

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed: Pursuant to Section 8L of the Inspector General Act of 1978, as amended, upon commencement of a military operation as an overseas contingency operation (OCO) that exceeds 60 days, the Council of Inspectors General on Integrity and Efficiency (CIGIE) shall designate from among the Inspectors General of the DoD, the Department of State (DoS), and the United States Agency for International Development (USAID), a Lead Inspector General (Lead IG). The DoD IG currently serves as the Lead IG for three OCOs: Operation Inherent Resolve (OIR), Operation Freedom's Sentinel (OFS) and Operation Pacific Eagle. While only the DoD IG serves as the Lead IG, the IGs of DoS and USAID also are responsible for staffing and supporting the Lead IG in the discharge of his responsibilities. The Lead IG mission is conducted from a whole of Government approach with each IG retaining its statutory independence.

The Lead IG has the following responsibilities:

- Appoint from among the Inspectors General of DoS and USAID, an Inspector General to act as associate IG for the contingency operation who shall act in a coordinating role to assist the Lead IG in the discharge of his responsibilities;
- Assume responsibility for discharging oversight responsibilities if none of the Inspectors General from DoD, DoS, and USAID has jurisdiction over a matter with respect to the contingency operation;
- Determine principal jurisdiction for discharging oversight responsibilities if more than one of the Inspectors General from DoD, DoS, and USAID has jurisdiction over a matter with respect to the contingency operation;
- Ensure through either joint or individual audits, inspections, and investigations, independent and effective oversight of all programs and operations of the Federal Government in support of the contingency operation;

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed (cont.)

- Develop and carry out, in coordination with the offices of Inspectors General of DoS and USAID, a joint strategic plan to conduct comprehensive oversight over all aspects of the contingency operation;
- Review and ascertain the accuracy of information provided by Federal agencies relating to the obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of the contingency operation;
- Submit to Congress on a bi-annual basis and make available on an internet website available to the public a report on the activities of the Lead IG and the Inspectors General of DoS and USAID a report on the following:
 - The status and results of investigations, inspections, and audits and of referrals to the Department of Justice; and
 - Overall plans for the review of the contingency operations by Inspectors General, including plans for investigations, inspections, and audits;
- Submit to Congress on a quarterly basis, and make available to the public, a report on the contingency operation; and
 - Employ, or authorize the employment by the other Inspectors General of DoS and USAID on a temporary basis using the authorities in section 3161 of title 5, United States Code (USC) and section 9902(g) of title 5, USC auditors, investigators, and other personnel as the Lead IG considers appropriate on matters related to the contingency operation.

In related work, Section 842 of FY 2008 National Defense Authorization Act (NDAA) directs the DoD IG to publish a comprehensive oversight plan, in coordination with all other Federal oversight agencies, engaged in wartime contracts and contracting processes in

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed (cont.)

Iraq and Afghanistan. The DoD OCO IG performs these duties, missions, and responsibilities through the activities of seven oversight components and the Office of General Counsel and mission support functions: Office of Overseas Contingency Operations; Audit, Defense Criminal Investigative Service, Administrative Investigations, Policy and Oversight, Intelligence and Special Program Assessments, and Special Plans and Operations.

1. Overseas Contingency Operations. Develops and directs the strategic and operational plans related to the Lead IG mission; produces the joint strategic oversight plans in conjunction with the comprehensive oversight plan; produces the quarterly and bi-annual reports to Congress; coordinates among mission partners to ensure independent and effective oversight of all programs and operations of the Federal Government; and serves as the primary representative for communicating, integrating and synchronizing all Lead IG activities among Federal agency mission partners.
2. Audit. Conducts independent, relevant, and timely audits that promote economy, efficiency, and effectiveness with sound actionable recommendations that, when effectively implemented, improve the Department's programs, operations, and stewardship of its resources.
3. Defense Criminal Investigative Service (DCIS). Conducts criminal investigations of matters related to DoD programs and operations, focusing on procurement fraud and public corruption, product substitution, health care fraud, illegal technology transfer, and cybercrimes and computer intrusions.
4. Administrative Investigations (AI). Provides a confidential DoD Hotline for reporting fraud, waste, and abuse, and for detecting and preventing threats and danger to the public health and safety of DoD.

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed (cont.)

