DETAILED SUMMARY OF OTHER AGENCY OVERSIGHT

This appendix provides summaries of the audits listed in Section 5. All information provided is current as of September 30, 2008.

Other Agency Audits

Department of Defense Office of Inspector General

The Department of Defense (DoD) continues to face many challenges in the Global War on Terror (GWOT). The Department of Defense Office of Inspector General (DoD OIG) has identified priorities based on those challenges and has responded by expanding our coverage of GWOT operations and our presence in Southwest Asia. As DoD continues its effort to win the GWOT, we will stay focused on issues important to accomplish the mission and ensure that DoD makes efficient use of its resources to support the warfighter.

Public Law 110-181, Section 842, Investigation of Waste, Fraud, and Abuse in Wartime Contracts and Contracting Processes in Iraq and Afghanistan, requires DoD OIG, SIGIR, and the Special Inspector General for Afghanistan Reconstruction to develop comprehensive plans for a series of audits respective to their outlined areas of oversight responsibilities in Iraq and Afghanistan. The Comprehensive Audit Plan for Southwest Asia was issued in June 2008 and includes the individual audit plans of DoD OIG, Department of State (DoS), U.S. Agency for International Development (USAID), and SIGIR. It also includes the planned audit work of the U.S. Army Audit Agency, Air Force

Audit Agency, and Defense Contract Audit Agency because of the major contributions they make to improve the efficiency and effectiveness of support to the military. The comprehensive plan was expanded beyond the statutory mandate to include other functional areas that we believe are germane to supporting Operation Enduring Freedom, Operation Iraqi Freedom, and GWOT, such as financial management and human capital for contract administration. DoD OIG is in the process of facilitating a FY 2009 update to the Comprehensive Audit Plan for Southwest Asia.

DoD OIG currently has field offices in Qatar, Iraq, Kuwait, and Afghanistan, which enhances our ability to provide audit, inspection, and investigative support to DoD operations in support to GWOT. In addition, we have assigned more than 281 personnel to our ongoing coverage of GWOT-related projects and investigations. The Defense Criminal Investigative Service (DCIS), the law enforcement arm of DoD OIG, continues its support to the Joint Terrorism Task Forces and Project Shield America activities. During this reporting period, DCIS had special agents in Baghdad, Kuwait, and Afghanistan to target fraud, bribery, kickbacks, and other corruption involving contracting. DoD OIG further coordinates DoD's GWOT oversight activities through the Southwest Asia Joint Planning Group. The group held its sixth meeting in August 2008.

On July 30, 2008, the Acting Inspector General Department of Defense testified before the House Oversight and Government Reform Committee on "Maintenance of Electrical

TABLE M-1

Investigative Status	Conflict of Interest	Counterfeit/ Product Substitution	Weapons recovery/ Security	False Claims/ Statements	Theft/ Drugs	Bribery/ Corruption
Open	1	1		7	2	5
Closed	2	4	6	2	20	10
Totals	**3**	**5**	**6**	**9**	**22**	**15**

Systems in Facilities Occupied by Military and Contractor Personnel in Iraq." On July 23, 2008, the Acting IG testified before the Senate Appropriations Committee on "[t]he effectiveness of U.S. efforts to combat corruption, waste, fraud, and abuse in Iraq."

Defense Criminal Investigative Service

The Defense Criminal Investigative Service (DCIS) continues to conduct criminal investigations in support of DoD GWOT efforts. In addition, DCIS continues to address Southwest Asia Theater criminal activity through its offices in Southwest Asia (SWA); Wiesbaden, Germany; and CONUS task force investigations focusing on public corruption and fraud in the Southwest Asia Theater. Occasionally, special agents will travel to the Middle East as necessary from Germany and the United States in furtherance of the DCIS investigative mission. In conjunction with DoD OIG's renewed emphasis on oversight of spending related to Iraqi development, DCIS has continued to deploy special agents to Iraq, Kuwait, and Afghanistan to conduct investigations in support of DoD operations in the Southwest Asia Theater. Investigations primarily involve procurement fraud and public corruption. Six-month rotational details to Iraq and Kuwait commenced in September 2006. Since September 2008, DCIS has increased its presence in SWA by deploying four special agents to Iraq,

two special agents to Kuwait, and two special agents to Afghanistan.

Open Cases

DCIS currently has 16 open investigations being worked jointly with SIGIR. DCIS has committed eight special agents to support operations in Iraq, Kuwait, and Afghanistan. One case was closed during this period.

Completed Audits/Reviews

Controls Over the Contractor Common Access Card Life Cycle
(D-2008-137, ISSUED 9/30/08)

Additional controls over contractor Common Access Cards (CACs) are needed, and existing controls need improvement. Specifically, contractor CACs were not consistently approved, issued, reverified, revoked, or recovered across DoD.

- Government sponsors had inadequate evidence to link contractors to a contract or justify a CAC expiration date.
- Some contractors received CACs without undergoing background checks or receiving appropriate government approval.
- CAC issuers changed information approved by government sponsors.
- DoD did not always recover revoked contractor CACs.

Also, better Army oversight is required for a Kellogg, Brown, and Root, Inc. (KBR) RAPIDS site that issued 25,428 CACs to contractors deploying to Southwest Asia.

- A KBR subcontractor did background checks with no Army oversight.
- A contractor facilitated a CAC approval process that bypassed the Contractor Verification System (CVS).
- Nearly half of revoked CACs were not recovered.

Contractors were misclassified as government employees on their CACs. Specifically, 40,055 contractor CACs indicated that the holders had General Schedule pay grades, and 211,851 had e-mail addresses that improperly identified the holders as U.S. government employees. Also, contractors could become CVS sponsors, and sponsors who left government service may have been approving CACs. Overall, CAC life-cycle weaknesses pose a potential national security risk that may result in unauthorized access to DoD resources, installations, and sensitive information worldwide.

To tighten controls over contractor CACs:

- Joint, DoD-wide, contractor CAC life-cycle policy should be implemented.
- Army oversight at the KBR CAC issuance site should be improved.
- Additional system controls for CVS and RAPIDS should be implemented.
- Procedures to ensure CAC sponsors are current government employees should be implemented.

Joint Follow-On Evaluation of the Equipment Status of Operation Iraqi Freedom Forces
(D-2008-133, ISSUED SEPTEMBER 25, 2008)

We found that units deploying to Iraq generally had the required equipment to conduct their missions. Units deployed with the equipment listed on their Modified Table of Organization and Equipment, and they assumed possession of the appropriate theater-provided equipment to accomplish their missions. Because of this, we are not making any recommendations in this report.

Requiring Radio Frequency Identification in Contracts for Supplies
(D-2008-135, ISSUED SEPTEMBER 29, 2008)

The Defense Logistics Agency made progress implementing passive RFID in the DoD supply chain; however, additional work is needed. We visited four DLA distribution depots and judgmentally sampled shipments from various suppliers. Based on our evaluation of contracts and on our sample, we found that contracting officers awarded 23 of 220 supply contracts (10%) without the required RFID clause; suppliers for 84 of 197 contracts (43%) with the required clause did not apply passive RFID tags to shipments they sent to the depots; and DLA is not apt to realize a near-term return on investment from passive RFID.

Payments for Transportation Using PowerTrack®

(D-2008-132, ISSUED SEPTEMBER 26, 2008)
DoD OIG identified that the Military Surface Deployment and Distribution Command (SDDC) did not maintain adequate control over ocean freight payments made using PowerTrack. We statistically sampled 171 of the 6,812 high-risk ocean freight transactions made through the "non-direct" and "direct" booking processes and found control problems with 132 of the transactions tested.

Based on a sample of high-risk "non direct" booking transactions, we statistically projected that 1,315 (23.4%), totaling $14.1 million, were duplicate payments and another 3,387 (60.3%), totaling $19 million, were at risk for potential fraudulent duplicate payments. If SDDC took action to recoup duplicate payments not yet refunded, DoD may realize potential monetary benefits of $5.2 million. Of the 30 high-risk "direct" booking transactions tested, 9 transactions were vulnerable for duplicate payments. We did not project the direct booking test results to the population of high-risk direct booking transactions because of the small sample of transactions tested.

Security Over Radio Frequency Identification

(REPORT NO. D-2008-131, ISSUED SEPTEMBER 16, 2008)
Audit results are FOUO.

Status of Training Vehicles for U.S. Ground Forces Deploying in Support of Operation Iraqi Freedom

(REPORT NO. D-2008-115, ISSUED AUGUST 6, 2008)
DoD OIG identified that competing requirements for equipment in theater, as well as units being reset for redeployment, have created challenges for Combat Training Centers. The National Training Center and the Joint Readiness Training Center have encountered challenges in obtaining theater-specific equipment, such as High Mobility Multipurpose Wheeled Vehicles for training. Despite these challenges, the Combat Training Centers have maintained equipment and have taken additional steps to make substitutions or have units bring their own equipment from home stations to ensure that levels of equipment were sufficient for training. The Army has recognized issues with outdated equipment, and it has taken steps to modernize the prepositioned fleet of High Mobility Multipurpose Wheeled Vehicles at the National Training Center and Joint Readiness Training Center. The Army completed modernization of the prepositioned fleet at the National Training Center in April 2008. To ensure the most realistic and effective training for units deploying in support of Operation Iraqi Freedom, the Army must complete the modernization of the prepositioned fleet at the Joint Readiness Training Center as it has done at the National Training Center.

Summary of Issues Impacting Operations Iraqi Freedom and Enduring Freedom Reported by Major Oversight Organizations Beginning FY 2003 through FY 2007
(REPORT NO. D-2008-086,
ISSUED JULY 18, 2008)

DoD OIG reviewed 302 reports related to Operation Enduring Freedom and Operation Iraqi Freedom. From reported information, DoD OIG identified that over the course of conducting these operations, DoD experienced, at times, significant and recurring challenges in these functional areas: Contract Management: Contract Oversight and Resource Limitations; Logistics: Asset Accountability, Visibility, and Equipping the Force; Financial Management: Accuracy of Cost Reporting and Accountability. Further, there were challenges that were common in more than one of the functional areas—specifically, shortfalls in DoD training and policy and procedures.

DoD took action to resolve Operations Enduring and Iraqi Freedom Contract Management, Logistics, and Financial Management, and "Other" challenges reported by the oversight organizations. From FY 2003 through FY 2007, the defense oversight community and GAO issued 983 recommendations to improve DoD operations in Operations Enduring and Iraqi Freedom, and most of the recommendations have been resolved, as of September 30, 2007. DoD OIG also identified various initiatives that DoD has underway to address the challenges DoD faces for Operations Enduring Freedom and Iraqi Freedom, such as increased oversight and accountability over deployed contractors, establishing an Executive Director to provide program management support over contractor logistical support, and deploying financial support teams to theater to assist the theater commanders.

Defense Hotline Allegations Concerning Contracts Issued by U.S. Army TACOM Life Cycle Management Command to BAE Systems Land and Armaments, Ground Systems Division
(REPORT NO. D-2008-107,
ISSUED JULY 3, 2008)

DoD OIG substantiated 3 and partially substantiated 3 of the 11 allegations. TACOM Life Cycle Management Command and Defense Contract Management Agency (DCMA) contracting officials constrained the Defense Contract Audit Agency's (DCAA's) ability to perform effective and meaningful audits in support of contracts awarded to BAE Systems Land and Armaments, Ground Systems Division. Specifically, contracting officials did not include DCAA in the Alpha contracting process for the FY 2005 Bradley vehicle procurement to ensure that DCAA could perform an effective review of material costs. Additionally, contracting officials did not require BAE Systems Land and Armaments, Ground Systems Division's forward pricing rate agreement proposals to be current, accurate, and complete, as required by the Federal Acquisition Regulation. As a result, TACOM Life Cycle Management Command contracting officials may have overpriced firm-fixed-price contracts

awarded to BAE Systems Land and Armaments, Ground Systems Division.

TACOM Life Cycle Management Command personnel should follow agency policies and procedures to include DCAA auditors during the Alpha contracting process. In addition, the Program Executive Officer, Ground Combat Systems should issue guidance to project managers that establishes time frames for obligating supplemental funding. DCMA, BAE Systems Ground Systems Division, contracting personnel should obtain current, accurate, and complete forward pricing rate agreement proposals from BAE Systems Land and Armaments, Ground Systems Division, and request DCAA to audit the forward pricing rate agreement proposals. Additionally, contracting personnel of the DCMA, BAE Systems Ground Systems Division, should establish procedures to include DCAA auditors during the Alpha contracting process. DCAA personnel should perform a post-award audit of contracts awarded using forward pricing rate agreements for which certified cost and pricing data was obtained, identify defective pricing, and make any necessary recommendations to adjust affected contracts.

