defense CTIP investigative efforts, and 3) evaluate Department of Defense component compliance with and performance to DoDI 2200.01.

Material Purchases Made Through Partnership Agreements at Anniston Army Depot

(PROJECT NO. D2010-D000CE-0190.000, INITIATED MARCH 23, 2010)

The overall objective is to evaluate material purchases made at Anniston Army Depot through partnership agreements with private-sector firms. Specifically, DoD OIG will determine whether the partnership agreements with original equipment manufacturers are effective in minimizing the cost of direct materials to the depot.

Contracting for U.S. Facilities in Iraq

(PROJECT NO. D2010-D000JB-0158.000, INITIATED FEBRUARY 17, 2010)

The objective is to determine whether ongoing and planned contracts to build or refurbish U.S. facilities in Iraq are based on valid requirements and in

consideration of the drawdown of the U.S. forces from Iraq.

DoD Countermining and Improvised Explosive Device Defeat Systems Interrogation Arm

(PROJECT NO. D2010-D000AE-0139.000, INITIATED JANUARY 29, 2010)

This audit is the continuation of the audit initiated under D2009-D000AE-0102.000, “DoD Countermining and Improvised Explosive Device Defeat Systems Contracts,” announced on December 9, 2008. The overall audit objective is to determine whether DoD procurement efforts for countermining and improvised explosive device defeat systems used in Iraq and Afghanistan were developed, awarded, and managed in accordance with Federal and Defense acquisition regulations. Specifically, DoD OIG will determine whether the Joint Improvised Explosive Device Defeat Organization and Army procurement efforts for the interrogation arm used on Husky and RG-31 vehicles in Iraq and Afghanistan were developed, contracted, and managed in accordance with Federal and Defense acquisition regulations.

Update to the Summary Report on Challenges, Recommendations, and Initiatives Impacting OEF/OIFAs Reported by Federal and Defense Oversight Organizations for FY 2003–FY 2009

(PROJECT NO. D2010-D000IG-0073.000, INITIATED DECEMBER 7, 2009)

DoD OIG is updating the summaries of issues and actions taken or planned on recommendations identified in audit reports and testimonies on Operations Iraqi Freedom and Enduring Freedom by major oversight organizations that are members of the Southwest Asia Joint Planning Group. DoD OIG will also update the report on the program management initiatives and corrective actions taken and still pending by the respective organizations and agencies. Additionally, DoD OIG will be gathering information on oversight initiatives planned

or underway by the oversight community. This effort reannounces and expands the scope of DoD OIG summary project D2008-D000JC-0274.000 to include the Special Inspector General for Afghanistan Reconstruction, Department of State, and U.S. Agency for International Development at the request of the Commission on Wartime Contracting. This effort updates the first summary report, D-2008-086, which focused on Operations Iraqi Freedom and Enduring Freedom-related reports and testimonies issued from FY 2003 through FY 2007.

Material Purchases Made Through the Partnership Agreement with Sikorsky Aircraft Corporation at Corpus Christi Army Depot

(PROJECT NO. D2010-D000CH-0077.001, INITIATED NOVEMBER 18, 2009)

This audit project reannounces the audit “Material Purchases Made Through Partnership Agreements at Corpus Christi Army Depot,” (Project No. D2009-D000FI-0150.000). DoD OIG has created separate projects for each individual partnership contractor. The overall objective is to evaluate material purchases made at Corpus Christi Army Depot through partnership agreements with private-sector firms. Specifically, DoD OIG will determine whether the partnership agreements in place with original equipment manufacturers are effective in minimizing the cost of direct materials to the depot.

Material Purchases Made Through the Partnership Agreement with the Boeing Company at Corpus Christi Army Depot

(PROJECT NO. D2010-D000CH-0077.000, INITIATED NOVEMBER 17, 2009)

This audit project reannounces the audit “Material Purchases Made Through Partnership Agreements at Corpus Christi Army Depot,” (Project No. D2009-D000FI-0150.000). DoD OIG has created separate projects for each individual partnership

contractor. The overall objective is to evaluate material purchases made at Corpus Christi Army Depot through partnership agreements with private-sector firms. Specifically, DoD OIG will determine whether the partnership agreements in place with original equipment manufacturers are effective in minimizing the cost of direct materials to the depot.

Management of Operations in the Theater Retrograde, Camp Arifjan, Kuwait

(PROJECT NO. D2010-D000JA-0055.000, INITIATED OCTOBER 27, 2009)

DoD OIG is conducting this audit in response to a U.S. Central Command request to focus oversight on U.S.-funded assets to ensure that they are properly accounted for and that there is a process for their proper transfer, reset, or disposal. DoD OIG is determining whether DoD is effectively managing operations in the Theater Retrograde, Camp Arifjan, Kuwait. Specifically, DoD OIG is determining whether adequate policies and procedures are in place at the Retro Sort, General Supply Warehouse, and Theater Redistribution Center for proper reutilization and disposition of equipment. DoD OIG is also determining whether adequate resources are available to effectively process the current and anticipated volume of equipment at the Theater Retrograde during the drawdown of U.S. forces from Iraq.

Controls Over the Disposition of Equipment at the Defense Reutilization and Marketing Office at Camp Arifjan, Kuwait

(PROJECT NO. D2010-D000JA-0054.000, INITIATED OCTOBER 27, 2009)

DoD OIG is conducting this audit in response to a U.S. Central Command request to focus oversight on U.S.-funded assets to ensure that they are properly accounted for and that there is a process for their proper transfer, reset, or disposal. DoD OIG is evaluating whether adequate policies and procedures are in place to ensure the proper disposition

of equipment at the Defense Reutilization and Marketing Office at Camp Arifjan, Kuwait. Specifically, DoD OIG is evaluating whether adequate controls exist to ensure the proper receipt, inspection, coding, and disposition of equipment in accordance with applicable guidance.

Logistics Civil Augmentation Program IV Support Contract

(PROJECT NO. D2010-D000AS-0031.000, INITIATED OCTOBER 27, 2009)

DoD OIG is determining whether the Logistics Civil Augmentation Program IV support contract was managed and administered in accordance with federal and DoD guidance.

Commercial Vendor Services Compliance With Federal Tax Reporting Requirements for Contractors Supporting Operations in Southwest Asia

(PROJECT NO. D2009-D000FH-0292.000, INITIATED SEPTEMBER 23, 2009)

DoD OIG is determining whether the Commercial Vendor Services in Iraq complied with federal tax reporting requirements for payments to contractors in support of operations in Southwest Asia for calendar years 2006 through 2008.

Ministerial Capacity Development of the Iraqi Ministries of Defense and Interior Inspectors General

(PROJECT NO. NOT REPORTED, DATE INITIATED NOT REPORTED)

DoD OIG has embedded a senior level liaison with the Multi-National Security Transition Command-Iraq to: 1) develop and strengthen the Iraqi Ministry of Interior and Ministry of Defense IG oversight capabilities, 2) provide support to the U.S. Mission's Interagency Anti-Corruption Program, and 3) institutionalize MOI IG Weapons Accountability Inspections Program.

Controls Over the Accountability and Disposition of Government Furnished Property in Iraq

(PROJECT NO. D2009-D000JB-0307.000, INITIATED SEPTEMBER 16, 2009)

DoD OIG is conducting this audit in response to a U.S. Central Command request to focus oversight on asset accountability to ensure that U.S.-funded assets are properly accounted for and that there is a process for the proper transfer, reset, or disposal of assets. The objective is to determine whether DoD has adequate controls over government-furnished property as it prepares to drawdown forces from Iraq. Specifically, DoD OIG will determine whether DoD properly accounted for government-furnished property, whether policies and procedures exist for the proper transfer, reset, or disposal of government-furnished property, and whether those policies and procedures are being executed adequately.

Review of Army Response to Sodium Dichromate Exposure at Qarmat Ali Iraq

(PROJECT NO. D2009-DIPOE3-0306.000, INITIATED SEPTEMBER 11, 2009)

The project will review the U.S. Army's actions regarding the exposure of personnel to sodium dichromate at the Qarmat Ali water injection facility in 2003. The review is being conducted in response to a request from seven members of the United States Senate questioning efforts of the U.S. Army and contractors to protect the safety and health of government and contractor personnel at this site.

Reannouncement of the Audit of Inter-Theater Transportation Planning, Capabilities, and Execution for the Drawdown from Iraq

(PROJECT NO. D2009-D000LC-0240.002, INITIATED SEPTEMBER 10, 2009)

DoD OIG reannounced the audit on December 16, 2009, to clarify the objectives on identifying transportation issues as DoD assets transit from Iraq

through Kuwait to their final destination; and the resolution of these issues by the U.S. Transportation Command and the U.S. Central Command. Specifically, DoD OIG is identifying challenges that are being or will be encountered by the U.S. Transportation Command in ensuring DoD assets are properly transitioned through Kuwait ports for sealift and airport facilities for airlift. DoD OIG is identifying issues related to the transitioning of contractor assets that may impede or impact the transportation of DoD assets by the U.S. Transportation Command.

Assessment of Intra-Theater Transportation Planning, Capabilities, and Execution for the Drawdown from Iraq

(PROJECT NO. D2009-D00SPO-0310.000, INITIATED SEPTEMBER 10, 2009)

DoD OIG is conducting this assessment to determine whether U.S. Central Command and its subordinate and supporting organizations' intra-theater logistical planning, selected capabilities, and execution are adequate to support and manage the movement of cargo and equipment being drawdown from Iraq.

Contract Audit Follow-Up Review on Incurred Cost Audits Related to Iraq Reconstruction Activities

(PROJECT NO. D2009-DIPOAI-0305, INITIATED SEPTEMBER 1, 2009)

This is the second in a series of reviews specific to the funding of Iraq reconstruction activities. Contracting official actions will be evaluated for compliance with DoD Instruction 7640.02, "Policy for Follow-up on Contract Audit Reports," issued August 22, 2008.

Assessment of U.S. Government Efforts to Develop the Logistics Sustainment Capability of the Iraq Security Forces

(PROJECT NO. D2009-D00SPO-0286.000, INITIATED AUGUST 11, 2009; AMENDED FEBRUARY 19, 2010)

DoD IG will assess determine whether: 1) the planning and operational implementation of efforts by U.S. forces to train, advise and assist in the development of an enduring logistics sustainability capability for ISF are effective, and 2) the plans, training, preparations, and designated missions of the U.S. Forces-Iraq A&T, the U.S. advisory and assistance brigades, and sustainment brigades to train, advise, and assist in the development of an enduring logistics sustainability capability for Iraqi Security Forces are synchronized with in-country plans, operational assumptions and needs.

DoD's Plans for the Drawdown and Reset of Property in Iraq

(PROJECT NO. D2009-D000JB-0280.000, INITIATED AUGUST 10, 2009)

DoD OIG is conducting this audit in response to a U.S. Central Command request to focus oversight on asset accountability to ensure that U.S.-funded assets are properly accounted for and that there is a process for the proper transfer, reset, or disposal of assets. The objective is to evaluate DoD's plans for the drawdown and reset of the DoD property in Iraq. Specifically, DoD OIG will determine whether roles, responsibilities, and lines of reporting are clearly defined and documented; whether the plans comprehensively address issues including property accountability, visibility, reset, and return; and whether realistic milestones have been established for the initiation and completion of drawdown and reset activities.

