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United States
Department of Defense



Inspector General

United States Department of Defense

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INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

January 18, 2011


MEMORANDUM FOR COMMANDER, U.S. CENTRAL COMMAND CONTRACTING
COMMAND
DIRECTOR, LAW ENFORCEMENT POLICY AND SUPPORT,
OFFICE OF THE UNDER SECRETARY OF DEFENSE FOR
PERSONNEL AND READINESS

SUBJECT: Evaluation of DoD Contracts Regarding Combating Trafficking in Persons: U.S.
Central Command (Project No. D2009-DIP0E3-0260.002)

We are providing this report for information and use.

We previously requested and received management comments on the draft of this
statutorily required annual report from the Office of the Under Secretary of Defense for
Personnel and Readiness and the U.S. Central Command Contracting Command and considered
their comments in preparing the final report.

We appreciate all courtesies extended to the staff. Please direct questions to
SPO@dodig.mil. We will provide a formal briefing on the results of our evaluation if
management requests.


Kenneth P. Moorefield
Deputy Inspector General
for Special Plans and Operations

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Results in Brief: Evaluation of DoD Contracts Regarding Combating Trafficking in Persons: U.S. Central Command

What We Did

Section 232 of the “William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008,” Public Law 110-457 (December 23, 2008), requires the Inspectors General of the Department of Defense, the Department of State, and the United States Agency for International Development to investigate a sample of contracts for which there is a heightened risk that a contractor may engage in acts related to trafficking in persons.

In response, we reviewed a sample of 368 Department of Defense contracts for compliance with the “Trafficking Victims Protection Act of 2000,” title 22, United States Code, chapter 78 (as amended).

We reviewed reports covering Combatant Command geographic areas of heightened risk for trafficking in persons, selecting the U.S. Central Command area of responsibility, specifically the Republic of Iraq, the Islamic Republic of Afghanistan, the State of Kuwait, the State of Qatar, and the Kingdom of Bahrain for this, our second evaluation. We also reviewed contracts performed in these nations and conducted site visits at eight United States military installations in these locations, including U.S. Central Command Headquarters in Tampa, Florida. Lastly, we reviewed summarized DoD criminal investigative case data related to combating trafficking in persons.

What We Found

As a result of our site visits and interviews, we found:

- DoD and other Federal law enforcement organizations were developing procedures to identify trafficking in persons incidents in criminal investigative databases.
- While three quarters of the contracts sampled contained a Combating Trafficking in Persons clause, only little more than half had the required Federal Acquisition Regulation clause.
- DoD contracting offices lack an effective process for obtaining information pertaining to trafficking in persons violations within the DoD.
- Several organizations demonstrated Combating Trafficking in Persons awareness and quality assurance best practices.

What We Recommend

- U.S. Central Command Contracting Command should ensure that the appropriate Federal Acquisition Regulation and U.S. Central Command regional combating trafficking in persons clauses are present in all contracts.
- The Director, Law Enforcement Policy and Support, Office of the Under Secretary of Defense for Personnel and Readiness, should proactively provide trafficking in persons-related indictment and conviction information to contracting organizations.

Client Comments and Our Response

The Human Resources Activity, Office of the Under Secretary of Defense for Personnel and Readiness partially concurred with our recommendation. They agreed to disseminate TIP or TIP-related offense information received by the Office of Law Enforcement Policy and Support to DoD Component CTIP program officers. However, they disagreed with the need for additional written procedures, preferring to use existing practices.

We found the comments from the Director, Human Resources Activity, Office of the Under Secretary of Defense for Personnel and Readiness to be responsive to the recommendation. We agreed with their position concerning written procedures and modified the recommendation accordingly.

U.S. Central Command concurred with our recommendation and provided plans for its implementation.

