

# Appendix J

---

## Summary of U.S. Oversight in Iraq

This appendix contains a list of completed audits, reports, and testimonies on Iraq reconstruction activities as of June 30, 2005 released by the SIGIR and the following five agencies:

- U.S. Army Audit Agency (USAAA)
- Department of Defense Office of Inspector General (DoD OIG)
- Department of State Office of Inspector General (DoS OIG)
- Government Accountability Office (GAO)
- U.S. Agency for International Development Office of Inspector General (USAID OIG)

The audits from this list are further categorized according to the sector of the Iraq Relief and Reconstruction Fund (IRRF) they cover and the types of recommendations made.

---

## Summary of U.S. Oversight in Iraq

Public Law 108-106, as amended, requires the Special Inspector General for Iraq Reconstruction (SIGIR) to report to the Congress on the Iraq reconstruction efforts conducted by other government agencies. To increase the understanding of oversight efforts in Iraq, the SIGIR collected all completed audits from six U.S. oversight organizations. The goals of this effort were to paint an overall picture of the oversight efforts and to gain insight into the areas of concentration of audit coverage. The SIGIR's audit summary includes both SIGIR audits and audits from these organizations:

- U.S. Army Audit Agency (USAAA)
- Department of Defense Inspector General (DoD IG)
- Department of State Office of Inspector General (DoS OIG)
- Government Accountability Office (GAO)
- U.S. Agency for International Development Office of Inspector General (USAID OIG)

These organizations published 83 reports on Iraq reconstruction (documented at the end of this appendix), from which the SIGIR identified 57 completed audits. The SIGIR focused on the 57 completed audits, which cover these two periods:

1. *Before June 28, 2004* (May 2003–June 28, 2004, transfer of governance authority to Iraq)
2. *After June 28, 2004* (through June 30, 2005)

Figure J-1 shows the number of audits covering each period.

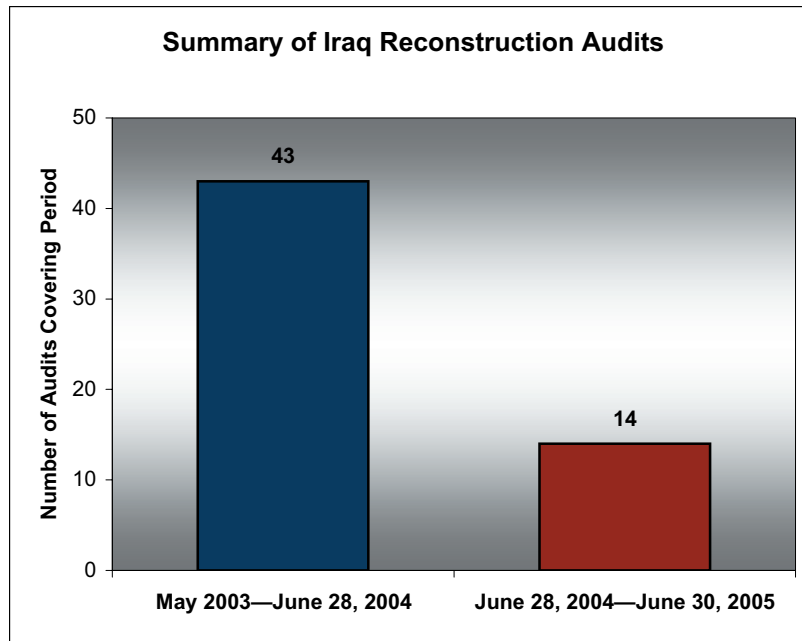


Figure J-1

## Categorization of Audits According to IRRF Sector

The SIGIR classified each audit by its scope and the IRRF sector to which it relates. The SIGIR developed this alignment to understand whether the audits addressed the necessary elements of the Iraq reconstruction business environment. Using the categorization already performed under the Lessons Learned Initiative, the SIGIR divided the *scope* into these categories:

- Acquisition/Contracting, including procurement, definitization, administration, and closeout
- Financial Management, including funds management and cash management
- Logistics
- Human Resources
- Planning and Program Management
- Strategic Communications and Information Management

The SIGIR referenced the *Section 2207 Report* of the Department of State (DoS) to determine the appropriate sector categories for Iraq reconstruction efforts. The report defined these 11 *sectors*, with attached IRRF allocations, as of April 5, 2005:

- Security and Law Enforcement (\$5,036 million)
- Electric (\$4,308 million)
- Water Resources and Sanitation (\$2,157 million)
- Justice, Public Safety, and Civil Society (\$2,130 million)

- Oil Infrastructure (\$1,723 billion)
- Private Sector Development (\$860 million)
- Health Care (\$786 million)
- Transportation and Telecommunications (\$509 million)
- Education, Human Rights and Refugees, Governance (\$363 million)
- Roads, Bridges, and Construction (\$355 million)
- Administrative Expenses (\$213 million)

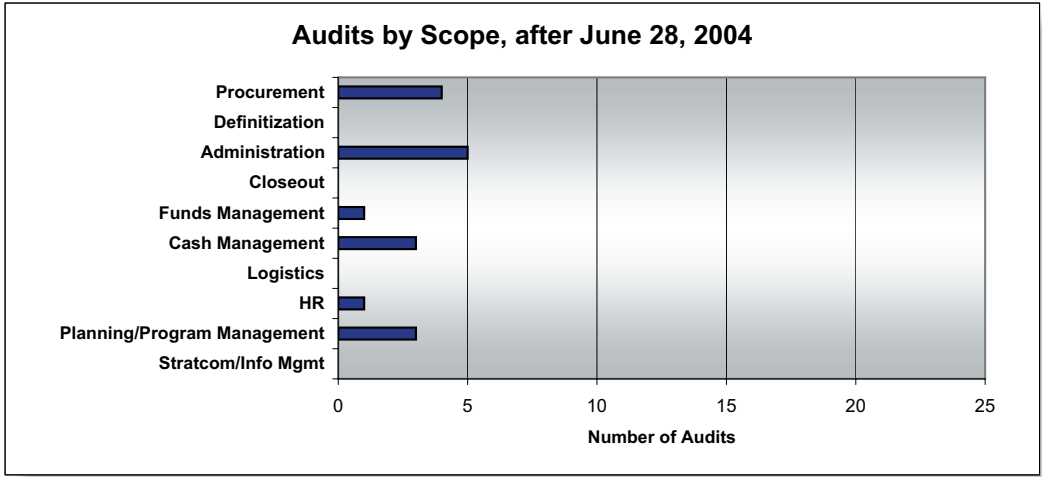
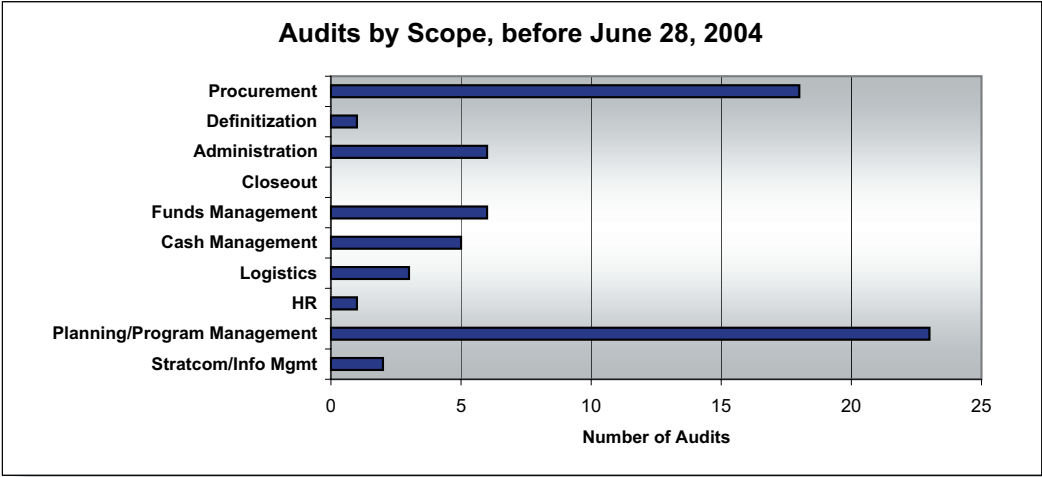
The SIGIR determined that an additional sector was necessary to supplement the *Section 2207 Report* sectors and created a Management Operations sector for this analysis.

The SIGIR categorized each completed audit using a single scope classification, and one or more sector classifications as appropriate. The SIGIR examined each audit and assigned the most appropriate scope, as well as all sectors to which the audit pertained. Table J-1 presents the aggregate view of the audit data.