Contracts Supporting Base Operation in Kuwait

(PROJECT NO. D2009-D000AS-0266.000, INITIATED JULY 31, 2009)

DoD OIG will determine whether DoD properly managed and administered contracts supporting base operations in Kuwait. Specifically, DoD OIG will determine whether the contract management and administration complied with federal and DoD policies.

Air Forces Central War Reserve Materiel Contract

(PROJECT NO. D2009-D000AS-0264.000, INITIATED JULY 20, 2009)

DoD OIG will determine whether Air Force officials awarded and are providing oversight of the Air Forces Central War Reserve Materiel contract (FA4890-08-C-0004) in accordance with federal and DoD policies.

Contracts Supporting the Broad Area Maritime Surveillance Program

(PROJECT NO. D2009-D000AS-0247.000, INITIATED JULY 10, 2009)

DoD OIG will determine whether DoD officials properly managed and administered the contracts supporting the Broad Area Maritime Surveillance Program. Specifically, DoD OIG will determine whether the contract management and administration complied with federal and DoD policies.

International Oil Trading Company Contracts to Supply Fuel to U.S. Troops in Iraq

(PROJECT NO. D2009-D000CH-0244.000, INITIATED JULY 7, 2009)

DoD OIG initiated this audit in response to a request from Congress. DoD OIG is reviewing the Defense Energy Support Center's decision to award the International Oil Trading Company a series of contracts for the delivery of fuel through Jordan to

U.S. troops in Iraq. Specifically, DoD OIG is determining whether prices paid were fair and reasonable, whether an exclusive supply arrangement had an impact on prices, and whether the fuel needs to be supplied through Jordan.

Air Cargo Transportation Contracts in Support of Operation Iraqi Freedom and Operation Enduring Freedom

(PROJECT NO. D2009-D000LC-0237.000, INITIATED JUNE 11, 2009)

DoD OIG will determine whether air cargo transportation contracts in support of Operation Iraqi Freedom and Operation Enduring Freedom are administered in accordance with applicable federal and DoD regulations. Specifically, DoD OIG will determine whether the decision to use air transportation was justified, whether delivery orders were awarded in accordance with vendor selection criteria, and whether the cargo transported by air was delivered within required time frames.

Assessment of the Defense Hotline Allegations Concerning Traumatic Brain Injury Research Integrity in Iraq

(PROJECT NO. D2009-D00SPO-0242.00, INITIATED JUNE 11, 2009)

DoD OIG is conducting an inquiry of Research Integrity Misconduct in Iraq at the request of the DoD Hotline to determine if clinical research using an unapproved medication was conducted on U.S. service members with Traumatic Brain Injury in Iraq.

Review of the Joint Task Force Guantanamo Inclusion of Detainee Mental Health Information in Intelligence Information Reports

(PROJECT NO. D2009-DINT01-0203.000, INITIATED JUNE 10, 2009)

This project was developed as a result of information obtained during the Investigation of

Allegations of the Use of Mind Altering Drugs to Facilitate Interrogations (09-INTEL-13, issued September 23, 2009). The objectives of the review are to determine if DoD intelligence reports published by Joint Task Force Guantanamo considered detainee mental health status as an indicator of reliability and if such information was made available for use by intelligence consumers for their determination of source reliability and accuracy of information. The project will also review DoD guidance pertaining to the inclusion of source mental health information in intelligence reports and if DoD policy regarding privacy of medical information for intelligence purposes complies with existing law and DoD regulations.

Assessment Research on Enlisted Administrative Separations

(PROJECT NO. D2009-D000IG-D00SPO.0226.000, INITIATED MAY 15, 2009)
DoD OIG is conducting a research focused on Enlisted Administrative Separations for service members who served in Iraq or Afghanistan. This project resulted from concern expressed by a member of Congress that U.S. Marines with multiple combat tours in Iraq were being administratively separated under Other than Honorable Conditions, making them ineligible for benefits from the Department of Veterans Affairs. In addition, the project is assessing whether service members were evaluated for combat-related mental health conditions before being separated.

Marine Corps Fulfillment of Urgent Universal Need Statements for Laser Dazzlers

(PROJECT NO. D2009-D000AE-0210.000, INITIATED APRIL 28, 2009)
DoD OIG initiated this audit in response to the Assistant Commandant of the Marine Corps request for addressing allegations of mismanagement in fulfilling Urgent Universal Need Statements for laser dazzlers. DoD OIG is determining whether acquisition managers in the U.S. Marine

Corps effectively responded to the urgent needs of deployed Marines in acquiring a nonlethal laser dazzler capability in accordance with federal and Defense acquisition regulations.

Allowances and Differentials Paid to DoD Civilian Employees Supporting the Global War on Terror

(PROJECT NO. D2009-D000FC-0199.000, INITIATED APRIL 17, 2009)

DoD OIG is determining whether civilian pay disbursed in support of the Global War on Terror is paid in accordance with established laws and regulations. Specifically, DoD OIG will determine whether eligible DoD civilian employees properly received authorized allowances and differentials.

FY 2008 Marine Corps Global War on Terror-Related Costs Processed Through the Standard Accounting, Budgeting and Reporting System

(PROJECT NO. D2009-D000FG-0183.000, INITIATED APRIL 7, 2009)

DoD OIG will determine whether the Marine Corps accurately reported FY 2008 costs related to the Global War on Terror. DoD OIG will review whether Marine Corps documentation substantiates operation and maintenance obligations processed through the Standard Accounting, Budgeting and Reporting System.

Multi-National Force-Iraq/Multi-National Corps-Iraq Fire Services Inspection and Training Program

(PROJECT NO. D2009-D000JB-0181.000, INITIATED APRIL 3, 2009)

DoD OIG is assessing whether Multi-National Force-Iraq is meeting requirements for fire services inspection and training through the use of contracted services. Specifically, DoD OIG is reviewing fire inspection reports to determine whether fire

inspection personnel are properly performing fire safety reviews. DoD OIG is identifying contracted personnel assigned as expeditionary fire fighters and reviewing their training records to determine whether the training they completed met contract, DoD, and Army requirements. In addition, DoD OIG will assess the effectiveness of quality control and quality assurance provisions of contracts and task orders related to the Fire Services Inspection and Training Program.

Controls Over Unliquidated Obligations for Department of the Army Contracts Supporting the Global War on Terror

(PROJECT NO. D2009-D000FC-0176.000, INITIATED MARCH 19, 2009)

DoD OIG is determining whether the Department of the Army has established adequate controls over unliquidated obligations on Department of the Army contracts supporting the Global War on Terror. Specifically, DoD OIG will determine whether unliquidated obligations are being properly accounted for and deobligated in a timely manner.

Army and Navy Small Boats Maintenance Contracts

(PROJECT NO. D2009-D000AS-0163.000, INITIATED MARCH 2, 2009)

DoD OIG is determining whether contracts providing ship repair and maintenance to the U.S. Army operations in Bahrain and Navy operations in Bahrain, Qatar, and the United Arab Emirates were properly managed and administered. Specifically, DoD OIG is reviewing competition, contract type, and contract oversight. DoD OIG issued Report No. D-2010-005, issued November 3, 2009, regarding internal controls weaknesses with securing classified information. DoD OIG plans to issue additional reports for this project.

Controls Over the Common Access Card in Non-Department of Defense Agencies

(PROJECT NO. D2009-D000JA-0136.000, INITIATED JANUARY 30, 2009)

DoD OIG is determining whether controls over common access cards provided to civilians and contractors working for non-Department of Defense agencies were in place and worked as intended.

Air Force Depot Maintenance Public-Private Partnership

(PROJECT NO. D2009-D000LD-0110.000, INITIATED JANUARY 29, 2009)

DoD OIG is examining the management of the public-private partnership arrangements entered into by Air Force depots. Specifically, DoD OIG will determine whether the Air Force depots have established baselines and metrics to measure public-private partnership benefits.

Deployment of the Standard Procurement System in the Joint Contracting Command Iraq/Afghanistan

(PROJECT NO. D2009-D000FB-0112.000, INITIATED JANUARY 5, 2009)

DoD OIG is determining whether the deployment of the Standard Procurement System (to include the Standard Procurement System-Contingency configuration) in the Joint Contracting Command Iraq/Afghanistan, was properly planned and executed.

Maintenance and Support of the Mine Resistant Ambush Protected Vehicle

(PROJECT NO. D2009-D000CK-0100.000, INITIATED DECEMBER 9, 2008)

DoD OIG is determining whether mine resistant ambush protected vehicle program and contracting officials are adequately supporting mine resistant ambush protected vehicle maintenance requirements and appropriately awarding and administering maintenance contracts.

DoD's Use of Time and Materials Contracts
(PROJECT NO. D2009-D000CF-0095.000,
INITIATED DECEMBER 1, 2008)

DoD OIG is determining whether time and material contracts for Southwest Asia were awarded and administered in accordance with the Federal Acquisition Regulation.

Counter Radio-Controlled Improvised Explosive Device Electronic Warfare Program
(PROJECT NO. D2009-D000AS-0092.000,
INITIATED DECEMBER 1, 2008)

DoD OIG is reviewing the award and administration of contracts under the Navy's Counter Radio-Controlled Improvised Explosive Device Electronic Warfare (CREW) program. Specifically, DoD OIG is determining whether the Navy effectively transitioned from CREW developmental contracts to production contracts and whether CREW contracts are consistent with federal and DoD acquisition and contract policy.

Implementation of Predator/Sky Warrior Acquisition Decision Memorandum Dated May 19, 2008

(PROJECT NO. D2009-D000CD-0071.000,
INITIATED NOVEMBER 12, 2008)

DoD OIG is determining the implementation status of the Acquisition Decision Memorandum. Specifically, DoD OIG is evaluating whether implementation by the Air Force and the Army complies with the Acquisition Decision Memorandum, and whether alternatives were considered, such as the Reaper program.

Reannouncement of the Audit of Funds Appropriated for Afghanistan and Iraq Processed Through the Foreign Military Sales Trust Fund

(PROJECT NO. D2007-D000FD-0198.001,
INITIATED OCTOBER 10, 2008)

Based on DoD OIG observations during its audit fieldwork under the originally announced project (D2007-D000FD-0198.000), DoD OIG determined an additional project was required to separately discuss relevant issues identified. Accordingly, under the original project number, DoD OIG addressed the transfer of funds to the FMS Trust Fund and the collection of administrative fees from these funds in Report No. D-2009-063.

Under the second announced project (D2007-D000FD-0198.001), DoD OIG is sustaining the originally announced overall audit objective to determine whether the funds appropriated for the security, reconstruction, and assistance of Afghanistan and Iraq and processed through the Foreign Military Sales Trust Fund, are being properly managed. However, DoD OIG has reduced the sub-objectives to determining whether the appropriated funds transferred into the Foreign Military Sales Trust Fund are properly accounted for, used for the intended purpose, and properly reported in DoD financial reports.

