

December 7, 2011



Expected Release

10:00 a.m.

Gordon S. Heddell  
Inspector General  
Department of Defense

before the

House Committee on Oversight and Government Reform

Subcommittee on National Security, Homeland Defense, and  
Foreign Operations

on

"Mechanisms Currently in Place to Oversee the Billions of  
Taxpayer Dollars Spent in Afghanistan and Iraq"



Chairman Chaffetz, Ranking Member Tierney and distinguished members of this subcommittee, thank you for the opportunity to appear before you to discuss our oversight efforts in Southwest Asia (SWA). I would also like to take this opportunity to thank the full committee on Oversight and Government Reform for convening a number of hearings to direct attention to the importance of maintaining strong and effective oversight on overseas contingency operations.

### **Recent Trip**

Prior to being sworn in as the Inspector General at the Department of Defense in July 2009, I spent one year as the acting head of the agency. Upon my arrival I had concerns regarding the contributions of the agency in providing the audits, inspections and investigations necessary to support two wars and protect both the warfighter and the taxpayer. I made oversight of overseas contingency operations in Southwest Asia the number one priority of the agency. As part of this effort, I travelled to Iraq and Afghanistan on various occasions. Most recently I travelled to Afghanistan in November.

While in Afghanistan I had a series of meetings with senior commanders to assess the overall level of oversight and its effects on the mission, and to determine areas where we can assist commanders. This also afforded me an opportunity to personally meet with the new command team in Afghanistan. I was particularly interested in meeting General Allen, both to address concerns he expressed about the level of oversight and its impact on the mission; and to invite his input on areas where the OIG organization can continue to add value as an outside set of eyes. The issue of corruption as an obstacle to progress in Afghanistan was a common theme throughout our visit. Commanders recognized the challenges that Afghans face in tackling corruption, including effectively prosecuting individuals in the Afghan courts and replacing ineffective leaders with more competent officials. Investigators are pursuing suspension and debarment as an alternative, but so far, this has had limited impact because Afghan companies regularly change their names and continue to land contracts.

## **Transitional DoD IG Role in Southwest Asia Oversight**

Over a span of three plus years I have instituted a number of organizational changes to the structure and focus of the work of the Department of Defense Inspector General (DoD IG). In addition to our expeditionary teams, I increased our in-theater presence from 17 to 58 auditors, investigators, evaluators and support staff. I believe strongly that an in-theater presence is essential to conducting oversight of operations and engaging with military and civilian leadership in-theater to ensure that our oversight is meaningful and effective. This experience has been institutionalized by the DoD IG. The DoD IG is prepared to respond effectively and aggressively – in coordination with other Federal agencies and internal DoD oversight offices – to address any future overseas contingency operation that arises. Today we are an agile, flexible and aggressive oversight organization with a capacity to deploy rapidly to anywhere in the world on short notice.

### **AUDIT**

In order to respond to the rapidly changing demands for audit work in Southwest Asia, we created the Joint and Southwest Asia Operations (JSAO) Directorate and the Afghan Security Forces Fund (ASFF) Group to specifically conduct a wide range of audits in support of operations in Southwest Asia. Our audits in theatre provide timely and relevant oversight in the areas of health and safety, acquisition, contract management, accountability of equipment, logistics, financial management, and sustainability. In FY 2011 we expended about 115 work years on audits for Southwest Asia.

The JSAO Directorate was created to conduct audits in support of combined, joint, interagency, and Southwest Asia operations. The ASFF Group was created to focus extensively on the more than \$51 Billion since 2006 that has been appropriated for the

Afghan Security Forces and the NATO Training Mission-Afghanistan/Combined Security Transition Command-Afghanistan (NTM-A/CSTC-A) to equip and train the Afghan Security Forces. NTM-A/CSTC-A has requested an additional \$8 billion for FY 2013. Collectively, these two audit groups provide a flexible, agile organization with the ability to rapidly deploy anywhere in the world to provide oversight of contingency operations. We currently have audit teams stationed in the U.S., Qatar, and Afghanistan with an average of 20 auditors deployed to Southwest Asia.

Since the Department fulfills much of its train and equip mission through contracts, our ASFF Group has focused extensively on requirements determination, contract formulation and contract oversight. Our goal is to assess whether these contracts are properly designed to fulfill critical mission needs and evaluate the Department's oversight of the contractors to ensure DOD receives all the goods and services it pays for. During previous reviews of the management and execution of the ASFF, we noted deficiencies with acquisition, contract oversight, and management of goods and services paid for with this fund.

