
IMPACT OF SIGIR OPERATIONS

SIGIR's work impacts many aspects of the U.S. mission in Iraq and the Government of Iraq. To validate the financial or non-financial benefits resulting from SIGIR work, SIGIR requires the staff to document the connection between the benefits reported and the work performed. SIGIR recommendations have enabled U.S. and Iraqi reconstruction management officials to:

- reduce expenditures and improve efficiency and effectiveness
- implement or improve fund and asset controls
- enhance construction quality by ensuring adequacy of design specifications, stopping inadequate construction, and avoiding re-work
- increase potential oil revenue
- avoid waste and unnecessary expenditures

IMPACT OF SIGIR AUDITS

SIGIR reports the financial impact of audits semiannually, as required by law. Through October 30, 2008, SIGIR audits saved and recovered funds of about \$81.60 million and improved the use of \$224.72 million of funds. SIGIR audits also challenged payments of \$14.93 million, including possible duplicate payments, overpayments, or for work that was not completed. This is an increase of \$16.62 million in funds put to better use since the SIGIR July 30, 2008 Quarterly Report. Most of the savings result from a SIGIR recommendation that the Defense Contract Audit Agency review contractor invoices for the Iraqi Police Training Program. For a detailed list of these financial impacts, see Table B-1.

APPENDIX B

DETAIL OF IMPACT OF SIGIR AUDITS (\$ MILLIONS)

	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Coalition Provisional Authority Coordination of Donated Funds	04-001				Improved transparency and accountability for donor funds.
Management of Personnel Assigned to the Coalition Provisional Authority in Baghdad, Iraq	04-002				Improved CPA's control over and insight into the number of civilians assigned to CPA in Baghdad, including both U.S. Government and contractor personnel.
Federal Deployment Center Forward Operations at the Kuwait Hilton	04-003 DFI	\$18.20			Improved economy and efficiency and contract administration.
Task Orders Awarded by Air Force Center for Environmental Excellence in Support of the Coalition Provisional Authority	04-004				Improved contract administration and program management.
Oil For Food Cash Controls for the Office of Project Coordination in Erbil, Iraq	04-007				Improved the CPAs internal controls over the transfer of cash.
Coalition Provisional Authority Control Over Seized and Vested Assets	04-008				Improved accountability over non-cash assets.
Accountability and Control of Materiel Assets of the Coalition Provisional Authority in Baghdad	04-011 DFI				Improved accountability over property.
Coalition Provisional Authority's Contracting Processes Leading Up To and Including Contract Award	04-013	\$5.00		\$0.19	Improved contract administration and transparency.
Accountability and Control of Materiel Assets of the Coalition Provisional Authority in Kuwait	05-002				Improved accountability over property.
Oversight of Funds Provided to Iraqi Ministries through the National Budget Process	05-004 DFI				Improved controls over payroll.
Compliance with Contract No. W91150-04-C-0003 Awarded to Aegis Defense Services Limited	05-005				Improved contract administration and program management.
Control of Cash Provided to South-Central Iraq	05-006 DFI				Improved contract administration and accountability.
Administration of Iraq Relief and Reconstruction Fund Contract Files	05-007				Improved contract administration and management.
Administration of Contracts Funded by the Development Fund for Iraq	05-008 DFI			\$0.04	
Reconciliation of Reporting Differences of the Source of Funds Used on Contracts After June 28, 2004	05-009				Improved accuracy of contract administration information.
Interim Briefing to the Project and Contracting Office - Iraq and the Joint Contracting Command - Iraq on the Audit of the Award Fee Process	05-010				Improved contract management and administration.
Management of Rapid Regional Response Program Contracts in South-Central Iraq	05-015 DFI			\$2.70	This was the first in a series of audits to improve compliance with applicable guidance and control and accountability for Development Fund for Iraq cash assets and expenditures.
Management of the Contracts and Grants Used To Construct and Operate the Babylon Police Academy	05-016 DFI			\$1.30	This audit report is one of a series of reports to improve controls over cash, contract management, and grant management for the CPA South-Central Region. (See 05-015)
Award Fee Process for Contractors Involved in Iraq Reconstruction	05-017 DFI		\$7.80		
Acquisition of Armored Vehicles Purchased Through Contract W914NS-05-M-1189	05-018				Improved contract management and administration.
Management of the Contracts, Grant, and Micro-Purchases Used To Rehabilitate the Karbala Library	05-020 DFI	\$0.15			This audit report is one of a series of reports to improve controls over cash, contract management, and grant management for the CPA South-Central Region. (See 05-015)
Management of Iraq Relief and Reconstruction Fund Programs – Cost-to-Complete Estimate Reporting	05-021				Improved program management and accuracy of reporting to the Congress
Managing Sustainment for Iraq Relief and Reconstruction Fund Programs	05-022				Improved IRRF program management and protection of U.S. reconstruction investment
Management of Rapid Regional Response Program Contracts in South-Central Iraq	05-023 DFI				One of a series of reports designed to improve program management and contract administration of DFI funds. (See 05-015)