<b>Distribution of Iraq Reconstruction Audits, May 2003 – June 30, 2005</b>										
	Acquisition/ Contracting				Financial Management		Logistics	Human Resources	Planning/Program Management	Strategic Communications/ Information Management
	Procurement	Definitization	Administration	Closeout	Funds Management	Cash Management				
<b>IRRF Sector</b>										
<b>May 2003 – June 28, 2004</b>										
Security & Law Enforcement	2								3	
Electric									1	
Water Resources & Sanitation									2	
Justice, Public Safety, & Civil Society	1				1					
Oil Infrastructure	2									
Private Sector Development									3	
Health Care	1								2	
Transportation & Telecommunications	2						1		1	
Education, Human Rights & Refugees, Governance	2				2				5	2
Roads, Bridges, & Construction	2								2	
Administrative Expenses										
Management Operations*	6	1	6		3	5	2	1	4	
<i>Subtotals</i>	<i>18</i>	<i>1</i>	<i>6</i>	<i>0</i>	<i>6</i>	<i>5</i>	<i>3</i>	<i>1</i>	<i>23</i>	<i>2</i>
<b>June 28, 2004 – June 30, 2005</b>										
Security & Law Enforcement	2		1							
Electric									1	
Water Resources & Sanitation									1	
Justice, Public Safety, & Civil Society										
Oil Infrastructure										
Private Sector Development										
Health Care										
Transportation & Telecommunications										
Education, Human Rights & Refugees, Governance	1					1				
Roads, Bridges, & Construction										
Administrative Expenses										
Management Operations*	1		4		1	2		1	1	
<i>Subtotals</i>	<i>4</i>	<i>0</i>	<i>5</i>	<i>0</i>	<i>1</i>	<i>3</i>	<i>0</i>	<i>1</i>	<i>3</i>	<i>0</i>
<b>Total Audits</b>	<b>22</b>	<b>1</b>	<b>11</b>	<b>0</b>	<b>7</b>	<b>8</b>	<b>3</b>	<b>2</b>	<b>26</b>	<b>2</b>
*Not a Section 2207 Report sector.										
Note: A single audit could affect multiple IRRF sectors. In this case, it would be recorded in more than one row.										

**Table J-1**

The SIGIR arrayed this data by time and scope and then compared by business area the audit work performed before and after June 28, 2004. Figure J-2 presents the details of this comparison. The SIGIR observed that prior to the transfer of governance authority, the most audited business areas were Procurement and Planning/Management. After June 28, 2004, Procurement and Administration were the most audited business areas.



**Figure J-2**

The SIGIR also arrayed the data by time and sector and then compared audit work performed in each sector before and after June 28, 2004. Figure J-3 details the information that these preliminary observations are based on:

- There have been more audits of Management Operations than any other sector.
- Since May 2003, Education, Human Rights and Refugees, Governance is the second-most audited sector. After June 28, 2004, however, more audits have occurred in the Security and Law Enforcement sector.
- There have been no audits in the Administrative Expenses sector.

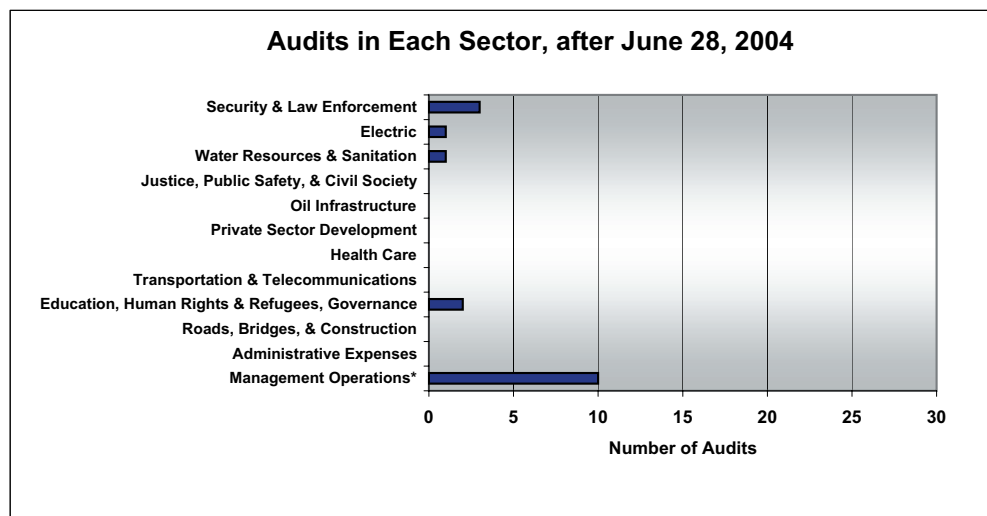
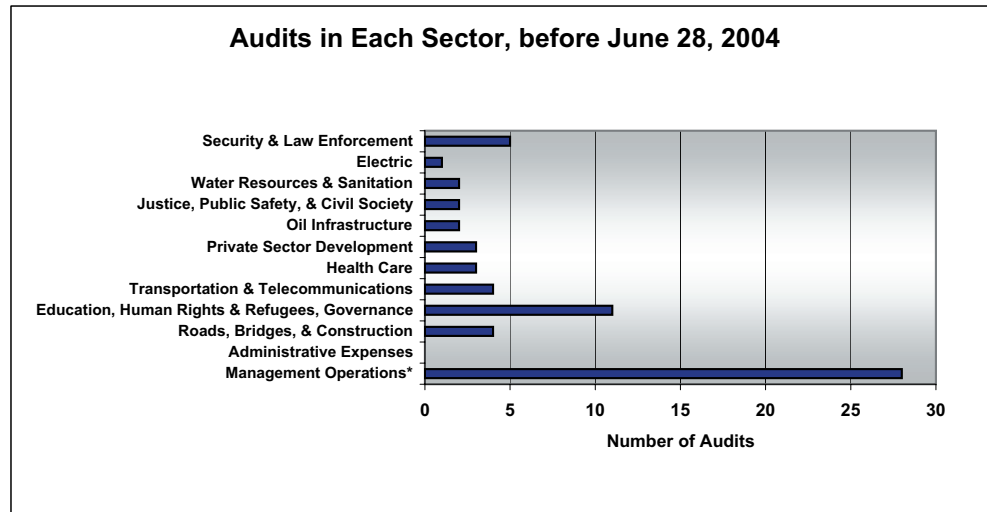


Figure J-3 \*Not a Section 2207 Report sector.

## Categorization of Audit Recommendations

The SIGIR also categorized audit recommendations. The SIGIR created these classifications to identify the type of recommendation being made:

- Add Staff
- Improve Contractor Oversight
- Develop New Procedures, Policies, Guidance, or Roles
- Follow Existing Procedures, Policies, or Guidance
- Improve Existing Procedures, Policies, or Guidance
- Initiate Inquiry, Reprimand
- Implement/Improve IT System

- Monitor, Cut Costs
- Verify Data
- Other

The SIGIR examined all of the audit recommendations from both periods and assigned a type to each recommendation. Table J-2 presents the results of this categorization.



<b>Distribution of Iraq Reconstruction Audit Recommendations, May 2003 – June 30, 2005</b>										
Audit Recommendations	Acquisition/ Contracting				Financial Management		Logistics	Human Resources	Planning/ Program Management	Strategic Communications/ Information Management
	Procurement	Definitization	Administration	Closeout	Funds Management	Cash Management				
<b>May 2003 – June 28, 2004</b>										
Add Staff										
Improve Contractor Oversight		1	2							
Develop New Procedures, Policies, Guidance, or Roles	4		9		3	8			7	1
Follow Existing Procedures, Policies, or Guidance	2		5			2			1	
Improve Existing Procedures, Policies, or Guidance			4		2	3				
Initiate Inquiry/Reprimand	2		2						1	
Implement/Improve IT System										
Monitor/Cut Costs			7							
Verify Data									1	
Other	1		2							
<i>Subtotals</i>	9	1	31	0	5	13	0	0	10	1
<b>June 28, 2004 – June 30, 2005</b>										
Add Staff			1							
Improve Contractor Oversight										
Develop New Procedures, Policies, Guidance, or Roles			6			1			1	
Follow Existing Procedures, Policies, or Guidance	2		5			3				
Improve Existing Procedures, Policies, or Guidance	1									
Initiate Inquiry/Reprimand	1					1				
Implement/Improve IT System			4							
Monitor/Cut Costs			1							
Verify Data			3			1				
Other			2							
<i>Subtotals</i>	4	0	22	0	0	6	0	0	1	0
<b>Total Recommendations</b>	<b>13</b>	<b>1</b>	<b>53</b>	<b>0</b>	<b>5</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>1</b>

**Table J-2**

The SIGIR arrayed audit recommendations by business area to compare audit work performed both before and after June 28, 2004. The SIGIR made these preliminary observations:

- The largest number of audit recommendations, both before and after the transfer of governance authority, has been made in Contract Administration. The next highest number has been made in Cash Management.
- No audit recommendations have been made in Human Resources and Logistics.

Figure J-4 presents the data used to make these observations.

