

The seal of the Office of the Special Inspector General for Iraq Reconstruction is a large, circular emblem in the background. It features an eagle with wings spread, holding an olive branch and arrows. The eagle is positioned over a shield with vertical stripes. The seal is surrounded by text in both English and Arabic. The English text includes "INSPECTOR GENERAL" at the top and "RECONSTRUCTION" at the bottom. The Arabic text includes "مفتش العام" at the top and "إعادة إعمار" at the bottom.

FACT SHEET ON SOURCES AND
USES OF U.S. FUNDING PROVIDED
IN FISCAL YEAR 2006 FOR IRAQ
RELIEF AND RECONSTRUCTION

FINAL REPORT
SIGIR-07-005
JULY 27, 2007

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SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

July 27, 2007

MEMORANDUM FOR U.S. AMBASSADOR TO IRAQ
DIRECTOR, IRAQ TRANSITION ASSISTANCE OFFICE
MISSION DIRECTOR-IRAQ, U.S. AGENCY FOR INTERNATIONAL
DEVELOPMENT
DIRECTOR, ARMY BUDGET OFFICE
COMMANDING GENERAL, MULTI-NATIONAL FORCE-IRAQ
COMMANDING GENERAL, MULTI-NATIONAL SECURITY
TRANSITION COMMAND-IRAQ
COMMANDING GENERAL, U.S. ARMY CORPS OF ENGINEERS,
GULF REGION DIVISION
DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

SUBJECT: Fact Sheet on Sources and Uses of U.S. Funding Provided in Fiscal Year 2006 for Iraq Relief and Reconstruction (SIGIR-07-005)

We are providing this fact sheet for your information and use. In November 2003, the Congress appropriated \$18.439 billion for the Iraq Relief and Reconstruction Fund (IRRF). The Office of Management and Budget, in consultation with the Coalition Provisional Authority (CPA) Administrator, was required to submit reports quarterly to the Congress on the proposed uses of IRRF funds on a project-by-project basis. This reporting requirement is currently the responsibility of the Department of State (DoS).

The Congress appropriated about \$5.4 billion, in additional non-IRRF funding made available in FY 2006, to four separate funds, for various relief and reconstruction projects in Iraq, including training of Iraqi security forces, reconstruction programs, rule of law programs, and the Department of Defense (DoD) "commander's emergency response program". However, the Congress did not legislate the same robust quarterly reporting requirements on the uses of these funds as it had for IRRF, though there are less detailed reporting requirements in many cases.

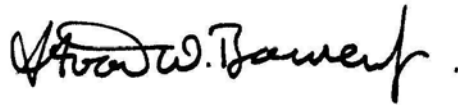
This fact sheet provides information on the FY 2006 funding made available by the Congress for Iraq relief and reconstruction activities, the reporting requirements for that funding, and the plans and procedures for the funds that have been put in place by the

U.S. government organizations carrying out the relief and reconstruction activities. To obtain this information, we conducted a survey with applicable U.S. government organizations.

This review was performed as “nonaudit services” in accordance with generally accepted government auditing standards. The information in this fact sheet was vetted with senior officials responsible for the accountability of these funds; therefore, no formal response to this fact sheet is required or expected. An extended review period was provided from July 23 to July 25, 2007, on the consolidated Preliminary Final report to accept technical comments from impacted agencies. All comments received have been considered and addressed as appropriate in this final report.

The fact sheet was prepared and the survey conducted under the direction of Joseph T. McDermott, Assistant Inspector General for Audit. We appreciate the courtesies extended to the staff. For a list of the review team members, see Appendix E.

For additional information on this report, please contact Mr. Glenn Furbish (glenn.furbish@sigir.mil / 703-428-1058); or Mr. Walt Keays (walt.keays@iraq.centcom.mil / 703-343-7921 or cell: 914-822-2796). For the fact sheet distribution, see Appendix D.

A handwritten signature in black ink, appearing to read "Stuart W. Bowen, Jr." with a period at the end. The signature is written in a cursive style.

Stuart W. Bowen, Jr.
Special Inspector General for Iraq Reconstruction

cc: See Distribution

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Introduction

Background

In November 2003, Public Law (P.L.) 108-106 created the Iraq Relief and Reconstruction Fund (IRRF 2) and appropriated \$18.439 billion for security, relief, rehabilitation, and reconstruction in Iraq. The funds were allocated to specific sectors of Iraqi governance and society. Section 2207 of the law also required that the Office of Management and Budget (OMB), in consultation with the Coalition Provisional Authority (CPA) Administrator, submit quarterly reports to the House and Senate Committees on Appropriations on the uses of IRRF funds on a project-by-project basis, including cost-to-complete estimates. In July 2005, this reporting requirement was delegated to the Department of State (DoS) who had been tasked under NSPD 36 in May 2004 to coordinate and manage all reconstruction activities in Iraq. These reports were required to be submitted to the Congress until October 2007; however, P.L. 109-234, enacted in June 2006, extended the date for submitting the reports until October 2008.

In addition to creating IRRF 2, P.L. 108-106 also created the CPA's Office of Inspector General (CPA-IG) to conduct, supervise, and coordinate audits and investigations of the CPA's treatment, handling, and expenditure of IRRF funds and of the programs, operations, and contracts carried out utilizing IRRF funds. The CPA-IG was also required to submit quarterly reports summarizing the activities of the CPA-IG and CPA, including a detailed statement of all obligations, expenditures, and revenues associated with reconstruction and rehabilitation activities in Iraq. In June 2004, the CPA was terminated and its responsibilities were transferred to the U.S. Mission-Iraq. At the same time, the CPA Inspector General was re-designated as the Special Inspector General for Iraq Reconstruction (SIGIR). In FY 2007, P.L. 109-440 expanded the duties of SIGIR to include the oversight of all FY 2006 funds appropriated or otherwise made available in FY 2006 for the relief and reconstruction of Iraq, regardless of how they are designated.

Summary

The Congress appropriated about \$5.4 billion in additional, non-IRRF funding made available for FY 2006 to four separate funds, for various relief and reconstruction projects in Iraq. Between 29 and 230 calendar days elapsed from the time the funds were appropriated until they reached the field-level implementing organizations through a series of agency apportionment, allotment, allowance, and other funding transactions. For a summary of days elapsed for each fund type and program, see Appendix B.

Two programs, however, were outside the range of calendar days it took for the funds to be made available to the implementing activities in Iraq. These programs were not considered in estimating the range of days because of special circumstances concerning these programs or their appropriations:

- \$2 million for the Democracy and Rule of Law program for Iraq and Afghanistan, funded by the Economic Support Fund, in P.L. 109-234. As of June 14, 2007, had not yet been allotted because the Congress had not resolved a decision on whether the funds should go to Iraq or Afghanistan.
- \$375 million CERP funds provided for Iraq programs in P.L. 109-148, of which a portion of the budget authority was made available pursuant to the Continuing Resolution approved on September 30, 2005. However, the Congress did not enact the appropriation legislation to make the total amount of funds available for use until December 30, 2005.

The laws that enacted the additional, non-IRRF funds do not impose the same quarterly reporting requirements as contained in P.L. 108-106 although there are other reporting requirements.

Funds were appropriated in FY 2006 under these laws:

- P.L. 109-102, *Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006*, enacted November 14, 2005
- P.L. 109-148, *Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006*, enacted December 30, 2005
- P.L. 109-234, *The Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery*, enacted June 15, 2006

The FY 2006 appropriations funded:

- Iraq Security Forces Fund—\$3.007 billion made available to assist the Iraqi Security Forces
- Economic Support Fund—\$1.545 billion made available by appropriations to assist Iraq relief and reconstruction efforts in the security, economic, and political areas
- Commander’s Emergency Response Program funding—\$708 million for Iraq made available through two appropriations to enable local U.S. military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements in their areas of responsibility
- International Narcotics Control and Law Enforcement funding—\$91.4 million (\$82 million for prison construction) made available to the DoS

Objective

The overall objective of this review was to identify the sources and uses of the funds made available in FY 2006 for Iraq reconstruction. We answered these questions:

1. When did this money become available for use in Iraq?
2. When did the activities in Iraq begin to use these funds and for what purposes?

3. What policies and procedures have been put in place to control the use and oversight of these funds?
4. How does the controlling authority ensure that the policies and procedures are carried out?
5. What performance measures are in place to evaluate the effectiveness of the individual projects supported by these funds in relationship to the overall goals of the Iraq relief and reconstruction program?
6. What are the reporting requirements to senior U.S. officials, including the Office of Management and Budget, on the use and status of these funds?
7. What are the reporting requirements to the Congress on the obligations, expenditures, and use of these funds?

The information reported in this fact sheet is as of March 31, 2007. For the scope and methodology for this review, see Appendix A.

This fact sheet was organized by fund type under these categories:

- *Legislative Authority*: discusses the legislation that appropriated the funds
- *Reports Required by Law*: defines the reporting requirements established by the Congress
- *Other Reports*: defines the reporting requirements established by other activities
- *Fund Availability and Use*: describes when and for what purpose the activities in Iraq began using the funds
- *Control and Oversight*: describes how control over funds and performance is monitored and maintained
- *Performance Measures*: identifies the metrics that have been established to assess the success or failure of the funded programs

Each of the following organizations provided information for this report and reviewed our compilation of that information relative to the responding organization.

Iraq Security Forces Fund (ISFF):

- OMB
- Under Secretary of Defense (Comptroller) (USD(C))
- Army Budget Office
- Multi-National Security Transition Command-Iraq (MNSTC-I), (Comptroller)

Economic Support Fund (ESF):

- OMB
- U.S. Agency for International Development (USAID), Washington, DC and Mission-Iraq
- DoS Bureau of Resource Management
- DoS Bureau of Near Eastern Affairs
- U.S. Army Corps of Engineers (USACE), Gulf Region Division, Resource Management
- Department of Justice

Commander's Emergency Response Program Fund (CERP):

- OMB
- USD (C)
- Army Budget Office
- U.S. Army Central Command

International Narcotics Control and Law Enforcement (INCLE):

- OMB
- DoS Bureau of International Narcotics and Law Enforcement Affairs (INL)

OMB also provided an overall comment about the timing of obligations: “The Office of Management and Budget apportions or distributes budgeted amounts to the executive branch agencies, thereby making funds in appropriation accounts (administered by the Treasury Department) available for obligation. The apportionment system through which budget authority is distributed is intended to achieve an effective and orderly use of available budget authority, and to reduce deficiency appropriations. Each agency then makes allotments pursuant to the OMB apportionments, other statutory authority, or internal agency allotment guidelines. An allotment is a delegation of authority to agency officials which allows them to incur obligations within the scope and terms of the delegation. Hence, the timing of when OMB signs an apportionment document is not a good indicator of how quickly funds can be obligated. There are many internal processes that need to be completed within (and sometimes between) agencies before funds can be legally obligated. Sometimes OMB signs apportionments many months before agencies complete their internal processes that would allow for the allotment of funds to specific agency officials. Sometimes OMB signs apportionments concurrently with agencies completing their internal processes that would allow for the allotment of funds. While OMB apportionments are a necessary condition for an agency to allot funds, it is not a sufficient condition to allot funds and/or enable agencies to obligate resources. Congressional actions can also influence the timing of obligations after funds have been appropriated.”

Iraq Security Forces Fund

Legislative Authority

During FY 2006, the Congress appropriated \$3.007 billion for the Iraq Security Forces Fund (ISFF) in *The Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery* (P.L. 109-234, enacted June 15, 2006).

The law does not provide extensive direction as to how the appropriated funds are to be used.¹ The legislation broadly states that the purpose of the ISFF funding is to provide assistance to the security forces of Iraq, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction. Additionally, to accomplish this, the law allows the Secretary of Defense to transfer ISFF funds to other appropriations for military personnel; operations and maintenance; overseas humanitarian, disaster, and civic aid; procurement; research, development, test, and evaluation; and defense working capital funds.