5. Special Plans and Operations (SPO). Conducts evaluations that address priority national security objectives and congressionally mandated projects to enable timely decision making by DoD and congressional leaders.
6. Policy and Oversight (P&O). Provides oversight and policy for DoD audit and investigative activities, conducts engineering assessments of DoD programs, provides technical advice and support to DoD OIG projects, and operates the DoD OIG subpoena and contractor disclosure programs.
7. Intelligence and Special Program Assessments (ISPA). Provides oversight across the full spectrum of programs, policies, procedures, and functions of the intelligence and counterintelligence enterprises, special access programs, nuclear enterprise, and related security issues within DoD.
8. Office of General Counsel. Provides legal advice and counsel on all matters relating to the missions, functions, responsibilities, and duties of the DoD OIG.
9. Mission Support. Provides mission essential services to the operational components, both at the DoD OIG headquarters and at field offices located in Kuwait, Qatar, and Afghanistan. These support services include financial management, human capital management, security program management, logistics management, and information technology services.

To support a whole of Government approach, the DoS Inspector General serves as the Associate Lead IG for OIR and OFS. In addition, the DoD OIG continues to work with the office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) on matters related to the oversight of the reconstruction and other U.S. missions in Afghanistan. These representatives identify relevant strategic oversight objectives by considering Coalition objectives; congressional appropriations that support military, diplomatic, and humanitarian activities; major departmental management challenges each agency identified;

DoD OIG OCO OP-5 Exhibit

OCO OIG-1368

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed (cont.)

and departmental and congressional directed oversight. This comprehensive approach increases the effectiveness of oversight capabilities across agency jurisdictional lines and assists Congress and agency leadership in making informed program, policy, and funding decisions. In FY 2017, the Lead IG submitted a report to Congress on the oversight of United States Government efforts in Afghanistan, as required by Section 1217 of the NDAA for FY 2017. The report addressed the oversight requirements of the DoS and USAID Inspectors General, listed their ongoing and planned oversight projects for FY 2017, and included the estimated funding to support these projects. It further addressed areas of anticipated overlap in planned oversight activities and the processes used to coordinate and reduce redundancies, as well as the standards used in developing oversight products. The report also included the Lead Inspector General's recommendations regarding other matters. The practical challenges of conducting oversight of an OCO location are considered to ensure that the identified projects, timing of fieldwork and the size of the oversight teams do not unnecessarily burden the military commands. The security situation, size of the U.S. footprint, the dynamic operational environment and availability of transportation into and out of the theater may also restrict the ability of oversight teams to conduct oversight of certain U.S.-funded activities. The DoD OIG continues to adjust its presence in theater in response to the Administration's strategy. The DoD OIG coordinates with the Joint Staff and Combatant Commands on logistics and life support requirements for deployed staff. The DoD OIG continually evaluates the most effective and efficient assignment and placement of staff to include the use of its current offices at Camp Arifjan, Kuwait; Al Udeid Air Base, Qatar; and military bases in Afghanistan, as well as other options, to include performing short-term travel to Iraq, Turkey and Jordan. In FY 18, the Lead IG plans to open an office in Baghdad, Iraq.

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed (cont.)

- Afghanistan - DoD OIG will maintain a forward deployed presence at Bagram Air Field and plans to increase its presence at HQ Resolute Support, Kabul, Afghanistan. Bagram also serves as a hub for short-term travel teams performing oversight work throughout Afghanistan.
- Qatar - DoD OIG will maintain a field office in Qatar on Al Udeid Air Base in recognition of the continuing space constraints in Afghanistan, OIR mission execution, and the overall value of completing work in Qatar. In addition to a permanent presence, short-term assessment teams traveling in theater will continue to stage and expeditiously complete oversight missions from Qatar. Al Udeid Air Base serves as a logistical support hub to facilitate oversight staff deploying into and redeploying from theater.
- Kuwait - DoD OIG will maintain an office at Camp Arifjan. A permanent presence to conduct oversight and provide continuity and support to temporary duty teams performing work in the region, including Iraq, Turkey, and Jordan. The Area Support Group in Kuwait has re-initiated discussions to relocate the DoD OIG Office to a new building and anticipated equipment and furnishing requirements are included in the FY 19 budget.
- Iraq - DoD OIG plans to open a field office at the Baghdad Embassy in FY 2018 in support of the Lead IG whole of Government coordination, oversight and reporting of OCOs. DoD IG, as the Lead IG, has requested to station four staff at the Baghdad Embassy Compound.

