

SIGAR

Special Inspector General for Afghanistan Reconstruction

SIGAR 15-81 Financial Audit

Department of the Army's Afghan National Army Depot Project: Audit of Costs Incurred by Raytheon Company

In accordance with legal requirements, SIGAR has redacted certain information deemed proprietary or otherwise sensitive from this report.



AUGUST
2015

SIGAR

Special Inspector General for Afghanistan Reconstruction

WHAT THE AUDIT REVIEWED

On July 15, 2011, the Army Contracting Command (ACC) awarded a 1-year, \$20.1 million contract to Raytheon Company (Raytheon) to support the Afghan National Army (ANA) Depot Project. The project was intended to provide, among other things, management, operating, and logistics support, as well as personnel, materials, supplies, and equipment for two ANA depots in Kabul province. After several modifications, ACC exercised one additional option year, and project funding increased to \$34,512,935.

SIGAR's financial audit, performed by Crowe Horwath LLP (Crowe Horwath), of the ANA Depot contract reviewed \$33,396,684 charged to the contract from July 15, 2011, through June 19, 2013. The audit objectives were to (1) identify and report on significant deficiencies or material weaknesses in Raytheon's internal controls related to the contract; (2) identify and report on instances of material noncompliance with the terms of the contract and applicable laws and regulations, including any potential fraud or abuse; (3) determine and report on whether Raytheon has taken corrective action on prior findings and recommendations; and (4) express an opinion on the fair presentation of Raytheon's Special Purpose Financial Statement. See Crowe Horwath's report for the precise audit objectives.

In contracting with an independent audit firm and drawing from the results of the audit, SIGAR is required by auditing standards to review the audit work performed. Accordingly, we oversaw the audit and reviewed its results. Our review disclosed no instances where Crowe Horwath did not comply, in all material respects, with U.S. generally accepted government auditing standards.

August 2015

Department of the Army's Afghan National Army Depot Project: Audit of Costs Incurred by Raytheon Company

SIGAR 15-81-FA

WHAT THE AUDIT FOUND

Crowe Horwath LLP (Crowe Horwath) identified minor deficiencies that were resolved by Raytheon prior to the completion of the audit. As a result, there are no reportable audit findings.

Crowe Horwath did not identify any questioned costs, which would have included unsupported costs—costs not supported with adequate documentation or that did not have the required prior approval—or ineligible costs—costs prohibited by the contract, applicable laws, or regulations.

Category	Ineligible	Unsupported	Total Questioned Costs
Costs Incurred	\$0	\$0	\$0
Totals	\$0	\$0	\$0

Crowe Horwath did not identify any prior reviews or assessments that pertained to Raytheon's implementation of the Afghan National Army Depot Project or were material to the Special Purpose Financial Statement.

Crowe Horwath issued an unmodified opinion on Raytheon's Special Purpose Financial Statement, noting that it presents fairly, in all material aspects, revenues received, costs incurred, and the balance for the indicated period audited.

WHAT SIGAR RECOMMENDS

Because Crowe Horwath did not report any findings related to the Afghan National Army Depot Project, SIGAR is not making any recommendations.



SIGAR

Office of the Special Inspector General
for Afghanistan Reconstruction

August 11, 2015

The Honorable Ashton B. Carter
Secretary of Defense

General Lloyd J. Austin III
Commander, U.S. Central Command

General John F. Campbell
Commander, U.S. Forces–Afghanistan and
Commander, Resolute Support

General Dennis L. Via
Commanding General, U.S. Army Materiel Command

Major General Theodore C. Harrison
Commanding General, U.S. Army Contracting Command

We contracted with Crowe Horwath LLP (Crowe Horwath) to audit the costs incurred by Raytheon Company (Raytheon) under an Army Contracting Command contract to establish two depots in Kabul province, for the purpose of supplying the Afghan National Army (ANA) in its war against narcoterrorism.¹ Crowe Horwath's audit of the ANA Depot Project covered \$33,396,684 in actual costs incurred and expenditures charged to the contract from July 15, 2011, through June 19, 2013. Our contract required that the audit be performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

Based on the results of the audit, SIGAR is not making any recommendations.

