COMMANDER’S EMERGENCY RESPONSE PROGRAM: HOTEL CONSTRUCTION COMPLETED, BUT PROJECT MANAGEMENT ISSUES REMAIN

SIGIR 09-026
JULY 26, 2009
Summary of Report: SIGIR 09-026

Why SIGIR Did This Audit

The Special Inspector General for Iraq Reconstruction (SIGIR) has issued five reports on the management controls and accountability of Commander’s Emergency Response Program (CERP) funds. This report focuses on the outcomes, cost, and oversight of one of the larger CERP projects; a $4.2 million project awarded to TAMA Design Consulting and Construction that provides international travelers and the public with hotel accommodations near the Baghdad Airport—the Baghdad International Airport Caravan Hotel.

SIGIR’s reporting objectives for this audit are to examine: (1) contract outcome, cost, and schedule, (2) project justification and compliance with CERP guidelines, (3) contract oversight, (4) coordination of the project among U.S. government agencies and with the Government of Iraq (GOI), and (5) transfer of the project to the GOI.

What SIGIR Recommends

SIGIR recommends that the Commanding General, Multi-National Corps-Iraq (MNC-I) take actions to: (1) update CERP guidelines to reflect new policies and procedures requiring electronic fund transfers, (2) conduct a legal review of the hotel construction contract and the current hotel management contract to confirm that relevant legal authorities supporting major actions and decisions have been identified and fully documented. Specific issues to be addressed are identified in the body of the report, (3) review the contract issues identified in this report, including contract award, payments, construction delays, and record keeping processes, (4) develop a plan for turning the project over to the GOI.

Management Comments

We received written comments from the Multi-National Force–Iraq (MNF-I). Our recommendations were directed to MNC-I, a subordinate command of MNF-I. MNF-I concurred with the report’s recommendations and provided additional comments. MNF-I stated that MNC-I is currently working on a plan to turn the Caravan Hotel over to the GOI.

July 26, 2009

COMMANDER’S EMERGENCY RESPONSE PROGRAM:
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What SIGIR Found

While the project’s construction was accomplished consistent with the requirements, there were a number of weaknesses in the project’s overall management that raise questions about project selection, cost, oversight, hotel management contract, and plans for transfer to the GOI. These conditions appear attributable largely to the general guidance for CERP and a lack of management attention to properly documenting project decisions and plans. This situation is of particular concern to SIGIR since, at $4.2 million; this is one of the highest dollar value CERP projects in Iraq and, as such, warranted closer management attention. For example:

- The project met its construction and cost goals despite scheduling delays. The contract was awarded in October 2007, the contractor completed construction in August 2008, and the hotel has been open since September 2008. The project schedule slipped six months, taking a total of 10 months, but no cost increases occurred.

- The Commanding General, MNC-I approved the Caravan Hotel project using existing CERP guidance. SIGIR questions whether the project met all selection criteria, but notes the general nature of the guidance and believes the selection was reasonable. SIGIR also notes that subsequent Congressional direction and related Defense regulations have strengthened controls over the approval of large-scale CERP projects.

- Documentation was missing to justify key project actions, such as increasing the contract price during the solicitation process from a planned $2.7 million to $4.2 million, not having TAMA manage the hotel even though the original justification stated it would, and changing the payment process from electronic fund transfer to cash and then back again to electronic.

- Documentation of the Contracting Officer Representative’s activities was missing, including verification of TAMA’s contract performance, inspections, and correspondence with TAMA. Further, although MNC-I coordinated the project with other projects within the Baghdad International Airport Economic Zone, the Multi-National Division Baghdad, and the Iraqi Civil Aviation Administration, MNC-I did not coordinate the project with other U.S. reconstruction agencies.

- MNC-I has not developed a plan for transferring the hotel and has entered into a contract arrangement with a private joint venture to run the hotel. The contractor is paid from the hotel’s profits. MNC-I has delayed transitioning the hotel to the GOI because it is concerned that the Iraq Ministry of Transportation will close the hotel and remove all of the furniture and equipment from the property, as happened with other CERP projects at the airport. While SIGIR shares MNC-I’s concerns about putting the investment at risk, MNC-I has not provided SIGIR the legal justification for the contract.
MEMORANDUM FOR U.S. SECRETARY OF DEFENSE
U.S. SECRETARY OF STATE
U.S. AMBASSADOR TO IRAQ
COMMANDING GENERAL, U.S. CENTRAL COMMAND
COMMANDING GENERAL, MULTI-NATIONAL FORCE-IRAQ
COMMANDING GENERAL, MULTI-NATIONAL CORPS-IRAQ
COMMANDING GENERAL, JOINT CONTRACTING COMMAND-IRAQ/AFGHANISTAN
DIRECTOR, IRAQ TRANSITION ASSISTANCE OFFICE

SUBJECT: Commander’s Emergency Response Program: Hotel Construction Completed, But Project Management Issues Remain (SIGIR 09-026)

This report is provided for your information and use. It discusses the results of Special Inspector General for Iraq Reconstruction (SIGIR) review of the Commander’s Emergency Response Program project for the construction of the Baghdad International Airport Caravan Hotel. The audit was conducted by SIGIR as project 9016 under the authority of Public Law 108-106, as amended, which also incorporates the duties and responsibilities of inspectors general under the Inspector General Act of 1978.

We considered written comments on a draft of this report from the Multi-National Force – Iraq when finalizing the report.

We appreciate the courtesies extended to the SIGIR staff. For additional information on this report, please contact Joan Hlinka, Deputy Assistant Inspector General for Audits (Washington, DC), (703) 604-0945/ joan.hlinka@sigir.mil, or Nancee Needham, Deputy Assistant Inspector General for Audits (Baghdad), (240)-553-0581 ext. 3793/ nancee.needham@iraq.centcom.mil.

Stuart W. Bowen, Jr.
Inspector General
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Introduction

Since October, 2005 the Special Inspector General for Iraq Reconstruction (SIGIR) has issued five reports on the management controls and accountability of the Commander’s Emergency Response Program (CERP) family of funds. This report focuses on the outcomes, cost, and oversight of one of the higher dollar value CERP projects: the Baghdad International Airport (BIAP) Caravan Hotel.

