



Department of Defense **INSTRUCTION**

NUMBER 7750.06
September 25, 2013

IG DoD

SUBJECT: Information Requirements for Semiannual Report to the Congress

References: See Enclosure 1

1. **PURPOSE.** In accordance with the authority in DoD Directive 5106.01 (Reference (a)), this instruction reissues DoD Instruction (DoDI) 7750.6 (Reference (b)) to implement policy and assign responsibilities for preparing information for the Inspector General of the Department of Defense (IG DoD) Semiannual Report to the Congress (referred to in this instruction as the "Semiannual Report").
2. **APPLICABILITY.** This instruction applies to OSD, the Military Departments (MILDEPs), the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the IG DoD, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this instruction as the "DoD Components").
3. **POLICY.** It is DoD policy, pursuant to Reference (a) and the Title 5, United States Code Appendix 3, referred to in this instruction as "The Inspector General Act of 1978," (Reference (c)), that the IG DoD prepares semiannual reports to the Congress summarizing audit, investigation, evaluation, and inspection activities covering the 6-month periods ending March 31 and September 30.
4. **RESPONSIBILITIES.** See Enclosure 2.
5. **PROCEDURES.** See Enclosure 3.
6. **INFORMATION COLLECTION REQUIREMENTS.** The Office of the IG DoD, Semiannual Report to the Congress referred to in this instruction is submitted to Congress in accordance with Reference (c) and is coordinated with the Assistant Secretary of Defense for Legislative Affairs in accordance with the procedures in DoDI 5545.02 (Reference (d)). The IG

DoD Semiannual Report to the Congress does not supplant the semiannual reports required to be submitted by DoD Components that are “designated federal entities” as specified by section 8G of Reference (c).

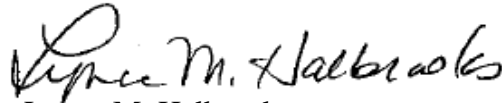
7. RELEASABILITY. **Unlimited**. This instruction is approved for public release and is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

8. EFFECTIVE DATE. This instruction:

a. Is effective September 25, 2013.

b. Must be reissued, cancelled, or certified current within 5 years of its publication to be considered current in accordance with DoDI 5025.01 (Reference (e)).

c. Will expire effective September 25, 2023 and be removed from the DoD Issuances Website if it hasn't been reissued or cancelled in accordance with Reference (e).



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Acting Inspector General

Enclosures

1. References
2. Responsibilities
3. Procedures

Glossary

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5106.01, "Inspector General of the Department of Defense (IG DoD)," April 20, 2012
- (b) DoD Instruction 7750.6, "Information Requirements for Semiannual Report to the Congress," April 27, 1990 (hereby cancelled)
- (c) Title 5, United States Code
- (d) DoD Instruction 5545.02, "DoD Policy for Congressional Authorization and Appropriations Reporting Requirements," December 19, 2008
- (e) DoD Instruction 5025.01, "DoD Directives Program," September 26, 2012, as amended
- (f) Public Law 110-181, "National Defense Authorization Act for Fiscal Year 2008," January 28, 2008
- (g) Title 8, United States Code
- (h) DoD Instruction 7640.02, "Policy for Follow-up on Contract Audit Reports," August 22, 2008
- (i) Public Law 104-208, "Federal Financial Management Improvement Act of 1996," September 30, 1996

ENCLOSURE 2
RESPONSIBILITIES

1. IG DoD. The IG DoD:

- a. Ensures that the reporting requirements of Reference (c) are fulfilled.
- b. Directs and provides guidance to the DoD Components on the reporting requirements for the Semiannual Report.
- c. Assesses the material that DoD Components submit to ensure it meets the requirements of this instruction with the specification of the names and document numbers of the actual applicable implementing documents.
- d. Coordinates with the DoD Components to ensure that they meet the reporting and statistical requirement submission deadlines and that their material is timely and sensitive to current DoD policy.
- e. Prepares the Semiannual Report in accordance with Reference (c) for the Secretary of Defense to review by April 30 and October 31 of each year.

2. DIRECTOR, DEFENSE CONTRACT AUDIT AGENCY (DCAA). Under the authority of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, Department of Defense, the Director, DCAA, provides contracting oversight data for inclusion in the Semiannual Report for:

- a. Contract audit reports issued showing number of reports issued, dollars examined, questioned costs, and funds put to better use in accordance with Reference (c).
- b. Contract audit reports issued to the contracting activity with significant audit findings in accordance with Public Law 110-181 (Reference (f)), Title 8, United States Code (Reference (g)), and DoDI 7640.02 (Reference (h)).

3. DoD COMPONENT HEADS. The DoD Component heads ensure the information needs of the IG DoD for the Semiannual Report are fulfilled in accordance with the guidance issued pursuant to paragraph 1b of this enclosure.

4. SECRETARIES OF THE MILITARY DEPARTMENTS. In addition to the responsibilities in section 3 of this enclosure, upon IG DoD request, the Secretaries of the Military Departments will ensure that the information needs of the IG DoD for the Semiannual Report are fulfilled in

accordance with the guidance issued pursuant to paragraph 1b of this enclosure and provide summation of applicable activities for the applicable reporting period.