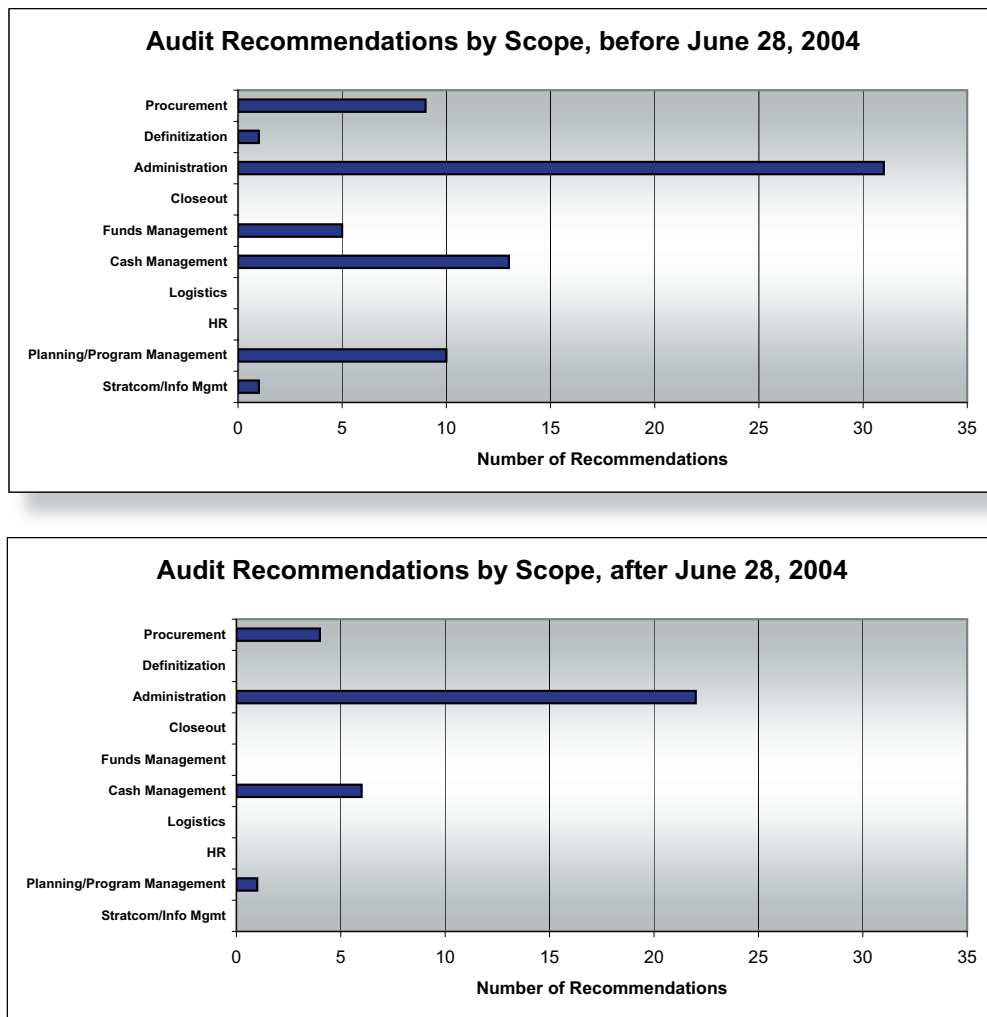


Figure J-4

The SIGIR arrayed audit recommendations by type to compare audit work performed both before and after June 28, 2004. The SIGIR observed that the number of recommendations on procedures, policy, and guidance covered 70% of the total number of recommendations.

Figure J-5 presents the data used to make these observations.

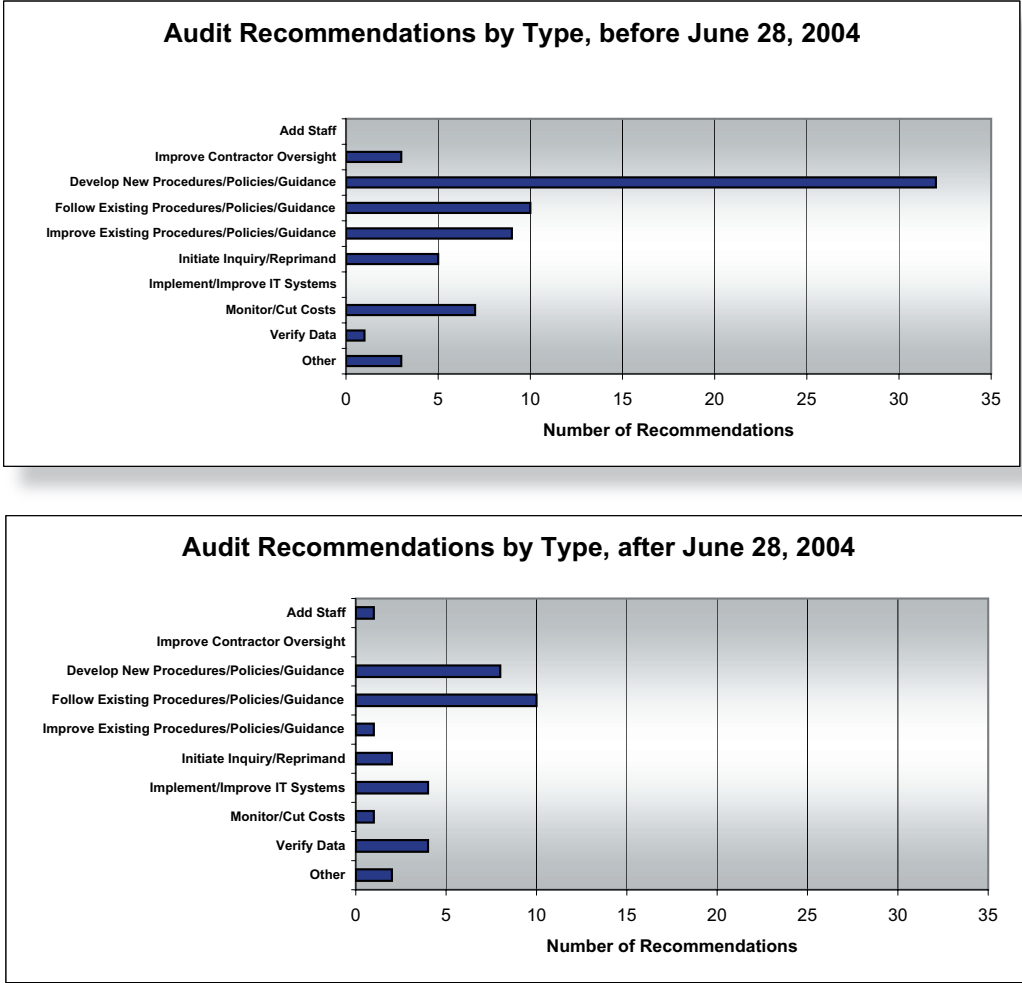


Figure J-5

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency		Report Number	Publication Date	Report Title	Objectives	Findings
1	DoD OIG	D-2004-057	18-Mar-04	Contracts Awarded for CPA by DCC-W	Examine contracting procedures used by DCC-W to award selected contracts for CPA.	DoD did not adequately plan for the acquisition support required by ORHA/CPA to perform its mission. a. Did not establish firm contract requirements. b. Misused GSA schedules. c. Awarded personal services contracts prohibited by FAR. d. Allowed out-of-scope activity. e. Did not perform or support price reasonableness determinations. f. Conducted inadequate surveillance of awarded contracts.
2	DoD OIG	D-2005-045	9-May-05	Operations and Maintenance Funds for the FY 2004 Emergency Supplemental Appropriation Allocated to the Defense Logistics Agency	To evaluate accounting controls and procedures, as well as the validation and oversight of contingency operation costs incurred by DoD agencies supporting the Global War on Terrorism	Not Available (FOUO)
3	DoD OIG	D-2005-053	29-Apr-05	Operations and Maintenance Funds for the FY 2004 Emergency Supplemental Appropriation Allocated to the Defense Information Systems Agency	To evaluate accounting controls and procedures, as well as the validation and oversight of contingency operation costs incurred by DoD agencies supporting the Global War on Terrorism	Not Available (FOUO)
4	DoS OIG	AUD/CG-04-41	1-Jul-04	Fact Sheet on Iraqi National Congress Support Foundation	N/A	N/A
5	DoS OIG	AUD/CG-05-18	15-Feb-05	Survey of Department of State's Funding for Iraq	Identify and quantify funding received by DoS earmarked for Iraq. Ascertain methods or instruments used to convey funds, and compile inventory of auditable entities.	None
6	DoS OIG	AUD/IOO-04-47	01-Sep-04	Review of Department of State Procurement Competitions to Support the Iraqi Police Training Program	Review compliance with contract competition and award procedures associated with the Bureau for International Narcotics and Law Enforcement Affairs (INL) procurement actions supporting training Iraqi police.	1. Contracting personnel followed applicable regulations and procedures. 2. However, SOW for initial action did not accurately describe services required.
7	DoS OIG	AUD/IOO-04-48	1-Sep-04	Review of Cashiering Operations	Review Embassy's limited cashiering operations and specifically evaluate internal controls related to cashiering operation at U.S. Embassy, Baghdad including adequacy of funds advanced to cashier.	1. No formal agreement with DoD for services currently being performed by U.S. Army. 2. No policies/procedures for Embassy Baghdad/Iraqi Support Unit Amman coordination/support. 3. No full-time IM specialist dedicated to providing support to offices in chancery.

