



U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



Semiannual Report to the Congress

OFFICE OF INSPECTOR GENERAL

OCTOBER 1, 2013-MARCH 31, 2014

COVER: Charcoal retailers, or detallions, in Port-au-Prince sell fuel in rural Haiti. (Photo by Paola Tejada for OIG.)

MISSION

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

VISION

OIG's vision is to be a leading oversight organization with a motivated and resourceful workforce that produces quality products that facilitate mission achievement in foreign assistance, that increases accountability, and that promotes good stewardship of foreign assistance funds.

INSPECTOR GENERAL HOTLINE

The hotline makes it easy to report allegations of fraud, waste, abuse, mismanagement, or misconduct in the programs and operations of the United States Agency for International Development (USAID), the Millennium Challenge Corporation (MCC), the United States African Development Foundation (USADF), the Inter-American Foundation (IAF), and the Overseas Private Investment Corporation (OPIC). Employees of these organizations, as well as contractors, program participants, and members of the general public, may report allegations directly to the Office of Inspector General (OIG). Complaints may be submitted electronically by using e-mail or OIG's online complaint form.

E-MAIL

ighotline@usaid.gov

COMPLAINT FORM

<http://oig.usaid.gov/content/oig-hotline>

TELEPHONE

1-202-712-1023

MAIL

USAID OIG HOTLINE

P.O. Box 657

Washington, DC 20044-0657

The Inspector General Act of 1978, as amended, and other laws protect those who make hotline complaints. For example, the Whistleblower Protection Enhancement Act of 2012 provides protection to employees who disclose misconduct or misuse of government resources.

Individuals who contact the hotline are not required to identify themselves and may request confidentiality when submitting allegations. However, OIG encourages those who report allegations to identify themselves so that they can be contacted if OIG has additional questions. Pursuant to Section 7 of the Inspector General Act, OIG will not disclose the identity of an employee of USAID, MCC, USADF, IAF, or OPIC who provides information unless that employee consents or unless the Inspector General determines that such disclosure is unavoidable during the course of an investigation. As a matter of policy, OIG will provide comparable protection to employees of contractors, grantees, and others who provide information to the OIG and request confidentiality.

Individuals who are concerned about the confidentiality or anonymity of electronic communication may submit allegations by telephone or mail.

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MESSAGE FROM THE ACTING INSPECTOR GENERAL

I am pleased to present the U. S. Agency for International Development (USAID) Office of Inspector General (OIG) Semiannual Report to the Congress for the period of October 1, 2013, through March 31, 2014, in accordance with the Inspector General Act of 1978, as amended.

During the reporting period, we provided vigorous, independent oversight of foreign assistance programs and operations, making adjustments and maintaining resolve in the face of an operating environment characterized by hardship and frequent change.

Changing security conditions in the Middle East prompted our determination to relocate regional operations from Egypt to Frankfurt, Germany.

Although we plan to maintain our office in Cairo, U.S. employees in that office will focus on oversight of assistance to Egypt and report to our Frankfurt Regional Inspector General after that office is established this summer. Meanwhile, OIG auditors, investigators, and analysts based in Frankfurt will provide oversight of foreign assistance activities in other countries in the Middle East, as well as in Eastern Europe and the Caucasus.

In Afghanistan, our work continued amid uncertainty surrounding the security transition and increasing violence in the lead up to watershed nationwide elections. During this period, we completed a review of USAID electoral assistance activities and concluded that they had strengthened Afghan institutions' ability to promote credible, inclusive, and transparent elections. However, we also noted limitations in the coverage of these activities, found weaknesses in their sustainability, and observed monitoring and reporting problems.

In addition to this work, we completed an audit of a project to improve access to finance in the agricultural sector in Afghanistan. We found that USAID's project in this area facilitated lending but had limitations in its reach and sustainability. We also continued to make progress on the investigative front in Afghanistan, as our work resulted in the dismissal of six employees associated with foreign assistance programs.