Recommendations Table

| Client | Recommendations Requiring Comment | No Additional Comments Required |
|--|-----------------------------------|---------------------------------|
| Commander, U.S. Central Command Contracting Command | | 1.a., 1.b. |
| Director, Law Enforcement Policy and Support, Office of the Under Secretary of Defense for Personnel and Readiness | | 2 |

Total Recommendations in this Report: 3

Table of Contents

| | |
|---|----|
| Results in Brief: Evaluation of DoD Contracts Regarding Combating Trafficking in Persons: U.S. Central Command | i |
| What We Did..... | i |
| What We Found..... | i |
| What We Recommend..... | i |
| Client Comments and Our Response..... | ii |
| Recommendations Table..... | ii |
| Introduction | 1 |
| Background..... | 1 |
| Objective | 3 |
| Scope | 3 |
| Methodology | 3 |
| Results | 5 |
| Combating Trafficking in Persons Clause Inclusion in Contracts..... | 5 |
| DoD Trafficking in Persons Criminal Investigative Reporting..... | 7 |
| Follow-up on Prior Recommendations | 9 |
| Examples of Proactive CTIP Programs | 11 |
| Appendix A. Methodology and Acronyms | 13 |
| Methodology | 13 |
| Acronyms | 14 |
| Appendix B. Summary of Prior Coverage | 15 |
| Appendix C. Report Distribution | 17 |

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Introduction

Over the past decade, Congress passed legislation to address its concern regarding allegations of contractor and U.S. Forces' involvement in sexual slavery, human trafficking, and debt bondage. Prior to 2000, allegations of sexual slavery, sex with minors, and human trafficking involving U.S. contractors in Bosnia and Herzegovina led to administrative and criminal investigations by U.S. Government agencies. In 2002, a local television news program aired a report alleging that women trafficked from the Philippines, Russia, and Eastern Europe were forced into prostitution in bars in South Korea frequented by U.S. military personnel, which resulted in an investigation and changes to DoD policy. In 2004, official reports chronicled allegations of forced labor and debt bondage against U.S. contractors in Iraq. These incidents were contrary to U.S. Government policy regarding official conduct¹ and reflected poorly on DoD.

Background

In 2000, the President signed into law two statutes responding in part to identified contractor and U.S. Forces' misconduct in Bosnia and Herzegovina: Public Law 106-386, which included the "Victims of Trafficking and Violence Protection Act of 2000," on October 28, and Public Law 106-523, "Military Extraterritorial Jurisdiction Act of 2000," on November 22.

The stated purposes of the first statute are "...to combat trafficking in persons [CTIP], a contemporary manifestation of slavery whose victims are predominantly women and children, to ensure just and effective punishment of traffickers, and to protect their victims." The second statute established "Federal jurisdiction over offenses committed outside the United States by persons employed by or accompanying the Armed Forces, or by members of the Armed Forces who are released or separated from active duty prior to being identified and prosecuted for the commission of such offenses." Congress specifically extended this extraterritorial jurisdiction over trafficking in persons (TIP) offenses committed by persons employed by or accompanying the Federal Government outside the United States in Public Law 109-164, "Trafficking Victims Protection Reauthorization Act Of 2005," January 10, 2006.

Additional reauthorizations expanded the scope and applicability of the first statute. Public Law 108-193, the "Trafficking Victims Protection Reauthorization Act of 2003," December 19, 2003, gave the Government the added authority to terminate grants, contracts, or cooperative agreements for TIP-related violations.

The President shall ensure that any grant, contract, or cooperative agreement provided or entered into by a Federal department or agency under which funds are to be provided to a private entity, in whole or in part, shall include a condition that authorizes the department or agency to terminate the grant, contract, or cooperative agreement, without penalty, if the grantee or any subgrantee, or the contractor or any subcontractor (i) engages in severe forms of trafficking in persons or has procured a commercial sex act during the period of time that

¹ Exec. Order No. 13,257, 67 *Fed. Reg.* 7,259 (2002); and Exec. Order No. 13,333, 69 *Fed. Reg.* 13,455 (2004).

the grant, contract, or cooperative agreement is in effect, or (ii) uses forced labor in the performance of the grant, contract, or cooperative agreement.²

In 2006, the Civilian Agency Acquisition Council and the Defense Acquisition Council agreed on an interim rule implementing the above stated requirement, adding Federal Acquisition Regulation Subpart 22.17, “Combating Trafficking in Persons.” The regulation states that the “subpart applies to all acquisitions,” and paragraph 22.1705, “contract clause” states:

- (a) Insert the clause at 52.222-50, Combating Trafficking in Persons, in all solicitations and contracts.
- (b) Use the basic clause with its Alternate I when the contract will be performed outside the United States (as defined at 25.003) and the contracting officer has been notified of specific U.S. directives or notices regarding combating trafficking in persons (such as general orders or military listings of “off-limits” local establishments) that apply to contractor employees at the contract place of performance.