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
8	DoS OIG AUD/IQO-05-13	1-Jan-05	Agreed Upon Procedures of Daily Direct Labor, Aerial Support Equipment and Indirect Expense Rates Proposed by Blackwater Security Consultants, Incorporated, Contractor's Accounting System & Timekeeping Procedures	Definitization support to contract number S-AQMPD-04-D-0061 (BWSC).	<ol style="list-style-type: none"> <li>Lack of time sheets, employee certification, and approval.</li> <li>Lack of written procedures for time sheets.</li> <li>Allocation of Indirect Costs.</li> <li>Costs by Contract Lin Item - ODCs.</li> <li>Payroll and Labor Recording.</li> <li>Inadequate/unreliable data.</li> <li>Inconsistencies between the Proposal and Accounting System.</li> </ol>
9	DoS OIG AUD/IQO-05-24	28-Mar-05	Agreed-Upon Procedures Review of Indirect Rates and Equipment Delivery Charge Proposed by [a Department Contractor] and Review of Accounting System	At the request of the Department, the DoS OIG performed this review.	<ol style="list-style-type: none"> <li>The DoS OIG did not take exception to the proposed indirect rates or equipment delivery charge, but had reservations as to whether the equipment delivery charge was properly treated as an indirect expense.</li> <li>The DoS OIG had similar reservations about treating the project management office as an indirect expense because the proposed staffing might not be consistent with the level of effort needed, which was not known at the time of the review.</li> <li>The DoS OIG also found that the contractor did not have a contract cost accounting system in place.</li> </ol>
10	DoS OIG IBO/IQO-A-05-02	01-Oct-04	Review of Radio Sawa Support to Transition in Post-Saddam Iraq	<ol style="list-style-type: none"> <li>Determine if USAID funds used effectively to enhance dissemination of humanitarian information.</li> <li>Determine if BBG successfully launched three program components of interagency agreement: establishing stringer network, airing programs addressing humanitarian and reconstruction efforts, and conducting audience research.</li> </ol>	<ol style="list-style-type: none"> <li>BBG did not use funds to enhance dissemination of reports as expected and therefore, funding plan not completed.</li> <li>BBG partially met the principal requirements of the interagency agreement: setting up a Radio Sawa stringer network in Iraq, broadcasting humanitarian programming, and initiating audience research.</li> <li>BBG did not provide periodic performance reports or purchase specific equipment.</li> </ol>
11	DoS OIG ISP-IQO-05-53	1-Dec-04	Review of Off-Site Support to Embassy Baghdad	N/A	N/A
12	DoS OIG ISP-IQO-05-57	1-Mar-05	Review of Staffing Embassy Baghdad	N/A	N/A
13	GAO GAO-03-1088	1-Sep-03	MILITARY OPERATIONS Fiscal Year 2003 Obligations Are Substantial, but May Result in Less Obligations Than Expected	<p>To examine the adequacy of funding for the Global War on Terrorism (GWOT), we reviewed:</p> <ol style="list-style-type: none"> <li>The President's fiscal year 2003 budget request for supplemental appropriations.</li> <li>Applicable laws and accompanying reports appropriating funds for GWOT.</li> <li>DoD reports on the obligation of funds.</li> </ol>	<p>While funds obligated by DoD for GWOT, including the war with Iraq, in fiscal year 2003 are substantial—about \$39 billion through June 2003—the funds appropriated by Congress appear to be sufficient for fiscal year 2003, and some of the services may not obligate all of the funds they were appropriated for fiscal year 2003.</p>

Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)					
Agency	Report Number	Publication Date	Report Title	Objectives	Findings
14	GAO-03-792R	23-Aug-04	Rebuilding Iraq	Based on others studies. Asks questions as to the oversight of Iraq Reconstruction.	N/A
15	GAO-04-1006	14-Sep-04	Foreign Regimes' Assets	<p>1. This report describes the approach the U.S. government uses to recover foreign regimes' assets.</p> <p>2. Examines the challenges the United States faces in recovering foreign regimes' assets.</p> <p>3. Examines the mechanisms the United States has used to recover Iraqi assets and their applicability to future efforts.</p>	<p>1. U.S. agencies may not be able to readily obtain accurate and complete information on targeted entities, such as the spelling of names, addresses, and dates of birth. Financial institutions can also lack complete identifying information on their clients.</p> <p>2. The laws of some foreign governments complicate the ability of overseas branches of U.S. financial institutions to comply with OFAC regulations. In these situations, the U.S. government encourages the relevant foreign governments to allow U.S. financial institutions to freeze or transfer assets in a manner consistent with U.S. law or Treasury issues a license to allow U.S. financial institutions to comply with local laws.</p> <p>3. OFAC's ability to monitor financial institutions' compliance with its regulations is limited because it relies on financial regulators to monitor financial institutions' OFAC compliance programs.</p>
16	GAO-04-1031	1-Sep-04	MILITARY PERSONNEL DoD Needs to Address Long-term Reserve Force Availability and Related Mobilization and Demobilization Issues	<p>This review specifically examined the extent to which:</p> <p>1. DoD's implementation of a key mobilization authority and personnel policies affect reserve force availability.</p> <p>2. The Army was able to execute its mobilization and demobilization plans efficiently.</p> <p>3. DoD can manage the health of its mobilized reserve forces.</p>	<p>1. DoD's implementation of a key mobilization authority to involuntarily call up reserve component members and personnel policies greatly affects the numbers of reserve members available to fill requirements.</p> <p>2. The Army was not able to efficiently execute its mobilization and demobilization plans, because the plans contained outdated assumptions concerning the availability of facilities and support personnel.</p>
17	GAO-04-305R	18-Dec-03	Defense Logistics: Preliminary Observations on the Effectiveness of Logistics Activities during Operation Iraqi Freedom (Briefing)	To study a number of issues related to logistics support to deployed forces.	Although major combat operations during the initial phases of OIF were successful, our preliminary work indicated that there were substantial logistics support problems in the OIF theater.

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
18	GAO-04-484	1-Apr-04	OPERATION IRAQI FREEDOM Long-standing Problems Hampering Mail Delivery Need to Be Resolved	GAO was directed to review mail delivery to troops stationed in the Middle East. In this report, GAO assesses: 1. The timeliness of mail delivery to and from troops in Operation Iraqi Freedom. 2. How mail delivery issues and problems during this operation compared with those experienced during Operations Desert Shield/Storm in 1991. 3. Efforts to identify actions to resolve problems in establishing mail operations for future contingencies.	1. The timeliness of mail delivery to troops serving in Operation Iraqi Freedom cannot be accurately assessed because the Department of Defense (DoD) does not have a reliable, accurate system in place to measure timeliness. 2. In general, DoD's transit time and test letter data show that mail delivery fell within the current wartime standard of 12 to 18 days. However, the methodology used to calculate transit times significantly understated actual delivery times. 3. GAO conducted discussion groups with a non-representative sample of 127 service members who served in-theater. More than half reported they were dissatisfied with mail delivery, underscoring the negative impact it can have on troop morale.
19	GAO-04-559	1-Apr-2004	State Dept. Issues Affecting Iraq National Congress	GAO was asked to review: 1. The history of the Department of State's funding of INCSF broadcasting activities. 2. The key issues affecting State's funding decisions.	Through their inability to work together to restart Liberty TV, State and INCSF missed a chance to reach the Iraqi people at critical times prior to and during the March 2003 war in Iraq.
20	GAO-04-562T	24-Mar-04	MILITARY PREPOSITIONING Observations on Army and Marine Corps Programs During Operation Iraqi Freedom and Beyond (Testimony)	This testimony describes: 1. The performance and availability of Army and Marine Corps prepositioned equipment and supplies to support Operation Iraqi Freedom (OIF). 2. Current status of the stocks and plans to reconstitute them. 3. Key issues facing the military as it reshapes these programs to support DoD's force transformation efforts.	1. The importance of prepositioned stocks was dramatically illustrated during OIF. While they faced some challenges, the Army and Marine Corps relied heavily on prepositioned combat equipment and supplies to decisively defeat the Iraqi military. They both reported that prepositioned stocks were a key factor in the success of OIF. 2. Much of the prepositioned equipment is still being used to support continuing operations in Iraq. In the near term, the Army and Marines must necessarily focus on supporting ongoing OIF operations. While waiting to reconstitute its program, the Army also has an opportunity to address shortfalls and modernize remaining stocks.
21	GAO-04-579T	18-Mar-04	Recovering Iraq's Assets	N/A	N/A



**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency		Report Number	Publication Date	Report Title	Objectives	Findings
22	GAO	GAO-04-605	1-Jun-04	Rebuilding Iraq	GAO determined whether agencies had complied with competition requirements in awarding new contracts and issuing task orders and evaluated agencies' initial efforts in carrying out contract administration tasks.	<ol style="list-style-type: none"> <li>1. Agencies used sole-source or limited competition approaches to issue new reconstruction contracts, and when doing so, generally complied with applicable laws and regulations.</li> <li>2. Agencies did not, however, always comply with requirements when issuing task orders under existing contracts.</li> </ol>
23	GAO	GAO-04-651T	7-Apr-2004	UNITED NATIONS Observations on the Oil for Food Program	<ol style="list-style-type: none"> <li>1. GAO reports on its estimates of the revenue diverted from the program.</li> <li>2. Provides preliminary observations on the program's administration.</li> <li>3. Describes some challenges in its transfer to the CPA.</li> <li>4. Discusses the challenges Iraq faces as it assumes program responsibility.</li> </ol>	Inadequate oversight and corruption in the Oil for Food Program raise concerns about the Iraqi government's ability to import and distribute Oil for Food commodities and manage at least \$32 billion in expected donor reconstruction funds.
24	GAO	GAO-04-668	1-May-04	MILITARY OPERATIONS DoD's Fiscal Year 2003 Funding and Reported Obligations in Support of the Global War on Terrorism	This report continues the review of fiscal year 2003 by analyzing obligations reported in support of the Global War on Terrorism and reviews whether the amount of funding received by the military services was adequate to cover DoD's obligations for the war from October 1, 2002, through September 30, 2003. GAO will also review the war's reported obligations and funding for fiscal year 2004.	In fiscal year 2003, DoD reported obligations of more than \$61 billion in support of the Global War on Terrorism. GAO's analysis of the obligation data showed that 64 percent of fiscal year 2003 obligations reported for the war on terrorism went for Operation Iraqi Freedom; among the DoD components, the Army had the most obligations (46 percent); and among appropriation accounts the operation and maintenance account had the highest level of reported obligations (71 percent).
25	GAO	GAO-04-730T	28-Apr-2004	UNITED NATIONS Observations on the Management and Oversight of the Oil for Food Program	<ol style="list-style-type: none"> <li>1. GAO reports on its estimates of the illegal revenue acquired by the former Iraqi regime in violation of UN sanctions.</li> <li>2. Provides observations on program administration.</li> <li>3. Describes the challenges facing the CPA and the Iraqi government in administering remaining contracts.</li> <li>4. Discusses potential issues for further investigation.</li> </ol>	Summaries of internal audit reports pointed to some concerns regarding procurement, coordination, monitoring, and oversight and concluded that OIP had generally responded to audit recommendations.
26	GAO	GAO-04-746R	25-May-04	Iraq Transitional Law	<p>Review the following:</p> <ol style="list-style-type: none"> <li>1. The time frames and Iraqi governmental structures established by the transitional law.</li> <li>2. Arrangements in the law for the U.S.-led multinational force, Iraqi security forces, and militias.</li> <li>3. Mechanisms in the law for resolving disputes over property and territories within Iraq.</li> </ol>	<ol style="list-style-type: none"> <li>1. The transitional law does not specify how the interim government is to be formed or structured, but states that the interim government will govern in accordance with an annex to be developed.</li> <li>2. The transitional law contains some provisions addressing two of the key challenges facing the interim and transitional governments—maintaining a unified Iraq and Iraq's Transitional Law ensuring its security—but many issues remain open.</li> </ol>



Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)						
Agency	Report Number	Publication Date	Report Title	Objectives	Findings	
27	GAO-04-831R	27-May-2004	Financial Services: Post-hearing Questions Regarding Recovering Foreign Regimes' Assets (Testimony)	N/A	N/A	
28	GAO-04-854	1-Jul-2004	MILITARY OPERATIONS DoD's Extensive Use of Logistics Support Contracts Requires Strengthened Oversight	1. As requested, GAO assessed DoD's planning in its use of logistics support contracts in contingency operations; determined whether DoD has had contract oversight processes that are adequate to ensure that quality services were provided in an economical and efficient manner. 2. Assessed the extent to which DoD provided trained personnel qualified to oversee its contractors	1. The effectiveness of DoD's planning to use the logistics support contracts during contingency operations varies widely between the commands that use them and the contracts themselves. 2. DoD's contract oversight processes were generally good, although there is room for improvement. 3. DoD did not have sufficient numbers of trained personnel in place to provide effective oversight of its logistics support contractors.	
29	GAO-04-869T	15-Jun-04	Contract Management (Testimony)	N/A	N/A	
30	GAO-04-880T	16-Jun-2004	UNITED NATIONS Observations on the Oil for Food Program and Iraq's Food Security	1. GAO reports on its estimates of the illegal revenue acquired by the former Iraqi regime in violation of UN sanctions. 2. Provides observations on program administration. 3. Describes the current and future challenges in achieving food security.	Evolving policy and implementation decisions on the food distribution system and the worsening security situation have affected the movement of food commodities within Iraq.	
31	GAO-04-902R	1-Jun-04	Rebuilding Iraq	This report focuses on issues associated with resources, security, governance, and essential services.	1. Several key challenges will affect the political transition, the pace and cost of reconstruction, and the type of assistance provided by the international community. These include the unstable security environment, the evolving capacity of the Iraqi institutions to govern and secure the country, the availability and coordination of international assistance, and the need for adequate oversight. 2. Given the instability and uncertainty in Iraq, there are also questions about what options and contingency plans are being developed to address these ongoing and future challenges.	

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
32	GAO-04-915	1-Jul-04	MILITARY OPERATIONS Fiscal Year 2004 Costs for the Global War on Terrorism Will Exceed Supplemental, Requiring DoD to Shift Funds from Other Uses	<ol style="list-style-type: none"> <li>GAO reviewed the adequacy of current funding for fiscal year 2004 war-related activities.</li> <li>Actions DoD is undertaking to cover anticipated shortfalls, if any.</li> <li>GAO is also making observations on efforts to require greater accountability to the Congress on the use of funds appropriated to DoD for contingency operations.</li> </ol>	<ol style="list-style-type: none"> <li>GAO's analysis suggests that anticipated costs will exceed the supplemental funding provided for the war by about \$12.3 billion for current FY.</li> <li>DoD and the services are taking a variety of actions to cover anticipated shortfalls in their war-related funding. These actions include taking steps to reduce costs, transferring funds among appropriations accounts, and deferring some planned activities to use those funds to support the war.</li> <li>GAO's past work has shown that current cost reporting includes large amounts of funds that have been reported as obligated in miscellaneous categories and thus provide little insight on how those funds have been spent.</li> </ol>
33	GAO-04-953T	8-Jul-2004	UNITED NATIONS Observations on the Oil for Food Program and Areas for Further Investigation	<ol style="list-style-type: none"> <li>GAO reports on estimates of the illegal revenue acquired by the former Iraqi regime in violation of UN sanctions.</li> <li>Provides some observations on the administration of the program.</li> <li>Suggests areas for additional analysis and summarizes the status of several ongoing investigations.</li> </ol>	<p>Ongoing investigations of the Oil for Food Program may wish to further examine how the structure of the program enabled the Iraqi government to obtain illegal revenues, the role of member states in monitoring and enforcing the sanctions, actions taken to reduce oil smuggling, and the responsibilities and procedures for assessing price reasonableness in commodity contracts.</p>
34	GAO-05-120	1-Nov-04	DEFENSE HEALTH CARE Force Health Protection and Surveillance Policy Compliance Was Mixed, but Appears Better for Recent Deployments	<ol style="list-style-type: none"> <li>The extent to which the services met DoD's policies for Operation Iraqi Freedom (OIF) and, where applicable, compare results with OEF/OJG.</li> <li>What steps DoD has taken to establish a quality assurance program to ensure that the military services comply with force health protection and surveillance policies.</li> </ol>	<ol style="list-style-type: none"> <li>Overall compliance with DoD's force health protection and surveillance policies for service members that deployed in support of OIF varied by service, installation, and policy requirement.</li> <li>Overall, Army and Air Force compliance for sampled service members for OIF appears much better compared to OEF and OJG.</li> <li>The Marine Corps installations examined generally had lower levels of compliance than the other services; however, GAO did not review medical records from the Marines or Navy for OEF and OJG.</li> <li>In January 2004, DoD established an overall deployment quality assurance program for ensuring that the services comply with force health protection and surveillance policies, and implementation of the program is ongoing.</li> </ol>
35	GAO-05-125	1-Feb-05	MILITARY PAY Gaps in Pay and Benefits Create Financial Hardships for Injured Army National Guard and Reserve Soldiers	<ol style="list-style-type: none"> <li>Provide perspective on the nature of pay deficiencies in the key areas of overall environment and management controls, processes, and systems.</li> <li>GAO also assessed whether recent actions the Army has taken to address these problems will offer effective and lasting solutions.</li> </ol>	<ol style="list-style-type: none"> <li>Injured and ill Reserve component soldiers—who are entitled to extend their active duty service to receive medical treatment—have been inappropriately removed from active duty status in the automated systems that control pay and access to medical care.</li> <li>The Army's process for extending active duty orders for injured soldiers lacks an adequate control environment and management controls.</li> </ol>

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
36	GAO-05-201	1-Apr-05	INTERAGENCY CONTRACTING Problems with DoD's and Interior's Orders to Support Military Operations	We reviewed the process that the Department of Defense (DoD) used to acquire interrogation and certain other services through the Department of the Interior to support military operations in Iraq. On behalf of DoD, Interior issued 11 task orders, valued at more than \$66 million, on an existing contract.	<ol style="list-style-type: none"> <li>1. DoD, faced with an urgent need for interrogation and other services in support of military operations in Iraq, turned to the Department of the Interior for contracting assistance. Numerous breakdowns occurred in the issuance and administration of the orders for these services.</li> <li>2. A lack of effective management controls—in particular insufficient management oversight and a lack of adequate training—led to the breakdowns.</li> <li>3. In response to the above concerns, Interior and DoD have taken actions to strengthen management controls.</li> </ol>
37	GAO-05-233	1-Feb-05	Progress in Implementing the Services Acquisition Reform Act (SARA)	GAO was asked to report on progress in implementing SARA's provisions.	<ol style="list-style-type: none"> <li>1. Just over a year after the enactment of SARA, progress made on regulations, guidance, and other implementing actions varies.</li> <li>2. While nearly all the key provisions of SARA are being implemented, some provisions are further along than others.</li> </ol>
38	GAO-05-275	1-Apr-05	DEFENSE LOGISTICS Actions Needed to Improve the Availability of Critical Items during Current and Future Operations	<ol style="list-style-type: none"> <li>1. Assessing what supply shortages were experienced by U.S. forces in Iraq between October 2002 and September 2004 and what impact the shortages had on their operations.</li> <li>2. What primary deficiencies in the supply system contributed to any identified supply shortages.</li> <li>3. What actions DoD has taken to improve the timely availability of supplies for current and future operations.</li> </ol>	<ol style="list-style-type: none"> <li>1. U.S. troops experienced shortages of seven of the nine items GAO reviewed.</li> <li>2. The documented impact of these shortages varied between combat units.</li> <li>3. GAO identified five systemic deficiencies that contributed to shortages of the reviewed items, including inaccurate Army war reserve spare parts requirements and ineffective distribution.</li> </ol>
39	GAO-05-280R	29-Apr-05	Defense Base Act Insurance: Review Needed of Cost and Implementation Issues	<p>The objectives of the review were to:</p> <ol style="list-style-type: none"> <li>1. Identify the cost to the U.S. government of insurance coverage purchased under DBA.</li> <li>2. To assess the act's implementation.</li> </ol>	<ol style="list-style-type: none"> <li>1. It is difficult to determine whether all DBA insurance is purchased in a cost-effective manner or if agencies' implementation challenges hinder their effectiveness in providing workers' compensation coverage under DBA.</li> <li>2. Lack of reliable information on numbers of contractors and cost of DBA insurance restricts the ability of agencies to make informed decisions on purchasing strategies for DBA.</li> <li>3. Additionally, confusion over when DBA applies and difficulty in enforcing DBA and processing claims remain largely unresolved problems, despite actions taken by agencies.</li> <li>4. Finally, new challenges, such as growing numbers of contractors, have arisen since 1941, when DBA was passed.</li> </ol>