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DETAIL OF IMPACT OF SIGIR AUDITS (\$ MILLIONS)

	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Management of the Commander's Emergency Response Program for Fiscal Year 2005	05-025				Improved program management of appropriated funds
Methodologies for Reporting Cost-to-Complete Estimates	05-027				Improved program management and accuracy of reporting to the Congress
Management of the GRD-PCO Management of the Transfer of IRRF-funded Assets to the Iraqi	05-028				Audit recommendations led agency to creation of an IRRF coordinating sustainment office.
Audit report on Management of the Iraq Relief and Reconstruction Fund Program: The Evolution of the Iraq Reconstruction Management System	06-001				Audit recommendations led to improved IRMS systems development and documentation.
Prompt Payment Act: Analysis of Expenditures Made from the Iraq Relief and Reconstruction Fund	06-002				Improved IRRF program management.
Review of Data Entry and General Controls in the Collecting and Reporting of the Iraq Relief and Reconstruction Fund	06-003				Improved program management and accuracy of IRRF status reporting.
Follow-up on Recommendations Made in SIGIR Audit Reports Related to Management and Control of the Development Fund for Iraq	06-005 DFI				One of a series of reports designed to improve program management and contract administration of DFI funds. (See 05-015)
Multi-National Security Transition Command Iraq Management of the Transfer of Iraq Relief and Reconstruction Fund Projects to the Iraqi Government	06-006				Audit recommendations led agency to creation of an IRRF coordinating sustainment office.
Audit Report on U.S. Agency for International Development Management of the Transfer of Iraq Relief and Reconstruction Fund Projects to the Iraqi Government	06-007				Audit recommendations and follow up reports focused on a single, unified transfer process, improved coordination, timely notification and adequate sustainment
Audit Report on Development Fund for Iraq Cash Accountability Review: Joint Area Support Group-Central	06-008 DFI				Improved cash accountability. Audit recommendations addressed proper storage, retrieval and contingency planning.
Review of Task Force Shield Programs	06-009	\$12.80			Improved property accountability.
Review of the MNSTC-I Reconciliation of the Iraqi Armed Forces Seized Assets Fund/Iraqi Armed Forces	06-010 DFI	\$1.51		\$3.46	
Audit Report on Management of the Primary Healthcare Centers Construction Projects	06-011				Improved program and contract management, property accountability and accurate reporting.
Seized Assets Fund: Review of Contracts and Financial Documents	06-015			\$2.31	
Interim Audit Report on the Review of the Equipment Purchased for Primary Healthcare Centers Associated with Parsons Global Services, Contract Number W914NS-04-D-006	06-016	\$23.30			
Transition of Iraq Relief and Reconstruction Fund Projects to the Iraqi Government	06-017				Audit recommendations and follow up reports focused on a single, unified transfer process, improved coordination, timely notification and adequate sustainment.
Review of the Advanced First Responder Network	06-020				Improved program and contract management and improved property accountability. Audit recommendations focused on meeting technical requirements and property accountability.
Joint Survey of the U.S. Embassy-Iraq's Anticorruption Program	06-021				Improved program management. Audit recommendations focused on senior leadership, levels of resources, metrics, etc.
Joint Cash Count: Iraq National Weapons Card Program	06-024				Improved accountability for funds transferred from U.S. officials to a bank account for the Gol.
Review of the Medical Equipment Purchased for the Primary Healthcare Centers Associated with Parsons Global Services, Inc., Contract Number W914NS-04-D-0006	06-025				One of a series of reports concerning program management and accountability over property within the Healthcare Centers Construction Projects. (See 06-016)
Review of the U.S. Agency for International Development's Management of the Basrah Children's Hospital	06-026				Improved program management. Audit recommendations focused on improved program and contract management and accurate reporting.
Review of DynCorp International, LLC, Contract Number S-LMAQM-04-C-0030, Task Order 0338, for the Iraqi Police Training Program Support	06-029				Improved program and contract management—including recoupment of overpayments, challenged invoices, and other funding actions.