Army Acquisition Actions in Response to the Threat to Light Tactical Wheeled Vehicles

(PROJECT NO. D2009-D0000AE-0007.000,
INITIATED SEPTEMBER 29, 2008)

DoD OIG is determining whether the Army effectively managed efforts to develop, test, and acquire armor solutions for light tactical wheeled vehicles. These solutions are needed in response to the threat to High Mobility Multi-Purpose Wheeled Vehicle variants and use in developing the next-generation vehicle for Global War on Terror. In addition, DoD OIG is determining whether DoD exercised adequate operational test and live-fire test oversight of the Army's High Mobility Multi-Purpose Wheeled

Vehicle (HMMWV) program. DoD OIG issued Report D-2010-039 on January 29, 2010. DoD OIG plans on issuing a follow-on report to this project.

Defense Contract Management Agency Acquisition Workforce for Southwest Asia

(PROJECT NO. D2008-D000AB-0266.000, INITIATED SEPTEMBER 18, 2008)

DoD OIG is determining Defense Contract Management Agency (DCMA) requirements to support Southwest Asia (SWA) contracting operations and the number of available DCMA civilian, military, foreign national, and support contractors supporting such operations. They will also evaluate whether the DCMA Acquisition workforce for SWA is adequately trained and certified.

Medical/Surgical Prime Vendor Contracts Supporting Coalition Forces in Iraq and Afghanistan

(PROJECT NO. D2008-D000LF-0267.000, INITIATED SEPTEMBER 12, 2008)

DoD OIG is determining whether terms and conditions for the Medical/Surgical Prime Vendor contracts were adequately developed and whether the administration of the contracts and delivery orders was effective.

Central Issue Facilities

(PROJECT NO. D2008-D000LD-0245.000, INITIATED AUGUST 27, 2008)

DoD OIG is determining whether central issue facilities are providing the required clothing and equipment to deploying personnel, and whether those personnel are returning the clothing and equipment when their deployments are complete.

DoD Body Armor Contracts

(PROJECT NO. D2008-D000CD-0256.000, INITIATED AUGUST 7, 2008)

DoD OIG is examining the contracts and contracting process for body armor and related test facilities. Specific objectives include evaluating the background and qualifications of the contractors, the criteria for awarding the contracts, the quality assurance process, and any relationships that may exist between the contractors and government officials. DoD OIG's review of the quality assurance process will include reviewing the results of First Article Testing and Lot acceptance Testing for the body armor contracts. DoD OIG issued Report D-2010-029 on December 21, 2009, discussing the contract award of DoD body armor contracts. DoD OIG plans to issue additional reports related to this project.

Department of the Air Force Military Pay in Support of the Global War on Terror

(PROJECT NO. D2008-D000FP-0252.000, INITIATED AUGUST 1, 2008)

DoD OIG is determining whether the Department of the Air Force military payroll disbursed in support of the Global War on Terror is paid in accordance with established laws and regulations. Specifically, DoD OIG will review DoD military pay disbursements to determine whether U.S. Air Force military personnel on Active Duty status are paid accurately and timely.

Army's Use of Award Fees on Contracts That Support the Global War on Terror

(PROJECT NO. D2008-D000AE-0251.000, INITIATED JULY 21, 2008)

DoD OIG is determining whether Army award fees paid to contractors in support of the Global War on Terror are justified. Specifically, they will review the procedures for awarding the fees and proper allocation of award fees on the contracts.

DoD and DoD Contractor Efforts To Prevent Sexual Assault/Harassment Involving Contractor Employees within Operations Enduring Freedom and Iraqi Freedom Areas of Operation

(PROJECT NO. D2008-D000CE-0221.000, INITIATED JUNE 9, 2008)

DoD OIG is performing this audit as a result of a congressional inquiry. DoD OIG is reviewing whether contracts that support Operations Enduring Freedom and Iraqi Freedom (OEF/OIF) Areas of Operation contain clauses that adequately address DoD policies regarding sexual assault/harassment of and by contractor personnel. DoD OIG is also determining whether either DoD or DoD contractors, or both, provided sexual assault/harassment awareness, prevention, and reporting training to DoD and contractor employees prior to their deployment to OEF/OIF Areas of Operation.

Class III Fuel Procurement and Distribution in Southwest Asia

(PROJECT NO. D2008-D000JC-0186.000, INITIATED APRIL 23, 2008)

DoD OIG is determining whether fuel used for ground operations in Southwest Asia to support Operations Iraqi Freedom and Enduring Freedom is procured and distributed efficiently and effectively. Specifically, DoD OIG is determining whether fuel is procured at fair and reasonable prices, whether fuel is distributed economically and efficiently to operational commands, and whether fuel supply points maintain accurate inventories.

Internal Controls and Data Reliability in the Deployable Disbursing System

(PROJECT NO. D2007-D000FL-0252.000, INITIATED AUGUST 31, 2007)

The overall objective is to determine whether the internal controls over transactions processed through the Deployable Disbursing System are adequate to ensure the reliability of the data processed. The audit series will include financial

information processed by disbursing stations supporting the Global War on Terror and will also follow up on “Internal Controls Over Out-of-Country Payments,” (Project No. D2006-D000FL-0208.000). DoD OIG has issued three reports related to this project: D-2009-054, D-2010-037, and D-2010-038.

Department of State Office of Inspector General

Completed Audits

The Department of State Office of Inspector General (DoS OIG) completed one audit related to Iraq for the quarter ending March 31, 2010.

Baghdad Embassy Security Force (BESF)
(MERO-A-10-05, ISSUED MARCH 22, 2010)

The objectives were to provide an overall review and summary of the requirements and provisions of the Baghdad Embassy Security Force contract; objectives of the contracts and task orders, what indicators have been established to measure performance; and how DoS administered the contract to oversee Triple Canopy’s performance and costs of the contract. The report assessed the status of contract records, management controls, cost, and value of this contract to the mission of the U.S. Department of State.

Ongoing Audits

Audit of Embassy Baghdad Overtime Procedures and Costs

(PROJECT NO. 10AUD2004, INITIATED OCTOBER 2009)

The objectives are to determine whether Embassy supervisory personnel properly authorized and approved for Embassy Baghdad employees and whether Embassy supervisory personnel and

employees complied with Department regulations and standards concerning overtime. This review is in the draft report stage.

De-mining Programs in Iraq

*(PROJECT NO. 10-ISP-3013,
INITIATED SEPTEMBER 2009)*

The objectives are to evaluate the implementation and effectiveness of de-mining programs in Iraq. This review is in the final report stage.

Property Inventory and Accountability at Embassy Baghdad

*(PROJECT NO. 09MERO3017,
INITIATED JUNE 2009)*

The objectives are to evaluate DoS's controls for inventorying, recording, and safeguarding U.S. government equipment and property in Iraq. This review is in the final report stage.

LOGCAP Task Order for Embassy Baghdad

*(PROJECT NO. 09MERO3016,
INITIATED JUNE 2009)*

The objectives are to evaluate and assess the contractor's compliance with contract terms and conditions, task order terms and conditions, and applicable laws and regulations. This review is in the final report stage.

U.S. Agency for International Development Office of Inspector General

Completed Audits

This quarter, the USAID Office of Inspector General (USAID OIG) issued one performance audit related to Iraq reconstruction. USAID OIG issued no financial audits performed for USAID OIG by DCAA. Sixteen financial audits are in process.

Audit of USAID's Internally Displaced Persons Activities in Iraq

(E-267-10-001-P, ISSUED MARCH 31, 2010)

During fiscal years 2007 and 2008, USAID/OFDA awarded about \$190 million for assistance to internally displaced persons in Iraq. USAID OIG concluded that, for the activities reviewed, OFDA had achieved its goals—to save lives, alleviate human suffering, and reduce the impact of humanitarian emergencies. However, USAID OIG also found (1) anomalies in signatures and fingerprints for four activities resulting in \$766,490 in questioned costs, (2) exaggerated beneficiary claims such as partners reporting more beneficiaries than the population of Iraq, (3) despite lacking authority, OFDA officials extended five awards resulting in unauthorized commitments, (4) the absence of program monitoring, and (5) neither timely nor sufficient implementation of prior OIG recommendations. The report made recommendations to address these issues.

Ongoing Audits

Audit of USAID/Iraq's Payroll Payments to Foreign Service Nationals, Third Country Nationals, and U.S. Personal Services Contractors

(INITIATED 2Q/FY 2010)

The objective is to evaluate if USAID/Iraq properly calculated and disbursed payroll payments to its foreign service national, third country national, and U.S. personal services contractor workforce in accordance with established regulations, policies, and procedures.

Audit of USAID/Iraq's Community Action Program III Activities

(INITIATED 1Q/FY 2010)

The objective is to evaluate if USAID/Iraq's Community Action Program III is achieving its main goals.

Audit of USAID/Iraq's Agriculture Private Sector Development – Agribusiness Program

(INITIATED 1Q/FY 2010)

The objective is to evaluate if USAID/Iraq's agribusiness program is achieving its main goals.

Audit of USAID/Iraq's Implementation of the Iraq Financial Management Information System

(INITIATED 4Q/FY 2009)

The objective is to evaluate if the Iraq Financial Management Information System (IFMIS) has been implemented and its main goals achieved.

Survey of Incidents Reported by Private Security Contractors of USAID/Iraq's Contractors and Grantees

(INITIATED 4Q/FY 2009)

The objectives are to determine the number of serious security incidents that occurred during the two-year period ending June 30, 2009, and to determine if USAID/Iraq has effectively implemented recommendations made in a prior OIG audit report on private security contractors ("Audit of USAID/Iraq's Oversight of Private Security Contractors in Iraq," E-267-09-002-P, dated March 4, 2009).

Defense Contract Audit Agency

The services of the Defense Contract Audit Agency (DCAA) include professional advice to acquisition officials on accounting and financial matters to assist them in the negotiation, award, administration, and settlement of contracts.

In addition to DCAA's involvement in the negotiation and award of contracts, significant resources are also dedicated to overseeing the allowability, allocability, and reasonableness of incurred and billed costs. Procedures that govern the costs incurred in-country are also tested through reviews of contractor timekeeping, subcontract management, and cash management/disbursement. Finally, to ensure that adequate internal controls are in place regarding the contractor's policies and procedures, DCAA performs audits associated with critical internal control systems, with an emphasis on estimating, subcontract management, and billing systems.

DCAA plans and performs work on a fiscal year basis. Table G-2 shows both the Iraq-related audits closed during FY 2009 and the audits closed and still open in FY 2010 (as of March 31, 2010).

