Office of Inspector General

ANNUAL PLAN

Fiscal Year 2013

Contents

Message From the Deputy Inspector General

The Office of Inspector General (OIG) for the United States Agency for International Development (USAID) is pleased to present the annual plan for fiscal year (FY) 2013.

This plan addresses OIG's oversight agenda for the organizations under its purview: USAID, the Millennium Challenge Corporation (MCC), the United States African Development Foundation (USADF), and the Inter–American Foundation (IAF). OIG also maintains limited oversight authority over the Overseas Private Investment Corporation (OPIC).

This plan incorporates the elements of our new strategic plan and establishes goals for our organizational performance measures. The results of these measures will be reported in our upcoming semiannual reports to the Congress.

We have also significantly condensed this plan from what we have presented in prior years. We believe that a briefer presentation will be more useful to our customers and stakeholders.

In planning how we will use our resources, we need to continually adapt to worldwide events. In the past year, for example, OIG has drawn down its staff in Iraq to address changes in the Middle East. We will continue to monitor staffing needs in other regions as programs and U.S. Government priorities change.

In keeping with the Foreign Assistance Act and the 2008 Accra Accord, USAID requires that missions consider the capacity of potential partners to implement planned functions— including capacity for financial management, procurement, and personnel management—and that host–country governments have major involvement in project and activity planning. Many of OIG's audits in FY 2013 will focus on the sustainability of USAID programs, examining whether the programs can be expected to continue to produce benefits for developing countries.

In FY 2013, OIG will provide robust oversight of USAID activities in critical priority countries as well as activities under the Global Health Initiative (which include programs to prevent and treat HIV/AIDS, tuberculosis (TB), and malaria).

In Afghanistan and Pakistan, we will examine infrastructure and energy programs, governance strengthening activities, initiatives to improve citizens' livelihoods, and programs intended to better the lives of women and girls—among other areas.

As Haiti continues to recover from the devastating earthquake in 2010, we will evaluate USAID's efforts to rebuild infrastructure in that country as well as longer-term programs to improve housing, economic competitiveness, and the environment.

In response to the President's recent activities regarding the U.S. national emergency with respect to Somalia,[1] OIG will examine whether USAID has adequate controls in place to ensure compliance in prohibiting material support to persons or entities who threaten the peace, security, or stability of Somalia.

OIG will provide oversight to MCC as it enters into new compact agreements with developing countries while working toward measureable results under existing compacts. OIG will focus upon risks inherent in project implementation and financial accountability for funds that support country programs.

We in OIG understand the need to remain flexible to address unanticipated or emerging priorities that may arise during a time when the federal budget deficit is of increasing concern. OIG's skilled and dedicated staff members are ready for the challenge—in our headquarters office in Washington, D.C., and throughout the world. I look forward to reporting the results of these plans in future semiannual reports to the Congress.

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[1] Executive Order 13536, "Blocking Property of Certain Persons Contributing to the Conflict in Somalia," April 12, 2010.

Introduction

OIG's mission is to provide independent oversight that promotes efficiency and effectiveness while safeguarding the integrity of programs and operations under USAID OIG's jurisdiction.

Authority and Responsibility

The Inspector General Act of 1978, as amended, authorizes the Inspector General to conduct and supervise audits and investigations. USAID's OIG was established on December 16, 1980, by statutory amendment to the Foreign Assistance Act of 1961. On December 29, 1981, the International Security and Development Cooperation Act of 1981 brought the USAID Inspector General under the purview of the Inspector General Act of 1978. OIG assumed audit and investigative oversight of USADF and IAF in 1999 and of MCC in 2004. Under 22 U.S.C. 2199, OIG is also authorized to conduct reviews, investigations, and inspections of the operations and activities of OPIC, though we do not have the authority to perform audits.

Some of our work is mandated by statute or other requirements, and other work is performed at our discretion or by request. When identifying the audits and activities to undertake and setting priorities in performing them, we consider stakeholder interests and needs, alignment with strategic goals, and anticipated results. Before deciding to perform specific work, we consider the risks associated with agency programs and assess potential vulnerabilities in internal controls.

OIG established this plan of audits and activities to be performed during FY 2013 to support U.S. foreign assistance goals in the following program areas:

- Response to crisis, conflict, and instability
- Democracy
- Economic growth
- Environment and climate change
- Food security
- Global health and health systems
- Humanitarian assistance and disaster support—disaster prevention and mitigation, and protection, assistance, and solutions
- Management—management improvement initiatives, and financial statement and information technology audits

Operational Areas of Responsibility

Audit. OIG supervises audit activities relating to worldwide foreign assistance programs and related agency operations. Audit activities include

performance audits of programs and management systems, financial statement audits required under the Chief Financial Officers Act of 1990,[2] and audits related to financial accountability of grantees and contractors.

Investigations. OIG investigates activities relating to foreign assistance programs and agency operations. Investigations of criminal, civil, and administrative violations cover all facets of worldwide operations for our client agencies. These investigations can result in prosecutions, judgments, and/or administrative actions, respectively. In addition to conducting investigations, OIG provides fraud awareness training, develops and distributes fraud awareness literature and audiovisual aids, and offers advice on antifraud strategies.

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[2] Public Law 101–576.

Strategic Goals and Objectives

OIG recently released its FY 2012–2016 strategic plan, which reaffirms our commitment to providing quality oversight to the agencies we serve and informing the public and our stakeholders of how OIG is safeguarding taxpayer resources. Our plan also emphasizes our obligation to continually find ways to improve our own operations and to ensure that our workforce is highly motived and well trained to carry out its responsibilities. The new plan consists of the following goals and objectives:

Goal 1: Strengthen the ability of the organizations for which OIG provides oversight to manage and deliver foreign assistance efficiently and effectively through audit products and activities.

Objective 1.1: Align oversight activities with congressional and agency priorities and statutory requirements.

Objective 1.2: Assess risk in organization programs and target oversight activities accordingly.

Objective 1.3: Promote effectiveness and efficiency in foreign assistance programs.

Objective 1.4: Promote integrity and improve agencies' financial and management systems and procedures.

Goal 2: Deter and detect fraud, corruption, criminal activity, and misconduct in the programs, operations, and workforce of the organizations for which OIG provides oversight.

Objective 2.1: Prevent and detect fraud by educating and building relationships with customers and stakeholders.

Objective 2.2: Resolve allegations of criminal activity and employee misconduct and promote integrity.

Objective 2.3: Improve hotline capabilities and analytical mechanisms to identify criminal activity and misconduct.

Goal 3: Provide useful, timely, and relevant information to enable customers and stakeholders to make informed decisions.

Objective 3.1: Ensure that OIG products are responsive to the needs of external and internal customers and of stakeholders.

Objective 3.2: Ensure that OIG products are complete, accurate, objective, and timely.

Goal 4: Continually improve the efficiency, effectiveness, and quality of OIG operations and outputs.

Objective 4.1: Ensure that adequate support and resources are provided to develop audit and investigative products and services.

Objective 4.2: Institute internal processes to identify and evaluate necessary improvements regularly.

Objective 4.3: Improve internal customer service and collaboration among OIG organizational units.

Objective 4.4: Make internal communications and processes more transparent to OIG staff.

Objective 4.5: Improve the use of external resources and coordination with external parties.

Goal 5: Recruit, develop, and retain a highly qualified, motivated, and diverse workforce with the necessary tools and training to fulfill OIG's mission.

Objective 5.1: Attract highly skilled candidates in all required disciplines.

Objective 5.2: Address employee development needs by providing relevant training.

Objective 5.3: Retain highly performing and motivated employees.

Objective 5.4: Promote a culture that develops leadership and responsibility for managing people and producing results.

Objective 5.5: Proactively plan to position resources to balance workload and oversight needs appropriately.

Strategic Plan Implementation

In FY 2013, OIG plans to take the following actions to implement strategic planning goals.

Goal 1:

OIG will focus on aligning its activities with congressional priorities and the needs of the organizations for which we provide oversight.

We will be more proactive in identifying significant developments within those organizations and ensure that audit products and activities are appropriately responsive.

OIG will improve the annual planning process, creating a more rigorous, risk–based system under which higher risk activities will receive more frequent audit coverage.

We will make more use of alternative work products (e.g., briefing notes or presentations) where these will better meet the needs of our customers and stakeholders.

We will expand the use of rigorous, quantitative evaluation methodologies to reach conclusions about performance across program sectors that will be of interest to agency top leadership. We will use subject matter experts and specialists (for example, engineers, economists, and statisticians) whenever they are needed to address the objectives of an audit or other evaluative activities.

To promote integrity and economy, OIG expects to conduct more agency–contracted audits.[3] Agency–contracted audits will require additional resources to manage, but they will provide greater assurance that U.S. Government resources have been spent for agreed–upon purposes and that costs are reasonable and necessary. Agency–contracted audits will also reduce threats to auditor independence that can arise when an audit firm is asked to audit the same entity that hired it.

Goal 2:

To raise awareness of reporting responsibilities, whistleblower protections, and appropriate reporting mechanisms, OIG will expand the use of brochures, posters, and other informational materials.

We will expand investigators' presence abroad and work to increase their profile. In addition,

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[3] Agency-contracted financial audits are defined by USAID as "an audit of specific USAID–funded grants or contracts where the [OIG] manages non–Federal auditors and issues the resulting audit report. Non–Federal auditors are selected from the list of CPA firms previously approved by the RIG [Regional Inspector General] and contracted by either USAID or the OIG," Automated Directives System Chapter 591, "Financial Audits of USAID Contractors, Recipients, and Host Government Entities."

we will cultivate and maintain information networks for developing and responding to leads.

OIG will develop a more systematic and comprehensive approach to publicizing investigative outcomes to increase awareness of the consequences of criminal, civil, and administrative violations.

We will reinforce internal processes and procedures, working to guarantee proper and uniform case reporting and documentation.

OIG will develop and use our internal expertise to explain the results of investigations to assist prosecutors and agency officials in taking remedial actions, and we will notify stakeholders of significant cases in which agencies and implementing partners fail to take appropriate action in a timely manner.