To ensure full consideration and the effectiveness of the oversight requirements of these overseas contingency operations, senior officials continue to travel into the theater of operations. In FY 2017, the Acting DoD IG, as Lead IG, the DoS IG, and the USAID IG traveled to Afghanistan, Iraq, and Jordan to meet with military commanders, embassy DoD OIG OCO OP-5 Exhibit

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed (cont.)

officials and USAID administrators. The purpose of this trip was to discuss the Lead IG responsibilities, activities and challenges, as well as to learn about the challenges and environment facing the U.S. officials in each country. This trip marked the first time the IGs responsible for Lead IG reporting traveled to theater together, and it reflected a commitment to a coordinated and whole of government approach to OIR and OFS oversight. The three IGs and other senior OIG staff with the DoD, the DoS and USAID plan to conduct comparable joint site visits to the region in FY 2018 and FY 2019 in support of comprehensive oversight planning and reporting.

* The IG President's Budget 2019 OP-5 narrative is subject to change, before the enactment of the FY 2018 budget, to reflect new organizational efforts in support of the third OCO initiative.

II. Force Structure Summary:

N/A

Office of Inspector General
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

A. BA Subactivities	FY 2018							FY 2019 Estimate
	FY 2017 Actuals	Budget Request	Congressional Action			Current Estimate		
			Amount	Percent	Appropriated			
Operation Freedom's Sentinel (OFS)	5,824	11,399	0	0.0	0	11,399	8,642	
Operation Inherent Resolve (OIR)	10,815	13,293	0	0.0	0	13,293	16,050	
Total	16,639	24,692	0	0.0	0	24,692	24,692	

<u>Summary by Operation</u>	FY 2017 Actuals	FY 2018 Estimate	FY 2019 Estimate
Operation FREEDOM'S SENTINEL (OFS)	\$5,824	\$11,399	\$8,642
Operation INHERENT RESOLVE (OIR)	\$10,815	\$13,293	\$16,050
European Deterrence Initiative (EDI)	\$0	\$0	\$0
Base to OCO	\$0	\$0	\$0
Counter Terrorism/Other Forces (CTOF)	\$0	\$0	\$0
Operation ENDURING FREEDOM - Horn of Africa (OEF-HOA)	\$0	\$0	\$0
Operation Totals	\$16,639	\$24,692	\$24,692

Office of Inspector General
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2018/FY 2018</u>	<u>FY 2018/FY 2019</u>
OCO Funding	24,692	24,692
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	24,692	
Fact-of-Life Changes (2018 to 2018 Only)		
Subtotal OCO Funding	24,692	
Baseline Appropriation		
Reprogrammings		
Price Changes		186
Functional Transfers		
Program Changes		-186
Current Estimate	24,692	24,692
Less: Baseline Appropriation		
Normalized Current Estimate	24,692	

Office of Inspector General
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2018 President's Budget Request (Amended, if applicable)		24,692
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2018 Appropriated Amount		24,692
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2018 OCO Funding		24,692
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2018 Estimate		24,692
5. Less: Baseline Appropriation		
FY 2018 Normalized Current Estimate		24,692
6. Price Change		186
7. Functional Transfers		
8. Program Increases		
a. Annualization of New FY 2018 Program		
b. One-Time FY 2019 Increases		
c. Program Growth in FY 2019		
9. Program Decreases		-186
a. Annualization of FY 2018 Program Decreases		
b. One-Time FY 2018 Increases		
c. Program Decreases in FY 2019		
1) OCO IG reduction of -\$97 thousand is attributed to a decrease in the average annual civilian rate. The actual average annual salary came in slightly less than the budgeted average annual rate. (FY 2018	-97	

Office of Inspector General
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
Baseline: \$19,704 thousand; +6 FTEs)		
2) OCO IG reduction of -\$89 thousand is attributed to the projected cost savings from improved program efficiencies. (FY 2018 Baseline: \$14,988 thousand; +0 FTEs)	-89	
FY 2019 Budget Request		24,692

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

Operation Inherent Resolve (OIR): The overall oversight goal is to identify projects at the strategic level that examine the economy, efficiency, or effectiveness of the programs and operations of Federal agencies working in, or in support of activities in Iraq and Syria. OIR Strategic Oversight includes the following six objectives:

1. Informing Congress and the public about the ongoing contingency operation, the complex challenges facing the United States and its partners, and any changes to OCO policy and strategy;
2. Providing a whole of Government oversight approach that coordinates the efforts of the Lead IG and partner oversight agencies;
3. Advising the DoD on the effectiveness of its national security mission, and the DoS and USAID on the effectiveness of their diplomatic, development, and humanitarian assistance missions;
4. Promoting integrity, efficiency, and accountability of Federal operations supporting OIR by deterring fraud waste and abuse; identifying resources that can be put to better use; and identifying cost savings or recoveries that can be achieved;
5. Assessing the impact of U.S. programs in order to improve the balancing of security goals with humanitarian and development goals, including the consideration of host-nation government to support and sustain the programs; and
6. Evaluating the safety and security conditions of facilities occupied by U.S. military and civilian personnel.