Accountability of Munitions Provided to the Security Forces of Iraq
(D2007-D000IG-0239.000, ISSUED JULY 3, 2008)

This DoD OIG assessment by the Office of Special Plans and Operations addressed the following three areas: (1) conducted an assessment of the accountability and control of munitions the United States was supplying the Iraq Security Forces, (2) reviewed the effectiveness of the U.S. Foreign Military Sales program in supporting U.S. strategic objectives in Iraq, and (3) evaluated the effectiveness of U.S. support to the Iraq Security Forces in helping them build their logistics sustainment base. The MAT I team out-briefed senior U.S. in-country military and civilian leadership on its preliminary observations and recommendations. Based on that out-brief, the Commander, Multi-National Force-Iraq; the Commander, Multi-National Security Transition Command-Iraq (MNSTC-I); and U.S. Central Command leadership initiated immediate corrective actions. Also, after being briefed by the Inspector General, the Secretary of Defense ordered that MAT I briefing report recommendations be implemented immediately. The MAT I report, which contained 14 observations and 45 recommendations, was signed by the Inspector General on July 3, 2008, and copies were transmitted to the Secretary, Deputy Secretary, Chairman of the Joint Chiefs, and Under Secretaries for Policy and AT&L for their consideration. DoD management concurred with 43 recommendations, and significant progress has been made implementing all in-country recommendations. The final report is

currently classified SECRET and was published July 3, 2008.

Information Report on the Assessment of DoD Support to the Iraqi Security Forces Inspectors General
(REPORT NO. IE-2008-010, ISSUED JULY 31, 2008)

This assessment was a self-initiated evaluation of DoD support to assist the Iraqi Ministry of Defence, Ministry of Interior, and Joint Headquarters Inspectors General (IG) in establishing a self-sustaining IG function under Iraqi law. We focused on the operations, plans, and projected needs of these Iraqi Security Forces IG organizations within the context of the U.S. government's transition and capacity-building goals, as well as Iraqi anticorruption strategies and objectives. The final report identifies five considerations to improve DoD support going forward and to facilitate similar principled governance activities in other emerging nations.

Ongoing Audits
Accountability of Night Vision Devices Provided to the Security Forces of Iraq
(PROJECT NO. D2008-D00SPO-0271.000, INITIATED AUGUST 19, 2008)

This assessment is underway with the objective of assessing DoD management oversight of night vision devices in Iraq. Specifically, we will determine whether the accountability, control, and physical security over the distribution of night vision devices provided to the security forces of Iraq are adequate, to include the areas of: (1) contracting and procurement, (2) transportation and storage, (3) U.S. issuance procedures to the security forces of Iraq, and (4) support provided by the security forces of Iraq.

Accountability of Munitions Provided to the Security Forces of Iraq—Phase II
(PROJECT NO. D2008-DIG-0141.000, INITIATED FEBRUARY 13, 2008)

The DoD OIG Office of Special Plans and Operations assessed the following five areas: (1) the status of corrective actions initiated by DoD management in response to the Munitions Assessment Team I (MAT I) report, (2) a follow-up evaluation of the accountability and control of munitions the United States was supplying the Iraq Security Forces, (3) the effectiveness of the U.S. Foreign Military Sales program in supporting U.S. military "train and equip" strategic objectives, (4) the effectiveness of U.S. assistance to the Iraq Security Forces in helping them build their logistics sustainment base, and (5) progress in the development of the Iraqi Army's medical logistics capability and sustainment base. The MAT II team was led by the Principal Deputy Inspector General and deployed to Iraq from April-May, 2008. The team provided its preliminary observations and recommendations to the Commander, Multi-National Force-Iraq, and the Commander, Multi-National Security Transition Command-Iraq, who initiated immediate corrective actions. The draft "MAT II-Iraq" report, which contained 23 observations and 74 recommendations, was submitted for management comments in September 2008. The final report is expected to be issued in November 2008.

Using System Threat Assessments in the

Acquisition of Tactical Wheeled Vehicles
(PROJECT NO. D2008-D000AE-0287.000, INITIATED SEPTEMBER 23, 2008)

DoD OIG is determining whether the Army and Marine Corps program offices have obtained updated system threat assessments for acquisitions of selected tactical wheeled vehicles in support of the Global War on Terror. Specifically, we will determine whether the Army and Marine Corps updated program documentation for selected tactical wheeled vehicles, including system capability documents, test plans, and contract statements of work, in response to the threats identified in current system threat assessments. DoD OIG began the project during the 4th quarter of FY 2008.

Defense Contract Management Agency Acquisition Workforce for Southwest Asia
(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. We will also evaluate whether the DCMA Acquisition workforce for SWA is adequately trained and certified. DoD OIG began the project during the 4th quarter of FY 2008.

Ground Standoff Mine Detection System Contract
(D2008-D000AE-0280.000, INITIATED SEPTEMBER 16, 2008)

DoD OIG is determining whether the Ground Standoff Mine Detection System contract requirements were developed, awarded, and managed in accordance with federal and DoD regulations. DoD OIG began the project during the 4th quarter of FY 2008.

Medical/Surgical Prime Vendor Contracts Supporting Coalition Forces in Iraq and Afghanistan
(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. DoD OIG began the audit during the 4th quarter of FY 2008.

Department of the Army Deferred Maintenance on the Bradley Fighting Vehicle as a Result of the Global War on Terror
(D2008-D000FL-0253.000, INITIATED SEPTEMBER 3, 2008)

DoD OIG is determining the extent and causes of deferred maintenance on the Army Bradley Fighting Vehicle used in the Global War on Terror. We will also evaluate compliance with applicable laws and regulations as they relate to the audit objective. DoD OIG began the audit during the 4th quarter of FY 2008.

Update—Summary Report on Challenges Impacting Operations Iraqi Freedom and Enduring Freedom Reported by Major Oversight Organizations Beginning FY 2003 through FY 2008

(D2008-D000JC-0274.000,
INITIATED AUGUST 28, 2008)

The overall objective is to prepare a summary of contracts, funds management, and other accountability issues identified in audit reports and testimonies that discuss mission critical support to Operation Iraqi Freedom and Operation Enduring Freedom from FY 2003 through FY 2008. Our first summary report, D-2008-086, focused on reports and testimonies issued from FY 2003 through FY 2007. We will update the information from the prior summary report, Report No. D-2008-086, to include the status of recommendations made in all FY 2003 through FY 2007 reports regarding Operations Iraqi Freedom and Enduring Freedom. In addition, we will include finding and recommendation information for FY 2008 audit reports and determine the trends indicated by that information. DoD OIG began the audit during the 4th quarter of FY 2008.

Information Assurance Controls Over the Outside the Continental United States Navy Enterprise Network as related to the Global War on Terror

(D2008-D000FN-0230.000,
INITIATED AUGUST 28, 2008)

DoD OIG is assessing the integrity, confidentiality, and availability of the Outside the Continental United States Navy Enterprise Network (ONE-NET) as it relates to the Global War on Terror. Specifically, we will determine whether the controls over ONE-NET have been implemented and are operating effectively as prescribed by DoD Instruction 8500.2, "Information Assurance Implementation," February 6, 2003. DoD OIG began the audit during the 4th quarter of FY 2008.

Central Issue Facilities

(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 OIG began the audit during the 4th quarter of FY 2008.

Transition Planning for the Logistics Civil Augmentation Program IV Contract

(D2008-D000AS-0270.000,
INITIATED AUGUST 25, 2008)

DoD OIG is determining whether the Army properly planned for the transition from the Logistics Civil Augmentation Program III contract to the Logistics Civil Augmentation Program IV contract. DoD OIG began the project during the 4th quarter of FY 2008.

DoD Testing Requirements for Body Armor

(D2008-D000JA-0263.000,
INITIATED AUGUST 14, 2008)

DoD OIG is performing this audit in response to a congressional request. We are evaluating ballistic testing requirements for body armor components. Specifically, we will review whether test criteria for contract number W91CRB-04-D-0040 were in accordance with applicable standards. In addition, we will review First Article Test criteria for other contracts reviewed as part of DoD OIG Audit Report No. D-2008-067 DoD Procurement Policy for Body Armor, March 31, 2008. This audit will be performed in coordination with DoD OIG Audit Project No. D2008-D000CD-0256.000, Research on DoD Body Armor Contracts. DoD OIG began the audit during the 4th quarter of FY 2008.

Research on DoD Body Armor Contracts

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

DoD OIG is performing this project as a result of a congressional request. We are examining the contracts and contracting process for body armor and related test facilities. Specific objectives will 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 began the audit during the 4th quarter of FY 2008.

Potable and Non-Potable Water in Iraq Update

(D2008-D000JC-0258.000,
INITIATED AUGUST 6, 2008)

DoD OIG is performing this audit in response to a congressional request. The objective is to determine whether the current processes for providing safe potable and non-potable water to U.S. forces in Iraq are adequate. We are also reviewing the implementation of recommendations made during our previous audit on potable and non-potable water (Report No. D-2008-060). DoD OIG began the audit during the 4th quarter of FY 2008.

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

(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, we will review DoD military pay disbursements to determine whether U.S. Air Force military personnel on Active Duty status are paid accurately and timely. DoD OIG began the audit during the 4th quarter of FY 2008.

Contracts Supporting the DoD Counter Narcoterrorism Program

(D2008-D000AS-0255.000,
INITIATED JULY 31, 2008)

DoD OIG is determining whether contracts supporting the DoD counter-narcoterrorism

program were properly managed and administered. Specifically, we will determine whether the contracts complied with federal and DoD policy. DoD OIG began the audit during the 4th quarter of FY 2008.

Army's Use of Award Fees on Contracts That Support the Global War on Terror
(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, we will review the procedures for awarding the fees and proper allocation of award fees on the contracts. DoD OIG began the audit during the 4th quarter of FY 2008.

Rapid Acquisition and Fielding of Materiel Solutions Within the Navy
(D2008-D000AE-0247.000,
INITIATED JULY 18, 2008)
DoD OIG is evaluating the overall management of the Navy's processes for rapidly acquiring and fielding materiel solutions to meet urgent needs in support of the Global War on Terror and to ensure safe operation of naval forces. Specifically, we will evaluate the effectiveness of Navy procedures for identifying and validating urgent capability needs, contracting for and acquiring materiel solutions to meet those needs, and complying with DoD requirements and acquisition policies once materiel solutions are fielded. DoD OIG began the audit during the 4th quarter of FY 2008.

Logistics Support for the United States Special Operations Command
(D2008-D000AS-0248.000,
INITIATED JULY 17, 2008)
DoD OIG is determining whether contracts providing logistics support to the U.S. Special Operations Forces were properly managed and administered. Specifically, we will determine whether logistics contracts are consistent with federal, DoD, and Special Operations acquisition contracting policy. DoD OIG began the audit during the 4th quarter of FY 2008.

Equipment Repair and Maintenance Contracts for Aircraft and Aircraft Components Supporting Coalition Forces in Iraq and Afghanistan
(D2008-D000LH-0249.000,
INITIATED JULY 14, 2008)
DoD OIG is determining whether equipment repair and maintenance contracts for aircraft and aircraft components supporting Coalition forces in Iraq and Afghanistan are effective. DoD OIG began the audit during the 4th quarter of FY 2008.

Health Care Provided by Military Treatment Facilities to Contractors in Southwest Asia
(D2008-D000LF-0241.000,
INITIATED JULY 14, 2008)
DoD OIG is determining whether contract terms for health care provided by military treatment facilities to contractors in Southwest Asia are adequately addressed and whether controls

for billing and collecting payment from contractors for health care provided by military treatment facilities in Southwest Asia are adequate. DoD OIG began the audit during the 4th quarter of FY 2008.

Selection of Modes for Transporting Materiel in Support of Operations in Iraq and Afghanistan

(D2008-D000LH-0250.000, INITIATED JULY 14, 2008)
DoD OIG is determining whether contracts for the transportation of materiel in support of operations in Iraq and Afghanistan were effective. DoD OIG began the audit during the 4th quarter of FY 2008.

Contracting for Purchased and Leased Nontactical Vehicles in Support of Operation Iraqi Freedom and Operation Enduring Freedom

(D2008-D000LH-0235.000, INITIATED JUNE 26, 2008)
DoD OIG is determining whether contracting for nontactical vehicles in support of Operation Iraqi Freedom and Operation Enduring Freedom was effective. DoD OIG began the audit during the 3rd quarter of FY 2008.

Review of Intelligence Resources at the Joint Intelligence Task Force Combating Terrorism and Special Operations Command in Support of Operation Enduring Freedom and Operation Iraqi Freedom

(PROJECT NO. D2007-DINT01-0092.001, INITIATED JUNE 14, 2007)

The objective is to examine intelligence missions and corresponding resources at both the Joint Intelligence Task Force Combating Terrorism and Special Operations Command to determine the sufficiency of those resources to accomplish their intelligence missions.

Audit of the Management of Signals Intelligence Counterterrorism Analysts

(PROJECT NO. D2007-DINT01-0092.003, INITIATED AUGUST 31, 2007)
The objective is to evaluate the management of signals intelligence counterterrorism analysts. Specifically, DoD OIG will review the hiring/recruitment process, training programs, and work assignments of counterterrorism analysts. The review will include an assessment of the impact of additional resources on the effectiveness of the National Security Agency counterterrorism mission since September 2001.

The U.S. Air Force Deferred Maintenance on the C-130 Aircraft as a Result of the Global War on Terror

(D2008-D000FH-0225.000, INITIATED JUNE 20, 2008)

The objective is to determine the extent and causes of deferred maintenance on the Air Force C-130 aircraft used in the Global War on Terror. DoD OIG will also evaluate compliance with applicable laws and regulations as they relate to the audit objective.

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

(D2008-D000CE-0221.000, INITIATED JUNE 9, 2008)

DoD OIG is performing this audit as a result of a congressional inquiry. The objective is to review whether contracts that support Operation Enduring Freedom and Operation 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 will also determine 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. This project is being performed in coordination with DoD OIG Project No. 2008C003, Evaluation of DoD Sexual Assault Response in Operations Enduring and Iraqi Freedom Areas of Operation.