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
40	GAO-05-293	1-May-05	DEFENSE MANAGEMENT Processes to Estimate and Track Equipment Reconstitution Costs Can Be Improved	GAO reviewed this process for the fiscal year 2004 supplemental budget to determine 1. The extent to which the process produced reliable estimates of reconstitution requirements in the fiscal year 2004 supplemental budget. 2. Whether DoD is accurately tracking and reporting reconstitution costs.	1. DoD's two-phased process to develop its fiscal year 2004 equipment reconstitution cost estimates contained weaknesses that produced errors which may result in misstatements of future-year reconstitution cost requirements. 2. The model DoD used to estimate costs in the first phase of the process generated unreliable estimates. DoD has not accurately tracked and reported its equipment reconstitution cost because the services are unable to segregate equipment reconstitution from other maintenance requirements as required.
41	GAO-05-328	17-Mar-05	Defense Logistics-LOGCAP	This report assesses the extent to which the Army is taking action to improve the management and oversight of LOGCAP and whether further opportunities for using this contract effectively exist.	1. First, although DoD continues to agree with our July 2004 recommendation to create teams of subject matter experts to review contract activities for economy and efficiency, it has not done so yet because the need to respond to statutory requirements took precedence. 2. The second area needing attention is the coordination of contract activities between DoD components involved with using LOGCAP.
42	GAO-05-346T	15-Feb-05	UNITED NATIONS Oil for Food Program Audits	1. GAO provides information on United Nations' Office of Internal Oversight Services (OIOS) background, structure, and resources. 2. Highlights the findings of the internal audit reports. 3. Discusses limitations on the audits' coverage.	1. OIOS' audits and summary reports revealed deficiencies in the management and internal controls of the Oil for Food Program. However, OIOS did not examine certain headquarters functions—particularly OIP's oversight of the contracts for central and southern Iraq that accounted for 59 percent or almost \$40 billion in Oil for Food proceeds. 2. UN management and the Office of the Iraq Program prevented OIOS from reporting its audit results directly to the Security Council.
43	GAO-05-392T	2-Mar-05	UNITED NATIONS Sustained Oversight Is Needed for Reforms to Achieve Lasting Results	GAO provides observations on areas for UN reform based on the 2004 report and continuing review of the Oil for Food program, including the analysis of internal audit reports and other documents	1. The United Nations needs sustained oversight at all levels of the organization to achieve lasting results on its reform agenda. 2. At the program level, management reviews that compare actual performance to expected results are critical elements of effective oversight and accountability. 3. A strong internal audit function provides additional oversight and accountability through independent assessments of UN activities, as demonstrated by audits of the UN Oil for Food program.

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
44	GAO-05-431T	14-Mar-05	Challenges in Transferring Security Responsibilities	<p>1. GAO provides preliminary observations on the strategy for transferring security responsibilities to Iraqi military and police forces.</p> <p>2. The data on the status of forces.</p> <p>3. Challenges that the Multi-National Force in Iraq faces in transferring security missions to these forces.</p>	<p>1. The multinational force is taking steps to address these challenges, such as developing a system to assess unit readiness and embedding U.S. forces within Iraqi units.</p> <p>2. However, without reliable reporting data, a more capable Iraqi force, and stronger Iraqi leadership, the Department of Defense faces difficulties in implementing its strategy to draw down U.S. forces from Iraq.</p>
45	GAO-05-680R	27-Jun-05	Opportunities Exist to Improve Future Comprehensive Master Plans for Changing U.S. Defense Infrastructure Overseas	<p>This report discusses the extent to which:</p> <p>1. OSD has provided sufficient guidance to overseas regional commands to meet the reporting requirements contained in congressional mandates and as suggested by GAO</p> <p>2. Overseas regional commands complied with the reporting requirements and in doing so, provided information in a complete, clear, and consistent manner.</p> <p>3. Whether improvements in guidance and reporting were needed.</p>	<p>1. The scope of OSD's guidance issued to date generally exceeded the reporting requirements established by Congress for the comprehensive master plans and included most additional reporting elements previously recommended, except for residual value.</p> <p>2. The overseas regional commands generally complied with the reporting requirements defined by OSD, and by extension of Congress, but varied in the extent to which they provided complete, clear, and consistent information in their master plans.</p>
46	GAO-05-79	1-Jan-05	ARMY NATIONAL GUARD Inefficient, Error-Prone Process Results in Travel Reimbursement Problems for Mobilized Soldiers	<p>GAO was asked to determine</p> <p>1. The impact of the recent increased operational tempo on the process used to reimburse Army Guard soldiers for travel expenses and the effect that travel reimbursement problems have had on soldiers and their families.</p> <p>2. The adequacy of the overall design of controls over the processes, human capital, and automated systems relied on for Army Guard travel reimbursements.</p> <p>3. Whether the Department of Defense's (DoD) current efforts to automate its travel reimbursement process will resolve the problems identified.</p>	<p>1. Mobilized Army Guard soldiers have experienced significant problems getting accurate, timely, and consistent reimbursements for out-of-pocket travel expenses.</p> <p>2. Guard soldiers in our case study units reported a number of problems they and their families endured due to delayed or unpaid travel reimbursements, including debts on their personal credit cards, trouble paying their monthly bills, and inability to make child support payments.</p> <p>3. With respect to human capital, GAO found a lack of oversight and accountability and inadequate training.</p>
47	SIGIR 04-001	25-Jun-2004	Coalition Provisional Authority Coordination of Donated Funds	<p>Determine whether the CPA processes by which reconstruction priorities are established and approved provide adequate transparency and coordination in the allocation of donated funds to the reconstruction of Iraq.</p>	<p>1. No process developed for tracking or coordinating internationally funded projects with other CPA reconstruction efforts.</p> <p>2. There was little guidance provided to the Iraq ministries on maintaining adequate supporting documentation that describe the reconstruction efforts to be funded from donated funds.</p>



**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency		Report Number	Publication Date	Report Title	Objectives	Findings
48	SIGIR	04-002	25-Jun-2004	Management of Personnel Assigned to the CPA in Baghdad	Determine whether CPA had control over and insight into the number of civilians assigned to CPA in Baghdad, including both U.S. Government and contractor personnel and whether there were lessons to be learned from CPA's management of civilian personnel in a post-war coalition environment.	<p>1. CPA/HRM-Forward did not have accurate account of civilian personnel assigned to its operations.</p> <p>2. Factors inhibiting accurate information</p> <p>A. existence of multiple entry POE into CPA Baghdad, B. failure of organizations within CPA to follow published procedures regarding in/out-processing, C. short-term nature of assignments, D. absence of interlinked civilian personnel database.</p>
49	SIGIR	04-003	25-Jun-2004	Federal Deployment Center Forward Operations at the Kuwait Hilton	Determine whether the CPA efficiently and effectively operated FDC-Forward. Specifically, objectives were to: 1. Determine whether FDC-Forward met the purpose for which it was established by Department of Army Execution Order. 2. Established policy to limit the use of FDC-Forward facility to authorized personnel.	<p>1. FDC-Forward met purpose established by DAEO.</p> <p>2. No CPA policy existed for usage leading to inefficient use of CPA resources. Specifically, CPA failed to: A. Provide adequate oversight of operations to ensure cost limited to authorized users. B. Establish defined policy identifying persons eligible to use FDC facilities.</p>
50	SIGIR	04-004	28-Jul-2004	Task Orders Awarded by the Air Force Center for Environmental Excellence (AFCEE) in Support of CPA	Evaluate policies and procedures used by the CPA, the CPA Program Management Office (PMO), and AFCEE to award Iraqi reconstruction task orders under the AFCEE Indefinite Delivery/Indefinite Quantity (ID/IQ) contracts. Specifically, we evaluated those policies and procedures associated with acquisition planning, source selection, use of free and open competition, and contract negotiation.	<p>1. AFCEE's role has expanded beyond the original role envisioned by DoD and the CPA which was the urgent reconstruction supporting the New Iraqi Army (\$238.6M).</p> <p>2. AFCEE has awarded \$439M in task orders supporting NIA and also awarded 3 T/Os (\$42M) unrelated to NIA support.</p>
51	SIGIR	04-005	23-Jul-2004	Award of Sector Design-Build Construction Contracts	Evaluate procedures used when awarding sector contracts. Specifically, evaluate whether competitive procedures used to award contracts to rebuild Iraqi infrastructure.	<p>Except that competition generally limited to designated countries, DoD Components used competitive procedures required by FAR to award Design-Build contracts for each sector.</p>
52	SIGIR	04-006	21-Jul-2004	Corporate Governance for Contractors Performing Iraq Reconstruction Efforts	Determine adequacy and effectiveness of corporate self-governance programs of contractors awarded contracts on task orders funded by the "Emergency Supplemental Appropriations Act for the Defense and Reconstruction of Iraq."	<p>Review of five major contracts reveal that viable programs exist at each of those contractors.</p>