TABLE G-2
DCAA AUDITS RELATED TO IRAQ FOR FY 2009 AND FY 2010

DESCRIPTION OF AUDIT AREA	FY 2009 CLOSED	FY 2010	
		CLOSED	OPEN
Price Proposals (1)	119	44	22
Other Special Requested Audits (2)	33	22	74
Incurred Cost (3)	25	26	197
Labor Timekeeping (4)	67	16	42
Internal Controls (5)	29	12	75
Pre-award Accounting Survey (6)	5	4	8
Purchase Existence and Consumption (7)	28	4	18
Cost Accounting Standards (8)	22	26	122
Other (9)	30	18	100
Total	358	172	658

Note:

1. **Price Proposals** – Audits of price proposals submitted by contractors in connection with the award, modification, or repricing of government contracts or subcontracts
2. **Other Special Requested Audits** – Audit assistance provided in response to special requests from the contracting community based on identified risks
3. **Incurred Cost** – Audits of costs charged to government contracts to determine whether they are allowable, allocable, and reasonable
4. **Labor Timekeeping** – Audits to determine if the contractor consistently complies with established timekeeping system policies and procedures for recording labor costs
5. **Internal Controls** – Audits of contractor internal control systems relating to the accounting and billing of costs under government contracts
6. **Preaward Accounting Survey** – Preaward audits to determine whether a contractor's accounting system is acceptable for segregating and accumulating costs under government contracts
7. **Purchase Existence and Consumption** – The physical observation of purchased materials and services and related inquiries regarding their documentation and verification of contract charges
8. **Cost Accounting Standards** – Audits of Contractor Disclosure Statements and compliance with Cost Accounting Standards
9. **Other** – Significant types of other audit activities including compliance with Truth in Negotiations Act, audits of provisional billing rates, and audits of claims and termination settlement proposals

U.S. Army Audit Agency

As of March 31, 2010, USAAA had 30 auditors deployed to Southwest Asia: 19 in Iraq, 7 in Afghanistan, and 4 in Kuwait.

Completed Audits

Agreed-Upon Procedure Attestation of the Joint Contracting Command – Iraq/Afghanistan Contract Closeout Task Force
(A-2010-0077-ALC, ISSUED MARCH 25, 2010)

This report is protectively marked For Official Use Only (FOUO). USAAA performed the review to attest whether the process and approach used by the Task Force were in compliance with Federal statutory and regulatory requirements. The review included open contracts awarded by the command between FY 2004 and FY 2007.

Defense Base Act Insurance, Audit of Contracting Operations, U.S. Army Contracting Command Southwest Asia-Kuwait

(A-2010-0075-ALL, ISSUED MARCH 23, 2010)

USAAA performed the audit as part of the overall audit of contracting operations at the Kuwait Contracting Command. USAAA concluded that, overall, Defense Base Act (DBA) insurance was not managed effectively. Contracting officers often did not include the appropriate clauses requiring the insurance, nor did they verify that the contractors were actually providing and maintaining the coverage. Also, the wide range in rates paid by different contractors compared to rates negotiated by other U.S. government agencies indicated DBA insurance for work performed in Kuwait may not be acquired in a most cost-effective manner. The contracting office was also unaware that it could request a blanket waiver from the U.S. Department

of Labor (DOL) for providing DBA insurance in Kuwait. DOL can issue waivers for countries that have workers' compensation programs already in place. Using the local workers' compensation program will give contractors more options in providing insurance to their employees, and should reduce the overall cost to the Army. The Deputy Assistant Secretary of the Army (Procurement) agreed with the conclusion, recommendations, and actions taken or planned to improve the DBA insurance process weaknesses identified by this audit.

Controls Over Vendor Payments – Southwest Asia (Phase II)

(A-2010-0062-ALL, ISSUED MARCH 16, 2010)

USAAA performed this audit in Iraq at the request of the Assistant Secretary of the Army (Financial Management and Comptroller). Finance offices within northern Iraq took numerous actions to address the Army's material weakness relating to the lack of a proper audit trail for commercial payments in a contingency environment. However, in spite of actions taken, USAAA found 52 percent of vendor payments still did not meet the minimum criteria to determine if payments were valid and fully supported. About \$4 million of the payments did not include tax identification for domestic companies. Furthermore, auditors found additional improvements were needed to address the integrity of the automated audit trail and the efficiency of the financial audit trail because:

- Not all units received adequate or consistent pre-deployment and onsite training.
- Working relationships and initiatives between activities in the fiscal triad were not fully synchronized.
- Command did not always enforce regulatory guidance or include processes in the internal controls program to effectively monitor operations.

Command generally agreed with the suggested actions in the report and initiated corrective actions.

Pricing and Funding Security Assistance to Iraq and Afghanistan, U.S. Army Security Assistance Command

(A-2010-0060-ALA, ISSUED MARCH 3, 2010)

USAAA reported that the Army properly priced the cost of equipment transferred to Iraq and Afghanistan on 34 Foreign Military Sales (FMS) and pseudo cases reviewed. However, the Army recovered less than replacement cost on three replacement and modernization cases. While the costs reimbursed to the Army were based on the depreciated value of the vehicles as required by guidance, the Army did not request the remaining \$64.5 million needed to replace the vehicles transferred from inventory. Also, the peacetime FMS budget process was not effective in meeting the additional workload requirements generated by the contingency operations in Iraq and Afghanistan. Security assistance activities were tasked to accelerate support to commanders but were not adequately funded upfront to meet the added workload. Because of delays and shortfalls in funding received, security assistance activities could not immediately hire additional workers and the FMS workforce was used to execute the pseudo cases. Performing this work without funding could create an Antideficiency Act violation. The Assistant Secretary of the Army (Acquisition, Logistics and Technology) provided the official Army position on the report and agreed with the recommendations and potential monetary benefits.

Agreed-Upon Procedures Attestation to Determine the Total Amount of Requisitions Under DODAAC W91JKW Processed by Soldiers From the 18th Fires Brigade, Fort Bragg, North Carolina While Deployed to Iraq

(A-2010-0054-ALL, ISSUED FEBRUARY 24, 2010)

This report is protectively marked For Official Use Only (FOUO). USAAA performed this review at the request of the Fort Bragg Criminal Investigation Command Office to provide information that will assist the requesting activity in determining whether criminal violations may have occurred and the extent of potential monetary loss to the government.

Controls Over Vendor Payments – Southwest Asia (Phase II)

(A-2010-0057-ALL, ISSUED FEBRUARY 24, 2010)

USAAA performed this audit in Iraq at the request of the Assistant Secretary of the Army (Financial Management and Comptroller). Finance offices within central Iraq took numerous actions to address the Army’s material weakness relating to the lack of a proper audit trail for commercial payments in a contingency environment. However, in spite of actions taken, USAAA found 40 percent of vendor payments still did not meet the minimum criteria to determine if payments were valid and fully supported. About \$12.7 million of the payments did not include tax identification for domestic companies. Furthermore, auditors found additional improvements were needed to address the integrity of the automated audit trail because:

- Not all units received adequate or consistent pre-deployment and onsite training.
- Working relationships and initiatives between activities in the fiscal triad were not fully synchronized.
- Command did not always enforce regulatory guidance or include processes in the

internal controls program to effectively monitor operations.

Command generally agreed with the recommendations in the report and began taking corrective actions.

Improvised Explosive Device Defeat Unit Training

(A-2010-0048-FFF, ISSUED FEBRUARY 8, 2010)

This report is protectively marked For Official Use Only (FOUO). USAAA found Army units conducted appropriate training to counter the improvised explosive device (IED) threat. Training course materials were based on U.S. Central Command guidance and included the most current enemy tactics, techniques, and procedures. Capabilities integration teams effectively assisted units to obtain IED Defeat training, including training from mobile training teams during home station training. This report contains no recommendations. The Office of the Deputy Chief of Staff, G-3/5/7 agreed with the overall conclusion and facts in the report.

Forward Operating Base Closures in Iraq

(A-2010-0044-ALL, ISSUED JANUARY 26, 2010)

This report is protectively marked For Official Use Only (FOUO). The Chief of Staff, Multi-National Forces - Iraq (MNF-I) requested this audit. USAAA reported that the MNF-I and Multi-National Corps – Iraq (MNC-I) had adequate base closure processes in place that were communicated effectively to the majority of the Major Subordinate Commands in Iraq. However, MNF-I and MNC-I could improve the methods used to monitor and document these processes. MNC-I used a subjective method to monitor and report the status of base closures and lacked measurable and reliable metrics for the process. In addition, some of the required based closure documentation was not retained in the official base closure repository

for bases that closed between October 2008 and May 15, 2009. Further, USAAA found that guidance for property disposition and/or transfer to the GOI needed clarification, property accountability tracking could be improved, and documentation for property transactions was missing. MNF-I agreed with the recommendations and stated they implemented or would implement the recommendations addressed to them. The Office of the Deputy Chief of Staff, G-4 provided the official Army position and agreed with the recommendations and command's response.

Contracting Operations, Joint Contracting Command – Iraq/Afghanistan, Regional Contracting Center-Victory, Camp Victory, Iraq

(A-2010-0031-ALL, ISSUED JANUARY 16, 2010)

USAAA performed this audit at the request of U.S. Army Criminal Investigation Command and with the cooperation of the Commander, Joint Contracting Command-Iraq/Afghanistan. USAAA found requiring activities sometimes did not sufficiently justify and support their requirements; legal reviews for the funding of C6 Validation Board requirements sometimes were not thorough; contracting officers sometimes did not use appropriate contract vehicles, openly compete solicitations or obtain fair and reasonable prices; and contracting officers sometimes did not maintain sufficient contract files or effectively monitor contractor performance. The primary reason these issues existed was a lack of qualified contracting personnel to keep pace with an increasing workload. Further, requesting activities sometimes lacked the knowledge to sufficiently identify requirements and write clearly defined statements of work. In addition, auditors questioned the use of Operation and Maintenance, Army funds to purchase \$7.6 million in information technology systems because the requirement fit criteria for use of Other Procurement, Army funds. Command emphasis on awarding contracts at the expense of contract administration and high turnover of personnel in the contracting

office magnified the problems identified during the audit. As a result, contracts did not always meet customer needs in terms of quality, performance, and schedule at the risk of additional cost to the government. The Commander, Multi-National Corps – Iraq, and Commander, Joint Contracting Command – Iraq/Afghanistan, agreed with the conclusions and recommendations in the report.

Housing Management Area Support Group-Kuwait

(A-2010-0010-ALL, ISSUED JANUARY 15, 2010)

USAAA performed this audit at the request of Area Support Group – Kuwait (ASG-K). USAAA concluded that the ASG-K housing management program provided sufficient off-post housing to personnel and incurred approximately \$491,000 less in housing costs per year than if tenants were offered an overseas housing or living quarters allowance. However, ASG-K needed to make improvements in several areas to increase efficiencies. Specifically, ASG-K did not ensure that criteria for selecting leased housing were standardized; cost savings were captured by taking advantage of the International Cooperative Administrative Support Services for some command sponsored personnel; vacancy rates were correctly calculated; leasing payments were made in accordance with local customs; and housing management office personnel were adequately trained. In addition, USAAA found that certain tenants residing in ASG-K off-post leased housing received furnishings that exceeded the standard set by Army regulations and could not find support in ASG-K records for over \$37,000 in maintenance charges paid in FY 2008. The audited activity agreed with the report's conclusions, recommendations, and potential monetary benefits and stated that it had taken or would take action to implement the recommendations. The Office of the Assistant Chief of Staff for Installation Management provided the official Army position and agreed with the recommendations, command responses, and potential monetary benefits.