As of September 30, 2017, the following ongoing DoD OIG projects were related to OIR:

- Assessment of U.S. and Coalition Train, Advise, Assist and Equip Support to the Iraqi Federal Police
- Audit of Army's Emergency Management Program in Kuwait
- Audit of Base Support Contracts in Bahrain

DoD OIG OCO OP-5 Exhibit

OCO OIG-1376

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

- Audit of Combatant Command Oversight of Counter-narcotics Activities
- Audit of Controls Over the Disposition of Equipment at the Defense Logistics Agency Disposition Services in Kuwait
- Audit of Defense Information Technology Contracting Organization Contract Awards
- Audit of DoD Components Integration of Operational Contract Support
- Audit of Management of Army Equipment in Kuwait and Qatar
- Audit of the Trans-Africa Airlift Support Contract
- Evaluation of Airborne Intelligence, Surveillance, and Reconnaissance Processing, Exploitation, and Dissemination
- Evaluation of DoD Efforts to Combat Trafficking in Persons at DoD Facilities in Kuwait
- Evaluation of the Syria Train and Equip Program (Phase II)
- Military Facilities Evaluation - Al Udeid Air Base, Qatar

The Defense Criminal Investigative Service conducts criminal investigations of matters related to DoD programs and operations. As of September 30, 2017, 47 investigations involving OIR-related programs and operations are ongoing. The investigations involved allegations of procurement, grant and other program fraud; corruption involving U.S. government officials; theft and diversion of government funds or equipment, and other offenses, including trafficking in persons. These open investigations do not include "legacy cases" that DCIS special agents are continuing to pursue. DoD OIG has a Lead IG Hotline investigator to coordinate the contacts received through the hotline among the Lead IG agencies and others, as appropriate. The Lead IG Hotline investigator received and coordinated 311 contacts related to OIR and opened 263 cases that were referred within DoD OIG and to other Lead IG agencies. The majority of the complaints received

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

related to personal misconduct and other personal matters, criminal allegations, and procurement or contract administration irregularities. In FY 2017, we achieved a shorter production period from close of the reporting cycle reducing the average length for report completion from 42 to 35 days from the end of the quarter.

The Lead IG has issued the following quarterly/biannual reports:

- Period Ending September 30, 2016 Quarterly/Biannual Report published November 5, 2016
- Period Ending December 31, 2016 Quarterly Report published on February 2, 2017
- Period Ending March 31, 2016 Quarterly Report published May 5, 2017
- Period Ending June 30, 2016 OIR Quarterly Report published August 3, 2017

The Lead IG is required to review and ascertain the accuracy of information provided by Federal agencies relating to the obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of the contingency operation. In further support of this Lead IG requirement, DoD OIG meets regularly with the Auditors General of Army, Air Force, and the Navy to advance further coordination and efficiencies among the oversight agencies. The following completed projects are in support of this requirement:

- Army Contracting Command-Redstone and Space and Missile Defense Command Need to Improve Contract Oversight for the Web-Based Military Information Support Operations Contract
- Audit of Acquisition Cross-Service Agreements in U.S. Africa Command
- The Army Did Not Effectively Monitor Contractor Performance for the Kuwait Base Operations and Security Support Services Contract
- The Army Did Not Have Assurance That Heavy Lift Contractors in Kuwait Complied With Contract Requirements

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

- U.S. Army's Management of the Heavy Lift VII Commercial Transportation Contract Requirements in the Middle East

Planned FY 2018 oversight included projects related to the accuracy of OIR financial information; U.S. and Coalition efforts to build partner capacity within the Iraq Security Forces; U.S. intelligence gathering, analysis, and sharing; preparations to stabilize Iraqi and Syrian population centers liberated from Islamic State of Iraq and Syria (ISIS); the safety and health condition of temporary facilities occupied by U.S. Forces; and support to governance and humanitarian relief efforts. The following are the planned DoD OIG projects related to OIR:

- Audit of DoD Integration of Operational Contracting Support into Force Development and Training
- Audit of Fuel Contracts in Turkey
- Audit of Physical Security at Al-Dhafra Air Base
- Audit of Property Management and Reporting of DoD Government Furnished Equipment
- Audit of the Award and Administration of the U.S. Army Intelligence and Security Command DoD Language Interpretation and Translation II Contract
- Audit of the DoD Plan for Reconstruction and Stabilization in Iraq
- DoD Oversight of Private Security Contracts at Balad Air Base in Iraq
- Evaluation of Compartmented Geospatial Intelligence Collection for OIR Intelligence Requirements
- Evaluation of DoD Biometric Enabled Intelligence Operations for OIR
- Evaluation of Remote Explosives Detection Capability
- Evaluation of Social Media Exploitation for OIR
- Evaluation of Theater Linguist Support for OIR and OFS
- Military Facilities Evaluation - Ahmad Al Jaber Air Base, Kuwait

DoD OIG OCO OP-5 Exhibit

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

- Summary Report of Recommendations from OCO Intelligence Evaluations
- USD(I) and DIA Oversight of Special Intelligence Interrogation Methods

For OIR in FY 2019, the DoD OIG will continue to work with Congressional Oversight Committees, Lead IG partners, the Joint Staff, Combatant Commands, and other oversight and law enforcement organizations to produce plans and reports that are responsive to the oversight areas such as funding, services, programs, mission essential functions, lines of effort, and other strategic oversight areas as well as lessons learned from Operation Iraqi Freedom and Operation Enduring Freedom. Evaluations will continue to focus on oversight of intelligence issues such as enhancing intelligence-collection of ISIS, cyber operations, and human intelligence collection efforts. Since enhanced intelligence collection contributes to other OIR strategic lines of effort, we will also look at how the intelligence community reaches out across the U.S. Government and Coalition to support their intelligence requirements.

Operation Freedom's Sentinel (OFS): The overall oversight goal is to identify projects at the strategic level that examine the economy, efficiency, or effectiveness of the programs and operations of Federal agencies working in, or in support of activities in Afghanistan. OFS Strategic Oversight includes the following six objectives:

1. Informing Congress and the public about the ongoing contingency operation, the complex challenges facing the United States and its partners, and any changes to OCO policy and strategy;
2. Providing a whole-of-government oversight approach that coordinates the efforts of the Lead IG and partner oversight agencies;
3. Advising the DoD on the effectiveness of its national security mission, and the DOS and USAID on the effectiveness of their diplomatic, development, and humanitarian assistance missions;

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

4. Promoting integrity, efficiency, and accountability of Federal operations supporting OFS by deterring fraud waste and abuse; identifying resources that can be put to better use; and identifying cost savings or recoveries that can be achieved;
5. Assessing the impact of U.S. programs in order to improve the balancing of security goals with humanitarian and development goals, including the consideration of host-nation government to support and sustain the programs; and
6. Evaluating the safety and security conditions of facilities occupied by U.S. military and civilian personnel.

As of September 30, 2017, the following ongoing DoD OIG projects are related to OFS:

- Allegations of Child Sexual Abuse by Members of the Afghan National Defense and Security Forces
- Assessment of U.S. and Coalition Efforts to Train, Advise, and Assist the Afghan Air Force
- Audit of Army Accountability of Logistics Civil Augmentation Program Government Furnished Property in Afghanistan
- Audit of DoD Oversight of Logistics Civil Augmentation Program Invoice Review and Payment
- Evaluation of DoD Biometric Enabled Intel Operations for OFS
- Evaluation of ISR Support to OFS Counterterrorism Operations
- Military Facilities Evaluation Follow Up - Kandahar Air Field, Afghanistan
- Summary Audit of U.S. Direct Funding Provided to Afghanistan

DCIS continues to conduct criminal investigations of matters related to DoD programs and operations. As of September 30, 2016, 17 investigations involving OFS-related programs and operations remained open. These investigations involved allegations of procurement,

