Prosecutors, IGs will testify on fraud and abuse at May 24 Wartime Contracting Commission hearing

ARLINGTON, VA, May 18, 2010 – Detecting, preventing, and punishing contract fraud and abuse is the focus of a May 24 hearing in Washington, DC, by the independent federal Commission on Wartime Contracting in Iraq and Afghanistan.

The hearing “How good is our system for curbing contract waste, fraud, and abuse?” will begin at 9:30 a.m. on May 24 in Room G-50 of the Dirksen Senate Office Building in Washington, DC. It is open to the public.

Federal law-enforcement officials have investigated or indicted hundreds of U.S. government, military, and contractor employees for incidents ranging from bribery and theft to bid rigging and false billings. Examples include a U.S. Army captain who stole $690,000 intended for use in relief, reconstruction, and security programs in Iraq, and a Lebanese contractor who billed the U.S. Army Corps of Engineers $2 million for Afghan road repairs that hadn’t been made and tried to bribe a Corps official.

“Wasteful spending is the big-dollar problem in Iraq and Afghanistan,” said commission co-chair Christopher Shays, “but fraud and abuse are just as intolerable—especially in cases involving federal employees and military personnel. Our hearing will help us carry out a congressional mandate to determine the extent of and accountability for waste, fraud, and abuse in contingency contracting.”

Commission co-chair Michael Thibault noted that federal inspectors general were the focus of the commission’s first hearing in February 2009. “We want to ask them how their anti-fraud operations have developed since then, what challenges they see, and what resources they need,” he said. “And for this hearing, we’re adding federal criminal investigators to the panels. These folks are doing really important work, and the lessons they’ve learned need to be built into our systems before a new contingency operation is needed.”


Congress created the Commission in 2008 (Public Law 110-181) to examine contingency contracting for reconstruction, logistics, and security functions, and to recommend improvements. Co-chairs are Michael Thibault and Christopher Shays; other members are Clark Kent Ervin, Grant Green, Robert Henke, Katherine Schinisasi, Charles Tiefer, and Dov Zakheim. The Commission website is www.wartimecontracting.gov.

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