We will modernize and strengthen our primary hotline, employing recognized best practices, and will prepare hotline staff to screen complaints more effectively for evaluation.

OIG will also work to establish robust, country-specific hotlines in high-risk environments such as conflict and post-crisis settings. These hotlines will be supported by local marketing efforts, translation services, top-of-the-line security controls, vetting, and analytical capabilities.

Goal 3:

OIG will work to obtain more information about agency, administration, and congressional priorities, as well as topics of media interest.

We will examine work conducted by other oversight entities and monitor statutory, regulatory, and policy developments and determine appropriate OIG responses. With this information, OIG will tailor products and approaches and develop new products and activities to address customer and stakeholder needs.

We will communicate work results to customers and stakeholders and seek feedback. We will increase awareness of and access to OIG products by making our Web site more user-friendly and by expanding the use of social media.

We will continue to address all mandated reporting requirements in an accurate, objective, and timely manner.

OIG will also enhance and integrate existing information collection and reporting systems to improve the timeliness and accuracy of statistical reporting on OIG activities.

Goal 4:

In FY 2013, OIG will present its budget submission by strategic goal and, in order to account for time spent on each strategic goal and objective, we will work to modify our internal systems.

We will replace our audit tracking and time-charging system with one that requires less manual report preparation.

OIG will commit executive-level resources to process improvement and will encourage managers and employees at every level of the organization to identify and implement process improvements.

We will make sure that users are more involved in developing information technology requirements.

OIG will conduct periodic customer satisfaction surveys and will share the results of these surveys and information about actions taken in response to them.

While working to improve internal processes, OIG will also work to make better use of external resources and coordinate closely with external parties. In addition to coordination efforts with other U.S. Government oversight organizations, we will work to harmonize audit standards among international donors, working initially with 11 bilateral donors.[4]

We will also work to deepen relationships with public accounting firms and supreme audit

institutions overseas wherever they would be mutually beneficial.

Goal 5:

In its recruiting efforts, OIG will target candidates who are likely to be successful in the OIG environment, including candidates with experience in hardship environments, candidates with language skills, and candidates with education and experience that are relevant to foreign assistance and to OIG work.

OIG will conduct nationwide recruitment efforts, making use of social media and specialized publications that focus on skill groups of interest to OIG. We will study the recruiting practices of other federal offices to benchmark our practices and ensure that we are competitive. We will use signing bonuses for difficult-to-recruit positions such as information technology auditors and specialists. In addition, we will seek a legislative reauthorization of hiring authorities for reemployed annuitants, which expired at the end of FY 2012.

In addition to traditional employment interviews, we will use job simulations and skill tests to assess candidates' abilities and problem-solving approaches to ensure that employees are well equipped to fulfill the requirements of advertised positions.

We will negotiate with candidates fairly and transparently, recognizing that negotiations with

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[4] USAID defines bilateral donor as "another country that provides development assistance to a third country (or persons or organizations within a third country), usually acting through its development agency, ministry or organization," Automated Directives System Chapter 351, "Agreements with Bilateral Donors."

prospective employees can strongly influence or set the tone of a long-term employer-employee relationship.

OIG will ensure that employees receive appropriate on-the-job and classroom training and that they are supported with high-quality supervision. We will seek cost-effective opportunities for supervisory and leadership training, evaluate the effectiveness of current supervisors in providing mentoring and on-the-job training, and provide all OIG employees with opportunities to exercise managerial and leadership skills.

OIG will promote a positive work environment by recognizing high performers through appropriately publicized awards and informal recognition and by ensuring a respectful office environment.

OIG will benchmark its employment and management practices against those of similar organizations to make sure that it is competitive with other employers.

Performance Measures

OIG will be using the following performance measures in FY 2013 to gauge progress in meeting strategic goals.

We will report the progress of these measures in our semiannual reports to the Congress.

Goal 1: Strengthen the ability of the organizations for which OIG provides oversight to manage and deliver foreign assistance efficiently and effectively through audit products and activities.

Measure	FY 2013 Target
Percentage of audits with recommendations that focus on program effectiveness and efficiency[5]	60%
Percentage of agency expenditures audited	55%
Hours per audit	900

Goal 2: Deter and detect fraud, corruption, criminal activity, and misconduct in the programs, operations, and workforce of the organizations for which OIG provides oversight.

Measure	FY 2013 Target
Percentage of OIG investigations resulting in substantiated allegations that were referred for criminal, civil, or administrative action	80%
Percentage of referrals that resulted in criminal, civil, or administrative action	50%
Number of individuals reached through outreach events	2,800

Goal 3: Provide useful, timely, and relevant information to enable stakeholders to make informed decisions.

Measure	FY 2013 Target
Number of briefings and testimonies provided to Congress	15
Number of hits on the OIG Web site	500,000

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[5] Includes audits with recommendations in the following categories: performance targets not met, insufficient coordination among development partners, risk **to** projects' sustainability, lack of host country support, inefficient operations, unsatisfactory contractor performance, and inadequate commodity management or storage.

Goal 4: Continually improve the efficiency, effectiveness, and quality of OIG operations and outputs.

Measure	FY 2013 Target
Percentage of employees indicating satisfaction with OIG customer service, operations, and initiatives	70%[6]
Percentage of major management milestones met relating to strategic planning, continuity of operations, policy development, financial resource management, operations planning, and external reporting requirements	80%
Percentage of OIG hours spent on indirect tasks	40%

Goal 5: Recruit, develop, and retain a highly qualified, motivated, and diverse workforce with the necessary tools and training to fulfill OIG's mission.

Measure	FY 2013 Target
Percentage of vacancies with qualified candidates accepting an offer of employment within 120 days	100%
Percentage of highly performing employees retained	80%
Percentage of OIG employees expressing satisfaction with management policies and procedures, opportunities to improve their skills, their ability to use their talents, recognition for good performance, and personal empowerment in work processes and their jobs	55%[7]
Percentage of employees completing required core curriculum training for their level	100%

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[6] Target may change depending on baseline data received from OIG's annual customer service survey.

[7] Target references government–wide averages in response to related questions from the 2011 Employee Viewpoint Survey administered by the Office of Personnel Management. Target may change based on baseline data received from OIG's annual employee satisfaction survey.

Activities Planned for FY 2013

U.S. Agency for International Development

Activity Name	Activity Description
Response to Crisis, Conflict, and Instability	
Audit of USAID's Compliance with Executive Order 13536 Prohibiting Material Support for Al-Shabaab in Somalia	On April 12, 2010, President Obama signed Executive Order (EO) 13536, which blocks transactions with certain persons contributing to the conflict in Somalia. The EO prohibits providing material assistance to certain individuals or entities, including the terrorist organization Al-Shabaab. Shortly thereafter, the U.S. Treasury's Office of Foreign Assets Control issued a license that allowed for U.S. funded nongovernmental organizations (NGO) to operate in Somalia but warned that those in the United States should be "extremely cautious" about providing cash payments to areas under al-Shabaab control. In FY 2011, the U.S. Government provided $133 million dollars in support to Somalia, a country with large portions controlled by Al-Shabaab. As a result, there is a high risk that Al-Shabaab may be aggressively trying to benefit from any assistance provided to the Somalian people. This audit will determine whether USAID has adequate controls to ensure compliance with EO 13536 in prohibiting material support for Al-Shabaab in Somalia.
Audit of USAID/Yemen's Community Livelihoods Project	To address concerns about destabilization in Yemen, USAID is funding a $123 million Community Livelihoods Project, the goals of which are to (1) increase employment opportunities, (2) increase access to quality services, (3) promote community participation and empowerment, and (4) strengthen local governance capacity. This audit will determine whether the project is achieving its stated goals.
Audit of USAID/West Bank and Gaza's Peace and Reconciliation Program	USAID's reconciliation programs are part of a worldwide effort to bring together individuals of different ethnic, religious, or political backgrounds from areas of conflict in order to address the root causes of tension and instability. At a cost of $24.7 million, USAID is funding conflict management and mitigation grants for Israel and West Bank and Gaza. This audit will determine whether USAID/West Bank and Gaza's Peace and Reconciliation Program is promoting peaceful coexistence among Israelis and Palestinians and improving mutual understanding and dialogue on issues of common concern.

Activity Name	Activity Description
Audit of USAID/West Bank and Gaza's Partner Vetting System	Following the issuance of the Executive Order 13224—which blocks transactions with those who commit, threaten to commit, or support terrorism—USAID/West Bank and Gaza established mission policies and procedures to comply with the directive. In response to vetting database deficiencies identified by the USAID OIG and the U.S. Government Accountability Office, USAID/West Bank and Gaza deployed the Partner Vetting System (PVS) in December 2006. The overall goal of the PVS is to ensure the mission's programs do not inadvertently provide support to any entities or individuals associated with terrorism in compliance with security standards and guidelines established by the National Institute for Standards and Technology to safeguard information. This audit will determine whether USAID/West Bank and Gaza implemented minimum security controls to protect the confidentiality, integrity, and availability of its PVS in managing and facilitating vetting requests of awardees.
Audit of USAID/West Africa's Peace Through Development II Program in Chad	Chad's northwestern Sahel regions suffer from extreme poverty, weak governance, and high unemployment, leaving moderate communities vulnerable to recruiting by violent extremist groups in the region. To prevent the spread of extremism in Chad and surrounding countries, USAID is funding a $64 million initiative to increase resiliency to violent extremism in at-risk communities by empowering youth, increasing the voices of moderation, strengthening civil society organizations, and strengthening local government. The audit will determine whether USAID/West Africa's Peace Through Development II Program activities in Chad are increasing resiliency to violent extremism in at-risk communities.
Democracy	
Audit of USAID/Afghanistan's Electoral Reform and Civic Advocacy Program	In advance of the scheduled 2014 Afghan presidential election, USAID is expanding existing democracy programs in Afghanistan by $9 million in order to strengthen Afghan organizations' abilities to debate and advocate for electoral reform and foster innovative research on electoral reform. This audit will determine whether the program is achieving these objectives and whether the mission has implemented recommendations from a prior elections assessment.