Baghdad International Airport Caravan Hotel

In October 2007, the Commanding General Multi-National Corps-Iraq (MNC-I) approved approximately $4.2 million in CERP funding for the construction of the Caravan Hotel. MNC-I conceived this hotel project as part of the development of a commercial economic zone known as the BIAP Economic Zone. The purpose of the economic zone is to create jobs, generate revenue, attract international investment, and restore the Baghdad airport as the gateway to Baghdad and Iraq. According to MNC-I, the approach to establish the economic zone involves creating “One Stop” services that include a three-star hotel, an office tower, a modern business center, convention buildings, and dependable continuous services.

MNC–I viewed the Caravan Hotel as a temporary measure for a 24 month period until completion of a planned permanent three-star hotel in the spring of 2010. MNC-I planned for the hotel to accommodate overnight business travelers who come to Baghdad to attend conventions or other events at the BIAP Convention Center. On October 29, 2007, the Joint Contracting Command–Iraq/Afghanistan (JCC-I/A) awarded a firm-fixed-price contract (W91GEU-08-C-0003) to TAMA Design Consultancy and Construction, an Iraqi-owned and staffed contractor. The contract statement of work required the hotel to consist of 100 self contained trailer rooms with appropriate furnishings along with a full service restaurant, fitness center, recreation room with cable television, internet café, aid station, and laundry service. On August 10, 2008, the 304th Civil Affairs Brigade accepted the hotel as complete.

On August 12, 2008, MNC-I contracted with a private joint venture comprising SIGMA Group International LLC and Veritas-Middle East to manage the Caravan Hotel operations. The term of the contract is two years with one option year.

Figures 1–11 are pictures of the Caravan Hotel.
CERP Guidance

In May 2003, the Coalition Provisional Authority formalized the CERP in Iraq, authorizing U.S. field commanders to use available funds to respond to urgent humanitarian, relief, and reconstruction requirements within the commander’s area of responsibility by executing programs that immediately assist indigenous populations and achieve “focused effects.” Initial funding for CERP came from seized Iraqi assets and the Development Fund for Iraq. By late 2003, the U.S. Congress began to appropriate funds for the CERP, and as of March 31, 2009, Congress had appropriated over $3.58 billion for the Iraq CERP program. CERP is intended for small-scale, urgent humanitarian relief and reconstruction projects benefiting the Iraqi people, but larger scale projects may be undertaken if approved by appropriate Department of Defense (DoD) officials.


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1 *Money as a Weapon System* was revised and reissued in January 2009, after the Caravan Hotel Project was complete.
Figure 1—Entrance to Baghdad International Airport Caravan Hotel

Source: SIGIR photo from site visit, May 18, 2009

Figure 2—Caravan Hotel Reception Desk

Source: SIGIR photo from site visit, May 18, 2009
Responsible Organizations

The MNC-I, headquartered in Baghdad, Iraq, provides the overall program coordination for the CERP in Iraq. MNC-I currently consists of five major subordinate commands headquartered throughout Iraq. Brigade Combat Teams are located throughout the major subordinate commands areas of responsibility and are responsible for day-to-day management of CERP projects.

While MNC-I provided the funding for the Caravan Hotel project, MNC-I delegated project management responsibilities to the following U.S. military units:

- U.S. Army 358th Civil Affairs Brigade February, 2007–November, 2007
- U.S. Army 360th Civil Affairs Brigade November, 2007–August, 2008
- U.S. Army 304th Civil Affairs Brigade August, 2008–April, 2009
- U.S. Army 364th Civil Affairs Brigade April, 2009–present

Records show that during the execution of the project, the Brigades coordinated with the Iraqi Civil Aviation Administration, a subordinate office of the Iraqi Ministry of Transportation. In November 2004, JCC-I/A was established to provide contracting support for reconstruction activities in Iraq. In 2007, JCC-I/A’s Regional Contracting Command in Camp Victory, Baghdad executed the solicitation and award of the Caravan Hotel construction contract on behalf of MNC-I. JCC-I/A provided a contracting officer and retained contracting authority throughout the contract’s life. The U.S. Army 24th Finance Company executed the payments on the contract except for one payment executed by the 15th Finance Battalion.

Objectives

Our reporting objectives for this audit were to examine: (1) contract outcome, cost, and schedule, (2) project justification and compliance with CERP guidelines, (3) contract oversight, (4) coordination of the project among U.S. government agencies and with the Government of Iraq (GOI), and (5) transfer of the project to the GOI.

For a discussion of the audit scope and methodology, see Appendix A. For a list of the authorized uses of CERP in Iraq, see Appendix B. For acronyms used in this report, see Appendix C. For a list of the audit team members, see Appendix D. For management comments, see appendix E.
Figure 3—Entrance to Caravan Hotel

Source: SIGIR photo from site visit, May 18, 2009

Figure 4—Corridor of Caravan Hotel

Source: SIGIR photo from site visit, May 18, 2009
Figure 5—Caravan Hotel Dining Room

Source: SIGIR photo from site visit, May 18, 2009

Figure 6—Caravan Hotel Cafe

Source: SIGIR photo from site visit, May 18, 2009
Project Construction Was Successfully Completed Despite Schedule Slippage

The Caravan Hotel’s construction appears to be a successful project. On October 29, 2007, JCC-I/A awarded a firm-fixed-price contract (W91GEU-08-C-0003) on behalf of MNC-I to TAMA Design Consultancy and Construction for a total price of $4,164,588. The contract required TAMA to deliver the hotel in 116 days. In August 2008, approximately 6 months past the expected completion date, construction was completed, and on August 10, 2008, the U.S. Army 304th Civil Affairs Brigade accepted the hotel as complete. The project came in at cost.

Currently, MNC-I’s overall goals for the Caravan Hotel are being achieved. The hotel provides overnight accommodations at the Baghdad International Airport. However, we noted that the cost of the project increased from approximately $2.7 million to $4.2 million, approximately a 64% increase, during the solicitation and award process. The reasons for the increase are not clear from the available project information, but changes to contract requirements may have contributed.

The construction timeframe was about 6 months longer than planned, taking a total of 10 months. This was due in part to a protest of the award that delayed the notice to proceed for a month, but there was nothing in the contract file that fully explained any other reasons for the schedule slippage. Because it was a firm-fixed-price contract, the schedule slippage had no impact on contract cost. On May 18, 2009, SIGIR conducted a site visit of the Caravan Hotel and the hotel manager provided a tour. The hotel was operating and appeared to be well constructed and maintained. The hotel manager is an employee of SIGMA Group International LLC, one of two companies contracted to manage the hotel. The manager stated there were some relatively small issues relating to the construction of the hotel and that TAMA did return and fix some items.