Controls Over Unliquidated Obligations on Department of the Air Force Contracts Supporting the Global War on Terror

(D2008-D000FC-0208.000, INITIATED JUNE 9, 2008)

The objective is to determine whether the Department of the Air Force has established adequate controls over its unliquidated obligations on 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.

Department of the Army Deferred Maintenance on the Abrams Tank Fleet as a Result of the Global War on Terror

(D2008-DO0OFJ-0210.000, INITIATED MAY 30, 2008)

The objective is to determine the extent and causes of deferred maintenance on the Army Abrams tanks that were used in the Global War on Terror. This effort also includes evaluating compliance with applicable laws and regulations as they relate to the audit objective.

Defense Logistics Agency Contracts for Combat Vehicle Parts in Support of the Global War on Terror

(D2008-D000FD-0214.000, INITIATED MAY 20, 2008)

The objective is to determine whether the Defense Logistics Agency used appropriate and effective contracting procedures to provide to customers the combat vehicle parts to support the Global War on Terror. The audit is being

conducted to support the requirements of Public Law 110-181, the FY 2008 National Defense Authorization Act, Section 842, "Investigation of Waste, Fraud, and Abuse in Wartime Contracts and Contracting Processes in Iraq and Afghanistan," January 28, 2008.

Assignment and Training of Contracting Officer's Representatives at Joint Contracting Command-Iraq/Afghanistan

(D2008-D000JC-0203.000,
INITIATED MAY 12, 2008)
The objective is to determine whether personnel assigned as Contracting Officer's Representatives to the Joint Contracting Command-Iraq/Afghanistan have proper training and expertise to perform their duties.

The Army Procurements for the High Mobility Multipurpose Wheeled Vehicles

(D2008-D000CH-0236.000,
INITIATED JUNE 19, 2008)
The objective is to determine whether the U.S. Army TACOM Life Cycle Management Command is paying fair and reasonable prices for the High Mobility Multipurpose Wheeled Vehicles (HMMWV) and associated up-armor procured from AM General, LLC.

Air Force Contract Augmentation Program in Southwest Asia

(D2008-D000JC-0202.000,
INITIATED MAY 12, 2008)
The objective is to evaluate controls over the Air Force Contract Augmentation Program. DoD OIG will determine what contracts have been awarded, whether contracts were properly awarded, whether contracted services were provided in accordance with the statement of work, and whether contract payments were appropriate.

Organic Ship Utilization in Support of the Global War on Terror

(D2008-D000AB-0193.000,
INITIATED APRIL 24, 2008)
The objective is to evaluate the effectiveness of policies and procedures used to ensure that activated government-owned and government-chartered vessels are used to the maximum extent prior to procuring commercial transportation to Southwest Asia.

Controls Over the Department of the Navy Military Payroll Disbursed in Support of the Global War on Terror

(D2008-D000FC-0189.000,
INITIATED MAY 13, 2008)
The objective is to determine whether the Department of the Navy is disbursing military payroll in support of the Global War on Terror in accordance with established laws and regulations. Specifically, DoD OIG will determine whether the Department of the Navy maintains adequate support for payments related to deployments to an active combat zone.

Acquisition of Ballistic Glass for the High Mobility Multipurpose Wheeled Vehicle

(D2008-D000CE-0187.000, INITIATED APRIL 23, 2008)

The audit is the result of an audit suggestion filed with the Office of the Deputy Inspector General for Audit. The objective is to determine whether the award and administration of the High Mobility Multipurpose Wheeled Vehicle ballistic glass contracts comply with the Federal Acquisition Regulation.

Class III Fuel Procurement and Distribution in Southwest Asia

(D2008-D000JC-0186.000, INITIATED APRIL 23, 2008)

The objective is to determine 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 will determine 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.

Marine Corps Implementation of the Urgent Universal Need Statement Process for Mine Resistant Ambush Protected Vehicles

(D2008-D000AE-0174.000, INITIATED MARCH 10, 2008)

The audit was requested by the Assistant Commandant of the Marine Corps in response to allegations of mismanagement regarding identification and fulfillment of a requirement of Mine Resistant Ambush Protected vehicles. The objective is to determine whether the Marine Corps decision-making process responded appropriately and in a timely manner to Urgent Universal Need Statements submitted by field commanders for Mine Resistant Ambush Protected vehicles.

War Reserve Materiel Contract

(D2008-D000CK-0161.000, INITIATED FEBRUARY 26, 2008)

The objective is to review whether Air Force contracting officials managed and administered the DynCorp International War Reserve Materiel contract in accordance with federal and DoD contracting policies.

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

(D2008-D000FP-0132.000, INITIATED FEBRUARY 25, 2008)

The objective is to review whether internal controls for Army, General Fund, Cash, and Other Monetary Assets held in Southwest Asia are effectively designed and are operating to adequately safeguard, account, document, and report cash and other monetary assets.

Price Reasonableness for Contracts at U.S. Special Operations Command

(D2008-D000CG-0123.000, INITIATED FEBRUARY 7, 2008)

The objective is to determine whether pricing of contracts at the U.S. Special Operations

Command complied with Federal Acquisition Regulation requirements for determining price reasonableness.

Controls Over the Contractor Common Access Card Life Cycle in Southwest Asia

(D2007-D000LA-0199.002, INITIATED JANUARY 24, 2008)

The overall objective is to determine whether controls over Common Access Cards (CACs) provided to contractors are in place and work as intended. Specifically, DoD OIG will determine whether DoD officials verify the continued need for contractors to possess CACs; revoke or recover CACs from contractors in accordance with DoD policies and procedures; and ensure the proper use of the CAC by contractors.

Controls over the Reporting of Transportation Costs in Support of the Global War on Terror

(D2008-D000FI-0083.000, INITIATED DECEMBER 27, 2007)

The objective is to evaluate the effectiveness of controls over the reporting of transportation costs related to Global War on Terror.

Defense Emergency Response Fund for the Global War on Terror

(D2008-D000FE-0106.000, INITIATED DECEMBER 19, 2007)

The objective is to review whether the Defense Emergency Response Fund is used as intended, and whether the use of the funds complies with the Office of Management and Budget guidance. DoD OIG will also determine whether DoD has the ability to track the use of the Defense Emergency Response Fund.

Medical Equipment Used To Support Operations in Southwest Asia

(D2008-D000LF-0093.000, INITIATED NOVEMBER 28, 2007)

The objective is to evaluate the internal controls over medical equipment used to support operations in Southwest Asia. Specifically, DoD OIG will determine whether controls are in place for acquiring mission-essential medical equipment and whether the recording and reporting of medical equipment are accurate and complete. The audit will focus on the inventory of initially deployed medical equipment and the mission essentiality and acquisition of medical equipment needed to sustain current medical operations. DoD OIG will determine if medical equipment purchases were justified and whether medical equipment has been properly reported and recorded in asset accountability databases. This project is being performed in support of Operation Iraqi Freedom and Operation Enduring Freedom.

Expeditionary Fire Support System and Internally Transportable Vehicle Programs

(D2008-D000AB-0091.000, INITIATED NOVEMBER 27, 2007)

DoD OIG initiated the audit in response to a request of the Chairman of the U.S. Senate Committee on Armed Services. The objective is to determine whether contract competition and program administration for the U.S. Marine Corps Expeditionary Fire Support System and

Internally Transportable Vehicle are in accordance with the Federal Acquisition Regulation and supporting DoD guidance.

Small Arms Ammunition Fund Management in Support of the Global War on Terror

(D2008-D000FJ-0014.000,
INITIATED OCTOBER 11, 2007)

The objective is to determine whether the military departments properly managed funds for small arms ammunition in support of GWOT. Specifically, DoD OIG will determine whether financial management officials fully supported and properly incurred obligations and expenditures. DoD OIG will also determine whether funds for small arms ammunition were accurately recorded in financial systems for reporting to the Office of the Secretary of Defense.

Internal Controls and Data Reliability in the Deployable Disbursing System

(D2007-D000FL-0252.000,
INITIATED AUGUST 31, 2007)

The objective is to determine whether internal controls over transactions processed through the Deployable Disbursing System are adequate to ensure the reliability of the data processed. The audit will include financial information processed by disbursing stations supporting GWOT, and DoD OIG will also follow up on work completed during the audit of "Internal Controls Over Out-of-Country Payments."

End-use Monitoring of Defense Articles and Services Transferred to Foreign Customers

(D2007-D000LG-0228.000,
INITIATED AUGUST 6, 2007)

The objective is to review the Golden Sentry Program, which monitors how foreign governments use U.S. defense articles and services, to determine whether the program records and controls transfers of sensitive arms effectively.

Procurement and Delivery of Joint Service Armor Protected Vehicles

(D2007-D000CK-0230.000,
INITIATED JULY 13, 2007)

The objective is to determine whether the Mine Resistant Ambush Protected vehicle program office is effectively procuring armored vehicles in accordance with the Federal Acquisition Regulation and DoD requirements. Specifically, DoD OIG will review the Mine Resistant Ambush Protected vehicle program administration to determine whether the Program Office is taking appropriate actions to accelerate vehicle delivery to users. In addition, DoD OIG will review the Services' requirements for the Mine Resistant Ambush Protected vehicle and High Mobility Multipurpose Wheeled Vehicles.

Funds Appropriated for Afghanistan and Iraq Processed Through the Foreign Military Trust Fund

(D2007-D000FB-0198.000,
INITIATED JUNE 19, 2007)

The objective is to determine whether 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. Specifically, DoD OIG will determine whether the transfer of appropriated funds from the Army's accounts into the Foreign Military Sales Trust Fund was properly authorized, accounted for, and used for the intended purpose. DoD OIG will also determine whether Foreign Military Financing funds granted to Afghanistan and Iraq are properly accounted for and used for their intended purpose. In addition, DoD OIG will determine whether the appropriated funds are properly reported in DoD financial reports.

Operations and Maintenance Funds Used for Global War on Terror Military Construction Contracts

(D2007-D000CK-0201.000, INITIATED JUNE 18, 2007)

The objective is to determine whether DoD Components followed requirements for using operations and maintenance funds for GWOT military construction. Specifically, DoD OIG will evaluate whether DoD followed proper procedures for administering, executing, and reporting the use of operations and maintenance funds on GWOT military construction contracts.

Marine Corps Management of the Recovery and Reset Programs

(D2007-D000LD-0129.000, INITIATED APRIL 13, 2007)

The objective is to determine the effectiveness of the Marine Corps Recovery and Reset Programs for selected equipment. Specifically, DoD OIG

will review how the Marine Corps met its equipment requirements through the Reset and Recovery Programs, whether it effectively repaired or replaced selected equipment, and whether it used funds for their intended purpose.

Hiring Practices Used To Staff the Iraqi Provisional Authorities

(D2007-D000LC-0051.000, INITIATED DECEMBER 14, 2006)

The objective is to evaluate the hiring practices that DoD used to staff personnel to the provisional authorities supporting the Iraq government from April 2003 to June 2004. Specifically, the audit will determine the process DoD used to assign personnel to the Office of Reconstruction and Humanitarian Assistance and the Coalition Provisional Authority in Iraq.

DoD Use of GWOT Supplemental Funding Provided for Procurement and Research, Development, Test, and Evaluation

(D2006-D000AE-0241.000, INITIATED AUGUST 4, 2006)

The objective is to determine the adequacy of DoD financial controls over use of GWOT supplemental funding provided for procurement and research, development, test, and evaluation (RDT&E). DoD OIG will also determine whether the funds were placed on contracts and used for purposes stipulated in the congressionally approved supplemental funding for GWOT. Phase I reviewed the adequacy of Air Force financial controls over the use of GWOT supplemental funding provided for procurement and RDT&E. The final report for Phase I was

issued on November 21, 2007. In Phase II, DoD OIG will determine whether management was effectively preparing the "DoD Supplemental and Cost of War Execution Report" for procurement and RDT&E. In Phase III, DoD OIG will review the adequacy of Army, Navy, Marine Corps, and Defense Agencies' financial controls over the use of GWOT supplemental funding provided for procurement and RDT&E.

Export Controls over Excess Defense Articles

(D2006-D000LG-0136.000, INITIATED MARCH 1, 2006)

The objective is to assess the adequacy of controls over the transfer of excess Defense articles to foreign persons. Specifically, DoD OIG will determine whether transferred property was adequately demilitarized and controlled in accordance with the requirements of the Foreign Assistance Act of 1961 (Public Law 87-195), as amended, and the Arms Export Control Act of 1976 (Public Law 90-269), as amended. DoD OIG issued a draft report on March 14, 2008, and expects to issue a final report in the 3rd quarter of FY 2008.

Air Force Combat Search and Rescue Helicopter

(D2008-D000AB-0133.000, INITIATED FEBRUARY 19, 2008)

DoD OIG is determining whether changes to Combat Search and Rescue Helicopter Key Performance Parameters (KPPs) were made in accordance with applicable DoD and Air Force acquisition guidelines. Specifically, DoD OIG will determine whether KPP changes were properly designated and appropriately vetted through the Joint Requirements Oversight Council. In addition, we will determine whether KPP changes will affect Air Force special operations capabilities in the Global War on Terror. DoD OIG began the audit during the 2nd quarter of FY 2008.