Award Fee for Task Order 139-LOGCAP III Contract, U.S. Army Contracting Command

(A-2010-0026-ALC, ISSUED JANUARY 7, 2010)

The Secretary of the Army requested USAAA to perform this audit in response to congressional concerns stemming from a soldier's electrocution at a complex the contractor for Task Order 139 maintained. USAAA reported that contracting officials generally complied with applicable policies, regulations, and contract provisions; and award fee boards used data provided to make award fee recommendations. However, some award fee criteria were unclear, the award fee board did not strictly apply the criteria when evaluating contractor performance, and board members did not adequately document their rationale for award fee decisions. Also, significant electrical deficiencies and contract non-conformities were not identified and provided to the award fee board. After the soldier's electrocution, the Army suspended award fee boards and the government significantly increased contract oversight. The increased oversight identified the magnitude of electrical deficiencies and systemic failures of the contractor's quality control system. The Deputy Assistant Secretary of the Army (Procurement) agreed with the report's conclusions and recommendations.

Controls Over Vendor Payments – Southwest Asia

(A-2010-0012-ALL, ISSUED JANUARY 5, 2010)

USAAA performed this audit in Iraq at the request of the Assistant Secretary of the Army (Financial Management and Comptroller). USAAA found that finance offices within Multi National Division-South took numerous actions to address the Army's material weakness relating to the lack of a proper audit trail for commercial payments in a contingency environment. However, in spite of actions taken, USAAA found 26 percent of vendor payments still did not meet the minimum criteria to determine if payments were valid and fully supported. In addition, auditors found improvements

were needed to address the integrity of the automated audit trail and the efficiency of financial management operations. These conditions occurred because:

- Pre-deployment and on-site functional training was not adequate or consistent.
- The working dynamics of the fiscal triad, particularly between finance and contracting, were not fully synchronized.
- Command did not always enforce regulatory guidance or did not include processes in the internal controls program to effectively monitor operations.

USAAA made four recommendations to the local finance management company that, if implemented, would improve operations.

Ongoing Audits

Excalibur Accountability Gap

(PROJECT NO. A-2010-ALL-0364.000, INITIATED 2Q/FY 2010)

This audit is being performed in Iraq. It will determine if there are adequate processes and procedures for establishing accountability over Excalibur ammunition rounds.

Redistribution Property Assistance Teams

(PROJECT NO. A-2010-ALL-0338.000, INITIATED 2Q/FY 2010)

This audit is being performed in Iraq. It will determine if agreed-upon Redistribution Property Assistance Teams-related recommendations in USAAA Report A-2009-0085-ALL were implemented and corrective actions fixed the problems.

U.S. Equipment Transferred to Iraq
(PROJECT NO. A-2010-ALL-0312.000,
INITIATED 2Q/FY 2010)

This audit is being performed in Iraq. It will evaluate whether the theater's process for transferring specific property to the government of Iraq, as part of responsible drawdown, conforms to DoD policies and Title X authority.

Disposal of Army Equipment and Materials Into Dump Sites in Iraq
(PROJECT NO. A-2010-ALL-0311.001,
INITIATED 2Q/FY 2010)

This audit is being performed in Iraq. It will determine if: (1) Army units are complying with guidance on the disposal of Army equipment and materials into dump sites in Iraq, and (2) Army units' use of dump sites is enhancing the draw-down mission in Iraq.

Disposal of Army Equipment and Material in Iraq
(PROJECT NO. A-2010-ALL-0311.000,
INITIATED 2Q/FY 2010)

This audit is being performed in Iraq. It will determine if Army units are complying with DA guidance on disposal of property to Defense Reutilization and Marketing Services and other sites.

Follow-up Audit – Body Armor
(PROJECT NO. A-2010-ALA-0294.000,
INITIATED 2Q/FY 2010)

This audit is being performed in the continental United States (CONUS). It will: (1) follow-up on recommendations in USAAA Report A-2009-0086-ALA (issued March 30, 2009), as well as recent DoD OIG and GAO reports on body armor to determine if adequate actions were taken to implement key recommendations, and (2) review body armor requirements to determine if require-

ments clearly define the force protection needs of the soldier against future threats.

Controls Over Vendor Payments Phase II – Afghanistan
(PROJECT NO. A-2010-ALL-0103.000,
INITIATED 2Q/FY 2010)

This audit is being performed in Afghanistan. It will determine if the Army has effective controls to ensure the accuracy of vendor payments for contingency operations in Southwest Asia (Afghanistan).

Logistics Civil Augmentation Program (LOGCAP) IV Operations in Support of Operation Enduring Freedom-Afghanistan
(PROJECT NO. A-2010-ALL-0083.000,
INITIATED 2Q/FY 2010)

This audit is being performed in Afghanistan. It will determine if services awarded under Logistics Civil Augmentation Program IV in Afghanistan were managed in a reasonable and cost-effective manner.

Forward Operating Base Closures – Property Transfers to Government of Iraq
(PROJECT NO. A-2010-ALL-0232.000,
INITIATED 1Q/FY 2010)

This audit is being performed in Iraq. It will evaluate the process for creating forward operating base closure transfer packages and determine if the process can be streamlined.

Army's Short-Term Human Capital Strategic Plans-Contracting
(PROJECT NO. A-2010-ALC-0125.000,
INITIATED 1Q/FY 2010)

This audit is being performed in the continental United States (CONUS). It will determine if: (1) the Army's current plan of growing the contracting workforce is adequate to meet the existing shortfall,

(2) the Army is effectively using reach-back capabilities during expeditionary operations, (3) the Army has been successful using available tools to incentivize its civilian contracting workforce to volunteer for expeditionary operations, and (4) the Army had taken appropriate and timely actions to provide expeditionary forces with needed information technology and easy to use eBusiness tools.

Contracting Activities in Iraq During and After Force Drawdown

(PROJECT NO. A-2010-ALC-0122.000, INITIATED 1Q/FY 2010)

This audit is being performed in the continental United States (CONUS). It will determine if the Army has a workable plan for continuing contracting activities in Iraq during and after the force drawdown.

Follow-up Audit on Sensitive Items Accountability and Control at Abu Ghraib-Iraq

(PROJECT NO. A-2010-ALL-0106.000, INITIATED 1Q/FY 2010)

This follow-up audit is being performed in Iraq. It will determine if the recommendations from the prior audit were implemented and, if so, if the recommendations fixed the problem.

Follow-up Audit on Forward Operating Base Closures – Iraq

(PROJECT NO. A-2010-ALL-0105.000, INITIATED 1Q/FY 2010)

This follow-up audit is being performed in Iraq. It will determine if the recommendations from the prior audit were implemented and, if so, if the recommendations fixed the problem.

Life Support Contracts for U.S. Forces at Basra-Iraq

(PROJECT NO. A-2010-ALL-0087.000, INITIATED 1Q/FY 2010)

This audit is being performed in Iraq. It will determine if: (1) the transition of the LOGCAP contract to sustainment contracting was cost-effective and (2) the requirements determination process led to contracts that supported the requesting unit's needs.

Contracting for Maintenance Support – Life Cycle Management Commands

(PROJECT NO. A-2010-ALM-0008.000, INITIATED 1Q/FY 2010)

This audit is being performed in the continental United States (CONUS). It will determine if contracts for maintenance services required equipment to be repaired in a timely, technically sound, and cost-effective manner. It will also evaluate contract administration controls to determine if appropriate value is received for costs incurred.

Controls over Shipping Container Accountability and Visibility - Iraq

(PROJECT NO. A-2009-ALL-0593.000, INITIATED 4Q/FY 2009)

This audit is being performed in Iraq. It will determine if: (1) controls over shipping container accountability and visibility were effective, (2) Command implemented recommendations in the prior report and, if so, did the corrective actions fix the conditions identified, and (3) controls over shipping container condition and sea worthiness were effective.

Camp Buehring Fuel Farm Operations - Kuwait

(PROJECT NO. A-2009-ALL-0590.000, INITIATED 4Q/FY 2009)

This audit is being performed in Kuwait. It will determine whether controls over fuel farm operations at Camp Buehring were adequate to ensure proper accountability and limit access at fuel points.

Contract for Recycling and Disposing of Waste Material at Camp Steeler, Iraq

(PROJECT NO. A-2009-ALL-0571.000, INITIATED 4Q/FY 2009)

This audit is being performed in Iraq. It will determine if the contractor performed according to the terms, specifications, and conditions of the contract. The sub-objectives are to evaluate the adequacy of controls over (1) payments to the contractor, (2) delivery of material for recycling and costs associated with recycling, and (3) delivery and use of fuel.

Commander's Emergency Response Program - Afghanistan

(PROJECT NO. A-2009-ALL-0531.000, INITIATED 4Q/FY 2009)

This audit is being performed in Afghanistan. It will determine if the program in Afghanistan had adequate internal controls in place to ensure commanders and unit personnel implemented the program properly.

Force Protection – Security Badging in Kuwait

(PROJECT NO. A-2009-ALL-0133.000, INITIATED 2Q/FY 2009)

This audit is being performed in Kuwait. It will evaluate the effectiveness of internal controls at the Area Support Group-Kuwait. Specifically, it will determine (1) if procedures were adequate for

issuing, accounting for, and using security badges; and (2) the adequacy of procedures for safeguarding personal information contained in automated systems used in the security badging process.

Controls over Vendor Payments – Southwest Asia (Phase II)

(PROJECT NO. A-2009-ALL-0118.000, INITIATED 2Q/FY 2009)

This audit is being performed at various locations in Southwest Asia. It will determine if the Army has effective controls to ensure the accuracy of vendor payments for contingency operations in Southwest Asia.

Multi-National Security Transition Command-Iraq (MNSTC-I), Iraqi Security Forces Fund (ISFF)

(PROJECT NO. A-2009-ALL-0110.000, INITIATED 2Q/FY 2009)

This audit is being performed in Iraq. It will evaluate Command's process for planning, budgeting, and reviewing resources of the ISFF.

Contracting Operations at the Joint Contracting Command-Iraq/Afghanistan – Jalalabad (Afghanistan)

(PROJECT NO. A-2009-ALL-0106.000, INITIATED 2Q/FY 2009)

This audit is being performed in Afghanistan. It will determine if goods and services acquired under contract were properly justified, awarded, and administered.

Reserve Component Post Mobilization Training

(PROJECT NO. A-2009-FFS-0075.000, INITIATED 2Q/FY 2009)

This audit is being performed in the continental United States (CONUS). It will determine if post-mobilization training requirements were

adequately identified and executed by the Army Reserve and National Guard. It will also determine if necessary unit and individual training requirements were identified and completed prior to deployment; and if post-mobilization training requirements unnecessarily duplicated pre-mobilization training.

Non-Standard Equipment Sustainment

(PROJECT NO. A-2009-ALM-0059.000, INITIATED 2Q/FY 2009)

This audit is being performed in the continental United States (CONUS). It will determine if the Army has adequate visibility over non-standard equipment items, and if it has an effective sustainment plan to ensure that repair sources and repair parts are available to sustain non-standard equipment.

Logistics Civil Augmentation Program (LOGCAP) III, Contract Close-out

(PROJECT NO. A-2009-ALC-0093.000, INITIATED 1Q/FY 2009)

This audit is being performed in the continental United States (CONUS) and various locations in Southwest Asia. It will determine if the Army has procedures and controls in place to effectively close out the LOGCAP III contract to ensure proper payment of its legitimate liabilities and deobligations of unused funds.