In FYs 2010 and 2011, we issued 83 reports related to overseas contingency operations in Iraq and Afghanistan, including contracts for logistical support of coalition forces, force protection, health care, financial management, asset accountability, and training and equipping the Afghan Security Forces. These reports included 651 recommendations identifying a total of \$4.98 billion in potential funds put to better use. Some highlights of work include:

**Afghan National Police.** While interagency work with my office and the other Federal Inspectors General is a not new concept, I am very proud and pleased at the level of interagency cooperation, collaboration, and results in Southwest Asia. A recent and highly successful example of interagency collaboration and coordination is the series of joint audit reports on the Afghan National Police Training Program. The DoD IG and the Department of State Inspector General determined that performing joint oversight of the

building efforts of the Afghan National Police was essential to respond to the requirements of Public Law 111-383, “Ike Skelton National Defense Authorization Act for Fiscal Year 2011” January 7, 2011. This law required, among other things, that the DoD OIG, in consultation with the Department of State OIG, report to Congress within 180 days of the transition of Afghan National Police contract from the Department of State to the DoD. As a result, a joint interagency team was formed to provide consistent and commensurate oversight of the Afghan National Police training efforts.

This joint team consisted of more than 22 financial and performance auditors and management analysts from the DoD and DOS IG’s. The team issued three reports and made 25 recommendations. Two of these reports revealed that DOS officials did not appropriately obligate or return to DoD about \$249.05 million of ASFF appropriations that were intended for the ANP training program. Consequently, we identified potential monetary benefits totaling more than \$200 million that, when recovered, could be used for valid ANP training programs or other DoD requirements. If not corrected, obligations of approximately \$74.91 million could result in potential Antideficiency Act violations. As of December 1, 2011, DoD and DOS have tentative agreements on returning most of the funds, and DOS has promised additional supporting details for those funds still in disagreement. The Antideficiency Act investigation has not begun.

Our third report revealed that DoD and DoS had not developed a comprehensive plan or memorandum of agreement to guide, monitor, and assign transition responsibilities. Specifically, the report noted that the incoming contractor did not have 428 of the 728 required trainer and mentor positions in place, placing the overall mission at risk. DoD also did not have 136 of the 170 contracting officer representatives in place. After the publication of our report, a significant number of government oversight and contractor positions were filled. However, until all government and contractor oversight personnel are in place, DoD will not be able to adequately determine whether contractors are performing contractual obligations and achieving the goals of the program.

**Prime Vendor Contract.** We recently reported on the need for the Defense Logistics Agency to improve contract management of the subsistence contract for Afghanistan. Since the contract was awarded in 2005, DoD has paid the vendor about \$1.6 billion for food and water and \$1.4 billion for nonfood items as required by the contract.<sup>1</sup> However, the Defense Logistics Agency:

- overpaid the prime vendor potentially \$98.4 million for transportation costs within Afghanistan;
- overpaid the prime vendor approximately \$25.9 million for triwall<sup>2</sup> costs; and
- paid the prime vendor approximately \$454.9 million for services to airlift fresh fruit and vegetables from the United Arab Emirates to Afghanistan without incorporating the airlift requirement in the contract.

We also determined that invoices were not adequately reviewed.

In response to the report, the Acting Commander, Defense Logistics Agency Troop Support, agreed with all the recommendations and stated they were making every effort to determine fair and reasonable prices to definitize the 2005 verbal change order. Once the rates are finalized, Troop Support will take action to recover the difference between the reimbursement rates paid to the prime vendor and the finalized rates. Defense Contract Audit Agency (DCAA) completed its evaluation of proposed direct costs and submitted its audit report to DLA Troop Support on August 29, 2011. A strategy meeting between DLA Troop Support, DLA HQ, and DCAA is scheduled for October 3-4, 2011. Face to face



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<sup>1</sup> Report No. D-2011-047, "Improvements Needed in Contract Administration of the Subsistence Prime Vendor Contract for Afghanistan," March 2, 2011

<sup>2</sup> Triwalls are three layered corrugated boxes used for packaging and shipping chilled or frozen food.

negotiations with the prime vendor reportedly began in October 2011 with an objective to reach an agreement by December 2011.