The DoD Inspector General mandate for this evaluation is contained in Public Law 110-457, “William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008,” December 23, 2008. Subtitle D, section 232, which requires the Inspector General, for FYs 2010 through 2012, to:

“...investigate a sample of ... contracts, or subcontracts at any tier, under which there is a heightened risk that a contractor may engage, knowingly or unknowingly, in acts related to trafficking in persons, such as:

- (A) confiscation of an employee’s passport;
- (B) restriction on an employee’s mobility;
- (C) abrupt or evasive repatriation of an employee;
- (D) deception of an employee regarding the work destination; or
- (E) acts otherwise described in section 106(g) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104).”

Section 232 of Public Law 110-457 also requires a report to Congress no later than January 15 of each year:

(A) summarizing the findings of the investigations conducted in the previous year, including any findings regarding trafficking in persons or any improvements needed to prevent trafficking in persons; and

(B) in the case of any contractor or subcontractor with regard to which the Inspector General has found substantial evidence of trafficking in persons, report as to—

- (i) whether or not the case has been referred for prosecution; and
- (ii) whether or not the case has been treated in accordance with section 106(g) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104) (relating to termination of certain grants, contracts and cooperative agreements).

Report number IE-2010-001, “Evaluation of DoD Contracts Regarding Combating Trafficking in Persons,” January 15, 2010 (2010 CTIP Report), addressed contracts in the U.S. Pacific

² The language is codified in section 7104g, title 22, United States Code (22 U.S.C. §7104g [2009]).

Command.³ This report, the second in a three-part series, discusses the results of our review of selected construction and services contracts awarded in FYs 2009 and 2010 in the U.S. Central Command geographic area of responsibility. A subsequent report will cover an additional Combatant Command geographic area of responsibility. We announced the series of evaluations on August 5, 2009.

Objective

Our specific objective was to review a sample of DoD contracts for compliance with the “Trafficking Victims Protection Act of 2000,” 22 U.S.C. 78 (2009), as amended, and to summarize DoD CTIP investigative efforts.

Scope

We examined 368 contracts solicited, awarded, or administered by Army, Navy, Marine Corps, and Air Force commands; and the Defense Contract Management Agency in the U.S. Central Command geographic area of responsibility: specifically, the Republic of Iraq, the Islamic Republic of Afghanistan, the State of Kuwait, the State of Qatar, and the Kingdom of Bahrain.

Our contract sample consisted of construction and service contracts, each with a total value of \$5 million or more, and awarded in FY 2009 or FY 2010. We believe that this sample met the “heightened risk” standard stated in the statute (i.e., an increased opportunity “that a contractor may engage, knowingly or unknowingly, in acts related to trafficking in persons”).⁴

Methodology

We coordinated with the Inspectors General from the Department of State and the U.S. Agency for International Development prior to performing site visits. On July 13, 2010, we consulted with the Director of the Office to Monitor and Combat Trafficking in Persons at the Department of State. We also contacted selected DoD administrative and criminal investigation organizations to obtain TIP-related criminal statistic summaries.

We conducted site visits from March to August 2010, visiting U.S. Central Command Headquarters in Tampa, Florida, and eight U.S. military installations in the Republic of Iraq, the State of Kuwait, the State of Qatar, and the Kingdom of Bahrain. We interviewed military commanders, contracting office staff, and representatives of contractors involved with the contracts in our sample. We also interviewed Army and Air Force Exchange Service, and Navy Exchange Service Command representatives to gain an understanding of CTIP efforts for non-appropriated fund activities.

The Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics generated a contract sample at our request using the Web-based Electronic Document Access (EDA) database.