Review of Contracting Actions Relating to the Electrocution Death of SSG Ryan Maseth

(D2008-DIPOE2-0196.000, INITIATED MAY 12, 2008)

On January 2, 2008, SSG Ryan D. Maseth was electrocuted while showering in his Iraqi-built quarters in the Radwaniyah Palace Complex in Baghdad. Congressional interest led to a request from the Deputy Under Secretary of Defense for Acquisition and Technology for us to conduct a review of the relevant management, contracting, and maintenance actions prior and subsequent to the incident. Following a July 30, 2008 hearing by the House Government Oversight and Reform Committee, the team expanded the scope of the review to include a review of the command actions, investigation case files, and safety mishap investigations of eight additional electrocution deaths in Iraq. We published an interim response on July 29, 2008, and plan to complete the review in October 2008.

Evaluation of DoD Sexual Assault Response in Operations Enduring Freedom and Iraqi Freedom Areas of Operation
(PROJECT NO. 2008C003, INITIATED FEBRUARY 7, 2008)

In response to the concerns of more than 100 members of the Congress, this project evaluates policies and practices for reporting and referring for investigation sexual assault complaints by contractor employees in combat areas. Based on new congressional interest, we expanded the scope to DoD's oversight of contractors regarding sexual assault/harassment deployment training and contractor accountability for employee misconduct in combat areas.

Contract Audit Follow-Up Review Related to Iraq Reconstruction Activities
(D2008-DIP0AI-0086.000, INITIATED NOVEMBER 8, 2007)

The objective of this review is to determine if the contracting officers' actions on audits of contractors involved in Iraq reconstruction activities were timely and effective in accordance with DoD Directive 7640.2, Policy for Follow-up on Contract Audit Reports. We issued our draft report on September 30, 2008, taking exception to various Defense Contract Management Agency (DCMA) actions on two audits of reported cost accounting standard noncompliances and one audit of reported accounting system deficiencies. In FY 2009, we plan to issue a separate report on the equitable adjustment claim and all other actions that DCMA took in response to incurred cost audits of contractors involved in Iraq reconstruction activities.

Investigation of Possible Use of Mind Altering Substances by DoD Personnel during Interrogations of Detainees and/or Prisoners Captured during the War on Terror
(PROJECT NO. D2007-DINT01-0092.005, INITIATED June 10, 2008)

The investigation responds to a request from members of the U.S. Senate. The objective is to determine if DoD personnel conducted, facilitated, or otherwise supported interrogations of detainees and/or prisoners using the threat or administration of mind-altering drugs.

Department of State Office of Inspector General

Completed Audits

The Department of State Office of Inspector General (DoS OIG) completed two audits related to Iraq for the quarter ending September 30, 2008.

Status of U.S. Refugee Resettlement Processing for Iraqi Nationals
(MERO-IQO-08-02, JULY 2008)

The Iraqi refugee crisis has engendered considerable media coverage, congressional interest, and advocacy group comment about the adequacy of the efforts of the Department of State (DoS) to resettle Iraqi refugees into the United States. With an estimated refugee population of more than 2 million, critics question why so few Iraqi refugees have been resettled in the United States since the start of the war—4,238 Iraqi refugees, as of April 1, 2008. Historically, less than 1% of

registered refugees are resettled in third countries worldwide. The preferred durable solution is repatriation, followed by integration in the country of asylum. However, for those Iraqi refugees in dire need of protection and who cannot realistically return home, resettlement in third countries is necessary.

The Refugee Crisis in Iraq Act of 2007 requires the establishment of a refugee processing mechanism, referred to as an overseas processing entity (OPE) in Iraq. For planning purposes, officials at Embassy Baghdad are assuming that, based on an annual processing target of 6,250 individuals, an OPE operation of more than 30 staff will be established. As a result of a number of factors identified during this review, DoS OIG recommends that the Bureau of Population, Refugees, and Migration (PRM) conduct an analysis of a smaller-scale OPE operation (four to seven staff members) for Embassy Baghdad, geared to address the relatively limited number of compelling cases that cannot be processed out of Amman.

The U.S. government is on track to meet, and possibly exceed, its goal of resettling 12,000 Iraqi refugees in the United States in FY 2008. As of April 1, 2008, 2,630 Iraqi refugees have arrived in the United States, and another 5,820 have been approved for refugee status but had yet to travel. DoS projects that more than 8,000 Iraqi refugees will be interviewed by Department of Homeland Security Citizen and Immigrant Services (DHS/USCIS) adjudicators for refugee resettlement by June 30, 2008. (The average approval rate for a United Nations High Commissioner for Refugees (UNHCR) referral obtaining U.S. government refugee status in the region is 70%.) DoS OIG believes that when the 2,630 who have arrived and the 5,820 who are approved (but yet to travel) are added to the several thousands of possible new arrivals, the total should meet or exceed the administration's FY 2008 goal of 12,000.

An important caveat is the continued cooperation of the Syrian government and a stable security environment in Lebanon to conduct refugee processing operations. There are currently large-scale Iraqi refugee-processing operations in Syria, Jordan, Turkey, and Lebanon, with smaller programs in Egypt and other countries in the region. Initially, however, the U.S. government was not well-positioned to respond to the Iraq refugee crisis. As a result, in FY 2007, the U.S. government admitted only 1,608 Iraqi refugees. Nonetheless, within several months, DoS's implementing partners and UNHCR hired and trained local and international staff, established processing operations, and prepared thousands of cases for presentation to USCIS refugee adjudicators.

Status of Iraqi Special Immigrant Visa Programs
(MERO-IQO-08-01, JULY 2008)

The United States has a continuing special interest in the protection and welfare of many Iraqis and Afghanis, including interpreters/translators and other former employees (and their families) working for, or on behalf of, the United States. Accordingly, the Congress, recognizing the

debt owed these individuals who work at great personal risk, responded by creating two Special Immigrant Visa (SIV) programs:

- an SIV program for Iraqi and Afghani translators/interpreters
- a second SIV program (known as the Kennedy Bill) for Iraqi employees and contractors and their families, along with refugee resettlement benefits.

DoS effectively met congressional allocations for issuing SIVs to former Iraqi and Afghan interpreters and translators for FY 2006 and FY 2007, and by mid-February 2008 had exceeded the FY 2008 target of 500 applications. Despite meeting numerical allocations, the pressure to quickly process cases resulted in some not receiving the level of scrutiny they should, which in turn resulted in some applicants receiving SIVs who (1) did not meet the program's criteria of working primarily as an interpreter or translator or (2) in the opinion of the DoS OIG team (the team) appeared to be outside the legislative intent of the program. Thus, a number of SIVs could have been allocated to other qualified applicants. DoS should work with DoD and the Department of Homeland Security to define the qualifications of translators and interpreters. The team notes, however, that consular officers at the time of fieldwork were taking a closer look at applicants' petitions and had returned cases to USCIS for possible revocation.

DoS was still in the process of formulating procedures for administering the Kennedy SIV program for Iraqi staff employed by the U.S. government. Because no petitions have been filed and because of the expected processing time involved, it is doubtful that embassies will meet the 5,000 case potential in FY 2008. As DoS works to carry out the Kennedy SIV program in the coming years, it will need to identify funding requirements, especially to cover the cost of refugee resettlement benefits to SIV recipients and their families, develop clear guidance on eligibility for adjudicators, and maintain a high level of vigilance due to the high risk of fraud and abuse.

Ongoing Audits

Review of Procurement Competition: New Embassy Compound Baghdad
(07AUD3034, INITIATED APRIL 2007)
This audit is in the draft report stage. The objectives are to determine whether the New Embassy Compound contracts were awarded competitively and whether sole-source awards were justified.

Joint Review of Blackwater Contract for Worldwide Personal Protective Services
(DOS OIG PROJECT NO. 08-AUD-3016; SIGIR PROJECT NO. 8019, INITIATED MARCH 2008)
The objectives were to determine the contracting process, the requirements and provisions of the contract, the costs and funding sources of the contract, and how DoS administered the contract to oversee Blackwater's performance.

This audit is in the fieldwork stage.

Audit of Contract Administration, Commissioning and Accreditation of the NEC Baghdad

(08AUD3023, INITIATED JULY 2008)
Objectives are to determine whether OBO and its Emergency Project Coordination Office (EPCO) effectively oversaw and certified the construction of the NEC Baghdad in accordance with applicable requirements and standards.

This project is in the fieldwork stage.

Review on the Role, Staffing, and Effectiveness of Diplomatic Security in the Development and Implementation Personal Protective Services (PPS) in Iraq

(08MERO3003, INITIATED JUNE 2008)
The objectives were to review what studies and needs assessments were conducted by the Bureau of Diplomatic Security to determine PPS requirements, factors which led to the decision for three separate contractors to perform protection services in Iraq, and what mechanisms are in place to ensure personal protective services assets are utilized in an efficient and effective manner.

This project is in the draft report stage.

Review on the Implementation of Recommendations from the Report of the Secretary of State's Panel on Personal Protective Services in Iraq (commonly known as the Kennedy Report on Personal Protective Service in Iraq)

(08MERO3004, INITIATED JUNE 2008)
The objectives were to review the current status of implementing recommendations from the Kennedy Report by the three WPPS contractors in Iraq—Blackwater, DynCorp International, and Triple Canopy; conduct an analysis of what recommendations, if any, have not been implemented; review and evaluate DoS tracking of the implementation and effectiveness of the Kennedy Report recommendations.

This project is in the draft report stage.

Review of the Activities of DynCorp International and Triple Canopy under the State Department's Worldwide Personal Protective Service Contracts (WPPS) in Iraq

(08MERO3005, INITIATED JUNE 2008)
The objectives were to review the requirements, provisions, and objectives of the contract; the indicators that have been established to measure performance; and how DoS administered the contract to oversee DynCorp International and Triple Canopy's performance.

This review is in the draft report stage.

Review of US Policy regarding Oil Contracts in Iraq (Program Evaluation)

(09-ISP-3014, INITIATED SEPTEMBER 2008)
The objective is to review U.S. policy on entering into of oil contracts in Iraq and whether a policy has been clearly defined, communicated, or consistently implemented in its interactions with the Iraqi Government, the Kurdistan Regional Government, and international oil companies seeking to do business in Iraq.

This review is in the fieldwork stage

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

Completed Audits

This quarter, the USAID Office of Inspector General (USAID OIG) issued three audits related to Iraq reconstruction.

Audit of USAID/Iraq's Monitoring and Evaluation Performance Program
(REPORT NO. E-267-08-004-P, ISSUED JULY 3, 2008)

The presence of a USAID mission in an active war zone has imposed unique constraints on USAID's normal mode of operations. To address these constraints, USAID/Iraq employs a contractor under its Monitoring and Evaluation Performance Program to carry out monitoring and evaluation responsibilities. We conducted this audit to determine (1) if USAID/Iraq's monitoring and evaluation program is producing reports that are timely, relevant, and useful for performance management, and (2) is USAID/Iraq using those results to manage its portfolio. The audit concluded that the firm's monitoring and evaluation reports were generally timely, relevant, and useful. However, the reliability and frequency of these reports could be enhanced, and the mission could utilize them more effectively. The report contained six recommendations, including the proper documentation of responses to monitoring reports, establishing procedures to ensure that evaluation reports are shared with partners, and increasing the frequency of monitoring efforts of high-risk activities.

Audit of USAID/Iraq's Community Action Program II
(REPORT NO. E-267-08-005-P, ISSUED AUGUST 5, 2008)

USAID/Iraq's Community Action Program II was designed to promote grassroots democracy and better local governance via demand-driven community development. Projects are principally funded by USAID, but also draw upon community and local government contributions. Typical projects consisted of improving community schools, health, roads and bridges, water and sewerage, and business/economic development. We conducted this audit to determine if the program activities were achieving planned results and what was the impact of those results. The report found that while there was convincing evidence that project activities were successfully taking place, there was not a functioning mechanism in place to assist program managers and other stakeholders to assess the program's progress and to make necessary adjustments to assure achievement of higher-level goals. The report contained four recommendations: two of the recommendations addressed the evaluation and documentation of targets, and the other two addressed data quality assessments and collection processes.