The results of Crowe Horwath's audit are further detailed in the attached report. We reviewed Crowe Horwath's report and related documentation. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on Raytheon's Special Purpose Financial Statement. We also express no opinion on the effectiveness of Raytheon's internal control or compliance with the contract, laws, and regulations. Crowe Horwath is responsible for the attached auditor's report and the conclusions expressed in the report. However, our review disclosed no instances where Crowe Horwath did not comply, in all material respects, with generally accepted government auditing standards issued by the Comptroller General of the United States.

John F. Sopko
Special Inspector General
for Afghanistan Reconstruction

(F-064)

¹ The Army Contracting Command awarded contract W9113M-07-D-0008 to Raytheon to provide, among other things, management, operating, and logistics support, as well as materials, supplies, and equipment for two Afghan National Army depots in Kabul province.



Raytheon Company
Special Purpose Financial Statement
Afghanistan National Army Depot Project
For the Period July 15, 2011, through June 19, 2013
(With Independent Auditor's Report Thereon)

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Transmittal Letter

July 15, 2015

To [REDACTED], Contracts Manager
Raytheon Company
22260 Pacific Blvd
Dulles, VA 20166

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

We appreciate the opportunity to provide to you our draft report regarding the procedures that we have conducted during the course of our audit of the Raytheon Company ("Raytheon") contract W9113M-07-D-0008-0025 with the United States Department of Defense ("DOD").

Within the pages that follow, we have provided a brief summary of the work performed. Following the summary, we have incorporated our report on the Special Purpose Financial Statement, report on internal control, and report on compliance. Accordingly, we do not express an opinion on the summary and any information preceding our reports.

When preparing our report, we considered comments, feedback, and interpretations provided by Raytheon, the Office of the Special Inspector General for Afghanistan Reconstruction, and DOD both in writing and orally throughout the audit planning, fieldwork, and reporting phases.

Thank you for providing us the opportunity to work with you and to conduct the financial audit of Raytheon's Afghanistan National Army Depot project.

Sincerely,

A handwritten signature in black ink, appearing to read "Melinda DeCorte".

Melinda DeCorte, CPA, Partner
Crowe Horwath LLP



www.crowehorwath.com

Summary Background

The Raytheon Company entered into a contract with the United States Department of Defense (“DOD”). Under the Afghanistan National Army Depot project (“ANA Depot”), Raytheon provided all management, personnel, supervision, quality control, operating and logistics support materials, supplies and equipment necessary to operate Depot 1 and 2 for the Afghanistan National Army.

The contract – W9113M-07-D-0008-0025 – incorporated an initial ceiling price of \$34,512,935 and a period of performance beginning July 15, 2011. Through subsequent modifications to the contract, the final completion date was established as June 19, 2013. Raytheon worked with DOD and various contractors to deliver the requested project scope.

Work Performed

Crowe Horwath LLP (“Crowe”) was engaged by the Office of the Special Inspector General for Afghanistan Reconstruction (“SIGAR”) to conduct a financial audit of Raytheon’s ANA Depot Special Purpose Financial Statement (“SPFS”) for the period July 15, 2011, through June 19, 2013.

Objectives Defined by SIGAR

The following audit objectives were defined within the Performance Work Statement for Financial Audits of Costs Incurred by Organizations contracted by the U.S. Government for Reconstruction Activities in Afghanistan:

Audit Objective 1 – Special Purpose Financial Statement

Express an opinion on whether the Contractor’s SPFS for the contract presents fairly, in all material respects, revenues received, costs incurred, items directly procured by the U.S. Government and balance for the period audited in conformity with the terms of the contract and generally accepted accounting principles or other comprehensive basis of accounting.

Audit Objective 2 – Internal Controls

Evaluate and obtain a sufficient understanding of the Contractor’s internal control related to the contract; assess control risk; and identify and report on significant deficiencies including material internal control weaknesses.

Audit Objective 3 – Compliance

Perform tests to determine whether the Contractor complied, in all material respects, with the contract requirements and applicable laws and regulations; and identify and report on instances of material noncompliance with the terms of the contract and applicable laws and regulations, including potential fraud or abuse that may have occurred.

Audit Objective 4 – Corrective Action on Prior Findings and Recommendations

Determine and report on whether the Contractor has taken adequate corrective action to address findings and recommendations from previous engagements that could have a material effect on the SPFS.