Contracting Operations at the Joint Contracting Command-Iraq/Afghanistan—Kandahar and Salerno (Afghanistan)

(PROJECT NO. A-2008-ALL-0401.000, INITIATED 4Q/FY 2008)

This audit is being performed in Afghanistan. It will determine if goods and services acquired under the contract were properly justified, awarded, and administered.

Controls over Logistics Civil Augmentation Program (LOGCAP)—White Property

(PROJECT NO. A-2008-ALL-0398.000, INITIATED 4Q/FY 2008)

This audit is being performed in Iraq. It will determine if the Logistics Civil Augmentation Program contractor properly managed and accounted for government acquired property.

U.S. Army Corps of Engineers (USACE) Pilot Defense Base Act (DBA) Insurance Program

(PROJECT NO. A-2008-ALL-0633.000, INITIATED 3Q/FY 2008)

This audit is being performed in the continental United States (CONUS). It will determine if Defense Base Act insurance, as acquired under the U.S. Army Corps of Engineers pilot program, is a cost-effective solution for satisfying overseas workers compensation insurance requirements for the Army.

Follow-up Audit of Contracting Operations, U.S. Army Contracting Command (USACC), SWA-Kuwait (Phase I)

(PROJECT NO. A-2008-ALL-0625.000, INITIATED 3Q/FY 2008)

This audit is being performed in Kuwait. It evaluates the effectiveness of actions taken to improve Army contracting operations in Kuwait.

Commander's Emergency Response Program (CERP), Iraq Summary

(PROJECT NO. A-2008-ALL-0624.000, INITIATED 3Q/FY 2008)

This audit is being performed in Iraq. It will determine whether the procedures, processes and guidance were sufficient to ensure deployed commanders implemented the program and used emergency funds appropriately.

Foreign Military Sales (FMS)

(PROJECT NO. A-2008-ALA-0588.000,
INITIATED 3Q/FY 2008)

This audit is being performed in the continental United States (CONUS). It will determine if FMS to Iraq and Afghanistan are effectively managed and administered.

Management of the Prepositioned Fleet at Combat Training Centers

(PROJECT NO. A-2008-FFF-0044.000,
INITIATED 2Q/FY 2008)

This audit is being performed in the continental United States (CONUS). It will determine if the pre-positioned fleets are adequately configured. It will also determine if rotational units are effectively using the pre-positioned fleets and if the maintenance costs for the pre-positioned fleets were reasonable.

Retrograde Operations in Southwest Asia – Kuwait (Donations and Transfers)

(PROJECT NO. A-2007-ALL-0858.001,
INITIATED 4Q/FY 2007)

This audit was performed in Kuwait and is currently in the report reply process. It determined if the Army effectively and cost-efficiently managed automatic return and critical items as part of its retrograde operations in Southwest Asia.

Contracting Operations, U.S. Army Contracting Command (USACC), SWA-Kuwait (Phase II)

(PROJECT NO. A-2007-ALL-0859.000,
INITIATED 3Q/FY 2007)

This audit is being performed in Kuwait. It will determine if contracts for heavy lift services were adequately developed and effectively administered; laundry services were effectively managed; and if the Defense Base Act (DBA) insurance was properly administered on Kuwait contracts.

Government Accountability Office

GAO will continue to provide oversight of the U.S. drawdown and transition from Iraq, including examination of DoD programs and initiatives, and the transition to a U.S. presence led by DoS. GAO will conduct audits as mandated by law, such as a review of the Joint Campaign Plan for Iraq and oversight of contracts and contractors.

Completed Reports**Warfighter Support: DoD Needs to Improve Its Planning for Using Contractors to Support Future Military Operations**

(GAO-10-472, ISSUED MARCH 30, 2010)

Contractors provide a broad range of support to U.S. forces deployed to Afghanistan and Iraq, with the number of contractors at times exceeding the number of military personnel in each country. The Department of Defense (DoD) has acknowledged shortcomings in how the role of contractors was addressed in its planning for Iraq and Afghanistan. In its report accompanying the National Defense Authorization Act for Fiscal Year 2009, the Senate Armed Services Committee directed GAO to assess DoD's development of contract support plans. This report examines (1) what progress DoD has made in developing operational contract support annexes for its operation plans, (2) the extent to which contract requirements are included in other sections of operation plans, and (3) DoD's progress in establishing a long-term capability to include operational contract support requirements in operation plans. GAO reviewed DoD policies, selected operation plans and annexes, and interviewed officials at the combatant commands, the Joint Staff, and Office of the Secretary of Defense.

Although DoD guidance has called for combatant commanders to include an operational contract support annex—Annex W—in their operation plans since February 2006, GAO found only

four operation plans with Annex Ws have been approved, and planners have drafted Annex Ws for an additional 30 plans. According to combatant command officials, most of the annexes drafted to date restated broad language from existing DoD guidance on the use of contractors to support deployed forces. Several factors help explain the difficulties planners face in identifying specific contract support requirements in Annex Ws. For example, most operation plans contained limited information on matters such as the size and capabilities of the military force involved, hindering the ability of planners to identify detailed contract support requirements. In addition, shortcomings in guidance on how and when to develop contract support annexes complicate DoD's efforts to consistently address contract requirements in operation plans and resulted in a mismatch in expectations between senior DoD leadership and combatant command planners regarding the degree to which Annex Ws will contain specific information on contract support requirements. Senior decision makers may incorrectly assume that operation plans have adequately addressed contractor requirements. As a result, they risk not fully understanding the extent to which the combatant command will be relying on contractors to support combat operations and being unprepared to provide the necessary management and oversight of deployed contractor personnel. According to combatant command officials, detailed information on operational contract support requirements is generally not included in other sections or annexes of the operation plans. Although DoD guidance underscores the importance of addressing contractor requirements throughout an operation plan, including the base plan and other annexes as appropriate, GAO found that nonlogistics personnel tend to assume that the logistics community will address the need to incorporate operational contract support throughout operation plans. For example, combatant command officials told GAO that they were not aware of any assumptions specifically addressing the potential use or

role of operational contract support in their base plans. Similarly, according to DoD planners, there is a lack of details on contract support in other parts of most base plans or in the nonlogistics (e.g., communication or intelligence) annexes of operation plans. DoD has launched two initiatives to improve its capability to address operational contract support requirements in its operation plans, but these initiatives are being refined and their future is uncertain. DoD has placed joint operational contract support planners at each combatant command to assist with the drafting of Annex Ws. In addition, the department has created the Joint Contingency Acquisition Support Office to help ensure that contract support planning is consistent across the department. For both initiatives, a lack of institutionalization in guidance and funding and staffing uncertainties have created challenges in how they execute their responsibilities.

Unmanned Aircraft Systems: Comprehensive Planning and a Results-Oriented Training Strategy Are Needed to Support Growing Inventories

(GAO-10-331, ISSUED MARCH 26, 2010)

The Department of Defense (DoD) requested about \$6.1 billion in fiscal year 2010 for new unmanned aircraft systems (UAS) and for expanded capabilities in existing ones. To support ongoing operations, the Air Force and Army have acquired a greater number of larger systems. GAO was asked to determine the extent to which (1) plans were in place to account for the personnel, facilities, and communications infrastructure needed to support Air Force and Army UAS inventories; (2) DoD addressed challenges that affect the ability of the Air Force and the Army to train personnel for UAS operations; and (3) DoD updated its publications that articulate doctrine and tactics, techniques, and procedures to reflect the knowledge gained from using UAS in ongoing operations. Focusing on UAS programs supporting ongoing operations, GAO reviewed the services' program and funding

plans in light of DoD's requirements definition and acquisition policy; interviewed UAS personnel in the United States and in Iraq about training experiences; and reviewed joint, multiservice, and service-specific publications.

DoD continues to increase UAS inventories, but in some cases, the Air Force and the Army lack robust plans that account for the personnel, facilities, and some communications infrastructure to support them. Regarding personnel, the Air Force and the Army have identified limitations in their approaches to provide personnel to meet current and projected UAS force levels, but they have not yet fully developed plans to supply needed personnel. Further, although DoD has recently requested funding and plans to request additional funds, the Air Force and the Army have not completed analyses to specify the number and type of facilities needed to support UAS training and operations. Having identified a vulnerability to the communications infrastructure network used to control UAS missions, the Air Force is taking steps to mitigate the risk posed by a natural or man-made disruption to the network but has not formalized a plan in the near term to provide for the continuity of UAS operations in the event of a disruption. While DoD guidance encourages planning for factors needed to operate and sustain a weapon system program in the long term, several factors have contributed to a lag in planning efforts, such as the rapid fielding of new systems and the expansion of existing ones. In the absence of comprehensive planning, DoD does not have reasonable assurance that Air Force and Army approaches will support current and projected UAS inventories. The lack of comprehensive plans also limits the ability of decision makers to make informed funding choices. DoD has not developed a results-oriented strategy to resolve challenges that affect the ability of the Air Force and the Army to train personnel for UAS operations. GAO found that the limited amount of DoD-managed airspace adversely affected the amount of training that personnel conducted to prepare for deployments. As UAS are fielded in greater numbers,

DoD will require access to more airspace for training; for example, DoD estimated that based on planned UAS inventories in fiscal year 2013, the military services will require more than 1 million flight hours to train UAS personnel within the United States. Further, Air Force UAS personnel and Army ground units have limited opportunities to train together in a joint environment, and they have not maximized the use of available assets during training. Current UAS simulators also have limited capabilities to enhance training. DoD has commenced initiatives to address training challenges, but it has not developed a results-oriented strategy to prioritize and synchronize these efforts. Absent a strategy, DoD will not have a sound basis for prioritizing resources, and it cannot be assured that the initiatives will address limitations in Air Force and Army training approaches. In many cases, DoD's UAS publications articulating doctrine and tactics, techniques, and procedures did not include updated information needed by manned and unmanned aircraft operators, military planners, and ground units to understand current practices and capabilities. Such information can serve as the foundation for effective joint training programs and can assist military personnel in integrating UAS on the battlefield.

Iraq and Afghanistan: Agencies Face Challenges in Tracking Contracts, Grants, Cooperative Agreements, and Associated Personnel

(GAO-10-509T, ISSUED MARCH 23, 2010)

The Departments of Defense (DoD) and State (DoS) and the U.S. Agency for International Development (USAID) have relied extensively on contractors, grantees, and cooperative agreement recipients to support troops and civilian personnel and carry out reconstruction efforts in Iraq and Afghanistan. This reliance increases the importance of agencies having reliable data to inform decision-making and oversee the work performed. To help increase oversight of activities

supporting DoD, DoS, and USAID's efforts in Iraq and Afghanistan, the National Defense Authorization Act for Fiscal Year 2008, as amended, required the agencies to identify common databases of information on their contracts, grants, cooperative agreements, and associated personnel. In their July 2008 memorandum of understanding (MOU), the three agencies designated the Synchronized Predeployment and Operational Tracker (SPOT) as their system for tracking the required information. GAO's testimony addresses (1) how a lack of information hinders agencies' management and oversight of contracts, grants, cooperative agreements, and associated personnel, (2) the status of the agencies' continued efforts to implement SPOT, and (3) GAO's prior recommendation to improve SPOT's implementation. It is drawn primarily from GAO's prior work on contracting in contingency operations.