For a more detailed discussion of the project methodology, see Appendix A.

³ For copies of the report see <http://www.dodig.mil/Inspections/IE/Reports.htm>.

⁴ Public Law 110-457, “William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008,” December 23, 2008, Subtitle D, section 232 (b) (1).

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Results

Combating Trafficking in Persons Clause Inclusion in Contracts

Observation

In our review of a selected sample of contracts for construction and services within the U.S. Central Command area of responsibility, we found that 173 (47 percent) were missing, or included an outdated or incorrect version of the Federal Acquisition Regulation (FAR) clause 52.222-50, “Combating Trafficking in Persons.” U.S. Central Command Contracting Command had issued acquisition instructions requiring the addition of a regional CTIP clause, without explicitly reinforcing inclusion of the required FAR clause. As a result, contractors remained unaware of U.S. Government policy and contracting officers were potentially unable to apply remedies in the case of violations.

Discussion

The Federal Acquisition Regulation (FAR) requires that all Federal solicitations and contracts contain clause 52.222-50, “Combating Trafficking in Persons,” or the clause with Alternate I modification for contracts with performance outside the U.S. The team reviewed 368 DoD service or construction contracts for work in the Republic of Iraq, the Islamic Republic of Afghanistan, the State of Kuwait, the State of Qatar, and the Kingdom of Bahrain awarded in FYs 2009 and 2010.

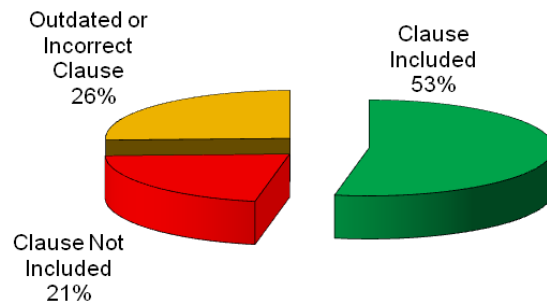


Figure 1. Presence of the CTIP Clause in Sampled Contracts

As shown in Figure 1, we found that 53 percent of the contracts (195 of 368) contained a proper version of the mandatory FAR CTIP clause, and 26 percent of the contracts (95 of 368) contained an incorrect citation. Incorrect citations included references to an outdated version of FAR clause 52.222-50 or inclusion of a regional clause developed for supplemental use in the U.S. Central Command area of responsibility, without inclusion of the mandatory FAR clause. Finally, 21 percent of the contracts (78 of 368) did not contain any form of the FAR clause.

Noncompliance with the requirement to include the CTIP clause in contracts has two negative effects. First, contractors remain unaware of the U.S. Government's "zero tolerance" policy and self-reporting requirements regarding CTIP. Second, contracting offices were potentially unable to apply applicable remedies to correct contractor violations when the CTIP clause was not properly present. The number of contracts without any form of a CTIP clause indicates that additional effort is still necessary to ensure compliance.

In summary, three quarters (79 percent) of the contracts reviewed included CTIP requirements in some form.

The U.S. Central Command Contracting Command (formerly the Joint Contracting Command Iraq/Afghanistan) Acquisition Instruction "implements and supplements the FAR."⁵ The Command's instruction requires all service and construction contracts in Iraq and Afghanistan to include clause 952.222-0001, "Prohibition Against Human Trafficking, Inhumane Living Conditions, and Withholding of Employee Passports," in response to labor conditions reported within the command's area of responsibility. However, this instruction did not explicitly reinforce the FAR requirement to include clause 52.222-50 or Alternate I in all contracts.

We identified over 100 contracts in which the FAR clause 52.222-50 was not included, and over 65 contracts that contained U.S. Central Command Contracting Command clause 952.222-0001 while excluding FAR clause 52.222-50. The U.S. Central Command Contracting Command clause 952.222-0001 cannot replace FAR clause 52.222-50, but only supplement it.