In Syria, the humanitarian crisis continued to displace millions of people, affecting the entire region. To help assess the status of assistance to displaced Syrians, we examined activities funded as part of the \$845 million in USAID awards in this area through September 2013. We observed that USAID's ability to conduct risk assessments for related activities was limited by the security situation and heard from implementing partners about the effects of security conditions on their work.

As we respond to changes in the operating environment in which aid programs are administered, we also take steps to reinforce accountability within the broader base of foreign assistance programs and operations. During the reporting period, we completed work on how the Agency implemented anti-trafficking-in-persons policies, examined information security practices, looked at the use of premium-class travel and government charge cards, assessed management of overtime pay, and studied the accuracy of financial reporting. We provided training on cost principles and promoted fraud awareness during events attended by more than 5,400 people around the world, while helping to hold those who commit wrongdoing to account. Our investigative efforts yielded 15 significant personnel actions such as dismissals, and we saw 7 suspensions and debarments.

While undertaking this work, we looked at agency efforts to increase the capacity of host governments to meet their citizens' needs. We reported, for example, on projects intended to strengthen public financial management in Jordan and improve health-care system capacity to prevent and treat HIV/AIDS in Mozambique. We also examined the direct use of host-country systems in implementing U.S.-funded development projects by looking at government-to-government assistance in Pakistan and Palestinian authorities' use of U.S. Government water project supplies.

Just as we undertake efforts to improve the integrity, efficiency, and effectiveness of foreign assistance programs, we also endeavor to improve the way in which we operate. Over the past year, OIG has continued to make progress on internal improvements through an organizational development initiative that included the efforts of a series of cross-functional employee-led working groups. After considering the results of a 2012 OIG employee survey, we established the groups to explore options for improving professional development, communications, and other key aspects of our operations. After thoughtful consideration of these topics, these working groups presented their recommendations for improving

OIG ACCOMPLISHMENTS DURING THE REPORTING PERIOD

- More than \$135 million in questioned costs and funds recommended to be put to better use
- \$10.4 million in investigative recoveries and savings
- 333 audit reports issued
- 110 investigations closed
- 8 prosecutorial referrals
- 55 administrative actions

OIG's internal operations during the reporting period. Meanwhile, in January, we brought together managers from across our organization to discuss ways to foster a more open organizational culture that supports our employees and their work, and to consider changes we should make in response to internal and external developments affecting our office. In the coming months, we will prioritize and implement recommendations arising from these two efforts with the aim of improving our working environment and organizational performance.

We are committed to providing proper stewardship of U.S. taxpayer dollars and to delivering independent, effective oversight of the agencies we oversee. The American people deserve to know the extent to which foreign assistance funds are administered with efficiency and integrity. They can be assured that OIG will continue to provide the oversight needed to fight against fraud, waste, and abuse in these programs.

INTRODUCTION

History and Mandated Authority

USAID's OIG was established on December 16, 1980, by a 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. OIG also maintains limited oversight authority of OPIC under 22 U.S.C. 2199(e).

The Inspector General Act authorizes the Inspector General to conduct and supervise audits and investigations. Our mission is to provide independent oversight that promotes efficiency and effectiveness while safeguarding the integrity of programs and operations under our jurisdiction. Some of our work is mandated by statute or other requirements; other work is performed at the discretion of OIG. When identifying and prioritizing appropriate audit and investigative activity, we consider stakeholder interests and needs, alignment with strategic goals, program funding, and the risks associated with the agency programs, including potential vulnerabilities in internal controls.

Areas of Responsibility

Audits

OIG audits activities relating to the worldwide foreign assistance programs and agency operations of USAID, MCC, USADF, IAF, and OPIC. Audit activities include performance audits and reviews of programs and management systems, financial statement audits required under the Chief Financial Officers Act of 1990, and audits related to the financial accountability of grantees and contractors.

