



INSPECTOR GENERAL

Inspector General Jon T. Rymer

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

The Department of Defense Office of Inspector General focuses its efforts on detecting and preventing fraud, waste and abuse, while improving efficiency and effectiveness. For more information, visit us at www.dodig.mil.

Significant DoD IG Activities – April 1 to September 30, 2015



DoD Cardholders Use Government Travel Cards at Casinos and Adult Entertainment Establishments

The DoD IG determined that DoD cardholders improperly used their Government Travel Charge Card (GTCC) for personal use at casinos and adult entertainment establishments. From July 1, 2013 to June 30, 2014, this audit identified 4,437 transactions valued at \$952,258 that were likely misused at casinos. Another 900 transactions valued at \$96,576 were charges on the GTCC at adult entertainment establishments. Cardholders are personally and financially liable for payment of these charges; not the Government.

DODIG-2015-125



Rights of Conscience Protections for Armed Forces Service Members and Their Chaplains Not Consistently Applied

The DoD IG determined that the military services were not consistently evaluating religious accommodation requests within established timeframes. The DoD IG identified opportunities for improvement to the military services' regulations. As of April 2015, the DoD and the Army had issued updates to regulations implementing the protections afforded by Section 533, while Navy regulations were pending approval and Air Force regulations were partially complete. The DoD IG also determined that there has been no instance in which a commander forced or attempted to force a chaplain to perform a service contrary to his or her conscience, moral principles, or religious beliefs. It was recommended that there should be a more efficient and effective means of gauging and reporting the status of rights of conscience protections for service members.

DODIG-2015-148



Defense Logistics Agency (DLA) Did Not Obtain Fair and Reasonable Prices From Meggitt Aircraft Braking Systems (MABS) for Sole-Source Commercial Spare Parts

The DLA Aviation contracting officer did not obtain fair and reasonable prices for 51 of 54 statistically sampled sole-source commercial spare parts procured from MABS companies. This occurred because the contracting officer did not conduct sufficient price analysis in accordance with federal and defense acquisition regulations.

DODIG-2015-120



Investigative Results of a Possible Questionable Intelligence Activity

The DoD IG determined that intelligence components of DoD intelligence agencies did not have access to, or use the Law Enforcement Information Exchange or law enforcement databases, and that the only users were security and law enforcement entities of DoD intelligence agencies. The investigation confirmed the allegations that Naval Criminal Investigative Service owned and maintained these databases, and that the databases contained many records of U.S. persons not affiliated with DoD. The DoD IG found that only security and law enforcement entities of the DoD intelligence agencies are the users of the Law Enforcement Information Exchange and law enforcement databases. Allegations of a possible questionable intelligence activity were not substantiated.

DODIG-2015-119



Over \$8 Million Recovered for the Defense Health Agency Related to Fraudulent Prescriptions

A joint Defense Criminal Investigative Service investigation with the FBI examined allegations of prescription fraud perpetuated by Blanding Health Mart Pharmacy, a compounding pharmacy in Florida. Allegedly, from February 9, 2015, through April 13, 2015, Blanding sought reimbursement for compounding pharmaceutical prescriptions that were not medically necessary and were written by physicians who had allegedly not seen the patients. The allegations indicated that prescriptions were being funneled to Blanding from another pharmacy and filled without an adequate verification of the required physician-patient relationship. Additionally, prescriptions were allegedly shipped to patients in locations where Blanding did not possess the appropriate licenses.

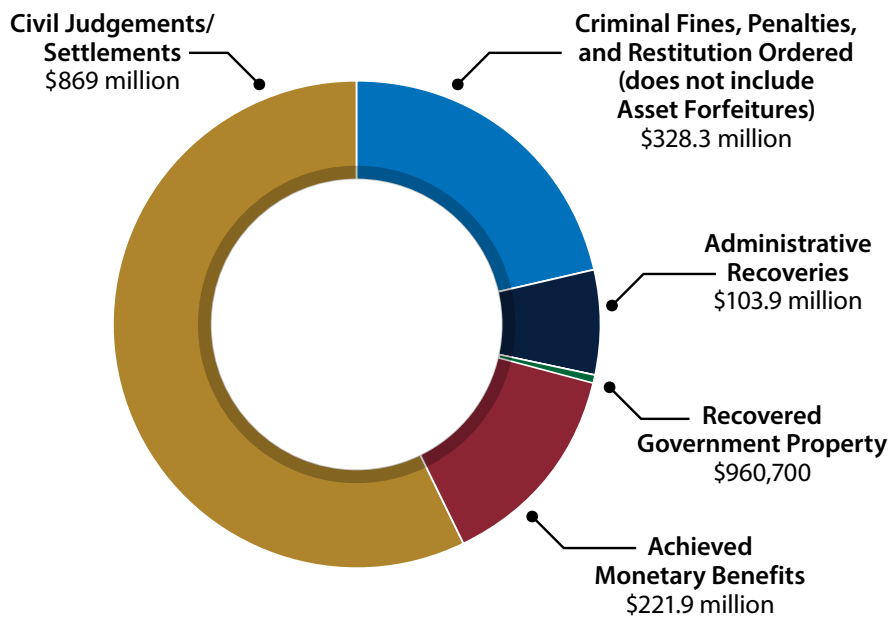
As a result of the joint DCIS and FBI investigation, on July 15, 2015, Blanding and the Department of Justice reached a settlement whereby Blanding agreed to pay \$8.44 million to resolve allegations that the company violated the False Claims Act. The entire amount was returned to the Defense Health Agency.

FY 2015 DoD IG Statistics

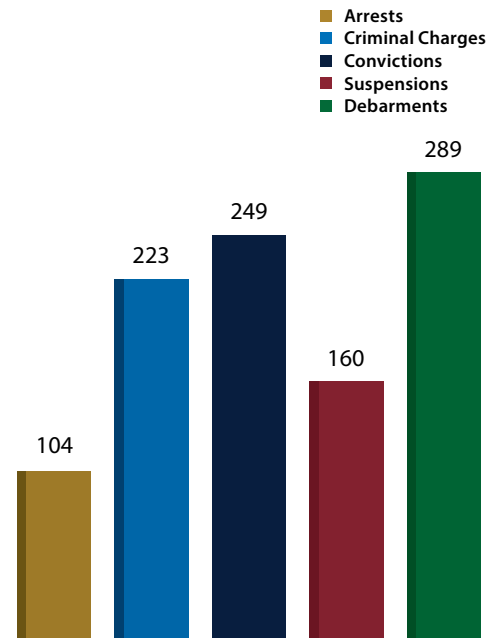
October 1, 2014 – September 30, 2015

Total Reports Issued: 183

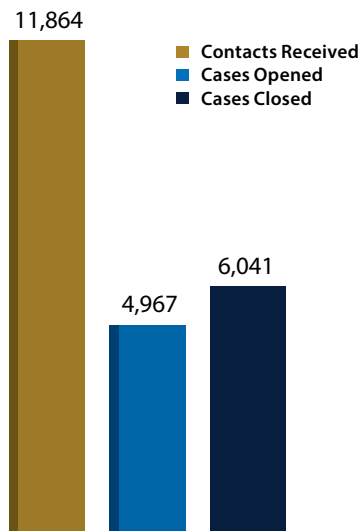
Total Return: \$1.5 Billion



Criminal Investigations



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Administrative Investigations