Reports Required by Law

Section 9010 of P.L. 109-148 requires the Secretary of Defense to report every 90 days to the Congress on a comprehensive set of performance indicators and measures for progress toward military and political stability. This *Section 9010 Report* is to include performance standards and goals for security, economic, and security force training objectives in Iraq, together with a notional timetable for achieving these goals.

Chapter 2 of P.L. 109-234 requires the Office of the Secretary of Defense to submit a report no later than thirty days after the end of each fiscal quarter to the Congressional Defense Committees if ISFF funds are transferred to other appropriations. According to an Army Budget Office official, no such transfers have occurred and thus no reports have been submitted.

Other Reports

We identified reports prepared by implementing organizations that provide information on the use of the ISFF to senior officials. MNSTC-I conducts activities supporting the Iraqi Ministries of Defense and Interior security forces. The MNSTC-I Comptroller provides bi-weekly, monthly, and quarterly status of ISFF funds reports to the Multi-National Force-Iraq, U.S. Central Command, the Army Budget Office, the Joint Chiefs of Staff, and the Office of the USD (C).

The USACE Gulf Region Division provides engineering services and construction capabilities for many ISFF-funded MNSTC-I projects. As the implementing agency, it tracks and reports on its status of projects in a number of ways, including input to the Iraq Reconstruction

¹ According to OMB, the Administration submitted a detailed “budget justification” document that explained how the funds would be used prior to Congress appropriating the funding.

Management System (IRMS) and the Corps of Engineers Financial Management System (CEFMS). Reports generated from these systems are made available to the Office of the USD (C), DoS, and other agencies.

Fund Availability and Use

During FY 2006, the Congress appropriated \$3.007 billion to ISFF to fund Iraq relief and reconstruction projects. Within 29 calendar days, ISFF funds were allotted to the MNSTC-I field activity. For the allotment timeline and flow of these funds, see Figure 1. Key events include:

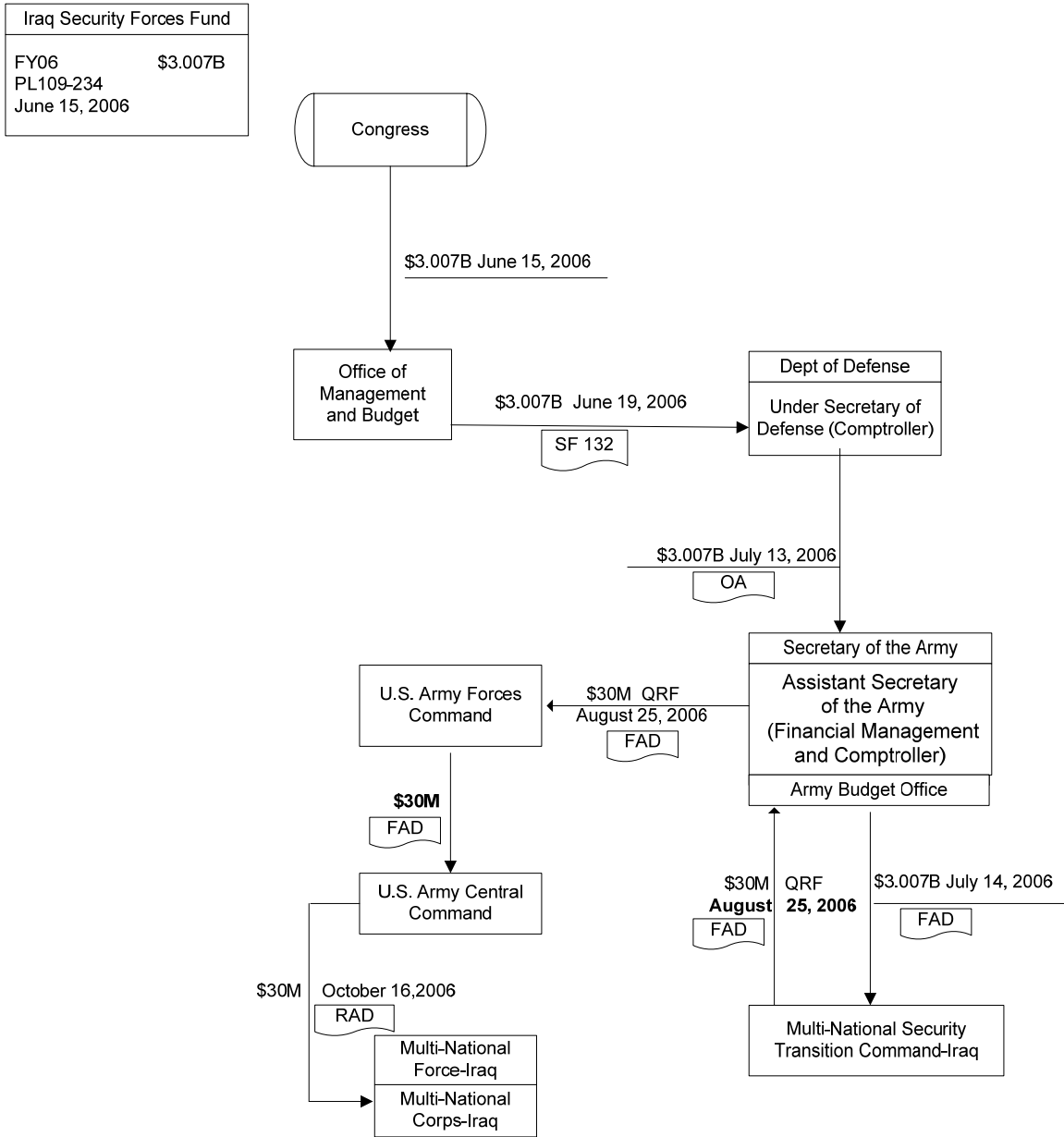
P.L 109-234:

- June 15, 2006: \$3.007 billion is appropriated to DoD.
- June 19, 2006: OMB apportioned this amount to USD(C).
- July 13, 2006: USD(C) began allocating the funds to the Assistant Secretary of the Army (Financial Management and Comptroller).
- July 14, 2006 through July 17, 2006: Assistant Secretary of the Army (Financial Management and Comptroller), through the Army Budget Office, allocated \$3.007 billion to MNSTC-I.

The Army Budget Office maintains the funding authorization documents that detail when the ISFF funds were released to MNSTC-I. The documents show that an initial allocation of \$2.977 billion was made on July 14, 2006, and a second allocation of \$30 million for the Quick Response Fund was made on July 17, 2006. The Quick Response Fund gave commanders the flexibility to respond rapidly to fund projects focused on training and equipping the Iraqi Security Forces.

MNSTC-I, initially committed ISSF funds on July 19, 2006, and the initial disbursement, from available documentation, occurred between August 29 and September 1, 2006. Thus, these funds were put to use in just over a month from the appropriation date of June 15, 2006. For the chronology of fund activity, see Table 1.

Figure 1. Flow of Iraq Security Forces Fund, P.L. 109-234



ABO	Army Budget Office
B	Billion
FAD	Funding Authorization Document
M	Million
OA	Obligation Authority
RAD	Resource Allocation Document
SF 132	Apportionment and Reapportionment Schedule
QRF	Quick Response Fund, part of Iraq Security Forces Fund

NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount of funds.

Sources: Office of Management and Budget; Assistant Secretary of the Army (Financial Management and Comptroller), Army Budget Office; Multi-National Security Transition Command-Iraq.

**Table 1—Iraq Security Forces Fund (P.L. 109-234)
Initial Funding Transmittal Dates^a**

FUNDING ACTION	\$3.007 Billion Appropriation
Congress appropriates funds	June 15, 2006
Office of Management and Budget signs apportionment and sends to the Under Secretary of Defense (Comptroller)	June 19, 2006
Under Secretary of Defense (Comptroller) to the Assistant Secretary of the Army (Financial Management and Comptroller)—Army Budget Office	July 13, 2006
Assistant Secretary of the Army (Financial Management and Comptroller)—Army Budget Office to the Multi-National Security Transition Command-Iraq	July 14, 2006
Available at Implementing Agency in Iraq	July 14, 2006
First Commitment	July 19, 2006
First Disbursement	Between August 29 and September 1, 2006

^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount appropriated.

Sources: Office of Management and Budget; Assistant Secretary of the Army (FM&C), Army Budget Office; Multi-National Security Transition Command-Iraq. Discussions held on various dates between February 2007 through April 2007.

Funding authorization documents show that the Army Budget Office allocated most funds to MNSTC-I for specific budget activity groups within the Iraqi Ministry of Defense (MOD) and Ministry of Interior (MOI), in support of the Iraqi Security Forces. Other budget activity groups include the above-referenced Quick Response Fund, detainee operations, and prosthetics.

MOD and MOI sub-activities within each MOD/MOI budget activity group include infrastructure, training and operations, sustainment, and equipment and transportation. Additional data from the Army Budget Office show that MNSTC-I reallocated ISFF funds from the original Army Budget Office-designated activities to other activities to adjust for in-theater needs. For example, while the Army Budget Office did not allocate funds to MOI for sustainment, MNSTC-I reallocated funds from the MOD equipment and transportation budget activity group to increase the sustainment activity to \$185 million. Table 2 shows the Army Budget Office distributions and MNSTC-I allocations.

Table 2—ISFF Initial and Adjusted Allocations

Activity and Uses of Funds	Initial Allocation from Army Budget Office (as of July 17, 2006)	Balances after MNSTC-I's Activity Re-allocations (as of September 15, 2006)
Iraqi Ministry of Defense Activities		
Sustainment	\$0	\$185,000,000 ^a
Infrastructure	751,000,000	751,000,000
Equipment and Transportation	787,000,000	602,000,000 ^a
Training and Operations	20,000,000	20,000,000
Iraqi Ministry of Interior Activities		
Sustainment	210,000,000	210,000,000
Infrastructure	485,000,000	485,000,000
Equipment and Transportation	431,000,000	431,000,000
Training and Operations	217,000,000	217,000,000
Other Activities		
Detainee Operations	73,000,000	73,000,000
Prosthetics	3,000,000	3,000,000
Quick Response Fund	30,000,000	30,000,000
Total	\$3,007,000,000	\$3,007,000,000

^a Re-allocation by MNSTC-I

Source: SIGIR Analysis of Funding Authorization Documents (FADs) provided by Army Budget Office, as of September 15, 2006.

Control and Oversight

The DoD financial management regulations and USD(C) directives provide routine funds control guidance. OSD(C) and OMB have also issued other directives to help and manage ISFF.

Further, the military commands in Iraq have issued additional orders and procedures relative to controls over ISFF. These include:

- Multi-National Corps-Iraq Fragmentary Order 237, Funding Responsibility for the Iraqi Security Forces (August 22, 2005)—also defines the funding responsibility for the Quick Response Fund portion of ISFF.
- Multi-National Corps-Iraq Fragmentary Order 247 (August 27, 2005)—Procedure for Requesting Non-MTOE Equipment, Services, and Life Support Funding for Iraq Security Forces. MTOE is a modified version of a Table of Organization and Equipment that prescribes the units organization, personnel and equipment necessary to perform a mission in a specific wartime geographical environment.

- Multi-National Corps-Iraq Fragmentary Order 351, Modification 1 Funding Responsibility for the Iraqi Security Forces (August 2005)—also provides guidance on funding responsibilities for the Quick Response Fund portion of ISFF.
- Multi-National Security Transition Command-Iraq Standard Operating Procedures, Appendix P (December 30, 2006)—an internal control procedure established to ensure compliance with Public Law as applied by external audit agencies, such as the U.S. Army Audit Agency, DoD Office of the Inspector General, Special Inspector General for Iraq Reconstruction (SIGIR), and the Government Accountability Office (GAO). This Standard Operating Procedure identifies appropriate references such as the public laws, the purpose for the fund, the mission to be accomplished, and permitted and proscribed uses of the fund.