Investigations

OIG investigates allegations of fraud, waste, and abuse relating to the foreign assistance programs and operations of our client agencies. Investigations of criminal, civil, and administrative violations cover all facets of these worldwide operations. OIG also works proactively by providing fraud awareness briefings and literature, audiovisual aids, and advice on fraud prevention strategies for agency personnel and employees of foreign assistance implementers worldwide.

Joint Work and Partners

OIG participates in task forces and cooperates with other groups. In this reporting period, for example, OIG contributed to task forces and interagency groups that provide oversight for U.S. Government programs in Afghanistan, Iraq, and Pakistan and that assist the Department of Justice in addressing procurement and grant fraud.

Southwest Asia Joint Planning Group

This group was formed to coordinate oversight activities in Afghanistan, Iraq, and Pakistan and the surrounding areas. The group comprises representatives of the Government Accountability Office, the Special Inspector General for Afghanistan Reconstruction, the U.S. Army Audit Agency, the Naval Audit Service, the Air Force Audit Agency and the Offices of Inspector General for USAID, the Department of Defense, and the Department of State.

Department of Justice and Federal Bureau of Investigation Task Forces

OIG participates in two task forces, the National Procurement Fraud Task Force and the International Contract Corruption Task Force.

Coordinated Audit Plan for HIV/AIDS, Tuberculosis, and Malaria

OIG collaborates with its counterparts at the Departments of State and Health and Human Services to develop an annual consolidated audit plan. The three OIGs work together to determine the audits each office will conduct to make the best use of U.S. Government resources.

Working With Bilateral Donors

OIG participates in a group of bilateral donors from 12 countries, including the United States, that work to improve transparency and accountability of multilateral organizations and take on other issues of mutual interest.

ORGANIZATIONAL PERFORMANCE MEASURES

OIG established the following measures in its 2012-2016 strategic plan. The data below reflects our progress as of mid-fiscal year 2014.

Goal I: 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	2013 Results	2014 Year-End Target	2014 Midyear Results
Percentage of audits with recommendations that focus on program effectiveness and efficiency ¹	57%	60%	67%
Percentage of agency expenditures audited	65%	60%	77%
Hours per audit	973	990 or less	997

¹ Includes audits with recommendations or findings 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 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	2013 Results	2014 Year-End Target	2014 Midyear Results
Percentage of OIG investigations resulting in substantiated allegations that were referred for criminal, civil, or administrative action	100%	85%	100%
Percentage of referrals that resulted in criminal, civil, or administrative action	89%	80%	70%
Number of individuals reached through outreach events	6,259	3,500	4,963

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

Measure	2013 Results	2014 Year-End Target	2014 Midyear Results
Number of briefings and testimonies provided to Congress	17	15	9
Number of hits on the OIG Web site ²	6,377,829	2,000,000	2,222,285

² As part of OIG's current review of our strategic plan, this performance measure may be revised to reflect a more appropriate indicator of Web site interest.

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

Measure	2013 Results	2014 Year-End Target	2014 Midyear Results
Percentage of employees indicating satisfaction with OIG customer service, operations, and initiatives	57%	60%	Will be available at year-end
Percentage of major management milestones met relating to strategic planning, continuity of operations, policy development, financial resource management, operations planning, and external reporting requirements	82%	80%	50%
Percentage of OIG hours spent on indirect tasks	30%	30% or less	Not available ³

³ This data was not available at the time of reporting. The year-end result will be reported in the next Semiannual Report to the Congress.

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	2013 Results	2014 Year-End Target	2014 Midyear Results
Percentage of vacancies with qualified candidates accepting an offer of employment within 120 days	100%	95%	100%
Percentage of highly performing employees retained	100%	90%	98%
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	47%	50%	Will be available at year-end
Percentage of employees completing required core curriculum training for their level	77%	100%	90%

PROGRESS IN MEETING STRATEGIC GOALS AND OBJECTIVES

In 2012, OIG released its fiscal year (FY) 2012–2016 strategic plan. The five goals and supporting strategies in the plan reaffirm 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. The plan also emphasizes our obligation to continually find ways to improve our own operations and to ensure that our workforce is highly motivated and well trained to carry out its responsibilities. OIG identified 15 performance indicators to assess progress toward achieving the goals articulated in the plan.

