



United States Department of State
and the Broadcasting Board of Governors

Inspector General



JUN 11 2009

SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

MEMORANDUM

TO: A – Steven J. Rodriguez, Acting

FROM: OIG – Harold W. Geisel, Acting 
SIGIR – Stuart W. Bowen, Jr. 

SUBJECT: Report on the *Joint Audit of Blackwater Contract and Task Orders for Worldwide Personal Protective Services in Iraq* (AUD/IQO-09-16 and SIGIR-09-021)

The subject report is attached for your review and action. The Office of Inspector General (OIG) incorporated your comments as appropriate within the body of the report and included them in their entirety as Appendix C.

Please provide information on actions taken or planned on each of the seven recommendations (1–7) directed to your office within 30 days of the date of this memorandum. Actions taken or planned are subject to OIG follow-up and reporting in accordance with the attached resolution procedures.

If you have any questions, please contact OIG at 202-663-0340 or the Special Inspector General for Iraq Reconstruction (SIGIR) at 703-428-1100. Your staff may also contact Richard Astor, OIG Office of Audits, at 703-284-2601 or at astorr@state.gov or Robert Pelletier, SIGIR, at 703-604-1387 or at Robert.Pelletier@sigir.mil.

Attachments:

1. AUD/IQO-09-16 and SIGIR-09-021
2. OIG Resolution Procedures

cc: A/LM/AQM/WWD – Vince J. Chaverini, Jr.
OIG/MERO – Richard G. “Nick” Arntson
OIG/AUD – Mark W. Duda
OIG/AUD – Richard Astor
SIGIR – David R. Warren
SIGIR – Robert L. Pelletier

Compliance Information Sheet

Report Title: Joint Audit of Blackwater Contract and Task Orders for Worldwide Personal Protective Services in Iraq AUD/IQO-09-16 and SIGIR-09-021

Report Number: AUD/IQO-09-16 and SIGIR-09-21

OIG Contact: Richard Astor (AUD/PP) – 4-2601

RESPONSE DUE DATE:

Action Entity

A/LM (Bureau of Administration, Office of Logistics Management

Recommendation(s)

all (1- 7)

Participating Entity

DS (Bureau of Diplomatic Security)

Recommendation(s)

1, 2, 3, 4

Instructions for Responding to OIG Report Recommendations

Instructions for Action Offices

Action offices should provide a written response on each recommendation within **30** calendar days from date of the transmittal memorandum or letter accompanying the report. The concurrence or clearance of appropriate offices should be shown on the response. After the initial response, responses to subsequent OIG correspondence should be sent on a schedule agreed to with OIG.

Please ensure the response includes:

1. The report number and title, followed by each recommendation. List the recommendation by number, repeating its text verbatim.
2. A management decision for each recommendation indicating agreement or disagreement with the recommended action.
 - For agreement, include corrective actions taken or planned, and actual or target dates for completion.
 - For disagreement, include reasons for disagreement, and any alternative proposals for corrective action.
 - If questioned or unsupported costs are identified, state the amount that is determined to be disallowed and the plan to collect the disallowed funds. If funds put to better use are identified, then state the amount that can be put to better use (if these amounts differ from OIG's, state the reasons).

Overseas posts should send responses by telegram slugged "For action of OIG" and provide a copy to the country desk and the bureau executive director. Please do not send "OIG Channel" because it limits distribution to OIG. Department bureaus and offices should send a memorandum response. Implementation of informal recommendations is expected; however, a written response is not required.

Participating Offices

Participating offices are not required to initiate action on the recommendations. They will be consulted by the action office for concurrence on the action proposed to respond to the recommendation.

OIG Evaluation of Responses

If OIG concurs with a response to a recommendation, it will (1) note that a management decision has been made, (2) identify the recommendation as resolved, and (3) track the action office's implementation measures until final action is accomplished and the recommendation is closed.

If OIG does not concur with the action office's proposed corrective action, or if the action office fails to respond to a recommendation or rejects it, OIG will identify the recommendation as unresolved (no management decision). OIG will attempt to resolve the disagreement at the action office level. However, if OIG determines that an impasse has been reached, it will refer the matter for adjudication as outlined in 2 FAM 031.1-3.

Semiannual Report to Congress

In accordance with the Inspector General Act of 1978, as amended, OIG is required to report to Congress semiannually on April 1 and October 1 of each year, a summary of each OIG report issued for which no management decision was made during the previous 6-month period. Heads of agencies are required to report to Congress on significant recommendations from previous OIG reports where final action has not been taken for more than one year from the date of management decision, together with an explanation of delays.