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APPENDIX B

DETAIL OF IMPACT OF SIGIR AUDITS (\$ MILLIONS)

	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Status of Medical Equipment and Other Non-construction Items Purchased for Primary Healthcare Centers	06-030				One of a series of reports concerning program management and accountability over property within the Healthcare Centers Construction Projects. (See 06-016)
Management of the Iraqi Interim Government Fund	06-031				Improved accountability for funds; timely, accurate funds status reporting to the Gol.
Iraqi Security Forces: Review of Plans to Implement Logistics Capabilities	06-032				Improved program and management and accuracy ISF support funds reporting.
Iraqi Security Forces: Weapons Provided by the U.S. Department of Defense Using the Iraq Relief and Reconstruction Fund	06-033				Improved accountability for ISF weapons.
Status of the Provincial Reconstruction Team Program in Iraq	06-034				Improved program management.
Interim Audit Report on Inappropriate Use of Proprietary Data Markings by the Logistics Civil Augmentation Program (LOGCAP) Contractor	06-035				Improved program and contract management—including potential LOGCAP-wide improvements. Also LOGCAP-wide improved accountability for government property, including lodging facilities and subsistence.
Follow-up on SIGIR Recommendations Concerning the Development Fund for Iraq	06-036 DFI				Final in a series of reports designed to improve program management and contract administration of DFI funds. (See 05-015)
Unclassified Summary of SIGIR's Review of Efforts to Increase Iraq's Capability to Protect Its Energy Infrastructure	06-038				Audit recommendations addressed critical infrastructure integrity challenges and improved program management through capacity to track and analyze inputs.
LOGCAP Task Order 130: Requirements Validation, Government Oversight, and Contractor Performance	07-001				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program and contract management, accountability for government property. (See 06-035)
Status of the Advanced First Responder Network	07-002				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program management and property accountability within the First Responder program. (See 06-020)
Status of U.S. Government Anticorruption Efforts in Iraq	07-007				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program management within the Anticorruption program at the U.S. Embassy-Iraq. (See 06-021)
Controls Over Unliquidated Obligations in the Iraq Relief and Reconstruction Fund	07-011		\$3.18		
Sustainment of the Advanced First Responder Network (Restricted Distribution)	07-013				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program management and property accountability within the First Responder program. (See 06-020)
Status of the Provincial Reconstruction Team Program Expansion in Iraq	07-014				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program management of the PRT (See 06-034)
Review of the Effectiveness of the Provincial Reconstruction Team Program in Iraq (October 18, 2007)	07-015				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program management of the PRT (See 06-034)
Interim Review of DynCorp International, LLC, Spending Under Its Contract for the Iraqi Police Training Program	07-016	\$20.64	\$197.12	\$4.17	
Interim Report on Efforts and Further Actions Needed to Implement a Financial Management Information System in Iraq	08-001				Improved program and contract management.
Logistics Civil Augmentation Program Task Orders 130 and 151: Program Management, Reimbursement, and Transition	08-002				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program and contract management, accountability for government property. (See 06-035)
Commander's Emergency Response Program in Iraq Funds Many Large-Scale Projects	08-006				Improved program management. Audit recommendations focused on program documentation, sustainment, lessons learned.
Efforts to Implement a Financial-Management Information System in Iraq	08-007				A companion to 08-001, the audit identifies lessons learned for USAID to move forward in developing a DoI IFMIS.

