OVERSEAS CONTINGENCY OPERATIONS

Office of Inspector General
Resource Summary
($ in thousands)

<table>
<thead>
<tr>
<th>Appropriations</th>
<th>FY 2012 Actual</th>
<th>FY 2013 CR (1)</th>
<th>FY 2014 Request</th>
<th>Increase / Decrease From FY2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Admin of Foreign Affairs - Office of Inspector General</td>
<td>67,182</td>
<td>67,182</td>
<td>49,650</td>
<td>(17,532)</td>
</tr>
<tr>
<td>Special Inspector General for Afghanistan Reconstruction</td>
<td>44,387</td>
<td>44,387</td>
<td>49,650</td>
<td>5,263</td>
</tr>
<tr>
<td>Special Inspector General for Iraq Reconstruction</td>
<td>19,545</td>
<td>19,545</td>
<td>0</td>
<td>(19,545)</td>
</tr>
<tr>
<td>Office of the Inspector General - MERO</td>
<td>3,250</td>
<td>3,250</td>
<td>0</td>
<td>(3,250)</td>
</tr>
</tbody>
</table>

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

Program Description

The FY 2008 National Defense Authorization Act (Public Law 110-181) established the Special Inspector General for Afghanistan Reconstruction (SIGAR). The law directs SIGAR to independently and objectively conduct and supervise audits and investigations relating to the programs and operations funded with amounts appropriated or otherwise made available for the reconstruction of Afghanistan. SIGAR is responsible for providing independent and objective leadership and coordination of, and recommendations on, policies designed to promote economy, efficiency, and effectiveness in the administration of reconstruction programs and operations and prevent and detect waste, fraud, and abuse in such programs and operations.

SIGAR’s mandate requires it to keep both the Secretaries of State and Defense informed about problems and deficiencies relating to reconstruction activities in Afghanistan and the necessity for progress on corrective actions. Reconstruction, as defined in SIGAR’s enabling legislation, includes any contract, grant, agreement, or other funding mechanism entered into by any department or agency of the United States government that involves the use of amounts appropriated, or otherwise made available, for the reconstruction of Afghanistan with any public or private sector entity to: (1) build or rebuild physical infrastructure in Afghanistan; (2) establish or reestablish political or societal institutions of Afghanistan; or (3) provide products or services to the people of Afghanistan. SIGAR has the duties, responsibilities, and authorities of inspectors general under the Inspector General Act of 1978, as amended.

SIGAR is headquartered in Arlington, Virginia and has staff in seven locations in Afghanistan. These include an office at the U.S Embassy in Kabul and additional offices in Kandahar Airfield, Bagram Airfield, Camp Leatherneck, FOB Salerno, U.S. Consulate in Herat, and Mazar-e-Sharif. SIGAR has established four functional Directorates to meet its mission: (1) Audits; (2) Investigations; (3) Management and Support; and (4) Information Management.
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Justification of Request

Special Inspector General for Afghanistan Reconstruction (SIGAR): $49,650,000
SIGAR’s FY 2014 Request is $49.7 million, which is an increase of $5.3 million above the FY 2012 Actual level. This request accommodates several new FY 2013 requirements for agencies operating in Afghanistan that will recur through FY 2014. This includes a new travel requirement to support all in-country air transportation expenses related to SIGAR personnel’s air movement throughout Afghanistan.

This new requirement is estimated to cost $2.5 million for in-country air movements, based on information provided by the State Department and SIGAR’s historical usage. Another new State Department requirement at post is a redistributed ICASS security cost that significantly increases SIGAR’s portion of the cost to maintain staff in-country. Additionally, SIGAR has initiated a five person rapid response team to address emergent reconstruction issues, coordinate with experts from multiple SIGAR Directorates, and quickly address matters before they mature into significant issues that negatively impact the reconstruction.

SIGAR’s request will enable continued oversight of current reconstruction programs and the $25 billion remaining of appropriated funds which have yet to be disbursed on the reconstruction effort as of September 30, 2012. In FY 2014, SIGAR requires 205 positions, including the Inspector General’s rapid response team, to effectively audit and investigate reconstruction activities; up to 57 of these positions are forward deployed throughout Afghanistan – forming the largest oversight presence in country.