

**Fiscal Year (FY) 2016 Budget Estimates
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed: The DoD OIG promotes integrity, accountability, and improvements of DoD personnel, programs, and operations to support the Department's mission and to serve the public interest. Overseas Contingency Operations (OCO) continues to be a top priority of the DoD OIG. This includes performing audits, investigations, assessments, and inspections of issues and high risk areas related to Operation Freedom's Sentinel (OFS). The DoD OIG is conducting oversight efforts of various functions and activities such as contracts, logistics, funds management, contract fraud accountability, theft, corruption, security, trafficking in persons, retrograde, and the training and equipping of the Afghan National Security Forces (ANSF, including Afghan National Army and Afghan National Police). To maintain a forward presence, the deployment and redeployment of our personnel will continue to be a critical issue warranting additional management attention and efforts.

To accomplish its critical oversight mission, the DoD OIG has adopted a strategy that is based on maintaining the right-size presence in theater, but which also recognizes work can be done away from the war zones, ensuring safety of personnel and saving the monetary funds it would cost to send our people there. It has also expanded its work to other areas to include the Horn of Africa and the Pacific areas of responsibility.

OFS: As the Afghanistan drawdown continues, an in-country DoD OIG presence will continue to be a deterrent to fraud and theft. Over the past year, DoD OIG has been able to provide commands with timely observations and recommendations which have significantly improved the retrograde process. In addition, DoD OIG presence allows insight into potential audit/inspection/assessment projects in the future. Most of the new audit proposals for Afghanistan originate from the in-country team leaders. This is because DoD OIG is in theater and communicates with the command and/or makes observations while on the ground - it allows DoD OIG insights that aren't possible from outside of theater. In order to continue

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I. Description of Operations Financed (cont.)

to provide this effective and efficient oversight role, the DoD OIG retains field offices in strategic Afghanistan and Qatar locations. This facilitates timely reviews and reporting of results in theater and minimizes disruption to the warfighter. The DoD OIG has adopted an expeditionary workforce model and maintains a core staff forward deployed at all times. The core contingent is comprised of individuals serving between four and 12 month deployments. Expeditionary team members deploy for as long as needed to complete the review. The actual in-theater number of auditors, criminal investigators (special agents), inspectors and logistics specialists will fluctuate depending on the requirements and conditions on the ground as the drawdown proceeds. However, in the interest of safety and dwindling logistical support by the commands, it will be necessary to proportionately reduce FTEs in theater.

Afghanistan - DoD OIG must continue to focus its oversight capabilities on retrograde activities, the viability of the ANSF train and equip programs, contract fraud, corruption, trafficking in persons, safety, and security. To accomplish its mission and meet requirements, the DoD OIG continues with its strategy involving both permanent staff in-country, as logistics and safety permit, supplemented by visiting teams of auditors, evaluators, and Special Agents who serve in the area on a shorter term basis as they focus on specific tasks and issues. This is an important part of the DoD OIG mission as we continue to perform oversight, assessments, and investigations of fraud, waste, and abuse in an increasingly dynamic conflict environment. In FY 2014, DoD OIG closed out its presence at Camp Eggers. It maintains a presence of permanent auditors assigned to Bagram and Kandahar Air Fields, Afghanistan and Al Udeid Air Base, Qatar. The audit teams are focused on retrograde and fund management activities. In addition, short-term teams have deployed to Djibouti and Oman in support of the continuing oversight of retrograde and other close-out activities.

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I. Description of Operations Financed (cont.)

The future will be even more demanding, as oversight is conducted with increasing real-world restrictions of a reducing military footprint and more limited security and medevac coverage. However, our overall strategy in Afghanistan is to work with Congressional Oversight Committees, U.S. Central Command, U.S. Forces - Afghanistan, and other oversight and law enforcement organizations as necessary to continue to battle the number one impediment, corruption, to a lawful society in Afghanistan. The DCIS, the criminal investigative arm of the DoD OIG, currently has Special Agents deployed to Afghanistan and Qatar, Bagram and Kandahar Airfields, New Kabul Compound, and Al Udeid Air Base. DoD IG Special Agents work alongside partner criminal investigative agencies, such as the U.S. Army Criminal Investigation Command (USACIDC) and the Federal Bureau of Investigation (FBI) to investigate fraud, corruption, and other criminal activities impacting DoD operations. In addition, Special Plans and Operations (SPO) staff in Afghanistan provides assessment oversight that facilitates informed decision-making by senior leaders of the DoD, U.S. Congress and other Government organizations by providing timely, high-value assessment reports on strategic challenges. Its work complements the efforts of the other DoD OIG components. Staffed with a core combination of civilian and military personnel who must be deployable, SPO has located its staff with ISAF Joint Command, Bagram and Kandahar Air Field. There are also logistics specialists and IT specialists serving in Afghanistan and Qatar. The nature and location of future deployments will depend upon security and logistical support available as the drawdown proceeds.

DCIS, SPO and other assessment teams are also performing OFS oversight activities in Africa and the Pacific command areas of responsibilities.