OIG has performed at a high level. We had more than \$135 million in questioned costs and funds recommended to be put to better use; nearly \$10.5 million in investigative recoveries and savings; and 55 administrative actions. We are on track to meet all of our 15 annual performance targets by the end of the fiscal year. In fact, we are already exceeding several of our targets, particularly in terms of audit outcomes, investigative results, stakeholder outreach, and employee retention. In addition, we implemented numerous activities to promote the effectiveness and integrity of foreign assistance programs, provide quality information for our stakeholders, and enhance OIG’s internal processes and workforce.

Strategic Goal I

OIG set a number of ambitious performance targets for our audit program. Currently, we are exceeding our goals for percentage of agency expenditures audited and percentage of audits with recommendations that focus on program effectiveness and efficiency. These measures are essential to confirming that OIG’s audit activities focus on a reliable representation of the Agency’s portfolio and its critical programs. We are on track to meet the average number of hours per audit, which helps make sure we use our resources efficiently.

OIG is implementing a number of other activities that help bring us closer to meeting the goals in our strategic plan. In addition to the audits summarized in this report, we have more than 20 audits and reviews in various stages of completion that focus on internal controls and compliance requirements that significantly affect the efficiency and effectiveness of foreign assistance programs. We are in the process of conducting several audits and reviews of performance across program sectors. We are increasing our use of surveys to conduct audits and reviews so that we can reach a wider range of stakeholders without increasing costs. Finally, we have begun holding work planning meetings for the FY 2015 audit plan and are coordinating closely with other oversight entities to ensure we are providing the most effective level of oversight to foreign assistance programs.

Strategic Goal 2

OIG is on track to meet our performance targets related to deterring and detecting fraud, waste, and abuse in the programs for which we provide oversight. Of our investigations with substantiated allegations, 100 percent have been referred for criminal, civil, or administrative action, and 70 percent of those referrals have resulted in criminal, civil, or administrative action. Both of these measures demonstrate that we are targeting our resources on matters with the greatest investigative merit. This report has numerous examples of the investigations OIG has conducted to detect fraud, waste, and abuse and the results of those investigations.

Finally, we have already exceeded our outreach goal for the entire year by reaching 4,963 individuals through our outreach events. These education and relationship-building efforts help deter fraud, waste, and abuse by increasing awareness of how to report criminal, civil, and administrative violations as well as educating stakeholders on the consequences of committing these violations.

Strategic Goal 3

OIG's performance results indicate that we are providing useful, timely, and relevant information to our stakeholders. We are on track to meet the target for outreach to Congress and have already exceeded the number of hits on our Web site.

In addition, we participated in a number of outreach efforts with Agency and mission representatives, audit and oversight organizations, and other groups involved in assistance work. A number of our audits and investigations have been positively covered by the media, and we continue to increase our presence on Twitter, using the social media tool to announce the release of audit reports, discuss OIG's mission, advertise job openings, and market OIG's hotlines.

Strategic Goal 4

OIG appears to be on track to meet its internal process measures. Currently, we have completed 50 percent of our fiscal year management milestones. We plan to conduct a follow-up customer satisfaction survey in FY 2014 to determine whether we have improved our service levels. Data was not available to determine the percent of time spent on indirect tasks, but we are confident that we are on track to meet the year-end target.

Improving the efficiency, effectiveness, and quality of OIG operations has been a priority for us this year. To ensure that we are basing resource allocations on the priorities of the agencies we oversee as well as the risk factors in areas where foreign assistance is provided, we have begun restructuring OIG's regional and headquarters structure. In response to changing conditions and programming in the Middle East,

OIG is opening a Regional Inspector General (RIG) office in Frankfurt, Germany. Our Cairo and Tel Aviv offices will then report to this RIG.