Activity Name	Activity Description
Audit of USAID/Iraq's Administrative Reform Project	This estimated $151 million project is designed to support the Government of Iraq in improving its public management institutions and service delivery processes by strengthening its management of human and fiscal resources. The project is broken into three areas: (1) civil service reform to establish a professional, effective, merit-based, and transparent Iraqi civil service; (2) national policy management to assist in the formulation and communication of management policies; and (3) administrative decentralization to shift decision making to those who have the responsibility to deliver services. The audit will determine whether the project is achieving its goals.
Audit of USAID/Pakistan's Gender Equity Program Implemented by the Aurat Foundation	Under the Gender Equity Program, this $40 million initiative will provide approximately 395 grants to a variety of civil society organizations working in the area of gender equity and human rights. This audit will determine whether USAID/Pakistan's Gender Equity Program has advanced women's rights by expanding women's access to justice, combating gender-based violence, and strengthening the capacity of Pakistan organizations that advocate for women's rights.
Audit of USAID/Pakistan's FATA Secretariat Capacity Building Program–Phase II	This $15 million program works to assist the FATA (Federally Administered Tribal Areas) Secretariat with strengthening core public administration functions—i.e., fiscal management, human resources management and administration, communications, development planning, procurement, and information technology and technical skills. In addition, the project will support the Secretariat in introducing new and innovative approaches (like public-private partnerships) for improving service delivery in FATA. OIG's 2010 audit of phase I of the program found that program goals were not achieved. The current audit will determine whether USAID/Pakistan's FATA Secretariat Capacity Building Program is improving the capacity of governmental institutions to govern through training, is automating processes, and is developing management and financial systems.
Audit of USAID/Nigeria's Democracy and Governance Program	This $39.9 million program is designed to build the capacity of local government councilors and chairmen, permanent staff, selected government authorities, and civil society organizations to help ensure effective governance and improved delivery of basic services in Nigeria. The audit will determine whether the initiative has been successful in building partnerships between state and local governments, civil society, and the private sector to improve governance, accountability, and service delivery.

Activity Name	Activity Description
Audit of USAID/Paraguay's Northern Zone Initiative	This $5 million initiative is intended to help establish a new level of stability and reduce levels of violence and criminal activity during Paraguay's transition from de facto one-party rule to multiparty democracy. Drug and criminal activities are the primary problems that could prevent Paraguay from continuing its healthy economic development and that would detrimentally affect the political system. The purpose of the initiative is to develop the capacities of small farmers, reduce constraints in the value chains, and foster sustainability in farmers' routine activities so that they can generate income through licit activities. This audit will determine whether this initiative is helping to establish a new level of stability in north and eastern Paraguay to reduce the level of violence and criminal activity.
Audit of USAID/ Indonesia's Local Governance Service Improvement Program	In Indonesia, responsibility for public health services, education, economic development, and more than 20 other government functions have been decentralized to district governments. Despite surveys that show relatively good public satisfaction with local government services, Indonesia is underperforming on key poverty and welfare indicators, many of which are now the responsibility of local governments. USAID is funding a $25 million program to provide training and technical assistance to help local governments and citizens understand the service delivery problem, identify targets and gaps, and develop and implement solutions that put in place the type of incentives and innovation necessary to improve services. The audit will determine whether the program is improving services delivered by local Indonesian governments in the areas of health, education, and business development.
Audit of USAID/Bangladesh's Promoting Democratic Institutions and Practices (PRODIP) Program	USAID has implemented several programs designed to strengthen and support democratic institutions in Bangladesh. One of these is PRODIP, a $23 million initiative that is intended to help Bangladesh's Parliament to improve its lawmaking and oversight capability, strengthen its committees, increase public awareness of its functions, and create opportunities for increased public input into the development of national policy. PRODIP is also intended to help civil society understand how policies and laws are made and how societies can maximize effectiveness in participating in that process. The audit will examine PRODIP's accomplishments and progress toward achieving these goals.

Activity Name	Activity Description
Review of USAID's Counter-Trafficking in Persons Program	Trafficking in persons is an international crime involving the acquisition of a human being through the use of force, fraud, or coercion for the purpose of exploiting the individual for profit through forced labor or prostitution. USAID is among the largest donors combating the crime, providing more than $163 million in assistance to more than 70 countries since 2001. In 2012, USAID launched its new Counter-Trafficking in Persons Policy to reinvigorate and focus its efforts. This review will focus on USAID's 2012 strategy to combat trafficking in persons by analyzing program information for the past 10 years. The purpose of the review is to identify lessons learned across countries, garner input from a variety of points of view, identify areas for performance improvement, and assess evidence of impact after 10 years of implementation in selected countries in Europe, Eurasia, and Asia.
Audit of USAID/Ukraine's Strengthening Civil Society in Ukraine Project	In 2008, USAID/Ukraine launched the Strengthening Civil Society in Ukraine project. The $12.3 million project engages local organizations as equal partners to address systemic sector-wide challenges to civil society, as well as supports NGO monitoring and advocacy initiatives, which are essential to advance Ukraine's reform process. This audit will determine whether the project is achieving a more vibrant civil society through the development of a more robust, effective, and sustainable NGO community in the Ukraine.
Audit of USAID/Armenia's Mutual Initiative for Armenian Public and Government Action Program	USAID/Armenia's $15.5 million Mutual Initiative for Armenian Public and Government Action Program is designed to increase the level of informed and organized civic activism at the local and national levels, along with more participatory, decentralized, efficient, and accountable local governance that leads to a more democratic society. The audit will determine whether the program is increasing informed and organized civic activism.
Audit of USAID/Bosnia-Herzegovina's Justice Sector Development Project II	The Justice Sector Development Project II is designed to build on prior USAID achievements in promoting credible justice sector institutions in Bosnia and Herzegovina that operate effectively and uphold the rule of law. The objectives of the $8 million project are to (1) strengthen the independence, accountability, and effectiveness of the judiciary; (2) support a better coordinated and unified justice system; and (3) bolster public confidence in the rule of law. Project interventions are targeting the Ministry of Justice, the High Judicial and Prosecutorial Council, and civil society. This audit will determine whether the project is achieving its three objectives.

Activity Name	Activity Description
Audit of USAID/Albanian's Justice Sector Strengthening Project	There continues to be a lack of transparency in Albania's judicial system and significant challenges in addressing corruption in the sector. USAID's $9 million Albanian Justice Sector Strengthening Project aims to (1) promote court transparency, fairness, and efficiency; (2) bolster watchdog and anticorruption roles of civil society organizations and media; and (3) strengthen the legal profession and legal education in Albania. The audit will determine whether the project is establishing a culture of lawfulness and rule of law by moving towards a more transparent, effective, and accountable justice system.
Economic Growth	
Audit of USAID/Afghanistan's Land Reform in Afghanistan Program	The overall goals of the $42 million Land Reform in Afghanistan Program are to strengthen and support the Government of the Islamic Republic of Afghanistan (GIRoA) institutions dealing with land and create Afghan capacity to successfully design, manage, and implement needed land reform. This audit will determine whether the Land Reform in Afghanistan Program has (1) strengthened and supported the GIRoA institutions dealing with land so that they can more effectively meet their objectives with respect to land management and planning and (2) created Afghan capacity to successfully design, manage, and implement needed land tenure reform for land market development.
Audit of USAID/Afghanistan's Gardez-Khost National Highway Project	This $176 million project seeks to build a paved, high-speed, all-weather two-lane road over a 101-kilometer stretch that will reduce travel time and significantly ease the journey between the cities of Gardez and Khost and ultimately into Pakistan. This audit will determine whether the Gardez-Khost National Highway Project is meeting its goal to complete the all-weather paved asphalt highway between these two cities.
Audit of USAID/Afghanistan's Financial Assistance for Investing in the Development of Afghanistan (FAIDA) Project	Micro, small, and medium-sized enterprises play a critical role in building the Afghan economy. Greater access to finance will enable such enterprises to expand production, upgrade equipment, grow their businesses, and hire more employees. This $75 million financial assistance project is intended to build a sustainable, diverse, and inclusive financial sector that can generate and sustain quality employment to meet the needs of micro, small, and medium enterprises throughout the country. This audit will determine whether the project is meeting these goals.

Activity Name	Activity Description
Audit of the Financial Sustainability of USAID/ Afghanistan's Energy Sector Programs	Since 2004, USAID has committed approximately $1.2 billion to assist in the reconstruction of Afghanistan's energy sector. Programs implemented by USAID/Afghanistan cover construction of new power plants and substations; refurbishment of existing hydroelectric power plants; upgrading or installing new transmission lines; providing operations and maintenance support of diesel generators; installation of alternative sources of power such as solar, wind, and micro hydro; and assistance in commercializing the energy sector. Because a large portion of the Afghan Government's budget comes from foreign donors, energy projects may not be sustainable. This audit will determine whether the Government of Afghanistan earns enough revenue to operate and maintain its electrical infrastructure, including the infrastructure financed by USAID.
Audit of USAID/Afghanistan's Commercial Horticulture and Agriculture Marketing Program	Through a $34.9 million cooperative agreement, USAID is implementing the Commercial Horticulture and Agriculture Marketing Program to reduce poverty among rural Afghan farmers by assisting them to shift from relatively low-value annual crops to higher-value crops. This audit will determine whether the program is reducing poverty among rural Afghan farmers through these changes in farming practices.
Audit of USAID/Afghanistan's On-Budget Sheberghan Gas Development Project	Afghanistan imports a majority of its energy needs, and the country's demand for power is growing at a rapid pace. However, substantial proven reserves of natural gas exist near the town of Sheberghan in northern Afghanistan. USAID is funding a $97 million Sheberghan Gas Development Project, which is being implemented with the Government of Afghanistan's Ministry of Mines, to expand production and use of gas from the Sheberghan fields. This audit will determine whether the project is achieving those results.
Audit of the On-Budget Portion of USAID/ Afghanistan's Basic Education, Literacy, and Technical-Vocational Education and Training Project	With assistance from the U.S. and other international partners, Afghanistan is rebuilding the education sector after devastation from decades of war and conflict. While considerable progress has been made, public demand for education is increasing more quickly than the current system can absorb. Through on-budget assistance, USAID is implementing a $20 million project with the Ministry of Education to improve access to quality basic education, literacy, and technical-vocational education and training, with an emphasis on girls and other marginalized populations. This audit will determine whether the on-budget portion of the project is meeting its goals.