In FY 2014, the newly appointed OIG Deputy Inspector General for SWA (DIG, SWA) completed a one year tour in Kabul, Afghanistan. An important part of our oversight effort continues to be inter-service and inter-agency coordination and collaboration to minimize

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I. Description of Operations Financed (cont.)

duplication of effort and ensure that we have only the staff needed in theater to accomplish the mission through to close-out. At this critical juncture, DIG SWA and his team have returned to Afghanistan to complete a second tour.

Qatar - The DoD OIG maintains a field office in Qatar co-located with U.S. Central Command and the Air Force on Al Udeid Air Base, Qatar. DoD OIG maintains an expanded presence on Al Udeid Air Base in recognition of the continuing space constraints in Afghanistan and the overall value of completing the work in Qatar. In addition to the permanent presence, assessment teams traveling in theater continue to stage for and expeditiously complete assessment missions from Qatar. Qatar also serves as a logistical support hub to facilitate our oversight staff deploying into and redeploying from theater. A logistics specialist is assigned to Qatar.

OIR:

Pursuant to DoD Directive, 5106.01, *Inspector General of the Department of Defense* and to Section 8L of the IG Act, as designated, the DoD OIG (OIG) will focus its oversight capabilities during the initial stage of OIR on the development and implementation, in coordination with the other IGs, of a joint strategic plan to conduct comprehensive oversight over all aspects of the contingency operation and to 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.

The stand-up and surge phases shall include the assignment of OIG personnel to the new contingency operation as well as the full utilization of the special hiring authority provided within title 5, United States Code (USC) section 3161 and the re-employment of

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I. Description of Operations Financed (cont.)

annuitants as provided within section 9902 in such numbers and with such skills as are necessary for the performance of the functions required of the OIG and the Lead IG.

An important part of our oversight effort continues to be inter-service and inter-agency coordination and collaboration to minimize duplication of effort and ensure that we have the resources to accomplish the mission at every phase. Leading the DoD OIG operational activities will be a senior executive with direct, in-theater experience who will be responsible for the day-to-day activities related to product, resource, and personnel management. Much of the planning and development of the statutory responsibilities of the Lead IG and shall be performed in CONUS.

These tasks would include the methods, criteria, and systems development to support the review and validation of information provided by Federal agencies relating to 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; and

The publication of a quarterly report and a bi-annual report to be presented to Congress and made available on the Internet on the activities of the Lead IG and other IGs with respect to the contingency operation including 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 operation by inspectors general including plans for investigations, inspections, and audits.

The OIG has coordinated with the Joint Staff and Combatant Command on the logistic and life support requirements for a deployed presence. It will continue to evaluate the most

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I. Description of Operations Financed (cont.)

effective assignment and placement of staff to include the use of its current office at Al Udeid Air Base, Qatar as well as other options to include requesting space at the Iraq Embassy and at military bases in Kuwait and/or Jordan.

It is the intent to work with Congressional Oversight Committees, Lead IG partners, the Joint Staff and U.S Central Command and other oversight and law enforcement organizations to produce reports with the perspective on lessons learned from Operation Iraqi Freedom and Operation Enduring Freedom. In addition, DCIS, the criminal investigative arm of the OIG will continue the model of working alongside partner criminal investigative agencies to include the Federal Bureau of Investigation (FBI), Department of Justice, to investigate and to support the prosecution of fraud, corruption and other criminal investigations. Special Plans and Operations (SPO) personnel shall provide assessment oversight that facilitates informed decision-making by senior leaders of the DoD, U.S. Congress and other Government organizations by providing timely, high-value assessment reports on strategic challenges; Policy and Oversight shall provide technical experts that will conduct on-site inspection reports; and Hotline analysts will be assigned in forward locations with the necessary skill sets to be responsive to the concerns of the local population and deployed contractors, civilians, and service members.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands):

CBS No.	CBS Title	FY 2014 <u>Actual</u>	FY 2015 <u>Enacted</u>	<u>Delta</u>	FY 2016 <u>Estimate</u>
OFS					
1.0	Personnel	\$5,809	\$6,745	\$-3,559	\$3,186
2.0	Personnel Support	\$548	\$800	\$-6	\$794
3.0	Operating Support	\$252	\$423	\$-423	\$0
	OFS Total	\$6,609	\$7,968	\$-3,988	\$3,980
OIR					
1.0	Personnel	\$0	\$1,699	\$1,903	\$3,602
2.0	Personnel Support	\$0	\$956	\$1,724	\$2,680
	OIR Total	\$0	\$2,655	\$3,627	\$6,282
	Grand Total	\$6,609	\$10,623	\$-361	\$10,262

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III. Financial Summary (\$ in thousands):

<u>OFS</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Delta</u>	<u>FY 2016</u>
	<u>Actual</u>	<u>Enacted</u>		<u>Estimate</u>
1. CBS Category/Subcategory				
1.0 Personnel	\$5,809	\$6,745	\$-3,559	\$3,186
Total	\$5,809	\$6,745	\$-3,559	\$3,186

A. Narrative Justification: Personnel costs in support of the oversight mission in Afghanistan, Qatar and other OFS supporting countries are for civilian basic pay, overtime and premium pay (Sunday and night differential, holiday hours worked, etc.), and for entitlements (Danger Pay and Post Hardship Differential). OIG personnel remain continuously deployed in the theater of operation and/or perform short-term TDY in response to the oversight mission. The numbers of personnel fluctuate as teams rotate in and out of areas of responsibility. These costs vary based on the level of support required to conduct contingency operations.