Recommendation 1: The Commander, U.S. Central Command Contracting Command, should:

- a. Ensure that Federal Acquisition Regulation clause 52.222-50, "Combating Trafficking in Persons," or Alternate I, is included in all contracts; and
- b. Provide additional guidance to clarify proper usage of the U.S. Central Command Contracting Command clause 952.222-0001, "Prohibition Against Human Trafficking, Inhumane Living Conditions, and Withholding of Employee Passports."

Client Comments and Our Response

U.S. Central Command concurred with our recommendation, and stated that they intended to modify their acquisition instruction to address CTIP clause requirements.

⁵ U.S. Central Command Contracting Command Acquisition Instruction, November 5, 2010.

DoD Trafficking in Persons Criminal Investigative Reporting

DoD Human Trafficking Criminal Investigation Summary Data

Section 108 of Public Law 110-457 amended 22 U.S.C. §7109a “Trafficking Victims Protection,” requires that an integrated U.S. Government database be established that provides “an effective mechanism for quantifying the number of victims of trafficking on a national, regional, and international basis....” The database shall combine “all applicable data collected by each Federal department and agency represented on the Interagency Task Force to Monitor and Combat Trafficking....”⁶

We examined a summary of the DoD case data that contributed to the national database. We requested reports from the Defense Criminal Investigative Service, and the Army, Navy, and Air Force Military Criminal Investigation Organizations summarizing criminal investigative activity under their purview for FY 2010 related to TIP. The summary identified one TIP-related incident involving a DoD contractor or sub-contractor employee. In that case, the employee was barred from the installation by the commander and fired by the contractor.

Coding Human Trafficking Offenses in Federal and DoD Criminal Investigation Databases

The Federal Bureau of Investigation uses the Uniform Crime Reporting and National Incident-Based Reporting System databases to collate and track criminal incident-based statistical data. Section 237 of Public Law 110-457 requires databases to: implement the collection of human trafficking data; collect subcategories for “state sex crimes” that do, or do not, involve force, fraud, or coercion for persons under 18 years of age, or 18 years of age and older; and distinguish between incidents of assisting or promoting prostitution, purchasing prostitution, and prostitution.

The Federal Bureau of Investigation’s Criminal Justice Information Services Division has created an Advisory Policy Board to incorporate statute requirements. DoD is represented on the Advisory Policy Board, which has considered new offense codes and reporting rules regarding human trafficking offenses for criminal investigation databases. We were informed that summarizing TIP-related offenses and gauging the effectiveness of corrective measures will remain ad-hoc until the Advisory Policy Board completes both of these tasks.

The Under Secretary of Defense for Personnel and Readiness tracks and reports DoD criminal incident-based data using the Defense Incident-Based Reporting System. The system was designed to enhance DoD and Military Service capability to analyze trends and to respond to Executive, Legislative, and oversight requests for statistical data relating to criminal and other high-interest incidents.

⁶ Public Law 110-457, “William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008,” section 108, “Research on Domestic and International Trafficking in Persons.”

The Office of Law Enforcement Policy and Support, of the Office of the Undersecretary of Defense for Personnel and Readiness, reported including two new human trafficking offense codes coordinated with the Advisory Policy Board in the update of the Defense Incident-Based Reporting System manual. The Under Secretary of Defense for Personnel and Readiness signed the updated manual on December 7, 2010.

Previously, the Defense Criminal Investigative Service and Army, Navy, and Air Force criminal investigative organizations had to manually search their databases for TIP-related offenses to provide summary data for this report. Now that human trafficking offense codes have been incorporated into the Defense Incident-Based Reporting System, this should eliminate the need for future time-intensive manual searches.

Follow-up on Prior Recommendations

Notifying Contracting Officers of Trafficking in Persons Incidents

Observation

In the 2010 CTIP Report, we observed that contractor-initiated reporting to DoD contracting offices was the only means by which these offices could obtain timely and relevant information regarding actual or alleged TIP violations. DoD CTIP policy⁷ did not provide procedures for proactively sharing TIP case information with contracting offices.

Lack of TIP incident information impedes the ability of contracting offices to make fully informed decisions regarding contract awards, contract options, or to formulate new contract requirements.

Lack of visibility by contracting offices regarding TIP incidents could result in negative publicity associated with awarding a contract to, or continuing a contractual relationship with, a company or individual involved with these prohibited activities.