TABLE M-2

DCAA AUDITS RELATED TO IRAQ FOR FY 2007 AND FY 2008

DESCRIPTION OF AUDIT AREA	FY 2007 CLOSED	FY 2008	
		CLOSED	OPEN
Price Proposals (1)	105	66	13
Agreed-Upon Procedures Price Proposal (2)	13	0	1
Other Special Requested Audits (3)	71	63	54
Incurred Cost (4)	27	78	102
Labor Timekeeping (5)	60	40	36
Internal Controls (6)	32	26	53
Preaward Accounting Survey (7)	6	4	6
Purchase Existence and Consumption (8)	23	12	27
Cost Accounting Standards (9)	39	44	69
Other (10)	47	45	98
Total	**423**	**378**	**459**

Notes:
1. Price Proposals – Audits of price proposals submitted by contractors in connection with the award, modification, or repricing of government contracts or subcontracts
2. Agreed-Upon Procedures Price Proposal – Evaluation of specific areas, including actual labor and overhead rates and/or cost realism analysis, requested by customers in connection with the award of government contracts or subcontracts
3. Other Special Requested Audits – Audit assistance provided in response to special requests from the contracting community based on identified risks
4. Incurred Cost – Audits of costs charged to government contracts to determine whether they are allowable, allocable, and reasonable
5. Labor Timekeeping – Audits to determine if the contractor consistently complies with established timekeeping system policies and procedures for recording labor costs
6. Internal Controls – Audits of contractor internal control systems relating to the accounting and billing of costs under government contracts
7. Preaward Accounting Survey – Preaward audits to determine whether a contractor's accounting system is acceptable for segregating and accumulating costs under government contracts
8. Purchase Existence and Consumption – The physical observation of purchased materials and services and related inquiries regarding their documentation and verification of contract charges
9. Cost Accounting Standards – Audits of Contractor Disclosure Statements and compliance with Cost Accounting Standards
10. 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

USAID/Iraq's Agribusiness Program
(REPORT NO. E-267-08-006-P, ISSUED SEPTEMBER 30, 2008)

This audit was conducted to determine whether USAID/Iraq's agribusiness program was achieving the intended results and to determine the impact of the program. The audit found that 2 of the 12 agribusiness activities reviewed by the audit were not achieving intended results, and due to delays in the startup of the program, it was too early to determine whether the remaining 10 activities were achieving planned results. Specifically, the targets set for the Iraqi date industry and a master's degree program were too ambitious and not likely to be achieved. The audit included eight recommendations to improve USAID/Iraq's management of the agribusiness program in areas such as establishing and/or revising performance indicators to ensure they are attributable to program activities, improving the utility of financial reports, and confirming that the mandatory provision to prevent the possible financing of terrorism is included in all sub-awards. Additionally, the feasibility of sending 25 students to the United States for a master's degree program was reviewed, and $5 million allocated for this program was reprogrammed to a better use.

Ongoing Audits

Follow-up Audit of USAID/Iraq's Local Governance
(INITIATED 4Q/FY 2008)

The objective is to evaluate if USAID/Iraq's Local Governance activities are achieving their intended results and what has been the impact.

Audit of USAID/Iraq's Economic Governance Program II
(INITIATED 4Q/FY 2008)

The objective is to evaluate if USAID/Iraq's Economic Governance Program II is achieving intended results and what has been the impact.

Audit of USAID/Iraq's Oversight of Private Security Contractors in Iraq
(INITIATED 4Q/FY 2008)

The objective is to evaluate if USAID/Iraq managed its contracts and grant agreements with implementing partners such that they provide adequate oversight over private security contractors.

USAID/Iraq's National Capacity Development Program
(INITIATED 3Q/FY 2008)

The objective of this audit is to determine whether USAID/Iraq's National Capacity Development Program has achieved the planned results and what the impact has been of those results.

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. The chart below shows both the Iraq-related audits closed during FY 2007 and the audits closed and still open at the end of FY 2008.

U.S. Army Audit Agency

As of September 30, 2008, the U.S. Army Audit Agency (USAAA) had 27 auditors working in Southwest Asia, including 17 in Iraq, 3 in Afghanistan, and 7 in Kuwait.

Completed Audits

Management of Shipping Containers in Southwest Asia—Kuwait
(AUDIT REPORT A-2008-0286-ALL, SEPTEMBER 30, 2008)

At the request of the Office of the Deputy Chief of Staff, G-4, we audited whether deployed activities in Kuwait maintained adequate visibility over shipping containers located in the Kuwait theater of operations. This report was part of an overall audit of the Management of Shipping Containers in Southwest Asia, which consisted of simultaneous audits occurring in Kuwait, Iraq, Afghanistan, and CONUS.

Our audit of selected activities in Kuwait showed that visibility issues existed with the data in the Integrated Booking System Container Management Module (IBS-CMM), the automated system used to manage and track shipping containers in the Southwest Asia area of operations. Specifically, key personnel and activities sometimes were not taking the action needed to ensure complete and accurate visibility of the data. Examples of actions needed included in-gating, out-gating, and inventorying containers; recording data properly; and correctly appointing country container authorities and container control officers.

Without these actions, there was a measurable loss of visibility data that affected the commander's ability to make sound decisions on container management. For example, in the Kuwait theater of operations, visibility over 10,971 20- and 40-foot containers valued at about $32 million was questionable.

In addition, we concluded that improvements were needed in controls over containers arriving at and leaving installations, placement of containers on installations, and contractor-acquired government-owned container purchases.

Overall, these problems occurred due to shortfalls in:

- Command Emphasis. U.S. Army Central (ARCENT), the 377th Theater Support Command Container Management Branch, and the 1188th Container Management element demonstrated container management was a priority area. However, container control officers outside their immediate oversight sometimes didn't have active command support and oversight.
- Training. Container control officers and other container managers did not have sufficient predeployment training on container management and also had no exposure to the theater's automated container management tool before deployment.

Improvements in these key areas were critical to overcoming the challenges with managing containers during contingency operations.

Followup Audit of Asset Visibility and Container Management—Operation Iraqi Freedom, U.S Central Command
(AUDIT REPORT A-2008-0287-ALL, SEPTEMBER 30, 2008)

At the request of the Deputy Chief of Staff, G-4, we conducted this follow-up audit to determine whether U.S. Central Command (CENTCOM) implemented three specific recommendations in

Audit Report A-2005-0197-ALE, Asset Visibility and Container Management—Operation Iraqi Freedom (July 5, 2005), and whether the recommendations corrected the problems identified during the initial audit. The recommendations we reviewed were aimed at helping CENTCOM overcome challenges associated with the use of shipping containers beyond their intended purpose, giving the Theater Container Management Agency the needed authority to direct and coordinate container management in CENTCOM's area of responsibility, and improving the container management data used by deployed commanders. The audit was part of a multi-location audit assessing the effectiveness of the management of shipping containers in Southwest Asia.

The initial audit showed that CENTCOM needed to improve overall management of commercial shipping containers. This occurred because CENTCOM did not identify its storage or force protection requirements or adequately account for containers. In addition, the Theater Container Management Agency was not assigned at the appropriate level to effectively direct and enforce container management policies and directives. As a result, the theater did not know the current location or use of its containers and had duplicative and ineffective container management efforts.

CENTCOM took sufficient action to implement the recommendations, and certain collective actions took place that met the intent of the recommendations. These actions included the procurement of shipping containers and issuing a letter of instruction that prescribed a management structure to include Country Container Authorities with the authority and responsibility to manage containers in their respective area of responsibility. In addition, CENTCOM developed and fielded, with Military Surface Deployment and Distribution Command, an automated management system—the Integrated Booking System Container Management Module. However, the audit determined that U.S. Central Command, in coordination with 1st Theater Sustainment Command, needed to ensure that 1st Theater Sustainment Command's plans to take over container management responsibilities included Country Container Authority duties and responsibilities as written in the letter of instruction and maintained the current staff levels in the 377th Container Management Branch until the status of unaccounted-for containers is resolved.

The follow-up report contains one additional recommendation. Recommendations A-1, A-2, and A-3 can be closed.

Accountability of Contractors on the Battlefield
(AUDIT REPORT A-2008-0255-FFS, SEPTEMBER 30, 2008)

This audit was the second in a series of audits on contractors on the battlefield. For this effort, we audited the Army's roles and responsibilities for accounting for contractors on the battlefield, the functionality of the Synchronized Predeployment Operational Tracker (SPOT), and various other processes and procedures used

for contractor accountability to determine the adequacy of those procedures.

Overall, the contractor accountability mission lacks adequate Army enforcement, policy, coordination, and mission alignment. The Deputy Chief of Staff (DCS), G-1, was originally designated the lead staff element responsible for accountability in AR 715-9. However, we believe that the Office of the DCS, G-4, should assume lead staff element responsibility in line with its responsibilities for the overall contractors on the battlefield mission. In addition, Army responsibilities for contractor accountability need to be aligned between various Army regulations and guidance and with DoD requirements.

We found that SPOT (the system designated by DoD for contractor accountability) currently does not provide functional management and accountability over deployed Army contractors. Out of the population of contractors sampled, we found that 74% had a record in SPOT. However only 26% of those records provided accurate and complete information—such as contract number, company name, and correct deployment status. Also we believe that additional data fields within the system should be required to be populated versus optional. However, overall we believe that SPOT does provide the capability to consolidate contract personnel and information into critical decision-making processes. Senior Army officials could enhance operational planning and execution by using SPOT information once it is fully fielded.

To date no one system or integration of systems provides complete contractor accountability. We reviewed three major accountability processes—the U.S. Central Command manual census, Deployed Theater Accountability System, and SPOT/Joint Asset Movement and Management System—and found significant accountability inaccuracies in all three. We found that the activities reviewed overstated the number of deployed contract personnel by 49% for the manual census process that is used to report to the Congress the number of contract personnel deployed in theater. We also found that about one third of the contract personnel in the Deployed Theater Accountability System were not attached to a specific, theater-based organization so they could be located or accounted for in theater. We believe that collaboration between the G-1 community that uses the Deployed Theater Accountability System and the Army Field Support Brigade/Contractor Reception, Staging, Onward Movement and Integration teams that use SPOT and the Joint Asset Movement and Management System will further improve the Army's ability to adequately account for contractors on the battlefield.

Operational Purchases of Information Technology Equipment, Systems, and Services-U.S. Army Forces Command
(AUDIT REPORT A-2008-0178-FFI, JULY 1, 2008)
The Army Chief Information Officer (CIO/G-6) is responsible for overseeing the Army's information technology (IT) resources. To accomplish this, the CIO/G-6 has developed several control mechanisms. The CIO/G-6 asked us to

determine whether these control mechanisms were operating effectively among units deploying to Iraq and Kuwait in support of Operation Iraqi Freedom.

Based on initial audit results from FY 2006 and limited additional work in FY 2008, we concluded that controls over IT purchases were not consistently applied or enforced. We reviewed 349 IT transactions valued at about $78 million initiated at five force projection installations and found that the units did not:

- prepare or submit operational needs statements to obtain approval for proposed materiel solutions
- request waivers for purchases to be made with non-IT funds
- perform technical reviews to minimize network vulnerability
- fully leverage Computer Hardware, Enterprise Software and Solutions contracts to obtain equipment at the lowest cost

Although U.S. Army Forces Command issued guidance addressing some of these issues, most deploying units were unaware of the guidance and developed their own procedures, which were often incomplete.

CIO/G-6 also asked us to determine if units were using appropriate funding sources in support of deployment operations. Special funds are normally provided for deployment needs for the Global War on Terrorism (GWOT). Operating Tempo (OPTEMPO) funds are intended to ensure that units have adequate resources to execute home-station training plans and generally

should not be used to support the GWOT mission. If it is necessary to support GWOT requirements with OPTEMPO funds, transactions should include special functional cost account codes to recognize the GWOT support. We reviewed transactions involving OPTEMPO funds valued at about $44.5 million and found about $15.4 million (35%) was for GWOT activities; no transactions had the necessary functional cost account codes. Consequently, home-station training requirements may have been underfunded, and the actual cost to support GWOT was understated.

Temporary Change of Station Orders and Housing for Mobilized Soldiers
(AUDIT REPORT A-2008-0182-FFS, JULY 15, 2008)

At the request of the Assistant Secretary of the Army (Financial Management and Comptroller), we audited the Army's policies and procedures for providing Temporary Change of Station (TCS) orders and approving the related travel vouchers. We combined this effort with an ongoing related audit analyzing the Army's housing for mobilized soldiers in the National Capital Region (NCR) to provide an overall view of the TCS travel process.

We determined that the Army did not have sufficient policy and procedures to ensure valid travel entitlements and adequate authorizations. Our work revealed that there was no centralized managing process to generate travel orders specifying travel entitlements for mobilized soldiers. Because of this lack of control over

travel entitlements, Army funding was at risk to potential fraud, waste, and abuse.

We also determined that the Army had no structured approval procedures to process the vouchers of these mobilized soldiers. Travel vouchers often did not receive adequate review or approval and often were not supported by adequate documentation. The effect was evident in the 116 packets of travel vouchers we thoroughly analyzed:

- 10% included claims that were potentially fraudulent.
- 77% included claims that were wasteful or abusive.
- 13% included claims deemed to be reasonable.

These findings are significant in the context that the Army has spent in excess of an estimated $1.5 billion in TCS travel costs since 2004.

Finally, we determined that the Army did not have sufficient or cost-effective lodging solutions in the NCR for mobilized soldiers. This situation existed primarily because no central processing point existed to manage housing options for mobilized soldiers within the NCR. Because of that, the Army continues to spend significant amounts of money to house soldiers in off-post housing. In conjunction with implementation of the Army TCS Action Plan, our recommendations to house soldiers in the NCR in available on-post and government-contracted off-post housing could save the Army at least $21 million annually. Actual savings could be higher or lower depending on the number of soldiers mobilized in the future.

Reset Metrics-Sustainment Maintenance
(AUDIT REPORT A-2008-0190-ALM, JULY 22, 2008)

Resetting equipment is critical to reversing the effects of combat stress associated with increased use of equipment and damage in the theater of operations. At the request of the Office of the Secretary of the Army, we audited the processes used to track and report the Operation and Maintenance, Army (OMA) funding for sustainment maintenance metrics related to the Army's FY 2007 reset supplemental funding.

The Army had an adequate process in place to track and report its FY 2007 supplemental reset funding obligated at the sustainment level of repair, but its process to track and report system quantities did not accurately depict reset status. In its April 2007 congressional submission, the Army:

- Accurately tracked and reported obligation data in its funding metric for about $3.4 billion in FY 2007 OMA sustainment level reset and recapitalization funds.
- Inaccurately tracked and reported completion of reset in its metric for sustainment (depot) equipment repairs for three of four selected ground systems.