B. Explanation of Changes between FY 2015 and FY 2016: The drawdown and reduced operations will require fewer FTEs

<u>OFS</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Delta</u>	<u>FY 2016</u>
	<u>Actual</u>	<u>Enacted</u>		<u>Estimate</u>
2. CBS Category/Subcategory				

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III. Financial Summary (\$ in thousands):

2.0	Personnel Support	\$548	\$800	\$-6	\$794
	Total	\$548	\$800	\$-6	\$794

A. Narrative Justification: Personnel support costs for OFS operations cover temporary duty (TDY) expenses for audit teams, investigators, and inspectors to deploy overseas and to further travel within the theater of operation. Personnel support costs also include contracted mental health services to assist personnel upon return from this high stress region.

B. Explanation of Changes between FY 2015 and FY 2016: Reduced support requirements due to fewer FTEs in SWA driven by safety and dwindling logistical support by the commands.

<u>OFS</u>	<u>FY 2014</u> <u>Actual</u>	<u>FY 2015</u> <u>Enacted</u>	<u>Delta</u>	<u>FY 2016</u> <u>Estimate</u>
3. CBS Category/Subcategory				
3.0 Operating Support	\$252	\$423	\$-423	\$0
Total	\$252	\$423	\$-423	\$0

A. Narrative Justification: The OIG locations at Afghanistan and Qatar (Al Udeid Air Base) require operational and logistical support to maintain its offices. Funding includes support costs associated with establishing and running overseas offices. In addition, funding will support required and critical investigative review costs associated with scanning, retrieving, and assessing records and vouchers from the DFAS Deployable Disbursing Stations. Operational costs will also cover supplies, equipment, acquisition and service costs for both mobile and satellite phones and, computers and radios for OIG personnel deployed in theater.

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III. Financial Summary (\$ in thousands):

B. Explanation of Changes between FY 2015 and FY 2016: Reduced support requirements due to fewer FTEs in SWA driven by safety and dwindling logistical support by the commands.

Enter Description

<u>OIR</u>	<u>FY 2014</u> <u>Actual</u>	<u>FY 2015</u> <u>Enacted</u>	<u>Delta</u>	<u>FY 2016</u> <u>Estimate</u>
4. CBS Category/Subcategory				
1.0 Personnel	\$0	\$1,699	\$1,903	\$3,602
2.0 Personnel Support	\$0	\$956	\$1,724	\$2,680
Total	\$0	\$2,655	\$3,627	\$6,282

A. Narrative Justification:

The OIG has been designated as Lead IG for OIR.

B. Explanation of Changes between FY 2015 and FY 2016:

The OIG designation as Lead IG fore OIR will require a shift in effort and resources from OFS to OIR. FY 2015 is the surge phase; FY2016 is sustainment and will require additional personnel and support.

	<u>FY 2014</u> <u>Actual</u>	<u>FY 2015</u> <u>Enacted</u>	<u>Delta</u>	<u>FY 2016</u> <u>Estimate</u>
Total	\$6,609	\$10,623	\$-361	\$10,262

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IV. Performance Criteria:

N/A

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

<u>OP 32 Line</u>	<u>FY 2014</u> <u>Actual</u>	<u>Change</u> <u>FY 2014/FY 2015</u>		<u>FY 2015</u> <u>Enacted</u>	<u>Change</u> <u>FY 2015/FY 2016</u>		<u>FY 2016</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	5,809	58	2,577	8,444	103	-1,759	6,788
199 Total Civ Compensation	5,809	58	2,577	8,444	103	-1,759	6,788
308 Travel of Persons	548	10	1,198	1,756	30	1,688	3,474
399 Total Travel	548	10	1,198	1,756	30	1,688	3,474
647 DISA Enterprise Computing Centers	43	0	11	54	-5	-49	0
699 Total DWCF Purchases	43	0	11	54	-5	-49	0
771 Commercial Transport	36	1	7	44	1	-45	0
799 Total Transportation	36	1	7	44	1	-45	0
915 Rents (Non-GSA)	0	0	54	54	1	-55	0
920 Supplies & Materials (Non-Fund)	51	1	0	52	1	-53	0
922 Equipment Maintenance By Contract	0	0	100	100	2	-102	0
925 Equipment Purchases (Non-Fund)	2	0	2	4	0	-4	0
932 Mgt Prof Support Svcs	108	2	-7	103	2	-105	0
955 Other Costs (Medical Care)	9	0	3	12	0	-12	0
960 Other Costs (Interest and Dividends)	3	0	-3	0	0	0	0
999 Total Other Purchases	173	3	149	325	6	-331	0
Total	6,609	72	3,942	10,623	135	-496	10,262