Scope

The scope of the audit included the period July 15, 2011, through June 19, 2013, for the ANA Depot project. The audit was limited to those matters and procedures pertinent to the contract that could have a direct and material effect on the SPFS and evaluation of the presentation, content, and underlying records of the SPFS. The audit included reviewing the financial records that support the SPFS to determine if there were material misstatements and if the SPFS was presented in the format required by SIGAR. In addition, the following areas were determined to be direct and material and, as a result, were included within the audit program for detailed evaluation:

- Allowable Activities;
- Allowable Costs;
- Cash Management;
- Period of Availability of Federal Funds;
- Equipment;
- Procurement; and
- Reporting.

Methodology

To meet the aforementioned objectives, Crowe completed a series of tests and procedures to audit the SPFS, tested compliance and considered the auditee's internal controls over compliance and financial reporting, and determined if adequate corrective action was taken in response to prior audit findings.

With regard to Audit Objective 1 pertaining to the SPFS, transactions were selected from the financial records underlying the SPFS and the transactions were tested to determine if the transactions were recorded in accordance with the basis of accounting identified by Raytheon; were incurred within the period covered by the SPFS and in alignment with specified cutoff dates; were charged to the appropriate accounts; and were adequately supported.

For purposes of meeting Audit Objective 2 regarding internal control, Crowe requested that the auditee provide copies of policies and procedures and verbally communicate those procedures that do not exist in written format to provide Crowe with an understanding of the system of internal control established by Raytheon. The system of internal control is intended to provide reasonable assurance of achieving reliable financial and performance reporting and compliance with applicable laws and regulations. Crowe corroborated internal controls identified by the auditee and conducted testing of select key controls to understand if they were implemented as designed.

Audit Objective 3 requires that tests be performed to obtain an understanding of the auditee's compliance with requirements applicable to the contract. Crowe identified – through review and evaluation of the contract executed by and between Raytheon and DOD, the Federal Acquisition Regulations ("FAR"), and applicable circulars issued by the United States Office of Management and Budget ("OMB") – the criteria against which to test the SPFS and supporting financial records and documentation to determine compliance and to assess the allowability of costs. Using sampling techniques, Crowe reviewed expenditures, vouchers submitted to DOD, procurements, cash disbursements, and project reports for audit. Supporting documentation was requested from the auditee to assess compliance. Testing of indirect costs was limited to determining whether indirect costs were calculated and charged to the U.S. Government in accordance with the interim indirect cost rate and associated restrictions and limitations and whether costs were treated consistently as direct or indirect charges.

To determine whether there was audit, monitoring, assessment, or other reports completed and that required corrective action as per Audit Objective 4, Crowe inquired of both Raytheon and DOD regarding the existence of such reports. Crowe also conducted searches of other media sources to identify applicable reports. No reports were identified and, therefore, no follow-up was necessary.

Summary of Results

Crowe issued an unmodified opinion on the Special Purpose Financial Statement.

Upon completion of Crowe's procedures, Crowe did not identify any findings that met one or more of the following criteria: (1) significant deficiency in internal control, (2) material weakness in internal control, (3) deficiency that resulted in questioned costs, and/or (4) noncompliance with rules, laws, regulations, or the terms and conditions of the contract.

Crowe also reported on both Raytheon's compliance with the applicable laws, rules, regulations, and the terms and conditions of the contract and the internal controls over compliance.

Crowe conducted searches of publicly available information to locate prior audits, reviews, and evaluations pertinent to Raytheon's financial performance under the contract. In addition, Crowe inquired of both DOD and Raytheon regarding whether or not such work had been performed. Based on the results of Crowe's searches and, per communications with Raytheon and Army Contracting Command, there were no audits or other reviews or assessments conducted in relation to the ANA Depot project.

INDEPENDENT AUDITOR'S REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENT

To [REDACTED] Contracts Manager
Raytheon Company
22260 Pacific Blvd
Dulles, VA 20166

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

Report on the Special Purpose Financial Statement

We have audited the Special Purpose Financial Statement ("the Statement") of Raytheon Company, ("Raytheon"), and related notes to the Statement, for the period July 15, 2011, through June 19, 2013, with respect to the ANA Depot Program funded by contract W9113M-07-D-0008-0025.