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
53	SIGIR 04-007	26-Jul-2004	Oil for Food Cash Controls for the Office of Project Coordination in Erbil, Iraq	Determine if CPA established and implemented appropriate policies and procedures for accounting, controlling, and monitoring the transfer of \$1.5B in cash to the Kurdish Regional Government as part of OFF program	1. CPA did establish and implement appropriate policies and procedures for accounting, controlling and monitoring transfer of cash to the Kurdish areas. 2. However, CPA did not obtain, validate, review, and approve cash transfer procedures for using foreign-national couriers to transfer cash w/in Erbil.
54	SIGIR 04-008	30-Jul-2004	CPA Control Over Seized and Vested Assets	Determine whether the CPA implemented effective safeguards to ensure accountability and control for the seized and vested assets. Specifically, the objectives were to determine whether the CPA had adequate and effective policies and procedures in place to prevent fraud, waste, and abuse in the management of seized and vested funds; in the allocation, distribution, and controls of Iraqi non-cash assets; and whether all seized and vested assets were used for the benefit of the Iraqi people.	Facilities Management Office personnel did not adequately manage, secure, and safeguard non-cash assets in compliance w/CPA established policies and procedures. Inventory was not performed to determine non-cash assets in CPA custody.
55	SIGIR 04-009	28-Jul-2004	Coalition Provisional Authority Comptroller Cash Management Controls Over DFI	Determine whether CPA instituted and used appropriate policies and procedures in accounting for, handling, monitoring and controlling cash.	CPA created policies that did not establish effective funds control and accountability over \$600M in DFI funds held as cash. Specifically: 1. Proper cash accountability was not maintained. 2. Physical security was inadequate. 3. Fund agent records were not complete. 4. Fund managers' responsibilities and liabilities were not properly assigned.
56	SIGIR 04-011	26-Jul-2004	Audit of Accountability and Control of Materiel Assets of the Coalition Provisional Authority in Baghdad	Evaluate the effectiveness of policies, procedures, and property accountability measures used to account for and control materiel at CPA branch offices, headquarters, and warehouse locations.	1. Inadequate/missing property accounting procedures in place. Specifically, KBR could not account for 34% of property items surveyed. Furthermore 6.9% of property items on hand were not recorded on hand receipts and 28.8% hand receipts were either not on file or had not been prepared. 2. KBR did not effectively manage government property as it did not properly control CPA property items and its property records were not sufficiently accurate or available to account for CPA equipment items. 3. Project that property valued at more than \$18.6M was not accurately accounted for.

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
57	SIGIR 04-013	27-Jul-2004	Coalition Provisional Authority's Contracting Processes Leading Up To and Including Contract Award	Evaluate the procedures used by the CPA Contracting Activity to award contracts. Specifically, evaluate policies and procedures associated with acquisition planning, source selection, use of competition, and contract negotiations.	<p>1. Contract files were missing and/or incomplete.</p> <p>2. Contract officers did not always ensure that contract prices were fair and reasonable, contractors were capable of meeting delivery schedules, and payments were made in accordance with contract requirements. CPA Contracting Activity did not issue standard operating procedures or develop an effective contract review, tracking, and monitoring system.</p> <p>3. CPA not able to accurately report number of contracts actually awarded and unable to demonstrate the transparency required of the CPA when it awarded contracts using DFI funds.</p>
58	SIGIR 05-001	22-Oct-2004	Coalition Provisional Authority Control of Appropriated Funds	Examine whether processes used to identify, review, and validate requirements were reasonable and supportable.	CPA had adequate controls to identify, review, and validate the proposed uses of appropriated funds for its operational requirements and that those funds were approved for the purposes intended.
59	SIGIR 05-002	25-Oct-2004	Accountability and Control of Material Assets of the Coalition Provisional Authority in Kuwait	Evaluate the effectiveness of policies, procedures, and property accountability measures used to account for and control materiel at CPA branch offices, headquarters, and warehouse locations.	IG projected that KBR could not account for 42.8% of property items valued at more than \$3.7M. KBR did not effectively manage government property. Specifically, KBR did not properly control CPA property items. KBR records were not sufficiently accurate or available. As a result, we projected that property valued at more than \$1.1 million was not accurately accounted for or was missing.
60	SIGIR 05-003	23-Nov-2004	Final Memo Report-Task Order 0044	Determine whether CPA management efficiently and effectively managed the LOGCAP III contract to provide for logistics and life support for personnel assigned to the CPA mission.	<p>1. The ACO did not receive sufficient or reliable cost information to effectively manage TO 0044.</p> <p>2. The lack of certified billing or cost and schedule reporting systems hampered the ACO from effectively monitoring contract costs.</p> <p>3. Due to the lack of contractor provided detailed cost information to support actual expenses incurred, resource managers were unable to accurately forecast funding requirements to complete TO 0044.</p>
61	SIGIR 05-004	30-Jan-2005	Oversight of Funds Provided to Iraqi Ministries through the NBP	Determine whether the CPA established and implemented adequate managerial, financial, and contractual controls over DFI disbursements provided to interim Iraqi ministries through the national budget process.	The CPA provided less than adequate controls for approximately \$8.8 billion in DFI funds provided to Iraqi ministries through the national budget process. Specifically, the CPA did not establish or implement sufficient managerial, financial, and contractual controls to ensure DFI funds were used in a transparent manner. Consequently, there was no assurance the funds were used for the purposes mandated by Resolution 1483.



**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
62	SIGIR 05-005	20-Apr-2005	Compliance with Contract No. W911S0-04-C-0003 Awarded to Aegis Defence Services Limited	Determine whether the contractor is complying with the terms of the contract. Specifically, determine whether the contractor is providing adequate services, valid documentation, and proper invoices as required in the contract.	<p>1. Aegis did not fully comply with all requirements in five areas of the contract. Specifically, Aegis did not provide sufficient documentation to show that all of its employees who were issued weapons were qualified to use those weapons or that its Iraqi employees were properly vetted to ensure they did not pose an internal security threat.</p> <p>2. Also, Aegis was not fully performing several specific responsibilities required by the contract in the areas of personal security detail qualifications, regional operations centers, and security escorts and movement control.</p> <p>3. Further, we identified deficiencies in the monitoring of the contract by the Project and Contracting Office (PCO).</p>
63	SIGIR 05-006	30-Apr-2005	Control of Cash Provided to South Central Iraq	Determine whether disbursing officers in selected locations in southern Iraq complied with applicable guidance and properly controlled and accounted for DFI cash assets and expenditures.	<p>1. The DFI Account Manager's office did not maintain full control and accountability for approximately \$119.9 million of DFI cash issued to South-Central Region paying agents in support of RRRP projects.</p> <p>2. South-Central Region paying agents and the DFI Account Manager cannot properly account for or support \$96.6 million in cash and receipts.</p>
64	SIGIR 05-007	30-Apr-2005	Administration of IRRF Contract Files	Evaluate whether contracts awarded by the PCO for Iraq relief and reconstruction efforts contain adequately prepared statements of work, clearly negotiated contract terms, and specific contract deliverables.	<p>1. The 37 contracts and associated contract files reviewed at PCO CA, valued at more than \$184 million, were not being adequately maintained to fully support transactions relating to the performance of contract administration processes.</p> <p>2. Further, the PCO CA could not produce 21 percent, or 10 of the 48 randomly selected contract files for review.</p>
65	SIGIR 05-008	30-Apr-2005	Administration of Contracts Funded by DFI	Determine whether the PCO complied with the Minister of Finance, Iraqi Interim Government, memorandum, "Administration of Development Fund for Iraq (DFI)-Funded Contracts," June 15, 2004. Specifically, determine whether the Director, PCO, effectively implemented the assigned responsibilities under the Memorandum to monitor and confirm contract performance, certify and/or make payments, and administer contracts or grants funded with monies from the DFI.	<p>1. The PCO did not fully comply with the requirements described in the memorandum from the Iraqi Interim Government Minister of Finance to the Director, PMO, to monitor DFI contract administration.</p> <p>2. The PCO and the JASG-C Comptroller could not accurately identify the current value of obligations, payments, and unpaid obligations for DFI contracts. However, cash payments appeared to be made in a timely manner.</p> <p>3. Additionally, the PCO lacked the necessary controls and adequate documentation to effectively perform its responsibilities to monitor and administer contracts funded by the DFI.</p>

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency		Report Number	Publication Date	Report Title	Objectives	Findings
66	USAAA	A-2004-0305-FFG	18-May-04	Time Sensitive Report, Audit of Vested and Seized Assets, Operation Iraqi Freedom	Audit concerning accountability over non-cash assets. Specifically: 1. Were adequate procedures and controls in place and operating to properly secure and account for vested and seized assets in a manner consistent with appropriated fund accounting. 2. Did adequate audit trails exist to support on hand balance of vested and seized asset accounts.	Serious problems exist with accountability and security of non-cash seized assets: 1. CPA did not maintain adequate controls to ensure accountability. 2. DoD guidance regarding accountability of seized assets not followed.
67	USAAA	A-2004-0438-AML	12-Aug-04	Definitization of Task Orders for LOGCAP	Evaluate overall management of contracts under LOGCAP. Specifically, evaluate timeliness of definitization of task orders under LOGCAP.	1. Concluded definitization of TOs for Contract Number DAAA09-02-D-0007 was not timely. 2. Establishment of the definitization office greatly improved the controls. 3. However, the process of the contractor submitting the cost proposals needed to be improved.
68	USAAA	A-2004-AMA-0606.000	26-May-05	Project Management Support of Iraq Reconstruction	The overall objective is to determine if the Army and the PCO have put controls and sound business processes in place to mitigate previously identified high-risk areas.	1. We found that the Army and the PCO have put many controls in place to mitigate previously identified high-risk areas. However, additional actions are needed to strengthen controls. 2. Although the PCO established controls for monitoring and measuring obligations, additional controls were needed to account for all DoD obligations and to measure the progress of the FY 04 IRRF program. 3. The PCO established controls to help definitize contracts in a timely manner, but those controls weren't fully effective. 4. The PCO's controls for using program management support contractors were generally effective, but additional controls were needed to reduce the risk associated with (i) contractors performing inherently governmental functions, (ii) real or perceived conflicts of interests with contractors overseeing contractors, and (iii) award fee plans.
69	USAAA	A-2005-0043-ALE	24-Nov-04	LOGCAP Kuwait	1. To evaluate the overall management of the LOGCAP contract. 2. To evaluate the procedures in place to control costs under LOGCAP contracts. 3. To evaluate the management of assets used in conjunction with LOGCAP contracts—assets contractors acquired and assets the government provided to contractors.	1. The contract for LOGCAP needed better management. 2. Controls over contract costs needed improvement during task order planning. Costs could have been reduced by at least \$40M. 3. The Army didn't fully account for more than \$77 million worth of government-furnished property used in conjunction with the contract.