Activity Name	Activity Description
Audit of Gender-Related Activities in Selected USAID/Afghanistan Programs	Afghanistan is a diverse but traditional society where opportunities for women are limited. USAID/Afghanistan plays a leading role in implementing the U.S. Government's civilian strategy for assistance to women in Afghanistan in the areas of health, education, and economic development. This audit will determine (1) how gender issues have been considered in designing, implementing, and measuring the performance of selected USAID/Afghanistan programs and (2) what impact these programs have had on the health and educational status, economic development, and political empowerment of Afghan women and girls.
Audit of USAID/Afghanistan's Agricultural Credit Enhancement Program	By 2001, following decades of war and destruction, Afghanistan's financial system had totally collapsed. There was no functioning Central Bank and the commercial banking system was non-existent. Addressing the credit needs of the small commercial producer and rebuilding the lending capacity across Afghanistan, particularly in rural areas, is a high priority for the Government of Afghanistan. In July 2010, USAID/Afghanistan awarded a 5-year $75 million contract to implement the Agricultural Credit Enhancement Program. The program is aimed at addressing the constraints to agricultural credit. This audit will determine whether the Agricultural Credit Enhancement Program has expanded credit to small commercial farmers and agribusinesses.
Audit of USAID/Pakistan's Smallholder Dairy Project	The $14 million Smallholder Diary Project will focus on providing dairy farming and livestock training and support to dairy farmers. The project will identify women livestock workers and include dairy farmers outside Punjab province. This audit will determine whether USAID/Pakistan's Smallholder Dairy Project is improving the skills of dairy farmers and livestock workers to increase incomes, yields, and provide improved breeding interventions.
Audit of USAID/Pakistan's Agribusiness Project	USAID is providing $89 million to the Agribusiness Support Fund to implement an agribusiness project in Pakistan. The project will monitor whether farmers' income and employment opportunities have increased through developing agriculture value chains designed to improved conditions for broad-based economic growth. This audit will determine whether USAID/Pakistan's Agribusiness Project is effectively monitoring those increases.

Activity Name	Activity Description
Audit of USAID/Pakistan's Entrepreneurs Project	This audit follows up on a previous report that uncovered barriers to assessing the impact of Pakistan's Entrepreneurs Project.[8] This $29 million project focuses on developing value chains in four sectors—dairy, embellished fabrics, medicinal and aromatic plants, and honey. Value chains take products from raw materials to processing and ultimately to distribution and sale. The planned audit will examine whether the project has succeeded in increasing incomes of 75,000 microentrepreneurs and whether USAID officials have taken corrective action on the previous audit report.
Audit of USAID/Pakistan's Power Distribution Improvement Program	This $25 million project is designed to collaborate with government-owned electric power distribution companies in Pakistan to improve their operational and financial performance by reducing losses, increasing revenues, and improving customer service. USAID and the implementing partner will work with the country's eight power distribution companies, as well as the Pakistan Ministry of Water and Power, to improve governance and management systems. This audit will determine whether USAID/Pakistan's Power Distribution Improvement Program is improving operational and financial performance of the eight electric power distribution companies in Pakistan.
Audit of USAID/Haiti's Market Chain Enhancement Project	This $24 million project is intended to promote the competitiveness of Haitian enterprises, expand local sales and export market opportunities, and promote value-added production and private investment. This audit will determine whether USAID/Haiti's Market Chain Enhancement Project is encouraging and facilitating the development of competitive market chains in various sectors of the Haitian economy.
Audit of USAID/Iraq's Financial Sector Development Program	This $53 million initiative is designed to improve the Iraqi private financial sector through enhancing the advocacy capacity of the private financial sector, improving the soundness of the private financial sector through institution building and targeted reforms, and improving the quality and availability of finance and business education. This audit will determine whether the program is meeting those goals.
Audit of Selected Activities Under USAID/Egypt's Trade Facilitation Project:	This $11 million project is intended to make Egypt's external trade more efficient and consistent with international standards, as well as to strengthen the country's internal trade process. This audit will determine whether selected activities under USAID/Egypt's Trade Facilitation Project are achieving the project's goals.

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[8] *Audit of USAID/Pakistan's Entrepreneurs Project*, Audit Report No. G-391-12-005-P, April 20, 2012.

Activity Name	Activity Description
Audit of USAID/Jordan's Education Reform Support Program	This $50 million program is intended to work with Jordan's Ministry of Education to provide higher quality early childhood education, give high school students the skills they need to participate productively in the workforce, build a system for the professional development of teachers and principals, and help schools and directorates make decisions based on broad participation and sound data. This audit will determine whether USAID/Jordan's Education Reform Support Program early childhood component is achieving this goal to improve the quality of childhood education.
Audit of USAID/Egypt's Education Support Program	To address concerns about Egypt's fragile public school system and issues that stem from it, USAID initiated an $18.9 million initiative to enhance the Egypt Ministry of Education's ability to support and strengthen its Board of Trustees and address the need to upgrade the skills of recently hired teachers. Specifically, the program's efforts will emphasize increasing women's participation in governance processes and girls' access to and retention in school. This audit will determine whether the program is achieving those goals.
Audit of USAID/Lebanon's Lebanon Investment in Microfinance Program	USAID is implementing a $12.2 million initiative that will address the expanding demand for loans for individuals, micro-enterprises, farmers, and cooperatives. This audit will determine whether the Lebanon Investment in Microfinance Program is achieving its goal to increase sales, create jobs, and advance economic growth.
Audit of USAID/Egypt's New Scholarship Program	In its effort to develop future Egyptian leaders, USAID is funding a $14.3 million initiative that will provide 100 scholarships to Egyptian students to obtain an undergraduate degree from an Egyptian private university. The program will also identify up to 45 students to participate in a U.S.-based study abroad program. This audit will determine whether USAID/Egypt's New Scholarship Program is achieving its goal to provide Egypt's young people with scholarship and leadership opportunities to maximize their potential to contribute to Egypt's future development.

Activity Name	Activity Description
Audit of USAID/Lebanon's Developing Rehabilitation Assistance to Schools and Teacher Improvement Program	USAID is funding a $75 million program to address concerns about achievement levels of Lebanese students. The program is designed to advance educational outcomes in Lebanon by (1) improving teacher and student performance, (2) increasing community and parental involvement, and (3) improving the school learning environment. This audit will determine whether USAID/Lebanon's Developing Rehabilitation Assistance to Schools and Teacher Improvement Program is achieving its goals to improve educational outcomes.
Audit of USAID/Lebanon's Water and Wastewater Sector Support Program	Lebanon has several water and wastewater infrastructure investments that are not adequately delivering benefits to its people. To assist with improving water and wastewater services, USAID is funding a $34.4 million initiative to provide technical services and related resources to four Government of Lebanon water establishments and Lebanon's Ministry of Energy and Water. This audit will determine whether USAID/Lebanon's Water and Wastewater Sector Support Program is improving water and wastewater services.
Audit of USAID/ Jordan's Youth Work Jordan Program	The Youth Work Jordan Program is working with Jordan's Ministry of Social Development and organizations across the country, targeting vulnerable youth between ages 15 to 24 to promote their employability skills and civic engagement. USAID is funding a $33.4 million program to improve social services and protect vulnerable populations through youth employment and civic engagement. This audit will determine whether the program is achieving its primary goals.
Audit of USAID/Jordan's Fiscal Reform II Project	This project supports economic growth through assistance to the Government of Jordan. The $38.5 million initiative is intended to achieve macroeconomic stability and economic growth by improving public financial management and fiscal policy. This audit will determine whether the project has been successful in meeting its goals.

Activity Name	Activity Description
Audit of USAID/Lebanon's Developing Hydroponics to Access International Markets Program	Lebanon's varied climate agriculture production zones create an opportunity for its greenhouse sector to become more competitive and to access lucrative markets. However, the greenhouse sector must adopt and become experts in using hydroponic technology to improve access to these markets. USAID is funding a $22.2 million program to foster economic growth and establish a vibrant high-value fruit, vegetable, and flower greenhouse/hydroponic sector in Lebanon that targets local and export market opportunities. This audit will determine whether the program is achieving selected objectives to increase access to markets, adopt best agricultural practices, and provide access to credit for producers and small- and medium-sized enterprises.
Audit of USAID/West Bank and Gaza's Enterprise Development for Global Competitiveness Project	USAID/West Bank and Gaza programs have been a key element in U.S. Government support for a Palestinian Authority government that both the U.S. and Israel view as a true ally for peace. Small and medium enterprises (SMEs), which employ more Palestinians than larger firms, have not benefited from the growing Palestinian economy at the same rate as the larger firms. To address this issue, USAID is funding a $58 million initiative to improve access to global markets for Palestinian SMEs and enable these firms to better meet market requirements through improved product design, quality, and packaging. This audit will determine whether USAID/West Bank and Gaza's Enterprise Development for Global Competitiveness Project is achieving its primary goals.
Audit of USAID/Ghana's Partnership for Accountable Governance in Education (PAGE) Program	Ghana's Education Act of 2008 placed more emphasis on decentralization to ensure education quality at all levels. USAID is funding a $7.4 million initiative—which includes collaboration among district assembly and education officials, head teachers, school management committees, and parent/teacher associations—to improve student achievement in basic schools in Ghana. This audit will determine whether the program is achieving its educational improvement goals.
Audit of USAID/Nigeria's Economic Growth Project	Access to clean water and improved sanitation facilities is a daily challenge for many Nigerians particularly in northern Nigeria, where there is a lack of access to safe drinking water and adequate sanitation. To address this challenge, USAID has funded a $3.7 million project to increase Nigerians' access to safe water, sanitation, and hygiene education. This audit will determine whether program efforts have been successful.