In addition, the obligation metric did not correlate with reported sustainment equipment repairs because the Army combined OMA sustainment reset funding with other reset categories, such as field level. As a result, users of the report could not effectively compare funding obligations with quantities of completed systems at the sustainment level. U.S. Army Materiel

Command and subordinate activities used newly established accounting controls, such as a dedicated subactivity group and functional cost accounting codes, which enabled better tracking of reset funding obligations. But the Army had difficulty accurately tracking and reporting the systems completed because it lacked sufficient visibility over contractor reset work.

The Army also did not establish standard business rules that defined system completions or a monthly reconciliation process to validate quantities reported by subordinate activities. As a result, Army activities used various standards for defining completed systems and did not properly update reported quantities. Consequently, the format and rules for reporting sustainment level reset needed improvement to deliver reliable data to Army leaders and to Congress.

Use of Role-Players for Training at Combat Training Centers
(AUDIT REPORT A-2008-0234-FFF, SEPTEMBER 2, 2008)

At the request of the Office of the Deputy Chief of Staff, G-3/5/7, we audited the use of contracted role-players at the Army's three maneuver Combat Training Centers (CTCs). This audit focused on whether the process used to acquire role-players was cost-effective, whether the logistics support provided to the role-players was consistent and cost-effective, and whether the role-players were adequately managed.

The process used to acquire role-players was not cost effective. The contracts were not:

- standardized
- sometimes competitively awarded
- developed to procure services on an annual basis

As a result, we estimate that the Army may be able to save about $11.8 million annually by implementing more consistent and cost-effective role-player acquisition practices.

We also found that the logistical support provided for role-players was not consistent or cost-effective. The Army could save an additional $2.9 million annually by:

- Purchasing or leasing vehicles at the National Training Center (NTC) and the Joint Readiness Training Center (JRTC).
- Eliminating the stipend of $500 to $1,000 that NTC paid each role-player for each rotation.

The CTCs did not monitor contractors' performance or develop or use quality assurance surveillance plans. In addition, several CTCs did not have documentation to validate contractors' invoices. As a result, the Army had little assurance it was getting a good return on its investment, and the potential risks associated with contracting irregularities were increased.

Rapid Fielding Initiative—Program Executive Office Soldier, Fort Belvoir, Virginia
(AUDIT REPORT A-2008-0213-ALA, SEPTEMBER 5, 2008)

The Rapid Fielding Initiative (RFI) was a Chief of Staff of the Army initiative to quickly provide units and soldiers with equipment deemed necessary for Operation Enduring Freedom and

Operation Iraqi Freedom. We audited the RFI to make sure the Army effectively met the emerging needs of soldiers now and in the future.

Our first objective was to determine if the Army's process to validate RFI requirements was adequate. We found it was because the U.S. Army Infantry Center involved communities of interest across the Army and other services to validate the requirements through the Joint Capabilities Integration and Development System. They bundled various capabilities into a Soldier as a System package, which allowed the soldier to act as an integrated weapon. The requirements were well defined, documented, and approved.

Our second objective was to determine if the Army had an effective process to resource RFI acquisitions. We found that it did not because the Army funded RFI equipment primarily with supplemental funds. However, the Army intended for the RFI capabilities to be completely subsumed within the Soldier as a System requirements documents as an enduring modernization program. To function effectively, it will require the stability of Program Objective Memorandum funding. The Commanding Generals of U.S. Army Forces Command, U.S. Army Training and Doctrine Command, and U.S. Army Materiel Command agreed with this assessment. Additionally, the Army was not reimbursed for $23 million worth of RFI equipment it supplied to the Air Force and the Navy. The Army should establish Interservice Support Agreements with the other services so it can recoup money in the future. If Interservice Support Agreements were developed with the Air Force and Navy to get reimbursed for future RFI fieldings, the Army could realize potential monetary benefits of about $57 million over six years.

Our third objective was to determine if the Army had an effective plan to institutionalize RFI after the Global War on Terror. The Army established several Integrated Process Teams to work on various aspects of Soldier as a System and supplying and sustaining Organizational Clothing and Individual Equipment (most RFI equipment falls into this category). These teams were enacting the steps and making the cultural changes necessary to integrate RFI into larger processes.

Overseeing Contracts for Field-Level Reset, U.S. Army Sustainment Command
(AUDIT REPORT A-2008-0256-ALM, SEPTEMBER 17, 2008)

The Secretary of Army requested a series of audits of the Army's reset processes. This audit covered oversight of contract requirements for field-level reset by U.S. Army Sustainment Command (ASC). For FY 2007, ASC did not yet have oversight of field-level maintenance requirements and capabilities to plan contract support effectively. It did not have a process to validate field-level reset requirements so command personnel distributed funds based on activities' requests for funds. Further, command did not have a complete inventory of the capabilities of existing sources of repair at installations or through contracts. Consequently, ASC could not ensure that requirements matched capabilities, and it had to continually adjust funding to use resources provided.

During our audit, ASC continued to improve its oversight of field-level maintenance requirements. Command developed business rules, guidance, and automated tools to improve estimating requirements. Also, ASC worked with U.S. Army Installation Management Command, Army field-support brigades, and installations through data calls and workload conferences to develop an inventory of maintenance capabilities. However, this inventory did not include complete information, and processes did not address direct theater support.

Without reasonable estimates of requirements and a comprehensive inventory of existing maintenance capabilities, ASC cannot identify when contractor support is necessary and plan for cost-effective contract options.

Operational Purchases of Information Technology Equipment, Purchases, and Services-Iraq and Kuwait
(AUDIT REPORT A-2008-0179-FFI, SEPTEMBER 25, 2008)

In July 2005, the Army Chief Information Officer CIO/G-6 requested an audit to determine if the Army was adequately controlling significant information technology expenditures being made in Iraq and Kuwait.

Overall, Army activities in Iraq and Kuwait made significant progress between FY 2004 and FY 2006 in managing and controlling their processes to acquire information technology equipment, systems, and services for deployed warfighting units. Our initial fieldwork examined processes and procedures in place during the early stages of Operation Iraqi Freedom, through FY 2004. We examined data from that time period because it was the latest available information. During that fieldwork, we reviewed 114 information technology transactions valued at about $47 million that were executed in Iraq and Kuwait in FY 2004. The controls in place at the time were not sufficient. However, by FY 2006, the Multi-National Corps-Iraq Coalition Forces Land Component Command in Kuwait initiated several process improvements that brought more discipline into the acquisition review and approval process. Although we noted progress in all areas, we also concluded that some areas would benefit from additional controls, including:

- retaining, tracking, and maintaining transaction documentation
- coding financial information accurately
- completing operational needs statements
- using Computer Hardware, Enterprise Software, and Solutions

We initially briefed the results, conclusions, and tentative recommendations to responsible personnel at U.S Army Central Command and the Multi-National Corps-Iraq in December 2006. We did not issue a report at that time. We conducted additional limited reviews in FY 2008, and this report discusses issues that still required additional controls.

Ongoing Audits

Contracting Operations, U.S. Army Contracting Command (USACC), SWA-Kuwait (Phase II)
(PROJECT CODE A-2007-ALL-0859.000, INITIATED 3Q/FY 2007)

(1) Determine if contracts for heavy lift services were adequately developed and effectively administered. (2) Determine if laundry services were effectively managed. (3) Determine if Defense Base Act (DBA) insurance was properly administered on Kuwait contracts.

Follow-up Audit of Contracting Operations, U.S. Army Contracting Command (USACC), SWA-Kuwait (Phase I)
(PROJECT CODE A-2008-ALL-0625.000, INITIATED 3Q/FY 2008)

Evaluate the effectiveness of actions taken to improve Army contracting operations in Kuwait.

Contracting Operations at the Joint Contracting Command-Iraq/Afghanistan— Salerno & Kabul
(PROJECT CODE A-2008-ALL-0401.000, INITIATED 4Q/FY 2008)

Determine if goods and services acquired under the contract were properly justified, awarded, and administered.

Housing Contracts—Area Support Group-Kuwait
(PROJECT CODE A-2008-ALL-0403.000, INITIATED 4Q/FY 2008)

(1) Determine if the housing program in Kuwait was properly managed. (2) Determine if property or assets provided by the government and acquired by the contractor were adequately managed.

Controls Over Vendor Payments—U.S. Army Contracting Command (USACC), SWA-Kuwait—Phase I
(PROJECT CODE A-2008-ALL-0501.000, INITIATED 4Q/FY 2008)

Evaluate the controls over vendor payments made on contracts awarded in Kuwait.

Commander's Emergency Response Program (CERP)— Iraq
(PROJECT CODE A-2008-ALL-0624.000, INITIATED 3Q/FY 2008)

Determine whether the procedures, processes, and guidance were sufficient to ensure that deployed commanders implemented the program and used emergency funds appropriately.

Controls over Logistics Civil Augmentation Program (LOGCAP)—White Property
(PROJECT CODE A-2008-ALL-0398.000, INITIATED 4Q/FY 2008)

Determine if the Logistics Civil Augmentation Program (LOGCAP) contractor properly managed and accounted for government-acquired property.

U.S. Army Corps of Engineers Contracting Functions in Iraq—Phase II

(PROJECT CODE A-2008-ALL-0685.000, INITIATED 4Q/FY 2008)

(1) Determine if contract requirements were correctly identified and resulted in acquisitions that met the needs of Iraq reconstruction. (2) Determine if deliverables were monitored to ensure products and services were provided in accordance with the terms of the contracts. (3) Determine if contract closeout practices for terminated contracts were adequate and in the best interest of the Army. (4) Determine if contract award fee practices were adequate.

Follow Up of Offline Purchases

(PROJECT CODE A-2008-ALL-0466.000, INITIATED 3Q/FY 2008)

(1) Determine if the Army implemented agreed to recommendations and corrected the problems identified in the previous audit. (2) Determine if problems were fixed.

Body Armor Testing

(PROJECT CODE A-2008-ALA-0640.000, INITIATED 4Q/FY 2008)

(1) Determine if body armor developed meets Army requirements at the production decision. (2) Determine if the test and evaluation process during the production phase ensures that body armor that is fielded meets requirements.

Field Level Reset Requirements— Army National Guard

(PROJECT CODE A-2007-ALM-0306.002, INITIATED 3Q/FY 2007)

(1) Did Army National Guard Headquarters have adequate oversight of field level reset requirements to effectively and efficiently plan for maintenance support? (2) Did the states have adequate oversight of field level reset resources to effectively reset and return equipment to National Guard units?

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

(PROJECT CODE A-2008-ALL-0633.000, INITIATED 3Q/FY 2008)

(1) Determine if the centralized Defense Base Act (DBA) insurance program was cost effective. (2) Determine if competition increased for contracts outside the continental United States due to the centralized DBA insurance program. (3) Determine if contractor awareness of DBA insurance requirements increased as a result of the centralized DBA insurance program. (4) Determine if risk pooling effectively spread risk under the centralized DBA insurance program.

Advanced Training for Explosive Ordnance Disposal Soldiers

(PROJECT CODE A-2008-FFD-0098.000, INITIATED 3Q/FY 2008)

(1) Were improvised explosive device (IED) defeat methods fully integrated into advanced training for Explosive Ordnance Disposal

Soldiers? (2) Was training for new equipment fielded during OIF/OEF fully integrated into advanced training for Explosive Ordnance Disposal Soldiers?

Assessing Future Base Budget Requirements (Audit Control Point)

(PROJECT CODE A-2008-FFM-0630.000, INITIATED 4Q/FY 2008)

Did the Army adequately consider enduring requirements when projecting future base budget funding requests?

Assessing Future Base Budget Requirements—Manning Program Evaluation Group (PEG)

(PROJECT CODE A-2008-FFM-0549.000, INITIATED 4Q/FY 2008)

Did the Army adequately consider enduring requirements when projecting future base budget funding requests?

Assessing Future Base Budget Requirements—Equipping Program Evaluation Group (PEG)

(PROJECT CODE A-2008-ALA-0498.000, INITIATED 4Q/FY 2008)

Did the Army adequately consider enduring requirements when projecting future base budget funding requests?

Assessing Future Base Budget Requirements—Training Program Evaluation Group (PEG)

(PROJECT CODE A-2008-FFF-0647.000, INITIATED 4Q/FY 2008)

Did the Army adequately consider enduring requirements when projecting future base budget funding requests?

Assessing Future Base Budget Requirements—Installation Program Evaluation Group (PEG)

(PROJECT CODE A-2008-ALO-0741.000, INITIATED 4Q/FY 2008)

Did the Army adequately consider enduring requirements when projecting future base budget funding requests?

Assessing Future Base Budget Requirements—Organizing Program Evaluation Group (PEG)

(PROJECT CODE A-2008-FFS-0669.000, INITIATED 4Q/FY 2008)

Did the Army adequately consider enduring requirements when projecting future base budget funding requests?

Assessing Future Base Budget Requirements—Sustaining Program Evaluation Group (PEG)

(PROJECT CODE A-2008-ALM-0690.000, INITIATED 4Q/FY 2008)

Did the Army adequately consider enduring requirements when projecting future base budget funding requests?