OIG is reorganizing our MCC audit operation as well. Under the new oversight arrangement, the MCC performance audit function will continue to operate as a distinct organizational unit, but it will be relocated to OIG headquarters over the next year and report to a Deputy AIG for Audit. The MCC financial audit function has been merged into OIG's internal and external financial audit divisions. We anticipate that this new arrangement will facilitate internal communication and supervision, make it easier to bring the expertise of RIG staff to bear on MCC issues when needed, and potentially make a broader array of professional opportunities available to audit staff. We also recognize that this new arrangement will present some challenges. Without a staff presence in MCC's offices, we will have to work harder to keep lines of communication open with MCC officials and be sure that we have current information on MCC's programs and operational challenges.

Finally, we are in the process of executing several information technology projects to improve how work is performed in the organization, including: (1) the development of a new Intranet that should allow for increased communication and information-sharing, (2) an upgraded remote application to improve workforce mobility, and (3) a new document management system that is in the beginning phases of design.

Strategic Goal 5

OIG's performance in building a high-quality workforce continues to be strong. We continue to do well in the time it takes to hire employees, and we are successfully retaining highly performing employees. In addition, 90 percent of employees have completed the core curriculum training required for their level.

In the FY 2013 employee survey, 47 percent of OIG employees expressed 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. Although we have not yet readministered the survey for FY 2014, we have taken several significant steps to try to address the survey results.

We established four employee work groups to address the critical issues identified through the survey, including leadership communication, training and development, employee recognition, and human resource policy and process questions. The work groups analyzed survey data to explore each of the issues, researched best practices, developed improvement recommendations, and proposed next steps for implementing the recommendations. Each group delivered a set of substantive, supported recommendations that will play an important role in shaping the future of OIG.

In addition, OIG held a managers' meeting to discuss internal and external challenges and opportunities facing the organization and to consider how to respond to them. Four management work groups

were formed to address key issues, including transparency and trust; staff training, development, and promotion; putting the right employees in the right place; and organizational direction, philosophy, and relevance. These groups also developed recommendations to improve how the workforce is managed. Many of the recommendations complement and align with those provided by the employee work groups. Finally, the Acting Inspector General has been traveling to each OIG office to meet with employees and gather their perspectives on ways to improve the organizational culture and better support employees.

The next step is for OIG senior leadership to review the recommendations from each of these activities and prioritize and coordinate the implementation. Strengthening the organizational culture is not going to happen overnight, but we are committed to listening to what employees have told us and acting on that feedback.

Overall, these performance results demonstrate that OIG is performing at a high level. As we move into the second full year of measuring OIG's progress against the current strategic goals and performance indicators, we are reviewing the strategic plan and related indicators to ensure that they are still in line with OIG's priorities.

SUMMARY TABLES

Summary Table of Audits Conducted USAID, USADF, IAF, and OPIC October 1, 2013-March 31, 2014		
Type of Report	Number of Reports	Value of Questioned Costs (\$)
Financial Audits		
USAID programs and operations	1	55,000,000*
Foundations' programs and operations	2	0
U.S.–based contractors	75	30,310,289
Quality control reviews	0	0
U.S.–based grantees	34	2,518,286
Quality control reviews	0	0
Foreign–based organizations	170	7,686,583
Quality control reviews	7	466,520
Foreign Government	12	23,187
Enterprise funds	1	2,769,459
Performance Audits		
USAID economy and efficiency	24	16,517,253 13,327,670*
Foundations' economy and efficiency	2	16,109 42,696*
Other	5	2,667,992*
Total	333	131,346,044

*Funds recommended for better use

**Summary Table of Audits Conducted
MCC
October 1, 2013-March 31, 2014**

Type of Report	Number of Reports	Value of Questioned Costs
Financial Audits		
U.S.-based contractors	1	0
U.S.-based grantees	0	0
Foreign-based organizations	9	3,701,018
Quality control reviews	0	0
Local currency trust fund	0	0
Performance Audits		
Economy and efficiency	2	0
Other		
	1	0
Total	13	3,701,018