Activity Name	Activity Description
Audit of USAID/Senegal's Education Priority Quality Program	USAID has provided $19.8 million as part of an initiative to improve the quality level of education in support of the Government of Senegal's objective to better educate middle-school aged youth. The program works to develop (1) a better educated/motivated teacher workforce, (2) improved school governance and management, (3) increased student competency in French reading and math, and (4) expanded opportunities for youth education, community service, and employment. The audit will determine whether the program has been successful in improving the level of quality of middle-school education in Senegal.
Audit of USAID/Armenia's Clean Energy and Water Project	Armenia lacks a systematic approach to energy development and water management, which hinders national capability to address the issues of water scarcity and sustainable water and energy development. To address these gaps, USAID/Armenia signed a $5.7 million contract to implement the Clean Energy and Water Program, which will provide technical support to promote integrated energy and water planning at the sub-basin level, advise the Government of Armenia on issues regarding sustainable hydropower development and water management, and facilitate the use of clean energy and water management practices and technologies at the community- and enterprise-level through outreach and technical support. This audit will determine whether the program is achieving its goal, in selected water basins, to contribute to improving the accessibility, quality, and affordability of energy and water services.
Audit of USAID/El Salvador's Municipal Competitiveness Project	This $9.2 million project is working to strengthen Salvadoran municipalities' competitiveness by reinforcing their administrative and delivery-service capacity, cultivating mayors' enthusiasm in promoting economic activity, and fostering alliances among municipalities and with private sector to promote investment and trade and increase economic growth and employment at the municipal level. This audit will determine whether USAID/El Salvador's Municipal Competitiveness Project has achieved its primary goals.

Activity Name	Activity Description
Audit of USAID/Peru's Alternative Development Program	Since mid-2006, USAID has been supporting the projects within the framework of the Post-Eradication Program of illicit cocoa crops in San Martin and Huánuco regions. Under a cooperative agreement between USAID and the United Nations Office on Drugs and Crime, alternative development activities are carried out to promote a licit alternative economy, with total financing of about $16 million. This audit will determine whether USAID/Peru has been successful in generating a licit economy and preventing the return of coca as the mainstay of the economy by supporting productive activities and crops.
Audit of USAID/Colombia's Consolidation and Enhanced Livelihood Initiative (Central Region)	This $115 million initiative is intended to help achieve a sustainable state presence and consolidation in certain zones in Colombia, which will lead to permanent peace and security, an economy in which legal livelihoods supplant illegal economic activities, and active citizen participation that demands accountable and transparent governance. The audit will determine whether this initiative has achieved its primary goals.
Audit of USAID/Mongolia's Business Plus Initiative Program	Mongolia's poverty rate remains high, and the country suffers from a weak administrative capacity to promote a business enabling environment, a lack of private sector and citizen participation in economic policy development, and an underdeveloped financial sector. USAID's $18 million Business Plus Initiative Program is designed to support policy changes that contribute to inclusive economic growth and permit Mongolians to participate in the growing economy. This audit will determine whether the program is providing an enhanced role for the private sector by complementing and supporting the Government of Mongolia in the areas of improved implementation of business-enabling policies, strengthened private-sector capacity and competitiveness, and increased financial-sector capacity.
Audit of USAID/Sri Lanka's Biz Plus Program	To help facilitate Sri Lanka's economic revitalization and peacefully integrate various ethnic groups both politically and economically, USAID is funding a $24 million program entitled Biz Plus. The program is designed to enhance livelihood opportunities by enterprise development through public-private alliances and grants and technical assistance to grant recipients. OIG's audit will determine whether the program is increasing jobs and income generation in Northern and Eastern Sri Lanka through enterprise development.

Activity Name	Activity Description
Audit of USAID/South Sudan's Core Institutional Structure Program	Phase 1 of USAID/Sudan's $6.3 million Core Institutional Structure Program was a public financial management capacity building project intended to help the Government of South Sudan deliver basic services to citizens, improve governance, and address poverty and economic issues. In preparation for the second phase of the project, USAID/South Sudan requested this performance audit to assess the results of the first phase and provide useful lessons learned for the way forward. This audit will determine whether the Core Institutional Structure Program is effectively increasing South Sudan's public financial management capacity.
Audit of Sindh Basic Education Program	This program is the result of an $81 million agreement with the Government of Sindh in Pakistan to increase and sustain student enrollment in primary and secondary schools. It includes school construction programs, government policy reforms, reading improvement, community mobilization, and technical assistance to the Department of Education. This audit will determine whether USAID/Pakistan's Sindh Basic Education Program is achieving its goals of increasing and sustaining student enrollment in targeted areas.
Audit of USAID/Dominican Republic's Effective Schools Program	This $16.2 million program, which follows a previous program intended to improve local governance and teacher effectiveness, will take an integrated and comprehensive approach to impact the formal education system as a whole. The program affects 5,500 teachers and 400 schools in the Dominican Republic. This audit will determine whether the program has significantly contributed to the improvement of the quality of learning of students in the first cycle of primary education.
Audit of USAID/Jamaica's Education Transformation Project	The $12.7 million Education Transformation Project intends to strengthen the Ministry of Education's Education Reform Project by providing technical assistance, materials, and training. The project will emphasize measurement tools and training in oversight, monitoring, accountability, and policy discussions. The audit will determine whether the project has achieved its primary goals.

Activity Name	Activity Description
Audit of USAID/Macedonia's Youth Employability Skills (YES) Network Activity	High unemployment has plagued the Macedonia's labor market for years, particularly for the younger segment of the labor market. In September 2010, USAID/Macedonia awarded a $6.7 million cooperative agreement to implement the 5-year Youth Employability Skills Network program. The program's primary goal is to provide youth with the relevant skills that will enable them to participate in the modern-day economy. This audit will determine whether the program is contributing to this goal through its training, capacity building, and public-private partnership strengthening activities.
Environment and Climate Change	
Audit of USAID's Central African Regional Program for the Environment	The Congo Basin of Central Africa plays an important role in global climate regulation and is depended on by millions of people for their livelihoods. Because of threats from unsustainable extraction of natural resources, shifting cultivation practices, poverty, and urban expansion at the forest margin, USAID initiated the Central African Regional Program for the Environment (CARPE) in 1995. The implementation of Phase II (2003-2011) corresponded with the launching of the Congo Basin Forest Partnership (CBFP) at which time the U.S. Government committed $53 million to finance the CBFP's efforts to support sustainable forestry, biodiversity conservation, and poverty alleviation. This audit will determine whether CARPE has been successful in reaching its goals.
Audit of USAID/Haiti's Improved Cooking Technology Program	A large segment of Haitian households meet energy needs using significant amounts of firewood and charcoal. Because of concerns about deforestation and the negative environmental impact, USAID initiated a $7.2 million program to promote a sustainable market for clean, efficient, and affordable cooking solutions in Haiti. This audit will determine whether USAID/Haiti's Improved Cooking Technology Program is meeting this objective.

Activity Name	Activity Description
Audit of USAID/Mexico's Environment Program	Increases in the global mean temperature over the past century have led to concerns about the impact of greenhouse gases (GHG) on life-sustaining elements such as agriculture, water, species extinctions, and health. USAID/Mexico noted in its annual program statement that Mexico is a significant contributor to global GHG emissions. OIG will audit two of USAID's largest environmental programs in Mexico that have projected expenditures of $48.4 million. The audit will determine whether USAID/Mexico has developed and implemented a low-emissions development strategy and established a robust national monitoring, reporting, and verification system, with the goal of reducing emissions from deforestation and forest degradation.
Audit of USAID/Indonesia's Forest and Climate Support Program	Indonesia is a significant emitter of greenhouse gasses contributing to climate change because of to its high deforestation rate. To address this challenge, USAID has funded the $40 million Indonesia Forest and Climate Support Program. The program is designed to focus on land and forest governance policies, improved management and conservation of forests, and private sector engagements on land development best practices. The audit will determine whether the program is reducing the threats of deforestation and climate change and helping the Government of Indonesia conserve the country's tropical forests, wildlife, and ecosystem processes (including carbon sequestration).
Food Security	
Audit of USAID/Cambodia's Helping Address Rural Vulnerabilities and Ecosystem Stability (HARVEST) Program	Cambodia, a predominantly rural society, is experiencing serious challenges in terms of a high incidence of poverty and hunger. To address these challenges, USAID initiated a $57 million program to increase food availability and access by bolstering productivity of agriculture, fisheries, and forestry; strengthen value-added chains; and create private-sector led rural employment. This audit will determine whether USAID/Cambodia's HARVEST program is improving food security through enhanced agricultural development and rational management of natural resources.

Activity Name	Activity Description
Audit of Feed the Future Activities in Ethiopia	Feed the Future is the U.S. Government's $3.5 billion global hunger and food security initiative. Ethiopia was one of two countries identified for concentrated Feed the Future funding in the FY 2012 Congressional Budget Justification. Food security in Ethiopia is a priority for the U.S. Government, and efforts focused on longer-term food security programs will help prevent humanitarian crises from recurring. However, the high level of investment and rapid program growth in this area increase the risk of fraud, waste, and abuse. This audit will determine whether Feed the Future activities in Ethiopia are on track to increase the nutritional status of women and children, build the disaster resiliency of vulnerable populations, increase local efforts to adapt to climate change impacts, and promote increased private sector investment and growth.
Audit of USAID/ Central Asian Republics' Family Farming Program for Tajikistan	USAID is implementing a $29 million Family Farming Program in Tajikistan, which is designed to improve access to food. It intends to encourage income-generating activities that absorb production gains and reduce post-harvest losses, improve availability of food through better farm-level practices that increase food yields, introduce better nutritional practices, and develop public and private organizations that contribute to food security. This audit will determine whether USAID/Central Asian Republics' Family Farming Program for Tajikistan is achieving its primary goals.
Audit of USAID/Malawi's Agriculture Program	To address pervasive poverty and hunger issues in Malawi, USAID is funding the $80.7 million Wellness and Agriculture for Life Advancement Program. The program will work with eight private voluntary organizations to increase the productivity and competitiveness of the agricultural sector and enhance food security. The significant investment involved, coupled with the many organizations implementing the program, creates opportunities for ineffectiveness and fraud in program implementation. The audit is the first for this program in Malawi and will determine whether USAID/Malawi is achieving its primary goals.
Global Health and Health Systems	
Audit of USAID/Iraq's Primary Health Care Project	This $75 million project is designed to strengthen primary health care through (1) management systems and processes that support clinical care, (2) delivery of quality primary care according to evidence-based standards, and (3) expanded community partnerships. This audit will determine whether the program is achieving these three goals.

