FY 2015 Statistics

Reporting Period: October 1, 2014 to March 31, 2015

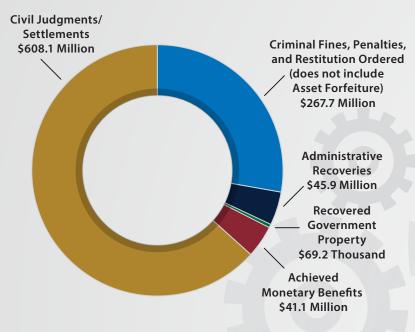
Total Reports Issued: 103



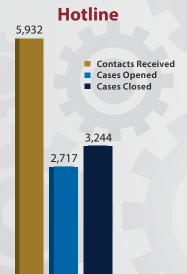
Reporting Period: October 1, 2014 to March 31, 2015

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

Total Return: \$962.9 Million

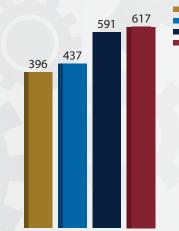


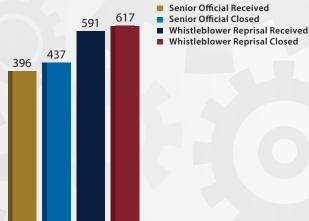




Fraud, Waste & Abuse Department of Defense dodig.mil/hotline|800.424.9098

Administrative Investigations





Contact Us

www.dodig.mil public.affairs@dodig.mil twitter.com/DoD_IG

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. Below are highlights of DoD IG oversight.

Significant DoD IG Projects from the Past Six Months



Three Face Federal Charges in a Military Procurement Fraud Scheme Involving Helicopters That Support the President - DOJ Press Release

A DCIS and NCIS investigation of maintenance for the President's helicopter fleet leads to charges.



Former Simi Valley Businessman Sentenced to Over 7 Years in Prison for Selling Knock-Off Batteries to Navy for Use on Warships - DOJ Press Release

Former CEO of Simi Valley company guilty of bilking Navy by selling \$2.6 million in knock-off batteries used on aircraft carriers and subs.



Father and son plead guilty in imported magnesium case after investigation by DCIS, HSI, and IRS. Investigation revealed magnesium for military flares falsely labeled to avoid \$6 million in duties.



Task Force to Improve Timeliness of Senior Official Investigations - DODIG-2015-030

DoD IG-led task force reviewed data, processes, policies, and resources, and examined proposed changes to conduct more efficient and timely investigations.

The Government of Islamic Republic of Afghanistan's Controls Over the Contract Management Process for U.S. Direct Assistance Need Improvement – DODIG-2015-082

Future direct assistance funds are vulnerable to increased fraud and abuse because of numerous contract award and execution irregularities.

The Department of Defense Office of Inspector General oversight work enables the Department to: reduce expenditures; eliminate fraud, waste and abuse; and improve performance and efficiency. The DoD IG also investigates criminal acts that impact the Department and result in criminal, civil, and administrative actions. The DoD IG is focused on a number of risk areas within the Department

that include defense acquisition programs, contract management, procurement, and use of spare parts.

'…excess nventory levels still exist...

"Six month prison sentence for defense contractor..."

"...purchased \$62.6 million in excess inventorv..."

Significant DoD IG Projects from the Past Six Months

Arlington Heights Company and Its Owner and Employee **Charged with Illegal Export and Import of Military Articles**

Charges of unlawfully exporting/importing military articles after investigation by DCIS, HSI, and IRS. Indictment alleges company illegally sent military optics plans to China for manufacturing.

Assessment of U.S. and Coalition Efforts to Develop the Logistics and Maintenance Sustainment Capability of the Afghan National Police

Afghan National Police face challenges from lack of fleet management plans for vehicles.

Naval Supply Systems Command Needs to Improve Cost Effectiveness of Purchases for the Phalanx Close-In Weapon System

Objective was to determine whether DoD was making cost effective material purchases for the Phalanx Close-In Weapon System through performance-based logistics contracts with Raytheon Missile Systems Company.

Air Force Life Cycle Management Center's Management of F119 Engine Spare Parts Needs Improvement

DoD IG objective was to determine the effectiveness of the U.S. Air Forces F119 engine spare parts life cycle management including spare parts inventory, depot-level labor, and performance metrics.

Improvement Needed for Inventory Management Practices on the T700 Technical, Engineering, and Logistical Services and Supplies Contract

Army improved its overall inventory management of the T700 including decreasing on-hand inventory by \$11.5 million, however opportunities for improvement still exist.



Defense Contractor Sentenced to 6 Months in Prison for Manufacturing Defective Aircraft Parts and Falsifying Safety Records

Six month prison sentence for defense contractor after investigation by DCIS and Air Force Office of Special Investigations.

C-5 Reliability Enhancement and Re-engining Program Hotline Evaluation

DoD IG evaluated the C-5 Reliability Enhancement and Re engining Program to determine the legitimacy of the allegations made in the Department of Defense Office of Inspector General Hotline complaint.

Summary of DoD Office of Inspector General Spare-Parts **Inventory Audits: Additional Guidance is Needed**

DoD IG found the Department of Defense did not provide sufficient oversight and enforce contract requirements for spare-parts.

Evaluation of Aircraft Ejection Seat Safety When Using Advanced Helmet Sensors

DoD IG determined whether DoD aircraft ejection seats meet aircrew survivability and equipment airworthiness requirements for pilots and aircrew wearing helmet-mounted displays, night vision goggles, or both during flight operations.

> U.S. Air Force May Be Paying Too Much for **F117 Engine Sustainment**

U.S. Air Force acquired F117 engine sustainment services but did not assess whether a commercial market existed.