Performance Measures

According to the MNSTC-I Chief of Internal Audit/Control, progress in developing the Iraqi Security Forces is tracked and measured in numerous ways. For example, in a memorandum of record prepared on August 15, 2006, the MNSTC-I Commanding General provided direction to MNSTC-I personnel that included the following:

Training/Equipped figures listed on the “Current Status: ISF” slide will adhere to the following guidelines:

Numbers and percentages will reflect:

- *Cumulative data up to 100% of authorized strength in each subordinate authorization (e.g., up to 100% of Army, Iraqi Special Operations Forces)*
- *Data confirmed by MNSTC-I or Multi-National Corps-Iraq personnel*
- *All personnel recruited, trained, and equipped regardless of attrition [emphasis in original]*
- *Personnel recruited, trained, and equipped by MNSTC-I or by the divisions within their area of operations, vetted by the military personnel office in coordination with the division commanders, and then trained and equipped by MNSTC-I. . . .²*

According to information received from the Chief, MNSTC-I Internal Audit/Control, the referenced “Current Status: ISF” slide is part of a briefing that is provided biweekly to Multi-National Corps-Iraq (MNC-I) and Multi-National Forces-Iraq (MNF-I).

Further, the SIGIR report on “Iraqi Security Forces: Review of Plans to Implement Logistics Capabilities,” issued in October 2006, noted that MNF-I uses transition readiness assessments to determine when logistics units are ready to begin their transition to Iraqi control. While the actual assessments are classified, the performance measures used in the preparation of the transition readiness assessments are described as follows:

² Memorandum for Record, MNSTC-I, August 15, 2006, *Iraqi Security Forces (ISF) Update Reporting Procedures*.

These assessments rate the readiness of an Iraqi Army unit by four levels of capability. These ratings start from:

- *when the unit is formed (level 4)*
- *when it can fight side by side with MNF-I forces (level 3)*
- *when it is deemed capable of controlling its own area of responsibility with coalition support (level 2)*
- *when it is able to independently conduct operations (level 1)*

When a unit is rated level 2, MNF-I will begin the process to transition the unit to Iraqi Army and Ministry of Defense control. An Iraqi Army unit will be rated level 2 when it has at least 85% of its equipment on hand and authorized personnel assigned. At this point, MNF-I begins the process of transitioning a level 2 unit to Iraqi Army and Ministry of Defense control. MNF-I's priority has been on training Iraqi Army divisions to conduct counter-insurgency operations.³

DoD also submits a quarterly report to the Congress, as required under Section 9010 of P.L. 109-148 that discusses performance measurements and goals for achieving security, economic, and security force training objectives in Iraq, together with a notional timetable for achieving the defined goals. This report is also cross-referenced in the President's "benchmarks" report to the Congress that is required under P.L. 110-28. The reporting requirements as defined in Section 9010 include these metrics:

Stability and security:

- key measures of political stability
- primary indicators of a stable security environment
- estimated insurgency strength
- description of all militias operating in Iraq
- criteria used to determine when it is safe to withdraw U.S. forces from Iraq

Training and performance of security forces:

- training provided to Iraqi military and other MOD forces and the equipment used by such forces
- key criteria for assessing capabilities and readiness of the Iraqi military and other MOD forces
- operational readiness status of Iraqi military forces
- rates of absenteeism in Iraqi military forces and extent of insurgent infiltration
- training provided by Iraqi police and other MOI forces and the equipment used by such forces

³ Source: *Iraqi Security Forces: Review of Plans to Implement Logistics Capabilities* (SIGIR-06-032, October 28, 2006).

- key criteria for assessing capabilities and readiness of the Iraqi police and other MOI forces
- total number of Iraqi battalions needed to perform duties now undertaken by coalition forces
- effectiveness of Iraqi military and police officer cadres and chain of command
- the number of U.S. and coalition advisors needed to support Iraqi Security Forces
- an assessment of U.S. military requirements

Economic Support Fund

Legislative Authority

Two appropriations were made by the Congress in FY 2006 that included funding for the Economic Support Fund (ESF). The first appropriation, *Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006* (P.L. 109-102, November 14, 2005) provided \$61 million (later reduced by a 1% “across-the-board” rescission mandated in the same bill to \$60.39 million). The second appropriation, *Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery* (P.L. 109-234, June 15, 2006) provided \$1.686 billion (of which \$201 million was allocated for non-Iraq purposes, leaving \$1.485 billion available for Iraq).

P.L. 109-102 provided specific direction for the purpose of the appropriation for Iraq activities:

- Not less than \$56 million (reduced by rescission to \$55.44 million) for Democracy, Governance, and Rule of Law programs in Iraq.
- Not less than \$5 million (reduced by rescission to \$4.95 million) for the Marla Ruzicka War Victims Fund, provided to the USAID and subsequently transferred to and merged with funds appropriated as IRRF under P.L. 108-106.

P.L. 109-234 directed that the \$1.485 billion appropriation was to be used for these purposes:

- Not less than \$50 million for Democracy, Governance, and Rule of Law programs in Iraq.
- Not less than \$5 million to the Marla Ruzicka War Victims Fund; provided to the USAID and subsequently transferred to and merged with funds appropriated as IRRF under P.L. 108-106.
- Not less than \$45 million was made available to the USAID-Iraq for its Community Action Program.

No congressional direction was provided for the remaining \$1.385 billion.

Reports Required by Law

Under P.L. 109-102, DoS was required to submit a “Congressional Notification” report (CN) to the Congress explaining how the ESF funds would be used prior to obligating the money, but no such Congressional reporting notification was required in P.L. 109-234. Also, P.L. 109-102 requires a CN if DoS intends to use the funds differently than described in the initial CN. There are no “post-obligation” reporting requirements in either law. Though there were no legally-obligating reporting requirements in P.L. 109-234, the House Committee on Appropriations directed in “report language” that no ESF funds could be expended for Provincial Reconstruction Teams (PRTs) or Provincial Reconstruction Development Committees (PRDCs) until a detailed

report on the operations of such a program was submitted to the Congress. DoS met this reporting request.

However, the \$9.95 million, that was transferred to and merged with IRRF for the Marla Ruzicka War Victims Fund, is mandated to be included in the quarterly report to the Congress on IRRF-funded projects as required by Section 2207 of P.L. 108-106.

Although not legislatively required, the DoS Bureau of Near Eastern Affairs began reporting on the use of the ESF in an appendix to the January 2007 Section 2207 quarterly report to the Congress. The implementing agencies provide status information about programs, expenditures, and accomplishments related to ESF activities. The major reporting implementing agencies are USAID and the USACE Gulf Region Division. Further, Iraq Transition Assistance Office—the successor to the Iraq Reconstruction Management Office (IRMO)⁴—widely circulates a weekly report with consolidated financial data from the relevant agencies on the status of obligating and disbursing ESF funds.

Other Reports

The DoS Bureau of Democracy, Human Rights and Labor requires quarterly reports from their grantees.

Likewise, USAID-Iraq creates quarterly reports entitled, *USAID/Iraq's Quarterly Reports for Cost Plus Fixed Fee (CPFF) Level of Effort Contracts* that are prepared for internal review and control reporting requirements. Courtesy copies of these reports were provided to IRMO. As of June 17, 2007, USAID had not decided if copies of these reports would be provided to the Iraq Transition Assistance Office.

Fund Availability and Use

During FY 2006, the Congress appropriated about \$1.545 billion to the ESF for activities in Iraq. Of this, \$9.95 million was transferred to IRRF for the Marla Ruzicka War Victims Fund. Funding actions took 218 calendar days between the time the funds were appropriated and all of the precursors to obligating all of the funds had been completed in order to be used by the implementing field activities in Iraq—the DoS Bureau of Democracy, Human Rights, and Labor-Iraq, and USAID-Iraq. The initial allotment of P.L. 109-234 funds took 85 calendar days to be provided to USAID-Iraq and up to 167 calendar days to be provided for DoS's field activities that were implemented in Iraq by the Department of Justice and USACE Gulf Region Division (145 days) and IRMO (167 days). For the allotment timeline and flow of these funds, see Figures 2 and 3.

⁴ By Executive Order 13431 of May 8, 2007, the President created the Iraq Transition Assistance Office as the successor to the Iraq Reconstruction Management Office. The Iraq Transition Assistance Office shall continue coordination, oversight, and reporting concerning remaining Iraq Relief and Reconstruction Fund monies.

According to OMB, there are many steps required before ESF are obligated. The Congress appropriates ESF funds to USAID, but provides DoS the authority for overseeing and determining the uses of those funds. DoS develops so-called “Action Memos” signed by senior officials that determines how ESF funds will be both “split” between USAID and DoS, and how those funds would be used. In cases where DoD is the implementing agency, DoS (or USAID) need to negotiate an interagency agreement on how the funds would be used. The agency then needs to “obligate” the funds with a contractor after completing a procurement process governed by various government regulations. OMB appropriates all ESF funds initially to USAID, per Congressional direction. However, any funds going to DoS need to get “re-apportioned” from USAID to DoS under a “direct apportionment” procedure. Finally, the Congress has included reporting requirements and, at times, the Congress has placed a “hold” on the use of ESF funding in Iraq.

Key ESF events include:

P.L. 109-102:

- November 14, 2005: \$60.39 million appropriated to USAID’s ESF account, of which \$4.95 million was made available for IRRF for the Marla Ruzicka War Victims Fund.
- December 6, 2005: OMB sent a signed apportionment of \$55.44 million to the USAID Bureau for Management.
- According to OMB sometime between December 6, 2005 and June 5, 2006, DoS signed an “Action Memo” that identified how the \$60.39 million will be used and which agency will implement the programs.
- June 5, 2006: OMB reapportioned \$55.44 million to the DoS Bureau of Resource Management based on the signed Action Memo.
- June 5, 2006: \$4.95 million transferred to IRRF from the Marla Ruzicka War Victims Fund.
- June 9, 2006: DoS Bureau of Resource Management allotted \$55.44 million to the DoS Bureau of Democracy, Human Rights and Labor to be used for Democracy, Governance, and Rule of Law programs.
- June 18, 2006: The funds were allotted to the DoS Bureau of Democracy, Human Rights and Labor-Iraq field activity.

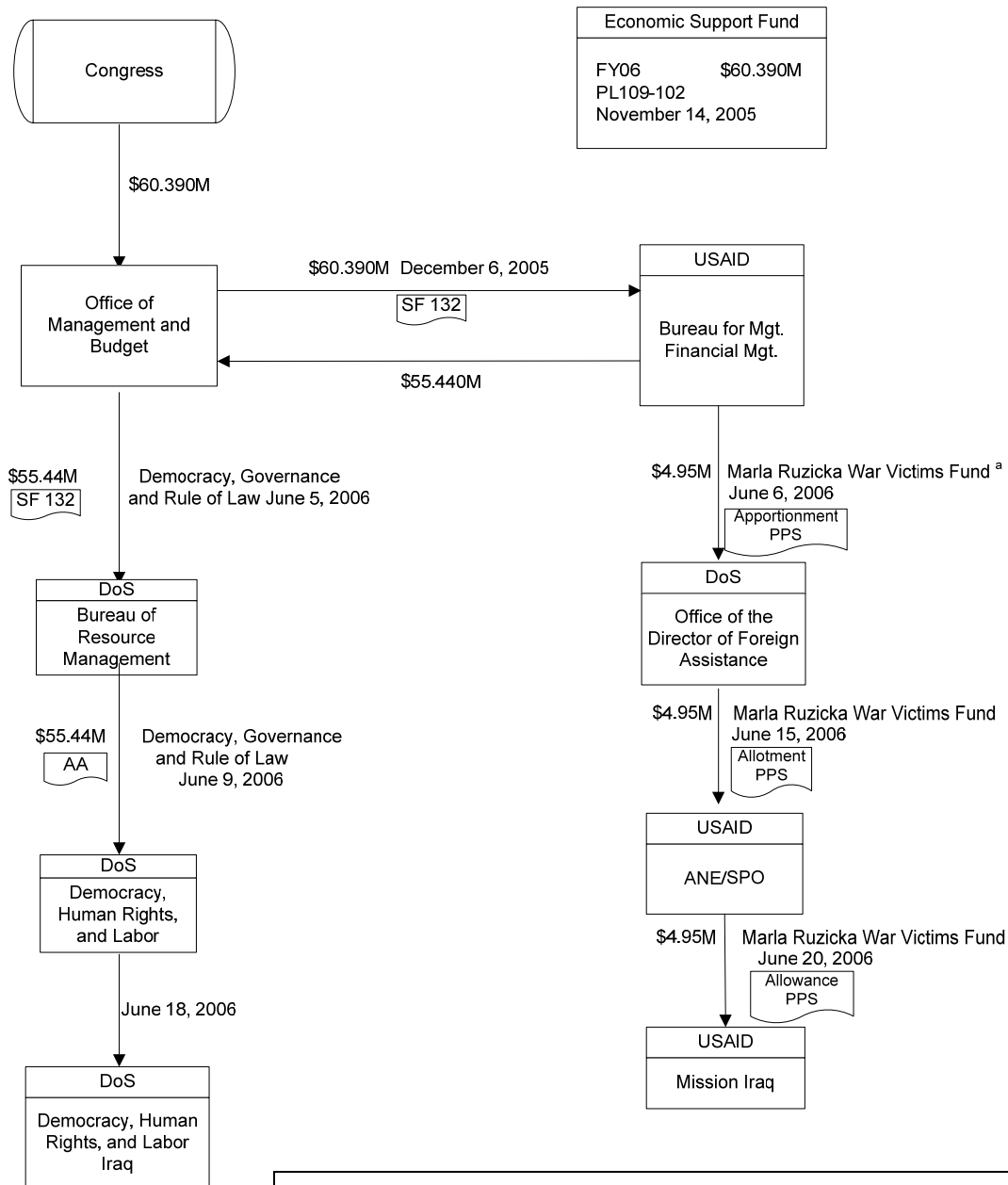
P.L. 109-234:

- June 15, 2006: \$1.485 billion appropriated, of which \$5 million was made available for IRRF for the Marla Ruzicka War Victims Fund.
- July 12, 2006: OMB sent signed apportionment of \$1.485 billion to USAID Bureau for Management.
- According to OMB, sometime between July 12, 2006 and October 26, 2006, DoS signed multiple Action Memos and reported to the Congress on the use of the PRT and PRDC funding.

- According to OMB, the Congress “cleared” on this report about 15 days after submission.
 - USAID Activities
 - Between July 20, 2006 and January 25, 2007, \$438 million allotted to USAID Office of Foreign Assistance and Bureau for Asia and the Near East. Another \$2 million remained unallotted as of June 14, 2007.
 - August 2, 2006: \$5 million transferred to IRRF from the Marla Ruzicka War Victims Fund.
 - Between September 8, 2006 and January 25, 2007, \$433 million allowed to USAID-Iraq field activity.
 - September 8, 2006: OMB reappportioned \$30 million to DoS.
 - November 3, 2006: OMB reappportioned \$1.015 billion to DoS.
 - DoS Activities
 - September 14, 2006: \$25 million of \$30 million allotted to the DoS Democracy, Human Rights, and Labor Office for Democracy and Civil Society programs.
 - Between November 7, 2006, and November 29, 2006: DoS completed and signed interagency agreements to transfer \$1.015 billion to DoD and the Department of Justice. After signature, funds were allotted to Iraq field activities:
 - \$33 million to the Department of Justice, Regime Crimes Liaison’s Office.
 - \$45 million to IRMO for the Ministerial Capacity Development Program.
 - \$937 million, approved by IRMO to USACE Gulf Region Division using interagency agreements.

On June 15, 2006, the first disbursement of the P.L 109-102 funds was made by the DoS Bureau of Democracy, Human Rights and Labor-Iraq. Initial disbursements, for P.L.109-234 funds, for those programs that made disbursements during SIGIR’s field work, were between June 15, 2006 and March 13, 2007, for the implementing field activities. For the chronology of fund activity for each appropriation, see Tables 3 through 6.

Figure 2. Flow of Economic Support Fund, P.L. 109-102



AA Advice of Allotment
 ANE/SPO Bureau for Asia and the Near East / Strategic Planning & Operations
 M Million
 PPS Posted in Phoenix Accounting System
 SF 132 Apportionment and Reapportionment Schedule

^a Marla Ruzicka War Victim Funds were merged with IRRF funds June 5, 2006.

NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount of funds.

Sources: DoS: Iraq Reconstruction Management Office; Bureau of Resource Management; and Bureau of Democracy, Human Rights and Labor. Also the Office of Management and Budget, and the U.S. Agency for International Development.

Table 3—Economic Support Fund (P.L. 109-102) Initial Funding Transmittal Dates^a

FUNDING ACTION	Democracy, Governance and Rule of Law Program (DoS DRL) \$55.44 Million Appropriation	Marla Ruzicka War Victims Fund (USAID Mission-Iraq) ^b \$4.95 Million Appropriation
Congress appropriates funds	November 14, 2005	November 14, 2005
Office of Management and Budget signs apportionment and sends to the USAID Bureau for Management	December 6, 2005	December 6, 2005
Office of Management and Budget signs apportionment and sends to the DoS Bureau of Resource Management	June 5, 2006	N/A
DoS Bureau of Resource Management to the DoS Bureau of Democracy, Human Rights and Labor	June 9, 2006	N/A
USAID Bureau for Management to the DoS Office of the Director of Foreign Assistance	N/A	June 6, 2006
DoS Office of the Director of Foreign Assistance to the USAID Bureau for Asia and the Near East	N/A	June 15, 2006
USAID Bureau for Asia and the Near East to the USAID Mission-Iraq	N/A	June 20, 2006
Available at Implementing Agency in Iraq	June 18, 2006	June 20, 2006
First Commitment	June 8, 2006	July 16, 2006
First Disbursement	June 15, 2006	March 13, 2007

^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount appropriated.

^b The provisions of P.L. 109-102 required the \$4.95 million to be transferred to and merged with IRRF. This occurred on June 5, 2006.

Sources: Office of Management and Budget; DoS Bureau of Resource Management and Bureau of Democracy, Human Rights and Labor; and the U.S. Agency for International Development Mission-Iraq.

The \$1.485 billion P.L. 109-234 Economic Support Fund appropriation was allotted to various agencies for various projects, with no uniformity in the transmittal dates. Tables 4 to 6 outline the results of SIGIR research into activities receiving these funds and the dates of those actions. The allocations were:

- \$937 million to the U.S. Army Corps of Engineers, Gulf Region Division
- \$440 million to the U.S. Agency for International Development
- \$ 75 million to DoS
- \$ 33 million to DoJ

Table 4--Economic Support Fund (P.L. 109-234) Initial Funding Transmittal Dates^a for U.S. Army Corps of Engineers Gulf Region Division Programs

FUNDING ACTION	Infrastructure Security Protection	Operation and Maintenance Sustainment	Technical Capacity Development	Provincial Reconstruction Teams and Provincial Reconstruction Development Committee
Total = \$937 Million	\$277 Million	\$285 Million	\$60 Million	\$315 Million
Congress appropriates funds	June 15, 2006	June 15, 2006	June 15, 2006	June 15, 2006
Office of Management and Budget signs apportionment and sends to the USAID Bureau for Management	July 12, 2006	July 12, 2006	July 12, 2006	July 12, 2006
Office of Management and Budget signs apportionment and sends to the DoS Bureau of Resource Management ^b	November 3, 2006	November 3, 2006	November 3, 2006	November 3, 2006
DoS Bureau of Resource Management to the DoS Bureau of Near Eastern Affairs	November 3, 2006	November 3, 2006	November 3, 2006	November 3, 2006
DoS Bureau of Near Eastern Affairs to the U.S. Army Corps of Engineers	November 21, 2006	November 21, 2006	November 21, 2006	November 7, 2006
Available at Implementing Agency in Iraq	November 21, 2006	November 21, 2006	November 21, 2006	November 7, 2006
First Commitment	November 28, 2006	November 27, 2006	February 10, 2007	November 18, 2006
First Disbursement	Not Disbursed ^c	February 9, 2007	Not Disbursed ^d	February 21, 2007

^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount appropriated.

^b Funds are initially apportioned by OMB to USAID and then, with USAID's authorization, are reapportioned to DoS or other agencies.

^c As of March 31, 2007, no disbursement had been made to this program, except for internal labor for the U.S. Army Corps of Engineers, Gulf Region Division, disbursed on December 20, 2006.

^d As of March 31, 2007.

Sources: DoS Iraq Reconstruction Management Office; DoS Bureau of Resource Management; U.S. Army Corps of Engineers, Gulf Region Division; Office of Management and Budget; and U.S. Agency for International Development.

Table 5--Economic Support Fund (P.L. 109-234) Initial Funding Transmittal Dates^a for USAID Programs

FUNDING ACTION	National Capacity Development	Minister of Finance-Iraqi Central Bank^b	Community Stabilization Program	Community Action Program	PRT and Local Government Support^c	Democracy and Civil Society^d	Democracy to Iraq & Afghanistan^d	Marla Ruzicka War Victims Fund^e
Total = \$440 Million	\$60 Million	\$20 Million	\$135 Million	\$45 Million	\$155 Million	\$18 Million	\$2 Million	\$5 Million
Congress appropriates funds	June 15, 2006	June 15, 2006	June 15, 2006	June 15, 2006	June 15, 2006	June 15, 2006	June 15, 2006	June 15, 2006
Office of Management and Budget signs apportionment and sends to the USAID Bureau for Management	July 12, 2006	July 12, 2006	July 12, 2006	July 12, 2006	July 12, 2006	July 12, 2006	July 12, 2006	July 12, 2006
USAID Bureau for Management to the DoS Office of the Director of Foreign Assistance	July 20, 2006	July 20, 2006	July 20, 2006	July 20, 2006	July 20, 2006	July 20, 2006	July 20, 2006	August 9, 2006
DoS Office of the Director of Foreign Assistance to the USAID Bureau for Asia and the Near East	September 30, 2006	September 30, 2006	September 30, 2006	September 30, 2006	October 26, 2006 and January 25, 2007	September 7, 2006	–	August 10, 2006
USAID Bureau for Asia and the Near East to USAID-Mission Iraq	September 30, 2006	September 30, 2006	September 30, 2006	September 30, 2006	October 27, 2006 and January 25, 2007	September 8, 2006	–	August 16, 2006
Available at Implementing Agency in Iraq	September 30, 2006	September 30, 2006	September 30, 2006	September 30, 2006	October 27, 2006 and January 25, 2007	September 8, 2006	Unallocated as of April 1, 2007	August 16, 2006
First Commitment	September 30, 2006	September 30, 2006	September 30, 2006	September 30, 2006	December 20, 2006	September 11, 2006		September 30, 2006
First Disbursement	Not Disbursed ^f	Not Disbursed ^f	October 17, 2006	March 7, 2007	Not Disbursed ^f	March 13, 2007		March 7, 2007

^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount appropriated.

^b Also known as Economic Governance Program II.

^c Also known as Local Governance Program II.

^d Part of the \$50 million earmarked by the Congress for Democracy, Governance and Rule of Law programs, see Table 6 for remainder.

^e Transferred from ESF to IRRF on September 14, 2006.

^f Not disbursed as of March 31, 2007.

Sources: DoS Iraq Reconstruction Management Office; Office of Management and Budget; and U.S. Agency for International Development.