DoD OIG OCO OP-5 Exhibit

OCO OIG-1381

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

grant, and other program fraud; corruption involving U.S. government officials; theft and diversion of government funds or equipment; and other offenses, including trafficking in persons. These open investigations do not include "legacy cases" that DCIS and DoS OIG special agents are continuing to pursue related to actions committed during Operation Enduring Freedom, the combat mission in Afghanistan and Operation New Dawn, Iraq. Based on the results of a DCIS investigation, the Department of the Army suspended and proposed to debar a DoD contractor and 45 of its employees from U.S. Government contracts due to their role in a fuel theft scheme at U.S. military base in eastern Nangarhar province. The investigation revealed that, between 2014 and 2016 while providing services in connection with a Basic Life Support contract at this U.S. military base, the contractor and several employees conspired to steal and/or wrongfully withdraw hundreds of thousands of gallons of fuel valued at more than \$1.8 million, and then redistributed the fuel to third parties in Afghanistan. The suspension excludes the contractor and the 45 employees from receiving Federal contracts, grants, cooperative agreements, loans, and other sources of Federal funds pending a debarment decision. DoD OIG has a Lead IG Hotline investigator to coordinate the contacts received through the hotline among the Lead IG agencies, the Service and Command OIGs, and others, as appropriate. The Lead IG Hotline investigator received and coordinated 486 contacts and opened 510 OCO cases that were referred within the DoD, Service, Command OIGs, and to other Lead IG agencies. This is a 36 percent increase in contacts and a 48 percent increase in cases over 2016. We attribute the increases to an enhanced outreach and training program performed by the Hotline investigator directly with deployed military representatives in Theater. The majority of the complaints received related to personal misconduct and other personal matters, criminal allegations, and procurement or contract administration irregularities. In FY 2017, we achieved a shorter production period from close of the reporting cycle reducing the average length for report completion from 52 to 49 days from the end of the quarter. The Lead IG has issued the following quarterly/biannual reports:

DoD OIG OCO OP-5 Exhibit

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

- Period Ending September 30, 2016 Quarterly/Biannual Report published November 17, 2016
- Period Ending December 31, 2016 Quarterly Report published on February 16, 2017
- Inspector General Oversight Activities in Afghanistan Report published on February 21, 2017
- Period Ending March 31, 2017 Quarterly Report published May 19, 2017
- Period Ending June 30, 2017 OIR Quarterly Report published August 17, 2017

The Lead IG is required to review and ascertain the accuracy of information provided by Federal agencies relating to the obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of the contingency operation. The following completed projects are in support of this requirement:

- Combined Security Transition Command-Afghanistan Improved Controls Over U.S.-Funded Ministry of Defense Fuel Contracts, but Further Improvements are Needed
- Navy Inaccurately Reported Costs for Operation Freedom's Sentinel in the Cost of War Reports
- The Combined Security Transition Command-Afghanistan Needs to Strengthen the Controls Over U.S. Direct Assistance Funding

Planned FY 2018 oversight included projects relate to the accuracy of OFS financial information; U.S. and Coalition efforts to build partner capacity within the Afghan security forces; U.S. intelligence gathering, analysis, and sharing; the safety and health condition of temporary facilities occupied by U.S. Forces; and support to governance, humanitarian relief, and development efforts. Planned FY 2018 oversight includes projects related to building the capacity and capabilities of the Afghan

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

security forces and administering and maintaining accountability of the Afghanistan Security Forces Fund; accounting for equipment procured for and transferred to the ANDSF; counterterrorism; contract management; and the transition from the Resolute Support Mission to a more traditional U.S.-Afghanistan Security Cooperation Relationship. As enhanced intelligence collection contributes to OFS counterterrorism mission, we will also look at how the intelligence community reaches out across the U.S. Government and Coalition to support their intelligence requirements. The following are the planned DoD OIG projects related to OFS:

- Assessment of U.S. and Coalition Efforts to Enable the Afghan Ministry of Interior to Develop its Oversight and Internal Control Capability
- Audit of DoD's Requirements Management and Contract Oversight of the Afghan Mi-17 Fleet
- Audit of the MQ-9 Reaper Unmanned Aerial Vehicles Cybersecurity
- Audit of the National Maintenance Strategy
- Audit of Special Mission Support Wing Maintenance Contract
- Audit of the Department of Defense Military Payroll for Combat Zone Entitlements
- Audit of U.S Host-Tenant Agreements for Camp Lemonnier, Djibouti
- Evaluation of Theater Linguist Support for OIR and OFS
- Follow-up Audit on the Combined Joint Task Force-Horn of Africa's Planning and Execution of Civil-Military Operations
- Summary Report of Recommendations from OCO Intel Evaluations
- U.S. Military Facilities Evaluation Follow Up - Bagram Air Field, Afghanistan