The hotel was completed in August, 2008, and opened for business in September, 2008. The hotel manager stated the occupancy rate averages 50 to 60%. However, during special events and business sponsored conferences the occupancy rate may be as high as 90 to 100%. The manager further stated several airline companies including Iraqi Airways, Turkish Airlines, an Iranian airline company, and an aviation training company called International Polytechnic Institute of Iraq, are currently or are planning to book rooms at the hotel on a long term basis. Some of these bookings are for as long as a year. He stated these long term bookings comprise 35% of the total available rooms. The manager also stated the hotel rates are $225 per night for 1-7 days; $220 per night for 1 week to 1 month, and $190 per night for stays longer than 1 month. Every booking includes a breakfast each day. In addition, the manager stated the hotel has an internationally diverse staff of 73 housed separately from the hotel guest rooms, but located within the secured perimeter of the hotel compound.

The hotel manager stated the joint venture invested an additional $1 million for upgrades to the hotel. The hotel’s Statement of Assets and Liabilities, dated December 31, 2008, reflects

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2 SIGIR did not perform an inspection of the construction quality and, as discussed later in the report, SIGIR did not find records of quality assurance in the files.
“Operator’s working capital” of $1,009,963. Some of the joint venture’s improvements to the hotel include an arched entry to the hotel lobby, a café, decorative rock walkways, marble tile in the lobby, enhancements to interior décor, and connection to the BIAP sewage treatment system.

Change From Original Cost Estimate Not Justified

TAMA originally estimated that the project construction cost would be $2,679,268. However, the contract was awarded at a cost of $4,164,588. The justification letter for the project does not explain the increase.

On August 21, 2007, TAMA issued a proposal for the contract with a list of costs to construct the hotel totaling $2,679,268. On August 25, 2007, the 358th Civil Affairs Brigade issued a memo justifying a sole source contract award to TAMA Design Consultancy and Construction. The memo states, “The primary reason for eluding the multi-company bidding process was the project’s extremely short execution date that requires the construction and operation of a facility for overnight accommodation at BIAP expeditiously.” The memo further states that TAMA has a wealth of experience constructing and managing hotels in the Middle East and has proven it can establish aggressive timelines and meet those timelines. On September 5, 2007, the 358th Civil Affairs Brigade issued another memo to MNC-I justifying the project and stating that the projected cost is $2,679,268, the amount from the TAMA proposal. On September 18, 2007 the Commanding General of MNC-I approved that amount of CERP funding for the project.

Although the project was approved as a sole source contract, JCC-I/A changed its decision and decided to solicit bids for the contract. There were no documents in the contract file, however, that explained why JCC-I/A changed its decision. There was also nothing in the contract file that fully explained the increased cost. The documentation of the evaluation of the offers contained the following: “Government Estimate: $2,679,268.00, the IGE [Independent Government Estimate] was extremely low to meet this requirement. After publishing this requirement on JCCS rebuild Iraq website [sic] for 17 days industry proposals were close to doubling the IGE.” JCC-I/A ultimately awarded the contract to TAMA on October 23, 2007, this time at a price based on TAMA’s bid of $4,164,588. The same day, the 358th Civil Affairs Brigade issued the second justification for the project with a projected project cost of $4,164,588.

A second justification memo was prepared that has much of the same wording as the first justification memo. However, the second memo adds text relating to the operation of the hotel that says that the construction contractor will also have responsibility for operating the hotel for 24 months. The memo states, “The contractor and his hotel management team will start the hotel operations following the site completion for a period not to exceed 24 months. All guests are responsible for their own bills. The contractor will keep all the hotel revenue and is responsible for the management, operations and maintenance of the hotel.” The memo also states that the performance period for the project “is 4 months for construction and 24 months for the management of the facilities.” The memo states the construction of the hotel will employ over 30 Iraqis full time and the management team will employ over 40 full time employees. However, the contract statement of work does not mention any of these requirements. Furthermore, the justification memo does not mention the independent government estimate being too low or that JCC-I/A awarded the contract to the contractor that generated the estimate.
On October 25, 2007, the Commanding General of MNC-I approved the additional amount of CERP funding bringing the total to $4,164,588.

The justification provided does not adequately explain the reasons for the contract cost increase. The justification does not say the independent government estimate was unrealistic. Further, the memo does not effectively identify what new construction requirements resulted in the increase in the cost of the project. Lastly, TAMA did not provide hotel management services, but received the full $4.2 million. Because of this lack of justification SIGIR questions whether the contract costs are adequately supported.

Figure 7—Caravan Hotel Courtyard

Source: SIGIR photo from site visit, May 18, 2009
Project Schedule Slipped, but Did Not Impact Cost

JCC-I/A awarded the contract in October, 2007, but TAMA did not complete construction until ten months later, in August 2008, about 6 months longer than the planned 116 day performance period. Part of the delay was due to a protest of the contract award, but reasons for an increase to the performance period could not be determined due to weak file maintenance and turnover of U.S. military personnel. Since the primary purpose of the hotel was to accommodate travelers attending events at the convention center and since renovations to the convention center itself still were not completed in May 2009, the effect of the hotel delays on overall business development in the BIAP economic zone may have been minimal.

Figure 8—Caravan Hotel Lobby

Source: SIGIR photo from site visit, May 18, 2009
Project Justification Seems Reasonable Given the General Nature of the Criteria

The MNC-I Commanding General approved the Caravan Hotel project in October 2007, using rules and guidance that were in effect at that time. These rules gave Commanders wide discretion as to the types of projects that could be undertaken. After taking into consideration the guidance available at the time and the justifications provided, we question whether the project met the criteria for immediate execution. It was, however, consistent with the other criteria such as creating economic benefit and employing many Iraqis. Given these factors and the general nature of the criteria, we believe the decision to construct the project was reasonable. However, this situation highlights the benefit of the improved guidance put into place in January, 2009 as a result of the National Defense Authorization Act for 2009. That Act caps CERP projects at $2 million unless the Secretary of Defense waives the limit. As a result, future projects similar to the Caravan Hotel project will receive more scrutiny.
Lack of Documentation Limits Analysis of Contract Management and Creates Vulnerabilities

SIGIR’s analysis of the management and oversight of the Caravan Hotel project was limited because of weak contract and project file management. Although the Caravan Hotel construction was successfully completed, SIGIR was unable to document whether the Contracting Officer Representative (COR) executed some of his duties, including verifying that TAMA performed the technical requirements of the contract, performing necessary inspections, and maintaining liaison with TAMA. Additionally, we were unable to determine why certain significant actions occurred during the execution of the project, including these questions:

- Why did JCC-I/A change from a planned-sole source award to a solicitation?
- Why did the original project estimate of $2.7 million increase to a $4.2 million contract award?
- Why did the planned four-month period of performance increase to ten months?
- Why did the form of payment on the contract change from electronic fund transfer to cash and then back to electronic fund transfer?