**Table 6--Economic Support Fund (P.L. 109-234)
Initial Funding Transmittal Dates^a for DoS and DoJ Programs**

Department of State			Department of Justice	
FUNDING ACTION	Ministerial Capacity Development Program ^b	Democracy and Civil Society Program ^d	FUNDING ACTION	Régime Crimes Liaison's Office Programs
Total = \$75 Million	\$45 Million	\$30 Million	Total	\$33 Million
Congress appropriates funds	June 15, 2006	June 15, 2006	Congress appropriates funds	June 15, 2006
OMB signs apportionment and sends to USAID	July 12, 2006	July 12, 2006	OMB signs apportionment and sends to USAID	July 12, 2006
OMB signs apportionment and sends to the DoS Bureau of Resource Management ^c	November 3, 2006	September 8, 2006	OMB signs apportionment and sends to the DoS Bureau of Resource Management	November 3, 2006
	N/A	N/A	DoS Bureau of Resource Management to the DoS Bureau of Near Eastern Affairs	November 3, 2006
DoS Bureau of Resource Management to the DoS Bureau of Democracy, Human Rights and Labor	N/A	September 14, 2006	DoS Bureau of Near Eastern Affairs to DoJ, Régime Crimes Liaison's Office	November 7, 2006
DoS Bureau of Resource Management to the DoS Bureau of Near Eastern Affairs	November 3, 2006	N/A	N/A	N/A
DoS Bureau of Near Eastern Affairs to the DoS Iraq Reconstruction Management Office	November 29, 2006	N/A	N/A	N/A
Available at Implementing Agency in Iraq	November 29, 2006	October 10, 2006	Available at Implementing Agency in Iraq	November 7, 2006
First Commitment	December 1, 2006	September 18, 2006	First Commitment	November 7, 2006
First Disbursement	December 13, 2006	October 7, 2006	First Disbursement	December 8, 2006

^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount appropriated.

^b Managed by the Iraq Reconstruction Management Office (succeeded by the Iraq Transition Assistance Office).

^c Funds are apportioned by OMB to USAID and then, with USAID's authorization, are reapportioned to DoS or other agencies.

^d Part of the \$50 million for Democracy, Governance and Rule of Law programs, see Table 5 for remainder. Managed by the DoS Bureau of Democracy, Human Rights and Labor.

Sources: DoS Iraq Reconstruction Management Office; DoS Bureau of Resource Management; Office of Management and Budget; and U.S. Agency for International Development.

Of the \$1.485 billion appropriated for Iraq by P.L. 109-234, \$45 million was earmarked for the USAID Community Action Program in Iraq and \$5 million for the Marla Ruzicka War Victims Fund.

Further, P.L. 109-234 made \$50 million available for Democracy, Governance, and Rule of Law programs in Iraq and Afghanistan and where designated to the following programs as follows:

- \$18 million to USAID for Democracy and Civil programs
- \$30 million to DoS for Democracy and Civil Society programs
- \$ 2 million to DoS for Democracy and Rule of Law programs in Iraq and Afghanistan

No other direction was provided by the Congress for the remaining \$1,385 million.⁵ However, Table 7 outlines funding allotments by sector contained in the September 29, 2006, Action Memorandum⁶ prepared by the DoS's Bureau of Near Eastern Affairs for the DoS's Director of Foreign Assistance, on how funds were to be programmed.

As of June 14, 2007, the \$2 million for the Democracy and Rule of Law program for Iraq and Afghanistan remained unallotted because the Congress had yet to resolve a decision on whether the funds should go to Iraq or Afghanistan.

DoS and USACE signed interagency agreements, regarding the projects executed by USACE, as the implementing agency. The interagency agreements defined the scope of work for project deliverables, the cost for the projects, and the roles and responsibilities of DoS and USACE during the term of the agreement.

⁵ According to OMB, the Administration submitted a Congressional Budget Justification (CBJ) document and consulted with Congress on how funds would be used prior to the Congress appropriating the money.

⁶ According to OMB, for internal reasons, DoS/USAID cannot obligate funds until this Action Memo is signed.

Table 7—Economic Support Fund (P.L. 109-234) Allotments

Area	Implementing Agency	Project	Amount (Dollars in Millions)
Security	USACE	Provincial Reconstruction Teams (PRTs) and Provincial Reconstruction Development Committee (PRDC) Projects	\$315.0
	USACE	Infrastructure Security Protection	277.0
	USAID	PRT Support to Local Governments	155.0
	USAID	Community Stabilization Program	135.0
	USAID	Community Action Program ^a	45.0
Economic	USACE	O&M Sustainment	285.0
	USACE	Technical Capacity Development	60.0
Political	DoS/IRMO	Ministerial Capacity Development	45.0
	USAID	National Capacity Development	60.0
	USAID	Ministry of Finance/Central Bank Support	20.0
	DoJ	Regime Crimes Liaison's Office	33.0
Subtotal			\$1,430.0
Other	USAID	Marla Ruzicka War Victims Fund ^b	5.0
	USAID	Democracy and Civil Programs	18.0
	DoS	Democracy and Civil Programs	30.0
	DoS	Democracy/Rule of Law-Iraq/Afghanistan	2.0
Total			\$1,485.0

^a Earmark.

^b Earmark. Transferred to IRRF on September 14, 2006.

Sources: Action Memorandum, DoS Director, Bureau of Near Eastern Affairs, to DoS Director of Foreign Assistance, September 29, 2006; Subject: FY 2006 Supplemental ESF Funds Obligation Request for Iraq. DoS and USACE interagency agreements, dated November 7 and 21, 2006. Also, Appendix III of the Section 2207 Report, dated January 2007.

Control and Oversight

IRMO, in consultation with the Iraq Assistance Coordinator in the DoS Bureau of Near Eastern Affairs, is tasked with coordinating the programs, policies, and procedures for the use of the ESF funds. IRMO exercises oversight mainly through the use of the quarterly *Section 2207 Report*, as directed in the action memorandum prepared by the Bureau of Near Eastern Affairs, through the creation of Appendix III to the *Section 2207 Report*.

USACE is to maintain accountability and control of ESF funds identified in the interagency agreements in accordance with the same rules and regulations which guided USACE's use of IRRF funds. In addition there is specific guidance in the ESF agreements regarding fund restrictions and responsibilities.

That guidance included in the interagency agreements also includes:

- Restrictions in both the applicable Appropriations Act, including the Supplemental, and in the Foreign Assistance Act of 1961, as amended, are applicable to the funds provided under the ESF interagency agreement.
- The Servicing Agency (i.e., USACE) agrees to carry out its responsibilities in accordance with applicable U.S. laws and regulations, and U.S. foreign policy directives.
- The Servicing Agency shall use the funds made available by this IAA for no purpose other than to carry out the Agreement under the terms and conditions. Funds will be used only for specific projects and purposes delineated in the agreement or as agreed by IRMO. No funds provided under this agreement will be used for activities that would normally be performed in the absence of this agreement.
- Approval must be obtained from IRMO prior to any project modifications, cancellations or descoping of said projects. IRMO shall approve, modify, or deny the Servicing Agency's requests in a timely manner.
- The Servicing Agency shall maintain accountability and controls in accordance with its agency rules and regulations, and shall be accountable to the Department of State for all funds made available to it in this Agreement. Funds shall not be expended on activities, services or materials that cannot be justified in terms of their contributions to meeting program objectives.

USACE uses the cost-to-complete projects discipline to manage ESF allocations within its purview.

Performance Measures

SIGIR did not find specific performance measures established or required for all programs funded by the ESF. Some of the programs managed by the USACE incorporate metrics into some of their interagency program agreements. USAID addressed performance measurement in its publication, *USAID/IRAQ Performance Management Plan*, which it uses to measure progress in meeting its mission's objectives.

Commander's Emergency Response Program Funding

Legislative Authority

The Congress appropriated \$923 million in FY 2006 funds for the Commander's Emergency Response Program (CERP), of which \$708 million was designated for Iraq, and \$215 million for Afghanistan. The intended purpose of these funds was to enable local U.S. commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the indigenous population. The first appropriation, *Department of Defense, Emergency Supplemental Appropriations To Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006* (P.L. 109-148, enacted December 30, 2005) provided \$500 million. The second appropriation, *Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery* (P.L. 109-234, enacted June 15, 2006) provided \$423 million.

Of the \$708 million for Iraq, \$510 million was designated for use in FY 2006 and \$198 million was held to be used in FY 2007 until December 31, 2007, (end of first quarter FY 2008).

Reports Required by Law

P.L. 109-148 specifically states that the Army, with the support of the Office of the Under Secretary of Defense (Comptroller), will provide to the Congress, not later than 15 days following the end of each fiscal quarter, a report regarding the source of funds and the allocation and use of CERP funds.

P.L. 109-234 did not identify any reporting requirements.

Other Reports

According to an Office of the Under Secretary of Defense (Comptroller) (USD(C)) memorandum dated July 27, 2005, that provided CERP guidance, the Army is to submit a monthly CERP project status report as of the last day of the preceding month. The Army is to provide a copy of the report to the U.S. Central Command Comptroller and the Joint Chiefs of Staff Comptroller. The CERP project status report is to contain this information:

- unit
- project number
- payment date
- project description/location
- amount committed, obligated, and disbursed

Funds Availability and Use

The \$923 million CERP appropriations were allocated as follows:

- Commanders in Iraq were allocated \$708 million in FY 2006, of which \$198 million was held for use in FY 2007. As a result, FY 2006 obligations totaled \$510 million:
 - \$375 million from P.L. 109-148
 - \$135 million from P.L. 109-234

- Commanders in Afghanistan were allocated \$215 million in FY 2006, of which obligations totaled \$215 million:
 - \$125 million from P.L. 109-148
 - \$ 90 million from P.L. 109-234

The information on funding for Afghanistan is included only to identify total CERP funds made available in these appropriations. SIGIR did not examine the funding or activities for Afghanistan, and the following discussions relate only to the \$510 million in funds provided in FY 2006 for Iraq.

The CERP funds for Iraq from P.L. 109-148 were made available pursuant to Continuing Resolution budget authority approved on September 30, 2005. Within 4 calendar days, these funds were allocated to the Army implementing field activities. The Congress did not enact the appropriation legislation to make the complete funds available for use until December 30, 2005.

However, CERP funds from P.L. 109-234 were made available immediately when appropriated by the Congress on June 15, 2006. Within 35 calendar days, the initial P.L. 109-234 funds were allocated. For the allocation timeline and flow of these funds, see Figure 4. Key events include:

- P.L. 109-148:
 - December 30, 2005: \$375 million appropriated.
 - January 31, 2006: OMB signed an apportionment and sent to USD(C).
 - February 3, 2006: USD(C) provided obligation authority to Army Budget Office
 - October 1, 2005 through October 4, 2005: with Continuing Resolution authority, Army Budget Office allocated \$375 million to Army field activities.

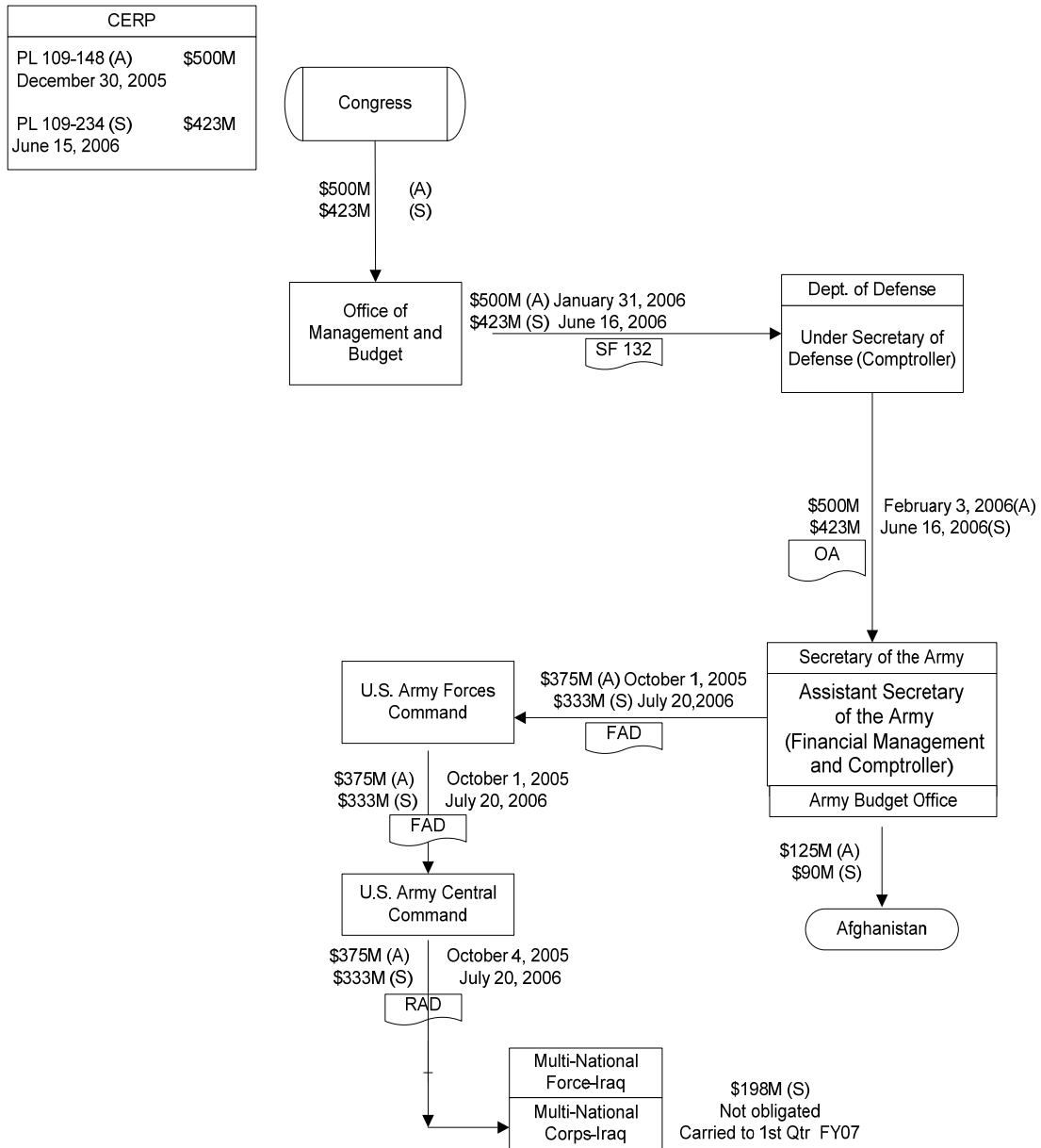
Funds were initially allocated to the U.S. Army Forces Command (FORSCOM) on October 1, 2005. FORSCOM immediately forwarded the funds to U.S. Army Central