Discussion

In the 2010 CTIP Report, we recommended that the Under Secretary of Defense for Personnel and Readiness develop policy and procedures for sharing publicly releasable indictment and conviction case information involving TIP incidents with appropriate contracting organizations to help facilitate performance of their contract award and contract administration functions.

The revised DoD CTIP instruction⁸ required Secretaries of the Military Departments and Commanders of the Combatant Commands to provide information on all known TIP cases to the DoD CTIP Program Manager of the Under Secretary of Defense for Personnel and Readiness.

The Under Secretary of Defense for Personnel and Readiness partially satisfied the 2010 CTIP Report recommendation (to develop procedures to share publicly releasable indictment and conviction case information with contracting offices) through the revised DoD CTIP instruction requirement to report TIP case information to the DoD CTIP Program Manager. The revised instruction did not, however, establish specific written procedures to provide this TIP incident information to DoD contracting offices on a timely and ongoing basis.

Recommendation 2: The Director, Law Enforcement Policy and Support, Office of the Under Secretary of Defense for Personnel and Readiness, should proactively provide appropriate DoD contracting organizations with substantiated and publicly releasable trafficking in persons-related indictment and conviction information in a timely and ongoing manner.

⁷ Department of Defense Instruction 2200.01, "Combating Trafficking in Persons (CTIP)," February 16, 2007.

⁸ Department of Defense Instruction 2200.01, "Combating Trafficking in Persons (CTIP)," September 15, 2010.

Client Comments and Our Response

The Human Resources Activity, Office of the Under Secretary of Defense for Personnel and Readiness partially concurred with our initial recommendation to develop procedures and share TIP incident information. They agreed to disseminate TIP or TIP-related offense information received by the Office of Law Enforcement Policy and Support to DoD Component CTIP program officers. However, they disagreed with the need for additional written procedures, preferring to use existing practices.

We found the comments from the Director, Human Resources Activity, Office of the Under Secretary of Defense for Personnel and Readiness to be responsive to the recommendation. We agreed with their position concerning written procedures and modified the recommendation accordingly.

CTIP Clause Inclusion in Contracts

In the 2010 CTIP Report, we recommended that the Director, Defense Procurement and Acquisition Policy, Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, modify the Standard Procurement System / Procurement Desktop Defense (SPS / PD2) contract building software to prevent end users from removing FAR clause, 52.222-50, “Combating Trafficking in Persons.” In response, the Director initiated an update to SPS / PD2 clause logic, preventing users from removing the clause during the creation of a contract or solicitation. The contractor distributed the update to all DoD contracting offices using SPS / PD2 on February 3, 2010. This change should result in a lower future incidence of DoD contracts created or maintained without the CTIP clause.

CTIP in Quality Assurance Plans

In the 2010 CTIP Report, we also recommended that the Director, Defense Procurement and Acquisition Policy, Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, should modify procedures, guidance, and information for the Defense Federal Acquisition Regulation section 222-1703 to include CTIP considerations as part of every relevant quality assurance plan. In response, Defense Procurement and Acquisition Policy revised this guidance to implement our recommendation.

v) Quality assurance surveillance plans (QASPs) that are developed in accordance with DFARS 237.172 should appropriately describe how the contracting officer’s representative will monitor the contractor’s performance regarding trafficking in persons such that non-compliance with FAR clause 52.222-50, Combating Trafficking in Persons, is brought to the immediate attention of the contracting officer.⁹

Defense Procurement and Acquisition Policy has also published CTIP guidance for contingency contracting officer’s representatives, and was in the process of developing guidance for other DoD contracting officer’s representatives.

⁹ Defense Federal Acquisition Regulation Supplement and Procedures, Guidance, and Information, section 222.17—Combating Trafficking in Persons, January 5, 2011.

Examples of Proactive CTIP Programs

During our site visit to military commands in the State of Kuwait, the State of Qatar, and the Kingdom of Bahrain, we observed several excellent examples of CTIP awareness and contract quality assurance that merit being considered for replication.