Activity Name	Activity Description
Audit of USAID/Brazil's Tuberculosis Activities	This $9 million initiative focuses on improving tuberculosis (TB) program management and laboratory capacity, as well as expanding implementation of the new Stop TB Strategy. Its emphasis is on directly observed treatment in the state of Rio de Janeiro and Manaus, Amazonas, two areas in Brazil with the highest TB incidence rates. This audit will determine whether the initiative has met its goals in selected areas.
Audit of USAID/Kenya's Tuberculosis Activities	To address Kenya's incidence of TB, USAID/Kenya is implementing a $2.8 million program to expand TB care and treatment. The program has never been audited and has been identified as a high-risk area. This audit will determine whether USAID/Kenya's TB activities are promoting universal access to treatment, improving laboratory capability, and integrating treatment of TB and HIV co-infected persons.
Audit of USAID/Liberia's Tuberculosis and HIV/AIDS Activities	This $64.5 million initiative is intended to (1) strengthen and extend health service delivery through performance-based grants to nongovernmental organization partners, (2) strengthen Liberia's health system in the areas of human resource management, infrastructure, policy development, and monitoring and evaluation, and (3) prevent disease and promote more healthful behavior through behavior change communication and community mobilization. The audit will determine whether the program is effectively increasing access to quality TB and HIV/AIDS services.
Audit of USAID/Ethiopia's HIV and AIDS Care and Treatment Activities	USAID and the Department of Health and Human Services are leading the President's Emergency Plan for AIDS Relief (PEPFAR) efforts in Ethiopia, with FY 2011 care and treatment budgets of $173 million and $103 million, respectively. Ethiopia's PEPFAR-funded care and treatment activities focus on ensuring the continued provision of quality HIV and AIDS care, treatment, and support services, including services to orphans and vulnerable children. Additional care and treatment activities include ensuring uninterrupted antiretroviral treatment for adults and children; increasing detection and treatment of co-infection of HIV, TB, and other opportunistic infections; and improving treatment and follow-up services. The purpose of the audit is to determine whether USAID/Ethiopia's HIV and AIDS care and treatment activities are achieving these goals.

Activity Name	Activity Description
Audit of USAID/Nepal's Sath-Sath (HIV/AIDS) Program	USAID/Nepal's $28 million HIV/AIDS program is working to stabilize and reduce HIV prevalence levels in key high-transmission groups. This audit will determine whether the program is improving the survival and quality of life of Nepalese through equitable and well-governed health systems that reduce the transmission and impact of HIV/AIDS and improve reproductive health among selected most-at-risk populations.
Audit of USAID/ Mozambique's Clinical HIV/AIDS Services Strengthening Project in Sofala, Manica, and Tete Provinces (CHASS/SMT)	To strengthen the Mozambican health care system and ameliorate the human, economic, and political effects of HIV in Mozambique, USAID has initiated the $111 million CHASS/SMT program. The mission requested this performance audit based on a previous audit of the mission's TB activities, which found allegations of purchasing irregularities, dubious staffing practices, and lax internal controls under the program. This audit will determine whether USAID/Mozambique's CHASS/SMT program is creating stronger and more sustainable Mozambican systems and institutions, improving linkages and integration of HIV and related primary health care services, and increasing access to and use of high quality HIV services.
Audit of USAID/South Sudan's HIV/AIDS Project	PEPFAR interventions in South Sudan have included HIV prevention, care, and treatment; capacity building at multiple levels; and health systems strengthening. Total U.S. Government funding in FY 2011 was $14.5 million for the HIV/AIDS portfolio, of which USAID was responsible for $6.9 million. This audit will determine whether USAID/South Sudan's HIV/AIDS project is reducing HIV transmission, expanding access to community and home-based care services, promoting the use of counseling and testing services, and building capacity in South Sudan for HIV policy development.
Audit of Malaria Prevention Activities under the President's Malaria Initiative (PMI) in Uganda	The goal of PMI is to halve the burden of malaria in 70 percent of the at-risk populations in sub-Saharan Africa, thereby removing malaria as a major public health problem and promoting development throughout the region. PMI is led by USAID and implemented in conjunction with the Centers for Disease Control and Prevention and other U.S. Government agencies. Uganda was selected as one of the first three PMI countries. Activities proposed for Uganda's FY 2012 malaria prevention portfolio include insecticide treated mosquito nets ($7.1 million), indoor residual spraying ($14.3 million), and intermittent preventative treatment for pregnant women ($400,000). This audit will determine whether USAID/Uganda's PMI activities are achieving program goals in indoor residual spraying and insecticide-treated net distribution and are producing sustainable outcomes.

Activity Name	Activity Description
Audit of Madagascar's Procurement and Distribution of Long-Lasting Insecticide Treated Nets (LLINs) Funded under PMI	Since December 2006, when Madagascar became a PMI country, the program has spent about $103 million dollars on a variety of activities, including procurement of antimalarial drugs, procurement of rapid diagnostics tests, procurement and distribution of LLINs, and indoor residual spraying. As noted in the FY 2012 Malaria Operational Plan for Madagascar, PMI is supporting universal coverage of LLINs in 91 of 111 districts in Madagascar. With FY 2012 funding, PMI Madagascar plans to procure 2.5 million LLINs and distribute these nets to 72 districts within the country. This audit will determine whether LLINs funded under PMI are reaching their intended beneficiaries in Madagascar.
Audit of USAID/Bolivia's Health Program	Maternal mortality, neonatal mortality, and chronic malnutrition remain a concern in Bolivia, which has poor accessibility to modern family planning methods and inconsistent access to sexual and reproductive health services among different geographic areas and economic groups. In response to these challenges, Bolivia's Ministry of Health has developed a new policy (known as SAFCI) to refocus efforts in the health sector from curative care in third level hospitals to preventive care in communities and households. The new policy aims to improve health and nutrition by eliminating social inequities and addressing social, economic, and environmental determinants of poor health. This audit will determine whether USAID/Bolivia achieved its goals of strengthening the capacity of community-level health systems, expanding access to contraceptives, and increasing awareness of sexual and reproductive health.
Audit of USAID/Timor-Leste's Health Improvement Program	Although Timor-Leste's Ministry of Health has made great progress in establishing its systems, establishing national priorities, and providing health services, many areas of the health system still need support. USAID's $15 million Health Improvement Program will focus on maternal and newborn health, as well as family planning. It will address changes in health care that contribute to reducing maternal, newborn, and infant morbidity and mortality and accelerating progress toward achieving Millennium Development Goals. This audit will determine whether the program is improving reproductive, maternal, neonatal, and child health; improving service delivery through the Ministry of Health service delivery sites; and increasing community engagement around key issues, with an emphasis on family planning in selected districts.

Activity Name	Activity Description
Audit of USAID/Mali's Kénéya Ciwara II Health Project	This $16.5 million program builds upon USAID's previous efforts to increase the use of health services at community health centers and improve health practices at the household level in 35 health districts. The purpose of the project is to expand and strengthen the capacity of community-based health associations in good governance, basic health knowledge, and community mobilization to increase access to, demand for, and use of quality services at the community level. The audit will determine whether the project has been successful in its health improvement and access goals.
Audit of USAID/Guatemala's Multi-Sector Alliances Program	This $39.9 million program intends to forge multisector alliances to support the development objectives of USAID and missions under the Central America and Mexico Regional Strategy in areas of health and education. The agreement is intended to advance the USAID public-private partnership strategy and program and leverage funds from the private sector at a 2:1 ratio on the total USAID investment. This audit will determine whether the program has effectively forged multisector alliances to increase access to and improve the quality, equity, efficiency, and use of health and education services.
Audit of USAID/Central Asian Republics' Quality Health Care Project for Central Asia Program	Progress in restructuring health systems so they are more efficient and in improving health services to better meet the needs of Central Asians varies widely by country within the region. As a result, the benefits of health reforms have not yet translated into improved health outcomes on a national scale. Therefore, USAID is implementing a $72 million program to build the capacity of public health systems in the region so that they can better meet the health needs of vulnerable groups. Implementers intend to institutionalize quality improvement methodologies and empower communities to respond to health needs. This audit will determine whether the program is achieving its primary goals.
Audit of USAID/Caucasus's Health System Strengthening Project	The Government of Georgia is attempting to transform its health care system to improve access to health care, upgrade infrastructure, improve the quality of health care services, and increase the efficiency of service provision. USAID/Caucasus's Health System Strengthening Project is an $8 million project designed to strengthen (1) insurer capacity to provide quality health insurance services, (2) provider capacity to manage and deliver quality health care services, and (3) the government's capacity to guide and monitor reforms. This audit will determine whether the project is achieving these goals.