Command (ARCENT). ARCENT in turn made the funds available to Multi-National Force-Iraq (MNF-I) and Multi-National Corps-Iraq (MNC-I) on October 4, 2005.

- P.L. 109-234:
 - June 15, 2006: \$333 million made available.
 - June 16, 2006: OMB signed apportionment and sent funds to USD(C).
 - June 16, 2006: USD(C) provided obligation authority to Army Budget Office
 - July 20, 2006: Army Budget Office began allocating the \$333 million to Army field activities; of which \$198 million was held for use in FY 2006, and not obligated during FY 2006.

The \$135 million allocated for use in FY 2006 began arriving at MNF-I and MNC-I on July 20, 2006. The initial fund commitment occurred on August 1, 2006—approximately two weeks following receipt by MNC-I. For the chronology of fund activity for each appropriation, see Table 8.

Figure 4. Flow of Commander's Emergency Response Program Funding for Iraq



(A)	Appropriation
(S)	Supplemental
FAD	Funding Authorization Document
OA	Obligation Authority
RAD	Resource Allocation Document
SF 132	Apportionment and Reapportionment Schedule

NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount of the funds.

Sources: P.L. 109-148; P.L. 109-234; Office of Management and Budget; Assistant Secretary of the Army (Financial Management and Comptroller), U.S. Army Central Command; and the Multi-National Corps-Iraq.

Table 8--CERP Iraq Initial Funding Transmittal Dates^a

FUNDING ACTION	P.L. 109-148 \$375 Million	P.L. 109-234 \$333 Million
Congress appropriates funds	December 30, 2005	June 15, 2006
Office of Management and Budget signs apportionment and sends to the Under Secretary of Defense (Comptroller)	January 31, 2006	June 16, 2006
Under Secretary of Defense (Comptroller) to the Assistant Secretary of Defense (Financial Management and Comptroller), Army Budget Office	February 3, 2006	June 16, 2006
Army Budget Office to the Army Forces Command	October 1, 2005 ^b	July 20, 2006
Army Forces Command to the Army Central Command	October 1, 2005	July 20, 2006
Army Central Command to the Multi-National Corps-Iraq	October 4, 2005	July 20, 2006
Available at Implementing Agency in Iraq	October 4, 2005	July 20, 2006
First Commitment	October 19, 2005	August 1, 2006
First Disbursement	November 17, 2005	August 23, 2006

^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount appropriated.

^b The Continuing Resolution, September 30, 2005, allowed agencies to received funds before the passage of the appropriation law.

Sources: PL 109-148; PL 109-234; Office of Management and Budget; Assistant Secretary of the Army (Financial Management and Comptroller); U.S. Army Central Command; and the Multi-National Corps-Iraq.

CERP funds are provided for specific purposes in support of Iraq relief and reconstruction, and a list of nineteen allowable uses are defined in USD(C) and in-theater guidance. Examples of the nineteen allowable CERP categories include water and sanitation, food production and distribution, electricity, healthcare, and education projects. Likewise, the USD(C) guidance also identifies ten areas where CERP funds shall not be used, including, for example, direct or indirect benefit to U.S., coalition, or other supporting personnel; entertainment; reward programs; removal of unexploded ordnance; or, training, equipping or operating costs of Iraqi Security Forces. Most weapon procurement programs are prohibited. For a listing of authorized uses of CERP funds, see Table 9.

Table 9—CERP Iraq Projects for Fiscal Year 2006

Authorized Uses - Fiscal Year 2006 Project Category	Number	Obligations
1. Water and sanitation - projects to repair or reconstruct water or sewer infrastructure, including water wells	659	\$ 138,250,913
2. Food production and distribution - projects to increase food production or distribution processes	17	\$1,302,366
3. Agriculture - projects to increase agricultural production or cooperative agricultural programs	58	\$28,614,675
4. Electricity - projects to repair or reconstruct electrical power or distribution infrastructure, including generators	421	\$81,755,958
5. Healthcare - projects to repair or reconstruct hospitals or clinics or to provide urgent healthcare services, immunizations, medicine, medical supplies, or equipment	232	\$25,838,505
6. Education - projects to repair or reconstruct schools, purchase school supplies or equipment	557	\$41,986,775
7. Telecommunications - projects to repair or reconstruct telecommunications systems or infrastructure	81	\$8,690,536
8. Economic, financial, and management improvements - projects to improve economic or financial security	95	\$29,281,329
9. Transportation - projects to repair or reconstruct transportation systems, roads, bridges, or transportation infrastructure	480	\$66,970,347
10. Rule of law and governance - projects to repair or reconstruct such government buildings as administration offices, courthouses, or prisons	150	\$12,131,377
11. Irrigation - projects to repair or reconstruct irrigation systems	49	\$13,823,564
12. Civic cleanup activities - projects to remove trash, cleanup the community, or beautify the surroundings	234	\$17,143,268
13. Civic support vehicle - projects to purchase or lease vehicles to support civic and community activities	9	\$2,194,300
14. Repair of civic and cultural facilities - projects to repair or restore civic or cultural buildings or facilities	73	\$4,923,332
15. Repair of damage that results from U.S., Coalition, or supporting military operations and is not compensable under the Foreign Claims Act	59	\$1,490,369
16. Condolence payments to individual civilians for death, injury, or property damage resulting from U.S. Coalition, or supporting military operations	438	\$7,356,542
17. Payment to individuals upon release from detention	0	0
18. Protective measures – projects to enhance the durability and survivability of critical infrastructure sites (e.g., oil pipelines and electrical lines)	53	\$4,347,217
19. Other urgent humanitarian or reconstruction - projects to repair collateral battle damage not otherwise payable because of combat exclusions or condolence payments	146	\$23,595,065
Subtotal by Type of Project	3,811^a	\$509,696,437
Funds Issued to Units / Project Details Pending^b		\$ 352,888
Total		\$510,049,325

^a On February 9, 2007, there were 3,854 CERP projects as compared to the 3,811. This occurs because commanders are sometimes provided bulk funds for CERP projects and the actual number of completed projects is not known until the major subordinate command reports to Multi-National Corps-Iraq (MNC-I).

^b Funds are obligated by MNC-I headquarters when issued to military unit.

Source: Army Budget Office, as reported to the Congress in its September 30, 2006, quarterly report. The number of projects by category and total number were computed by SIGIR from information provided by the Army Budget Office.

Guidance regarding use of CERP funds has been provided through various sources, from the Office of the USD(C) to in-theater commands. The Office of the USD(C) has, for example, issued a memorandum defining purposes and applicability, responsibilities, procedures, and other controls for CERP.

The Multi-National Force-Iraq Commander also has issued Fragmentary Order 05-374 (November 29, 2005) that identifies the specific strategic effects to be achieved with CERP funding. These include:

- Build Iraqi provincial government capacity by partnering with Provincial Reconstruction Development Committee in the identification, development, and execution of local projects.
- Complete “last mile” projects that connect essential services or major infrastructure projects to the local end user, especially in strategic cities.
- Create the conditions for economic development momentum.

Other military guidance that controls the use of CERP funds include:

- Multi-National Corps-Iraq Comptroller Standard Operating Procedure, “Money as a Weapons Systems” (November 11, 2006), which provides complete guidance on CERP, including its permitted and prohibited uses, sample forms, usage instructions, and reporting requirements.

Control and Oversight

The Office of the USD (C) is responsible for the establishment and supervision of the execution of principles, policies, and procedures for CERP and to ensure that congressional oversight committees are informed of CERP activities on a quarterly basis. Further, the USD (C) memorandum cited in the “Other Reports” section above mandated that the administration of CERP will be subject to periodic audits by DoD’s internal review and audit organizations (i.e., the Office of the Inspector General and/or the Army Audit Agency), as well as by external organizations (the U.S. Government Accountability Office and congressional oversight committees). SIGIR has also performed reviews of the CERP family of funds.

The U.S. Army is the executive agent for CERP, and the Army Budget Office, under the Office of the Assistant Secretary of the Army for Financial Management and Comptroller, is responsible for producing the quarterly report to the Congress on the source, allocation, and use of CERP funds pursuant to P.L. 109-148.

The U.S. Central Command oversees military operations, programs, and funds in both Iraq and Afghanistan. It is responsible for allocating CERP funds between Iraq and Afghanistan, and through its component command, the Army Forces Central Command,

is required to reconcile CERP funds every three months and report these results to the Army Budget Office.

The Multi-National Force-Iraq (MNF-I) provides guidance, establishes priorities, and identifies focus areas for subordinate units to leverage CERP in support of the strategic objectives of its Campaign Plan.

Performance Measures

Measuring the effect of a CERP project is often complex and difficult. For example, many CERP effects are second- and third-order impacts that go beyond completion of a project. MNC-I coordinates the efforts of several staff agencies to determine the intended effects of CERP projects in a city or region. An Effects Assessment Working Group meets every week and during that working group the impacts of CERP projects across the lines of operations are reviewed directly or indirectly as required. The Effects Assessment Working Group culminates in a classified Effects Assessment Board to the MNC-I Commanding General once a month. Actual effects of completed projects are measured through measures of effectiveness that access the MNC-I Campaign Plan. The majority of the effects a CERP project has on an area are second and third order impacts, that go beyond the simple completion of the project.

The assessment process considers polling results, operational reports, and subjective matter expert reports in a holistic methodology so that all the effects and impacts of a project are captured and measured. Examples of indirect impacts are economic, essential service, and security activities in an area where the CERP project is completed. For example a CERP funded security project did not directly cause economic growth in an area, however, because of the increased security it provided, the second order impact was the enablement of free trade, increasing economic activity in the area, which in turn added to job growth, wage increases, etc. (third order impacts). Polling of Iraqis, for example, would show that CERP projects provided jobs to Iraqis, and/or Iraqis indicated that they noticed the coalition's reconstruction efforts (i.e. the reconstruction was visible to them).

International Narcotics Control and Law Enforcement Fund

Legislative Authority

The International Narcotics Control and Law Enforcement (INCLE) Fund for Iraq activities consists of \$91.4 million made available by the Congress through the *Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery* (P.L. 109-234, enacted June 15, 2006). The DoS Bureau of International Narcotics and Law Enforcement Affairs (INL) is responsible for the development of programs and policies to combat international narcotics and crime.⁷ Presidential Decision Directive 71, February 24, 2000, directs DoS to strengthen criminal justice systems in support of U.S. peace operations and other complex contingencies. The INL office at the U.S. Mission-Iraq primarily conducts projects in three areas—police, rule of law, and corrections.