CTIP Awareness

The Army and Air Force Exchange Service and the Navy Exchange Service Command hire local nationals or third country nationals to work at their facilities located throughout the world. Both organizations operate with non-appropriated funds and are not required to include the FAR CTIP clause in contracts. However, both organizations addressed CTIP issues in challenging environments.

The Army and Air Force Exchange Service issued a Manpower Associate “Bill of Rights” stating that, among other things, employees have the right to: hold their own passport, receive agreed upon wages on time, take lunch- and work-breaks, and leave the place of employment at any time. The document was available in English and eight other languages, and posted on employee bulletin boards for easy access by all employees.

On November 20, 2009, the Commander, Army and Air Force Exchange Service, Europe, signed an employee passport possession policy. The purpose of the policy was to ensure that “contractors do not withhold the passports of TCNs [Third Country Nationals] working in our facilities.” The policy required leaders at all levels to conduct monthly physical passport inspections of all contract employees. Area managers were required to consolidate inspection forms and forward them to the Europe Region Operations Center.

The Army and Air Force Exchange Service area manager in Kuwait was responsible for oversight of operations in the State of Kuwait, the State of Qatar, the Kingdom of Saudi Arabia, the United Arab Emirates, and the Sultanate of Oman. We observed the Contracting Officer Representative in Kuwait conducting checks of employees in stores and several concessions. We saw a positive reaction from employees during the passport checks, and the representative added that it has a positive effect on employee morale. The Contracting Officer Representative also reported conducting regular inspections of housing conditions to ensure that contractors comply with minimal health and maintenance requirements.

The Navy Exchange Service Command in the Kingdom of Bahrain required all managers, associates, and vendors to take CTIP training. Further, in December 2010, Navy Exchange Service Command headquarters reported submitting recommended changes concerning CTIP to an update of DoD Instruction 4105.71, “Nonappropriated Fund (NAF) Procurement Procedure,” to the Office of the Under Secretary of Defense for Personnel and Readiness, and requested interim guidance regarding CTIP.

Contract Quality Assurance

The Army Contracting Command-Kuwait and the Defense Contract Management Agency-Kuwait have, on their own initiative, incorporated TIP into contract quality assurance.

Army Contracting Command-Kuwait developed and was using a CTIP questionnaire as part of their quality assurance audits. The questions were translated into five common employee languages, enabling quality assurance specialists to ask five questions concerning pay, living conditions, and retention of passports.

The Defense Contract Management Agency-Kuwait developed a Theater Quality Plan which included CTIP audits of contracts they administer. As of October 2010, administrative contracting officers and quality assurance representatives had completed CTIP audits of five contracts, questioning contractors concerning knowledge and understanding of FAR clause 52.222-50.

In addition, Defense Contract Management Agency representatives in Iraq stated that they conducted regular health and sanitation inspections of employee camps. The inspections reviewed housing suitability, employee pay and timeliness, and retention of passports.

Appendix A. Methodology and Acronyms

Methodology

We announced this series of evaluations on August 5, 2009. We examined statutes, policies, procedures, and management and oversight reports relevant to DoD policy and practices regarding efforts to combat trafficking in persons.

We conducted this evaluation of a sample of contracts from the U.S. Central Command area of responsibility from March to November 2010, in accordance with the standards established by the President's Council on Integrity and Efficiency (now the Council of the Inspectors General on Integrity and Efficiency) and published in the *Quality Standards for Inspections*, January 2005. The evidence we obtained provides a reasonable basis for our observations and conclusions in concert with our objectives.

We selected the U.S. Central Command area of responsibility as an area satisfying the "heightened risk" standard required by statute.¹⁰ This decision was based on the high amount of DoD contract activity associated with ongoing contingency operations, reports of prior human trafficking incidents in the region, and country "tier placements" in the Department of State's "Trafficking in Persons Report," June 2010.

We met with the DoD CTIP program office, located within the Office of the Under Secretary of Defense for Personnel and Readiness. We coordinated with Inspectors General from the Department of State and U.S. Agency for International Development. On July 13, 2010, we consulted with the Director of the Office to Monitor and Combat Trafficking in Persons at the Department of State. We contacted select DoD administrative and criminal investigative organizations to obtain summaries of criminal statistics related to trafficking in persons, and the Bureau of Justice Statistics and the Division of Criminal Justice Information Services of the Department of Justice to verify our understanding of Federal criminal investigative database content.