Activity Name	Activity Description
Humanitarian Assistance and Disaster Support	
Audit of USAID/Haiti's New Settlement Construction Activities	The January 2010 earthquake in Haiti destroyed and severely damaged hundreds of thousands of homes—exacerbating the already substantial housing deficit—and significantly damaged the country's physical infrastructure. Although USAID will provide substantial support to return internally displaced persons (IDPs) to their original neighborhoods, some IDPs will not be able to return because their original locations are deemed unsuitable for reconstruction or because new public infrastructure will reduce the area available. To provide sustainable shelter for IDPs permanently displaced, and to help set Haiti on a new path, USAID/Haiti plans to spend $53 million to develop approximately 15 new settlements that will include permanent shelter solutions for 75,000-90,000 IDPs and middle-income populations away from congested Port-au-Prince neighborhoods. This audit will determine whether USAID's New Settlement Development activities have achieved their main goals.
Audit of USAID's Special Programs to Aid the Needs of Survivors Grants Solicitation and Management Program	USAID's Office of Democracy, Conflict, and Humanitarian Assistance is managing this $43.4 million program to reduce the risks and reinforce the capacities of communities, local nongovernmental organizations, and governments to provide services and protection for vulnerable groups. This audit will determine whether the program is effectively providing safety nets and increasing self-reliance among the poor and vulnerable.
Management	
Audit of USAID's FY 2013 Financial Statements	The Government Management Reform Act requires OIG to audit agencies' consolidated financial statements. OIG's objective is to determine whether USAID's FY 2013 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles and Office of Management and Budget (OMB) Circular A-136.
Oversight of OMB Circular A-133 Audits, Defense Contract Audit Agency Audits, Enterprise Fund Audits, Audits contracted by USAID, and Audits Contracted by Overseas Contractors and Grant Recipients	OIG conducts oversight activities of the referenced audits, which are performed by nonfederal auditors. OIG's objectives are to ensure that nonfederal auditors are independent, are familiar with the compliance auditing requirements of USAID's programs, and have adequately assessed the allowability of USAID awards expended and the adequacy of the internal controls of audited entities.

Activity Name	Activity Description
Review of USAID's Implementation and Procurement Reform	USAID's implementation and procurement reform effort, an element of USAID Forward, is intended to change the agency's business processes to increase direct grants and contracts with more and varied local partners where appropriate, including host country, local not-for-profit, and for-profit organizations. This review will determine the progress USAID has made in achieving its reform objectives.
Survey of Implementation and Procurement Reform in RIG/Pretoria's Coverage Area	Procurement reform is being enacted on a different timeline for each USAID mission. Because a number of programs were implemented through host country governments as early as September 2011, despite USAID's policies being modified as recently as March 2012, there is significant risk that programs will be implemented inconsistently. This survey will determine what actions USAID missions covered by RIG/Pretoria have taken to achieve implementation and procurement reform objectives. In addition, the survey will identify the results of the risk assessments of host country government systems completed by the USAID missions covered by RIG/Pretoria.
Review of USAID's Past Performance Evaluations for Contractors	The use of contractor past performance evaluations has garnered high-level congressional and Administration interest. In January 2011, OMB issued a government-wide memorandum calling for the improvement of federal agencies' contractor past performance evaluations stemming from a review conducted by the Office of Federal Procurement Policy. The review found that past performance evaluations were not being completed as required, and most of the completed evaluations were of poor quality, lacking sufficient information. To address these challenges, Administrator Shah formed the Compliance and Oversight of Partner Performance Division within USAID's Office of Acquisitions and Assistance, which is dedicated to tracking contractor performance. The review will determine whether USAID is (1) producing meaningful performance information of its contractors through accurate, complete, and timely performance assessments and (2) using past performance information when making source selection decisions.
Quality Control Reviews of Audits Performed by Independent Public Accountants	OIG conducts quality control reviews to ensure that nonfederal auditors are independent, are familiar with compliance auditing requirements of USAID's programs, and have adequately addressed applicable GAO and AICPA audit standards in determining the allowability of USAID-funded activities.

Activity Name	Activity Description
Audit of USAID's Compliance with the Federal Information Security Management Act for FY 2013	The Federal Information Security Management Act of 2002 (FISMA)[9] requires each federal agency to develop, document, and implement an agency-wide information security program to protect data and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source. This audit will contribute to the protection of data and computer equipment from unauthorized access, modification, and destruction. Specifically, it will determine whether USAID's information system security program meets selected FISMA requirements.
Audit of USAID's Computer Network Change Control Process	Configuration control is the process of controlling modifications to hardware, firmware, software, and documentation to ensure that an information system is protected against improper modifications prior to, during, and after system implementation. Patch management controls include the systematic notification, identification, deployment, installation, and verification of operating system and application software code revisions known as patches, hot fixes, or service packs. This audit is being performed in support of the OIG's annual audit of USAID's compliance with FISMA to determine whether USAID has an effective computer network patch management and change control process.
Audit of USAID's Information Technology Governance for its Information Technology Investments	The Clinger-Cohen Act of 1996 requires the heads of executive agencies to implement a process that maximizes the value and assesses and manages the risks involved in information technology (IT) investments. IT governance provides the structure that links IT processes, resources, and information to enterprise strategies and objectives. This audit will assess whether USAID implemented appropriate controls to help assure such success.
Audit of USAID's Warehouse Security Practices	USAID stores high-value, sensitive equipment in warehouses within the Washington, D.C., metropolitan area. Consequently, it is crucial for the equipment to be stored properly and physically safeguarded. This audit will determine whether USAID has implemented physical security controls over sensitive equipment stored in its warehouses.

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[9] Public Law 107–347.

Activity Name	Activity Description
Audit of Selected Security Controls over USAID's Mobile Devices	Cell phones and personal digital assistants have become indispensable tools for today's mobile workforce. Small and relatively inexpensive, these devices can be used for many functions, including sending and receiving electronic mail, storing documents, delivering presentations, and remotely accessing data. Although these devices provide productivity benefits, they also pose new risks to organizations. This audit will determine whether USAID has implemented selected security controls over its mobile devices.
Review of USAID/Afghanistan's Contracts and Cooperative Agreements	USAID/Afghanistan's development portfolio is one of the largest and most complex in USAID's 50-year history, with an FY 2012 budget of $1.8 billion that includes a broad range of programs in infrastructure, education, health, capacity building, agriculture, economic growth, democracy and governance, and the empowerment of women. Overall, the mission's portfolio has 97 open awards totaling $7.8 billion to implement projects and activities. This review will determine whether the open contracts and cooperative agreements contain requisite clauses and whether they were competitively awarded.
Audit of USAID/Pakistan's Government-to-Government Assistance Program	Since July 2009, USAID has disbursed $484 million to the assistance program through cash transfers to the Government of Pakistan. USAID officials have expressed concern regarding whether a government-to-government assistance program is an appropriate development mechanism. A previous audit of USAID/Pakistan's cash transfer agreement with the Benazir Income Support Program revealed material difficulties monitoring the agreement and achieving timely progress toward agreement goals. Many of these difficulties were beyond USAID/Pakistan control and could be considered inherent in the cash transfer mechanism. This audit will determine whether USAID/Pakistan's Government-to-Government Assistance Program is an effective development mechanism.
Audit of USAID/Pakistan's Small Grants and Ambassador's Fund Program	USAID is providing $50 million to the National Rural Support Program to support innovative 1- to 3-year proposals from Pakistani organizations. The program is designed to fund innovative activities that promote USAID/Pakistan development objectives that may not necessarily fit into existing U.S. Government programs. Up to 100 grants will be awarded to Pakistani NGOs, civil society groups, and communities. This audit will determine whether this initiative has resulted in community-based projects that meet community needs.

Activity Name	Activity Description
Review of the Sustainability of USAID/Iraq's Past Programs	Since March 2003, USAID has implemented more than $6 billion in programs to stabilize communities, foster economic and agricultural growth, provide humanitarian assistance to displaced and vulnerable populations, and build the capacity of the national, local, and provincial governments. Much of this funding related to large infrastructure programs which have since been transferred to the Government of Iraq to maintain. This review will determine whether USAID/Iraq's past major investments continue to benefit Iraqis.
Follow-up to the 2011 External Review of USAID's Information Assurance, Counterintelligence and Security Programs	In response to OMB Memoranda M-11-06 and M-11-08, related to the "WikiLeaks" incidents, the Office of the National Counterintelligence Executive and the National Information Security Oversight Office performed an assessment of USAID's information assurance, counterintelligence, and security programs. The assessment drew from a prior OIG review, *Review of Selected Controls Over the Removal of Classified Electronic Material* (Report No. 2-000-11-003-S), and echoed some of its findings. This review will determine what progress USAID has made to address the assessment's findings.
Monitoring and Reporting on the Improper Payments Elimination and Recovery Act (IPERA)	The IPERA and OMB Memorandum M-11-16 require federal agencies to provide estimates and reports of improper payments. Specifically, IPERA requires agencies to review all programs and activities annually and identify those that may be susceptible to improper payments. OIG will evaluate the accuracy and completeness of USAID's reports and its performance in reducing and recapturing improper payments. OIG will also report on USAID's compliance with IPERA.
Audit of USAID's Defense Base Act Insurance Program	Defense Base Act (DBA) insurance is worker's compensation coverage for employees injured while working on a U.S. Government contract performed outside the U.S. DBA coverage is required by statute (42 U.S.C. 1651, et seq.) for employees of contractors and subcontractors, regardless of the duration of their assignment, except when waivers have been approved by the Department of Labor. The audit will determine whether USAID has appropriate internal controls to administer its DBA insurance program in compliance with Federal laws and regulations.

Millennium Challenge Corporation

Activity Name	Activity Description
Economic Growth	
Audit of the Millennium Challenge Corporation-Funded Program in Senegal	This $540 million compact between MCC and the Government of Senegal is funding a road rehabilitation project to increase access to markets and services and an irrigation and water resources management project to improve the productivity of the agricultural sector. This audit will determine whether the MCC projects are achieving their compact goals.
Audit of the Millennium Challenge Corporation-Funded Program in the Philippines	This $434 million compact between MCC and the Government of the Philippines funds three major projects: (1) a roads development project to improve access to markets and services through reduced travel time and transportation costs, (2) a community development project to improve local government responsiveness to community needs and encourage community engagement in development activities, and (3) a reform project to increase tax revenues and reduce corruption within revenue agencies. This audit will determine whether the MCC projects are achieving their compact goals.
Audit of the Millennium Challenge Corporation-Funded Program in Moldova	A $254 million compact between MCC and the Government of Moldova is working to increase rural incomes by stimulating growth in irrigated agriculture, as well as by establishing a sustainable model irrigation and water resource management system and by funding a road rehabilitation project to increase incomes of the local population. This audit will determine whether the MCC projects are achieving their compact goals.
Other Development Programs	
Review of the Candidate Country Actions for Compact Eligibility	MCC offers large dollar compacts to candidate countries to incentivize them to implement positive changes, such as tough anticorruption reforms. MCC is currently the only donor that ties eligibility for assistance directly to performance, such as reducing corruption. That performance is measured by a third party. MCC cites a body of evidence of country actions for compact eligibility, including country use of outside experts to assess indicator performance, submission of reform agendas to MCC, and establishment of high-level formal committees to develop and implement reform strategies that address the selection criteria. This review will determine whether the opportunity to receive a compact has resulted in countries' implementing reforms to meet eligibility requirements.