There are 25 ongoing audits. Some of the highlights include:

**Non-Standard Rotary Wing Aircraft<sup>3</sup>.** In our recent oversight efforts we reviewed the management of the DoD acquisition and support for non-standard rotary wing aircraft. We are determining whether DoD officials have comprehensively planned for all DoD-owned and supported Mi-17s, including their total ownership costs, and all related requirements to support these aircraft. Currently DoD has obligated \$1.6 billion and has plans to spend an additional \$1 billion for future non-standard rotary wing aircraft.



**Mi-17 Overhauls.** In another ongoing audit, we are reviewing the oversight, management, and pricing for Mi-17 aircraft overhauls. We are assessing the Department's oversight of these aircraft overhauls and DoD's ability to provide quality assurance for the overhauls being done at a Russian facility. We are also assessing whether the contracting officer determined fair and reasonable prices for contract modifications valued at \$100.4 million, and whether the contracting officer approved \$11 million to procure aircraft parts at potentially inflated prices.

**Planned Audits.** In FY 2012, we will continue to focus oversight on overseas contingency operations shifting a majority of our resources from operations in Iraq to operations in Afghanistan. Our focus in Afghanistan will continue to be in the areas of the management and execution of the Afghanistan Security Forces Fund, military

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<sup>3</sup> Non-Standard Rotary Wing aircraft are any that are not part of the DoD's U.S. inventory, these include the Mi-17, Mi-35, UH-1, MD-530F, and the AW-139 helicopters. Mi is the designation for the Military Moscow Helicopter Plant who designed and manufactured these aircraft.



construction, and the administration and oversight of contracts supporting coalition forces.

As billions of dollars continue to be spent in Afghanistan, a top priority will continue to be the monitoring and oversight of acquisition and contracting processes focused on training, equipping, and sustaining Afghanistan Security Forces (ASF). Our planned oversight efforts will address the administration and oversight of contracts for equipping ASF, such as rotary wing aircraft, airplanes, ammunition, radios, and night vision devices. We will also continue to review and assess the Department's efforts in managing and executing contracts to train the Afghan National Police.

As Military Construction continues in Afghanistan to build or renovate new living areas, dining and recreation facilities, medical clinics, base expansions, and police stations, we will continue to provide aggressive oversight of contract administration and military construction projects. We will also continue to focus on the accountability of property, such as contractor managed government owned property and Army high demand items. Also, we will focus on the Department's efforts to strengthen institutional capacity at the Afghan Ministry of Defense.

#### **DEFENSE CRIMINAL INVESTIGATIVE SERVICE (DCIS)**

Our audit work conducted throughout SWA has revealed many instances where a lack of adequate oversight resulted in an environment ripe for corruption and criminal activities relating to Overseas Contingency Operations. In order to aggressively respond, the DoD IG Defense Criminal Investigative Service (DCIS) has made criminal investigations of fraud and corruption related to U.S. operations and reconstruction efforts in Iraq and Afghanistan a priority. DCIS plays a major criminal investigative role in SWA and employs a highly capable and world-wide deployable group of criminal investigators. Starting in May 2003, within two months of the commencement of Operation Iraqi Freedom, the DCIS began deploying special agents to Iraq. During our initial assessment period, DCIS special agents were responsive to the requests for

assistance from the U.S. Military Commanders in theater, and therefore focused on non-fraud matters, such as assisting in the recovery of weapons and guarding the transport of money. During these early stages of operations in SWA, the federal law enforcement community had little experience operating in conflict areas. Therefore, specialized pre-deployment training for DCIS special agents deployed to Iraq was very limited and did not adequately prepare them sufficiently for such austere operating environments. Additionally, agents received little logistical support. They were responsible for obtaining their own office space, billeting, and other logistical needs.

Between 2004 and 2008, DCIS slowly increased the number of deployed agents and expanded its footprint throughout Iraq, Kuwait, and Afghanistan. Agents were deployed to specific locations within SWA based on mission requirements. The DCIS has continued to be responsive to requests from U.S. Military Commanders. The increased presence of special agents in theater has resulted in greater focus by DCIS on its traditional roles of investigating fraud and corruption impacting the DoD.

In 2006, in response to overlapping investigations and the need to improve coordination in SWA, DCIS along with the US Army Criminal Investigation Command, the FBI, and the Inspectors General from the Department of State, U.S. Agency for International Development (USAID), and the Special Inspector General for Iraq Reconstruction (SIGIR), created the International Contract Corruption Task Force (ICCTF). In 2008 these six founding agencies developed a Memorandum of Understanding formalizing the task force. The ICCTF combines the resources of multiple investigative agencies, when there is overlapping investigative jurisdiction, to effectively and efficiently investigate, deconflict, and present cases of fraud and corruption for prosecution. In 2009, the Air Force Office of Special Investigations, the Naval Criminal Investigative Service, and the Special Inspector General for Afghanistan Reconstruction formally joined the ICCTF.