Management's Responsibility for the Special Purpose Financial Statement

Management is responsible for the preparation and fair presentation of the Statement in accordance with the requirements specified by the Office of the Special Inspector General for Afghanistan Reconstruction ("SIGAR") in Appendix IV of Solicitation ID11140014 ("the Contract"). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a Statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Special Purpose Financial Statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Statement referred to above presents fairly, in all material respects, revenues received, costs incurred, and balance for the indicated period in accordance with the requirements established by the Office of the Special Inspector General for Afghanistan Reconstruction in Appendix IV of the Contract and on the basis of accounting described in Note 1.

Basis of Presentation


We draw attention to Note 1 to the Statement, which describes the basis of presentation. The Statement was prepared by Raytheon, in accordance with the requirements specified by the Office of the Special Inspector General for Afghanistan Reconstruction in Appendix IV of the Contract and presents those expenditures as permitted under the terms of contract number W9113M-07-D-0008-0025, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the financial reporting provisions of the Contract referred to above. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended for the information of Raytheon, the United States Department of Defense, and the Office of the Special Inspector General for Afghanistan Reconstruction. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued reports dated July 6, 2015 on our consideration of Raytheon's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Raytheon internal control over financial reporting and compliance.



Crowe Horwath LLP

July 6, 2015
Washington, D.C.

Raytheon Company
Special Purpose Financial Statement
W9113M-07-D-0008, Task Order 25
For the Period of July 15, 2011 through June 19, 2013

	Budget	Actual	Questioned Costs		Notes
			Ineligible	Unsupported	
<i>Revenues:</i>					
W9113M-07-D-0008, Task Order 25	\$ 34,512,935	\$ 33,302,800	\$ -	\$ -	
Total Revenues	34,512,935	33,302,800	-	-	5
<i>Expenses:</i>					
CPFF Labor Total	18,936,434	18,765,883			6
Travel	1,165,717	981,121			
Material	714,240	578,469			
Roads & Grounds Maintenance	122,508	108,341			
ODC (includes fuel CLINs)	13,574,036	12,962,870	-	-	
Total Expenses	34,512,935	33,396,684	-	-	
Balance	\$ -	\$ (93,884)	\$ -	\$ -	7

The accompanying notes to the Special Purpose Financial Statement are an integral part of this Statement.

RAYTHEON COMPANY
Notes to the Special Purpose Financial Statement
For the Period July 15, 2011 through June 19, 2013

Raytheon Company (Raytheon), as successor by merger to Raytheon Technical Services Company LLC, is providing the following Notes to the Special Purpose Financial Statement for Contract # W9113M-07-D-0008, Task Order 0025 (W9113M-07-D-0008-0025).

Note 1. Basis of Presentation

The accompanying Special Purpose Financial Statement (the "Statement") includes costs incurred under DOD Counter Narcoterrorism Program Office (CNTPO) Contract # W9113M-07-D-0008-0025 for the Warehousing and Distribution Support CSTC-A/NTM-A Afghan National Army Depots 1 & 2 for the period July 15, 2011 through June 19, 2013. Further, the Statement includes activity occurring during the close out period of which the DOD is aware.

Because the Statement presents only a selected portion of the operations of the Raytheon, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Raytheon. The information in this Statement is presented in accordance with the requirements specified by the Office of the Special Inspector General for Afghanistan Reconstruction ("SIGAR") and is specific to the aforementioned Federal Contract # W9113M-07-D-0008-0025. Therefore, some amounts presented in this Statement may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. Program Status

Contract # W9113M-07-D-0008-0025 remains open pending completion of final audits of indirect cost rates by the Government, therefore, adjustments to the amounts reported on the SPFS may be required.

Note 3. Basis of Accounting

Expenditures reported on the Statement are reported on the Cost Basis of Accounting. Such expenditures are recognized following the cost principles contained in US GAAP, FAR, and CAS, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 4. Foreign Currency Conversion Method

For purposes of preparing the Statement, conversions from local currency to United States dollars were not required.