Activity Name	Activity Description
Audit of the Millennium Challenge Corporation-Funded Program in Jordan	A $275 million compact between MCC and the Government of Jordan is designed to (1) improve the efficiency of network water delivery and the condition of home water systems, (2) create a wastewater network to increase access and reduce the incidents of sewage overflow, and (3) increase the capacity to treat wastewater and increase the volume of treated wastewater that is available as a substitute for freshwater for nondomestic use. This audit will determine whether the MCC projects are achieving their compact goals.
Accountability	
Audit of the Millennium Challenge Corporation's Compliance with Provisions of FISMA of 2002 for FY2013	FISMA provides the framework for securing the federal government's information technology. FISMA requires each agency to develop, document, and implement an agency-wide information security program for the information and information systems that support the operations and assets of the agency. This audit will contribute to the protection of data files, computer equipment, and resources from unauthorized access, modification, or destruction. In addition, the audit will determine whether MCC is complying with the requirements of FISMA.
Follow-up Risk Assessment of MCC's Information Technology Governance for its Information Technology Investments	The Clinger-Cohen Act of 1996 requires the heads of executive agencies to implement a process that maximizes the value and assesses and manages the risks involved in IT investments. IT governance provides the structure that links IT processes, resources, and information to enterprise strategies and objectives. The objectives are to (1) align IT with the business, enable the business, and maximize resources; (2) use IT resources responsibly; and (3) appropriately manage IT risks. A June 2011 risk assessment report by an independent public accounting firm concluded that weaknesses in MCC's IT governance processes may increase IT project costs, lengthen deployment, and deliver solutions that do not satisfy business needs. This audit will follow up on the 23 recommendations made in the report to determine whether MCC has effectively strengthened its IT governance processes.
Audit of MCC's Requirements for Its System to Replace the MCC Integrated Data Analysis System	In replacing its integrated data analysis system, MCC must develop effective system requirements to produce a successful product. This audit will help MCC identify areas that may need improvements to meet users' needs. Further, MCC can apply the results of this audit to other planned IT investments if weaknesses are identified with the design of controls over requirements.

Activity Name	Activity Description
Audit of MCC's FY2013 Financial Statements	The Government Corporation Control Act of 1945 requires MCC to have its consolidated financial statements audited by OIG or an external auditor. The planned audit will be to determine whether MCC's principal financial statements present fairly the financial condition of the organization and whether they conform to generally accepted accounting principles.
Audit of the Millennium Challenge Corporation's Monitoring of Trafficking in Persons in MCC-funded Programs	The William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 requires that USAID OIG investigate a sample of contracts under which there is a heightened risk that a contractor may knowingly or unknowingly engage in acts related to trafficking in persons. This audit will determine whether MCC has established and implemented procedures to detect and deter trafficking in persons in selected compact countries.
Audit of the Millennium Challenge Corporation's Audit Recommendation Management System	OIG audited MCC's implementation of selected audit recommendations during FY 2012 using OMB requirements and found that not all recommendations were implemented even though MCC reported to OIG that final action had occurred. MCC has not yet finalized policies and procedures for audit recommendation management or implemented its new recommendation tracking system but is in the process of doing so. This audit will determine whether the new MCC system for managing OIG recommendations meets OMB requirements.
Audit of the Millennium Challenge Corporation's Controls Over the Use of Premium Class Travel	This audit follows up on a September 2007 Government Accountability Office report on premium class travel that reported that MCC was one of the agencies lacking adequate internal controls. OIG will determine whether MCC has implemented internal controls to ensure the proper authorization of airfare to prevent the misuse of premium class travel.
Review of the Millennium Challenge Corporation's Impact Evaluation Results	MCC requires independent impact evaluations to measure the changes in individual, household, or community income and well-being that result from its programs. The distinctive feature of an impact evaluation is the use of a counterfactual analysis, which identifies what would have happened to the beneficiaries absent the program. MCC expects that the results of its impact evaluations will help guide future investment decisions. This review will determine whether MCC has used the lessons learned from its impact evaluations when developing compacts.
Limited Scope Reviews—Mali, Namibia, Morocco, and Lesotho	These reviews typically focus on narrow issues such as: sustainability, procurement, expenditures, and other areas identified by risk assessment processes.

Activity Name	Activity Description
Oversight of Contracted Financial Audits of MCC Program Implementing Entities (Fund Accountability Statement Audits)	OIG' s review of the financial audits of MCC program implementing entities will establish whether reasonable assurance exists that fund accountability statement audits meet set standards. These standards relate to the independence of nonfederal auditors, accuracy of accounts, adequacy of internal controls, and compliance with compact terms. OIG expects to receive approximately 30 financial audit reports, and it will review the audit firms' fund accountability statement audits to ensure that their quality control standards and professional capabilities are sufficient.
Quality Control Reviews of Audits Performed by Independent Public Accountants	OIG will conduct quality control reviews of audit firms to establish reasonable assurance that nonfederal auditors are independent, are familiar with compliance auditing requirements of MCC's projects, and have adequately followed applicable generally accepted government auditing standards in determining the allowability of expenditures for MCC-funded activities.
Audit of MCC Cost Estimates for Infrastructure Projects.	Cost estimates for infrastructure projects are made at a number of points during compact development and compact implementation. A recurring finding in OIG audits has been that projects must be significantly modified or canceled because of inadequate funding, pointing to potential deficiencies in the cost estimate process. This audit will determine if progress has been made in the reliability of MCC's cost estimates.

U.S. African Development Foundation

Activity Name	Activity Description
Management	
Audit of the U.S. African Development Foundation's Activities in Burkina Faso	Since 2008, USADF has been implementing activities in Burkina Faso, agreeing to work jointly with the host government to alleviate poverty and promote emerging entrepreneurs. Burkina Faso faces development challenges resulting from inadequate infrastructure, low literacy, and a heavy reliance on subsistence agriculture in a country that suffers from frequent droughts and poor soil. USADF's grants in Burkina Faso focus mainly on women's groups who produce shea butter, cashews, onions, mangos, and sesame seeds. They also provide microfinancing to women's groups. This audit will determine whether USADF's program in Burkina Faso has been successful in alleviating poverty and promoting emerging entrepreneurs.
Audit of the United States African Development Foundation's Compliance with FISMA for FY2013	FISMA requires each agency to develop, document, and implement an agency-wide information security program for the data and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source. This audit will determine whether USADF's information system security program meets selected FISMA requirements.
Audit of U.S. African Development Foundation Projects Underway in Turkana	USADF is in 21 sub-Saharan African countries and is committed to providing $10 million in grants over 5 years to the Turkana Region of Kenya. In 2011, USADF's investment in Turkana totaled approximately $2 million. Current projects include USADF's Turkana Food Security Program. Many of the projects are still in the very early stages of development, and some appear to be progressing slower than hoped. This audit will determine whether USADF activities in Turkana are achieving intended goals of increasing food security and promoting income generation.
Audit of the U.S. African Development Foundation's Fiscal Year 2013 Financial Statements	The Government Management Reform Act and Accountability of Tax Dollars Act require OIGs to conduct audits of federal agencies' consolidated financial statements. An independent audit firm contracted and monitored by OIG will conduct the audit of fiscal year 2013 financial statements. The objective of the audit is to determine whether USADF's principal financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles and OMB Circular A-136.

Inter-American Foundation

Activity Name	Activity Description
Management	
Audit of the Inter-American Foundation's Compliance with FISMA for FY2013	FISMA requires each agency to develop, document, and implement an agency-wide information security program for the data and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source. This audit will determine whether IAF's information system security program meets selected FISMA requirements.
Audit of the Inter-American Foundation's Fiscal Year 2013 Financial Statements	The Government Management Reform Act and Accountability of Tax Dollars Act require OIGs to audit agencies' consolidated financial statements. An independent audit firm monitored by OIG will conduct the audit of IAF's FY 2013 financial statements. The objective of the audit is to determine whether IAF's principal financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles and OMB Circular A-136.

Appendix

ABBREVIATIONS	
AICPA	American Institute of Certified Public Accountants
CHASS/SMT	Clinical HIV/AIDS Services Strengthening Project in Sofala, Manica, and Tete Provinces
FISMA	Federal Information Security Management Act
EO	Executive Order
FATA	Federally Administered Tribal Areas
FY	fiscal year
GHG	greenhouse gases
GIRoA	Government of the Islamic Republic of Afghanistan
HARVEST	Helping Address Rural Vulnerabilities and Ecosystem Stability
HIV/AIDS	Human immunodeficiency virus/acquired immunodeficiency syndrome
IAF	Inter-American Foundation
IDP	Internally displaced person
IPERA	Improper Payments Elimination and Recovery Act
IT	Information technology
LLIN	Long-lasting insecticide-treated nets
MCC	Millennium Challenge Corporation
NGO	Nongovernmental organization
OIG	Office of Inspector General
OMB	Office of Management and Budget
PEPFAR	President's Emergency Plan for AIDS Relief
PMI	President's Malaria Initiative
PRODIP	Promoting Democratic Institutions and Practices Program
PVS	Partner Vetting System
RIG	Regional inspector general
SMEs	Small and medium-sized enterprises
TB	Tuberculosis
USADF	United States African Development Foundation
USAID	United States Agency for International Development