ENCLOSURE 3PROCEDURES

1. The IG Act of 1978, states that each inspector general will, no later than April 30 and October 31 of each year, prepare semiannual reports summarizing the activities of the office during the immediately preceding 6-month periods ending March 31 and September 30. The IG Act of 1978 specifies reporting requirements for semiannual reports, which are referenced in Table 1. The IG DoD will include this information in the semiannual report, as applicable:

Table 1. IG DoD Semiannual Report Information Requirements

ITEM	IG ACT OF 1978 REFERENCE	INFORMATION
1.	Section 4(a)(2)	Reviewed existing and proposed legislation and regulations and recommendations submitted for consideration.
2.	Section 5(a)(1)	Description of significant problems, abuses, and deficiencies.
3.	Section 5(a)(2)	Description of recommendations for corrective action, with respect to significant problems, abuses, and deficiencies.
4.	Section 5(a)(3)	Identification of each significant recommendation described in previous semiannual reports on which corrective action has not been completed.
5.	Section 5(a)(4)	A summary of matters referred to prosecutive authorities and the prosecution and convictions which have resulted.
6.	Section 5(a)(5)	A summary of each report made to the Secretary of Defense, under section 6(b)(2), of instances where information requested was refused or not provided.
7.	Section 5(a)(6)	A listing, subdivided according to subject matter, of each audit report, inspection report, and evaluation report issued showing dollar value of questioned costs and recommendations that funds be put to better use.
8.	Section 5(a)(7)	A summary of each particularly significant report.
9.	Section 5(a)(8)	Statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the total dollar value of questioned costs.

Table 1. IG DoD Semiannual Report Information Requirements, Continued

ITEM	IG ACT OF 1978 REFERENCE	INFORMATION
10.	Section 5(a)(9)	Statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the dollar value of recommendations that funds be put to better use by management.
11.	Section 5(a)(10)	A summary of each audit report, inspection report, and evaluation report issued before the commencement of the reporting period for which no management decision has been made by the end of reporting period.
12.	Section 5(a)(11)	A description and explanation of the reasons for any significant revised management decision.
13.	Section 5(a)(12)	Information concerning any significant management decision with which the IG is in disagreement.
14.	Section 5(a)(13)	Information described in Section 05(b) of Public Law 104-208 (Reference (i)), also known as the "Federal Financial Management Improvement Act of 1996," including instances and reasons when an agency has not met target dates established in a remediation plan.
15.	Section 5(a)(14)	An appendix containing the results of any peer review conducted by another Office of IG during the reporting period.
16.	Section 5(a)(15)	A list of any outstanding recommendations from any peer review conducted by another Office of IG that have not been fully implemented, including a statement describing the status of the implementation and why implementation is not complete.
17.	Section 5(a)(16)	Any peer reviews conducted by IG DoD of another IG office during the reporting period, including a list of any outstanding recommendations made from any previous peer review that remain outstanding or have not been fully implemented.
18.	Section 5(b)(2)	Statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the dollar value of disallowed costs.
19.	Section 5(b)(3)	Statistical tables showing the total number of audit, inspection, and evaluation reports and the dollar value of recommendations that funds be put to better use by management agreed to in a management decision.
20.	Section 5(b)(4)	A statement, with respect to audit reports, on which management decisions have been made but final action has not been taken, other than audit reports on which a management decision was made within the preceding year.

2. Table 2 details the DCAA specific requirements.

Table 2. DCAA Semiannual Report Information Requirements

ITEM	REFERENCE	INFORMATION
1.	IG Act of 1978, Section 8(f)(1)	Information concerning the number and types of contract audits conducted.
2.	Fiscal Year 2008 NDAA, Section 845	An annex on final completed contract audit reports containing significant audit findings.

3. Additional requirements will be tasked by IG DoD to DoD Components on an as-needed basis.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

DCAA	Defense Contract Audit Agency
DoDI	DoD Instruction
IG DoD	Inspector General of the Department of Defense
MILDEPs	Military Departments

PART II. DEFINITIONS

These terms and their definitions are for the purpose of this instruction.

funds put to better use. The fiscal impact of a recommendation by the auditors to use funds more efficiently if management of an establishment took actions to implement and complete the recommendation, including:

Reductions in outlays;

De-obligation of funds from programs or operations;

Withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds;

Costs not incurred by implementing recommended improvements related to the operations of the establishment, a contractor, or grantee;

Avoidance of unnecessary expenditures noted in pre-award reviews of contract or grant agreements; or

Any other savings that are specifically identified.

questioned cost. The amount of audit exception, potential cost avoidance, or recommended price adjustment in the audit report including:

An alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other document governing the expenditure of funds.

An auditor finding that at the time of the audit, such cost is not supported by adequate documentation.

An auditor finding or determination that the intended purpose for a particular expenditure of funds is unnecessary or unreasonable.