

Bagram Fraud Office
Bagram Airfield, Afghanistan
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**ADDITIONAL SOUTHWEST ASIA
 ICCTF OFFICES**

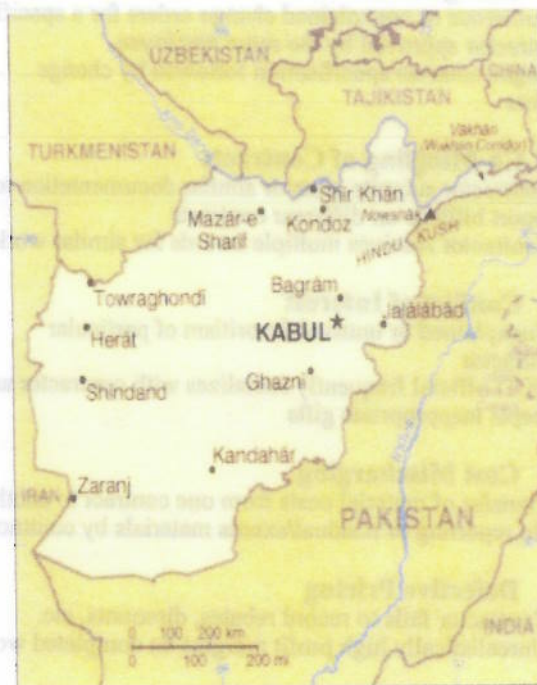
Kabul Fraud Office
Camp Eggers, Afghanistan
 APO AE 09356
 DSN: 318-237-1419 / 1408 / 0021

Kandahar Fraud Office
Kandahar, Afghanistan
 APO AE 09355
 DSN: 318-421-6777 / 7368

Iraq Fraud Office
US Embassy, International Zone
Baghdad, Iraq
 APO AE 09870
 DSN: 318-239-3467

Kuwait Fraud Office
Camp Arifjan, Kuwait
 APO AE 09366
 DSN: 318-430-3236 / 2789

**Area of Responsibility (AOR)
 Afghanistan**



**INTERNATIONAL
 CONTRACT
 CORRUPTION
 TASK FORCE**

FRAUD AWARENESS INFORMATION

MISSION STATEMENT

To support the Department of the Defense and Commanders in the detection, investigation and prevention of major procurement fraud located in Afghanistan and surrounding countries. To conduct investigations in support of readiness and safety, from the manufacturer to the Warfighter on the battlefield.

ICCTF FRAUD OFFICES

The ICCTF was established in October 2006, as an operational task force consisting of the following charter agencies: FBI, Army CID Major Procurement Fraud Unit, Department of Defense Inspector General DCIS, Department of State, U.S. Agency for International Development and Special Inspector General for Iraqi Reconstruction. The mission of the ICCTF is that of a joint agency task force that deploys criminal investigative and intelligence assets world wide to detect and investigate corruption and contract fraud resulting primarily from the Global War on Terrorism (GWOT). This task force is led by a Board of Governors, derived from senior agency representatives, who operate all major GWOT cases to defend the interests of the United States overseas.

WHAT IS FRAUD?

- Any misrepresentation of facts known to be false
- Any dishonest advantage, conscious wrongdoing or unlawful activity against United States Government
- Fraud is theft of valuable resources

FRAUD SCHEMES

- **Bribes and Kickbacks'**
 - DOD official accepts inappropriate gifts.
 - DOD official accepts low quality or late delivery
 - Contractor has reputation for paying bribes/kickbacks
- **Collusive Bidding by Contractors**
 - Winning bid much higher than Government Cost Estimate (GCE)
 - Losing bidder hired as subcontractor
- **Change Order Abuse**
 - Numerous or unexplained change orders for a specific contractor approved by the same employee
 - Vague contract specification followed by change orders
- **Co-Mingling of Contracts**
 - Contractor submits same or similar documentation to support billings on different contracts
 - Contractor receives multiple awards for similar work
- **Conflict of Interest**
 - Unexplained or unusual favoritism of particular contractor
 - DOD official frequently socializes with contractor and accepts inappropriate gifts
- **Cost Mischarging**
 - Transfer of material costs from one contract to another
 - No reporting of residual/excess materials by contractor
- **Defective Pricing**
 - Contractor fails to record rebates, discounts, etc.
 - Unrealistically high profit margins on completed work
- **Disclosing Bid information**
 - Last bidder is the winning low bidder
 - Winning bid just under the next lowest bid
- **Excluding Qualified Bidders**
 - Significant number of qualified bidders failing to bid
 - Allowing an unreasonably short time limit to bid
- **Failure to Meet Contract Specifications**
 - Contractor resists audit or audit clause provision in contract
 - Absent or inadequate supporting documents from contractor

- **False, Inflated or Duplicate Invoices**
 - Inadequate, copied or apparently altered supporting documents
 - Multiple payments invoiced in the same time period
- **False Statements and Claims**
 - Discrepancies between reported facts and observed data and supporting documentation
 - Unreasonable claims or statements compared to prior performance or industry standards
- **Manipulation of Bids**
 - Poor controls and inadequate bidding procedures
 - Acceptance of late bids or award to a non-responsive bidder
- **Phantom Vendor**
 - Invoiced goods or services cannot be located or verified
 - Payment without an invoice
- **Product Substitution**
 - Contractor delays or fails to provide required product specifications to contracting
 - Discrepancy between product's description normal appearance vs. actual appearance
- **Purchase for Personal Use or Resale**
 - Purchased item returned to vendor without vendor credit or refund
 - High volume or unusual purchases of consumer items or items suitable for personal use or resale
- **Rigged Specifications**
 - High number of change orders with one contractor
 - Unusual or unreasonable specifications for the type of goods or services being procured
- **Unjustified Sole Source Awards**
 - Sole source award above or just below estimated cost
 - Split purchases to avoid competitive bidding limits

FRAUD REMEDIES

- Felony Indictment & Conviction
- Imprisonment
- Criminal Fine
- Civil Fine
- Restitution
- Suspension/Debarment