The absence of key contract and project file documents creates weaknesses in the program’s internal control process and makes the program vulnerable to undetected fraud, waste, and abuse. SIGIR is planning a review of contract file management processes for JCC-I/A and other U.S. government contracting entities in Iraq.

Documentation Supports the Solicitation Process but Questions Remain

The contract files for the Caravan Hotel contained documentation to support the solicitation and award process but lacked information about why JCC-I/A changed from a sole source award to a solicitation.

On October 5, 2007, JCC-I/A issued the solicitation with a closing date of October 22, 2007. On October 10, 2007, contractors visited the site of the proposed hotel. JCC-I/A received 25 offers. JCC-I/A received eight offers late and did not consider them. Of the other 17 proposals, 12 were determined technically unacceptable by the evaluation team. JCC-I/A evaluated the other five contractors on four factors: technical capability, price, past performance, and Iraqi socioeconomic program participation. The evaluation team determined that the evaluations of the offers provided ample analysis to fulfill the requirement of determining price reasonableness. Finally, the evaluation team determined to award the contract to TAMA, stating, “In accordance with the evaluation criteria set forth in the solicitation, Tama Company was the best valued price, technically acceptable offer. Based on their price and the technical acceptability of their proposal, Tama Company’s price is determined fair and reasonable and in the best interest of the Government.” Although the contract was awarded based on a variety of factors, there was no apparent weighting or scoring of these factors.
In reviewing the contract file documentation, we noted two anomalies. First, while the contract file contained detailed proposals from the unsuccessful bidders, the TAMA proposal was not included in the file. Second, the evaluation of one contractor’s price was slightly higher than the amount in the contractor’s submitted offer. The amount in the contractor’s offer would have been the lowest price among the five evaluated offers, but the contractor evaluation was at a price that made it the second lowest. TAMA’s offer was the lowest price evaluated. We could not find documentation explaining why the evaluation of this contractor was at a different price than what was in its offer. It is impossible to know if this small price difference was a mistake and, if so, whether it had a material impact on the evaluation. However, the Narration of Contracting Action states:

“In accordance with FAR 15.305, However, [sic] in making the award of this contract, the contracting officer’s objective will be to determine the specific combination of all non-price evaluation factors and price most advantageous to the Government. Offerors are specifically advised that under this evaluation method, the lowest price proposed may not necessarily receive the award.”

Figure 9—Caravan Hotel Fitness Center

Source: SIGIR site visit, May 18, 2009
Payments are Supported, but Changes in Form of Payment Are Not Explained

TAMA invoiced the U.S. government based on construction progress, and the invoices identified progress on each of 33 parts of the construction. The finance office made six payments to TAMA on the contract, as shown in Table 2:

Table 2—Caravan Hotel invoice payments

<table>
<thead>
<tr>
<th>Invoice</th>
<th>Date Paid</th>
<th>Amount</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOT 001-08</td>
<td>3/03/08</td>
<td>$676,713.75</td>
<td>Electronic Fund Transfer</td>
</tr>
<tr>
<td>MOT 002-08</td>
<td>3/14/08</td>
<td>899,948.00</td>
<td>Electronic Fund Transfer</td>
</tr>
<tr>
<td>MOT 003-08</td>
<td>5/14/08</td>
<td>1,015,539.50</td>
<td>Electronic Fund Transfer</td>
</tr>
<tr>
<td>MOT 004-08</td>
<td>5/24/08</td>
<td>421,706.25</td>
<td>Cash</td>
</tr>
<tr>
<td>MOT 005-08</td>
<td>8/16/08</td>
<td>778,965.00</td>
<td>Cash</td>
</tr>
<tr>
<td>MOT 006-08</td>
<td>12/18/08</td>
<td>371,715.00</td>
<td>Electronic Fund Transfer</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$4,164,587.50</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: SIGIR analysis of MNC-I pay documentation.

TAMA completed the contract for the original cost of $4,164,588, and the 24th Finance Company paid five of six contractor invoices; the 15th Finance Battalion paid the sixth. However, the 24th Finance Company did not pay the last invoice, dated August 10, 2008, until December 18, 2008. We could not determine with certainty the reason for the delay. However, a senior official of JCC-I/A’s Regional Contracting Command stated that they had limited staff in August 2008 and had likely made obligating funds before the end of the fiscal year a priority. The official stated the office ceased processing approvals for payment to contractors, and then after the fiscal year turned over, the staff began to process the backlog. The official was not surprised that finance did not pay an August invoice until December.

According to CERP guidelines, three documents are required to support and complete payment to the contractor: an invoice, a properly signed receiving document (DD250), and a properly signed pay document (SF1034 or SF44). We found copies of invoices and pay documents for all six payments, as well as a copy of a DD250 for all payments except the fifth payment. All available documents had proper signatures with effective segregation of duties.

Form of Payment Changed Without Explanation

A local clause in the contract requires that payment must be made by electronic fund transfer. The clause states that, beginning on October 1, 2007, payments to vendors must be by electronic fund transfer for contracts awarded by Regional Contracting Command at Camp Victory for $50,000 or more. The 24th Finance Company made the first three payments on the contract and made the sixth payment by electronic fund transfer. However, on May 11, 2008, Modification P00001 of the contract changed the method of payment from electronic fund transfer to cash.
The finance offices made two payments in cash—the fourth ($421,706.25) and fifth ($778,965.00). As noted, the files did not contain a copy of the DD250 for this payment.

SIGIR could not determine why JCC-I/A changed the form of payment or why the Finance Office changed back to electronic funds transfer for the sixth payment. The supporting documentation to Modification P00001 did not provide an explanation. A senior official in the Regional Contracting Command stated that the contract predated his service, but he acknowledged that the situation was unusual; he stated that the fourth and fifth payments were very large amounts for cash payments. Cash payments present a greater risk of undetected accidental loss or theft than payments by electronic fund transfer. Consequently, tighter internal controls over cash payments are required. SIGIR is unaware of an additional modification changing the payment method back to electronic fund transfer. Also, based on the information SIGIR has available, the sixth electronic fund transfer payment for $371,715 was not in compliance with the requirements of Modification P00001 of the contract.