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DETAIL OF IMPACT OF SIGIR AUDITS (\$ MILLIONS)

	AUDIT #	DOLLARS SAVED/ FUNDS RECOVERED	BETTER USE	CHALLENGED PAYMENTS	NON-FINANCIAL IMPACT
Progress on Recommended Improvements to Contract Administration for the Iraqi Police Training Program (April 22, 2008)	08-014				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve program and contract management—including recoupment of overpayments, challenged invoices, and other funding actions. (See 06-029)
Transferring Reconstruction Projects to the Government of Iraq: Some Progress Made but Further Improvements Needed to Avoid Waste	08-017				Reflects SIGIR's efforts to monitor and follow-up on recommendations to improve the process of transferring assets to the GoI. (See 06-007)
Outcome, Cost, and Oversight of Water Sector Reconstruction Contract with FluorAMEC, LLC	08-018			\$0.57	Improve program management and contract oversight.
Outcome, Cost and Oversight of the Security and Justice Contract with Parsons Delaware, Inc.	08-019				Improve program management through better contract and property management.
Comprehensive Plan Needed to Guide the Future of the Iraq Reconstruction Management System	08-021				Improve information systems supporting the Iraq reconstruction program.
Government of Iraqi Increasingly Funding Iraq Security Forces Infrastructure Development, but Substantial U.S. Support Remains	08-022				Identifies cost saving opportunity through either the sharing of program cost with the Government of Iraq or the transfer of the program to Iraq for funding.
Information on a Special Department of Defense Program to Foster Economic Recovery in Iraq	08-024				Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program management within the Anticorruption program at the U.S. Embassy-Iraq. (See 06-021)
Opportunities to Enhance U.S. Democracy Building Strategy for Iraq	09-001				Improve the program management of the Democracy-Building Grant program for Iraq
Challenges in Obtaining Reliable and Useful Data on Iraqi Security Forces Continue	09-002				Reflects SIGIR's efforts to assist U.S. and Iraqi efforts to improve management information associated with Iraqi Security Forces. (See 08-015)
Cost, Outcome, and Oversight of Local Governance Program Contracts with Research Triangle Institute	09-003 DFI			\$0.19	Reflects SIGIR's efforts to monitor and follow up on recommendations to improve program management of the PRT. (See 08-014 and 08-015)
Iraq Reconstruction Project Terminations Represent a Range of Actions	09-004		\$16.62		Improved program management and contract oversight.
Agencies Need Improved Financial Data Reporting for Private Security Contractors	09-005				Improved program efficiency and effectiveness.
Status of Department of State Economic Support Fund Obligations Used for Iraq Reconstruction Projects	09-006				Improved program management and oversight of funds.
Improvements Needed in Reporting Status of Reconstruction Projects to Chief of Mission	09-007				Improved program oversight.
Total		\$81.60	\$224.72	\$14.93	



Impact of SIGIR Investigations

SIGIR investigators have recovered or seized assets valued at more than \$17.4 million as a result of court-ordered restitution and forfeiture. Investigators also prevented about \$3.8 million of incurred cost by alerting contracting officers to improper contracts. SIGIR’s investigative work contributed to improving controls in contracting and financial management and identified another \$11.5 million in potential recovery. For details, see Table B-2.

These impacts are the result of investigative actions from 374 open, closed, or referred cases. Seized funds were recovered from subjects identified in ongoing and closed SIGIR investigations. Recoveries are documented from fraudulent payments and seizures of unaccounted-for cash. Property seizures reflect the assessed value of currently seized assets purchased with illegally obtained funds and recovered in criminal investigations.

DETAIL OF FINANCIAL-RELATED IMPACT OF SIGIR INVESTIGATIONS (\$ MILLIONS)

	COURT-ORDERED RESTITUTION/ FORFEITURE	COST AVOIDANCE	POTENTIAL RECOVERY
Total	\$17.4	\$3.8	\$11.5

Note: Numbers are provided in aggregate. Individual tracking is done on a case level and maintained by SIGIR AIG for Investigations.

TABLE B-2