In 2009, after I was confirmed as the IG, I stressed to my DCIS staff the importance of further improving upon the criminal investigative work we do in SWA. In response, DCIS deployed additional special agents to SWA, increasing our criminal investigative presence by 72% over the previous year, an increase in staffing from 18 agents to 31 agents in 2009.

The DCIS' highest priority is investigating significant fraud and corruption impacting crucial DoD operations throughout SWA. The DCIS attempts to transfer viable investigations developed in SWA to an appropriate venue in the United States as soon as practical to facilitate prosecutions and to allow the in-theater investigative resources to develop new investigations.

Also in 2009, DCIS joined the Naval Criminal Investigative Service's pre-deployment training program held at the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia. The Deployment Readiness Program (DRP) is a FLETC-certified course and addresses the training requirements set by the military, as well as the medical, tactical, legal, and administrative needs of the deployers. The training is of a high quality and is significantly less expensive than the training provided by private contractors.

In 2010, in order to provide additional oversight and logistical support for DCIS operations in SWA and other foreign locations, we created the DCIS International Operations Directorate. Additionally, in order to support all OIG operations in SWA, we created the Overseas Contingency Operations Office. These organizational changes allowed not only our agents, but also all OIG staff, on the ground in SWA to spend more time on core functions and less time handling logistical details.

In 2010, the DCIS adopted a more holistic approach to fighting fraud and corruption in SWA. The DCIS assigned special agents to DoD-led "Task Force 2010," which utilizes intelligence analysts, criminal investigators, auditors, and forensic financial analysts to gain visibility on the flow of contracting funds to subcontractors in

order to prevent the U.S. from doing business with insurgents, corrupt officials, and criminal groups. Our success is measured, in part, through significant cost avoidance, and the increased suspensions and debarments that exclude contractors from Government contracting. As an added remedy, the DCIS is looking into pursuing civil forfeitures on properties that were used to facilitate or obtained during the illegal activity. Additionally, our agents in Afghanistan support “Task Force Shafafiyat” in a liaison capacity. Shafafiyat means “transparency” in Dari. The task force, which falls under NATO’s International Security Assistance Force (ISAF), seeks to foster a common strategy for attacking the corruption problem in Afghanistan by planning and coordinating anti-corruption efforts and integrate ISAF anti-corruption activities with key Afghan and International Community partners. The prosecution of foreign nationals in U.S. courts is very rare, so the coordination of remedies is vital to prevent corrupt foreign nationals from abusing the DoD procurement system.

In September 2011, commensurate with the military drawdown in Iraq, the DCIS ceased its physical presence in Iraq and increased its presence in Afghanistan. Allegations of fraud and corruption in Iraq continue to be investigated by our special agents in Kuwait, Germany, and the United States. The DCIS has deployed a total of 28 agents to SWA in 2011 – the majority of whom deployed to Afghanistan. Currently, nine DCIS special agents are assigned to Afghanistan, and two special agents are assigned to Kuwait. From its first deployment in May 2003, to the current cadre of agents in SWA in November 2011, DCIS has conducted 141 individual deployments to Iraq, Kuwait, and Afghanistan. The DCIS will continue to evaluate its requirements in SWA in order to place the appropriate number of agents to have the greatest positive impact on DoD operations abroad.

The DCIS will continue participating in the Deployment Readiness Program at the Federal Law Enforcement Training Center which will enable our agent corps to surge and deploy into expeditionary environments worldwide and accomplish our core mission of combating fraud, waste, and abuse. The DCIS recognizes the need to maintain a

mutually beneficial relationship with our DoD “customers,” and to constantly coordinate with its law enforcement partners as a force multiplier to accomplish the critical mission we have. These established relationships, combined with a highly trained mobile workforce, have prepared DCIS and its investigative partners to address future contingency operations aggressively. These preparations have set the stage for quick, effective, and aggressive response to future contingency operations anywhere in the world.