The Regional Contracting Command official stated that MNC-I informally directed his office that, beginning on June 1, 2009, all payments on contracts must be by electronic fund transfer. The official stated that MNC-I directed the change to tighten controls over payments and reduce the risks. A JCC-I/A senior official stated that, as of June 1, 2009, all contract payments must be by electronic fund transfer. However, MNC-I has not yet updated CERP guidelines to incorporate this recent change. Without updated guidelines, U.S. government officials or contractors may be unaware that electronic payments are required, resulting in disruptions to paying contractors who are not prepared for that type of payment. Not paying contractors efficiently could negatively impact contract work.

**Project Quality Assurance Was Not Documented**

Despite requirements in the contract and in the memo designating a COR, the files did not contain any evidence of quality assurance oversight activities. SIGIR does not know if this is a result of a failure to effectively monitor TAMA or just a matter of poor record-keeping. According to the Narration of Contracting Action, dated 10/24/07, when the government evaluated TAMA’s technical capability for contract award, it noted that TAMA was marginal in quality control. This assessment should have indicated to JCC-I/A that TAMA would require close monitoring from a quality assurance standpoint.

A local clause in the Caravan Hotel construction contract requires the U.S. government quality assurance representative to sign the receiving document (DD250) to accept delivery of construction progress and ensure the items conform to the contract. On December 7, 2007, JCC-I/A issued a memorandum for record and formally designated a COR on the contract. The COR signed the designation.

The COR did sign the DD250s as the quality assurance representative accepting the construction progress. However, the contract file did not contain any documentation of COR activities, as required by the designation letter. The files did not contain any evidence of daily monitoring of the TAMA, any record of written correspondence between the COR and TAMA, or any record of the COR’s performance of duties, other than the COR’s signature on the DD250s.
Figure 10—Caravan Hotel Lobby

Source: SIGIR photo from site visit, May 18, 2009.
Project Coordinated Within MNF-I and GOI, but Not With Other Reconstruction Agencies

We did not find evidence that the Caravan Hotel project was coordinated with other U.S. reconstruction agencies in Iraq; however, the project was coordinated with other CERP projects within the BIAP Economic Zone, with Multi-National Division-Baghdad, and with the Iraq Ministry of Transportation. We did not find that the lack of coordination caused any negative impact on the project. However, coordination among all U.S. activities is critical to avoiding project duplication among the agencies involved in reconstruction activities, thus helping to avoid waste.

MNC-I’s CERP Family of Funds Standard Operating Procedures Section 4b requires commanders to coordinate projects with other U.S. agencies and the GOI. The section states, “Commanders will coordinate and determine project needs with local Iraqi government agencies, civil affairs elements, engineers, and the Provincial Reconstruction and Development Councils and/or Provincial Reconstruction Teams to gain the greatest effect and ensure effect synchronization. Such efforts may also include complementary programs provided by the U.S. Agency for International Development and other non-governmental agencies operating in the area of responsibility.”

A senior official at the U.S. Embassy’s Iraq Transition Assistance Office told SIGIR that he was aware of the hotel, but was unaware of any coordination efforts by MNC-I with the Iraq Transition Assistance Office. However, MNC-I did coordinate the project within the CERP program. The hotel was one project among a list of projects that are part of the BIAP Economic Zone. On October 23, 2007, MNC-I issued a letter of justification for the project that states that the hotel is a piece of the economic zone that includes the 3-star hotel, an office tower, a modern business center, and convention buildings. The letter states, “The final ‘piece of the puzzle’ required for the economic zone to gain traction and prosper is providing hotel accommodations for foreign businesses, corporations, and investors.” On August 21, 2007, the 358th Civil Affairs Brigade issued a list of 34 projects, including the temporary hotel, for the first two phases of development of the economic zone. CERP and Iraqi CERP (or I-CERP, which uses Iraqi funds) is funding the projects.

Also, according to a memorandum for record issued August 22, 2007, the MNC-I BIAP Reconstruction Team coordinated its project list with the Multi-National Division-Baghdad to ensure deconfliction with the Division’s initiatives. In addition, MNC-I coordinated with the Iraq Ministry of Transportation regarding site selection for the proposed hotel. Also, the justification from the 358th Civil Affairs Brigade states “this project was developed in cooperation with the Ministry of Transportation, the Iraqi Civil Aviation Administration and the Office of the Prime Minister.”
Figure 11—Caravan Hotel Guest Room

Source: SIGIR photo from site visit, May 18, 2009.
Project Has Not Been Transferred to GOI, and MNC-I Has Contracted the Hotel Management

Although construction of the Caravan Hotel was complete in August 2008, MNC-I has not transferred the hotel to the GOI. The hotel is open for business, but MNC-I entered into a contract with a joint venture established to manage hotel operations. A knowledgeable official with the 364th Civil Affairs Brigade stated that MNC-I has resisted transfer because the Iraqi Ministry of Transportation has closed the doors and removed all of the property from several other CERP construction projects in the BIAP economic zone shortly after transfer, and MNC-I fears that the same would happen to the hotel. SIGIR understands MNC-I’s concerns about transferring the project; nevertheless, SIGIR has questions about whether MNC-I has adequately justified its legal authority to operate a hotel and whether it has adequately planned for transferring the hotel to the GOI.

MNC-I Has Not Transferred the Hotel to GOI

In May, 2009 an officer from the U.S. Army 364th Civil Affairs Brigade stated although the U.S. Army intends to transfer all CERP projects over to the GOI, the Brigade has elected not to transfer the hotel at this time. The officer told SIGIR that the hotel was not turned over because the Iraqi Ministry of Transportation closed other completed CERP projects in the BIAP Economic Zone—specifically a restaurant and the BIAP Business Center—shortly after they were transferred and removed all of the equipment and furnishings. As of May 2009, neither of those facilities was operational. The officer did not know why the Ministry closed the facilities, but the Brigade decided to delay transfer of the Caravan Hotel in an effort to protect the investment and keep the hotel operating. At this time, MNC-I has no strategic plan for transferring the hotel to the GOI after the current hotel management contract expires. SIGIR has announced a review of the other CERP projects in the BIAP Economic Zone.