For OFS in FY 2019, the oversight focus will continue to be on activities such as contract management, logistics, contract fraud accountability, theft, corruption, security, trafficking in persons; assessments will continue to focus on building and

DoD OIG OCO OP-5 Exhibit

**Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

IV. Performance Criteria:

sustaining capacity; evaluations will continue to focus on oversight of intelligence issues related to NATO-Led Resolute Support. Other planned oversight focus areas include, readiness of U.S. forces in Africa, the Pacific, and the Middle East; training and equipping foreign military forces; counter-terrorism operations; security cooperation and assistance programs worldwide; and emerging threats.

Other reporting requirements: The Comprehensive Oversight Plan for Overseas Contingency Operations (COP-OCO) combines the OCO oversight plans from DoD, DoS, and USAID. Additional contributors include SIGAR, the U.S. Army Audit Agency, the Naval Audit Service, the U.S. Air Force Audit Agency and the U.S. Government Accountability Office. The FY 2018 COP-OCO is scheduled to be published on September 29, 2017. It includes the Joint Strategic Oversight Plan for OIR and the Joint Strategic Oversight Plan for OFS, as well as the reconstruction and humanitarian assistance programs and activities that are separate from OFS. The COP-OCO satisfies both the Lead IG requirement to publish a JSOP for OIR and OFS. It also satisfies the Section 842 requirement of the FY 2008 NDAA to publish a comprehensive oversight plan, in coordination with all other Federal oversight agencies, engaged in wartime contracts and contracting processes in Iraq and Afghanistan.

Office of Inspector General
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

<u>V. Personnel Summary</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change FY 2017/ FY 2018</u>	<u>Change FY 2018/ FY 2019</u>
<u>Civilian End Strength (Total)</u>	<u>85</u>	<u>107</u>	<u>107</u>	<u>22</u>	<u>0</u>
U.S. Direct Hire	85	107	107	22	0
Total Direct Hire	85	107	107	22	0
<u>Civilian FTEs (Total)</u>	<u>74</u>	<u>95</u>	<u>101</u>	<u>21</u>	<u>6</u>
U.S. Direct Hire	74	95	101	21	6
Total Direct Hire	74	95	101	21	6
Average Annual Civilian Salary (\$ in thousands)	203.5	207.4	195.1	3.9	-12.3

Personnel Summary Explanations:

- 1) Civilian Compensation per OMB A-11 Compensable Days and Hours for FY 2018 at 260 days and 2,080 hours.

- 2) Civilian Compensation per OMB A-11 Compensable Days and Hours for FY 2019 at 261 days and 2,088 hours.

- 3) There is no actual change in civilian FTEs from FY 2018 to FY 2019. The FY 2018 Civilian FTE U.S. Direct hire column should have reflected 101 FTEs, an increase of +6 FTEs from the 95 annotated in budget documents.

Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

VI. OP 32 Line Items as Applicable (Dollars in thousands):

<u>OP 32 Line</u>	<u>FY 2017</u> <u>Actuals</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>	<u>Change</u> <u>FY 2018/FY 2019</u>		<u>FY 2019</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	15,058	294	3,588	18,940	97	-97	18,940
121 PCS Benefits	0	0	764	764	0	0	764
199 Total Civ Compensation	15,058	294	4,352	19,704	97	-97	19,704
308 Travel of Persons	969	16	1,020	2,005	36	-36	2,005
399 Total Travel	969	16	1,020	2,005	36	-36	2,005
771 Commercial Transport	1	0	49	50	1	-1	50
799 Total Transportation	1	0	49	50	1	-1	50
914 Purchased Communications (Non-Fund)	60	1	-3	58	1	-1	58
915 Rents (Non-GSA)	146	2	312	460	8	-8	460
920 Supplies & Materials (Non-Fund)	71	1	439	511	9	-9	511
925 Equipment Purchases (Non-Fund)	4	0	445	449	8	-8	449
932 Mgt Prof Support Svcs	0	0	50	50	1	-1	50
987 Other Intra-Govt Purch	328	6	860	1,194	21	-21	1,194
989 Other Services	2	0	209	211	4	-4	211
999 Total Other Purchases	611	10	2,312	2,933	52	-52	2,933
Total	16,639	320	7,733	24,692	186	-186	24,692