GAO has reported extensively on the need for agencies to have reliable information to manage and oversee work being performed to address challenges related to using contracts and grants. The lack of such information may inhibit planning, increase costs, and introduce unnecessary risk. For example, GAO reported last year that by not having insight into contractor provided services, DoD may lack needed information to efficiently allocate contracted services to support remaining U.S. forces in Iraq. GAO also previously determined that by not considering contractor and grantee resources in developing an Afghan assistance strategy, USAID's ability to make resource allocation decisions was impaired. Many of GAO's prior recommendations on contractors supporting contingency operations focused on increasing agencies' ability to track contracts and contractor personnel. Agency officials have indicated that SPOT has the potential of consolidating dispersed information to help them better manage and oversee contractors. SPOT may offer the same potential for grants and cooperative agreements as information on them and their personnel are similarly dispersed. Although the agencies have made progress in implementing

SPOT, the database falls short of providing information to facilitate oversight and fulfill statutory requirements. GAO reported in October 2009 that the criteria used to determine which personnel are entered into SPOT varied and not all personnel were being entered as required. In particular, the agencies cited the need for a SPOT-generated letter of authorization as the primary factor for deciding whether personnel were entered, but not all personnel, particularly local nationals, need this authorization. As a result, officials from the three agencies acknowledge that SPOT data are incomplete, with some questioning the need for detailed data on all contractors. Because of SPOT's limitations, the agencies have relied on other sources, such as periodic surveys, for data on contractor personnel, but we have found these sources to be unreliable. Although contract information is being entered into SPOT, the system continues to lack the capability to accurately import information from other sources as agreed to in the MOU. For example, because SPOT does not require users to enter contract information in a standardized manner, GAO's work has shown that there will be challenges in identifying which contracts' dollar values and competition information should be imported. While our prior findings are specific to contracts and their personnel, together with our ongoing work they point to challenges the agencies will face in using SPOT to track similar data on grants, cooperative agreements, and their personnel. Last year GAO recommended that the agencies develop a plan for addressing the shortcomings identified in SPOT's implementation. While the agencies agreed coordination is important, they disagreed with the need for a plan. GAO continues to believe that a plan with timeframes that provides consistent criteria and standards is necessary for ensuring that SPOT meets statutory requirements and helping the agencies identify their information needs to manage and oversee contracts, grants, and cooperative agreements.

Warfighter Support: Continued Actions Needed by DoD to Improve and Institutionalize Contractor Support in Contingency Operations (GAO-10-551T, ISSUED MARCH 17, 2010)

The Department of Defense (DoD) relies greatly on contractors to support its current operations and is likely to continue to depend on contractors in support of future operations. As of December 2009, DoD estimated that over 207,000 contractor personnel were supporting operations in Iraq and Afghanistan. DoD expects to increase the number of contractors as more troops deploy to Afghanistan. The use of contractors in contingencies has challenged DoD in overseeing and managing contractors. This testimony addresses (1) the challenges DoD faces when trying to provide management and oversight of contractors in Iraq and Afghanistan, and (2) the extent to which DoD has made progress in institutionalizing a department-wide approach to managing and overseeing operational contract support. This testimony is based on GAO's ongoing audit work in Iraq and Afghanistan, looking at planning for operational contract support and at DoD's efforts to manage and oversee contractors, as well as on recently published related GAO reports and testimonies.

DoD continues to face a number of challenges overseeing and managing contractors in ongoing operations. These challenges include:

- Providing an adequate number of personnel to conduct oversight and management of contractors.
- Training personnel, including non-acquisition personnel such as unit commanders, on how to work effectively with contractors in operations.
- Ensuring that local and third-country nationals have been properly screened, given the lack of standardized documents, the lack of national police agencies in many countries, and poor record keeping in many countries.
- Compiling reliable data on the number of contractor personnel supporting U.S. forces in contingencies.

- Identifying requirements for contractor support in ongoing operations, although GAO notes that some steps have been taken at the individual unit level.

GAO has made many recommendations in the past aimed at addressing each of these challenges. While DoD has implemented some of these recommendations, it has been slow to implement others. For example, DoD has not developed agency-wide procedures to screen foreign national contractor personnel. In addition, the department has not fully addressed congressional direction to include operational contract support in predeployment training. Until DoD has fully implemented GAO's recommendations and congressional direction, it will not be in a position to ensure adequate management and oversight of contractors in contingency operations. Furthermore, inattention to these challenges may negatively affect the military's mission through the inefficient use of personnel, may increase the risk to U.S. personnel through inadequate background screenings, and may result in increased waste of taxpayer dollars. While DoD has taken some actions to institutionalize operational contract support, significant work remains to be done. For example, in 2006 DoD established the Assistant Deputy Under Secretary of Defense (Program Support) to act as a focal point for DoD's efforts to improve contract management and oversight at deployed locations. In addition, the department has issued a variety of contractor-related guidance, including the Joint Contingency Contracting Handbook and a Joint Publication that establishes doctrine for operational contract support; however, other guidance, including an Expeditionary Contracting Policy and an update of the DoD Instruction on Contractors Accompanying the Force, has yet to be finalized. GAO's ongoing work has also shown that the department continues to face challenges identifying contractor requirements in its plans for future operations. Until DoD institutionalizes operational contract support by incorporating it into its guidance,

training, and planning, the department may continue to confront the challenges it faces in Iraq and Afghanistan in future operations.

Iraq: Iraqi Refugees and Special Immigrant Visa Holders Face Challenges Resettling in the United States and Obtaining U.S. Government Employment

(GAO-10-274, ISSUED MARCH 9, 2010)

Since the February 2006 bombing of the Al-Askari Mosque in Samara that triggered the displacement of thousands of Iraqis, the United States has taken a lead role in resettling the displaced. The administration has indicated its intent to assist those Iraqis who supported the United States in Iraq. In addition, Congress authorized the Departments of Defense (DoD) and State (DoS) to jointly establish and operate a program to offer temporary employment to Iraqi special immigrant visa (SIV) holders in the United States. This report provides information on the (1) status of resettled Iraqis in the United States and the initial challenges they face, (2) benefits afforded Iraqi refugees and SIV holders, and (3) challenges they face obtaining employment with the federal government. GAO conducted this review under the Comptroller General's authority. GAO analyzed data on Iraqi refugees and SIV holders in the United States, and laws and regulations on the benefits afforded to them. GAO also analyzed U.S. government employment and personnel security requirements. GAO interviewed officials from five key agencies regarding these requirements. This report does not contain recommendations. DoD provided official comments. DoS and the Departments of Homeland Security and Health and Human Services (HHS) provided technical comments. GAO incorporated these comments, as appropriate.

Between fiscal years 2006 and 2009, the United States admitted 34,470 Iraqi refugees under DoS's Refugee Admissions Program. In addition, DoS issued 4,634 SIVs to Iraqis pursuant to two programs, established by Congress to help Iraqis

who previously worked for the U.S. government in Iraq. Resettlement agencies, working under cooperative agreements with DoS, have resettled Iraqis throughout the United States but particularly in California and Michigan. These agencies have found that Iraqis arrive in the United States with high levels of trauma, injury, and illness, which contribute to the challenges they face in resettling in a new country. In addition, entry-level jobs normally available to refugees are scarce and more competitive in the current economic downturn. Iraqi refugees generally have high levels of education, according to U.S. officials and representatives from the resettlement agencies. Nevertheless, Iraqis have struggled to find entry-level employment in the United States. Iraqi refugees and SIV holders are eligible for resettlement assistance and public benefits upon arrival in the United States. DoS provides resettlement agencies \$1,800 per person to cover basic housing, food, and assistance for accessing services during their first 30 days in the United States; however, support may continue for up to 90 days if basic needs have not been met. Refugees automatically receive these benefits; Iraqi SIV holders must elect to receive them within 10 days of receiving their visas. In addition, qualified Iraqi refugees and, as a result of December 2009 legislation, qualified SIV holders can receive certain assistance for up to 7 years through public benefits programs. Prior to December 19, 2009, Iraqi SIV holders' eligibility for public benefits generally ceased after 8 months. Both groups can also receive up to 8 months of cash and medical assistance from HHS if they do not qualify for public benefits. In addition, HHS funds social services, including job preparation, English language classes, and assistance with job interviews, for which Iraqi refugees and SIV holders may be eligible for up to 5 years. Iraqi refugees and SIV holders, including those who acted as interpreters and linguists for civilian agencies and military commands in Iraq, have limited opportunities for federal employment. Most federal positions in the United States require U.S. citizenship and background investigations;

certain positions, including most positions related to Arabic or Iraq, also require security clearances, which noncitizens cannot obtain. However, GAO did identify positions at DoD's Defense Language Institute and DoS's Foreign Service Institute open to qualified noncitizens. Finally, DoS and DoD have not established the temporary program intended to offer employment to Iraqi SIV holders under authority granted the agencies in fiscal year 2009 legislation. Although both agencies have positions requiring Arabic language skills, neither identified any unfilled needs that could be met by employing Iraqi SIV holders through this joint program.

Warfighter Support: A Cost Comparison of Using State Department Employees versus Contractors for Security Services in Iraq
(GAO-10-266R, ISSUED MARCH 4, 2010)

The U.S. government's reliance on contractors, including the State Department's (DoS) and Department of Defense's (DoD) use of private security contractors in Iraq, has been well documented. GAO and others have examined many of the challenges the government faces using contractors in Iraq, including issues related to the scope of private security contractors' activities, the challenges in providing sufficient oversight, the appropriate accountability processes, and difficulties in conducting background screenings of foreign national contractor employees. What has not been so well examined is the comparative cost of using civilian employees or military members versus the cost of using contractors, particularly private security contractors, during contingency operations such as Operation Iraqi Freedom. Generally, when costs have been discussed, the focus has been on the daily rate paid to contractor employees, rather than on the total costs of using DoS or DoD personnel. However, in October 2005, the Congressional Budget Office (CBO) issued a study that compared the cost of using military personnel, federal civilians, or contractors to provide logistic support for overseas operations. The study concluded that over

a 20-year period, using Army military units would cost roughly 90 percent more than using the contractor. Also, in an August 2008 report on contractor support in Iraq, the CBO conducted a comparison of one contractor's costs to provide private security services in Iraq versus estimated military costs. The report concluded that for the 1-year period beginning June 11, 2004, the costs of the private contractor did not differ greatly from the costs of having a comparable military unit performing similar functions. Because of the broad level of interest by Congress in issues dealing with Iraq, the Comptroller General performed this review under his authority to conduct evaluations on his own initiative. For this engagement, congressional interest specifically focused on determining the costs to DoD and DoS of using private security contractors for security services versus using federal employees to provide the same services. GAO focused the review on the comparison of DoS's costs to use private security contractors—to perform both personal and static security functions—as opposed to using DoS employees to perform those same functions.