MNC-I’s Participation in Hotel Management Services Contract Raises Questions

On August 12, 2008, the 304th Civil Affairs Brigade entered into a hotel management services contract with SIGMA Group International LLC and Veritas-Middle East, a private joint venture. The term of the contract is two years plus one option year. The U.S. government disbursed no funds for this contract. According to the contract, the joint venture will pay all expenses with the proceeds from operating the hotel and will split any residual profits with the Iraqi Civil Aviation Administration.

The U.S. Army is identified as the first party to the contract, “acting on behalf of the Government of Iraq, Iraqi Civil Aviation Administration [ICAA], hereinafter referred to as the ‘First Party’ pursuant to agreement of 9 Aug 2008 between USA and ICAA, recognizing that the Caravan Hotel and land upon which it sits is the property of the Government of Iraq acting through the ICAA.” We requested a copy of the August 9 agreement referenced in the contract; however, MNC-I was unable to provide it. The military officer from the 304th Civil Affairs
Brigade who signed the contract did not know if the agreement even existed in written form. This section of the contract appears to contradict the fact that the Caravan Hotel has not transferred to the Iraqis.

Section 3.1 of the contract scope of work states, “For the purpose of managing the Iraqi Civil Aviation Administration Caravan Hotel, both parties agree to enter into this contract with the intention of operating a hotel and complex that attracts both national and international businesses that benefits the Country of Iraq and contributes to the economic development of the national economy.” Section 3.2 states that the joint venture will have operational control of the hotel “with oversight provided by the First Party Authorized personnel or First Party Contract Manager/representative.” This indicates the U.S. Army has ongoing oversight responsibility for the hotel.

The contract further identifies various responsibilities of the parties. Section 9.1 states any dispute connected with the formation, interpretation, nullification, termination, or invalidation of the contract, the parties will refer the issue to a tribunal comprising a representative from each party and a third person chosen by the Iraqi Civil Aviation Administration. Section 9.2 states that if the tribunal fails to solve the issue of the dispute then “it shall be solved in accordance with the provisions of Iraqi civil laws and jurisdiction of Iraqi civil courts.” Furthermore, section 7.6 of the contract states that the U.S. Army has the right to cancel the contract based on public interest. The section states that the parties agree to attempt a settlement through the tribunal, and if still unresolved, the contractor “has the right to take the matter to the Iraqi court system.”

Representatives from the joint venture SIGMA Group International and Veritas-Middle East and a U.S. Army colonel from the 304th Civil Affairs Brigade signed the contract. No one from the GOI signed the contract.

MNC-I’s commitment to sustaining the project and protecting U.S. investment is understandable; nevertheless, the legal basis for MNC-I to enter into a management services contract with a joint venture to support a for-profit enterprise has not been clearly identified.
Conclusions and Recommendations

Conclusions

While the project’s construction was accomplished consistent with the contract requirements, a number of weaknesses in the project’s overall management raise questions about the project selection, cost, oversight, hotel management contract, and lack of plans for transfer to the GOI. These conditions appear attributable largely to the general guidance for the CERP and a lack of management attention to properly documenting project decisions and plans. This situation is of particular concern to SIGIR because the Caravan Hotel was one of the highest dollar CERP projects; therefore, it warranted closer management attention. These internal control weaknesses also make the program vulnerable to undetected fraud, waste, and abuse.

TAMA successfully completed construction of the hotel. The hotel appears to conform to contract requirements, and TAMA completed the project for the contract price of approximately $4.2 million. The period of performance was approximately six months longer than expected because of a contract award protest and other unknown reasons. However, this did not increase the project’s cost because it was a firm-fixed-price contract.

Our analysis of the project was limited by incomplete documentation. The COR’s quality assurance documentation was largely missing, and there is no evidence that MNC-I coordinated the hotel project with other U.S. reconstruction agencies. However, the records show that the project was coordinated with the Multi-National Division-Baghdad and the GOI.

Other documentation problems include why MNC-I modified the contract to require cash payments after initially making payments by electronic fund transfer. A JCC-I/A senior official stated as of June 1, 2009, MNC-I directed that all contract payments be made by electronic fund transfer. However, MNC-I has not updated CERP guidelines to incorporate this recent change. Outdated guidelines create risk that some contractors will not be prepared to accept payment by electronic fund transfer. U.S. government financial offices not efficiently and effectively paying contractors could adversely impact completion of CERP projects.

The hotel is currently operating, but according to a senior official, MNC-I has not transferred the project to the Iraq Civil Aviation Administration because of doubts about the hotel’s sustainment after transition. MNC-I entered into a contract with the hotel management contractor extending MNC-I’s oversight responsibilities, which in effect has placed MNC-I in competition with private sector businesses. At this time, MNC-I does not have a plan for the hotel after the current hotel management contract expires. Furthermore, MNCI has not identified a legal authority under law for entering into this joint venture for-profit enterprise.
**Recommendations**

SIGIR recommends that the Commanding General, MNC-I, take actions to:

1. Update CERP guidelines to reflect new policies and procedures requiring electronic fund transfers.
2. Conduct a legal review of the hotel construction contract and the current hotel management contract to confirm that relevant legal authorities supporting major actions and decisions have been identified and fully documented. Among the questions that should be addressed are the following:
   a. The written justification increasing the project’s cost from $2.7 million to $4.2 million stated that the increase was due, in part, to the fact that the contractor would manage the hotel for two years. However, the contract statement of work did not contain this requirement.
   b. The legal authority for MNC-I to enter into a hotel management contract after construction was completed, engaging a private-sector joint venture to manage the for-profit Caravan Hotel enterprise and providing for the joint venture to retain hotel operating revenues.
   c. The nature and scope of MNC-I’s ongoing legal responsibilities with respect to oversight of the hotel under current contractual arrangements.
   d. Legal issues surrounding the hotel management contractor’s investment of some $1 million of its own funds into hotel improvements and MNC-I’s responsibility, if any, to permit the contractor’s recovery of that investment before the hotel is turned over to the GOI.
3. Review the contract issues identified in this report, including contract award, payments, construction delays, and record keeping processes.
4. Develop a plan for turning the project over to the GOI.