Assessing Future Base Budget Requirements—Europe

(PROJECT CODE A-2008-ALE-0090.000, INITIATED 4Q/FY 2008)

Did Army activities in Europe properly allocate funds between base budget and wartime requirements?

Sustainment of Left Behind Equipment

(PROJECT CODE A-2008-ALM-0247.000, INITIATED 3Q/FY 2008)

Did the Army effectively and efficiently manage accountability and maintenance of its continental United States (CONUS) left-behind equipment?

Automatic Reset Items—Depot

(PROJECT CODE A-2008-ALM-0313.000, INITIATED 3Q/FY 2008)

Was the Automatic Reset Induction program at depots effectively supporting equipment requirements in the Army Force Generation (ARFORGEN) model?

Requirements Validation for CONUS Based Mobilized Soldiers

(PROJECT CODE A-2008-FFS-0443.000, INITIATED 4Q/FY 2008)

(1) Determine if soldiers mobilized to support contingency operations outside of theater continue to have valid mission essential requirements. (2) Determine the force structure impacts of continued use of soldiers mobilized to support contingency operations outside of theater operations.

Army Authorized Acquisition Objective (AAO) Process

(PROJECT CODE A-2008-ALA-0468.000, INITIATED 4Q/FY 2008)

Determine if the Army had an effective process to identify and adjust authorized acquisition objective (AAO) requirements for wartime needs.

Management of Shipping Containers in SWA—Afghanistan

(PROJECT CODE A-2007-ALL-0081.005, INITIATED 2Q/FY 2007)

Determine if the Army maintained adequate visibility over shipping containers to within and from the Southwest Asia Theater of operations.

Retrograde Operations in SWA/Kuwait

(PROJECT CODE A-2007-ALL-0858.000, INITIATED 3Q/FY 2007)

1. Determine whether retrograde operations in the Southwest Asia area of operations are managed in an effective and cost-efficient manner.
2. Determine whether adequate accountability and visibility are maintained over retrograded materiel and equipment.

Retrograde Operations in SWA/Kuwait (Rear Support)

(PROJECT CODE A-2007-ALL-0858.001, INITIATED 4Q/FY 2007)

1. Determine whether retrograde operations in the Southwest Asia area of operations are managed in an effective and cost-efficient manner.
2. Determine whether adequate accountability and visibility are maintained over retrograded materiel and equipment.

Contracting Operations at the Joint Contracting Command—Iraq/Afghanistan Victory
(PROJECT CODE A-2007-ALL-0887.002, INITIATED 4Q/FY 2007)

Determine if goods and services acquired under contract were properly justified and administered.

Container Detention Billing for the Global War on Terrorism, Military Surface Deployment and Distribution Command
(PROJECT CODE A-2007-ALR-0259.002, INITIATED 2Q/FY 2008)

Are container detention charges relating to the Global War on Terrorism billed to the responsible activity?

Body Armor Requirements
(PROJECT CODE A-2007-FFD-0067.000, INITIATED 2Q/FY 2007)

1. Has the Army established adequate quantitative requirements for the procurement of body armor?
2. Does the Army have an adequate fielding plan for body armor?

Impact of Mine Resistant Ambush Protected Vehicle Acquisitions on Other Systems
(PROJECT CODE A-2007-ALA-0978.000, INITIATED 4Q/FY 2007)

Did the Army adequately adjust requirements for new/existing systems impacted by MRAP acquisition?

Automatic Reset Items—Retrograde
(PROJECT CODE A-2008-ALM-0312.000, INITIATED 2Q/FY 2008)

Is Automatic Reset Induction effectively supporting equipment requirements in the Army Force Generation (ARFORGEN) model?

Contracts for Reset
(PROJECT CODE A-2007-ALM-0306.000, INITIATED 3Q/FY 2007)

Did the Army have adequate oversight of field-level reset requirements to effectively plan for contract maintenance support?

Army Reserve Premobilization Training
PROJECT CODE A-2008-FFS-0101.000, INITIATED 2Q/FY 2008)

1. Are pre-mobilization training requirements adequately identified and executed for the Army Reserve?
2. Are all necessary unit and individual training requirements completed prior to mobilization?
3. Are training requirements maximized at pre-mobilization to minimize post-mobilization training requirements?

National Guard Premobilization Training
(PROJECT CODE A-2008-FFS-0353.000, INITIATED 1Q/FY 2008)

1. Are pre-mobilization training requirements adequately identified and executed for the Army Reserve?
2. Are all necessary unit and individual training requirements completed prior to mobilization?
3. Are training requirements maximized at pre-

mobilization to minimize post-mobilization training requirements?

Property Book Unit Supply Enhanced, 3d Infantry Division (ID)
(PROJECT CODE A-2008-ALR-0307.000, INITIATED 2Q/FY 2008)
Determine if units used the Property Book Unit Supply Enhanced system to properly account for equipment and maintain accurate data.

Property Book Unit Supply Enhanced, 10th Mountain Division
(PROJECT CODE A-2008-ALR-0360.000, INITIATED 2Q/FY 2008)
Determine if units used the Property Book Unit Supply Enhanced system to properly account for equipment and maintain accurate data.

Property Book Unit Supply Enhanced, I Corps
(PROJECT CODE A-2008-ALR-0357.000, INITIATED 2Q/FY 2008)
Determine if units used the Property Book Unit Supply Enhanced system to properly account for equipment and maintain accurate data.

Use of Role Players Armywide (less Combat Training Centers (CTCs))
(PROJECT NO. A-2008-FFF-0148.000, INITIATED 1Q/FY 2008)
1. Is the acquisition and use of role-players for training cost-effective?
2. Is the logistical support provided to role-players consistent and cost-effective?

3. Is the oversight and administration of role-player contractors adequate?

Establishing Rates for Shipping Containers
(PROJECT CODE A-2007-ALR-0259.001, INITIATED 3Q/FY 2007)
Are customer billing rates for break-bulk and container shipments based on appropriate costs?

Army Foreign Language Program—Contracting
(PROJECT CODE A-2007-ZBI-0344.003, INITIATED 1Q/FY 2008)
1. Determine if the Army Foreign Language Program adequately identifies and receives contracted linguists to support mission requirements.
2. Determine if the procedures and practices for awarding and justifying language contracts were adequate and in the best interest of the Army.

DOL Workload Supporting Reset
(PROJECT CODE A-2008-ALM-0311.000, INITIATED 2Q/FY 2008)
Did the Army Garrison have an adequate process in place to identify and meet field-level reset requirements in support of the Army Force Generation (ARFORGEN) model?

Management of the Prepositioned Fleet at Combat Training Centers

(PROJECT CODE A-2008-FFF-0044.000, INITIATED 2Q/FY 2008)

1. Were the pre-positioned fleets adequately configured?
2. Were rotational units effectively using the pre-positioned fleets?
3. Were the maintenance costs for the pre-positioned fleets reasonable?

Property Book Unit Supply Enhanced; ACP

(PROJECT CODE A-2008-ALR-0039.000, INITIATED 1Q/FY 2008)

Determine if units used the Property Book Unit Supply Enhanced system to properly account for equipment and maintain accurate data.

Audit of Army Corps of Engineers Contracting Functions in Iraq (Gulf Region Division)

(PROJECT CODE A-2008-ALL-0318.000, INITIATED 2Q/FY 2008)

The overall objective is to evaluate contracting practices and procedures at the Gulf Region Division. Specific objectives are to determine if:

- contract requirements were correctly identified and resulted in acquisitions that met the needs of the Army
- deliverables were monitored to ensure that products and services were provided in accordance with terms of the contracts
- contract closeout practices for terminated contracts were adequate and in the best interest of the Army

Audit of Government Property Provided to Contractors—Kuwait Base Operations

(PROJECT CODE A-2008-ALL-0204.000, INITIATED 2Q/FY 2008)

Determine whether the Army had adequate management and visibility over government property provided to contractors for base support operations.

Management of Shipping Containers in Southwest Asia

(PROJECT CODE A-2007-ALL-0081-000, INITIATED 4Q/FY 2006)

Determine if the Army maintained visibility over shipping containers to, within, and from the Southwest Asia theater of operations.

Audit of Joint Contracting Command-Iraq—Baghdad

(PROJECT CODE A-2007-ALL-0887.001, INITIATED 4Q/FY 2007)

Determine if goods and services acquired under contract were properly justified, awarded, and administered.

Audit of LOGCAP Operations in Support of OIF—Power Generators

(PROJECT CODE A-2007-ALL-0212.001, INITIATED 4Q/FY 2007)

This audit is being performed in Iraq. It evaluates whether contractor-acquired power generators were effectively managed and used under the LOGCAP III Contract.

Audit of U.S. Army Contracting Command Southwest Asia—Kuwait

(PROJECT CODE A-2007-ALL-0329-000, INITIATED 1Q/FY 2007)

This audit evaluates whether contracting operations were effective and performed in accordance with appropriate laws and regulations.

Retrograde Operations in Southwest Asia

(PROJECT CODE A-2006-ALL-0397-000, INITIATED 3Q/FY 2006)

This audit involves work in Iraq and Kuwait. It evaluates the retrograde and redistribution of military property resulting from restructuring military forces and the attendant contractor support.

Audit of Contracting Operations at the Joint Contracting Command—Iraq/Afghanistan—Balad

(A-2008-ALL-0319.000, INITIATED 2Q/FY 2008)

Determine if goods and services acquired under contract were properly justified, awarded, and administered.

Contracting Operations at the Joint Contracting Command—Iraq/Afghanistan—Bagram

(A-2008-ALL-0320.000, INITIATED 2Q/FY 2008)

Determine if goods and services acquired under contract were properly justified, awarded, and administered.

Government Accountability Office

Completed Reports

Provincial Reconstruction Teams in Iraq and Afghanistan

(GAO-08-905RSU, SEPTEMBER 26, 2008)

Content is restricted.

Stabilizing and Rebuilding Iraq: Iraqi Revenues, Expenditures, and Surplus

(GAO-08-1144T, SEPTEMBER 16, 2008)

Stabilizing and Rebuilding Iraq: Iraqi Revenues, Expenditures, and Surplus

(GAO-08-1031, AUGUST 5, 2008)

From 2005 through 2007, the Iraqi government generated an estimated $96 billion in cumulative revenues, of which crude oil export sales accounted for about $90.2 billion or 94%. For 2008, Iraq could generate an estimated $73.5 billion to $86.2 billion in revenues, with oil exports accounting for $66.5 billion to $79.2 billion. Projected 2008 oil revenues could be more than twice the average annual amount that Iraq generated from 2005 through 2007. From 2005 through 2007, the Iraqi government spent an estimated $67 billion on operating and investment activities. Ninety percent was spent on operating expenses, such as salaries and goods and services, and the remaining 10% on investments, such as structures and vehicles. The Iraqi government spent only 1% of total expenditures to maintain Iraq- and U.S.-funded investments, such as electricity installations and weapons. For 2008, we estimate that Iraq will have an additional surplus of between $38.2 billion to

$50.3 billion, which could result in a cumulative budget surplus of $67 billion to $79 billion.

Global War on Terrorism: Reported Obligations for the Department of Defense
(GAO-08-1128R, SEPTEMBER 15, 2008)

As of September 2008, the Congress has appropriated about $807 billion primarily for GWOT operations since 2001. Of that amount, about $187 billion has been provided for FY 2008, and about $65.9 billion has been appropriated for use in FY 2009. DoD will likely request additional funds for fiscal year 2009. DoD has reported obligations of about $594.9 billion for military operations in support of the war from FY 2001 through FY 2007 and FY 2008 (October 2007 through June 2008). The $212.1 billion difference between DoD's appropriations and reported obligations can generally be attributed to certain FY 2008 appropriations; multiyear funding for procurement, military construction, and research, development, test, and evaluation from previous GWOT-related appropriations that have yet to be obligated; and obligations for classified and other items, which DoD considers to be non-GWOT related, that are not reported in DoD's cost-of-war reports. This difference also includes the $65.9 billion appropriated for FY 2009. As part of our ongoing work, we are reviewing DoD's rationale for reporting its GWOT-related obligations.

Operation Iraqi Freedom: Actions Needed to Enhance DOD Planning for Reposturing of U.S. Forces from Iraq
(GAO-08-930, SEPTEMBER 10, 2008)

Although the pace and overall extent of reposturing in Iraq is yet to be determined, various defense commands began planning for reposturing in fall 2007, and DoD began coordinating these individual planning efforts in May 2008 to develop a logistical framework based on three key assumptions. The result of this planning was an order published by Multi-National Force-Iraq (MNF-I) that contained the process for reposturing units, materiel, and equipment and established working groups to continue the planning and seek solutions to emerging challenges. DoD's three key assumptions are: (1) any reposturing initiative will be based on MNF-I and DoS assessments of conditions on the ground, (2) there will be sufficient lead time to refine reposture plans once an order with a specific timetable and force posture in Iraq is issued, and (3) the reposturing of forces will be deliberate and gradual, predicated on a 180-day process for units leaving Iraq and a sustained flow of no more than 2.5 brigades' worth of equipment and materiel out of Iraq each month. Although efforts have been made to synchronize planning for reposturing, DoD, U.S. Central Command (CENTCOM), and the military services have not yet clearly established all of the roles and responsibilities for managing and executing the retrograde of materiel and equipment from Iraq.