From August 2003 to present, DCIS open and closed investigations involving Operations Iraqi Freedom and Enduring Freedom have resulted in 109 Federal criminal indictments and 98 Federal criminal informations. These investigations also resulted in 14 preliminary hearings under Article 32 of the Uniform Code of Military Justice. In total, 166 persons have been convicted of felony crimes, resulting in a total of approximately 277 years of confinement and approximately 242 years of probation; 127 individuals and companies have been debarred from contracting with the U.S. Government; 216 companies and individuals have been suspended from contracting; and 15 contractors have signed administrative settlement agreements in lieu of debarment with the U.S. Government. A total of \$328.3 million in restitution was paid to the U.S.; \$62.3 million in fines and penalties; \$20.7 million was forfeited; and \$2.7 million was seized. One or more of the ICCTF agencies participated in the majority of the above mentioned investigations.

## **OFFICE OF SPECIAL PLANS AND OPERATIONS**

Another division of the DoD IG – the Office of Special Plans and Operations (SPO) – has been a key contributor to providing oversight of a major goal of our military efforts in Southwest Asia — the development of the security forces of Iraq and Afghanistan. Created in 2007, SPO significantly enhanced DoD IG capability by providing an expeditionary team capable of rapid deployment to SWA to conduct timely assessments of the military’s efforts to train, equip, and mentor the Iraq and Afghan army

and police forces. SPO recently enhanced its effectiveness by placing liaison personnel on-the-ground in Afghanistan to interface with principal U.S. and NATO commands, supplement deployed teams, and identify and undertake their own assessments related to our military's efforts to achieve major SWA goals.

To determine priority oversight needs and identify specific projects, SPO leadership relies on recommendations from Congressional committees; close engagement with senior DoD officials and field commanders; and the expertise of SPO and other OIG personnel. SPO oversight work has had a measureable impact on improved performance of programs and operations to build independent and sustainable security forces in both Iraq and Afghanistan.

The SPO operational model allows for the rapid deployment of assessment teams composed of experienced and highly professional civilian and military personnel, fortified by interdisciplinary and interagency subject matter experts detailed for specific missions in SWA. The teams provide a thorough out-brief to field commanders before departing, which enables immediate corrective actions through accelerated Command response to recommendations.

Over the last four years, SPO has conducted assessments in Iraq and Afghanistan concerning progress and challenges in the training, equipping, and advising of the army and police forces of Iraq and Afghanistan. Some examples include the accountability and control of sensitive equipment such as weapons and ammunition, night vision devices, medical equipment and supplies provided by the U.S. to the Iraq and Afghan Security Forces; the development of the logistics sustainment capability of the Iraq and Afghan Security Forces; U.S. security assistance and cooperation programs; and building the operational effectiveness of the Iraqi and Afghan army and police forces via partnering and mentoring by U.S., Coalition, and NATO forces. Highlights from recent assessments in SWA include:

Logistics Sustainment Capability of Afghan National Army. We conducted an assessment of the development of the logistics sustainment capability within the Afghan National Army that resulted in the first Ministry of Defense and General Staff logistics leaders' conference, which improved strategic planning and coordination.

Medical Logistics within the Afghan National Security Forces. Our assessment found that the ability of the Afghan National Army to build and maintain a sustainable medical logistics system at its current level of capability was not feasible in the absence of U.S. and international community support. Further, pharmaceuticals provided to ANSF by U.S. and Coalition Forces were at significant risk of theft, misappropriation, or other illegal acts. This report triggered a significant reorganization of DoD's medical mentoring plans and programs that advanced the building of a viable ANSF health care system by 2014.

In Iraq, SPO is currently assessing the transition of the DoD "train and equip" mission to an Office of Security Cooperation-Iraq responsible for security cooperation and assistance under Department of State and U.S. Mission authority.

Current assessment projects in Afghanistan are focused on the effort to train, equip and field the Afghan Air Force; and a just-completed deployment assessing progress in the initiative to build the Afghan Local Police. One new SPO initiative I would like to highlight is the compilation of a set of metrics tracking the development of the ANSF. I view these metrics as an important way to increase stakeholders' situational awareness of this critical DoD mission, the success of which will enable the progressive withdrawal of our forces.

In FY 2012, SPO plans to assess U.S. and Coalition efforts to develop the command and control capability of the ANSF, as well as our efforts to develop leaders within the Afghan officer and NCO corps. In addition, SPO will conduct a follow-up visit to Afghanistan to assess progress being made in the U.S. and Coalition efforts to develop a sustainable health care system within the ANSF. Last, an in-depth review of

DoD efforts to combat trafficking in persons in Afghanistan is scheduled in response to Congressional requests and our ongoing efforts to ensure compliance with Combating Trafficking in Persons statutes, and DoD policy and regulations.