**Management Comments and Audit Response**

SIGIR received written comments from Multi-National Force–Iraq (MNF-I). SIGIR’s recommendations were directed to MNC-I, a subordinate command of MNF-I. MNF-I concurred with the report’s recommendations and provided additional comments. MNF-I stated that the contract issues identified in recommendation three would have to be reviewed through JCC-I/A, not MNC-I. MNF-I stated that MNC-I is working on a plan to turn the Caravan Hotel over to the GOI. A draft memorandum of agreement is being reviewed and MNF-I expects signatures from MNC-I, the Iraq Minister of Transportation, and SIGMA Group within two weeks. MNF-I stated the memorandum will result in the transfer of the hotel to GOI.
Appendix A—Scope and Methodology

The Special Inspector General for Iraq Reconstruction (SIGIR) initiated Project 9016 to addresses the outcomes, costs, and schedule of contract W91GEU-08-C-0003 awarded to TAMA Design Consultancy and Construction. This contract was for a Multi-National Corp-Iraq (MNC-I) project. SIGIR’s objectives for this report were to examine: (1) contract outcome, cost, and schedule; (2) project justification and compliance with the Commander’s Emergency Response Program (CERP) guidelines; (3) contract oversight; (4) coordination of the project among U.S. government agencies and with the Government of Iraq (GOI); and (5) transfer of the project to the GOI. This audit was performed by SIGIR under the authority of Public Law 108-106, as amended, which also incorporates the duties and responsibilities of inspectors general under the Inspector General Act of 1978. We completed the audit from April 2, 2009, through June 24, 2009 in Baghdad, Iraq.

To examine project outcome, cost, and schedule, we interviewed officials from MNC-I, the U.S. Army 364th Civil Affairs Brigade; the Joint Contracting Command – Iraq/Afghanistan (JCC-I/A) and its Regional Contracting Command at Base Camp Victory; and Multi-National Division-Baghdad. Also, we obtained and reviewed documentation from the contract file and other sources, including:

- contract and modifications
- receiving and payment documents
- memorandums for record
- correspondence between the Civil Affairs Brigades and TAMA

We also conducted a site visit at the hotel on May 18, 2009, and interviewed the hotel manager, an employee of SIGMA Group International LLC.

To examine project justification and compliance with CERP guidelines, we obtained and reviewed relevant documentation from MNC-I and Multi-National Division Baghdad, including:

- letters of justification
- Office of the Staff Judge Advocate legal reviews of the letters of justification
- funding approvals

We also obtained and reviewed relevant criteria, including MNC-I’s *Money as a Weapons System* manual, which includes the CERP Family of Funds Standard Operating Procedures. Both documents are dated June 1, 2007.

To examine contract and project oversight, we interviewed officials from JCC-I/A, including the Regional Contracting Command at Base Camp Victory. We obtained and reviewed documentation from the contract file, the project file, and other sources, including:

- contract solicitation and award documentation, including contractor offers
- contract modifications
- payment documents
- memorandums for record
We also obtained and reviewed relevant criteria, including MNC-I’s *Money as a Weapons System* manual, which includes the CERP Family of Funds Standard Operating Procedures. Both documents are dated June 1, 2007. We also obtained and reviewed requirements identified in the letter designating the COR.

To examine coordination of the project among U.S. government agencies and with the GOI, we met with officials from JCC-I/A, MNC-I, 364th Civil Affairs Brigade, Multi-National Division Baghdad, the Iraq Transition Assistance Office, and the U.S. Department of State Transportation Attaché. We also reviewed relevant documentation from the contract and project files, including memorandums for record.

To examine transfer of the project to the GOI, we interviewed officials from MNC-I, 364th Civil Affairs Brigade and the U.S. Department of State Transportation Attaché. We obtained and reviewed the hotel management services contract. We also conducted a site visit at the hotel on May 18, 2009 and interviewed the hotel manager, an employee of SIGMA Group International LLC.

We conducted this review in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

**Use of Computer-processed Data**

We did not use computer-processed data for any aspect of this report.

**Internal Controls**

In conducting the audit, we assessed certain internal controls pertinent to the audit objectives with respect to MNC-I and JCC-I/A for this CERP project. Specifically, we identified and assessed internal or management controls, including:

- procedures for approving CERP funding for the project
- procedures for solicitation and award of the contract
- procedures for oversight of the project
- procedures for making payments to the contractor

Our review of internal controls was limited to the Caravan Hotel project. We found deficiencies in contract and project file maintenance that increased the risk of ineffective oversight of the project. We discuss these deficiencies in greater detail in the oversight section of the report.

**Prior Coverage**

We reviewed the following applicable audit reports issued by SIGIR, the Government Accountability Office, and the Army Audit Agency:
Special Inspector General for Iraq Reconstruction

- Commander’s Emergency Response Program: Muhallah 312 Electrical Distribution Project Largely Successful (SIGIR 09-025, 7/23/09)
- Commander’s Emergency Response Program in Iraq Funds Many Large-Scale Projects (SIGIR 08-006, 1/25/2008)
- Management of Commander’s Emergency Response Program for Fiscal Year 2004 (SIGIR 05-014, 10/13/2005)

Government Accountability Office

- Military Operations: Actions Needed to Improve Oversight and Interagency Coordination for the Commander’s Emergency Response Program in Afghanistan (GAO-09-615, May 2009)
- Provincial Reconstruction Teams in Afghanistan and Iraq (GAO-09-86R, October 1, 2008)
- Military Operations: The Department of Defense’s Use of Solatia and Condolence Payments in Iraq and Afghanistan (GAO-07-699, May, 2007)

Army Audit Agency

# Appendix B—Authorized Uses of CERP Funds

1. Water and sanitation: projects to repair or reconstruct water or sewer infrastructure, including water wells.

2. Irrigation: projects to repair or reconstruct irrigation systems.

3. Food production and distribution: projects to increase food production or distribution processes.

4. Civic cleanup activities: projects that remove trash, clean up the community, or perform beautification.

5. Agriculture: projects to increase agricultural production or cooperative agricultural programs.

6. Civic support vehicles: projects to purchase or lease vehicles to support civic and community activities.

7. Electricity: projects to repair or reconstruct electrical power or distribution infrastructure, including generators.

8. Repair of civic and cultural facilities: projects to repair or restore civic or cultural buildings or facilities.

9. Health care: projects to repair or reconstruct hospitals or clinics to provide urgent healthcare services, immunizations, medicine, medical supplies, or equipment.

10. Repair of damage that results from U.S., Coalition, or supporting military operations and is not compensable under the Foreign Claims Act.

11. Education: projects to repair or reconstruct schools, purchase school supplies or equipment.

12. Condolence payments to individual civilians for death, injury, or property damage resulting from U.S., coalition, or supporting military operations.

