



SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

June 14, 2005

MEMORANDUM FOR: SEE DISTRIBUTION

SUBJECT: Audit of the Project and Contracting Office Award Fee Process for Contractors Involved in Iraq Reconstruction (Project No. SIGIR-2005-10)


We plan to begin the subject audit on June 20, 2005. Our overall objective is to determine whether award fees are adequately reviewed, properly approved, and awarded according to established standards. Specifically, we will determine whether an award review board, pertinent policies, and adequate procedures have been established and consistently applied to the evaluation and disbursement of award fees. In addition, we will determine whether:

- The basis for award determinations are adequately documented in the contract files.
- The performance indicators were properly established, and the performance requirements were properly defined.
- Award fee plans clearly identify the specific award fee evaluation criteria for assessing contractor performance and determining the amount of the award fee.
- Award review board recommendations and determinations are supported by appropriate evaluations of contractor performance.
- The award fee determination is documented in sufficient detail to show that the integrity of the award fee determination process has been maintained.

The audit will be conducted in accordance with Government Auditing Standards. This audit will address the Audit Plan objectives of the Special Inspector General for Iraq Reconstruction for the monitoring and review of contracts funded by the Iraq Relief and Reconstruction Fund.

We will perform audit work within the Presidential Palace/International Zone in Baghdad, Iraq, and at other locations as determined necessary.

Please provide points of contact for this audit to Mr. James Carrera at (703) 343-9231 or by email to james.carrera@iraq.centcom.mil.


Robert M. Murrell
Deputy Inspector General

cc:

Comptroller General of the United States
Inspector General, Department of State
Inspector General, Department of Defense
Inspector General, U.S. Agency for International Development
Auditor General of the Army
Inspector General, U.S. Central Command
Director, Defense Reconstruction Support Office – Iraq
Senior Advisor/Coordinator for Iraq for the Secretary of State

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DIRECTOR, IRAQ RECONSTRUCTION AND MANAGEMENT OFFICE

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