We conducted site fieldwork from March to August 2010, at U.S. Central Command Headquarters in Tampa, Florida, and eight U.S. Forces installations in the Republic of Iraq, the State of Kuwait, the State of Qatar, and the Kingdom of Bahrain. The team conducted 73 interviews with military commanders, contracting office staff, and others to discuss CTIP issues. We performed sensing sessions with 60 contracting officer staff in the Army, Navy, Air Force, and Defense Contract Management Agency contracting units to gauge awareness of CTIP efforts. We discussed CTIP implementation in non-appropriated fund contracts with Army and Air Force Exchange Services and Navy Exchange Service representatives. In addition, we interviewed representatives from 30 contractors, discussing contractor self-reporting and training mechanisms.

¹⁰ Public Law 110-457, "William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008," section 232. See page 2 of this report.

We developed a sample of contracts through a data request submitted to the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics. We limited the selection to contracts for construction and services with place of performance in the U.S. Central Command area of operations, awarded in FYs 2009 and 2010, with a total contract value (including options) of \$5 million or greater, which resulted in a total sample size of 368 contracts. These constraints provided us with a reasonable data set that was current and included labor-intensive efforts with significant numbers of short- and medium-term employees susceptible to forced labor practices.

The Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics generated our contract sample list from the Web-based EDA database. The DoD Chief Information Officer directed all DoD Components to use EDA, but Components remained responsible for the accuracy, authenticity, integrity, and timeliness of submitted documents.¹¹ We were provided access to EDA and reviewed contract documents in our sample.

We reviewed sampled contracts to determine if the mandatory Federal Acquisition Regulation clause 52.222-50 or Alternate I (when the contract will be performed outside the U.S.) was included. Our sample set included contracts with places of performance in the Republic of Iraq, the State of Kuwait, the State of Qatar, the Kingdom of Bahrain, and the Islamic Republic of Afghanistan. While we did not interview representatives from all of the contracting offices responsible for the contracts in our sample, we can confirm that a majority were written using the SPS / PD2 software application.

Use of Computer-Processed Data

The list of contracts for our data sample was provided by Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics from their EDA database, which provided the most efficient source for the information required. We did not assess database reliability or test the sample for completeness. We did not attempt to project additional results from our sample and believe the sample reviewed was sufficient to support our conclusions.

Acronyms

| | |
|-----------|---|
| CTIP | Combating Trafficking in Persons |
| EDA | Electronic Document Access database |
| FAR | Federal Acquisition Regulation |
| SPS / PD2 | Standard Procurement System / Procurement Desktop Defense |
| TIP | Trafficking in Persons |
| U.S.C. | United States Code |

¹¹ DoD Chief Information Officer memorandum, "DoD Electronic Document Access (EDA) Business Rules," November 5, 2001.

Appendix B. Summary of Prior Coverage

Department of Defense Inspector General

DoDIG Report No. IE-2007-002, "Evaluation of DoD Efforts to Combat Trafficking in Persons," November 21, 2006.

DoDIG Report No. IE-2010-001, "Evaluation of DOD Contracts Regarding Combating Trafficking in Persons," January 15, 2010.

Unrestricted DoDIG reports can be accessed over the Internet at
<http://www.dodig.mil/PUBS/index.html>

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Appendix C. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Personnel and Readiness
Director, Law Enforcement Policy and Support*

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Commander, U.S. Central Command
Commander, U. S. Central Command Contracting Command *

Congressional Committees

Senate Committee on Armed Services
Senate Committee on Foreign Relations
House Committee on Armed Services
House Committee on Foreign Affairs

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Forward questions or comments concerning this assessment and report and other activities conducted by the Office of Special Plans & Operations to spo@dodig.mil

Deputy Inspector General for Special Plans & Operations
Department of Defense Inspector General
400 Army Navy Drive
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