In Iraq and Afghanistan, assessment priorities evolve consistent with the continuing build-up and maturation of the ANSF and the DoD role in future security assistance and cooperation programs in Iraq.

### **EFFECTIVE AND EFFICIENT COORDINATION**

Up to this point, I have described how the DoD IG has managed and transformed several of its internal organizations to effectively respond to the demanding work associated with providing oversight of overseas contingency operations. However, it is important to note that the DoD IG is part of a broader oversight community. Internally at DoD, there is a need to recognize and assist to the highest degree possible the important work of agencies such as the Defense Contract Audit Agency (DCAA), the Defense Contract Management Agency (DCMA), and the Defense Logistics Agency (DLA). Also, the Departments of the Army, Air Force and Navy all have IGs, audit agencies and criminal investigative operations.

The DoD IG has primary responsibility within the DoD for providing oversight of defense programs and funds appropriated to the Department at home and around the world. In this role, DoD IG oversees, integrates, and attempts to ensure there are no gaps in the stewardship of DoD resources. In furtherance of this responsibility, my office is committed to maintaining effective working relationships with other oversight organizations, including other Federal agencies, to minimize duplication of efforts and to leverage resources to provide more comprehensive coverage. In order to best accomplish this important coordinating function, I appointed a Special Deputy Inspector General for Southwest Asia (SDIG-SWA), who serves as my senior executive level representative in Southwest Asia acting on my behalf to coordinate and deconflict oversight efforts.



The SDIG-SWA spends the majority of his time forward deployed to Southwest Asia and continues to improve the communications within the Defense and Federal oversight community by functioning as an authoritative source to coordinate and facilitate various oversight efforts within the legal authorities of the DoD IG. The SDIG-SWA also serves as a liaison with DoD leadership and the supporting commands in Southwest Asia to identify oversight requirements and to facilitate interaction with oversight organizations.

As one of the key coordinating efforts for SWA, the SDIG-SWA also serves as chairperson of the Southwest Asia Joint Planning Group, established in April 2007. This group is the principal Federal interagency forum to promote coordination and cooperation among the member organizations toward the common objective of providing comprehensive Southwest Asia oversight. The Joint Planning Group, which meets quarterly or more frequently as needed, is made up of representatives from over 25 DoD and Federal oversight agencies, functional components, and Command IGs. The Southwest Asia Joint Planning Group facilitates the compilation and issuance of the Comprehensive Oversight Plan for Southwest Asia in response to the FY 2008 National Defense Authorization Act.

In November 2011, the Southwest Asia Joint Planning Group established a new subgroup to develop a strategy for oversight in Afghanistan. This subgroup was established as a result of a need to further improve coordination, planning, and communications for Afghanistan oversight. This subgroup is chaired by SIGAR and consists of senior representatives from the oversight components that are working in Afghanistan.

I also chair the Defense Council on Integrity and Efficiency and my Deputy for Auditing chairs the Audit Chiefs Council. I also utilize both of these forums to facilitate communications on the oversight work in Southwest Asia.

## **Management Responsibility**

Work conducted throughout Southwest Asia has revealed many instances where a lack of adequate contractor/contracting official oversight resulted in an environment ripe for corruption. The Department depends on responsible agency officials with oversight responsibility to monitor contract performance, implement internal controls designed to deter abuse, and refer potential fraudulent activity uncovered through proactive internal reviews. However, as noted in our audit work and in the final report issued by the Commission on Wartime Contracting, those resources have been inadequate.

The absence of a sufficient number of properly trained contracting personnel to award and oversee the execution of contracts has been a key finding of many of the audits issued by this office. As we identified in our report, “Contingency Contracting: A Framework for Reform,” one of the most frequent contract administration weaknesses we found was in contract oversight and surveillance.

With our recently completed and ongoing oversight efforts of overseas contingency operations contracting, we continue to identify a lack of sufficient and adequate contracting oversight by agency management. One of the more significant deficiencies was noted in a joint audit conducted by my office and the Department of State IG concerning the management of the DoS contract for the training of the Afghan National Police. Our joint audit found that there was a lack of adequate contracting officer representatives to oversee contractor performance.

## **Closing**

In closing, I would like to thank the Subcommittee for the opportunity to discuss our work and I look forward to answering any questions you may have.