**Summary Table of Investigative Activities Including Matters
Referred to Prosecutive Authorities
October 1, 2013-March 31, 2014**

Workload		Civil Actions	
Investigations opened	61	Civil referrals	1
Investigations closed	110	Civil declinations	0
		Judgments	0
		Settlements	0
		Total	1
Criminal Actions		Administrative Actions	
Prosecutive referrals	8	Reprimands/demotions	0
Prosecutive declinations	7	Personnel suspensions	4
Arrests	0	Resignations/terminations	11
Indictments	0	Recoveries	23
Convictions	1	Suspensions/debarments	7
Sentencing	1	Systemic changes	5
Fines/assessments	0	Other	5
Restitutions	0		
Total	17	Total	55
Recoveries and Savings			
Judicial recoveries (criminal and civil)			\$0
Administrative recoveries			\$10,449,920
Total			\$10,449,920

**Fraud Awareness Briefings Conducted Worldwide
October 1, 2013-March 31, 2014**

Month	Location	Sessions	Attendees
October	Bangkok, Thailand	6	143
	Dakar, Senegal	2	46
	Kabul, Afghanistan	2	10
	Kampala, Uganda	11	650
	Kingston, Jamaica	2	53
	San Salvador, El Salvador	2	121
	Washington, D.C.	1	32
November	Brussels, Belgium	1	10
	Canape Vert, Haiti	1	39
	Cap Haïtien, Haiti	1	50
	Port-au-Prince, Haiti	3	59
	Petionville, Haiti	1	15
	Kabul, Afghanistan	2	6
	Kinshasa, Democratic Republic of Congo	7	242
	Arlington, VA	2	30
	Islamabad, Pakistan	1	16
December	Abidjan, Cote d'Ivoire	7	175
	Islamabad, Pakistan	3	114
	Kabul, Afghanistan	1	4
	Maputo, Mozambique	1	31
	Port-au-Prince, Haiti	1	19
	Washington, D.C.	1	37

**Fraud Awareness Briefings Conducted Worldwide
October 1, 2013-March 31, 2014**

Month	Location	Sessions	Attendees
January	Cotonou, Benin	5	51
	Dakar, Senegal	1	10
	Kabul, Afghanistan	1	6
	Manila, Philippines	2	23
	Port-au-Prince, Haiti	4	72
	Cap Haïtien, Haiti	2	32
	Cairo, Egypt	1	10
	Qena, Egypt	3	30
	Luxor, Egypt	3	29
	Karachi, Pakistan	2	138
	Gulu, Uganda	2	42
	Jinja, Uganda	2	102
	Kampala, Uganda	5	177
	Mbarara, Uganda	2	140
	Washington, D.C.	4	49
	Falls Church, VA	1	10
	Lilongwe, Malawi	1	40
February	Abuja, Nigeria	1	5
	Almaty, Kazakhstan	1	104
	Cairo, Egypt	4	134
	Dakar, Senegal	3	40
	Herndon, VA	1	15
	Islamabad, Pakistan	2	43

**Fraud Awareness Briefings Conducted Worldwide
October 1, 2013-March 31, 2014**

Month	Location	Sessions	Attendees
February (cont'd)	Jerusalem, Israel	2	49
	Kabul, Afghanistan	1	2
	Manila, Philippines	1	28
	Port-au-Prince, Haiti	1	12
	San Vicente, Paraguay	1	13
	Tel Aviv, Israel	2	43
	Washington, D.C.	5	195
March	Antananarivo, Madagascar	3	50
	Cairo, Egypt	2	32
	Dakar, Senegal	1	10
	Islamabad, Pakistan	4	65
	Johannesburg, South Africa	1	8
	Kabul, Afghanistan	1	4
	Karachi, Pakistan	1	39
	Monrovia, Liberia	17	578
	Phnom Penh, Cambodia	1	130
	Rangoon, Burma	1	25
	Saclepea, Liberia	1	93
	Saniquellie, Liberia	3	50
	Suakoko, Liberia	1	108
	Washington, D.C.	3	225
TOTAL		163	4,963

SIGNIFICANT FINDINGS AND ACTIVITIES: U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



This mural was painted by the community of Mampuján in Colombia. (Photo by Janelle Conaway for USAID.)