GAO's comparison of likely DoS costs versus contractor costs for four task orders and one contract awarded by DoS for security services in Iraq showed that for three of the task orders and the contract, the cost of using DoS employees would be greater than using contractors, while DoS's estimated cost to use federal employees was less for the other task order. For example, using DoS employees to provide static security for the embassy in Baghdad would have cost the department approximately \$858 million for 1 year compared to the approximately \$78 million charged by the contractor for the same time period. In contrast, GAO's cost comparison of the task order for providing personal security for State Department employees while in the Baghdad region—which required personnel that have security clearances—showed that for this task order, DoS's estimated annual cost would have been about \$240 million, whereas the contractor

charged approximately \$380 million for 1 year. However, because DoS does not currently have a sufficient number of trained personnel to provide security in Iraq, the department would need to recruit, hire, and train additional employees at an additional cost of \$162 million. Contract requirements are a major factor in determining whether contractors or government personnel are less expensive—especially factors such as whether personnel need security clearances. However, there are other factors that may play a role in the decision of whether to perform security services with federal employees or enough federal employees than to acquire contractors. Additionally, the government could potentially be faced with incurring some administrative costs from having to take actions to reduce government personnel if they are no longer needed. When using contractors, the department also incurs administrative costs for awarding the task orders and contract and providing oversight; however, DoS was unable to estimate these costs. Finally, some costs associated with providing Iraq security services using federal employees—such as developing new career fields, providing additional overhead, and building new housing—are difficult to quantify.

Ongoing Audits

Joint Campaign Plan for Iraq

(PROJECT NO. 320734, INITIATED NOVEMBER 2009)

DoD and DoS are set to release their latest update to the Joint Campaign Plan for Iraq, which will guide their activities in 2010. GAO's key questions are:

- To what extent does the Joint Campaign Plan for Iraq identify and prioritize the conditions that must be achieved in each phase of the campaign?
- To what extent does the Joint Campaign Plan for Iraq report the number of brigade combat teams and other forces required for each phase of the campaign?
- To what extent does the Joint Campaign Plan for Iraq estimate the time needed to reach the desired end state and complete the military portion of the campaign?

Contracting in Iraq and Afghanistan

(PROJECT NO. 120874, INITIATED NOVEMBER 2009)

As required by the Fiscal Year 2008 National Defense Authorization Act, GAO will report on

- The number and value of contracts active and awarded with performance in Iraq and/or Afghanistan.
- The extent to which these contract were awarded using competitive procedures.
- The number of contractor personnel, including those performing security functions, working on these contracts.
- The number of contractor personnel killed or wounded while working on these contracts.

Review of Availability of Trained and Ready Forces for Iraq and Afghanistan

(PROJECT NO. 351388, INITIATED SEPTEMBER 2009)

This report will address the following:

- To what extent has DoD identified near-term and long-term requirements for the types of capabilities needed to support continuing operations in Iraq and expanded operations in Afghanistan?
- To what extent has DoD developed an approach and processes to manage the identification and deployment of forces to meet requirements, including any analysis to identify and manage the competing demands of operations in Iraq and Afghanistan?
- What are the implications of continuing demand for forces for ongoing operations on overall force readiness and DoD's ability to meet other global commitments?

Review of Army and Marine Corps Training Capacity

(PROJECT NO. 351387,
INITIATED SEPTEMBER 2009)

This report will address the following:

- To what extent have DoD, the Army, and the Marine Corps identified differences in ground force training requirements for Iraq and Afghanistan?
- To what extent have DoD, the Army, and the Marine Corps quantified training capacities and analyzed the key factors that currently limit capacities to train ground forces for ongoing operations in Afghanistan and Iraq?
- To what extent, if any, have DoD, the Army, and the Marine Corps developed plans and time-lines for adjusting training capacities to meet requirements for increasing force levels in Afghanistan while continuing to support requirements in Iraq?

Review of Combat Skills Training for Support Forces

(PROJECT NO. 351385,
INITIATED SEPTEMBER 2009)

This report will address the following:

- How do the services determine the appropriate level of training to provide to their non-combat compared to combat forces?
- What, if any, unique factors have the services considered when determining the appropriate level of training to provide to non-combat arms forces deploying to Iraq and Afghanistan?
- To what extent is the current training of support forces consistent with identified service-specific and theater-specific training requirements for an asymmetric combat environment?
- To what, if any, extent have the services collected information about the effectiveness of pre- and post-deployment training from non-combat arms forces that have deployed to Iraq or Afghanistan?

- To what extent have the services adjusted the training of their non-combat arms forces based on lessons learned from ongoing combat operations in Iraq and Afghanistan?

Readiness of Air Force Combat and Expeditionary Combat Forces

(PROJECT NO. 351376,
INITIATED SEPTEMBER 2009)

High operational tempos have challenged the Air Force's ability to provide certain types of units and personnel to support ongoing operations and other commitments. GAO's key questions are:

- What are the demands for Air Force combat and expeditionary combat support capabilities?
- To what extent is the Air Force able to provide combat and expeditionary combat support forces?
- What factors affect the Air Force's ability to meet demands for ongoing operations and maintain sufficient forces and capabilities to meet other commitments?
- To what extent has the Air Force identified any potential gaps in meeting demands and developed plans to address such gaps, including adjustments to forces structure and manning authorizations?

U.S. Military Burns Pit Operations in Iraq and Afghanistan

(PROJECT NO. 361123, INITIATED AUGUST 2009)

Many U.S. military bases in Iraq and Afghanistan dispose of waste by burning it in open pits. Some reports indicate the fumes from these pits may cause short- and long-term harm to US personnel serving near such operations. GAO's key questions are:

- To what extent has open pit burning been used at U.S. military installations in Iraq and Afghanistan, and to what extent has the military adhered to policies governing this practice?

- To what extent has the U.S. military monitored burn pit emissions in accordance with relevant policies, and what, if anything, does this monitoring show about pollution levels and exposure of U.S. personnel?
- What are the alternatives to open pit burning, and to what extent has the U.S. government pursued or evaluated these alternatives?
- What are the estimated additional costs to maintain a civilian presence in Iraq as U.S. forces draw down?

U.S., Iraqi, and International Efforts to Address Challenges in Reintegrating Displaced Iraqis

(PROJECT NO. 320654, INITIATED MARCH 2009)

The UN reports that over 4.8 million Iraqis have been displaced, including about 2.8 million within Iraq. In April 2009, GAO issued a report on assistance to Iraqi refugees in Jordan and Syria. In anticipation of a growing number of returns from within and outside Iraq, the international community has encouraged Iraq to develop plans to reintegrate displaced Iraqis. This engagement will focus on challenges in reintegrating Iraqis returning from other countries and those displaced within Iraq. This report will address the following:

- To what extent have DoD and the services identified their wartime health care personnel requirements?
- What challenges, if any, are DoD and the services encountering in meeting their wartime health care personnel requirements?
- To what extent do DoD and the services have or use the tools they need to meet their wartime health care personnel requirements?
- What challenges do the United States, Iraq, and the international community face in reintegrating displaced Iraqis?
- What actions have they taken to address these challenges?
- What gaps remain, and what more needs to be done to address these challenges?

DoD Health Care Requirements for Contingency Operations

(PROJECT NO. 351393, INITIATED AUGUST 2009)

DoD's military health care professional are needed to support combat contingency operations to treat injured military personnel and save lives. For current contingency operations, GAO's key questions are:

U.S. Civilian Agency Planning for the Drawdown of U.S. Troops in Iraq

(PROJECT NO. 320691, INITIATED JULY 2009)

This report will address the following:

- How have U.S. civilian agencies planned for the U.S. military drawdown, including prioritizing post-drawdown mission and programs, right-sizing civilian staff for these missions, and planning for their future security and logistical needs?
- How effectively have civilian agencies planned for continuing programs previously funded by DoD?

DoD's Planning for the Drawdown of U.S. Forces from Iraq

(PROJECT NO. 351429, INITIATED FEBRUARY 2009)

On November 17, 2008, the U.S. government and the Government of Iraq signed a security agreement that dictates a withdrawal of U.S. forces from Iraq by December 31, 2011. In light of this deadline, and based on previous GAO work, there are several complex issues that need to be addressed:

- To what extent has DoD developed plans to manage the redeployment of U.S. forces and equipment and plans for the composition and role of forces that will remain in Iraq, and how has the security agreement affected these plans?

- To what extent has DoD developed plans and processes for turning over U.S. bases to the Iraqis and managing contractors and contractor-managed equipment during withdrawal?
- To what extent is DoD integrating withdrawal planning with evolving operational requirements?
- Foreign government support of the presence of U.S. forces in their countries and the extent to which features of these arrangements could be applied to Iraq.
- Financial resources Iraq has to pay for its reconstruction and security, the extent to which it has expended these resources, and the size of its budget surplus or deficit.

Iraq and Afghanistan Contractor Oversight

(PROJECT NO. 120812, INITIATED FEBRUARY 2009)

Pursuant to the Fiscal Year 2008 National Defense Authorization Act, this engagement will focus on contracts awarded by the Department of Defense (DoD), the Department of State (DoS), and the U.S. Agency for International Development (USAID) to contractors to perform contract administration or management of other contracts or grants for reconstruction or stabilization efforts in Iraq and Afghanistan. The report will address the following:

- What do DoD, DoS, and USAID know about the extent to which they are hiring contractors to perform administration functions for other contracts and grants in Iraq and Afghanistan?
- What factors contribute to decisions to use contractors to perform administration functions?
- To what extent have DoD, DoS, and USAID established and implemented policies that facilitate the management of contractors performing administration functions for other contracts/grants?

Iraq Cost Sharing Arrangements

(PROJECT NO. 320638, INITIATED OCTOBER 2008)

This report will assess U.S. efforts to share or transfer security costs to Iraq by identifying the:

- Mechanisms the United States is using to share or transfer security costs to the Iraqi government and the results these mechanisms have produced.

DoD Process for Responding to Urgent Wartime Requirements

(PROJECT NO. 351236, INITIATED JUNE 2008)

The changing tactical conditions in Southwest Asia have highlighted the need for DoD to respond rapidly to wartime needs for new capabilities. DoD has been moving toward a joint process to meet these needs that would reduce duplication and costs. However, it is unclear whether DoD has fully and effectively implemented its joint process to that end. These are the key questions:

- To what extent does DoD have a means to assess the effectiveness of its urgent needs processes?
- What challenges, if any, have affected DoD's responsiveness in meeting urgent needs?

Joint IED Defeat Organization (JIEDDO) Strategic Management

(PROJECT NO. 351230, INITIATED JUNE 2008)

The DoD Joint IED Defeat Organization's (JIEDDO's) mission is to improve the U.S. military's capability for defending against improvised explosive device (IED) attacks. GAO reviews have continued to raise concerns about JIEDDO's ability to strategically manage and to achieve its objectives. These are the key questions:

- To what extent has JIEDDO made progress in developing a strategic plan?
- To what extent has JIEDDO developed a process to identify, evaluate, select, and develop counter-IED initiatives?

- To what extent has the Office of the Secretary of Defense provided direction and oversight for JIEDDO operations and activities?

U.S. Department of the Treasury

During this period, the Department of Treasury did not conduct any work related to, in support of, or in Iraq. Additionally, as of September 30, 2009, the Department of Treasury has no plans to conduct any work in the future and will no longer be reported on in this section.

Department of Commerce

During this period, the Department of Commerce did not conduct any work related to, in support of, or in Iraq. Additionally, as of September 30, 2009, the Department of Commerce has no plans to conduct any work in the future and will no longer be reported on in this section.