13. Telecommunications: projects to repair or reconstruct telecommunications systems or infrastructure.

14. Payment to individuals upon release from detention.

15. Economic, financial, and management improvements: projects to improve economic or financial security.

16. Protective measures, such as fencing, lights, barrier materials, berming over pipelines, guard towers, temporary civilian contractor guards, etc. to enhance the durability and survivability of critical infrastructure sites (oil pipeline, electric lines, etc.).

17. Transportation: projects to repair or reconstruct transportation systems, roads, bridges, or transportation infrastructure.

18. Micro-grants: provide assistance to disadvantaged small business and entrepreneurs.

19. Rule of Law and governance: projects to repair or reconstruct government buildings, such as administration offices, courthouses, and prisons.

20. Other humanitarian or reconstruction projects: projects to repair collateral battle damage not otherwise payable because of combat exclusions or condolence payments.

## Appendix C—Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>BIAP</td>
<td>Baghdad International Airport</td>
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<tr>
<td>CERP</td>
<td>Commander’s Emergency Response Program</td>
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<tr>
<td>COR</td>
<td>Contracting Officer Representative</td>
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<tr>
<td>DoD</td>
<td>Department of Defense</td>
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<tr>
<td>GOI</td>
<td>Government of Iraq</td>
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<tr>
<td>JCC-I/A</td>
<td>Joint Contracting Command – Iraq/Afghanistan</td>
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<tr>
<td>MNC-I</td>
<td>Multi-National Corps - Iraq</td>
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<tr>
<td>MNF-I</td>
<td>Multi-National Force - Iraq</td>
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<tr>
<td>SIGIR</td>
<td>Special Inspector General for Iraq Reconstruction</td>
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Appendix D—Audit Team Members

This report was prepared and the audit was conducted under the direction of David R. Warren, Assistant Inspector General for Audit, Office of the Special Inspector General for Iraq Reconstruction.

These staff members contributed to the audit:

Ed Brooks

Randy Gentry

Nancee K. Needham

William Shimp
Appendix E—Management Comments—Multi-National Force-Iraq

SIGIR DRAFT REPORT – DATED JULY 8, 2009
SIGIR 09-026
“Commander’s Emergency Response Program: Hotel Construction Completed, But Project Management Issues Remain Unresolved”

MNF-I COMMENTS TO THE DRAFT REPORT

RECOMMENDATION 1. (page 22, SIGIR Draft)
SIGIR recommends that the Commanding General, MNC-I, take actions to update CERP guidelines to reflect new policies and procedures requiring electronic fund transfers.

MNC-I RESPONSE: Concur with comment. The current MAAWS guidance, paragraph 3.E.4, page B-1-8, states, “Payments should be paid via EFT...”. Paragraph 3.F.1, pages B-1-8 and B-1-9, outline the EFT procedures.

RECOMMENDATION 2. (page 22, SIGIR Draft)
SIGIR recommends that the Commanding General, MNC-I, take actions to conduct a legal review of the hotel construction contract and the current hotel management contract to confirm that relevant legal authorities supporting major actions and decisions have been identified and fully documented. Among the questions that should be addressed are the following: a. The written justification increasing the project’s cost from $2.7 million to $4.2 million stated that the increase was due, in part, to the fact that the contractor would manage the hotel for two years. However, the contract statement of work did not contain this requirement. b. The legal authority for MNC-I to enter into a hotel management contract after construction was completed, engaging a private-sector joint venture to manage the for-profit Caravan Hotel enterprise and providing for the joint venture to retain hotel operating revenues. c. The nature and scope of MNC-I’s ongoing legal responsibilities with respect to oversight of the hotel under current contractual arrangements. d. Legal issues surrounding the hotel management contractor’s investment of some $1 million of its own funds into hotel improvements and MNC-I’s responsibility, if any, to permit the contractor’s recovery of that investment before the hotel is turned over to the GOI.

MNC-I RESPONSE:
   a. Concur with comment. The statement of work did not include the requirement to manage the hotel for two years. This was not part of the construction contract. We do not believe the increase in funding had anything to do with the management of the hotel.
   b. Concur.
   c. Concur.
   d. Concur.

RECOMMENDATION 3. (page 22, SIGIR Draft)
SIGIR recommends that the Commanding General, MNC-I, review the contract issues identified in this report, including contract award, payments, construction delays, and record keeping processes.

MNC-I RESPONSE: Concur with comment. Joint Contracting Command Iraq and Afghanistan (JCC-I/A) does not answer to MNC-I. They belong to MNF-I. JCC-I/A must address the contract award, construction delay, and record keeping process. However, the payments were documented correctly. It does not matter how we pay the vendors as long as we pay them correctly and it is correctly documented. The construction delay was due partly to the contract protest.
**RECOMMENDATION 4. (page 22, SIGIR Draft)**

SIGIR recommends that the Commanding General, MNC-I, develop a plan for turning the project over to the GOI.

**MNF-I RESPONSE:** Concur with comment. MNC-I is currently working a plan to turn the facility over to GOI. A draft MOA is being staffed and we expect signatures from MNC-I, Minister of Transportation, and SIGMA Group within two weeks. The MOA will give the hotel to GOI while keeping SIGMA Group as the managing company.

**GENERAL COMMENTS ON THE REPORT**

1. (U) None.

**APPROVED BY:**
Name: Peter C. Bayer  
Rank, Service: BG, USA  
Title: Chief of Staff, MNC-I

**PREPARED BY:**
Name: Bryan Novak  
Rank, Service: SCM, USA  
Organization, Phone number: MNC-I IG, 241-8833
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Regarding the U.S. reconstruction plans, programs, and operations in Iraq, the Special Inspector General for Iraq Reconstruction provides independent and objective:

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- advice and recommendations on policies to promote economy, efficiency, and effectiveness
- deterrence of malfeasance through the prevention and detection of fraud, waste, and abuse
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Congressional Affairs

Hillel Weinberg
Assistant Inspector General for Congressional Affairs
Mail: Office of the Special Inspector General for Iraq Reconstruction
400 Army Navy Drive
Arlington, VA  22202-4704
Phone: 703-604-0368
Email: hillel.weinberg@sigir.mil

Public Affairs

Daniel Kopp
Assistant Inspector General for Public Affairs
Mail: Office of the Special Inspector General for Iraq Reconstruction
400 Army Navy Drive
Arlington, VA  22202-4704
Phone: 703-428-1217
Fax:  703-428-0818
Email: PublicAffairs@sigir.mil