Note 5. Revenues

Budgeted revenues on the Statement represent the amount of funds to which Raytheon is entitled to receive from Department of Defense for allowable, eligible costs incurred under the contract during the period of performance.

Note 6. Costs Incurred by Budget Category

The budget categories presented and associated amounts reflect the budget line items presented within the final, Department of Defense - approved W9113M-07-D-0008-0025 including Modifications 1 thru 14.

Note 7. Fund Balance

The balance of \$93,884 presented on the Statement represents indirect costs incurred but not invoiced by Raytheon nor reimbursed by the federal government. The costs represent amounts that may or may not be recovered pending the results of future indirect cost rate audits.

Note 8. Currency

All amounts presented are shown in U.S. dollars.

Note 9. Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to the Period July 15, 2011, through June 19, 2013, period of performance. Management has performed their analysis through July 6, 2015.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

To [REDACTED], Contracts Manager
Raytheon Company
22260 Pacific Blvd
Dulles, VA 20166

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Special Purpose Financial Statement ("Statement") of Raytheon Company ("Raytheon"), and related notes to the Statement, for the period July 15, 2011, through June 19, 2013, with respect to the ANA Depot project funded by contract W9113M-07-D-0008-0025, and have issued our report thereon dated July 6, 2015.

Internal Control over Financial Reporting

Raytheon management is responsible for establishing and maintaining effective internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that the assets are safeguarded against loss from unauthorized use or disposition; transactions are executed in accordance with management's authorization and in accordance with the terms of the contract; and transactions are recorded properly to permit the preparation of the Statement in conformity with the basis of presentation described in Note 1 to the Statement. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the Statement for the period July 15, 2011, through June 19, 2013, we considered Raytheon's internal controls to determine audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Statement, but not for the purpose of expressing an opinion on the effectiveness of Raytheon's internal control. Accordingly, we do not express an opinion on the effectiveness of Raytheon's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Special Purpose Financial Statement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

(Continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

Restriction on Use

This report is intended for the information of Raytheon, the United States Department of Defense, and the Office of the Special Inspector General for Afghanistan Reconstruction. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.



Crowe Horwath LLP

July 6, 2015
Washington, D.C.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

To [REDACTED], Contracts Manager
Raytheon Company
22260 Pacific Blvd
Dulles, VA 20166

To the Office of the Special Inspector General for Afghanistan Reconstruction
2530 Crystal Drive
Arlington, Virginia 22202

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Special Purpose Financial Statement ("Statement") of Raytheon and related notes to the Statement, for the period July 15, 2011, through June 19, 2013, with respect to the ANA Depot project funded by contract W9113M-07-D-0008-0025. We have issued our report thereon dated July 6, 2015.

Management's Responsibility for Compliance

Compliance with Federal rules, laws, regulations, and the terms and conditions applicable to the contract is the responsibility of the management of Raytheon.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Statement is free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our testing disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

(Continued)

Restriction on Use

This report is intended for the information of Raytheon, the United States Department of Defense, and the Office of the Special Inspector General for Afghanistan Reconstruction. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

Crowe Horwath LLP

Crowe Horwath LLP

July 6, 2015
Washington, D.C.

SIGAR's Mission

The mission of the Special Inspector General for Afghanistan Reconstruction (SIGAR) is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

- improve effectiveness of the overall reconstruction strategy and its component programs;
- improve management and accountability over funds administered by U.S. and Afghan agencies and their contractors;
- improve contracting and contract management processes;
- prevent fraud, waste, and abuse; and
- advance U.S. interests in reconstructing Afghanistan.

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To obtain copies of SIGAR documents at no cost, go to SIGAR's Web site (www.sigar.mil). SIGAR posts all publically released reports, testimonies, and correspondence on its Web site.

To Report Fraud, Waste, and Abuse in Afghanistan Reconstruction Programs

To help prevent fraud, waste, and abuse by reporting allegations of fraud, waste, abuse, mismanagement, and reprisal, contact SIGAR's hotline:

- Web: www.sigar.mil/fraud
- Email: sigar.pentagon.inv.mbx.hotline@mail.mil
- Phone Afghanistan: +93 (0) 700-10-7300
- Phone DSN Afghanistan: 318-237-3912 ext. 7303
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