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency		Report Number	Publication Date	Report Title	Objectives	Findings
70	USAAA	A-2005-0078-FFG	2-Mar-05	Coalition Provisional Authority Travel Procedures	<p>1. Were appropriate management controls over the travel process from order generation to voucher settlement in place and operating.</p> <p>2. Were fund control procedures adequate to ensure obligations were complete and accurate, and disbursements were made in a timely manner to clear unliquidated obligations.</p> <p>3. Did the plan to transition the travel functions of the CPA Representative to other agencies on June 30, 2004 provide sufficient detail and coverage to minimize any disruption in support to CPA personnel and to close out open actions.</p>	<p>1. Management controls not always in place/operating.</p> <p>2. Identified three control weaknesses related to travel voucher processing.</p> <p>3. Fund control procedures not adequate to ensure complete and accurate accounting records for obligations and disbursements. Accounting records were incomplete/contained errors.</p> <p>4. Transition planned was prepared and in sufficient detail.</p>
71	USAAA	A-2005-0095-FFG	16-Feb-05	Vested and Seized Assets, Operation Iraqi Freedom	<p>1. Were adequate procedures and controls in place and operating to properly secure and account for vested and seized assets.</p> <p>2. Did adequate audit trails exist to support the onhand balance of the vested and seized asset accounts.</p>	<p>1. U.S. did properly secure and account for seized cash and metal bars.</p> <p>2. CPA did not maintain adequate controls over non-cash belongings.</p> <p>3. Adequate audit trails did not exist</p>
72	USAAA	A-2005-ALE-0191,000	26-May-05	Commanders' Emergency Response Program (CERP) and Quick Response Fund (QRF)	<p>1. Were funds for the CERP and the QRF received, accounted for, and reported according to applicable laws and regulations.</p> <p>2. Were disbursements consistent with the intent of the charter or implementing guidance.</p>	<p>The audit team reached positive conclusions on both objectives.</p>
73	USAID OIG	A-000-04-003-P	19-May-04	Capping Report on Audit of USAID's Compliance with Federal Regulations in Awarding the Iraq Phase I Contracts	<p>1. Did USAID comply with federal regulations in awarding the Iraq contracts.</p> <p>2. What improvements can be made to the process.</p>	<p>1. Inadequate documentation of market research relating to available/qualified contractors.</p> <p>2. Failure to obtain and document legal analysis regarding possible conflict of interest with contractors.</p> <p>3. Failure to notify and debrief non-award bidders.</p> <p>4. Failure to document mitigation of unfair competitive advantage.</p>
74	USAID OIG	A-000-04-004-P	23-Sep-04	Audit of USAID's Compliance with Federal Regulations in Awarding Iraqi Basic Education Phase II Contract	<p>Did USAID comply with FAR in awarding the Iraqi Basic Education Phase II Contract.</p>	<p>For the areas reviewed, we determined that USAID complied with applicable federal regulations in awarding the Iraqi Basic Education Phase II Contract.</p>

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency		Report Number	Publication Date	Report Title	Objectives	Findings
75	USAID OIG	A-267-05-005-P	6-Jan-05	Audit of USAID's Compliance with Fed. Regulations in Awarding the Contract to Kroll Security Services Inc.	Did USAID comply with FAR in awarding the contract for security service in Iraq.	<ol style="list-style-type: none"> <li>USAID did not adequately document use of less than full/open competition.</li> <li>Obtained security services using letter contract that did not meet FAR requirements.</li> <li>Incurred multiple potential funds control violations.</li> <li>Purchased armored vehicles that did not meet U.S. Government armoring standards.</li> </ol>
76	USAID OIG	E-266-04-001-P	19-Mar-04	Audit of USAID's Results Data for Its Education Activities in Iraq	Has USAID accurately reported data and results for its education activities in Iraq.	The data was reported inaccurately (education activities).
77	USAID OIG	E-266-04-002-P	3-Jun-04	Audit of USAID/Iraq's Infrastructure Reconstruction and Rehabilitation Program	Are USAID/Iraq's infrastructure and rehabilitation activities performed by Bechtel on schedule to achieve planned outputs.	<ol style="list-style-type: none"> <li>Mission's management controls related to infrastructure rehabilitation projects need improvements.</li> <li>Inadequate environmental reviews prior to start of construction.</li> <li>Job order specific plans (JOSPs) not submitted as required.</li> <li>Completed job orders not closed.</li> </ol>
78	USAID OIG	E-266-04-003-P	6-Aug-04	Audit of USAID's Compliance with Federal Regulations in Awarding Phase II Reconstruction and Rehabilitation, Program Advisors and Oversight Contracts	Did USAID comply with FAR in awarding Iraq Phase II Reconstruction and Rehabilitation, Program Advisors and Oversight Contracts.	For the areas reviewed, we determined that USAID complied with applicable federal regulations in awarding the Iraq Phase II Reconstruction and Rehabilitation, Program Advisors and Oversight Contracts.
79	USAID OIG	E-266-04-004-P	20-Sep-04	Audit of USAID's Iraq's Economic Reform Program	Did USAID/Iraq's Economic Reform Program achieve intended outputs.	<ol style="list-style-type: none"> <li>Mission needs to improve record keeping procedures for documenting actions, decisions, status.</li> <li>Mission needs to revise contractor reporting requirements.</li> </ol>
80	USAID OIG	E-267-05-001-P	31-Jan-05	Audit of USAID/Iraq's Community Action Program	Did USAID/Iraq's Community Action Program achieve intended outputs.	CAP achieved intended outputs, but internal controls need to be strengthened to improve CAP monitoring and reporting processes.
81	USAID OIG	E-267-05-002-P	28-Feb-05	Audit of USAID/Iraq's Health System Strengthening Contract Activities	Did USAID/Iraq's Health System Strengthening Contract achieve intended outputs.	<ol style="list-style-type: none"> <li>Activities under this contract did not achieve intended objectives.</li> <li>Contractor did not effectively manage program to ensure activities were completed as scheduled and deliverables effectively produced.</li> <li>Reduction in contractor's cost-ceiling prompted contractor to curtail/cancel activities.</li> <li>Mission needs to improve process for reviewing/approving requests for contract modifications.</li> </ol>

**Summary of U.S. Oversight Efforts in Iraq (As of June 30, 2005)**

Agency	Report Number	Publication Date	Report Title	Objectives	Findings
82 USAID OIG	E-267-05-003-P	29-Jun-05	Audit of USAID/Iraq's Electrical Power Sector Activities	<p>1. Are USAID/Iraq's electrical power sector projects achieving their planned outputs.</p> <p>2. Is USAID/Iraq addressing institutional capacity-building in its projects to rebuild and rehabilitate Iraq's electrical power sector infrastructure.</p>	<p>1. USAID's electrical power sector projects were not always achieving their intended outputs.</p> <p>2. Of the 22 projects reviewed, 7 (3%) had not or were not achieving their intended outputs for reasons beyond USAID's control.</p> <p>3. Two of the seven projects were impacted by the U.S. government's earlier efforts to reprogram government-wide infrastructure funding from the electrical sector to security and other priority areas, resulting in the cancellation of the two projects.</p> <p>4. Several other projects were experiencing implementation delays or hampered by a lack of cooperation from the Iraqi Ministry of Electricity staff, deteriorating security, and other factors.</p> <p>5. USAID was found to be addressing institutional capacity-building under its electrical power sector projects, mostly through the provision of training. More needed to be done to address the problems and challenges both at the power plants and at the ministry level.</p>
83 USAID OIG	E-267-05-004-P	30-Jun-05	Audit of USAID/IRAQ's Water and Sanitation Rehabilitation Activities	<p>1. Are USAID/Iraq's water and sanitation rehabilitation projects achieving their planned outputs.</p> <p>2. Is USAID/Iraq addressing institutional capacity-building in its projects to rebuild and rehabilitate Iraq's water and sanitation sector infrastructure.</p>	<p>1. The audit found that the water and sanitation rehabilitation projects were achieving intended outputs with some exceptions.</p> <p>2. Of the 34 projects reviewed, 30 projects (88%) achieved or were achieving their intended outputs while 4 projects (12%) were not because of security conditions, access to project site problems, and lack of local government cooperation which were beyond the control of the USAID and its implementing partners.</p> <p>3. The USAID addressed the issue of capacity-building in its projects to rebuild and rehabilitate Iraq's water and sanitation infrastructure through the provision of training and operation manuals.</p>