Reports Required by Law

There are no reporting requirements to the Congress in the enacted appropriation.

Other Reports

The majority of these funds are for construction projects, specifically for the renovation/construction of prison facilities within Iraq, to be undertaken by the USACE Gulf Region Division. These projects are conducted in accordance with an interagency agreement between the Gulf Region Division and INL, which also identifies requirements for reports that the Gulf Region Division was to submit to INL. According to the agreement, the reports are to include this information:

- overall project status
- percent of project completed, with a description of work completed and costs itemized according to specified categories
- a project monthly expenditure plan
- funds committed, obligated, accrued, invoiced, and expended
- remaining balance of unobligated funds
- projected funding needed for completion
- list of materials and supplies ordered, delivered, and installed

⁷ INL, *Program and Policy Guide*, March 9, 2006.

- list of all change orders and design changes/modifications
- copies of all laboratory materials test results
- documentation of all onsite material substitutes
- summary of critical issues and challenges
- a plan of action to resolve outstanding challenges or issues
- an assessment of current, short-term and long-term security conditions
- photographs of completed sections of the project

Project status reports should be submitted monthly to the following INL representatives:

- Chief, Resource Management/Budget Office
- Chief, Resource Management Office, Afghanistan-Iraq-Jordan Support Division
- Director, Civilian Police Program
- Program Manager, Civilian Police Program
- Senior Corrections Adviser
- In-country (Iraq) Contracting Officer's Representative
- In-country (Iraq) Government Technical Monitor
- Director, INL Iraq
- Deputy Director, INL Iraq

Funds Availability and Use

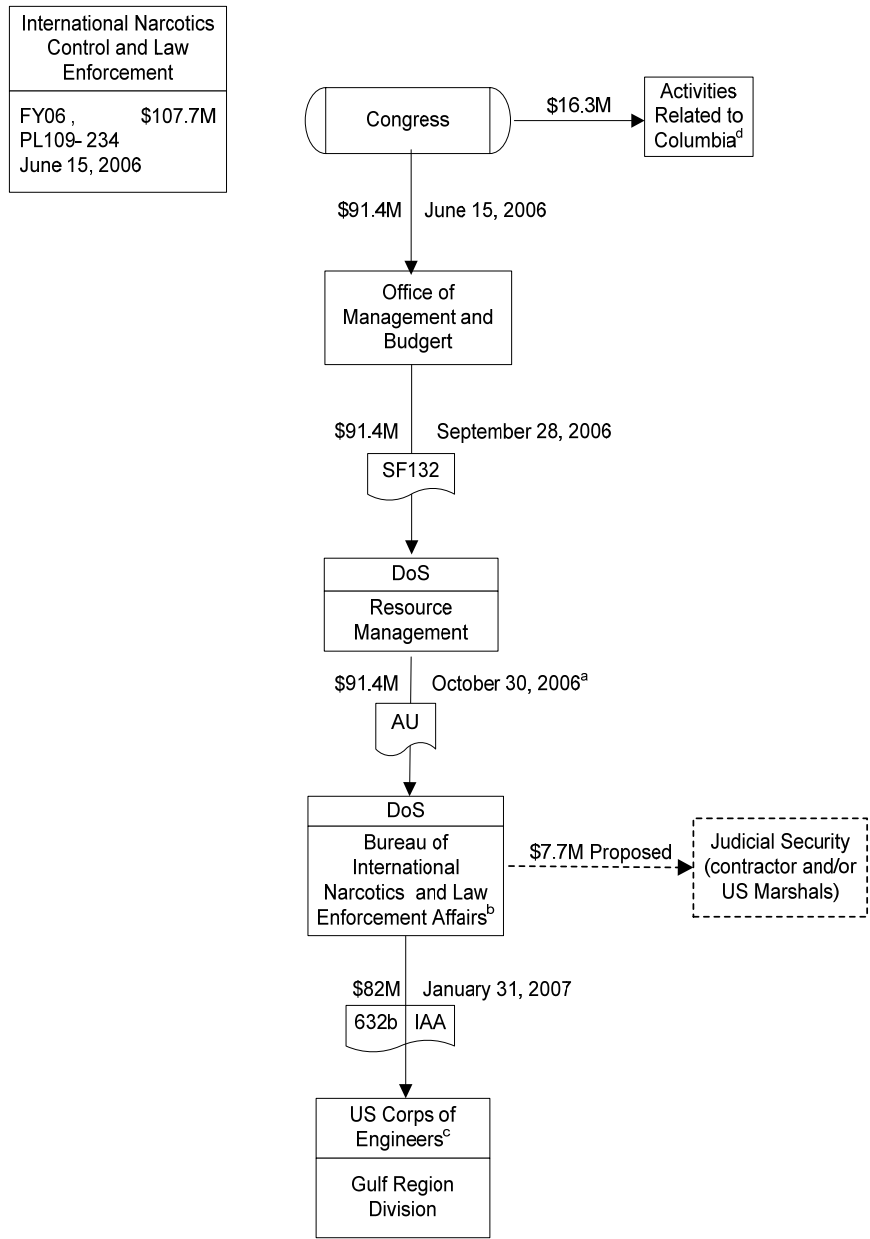
The Congress appropriated \$107.7 million to the INCLE Fund in P.L. 109-234 on June 15, 2006, to support INL activities, of which up to \$16.3 million was earmarked for Columbian activities, leaving \$91.4 million for Iraq. After 230 calendar days elapsed, funds were available to the Iraq field activity, USACE; which was in an interagency agreement with INL. For the allocation timeline and flow of these funds, see Figure 5. Key events include:

- June 15, 2006: Congress appropriated the funds to INCLE.
- September 28, 2006: OMB signed an apportionment and sent it to DoS Bureau of Resource Management (105 calendar days after appropriation).
- October 30, 2006: DoS Bureau of Resource Management initially allotted funds to INL.
- January 31, 2007: INL entered into an Interagency Agreement with USACE for prison renovation and construction in the amount of \$82 million.

- As of March 31, 2007: INL was negotiating with the U.S. Marshals Service to develop an Iraqi judicial protection service and to procure secure judicial housing for \$7.7 million.
- The remaining \$1.7 million was with INL for program support costs, as of March 31, 2007.

For the chronology of fund activity, see Table 10.

Figure 5. Flow of International Narcotics Control and Law Enforcement Fund P.L. 109-234



Notes:
^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount of funds.
^b \$1.7M for Bureau program support costs.
^c Funds have been obligated, May 23, 2007.
^d These funds were rescinded.

AU Allotment Authority
 IAA Interagency Agreement
 M Million
 SF 132 Apportionment and Reapportionment Schedule

Sources: DoS Bureau of International Narcotics and Law Enforcement Affairs, and Bureau of Resource Management; the Office of Management and Budget; and P.L. 109-234.

**Table 10--International Narcotics Control and Law Enforcement Fund
(P.L. 109-234) Initial Funding Transmittal Dates^a**

FUNDING ACTION	\$91.4 Million
Congress appropriated funding	June 15, 2006
Office of Management and Budget signed an apportionment and sent it to the DoS Bureau of Resource Management	September 28, 2006
DoS Bureau of Resource Management to the DoS Bureau of International Narcotics and Law Enforcement Affairs	October 30, 2006
DoS Bureau of International Narcotics and Law Enforcement Affairs to the Headquarters, U.S. Army Corps of Engineers	January 31, 2007
Available at Implementing Agency in Iraq	January 31, 2007
First Commitment	May 23, 2007
First Disbursement	Not Disbursed as of June 15, 2007

^a NOTE: Dates presented are the initial transmittal dates of funds apportioned or allotted for each action, and do not necessarily represent an action for the total amount appropriated.

Sources: Office of Management and Budget and DoS Bureau of International Narcotics and Law Enforcement Affairs.

Control and Oversight

Under the terms of the interagency agreement, INL requires the USACE to prepare independent government estimates for the proposed work, to provide appropriate program and project management to oversee the specified tasks, to permit unrestricted INL access to the project sites, and to submit reports as outlined in the “Other Reports” section of this fact sheet. Further, USACE is to maintain accountability and controls in accordance with the same rules and regulations which guided USACE’s use of IRRF; that guidance mandates that the designated funds cannot be used for any purpose which does not contribute to the project objectives. Specific restrictions and responsibilities in construction of prisons include identifying proposed project cost per bed; cost estimates for project oversight, quality control, and other logistics; and proposed costs for each component. Each subproject (i.e., each prison) requires a separate support agreement, which contains a detailed scope of work, schedule information, cost estimates, and procedures for coordinating with Iraqi and U.S. government representatives. The support agreement is the authorizing document for the work to commence.

Performance Measures

Performance metrics were not established for INL's INCLE Fund for Iraq activities. There are no provisions in the USACE interagency agreement, for instance, that mandates minimally acceptable standards for the buildings. Section V.10 of the interagency agreement does state: "Subject to the terms and conditions of this interagency agreement, the Gulf Region Division agrees to make its best effort to perform the work within the amounts provided for under the section entitled Fiscal Terms." In some other documents, however, the scope of work indicated the facilities would be built and renovated to Iraqi code.

Appendix A—Scope and Methodology

The Special Inspector General for Iraq Reconstruction (SIGIR) initiated this study on January 30, 2007 (Project 7005); to identify the FY 2006 funds made available by the Congress for Iraq relief and reconstruction, and for each appropriation covered the specific objectives:

1. When did this money become available for use in Iraq?
2. When did the activities in Iraq begin to use these funds and for what purposes?
3. What policies and procedures have been put in place to control the use and oversight of these funds?
4. How does the controlling authority ensure that the policies and procedures are carried out?
5. What performance measures are in place to evaluate the effectiveness of the individual projects supported by these funds in relationship to the overall goals of the Iraq relief and reconstruction program?
6. What are the reporting requirements to senior U.S. officials, including the Office of Management and Budget, on the use and status of these funds?
7. What are the reporting requirements to the Congress on the obligations, expenditures, and use of these funds?

Funds were appropriated in FY 2006 under these laws:

- P.L. 109-102, *Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006*, enacted November 14, 2005
- P.L. 109-148, *Department of Defense, Emergency Supplemental Appropriations To Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006*, enacted December 30, 2005
- P.L. 109-234, *The Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery*, enacted June 15, 2006

This fact sheet was organized by fund into the following headings in order to highlight the legislation that appropriated the funds, define the reporting requirements established by the Congress and other activities, describe when and for what purpose the activities in Iraq began using the funds, how control is maintained, and what metrics have been established to assess the success or failure of the funded programs.

- *Legislative Authority*: discusses the legislation that appropriated the funds
- *Reports Required by Law*: defines the reporting requirements established by the Congress

- *Other Reports*: defines the reporting requirements established by other activities
- *Fund Availability and Use*: describes when and for what purpose the activities in Iraq began using the funds
- *Control and Oversight*: describes how control over funds and performance is monitored and maintained
- *Performance Measures*: identifies the metrics that have been established to assess the success or failure of the funded programs

To answer these questions and to determine the overall status of non-IRRF FY 2006 funds, we interviewed senior officials with the Iraq Reconstruction Management Office; the Office of Management and Budget; Office, the U.S. Agency for International Development; the Under Secretary of Defense (Comptroller); the Army Budget Office; the Department of State’s Bureaus of Resource Management, Near Eastern Affairs, and International Narcotics and Law Enforcement Affairs; the U.S. Army Central Command; the Multi-National Security Transition Command-Iraq; Multi-National Force-Iraq; and the U.S. Army Corps of Engineers, Gulf Region Division. We obtained information on various funds within their respective organizations. We also reviewed and discussed with senior organizational officials the agencies’ applicable policies and procedures, oversight, reporting requirements, and performance metrics. Information in this fact sheet was vetted with senior officials responsible for the accountability of these funds.