Rebuilding Iraq: DoD and State Department Have Improved Oversight and Coordination of Private Security Contractors in Iraq, but Further Actions Are Needed to Sustain Improvements
(GAO-08-966, JULY 31, 2008)

Both DoD and DoS have taken steps to strengthen oversight of private security contractors in Iraq since September 2007. However, staffing and training challenges remain for DoD. DoD has increased the number of personnel in Iraq assigned to provide oversight for DoD's PSCs but has not developed plans or a strategy to sustain this increase. DoS has implemented 11 of 18 actions recommended in October 2007 by a panel tasked by the Secretary of State with reviewing that agency's use of private security contractors in Iraq. For example, DoS has increased the number of diplomatic security personnel stationed in Iraq to provide oversight of contractor activities and has requested and received funding to hire and train 100 additional agents to replace those who were transferred from other DoS programs in the United States to Iraq. Coordination among DoD, DoS, and the Government of Iraq (GOI) has significantly improved since September 2007. The State Department coordinates its PSC movements with DoD through liaison officers, and by providing a daily briefing to Multi-National Force-Iraq (MNF-I) on upcoming PSC activities. MNF-I's Armed Contractor Oversight Division facilitates coordination for PSC matters among DoD, DoS, the GOI, and the PSC community.

Securing, Stabilizing, and Rebuilding Iraq: Progress Report: Some Gains Made, Updated Strategy Needed
(GAO-08-1021T, JULY 23, 2008)

The United States has made some progress in achieving key goals stated in The New Way Forward. However, many challenges remain, and an updated strategy is essential. In the security area, violence—as measured by the number of enemy-initiated attacks—decreased about 80% from June 2007 to June 2008, trained Iraqi security forces have increased substantially, and many units are leading counterinsurgency operations. However, as of July 2008, 8 of the 18 provincial governments do not yet have lead responsibility for security in their provinces, and DoD reported that, in June 2008, less than 10% of Iraqi security forces were at the highest readiness level and, therefore, were considered capable of performing operations without Coalition support.

The security environment remains volatile and dangerous. Iraq has enacted key legislation to return some Ba'athists to government, grant amnesty to detained Iraqis, and define provincial powers. The unfinished Iraqi legislative agenda includes enacting laws that will provide the legal framework for sharing oil revenues, disarming militias, and holding provincial elections. On economic and infrastructure issues, Iraq spent only 24% of the $27 billion it budgeted for its reconstruction efforts between 2005 and 2007. Although crude oil production improved for short periods, the early July 2008 average production capacity of about 2.5 million barrels per day was below the U.S. goal of 3 million

barrels per day. Since 2003, the United States has developed and revised multiple strategies to address security and reconstruction needs in Iraq. The New Way Forward responded to failures in prior U.S. plans and the escalating violence that occurred in 2006. However, this strategy and the military surge that was central to it end in July 2008.

Ongoing Audits

Readiness of the Army Active/Reserve Component Forces
(PROJECT NUMBER NOT REPORTED, INITIATED SEPTEMBER 2008)
The report will address the following:
- What is the current readiness, factors affecting readiness, and plans to address any readiness issues?
- To what extent has the Army been able to prepare and use its reserve component forces for the primary wartime missions for which the units were organized or designed?
- To what extent has the Army been able to prepare and use its reserve component forces for non-traditional operational missions?
- To what extent are factors such as mobilization and deployment laws, goals, and policies impacting the Army's ability to train and employ reserve component units for ongoing combat and non-combat missions?

Readiness of the Active and Reserve Components of the Navy and Marine Corps
(PROJECT NUMBER NOT REPORTED, INITIATED SEPTEMBER 2008)
The report will address the following:
- To what extent are the Navy/Marine Corps prepared to execute their assigned missions, including ongoing operations?
- What factors have the Navy/Marine Corps identified that affect their readiness, and what steps are they taking to address these factors and improve or maintain their readiness?
- To what extent are Navy/Marine Corps readiness assessments used to develop service budget requests and support resource prioritization decisions?

DoD Plans to Support Unmanned Aircraft System Programs
(PROJECT NO. 351271, INITIATED SEPTEMBER 2008)
DoD relies on numerous methods for developing the appropriate number of Unmanned Aircraft System (UAS) missions. The services have steadily increased their UAS programs to meet the operational requests for UAS. These are the key questions:
- Assess DoD's current plans for UAS program levels, including the underlying basis for these plans and any adjustments that have been made to meet warfighter needs.
- Assess the extent to which DoD is able to support its existing inventory of UAS and planned increases, such as providing necessary personnel, equipment, and training.

Incentives, Compensation, and Medical Care for Deployed Federal Civilians
(PROJECT NO. 351166,
INITIATED FEBRUARY 2008)

With the ongoing military operations in Afghanistan and Iraq, DoD has grown increasingly reliant on its federal civilian workforce to support contingency operations. In addition, other federal civilian agencies have deployed their employees to these nations to assist, for example, with rebuilding efforts. These are the key questions:

- How do incentives, compensation, and medical care policies for selected federal agencies that send federal civilian employees to Iraq or Afghanistan compare and differ?
- To what extent have federal agencies applied these policies to ensure that federal civilian employees have received the compensation and medical care afforded them by current policies?
- What are federal civilians' perspectives on incentives and disincentives for deployment to Iraq and Afghanistan?

Status of Economic Support Funds for Iraq
(PROJECT NO. 320587, INITIATED MARCH 2008)
In FY 2006 and FY 2007, the Congress appropriated more than $3 billion for the Economic Support Fund (ESF) for Iraq, including funding to support projects in Iraq's provinces. Recent reports show large undisbursed funds in 2007 ESF funds. The report will address the following questions:

- What is the status of obligations and disbursements for ESF funding for 2006 through 2008, and how are these funds being used?
- To what extent are DoS and other agencies meeting expected time frames in obligating and proceeding with the projects and other activities funded by ESF?
- Do U.S. agencies face challenges in proceeding with ESF projects and activities; if so what are these challenges?

Contracting in Iraq and Afghanistan
(PROJECT NO. 120724,
INITIATED FEBRUARY 2008)
The Fiscal Year 2008 National Defense Authorization Act directs GAO to report annually on contracts for work performed in Iraq or Afghanistan. This report will address these key questions:

- How many contracts and tasks orders were awarded during the reporting period, and what was their total value?
- How many active contracts and task orders were there, and what was their total value?
- To what extent were competitive procedures used to award the contracts?
- How many contractor personnel worked on the contracts during the reporting period, and how many of those performed security functions?
- How many contractor personnel were killed or wounded?

Analysis of DoD's Fiscal Year 2008 Costs and Funding for the Global War on Terrorism

(PROJECT NO. 351155,
INITIATED JANUARY 2008)

As of May 2007, the Congress had provided about $542.9 billion to DoD for the Global War on Terror (GWOT). GAO's objectives on this engagement are to:

- Examine and evaluate data in selected GWOT cost-reporting categories to determine how components are following DoD guidance in identifying and reporting GWOT obligations and the extent of internal controls for GWOT cost reporting.

- Evaluate the basis for DoD's FY 2009 GWOT request, to include the guidance and key assumptions used in determining what funding will be required for the fiscal year.

- Assess the outlook of DoD's FY 2008 funding and reported obligations for GWOT and how this might impact the potential requirements for FY 2009 GWOT funding.

Iraqi Security Forces and the Transfer of Security Responsibilities

(PROJECT NO. 320557,
INITIATED DECEMBER 2007)

The United States has provided approximately $19.2 billion to train and equip Iraqi military and police forces and is also supporting non-governmental tribal security groups. This report will address these questions:

- What types and amounts of training, equipment, and other support has the United States provided for Iraqi security forces?

- What progress has been made in developing effective, non-sectarian Iraqi security forces?

- To what extent has the Multi-National Force-Iraq transferred security responsibilities to Iraqi security forces and the GOI?

- What factors are contributing or inhibiting progress in both areas?

U.S. and International Assistance for Iraq Refugees and Internally Displaced Persons

(PROJECT NUMBER NOT AVAILABLE,
INITIATED NOVEMBER 2007)

According to the UN High Commissioner for Refugees (UNHCR), there may be more than four million displaced Iraqis worldwide. The magnitude of refugees and internally displaced persons (IDPs)—comprising nearly 20% of Iraq's population—represents a growing humanitarian crisis and is potentially destabilizing to Iraq and neighboring countries. Since 2003, the U.S. government has reportedly provided almost $1 billion for refugees and IDPs. GAO will address these questions:

- What is the nature and extent of U.S. funding for assistance to Iraqi refugees and IDPs?

- What are the goals of U.S. and UN efforts to assist Iraqi refugees and IDPs, and what progress has been made?

- What challenges do the United States and the international community face in the efforts to assist Iraqi refugees and IDPs?

DoD Plans for Unmanned Aircraft
*(PROJECT NO. 351086,
INITIATED OCTOBER 2007)*

DoD continues to increase its unmanned aircraft systems (UAS). This report will answer the following key questions:

- To what extent has DoD made progress in developing procedures and performance measures for UAS?
- To what extent has DoD developed plans to support its inventory of UAS, and what factors may impact its ability to support these systems?
- What plans does DoD have to integrate additional UAS into the CENTCOM area of operations, and what factors may limit its ability to fully integrate their capabilities?
- To what extent would an executive agent for UAS address longstanding challenges related to the management of UAS?
- To what extent are current UAS capabilities meeting the needs of combatant commander, and what additional capabilities traditionally created for manned platforms are needed in these systems?

Body Armor Programs and Testing
(PROJECT NO. 351076, INITIATED AUGUST 2007)
Broad public interest and a June 2007 hearing on body armor raised several issues related to the Army's testing of new solutions, current solicitations (RFPs), and other issues. These are the key questions of the project:

- To what extent was the Army's May 2006 test of Pinnacle's "Dragon Skin" body armor

conducted in accordance with established testing processes and procedures?
- Is the Army's current RFP testing of body armor systems conducted in accordance with established processes and procedures?
- Do current solicitation processes ensure that the most appropriate body armor technologies, including viable new or alternative solutions, are provided to the troops?
- Does DoD have controls in place to ensure that DoD personnel adhere to relevant policies and guidance regarding use of body armor?

Use of Private Security Contractors in Iraq
(PROJECT NO. 351083, INITIATED AUGUST 2007)
These questions will be addressed:

- Why are private security contractors being used in Iraq instead of military or U.S. government civilian personnel?
- What is the number of private security contractor employees working in Iraq for the U.S. government and the total costs of employing these contractors?
- What process is used to ensure that contractor employees are properly trained, qualified, and vetted?
- What processes are used by contractors and the government to ensure accountability for vehicles and weapons acquired by contractors?

Fuel Demand at Forward Locations
(PROJECT NO. 351172, INITIATED MARCH 2008)
U.S. military forces rely heavily on petroleum-based fuel to conduct operations. Mobile ground forces operating at forward-deployed locations

require vast quantities of fuel to operate combat and support vehicles; generate power; and move troops, equipment, and supplies. This heavy fuel demand presents a significant logistics burden on the battlefield. These are the key questions:

1. To what extent has DoD identified systemic fuel demand issues at its forward-deployed locations?

2. What actions, if any, has DoD taken toward reducing the military's dependence on fuel at forward-deployed locations?

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:

1. To what extent are DoD components using their own respective processes to respond to urgent wartime needs rather than the joint process?

2. How effective is the joint process in reducing duplication of effort, capability costs, and providing timely response to urgent wartime requirements?

3. What barriers or limitations exist in the joint process, and what actions have the services and DoD taken to address these limitations?

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:

1. What progress has JIEDDO made in developing its strategic plan and the critical sub-elements needed to clearly define its mission and achieve its objectives?

2. To what extent has DoD identified all department-wide IED defeat activities and to what degree has JIEDDO led, advocated, and coordinated these activities?

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

Joint IED Defeat Organization (JIEDDO) Technology Assessment Management
(PROJECT NO. 351231, 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, by quickly and flexibly identifying, evaluating, selecting, developing, and fielding counter-IED solutions, including technological solutions. These are the key questions:

1. To what extent has JIEDDO developed its

processes to identify, evaluate, select, and develop appropriate and effective counter-IED technologies and other solutions?

2. To what extent has JIEDDO developed processes and mechanisms necessary to anticipate and rapidly respond to current and future threats?

Joint Improvised Explosive Devices Defeat Organization Processes To Coordinate Counter-improvised Explosive Devices Intelligence Support

(PROJECT NO. 351016, INITIATED MARCH 2007)
Improvised explosive devices (IEDs) are the number-one killer of U.S. troops in Iraq. In response to this threat, DoD established the Joint IED Defeat Organization (JIEDDO) to improve the U.S. military's capabilities to defend against IED attacks. Because of concerns over JIEDDO's rapid growth in structure, scope, and funding over the past two years, the Congress directed GAO to perform a comprehensive review of JIEDDO's efforts to address IEDs.

This is the key question: Does JIEDDO have effective processes in place for coordinating counter-IED intelligence support with other DoD and non-DoD organizations to leverage existing capabilities and prevent duplication of efforts?

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, 2008, the Department of Treasury has no plans to conduct any work in the future. As of September 30, 2008, the Department of Treasury has no auditors in Iraq and no ongoing audits related to Iraq.

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, 2008, the Department of Commerce has no plans to conduct any work in the future. As of September 30, 2008, the Department of Commerce has no auditors in Iraq and no ongoing audits related to Iraq.