We conducted this review from January 2007 through July 2007, as “nonaudit services”, in accordance with generally accepted government auditing standards.

Use of Computer-Processed Data

In preparing this fact sheet we used computer-processed data from the Iraq Reconstruction Management System and the Corps of Engineers Financial Management System to ascertain commitment and disbursement dates. We did no work to validate the accuracy of the data in these systems.

Prior Coverage

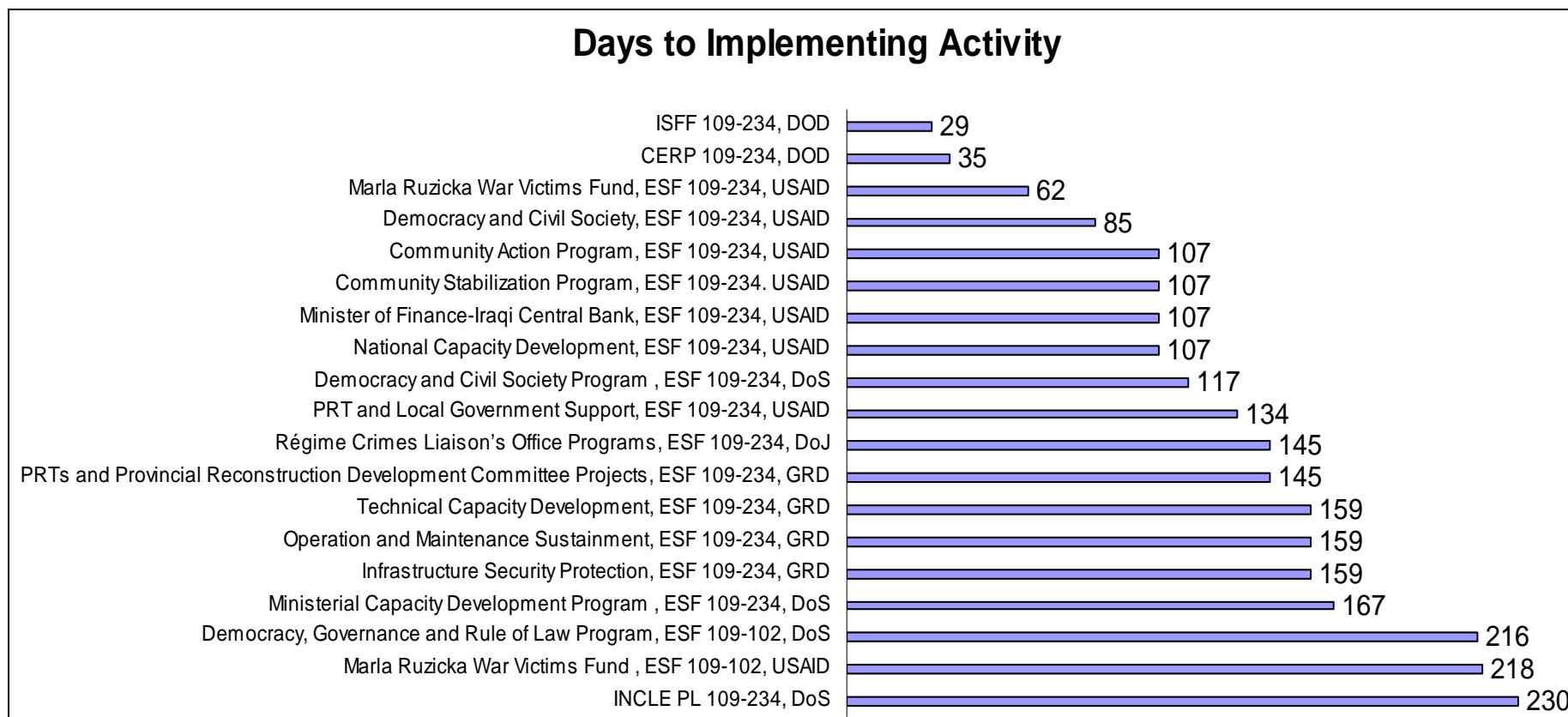
The following reports were reviewed during the course of this audit:

Iraqi Security Forces: Review of Plans to Implement Logistics Capabilities (SIGIR-06-032), October 2006.

Management of the Commander’s Emergency Response Program for Fiscal Year 2006 (SIGIR-07-007) issued as an audit report in April 2007.

Management of the Iraq Security Forces Fund in Southwest Asia – Phase II (DOD-IG Report Number D-2007-060), issued February 12, 2007.

Appendix B—Number of Days Initial Funds Were Made Available to Implementing Field-level Activity Program



CERP (Commander's Emergency Response Program); ESF (Economic Support Fund); INCLE (International Narcotics Control and Law Enforcement Fund); ISFF (Iraq Security Forces Fund).

NOTE: Not included were: (1) \$2 million in ESF from P.L. 109-234 for the Democracy and Rule of Law program for Iraq and Afghanistan, because as of June 14, 2007, this amount remained unallocated; and (2) \$375 million in CERP funds from PL 109-148, because only a portion of these funds was made available by a Continuing Resolution.

Appendix C—Acronyms

AA	Advice of Allotment
ABO	Army Budget Office
ARCENT	Army Central Command
AU	Allotment Authority
BM	Bureau for Management
CPA	Coalition Provisional Authority
CEFMS	Corps of Engineers Financial Management System
CERP	Commander’s Emergency Response Program
CPA	Coalition Provisional Authority
CPA-IG	CPA’s Office of Inspector General
DoJ	Department of Justice
DoS	Department of State
DRL	Democracy, Human Rights and Labor, Bureau of
ESF	Economic Support Fund
FAD	Funding Authorization Document
FBI	Federal Bureau of Investigation
FY	Fiscal Year
IAA	Interagency Agreement
ICITAP	International Criminal Investigative Training Assistance Program
INCLE	International Narcotics Control and Law Enforcement
INL	Bureau of International Narcotics and Law Enforcement Affairs
IRMO	Iraq Reconstruction Management Office
IRMS	Iraq Reconstruction Management System
IRRF	Iraq Reconstruction and Relief Fund
ISFF	Iraq Security Forces Fund
MNC-I	Multi-National Corps-Iraq
MNF-I	Multi-National Force-Iraq
MNSTC-I	Multi-National Security Transition Command-Iraq
MOD	Iraqi Ministry of Defense
MOI	Iraqi Ministry of the Interior

O&M	Operations and Maintenance
OMB	Office of Management and Budget
OPDAT	Office of Overseas Prosecutorial Development, Assistance, and Training
OSD	Office of the Secretary of Defense
P.L.	Public Law
PRDC	Provincial Reconstruction Development Committee
PRT	Provincial Reconstruction Team
RAD	Resource Allocation Document
SF	Standard Form
SIGIR	Special Inspector General for Iraq Reconstruction
USACE	U.S. Army Corps of Engineers
USAID	U.S. Agency for International Development
USD (C)	Under Secretary of Defense (Comptroller)

Appendix D—Report Distribution

Department of State

Secretary of State

Senior Advisor to the Secretary and Coordinator for Iraq

Director of U.S. Foreign Assistance/Administrator, U.S. Agency for
International Development

Director, Office of Iraq Reconstruction

Assistant Secretary for Resource Management/Chief Financial Officer,
Bureau of Resource Management

U.S. Ambassador to Iraq

Director, Iraq Transition Assistance Office

Coordinator, Office of Provincial Affairs

Mission Director-Iraq, U.S. Agency for International Development

Inspector General, Department of State

Inspector General, U.S. Agency for International Development

Regional Inspector General-Iraq, U.S. Agency for International Development

Department of Defense

Secretary of Defense

Deputy Secretary of Defense

Under Secretary of Defense (Comptroller)/Chief Financial Officer

Deputy Chief Financial Officer

Deputy Comptroller (Program/Budget)

Deputy Assistant Secretary of Defense-Middle East, Office of Policy/International
Security Affairs

Inspector General, Department of Defense

Director, Defense Contract Audit Agency

Director, Defense Finance and Accounting Service

Director, Defense Contract Management Agency

Department of the Army

Assistant Secretary of the Army for Acquisition, Logistics, and Technology

Principal Deputy to the Assistant Secretary of the Army for Acquisition,
Logistics, and Technology

Deputy Assistant Secretary of the Army (Policy and Procurement)

Commanding General, Joint Contracting Command-Iraq/Afghanistan

Assistant Secretary of the Army for Financial Management and Comptroller

Chief of Engineers and Commander, U.S. Army Corps of Engineers

Commanding General, Gulf Region Division

Chief Financial Officer, U.S. Army Corps of Engineers

Auditor General of the Army

U.S. Central Command

Commanding General, Multi-National Force-Iraq

Commanding General, Multi-National Corps-Iraq

Commanding General, Multi-National Security Transition Command-Iraq

Commander, Joint Area Support Group-Central

Other Federal Government Organizations

Director, Office of Management and Budget
Comptroller General of the United States
Inspector General, Department of the Treasury
Inspector General, Department of Commerce
Inspector General, Department of Health and Human Services
President, Overseas Private Investment Corporation
President, U.S. Institute for Peace

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
 Subcommittee on Defense
 Subcommittee on State, Foreign Operations, and Related Programs
Senate Committee on Armed Services
Senate Committee on Foreign Relations
 Subcommittee on International Development and Foreign Assistance, Economic Affairs, and International Environmental Protection
 Subcommittee on International Operations and Organizations, Democracy and Human Rights
 Subcommittee on Near Eastern and South and Central Asian Affairs
Senate Committee on Homeland Security and Governmental Affairs
 Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security
 Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia
Permanent Subcommittee on Investigations

U.S. House of Representatives

House Committee on Appropriations
 Subcommittee on Defense
 Subcommittee on State, Foreign Operations, and Related Programs
House Committee on Armed Services
House Committee on Oversight and Government Reform
 Subcommittee on Government Management, Organization, and Procurement
 Subcommittee on National Security and Foreign Affairs
House Committee on Foreign Affairs
 Subcommittee on International Organizations, Human Rights, and Oversight
 Subcommittee on the Middle East and South Asia

Appendix E—Audit Team Members

This fact sheet was prepared and the survey was conducted under the direction of Joseph T. McDermott, Assistant Inspector General for Audit, Office of the Special Inspector General for Iraq Reconstruction.

The staff members who conducted the survey and contributed to the fact sheet include:

Karen Bell

Ronald J. Bonfilio

Mark L. Comfort

Glenn Furbish

Clifton Spruill

SIGIR's Mission	<p>Regarding the U.S. reconstruction plans, programs, and operations in Iraq, the Special Inspector General for Iraq Reconstruction provides independent and objective:</p> <ul style="list-style-type: none"> • oversight and review through comprehensive audits, inspections, and investigations • advice and recommendations on policies to promote economy, efficiency, and effectiveness • deterrence of malfeasance through the prevention and detection of fraud, waste, and abuse • information and analysis to the Secretary of State, the Secretary of Defense, the Congress, and the American people through Quarterly Reports
Obtaining Copies of SIGIR Reports and Testimonies	<p>To obtain copies of SIGIR documents at no cost, go to SIGIR's Web site (www.sigir.mil).</p>
To Report Fraud, Waste, and Abuse in Iraq Relief and Reconstruction Programs	<p>Help prevent fraud, waste, and abuse by reporting suspicious or illegal activities to the SIGIR Hotline:</p> <ul style="list-style-type: none"> • Web: www.sigir.mil/submit_fraud.html • Phone: 703-602-4063 • Toll Free: 866-301-2003
Congressional Affairs	<p>Hillel Weinberg Assistant Inspector General for Congressional Affairs Mail: Office of the Special Inspector General for Iraq Reconstruction 400 Army Navy Drive Arlington, VA 22202-4704 Phone: 703-428-1059 Email: hillel.weinberg@sigir.mil</p>
Public Affairs	<p>Director for Public Affairs Mail: Office of the Special Inspector General for Iraq Reconstruction 400 Army Navy Drive Arlington, VA 22202-4704 Phone: 703-428-1100 Fax: 703-428-0818 Email: PublicAffairs@sigir.mil</p>