ACCOUNTABILITY

Contractor and Grantee Accountability—Audits

Overall Audit Activity

USAID is required by the Federal Acquisition Regulation, the Single Audit Act, Office of Management and Budget (OMB) circulars, and its own internal policies and procedures to obtain appropriate and timely audits of its contractors, grantees, and enterprise funds. OIG provides oversight of these audit activities, ensuring that audits are conducted in accordance with appropriate quality standards.

Audits of U.S.-Based Companies

U.S.-based companies carry out many USAID-funded activities. The Defense Contract Audit Agency (DCAA) conducts audits, reviews, and preaward surveys of U.S.-based contractors on USAID's behalf. OIG then reviews DCAA's reports and transmits them to USAID management.

During this reporting period, OIG reviewed and transmitted 19 DCAA reports covering approximately \$802 million in costs (with questioned costs of more than \$2.9 million); and reviewed and transmitted 38 incurred cost audit reports covering approximately \$67 million in costs (with questioned costs of more than \$7 million).

Audits of U.S.-Based Grantees and Enterprise Funds

U.S.-based nonprofit organizations also receive significant USAID funds to implement development programs overseas. As required by OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," nonfederal auditors perform annual financial audits of USAID grantees that spend more than \$500,000 in federal funds annually. The auditors are required to identify:

- Significant deficiencies involving major programs.
- Material noncompliance with laws and regulations.
- Known fraud affecting federal awards.
- The status of prior audit findings.

In some instances, USAID contracts with DCAA to perform special financial audits and with independent public accounting firms to perform Agency-contracted financial audits of U.S.-based

grantees. OIG provides oversight for the nonfederal auditors performing these audits to determine whether auditors have prepared audit reports in accordance with the reporting requirements of OMB Circular A-133 and generally accepted government auditing standards.

OIG also conducts quality control reviews to (1) determine whether the underlying audits were conducted in accordance with generally accepted government auditing standards and meet the requirements of OMB A-133, (2) identify and follow up work needed to support the opinions contained in the audit report, and (3) identify issues that may require management attention by federal officials.

Enterprise funds are U.S.-based nonprofit organizations established under the Support for East European Democracy Act of 1989 (Public Law 101-179) and the Freedom Support Act of 1992). Currently, USAID has two enterprise funds that invest in Eastern Europe, and two in Africa. Enterprise funds are subject to annual audits of financial statements performed by private accounting firms and reviewed by OIG.

During the reporting period, OIG reviewed 24 A-133 Single Audit Act reports, and issued 1 review for Agency-contracted audit reports, 1 limited scope review, and 1 enterprise funds review, covering USAID funds of approximately \$1.7 billion spent by U.S.-based grantees.

Audits of Foreign-Based Contractors and Grantees

OMB Circular A-133 does not apply to foreign-based contractors and grantees. Given the high-risk environment in which USAID operates, however, USAID has extended similar audit requirements to its foreign-based contractors and grantees through standard provisions included in grants, cooperative agreements, and contracts. Financial audits of foreign-based contractors and grantees are normally conducted by independent audit firms approved by OIG's overseas regional offices.

Under the recipient-contracted audit program, audits are required for all foreign entities that spend \$300,000 or more in USAID funds during their fiscal year. USAID may also request financial audits of nonprofit organizations that fall below the \$300,000 threshold.

USAID's financial audit requirements concerning its contracts, grants, and cooperative agreements with foreign entities normally are satisfied under the recipient-contracted audit program. However, Agency-contracted audits may be initiated by either USAID or OIG to provide additional audit coverage or address specific concerns.

OIG reviews all audit reports and, if they are found to be in compliance with OIG's Guidelines for Financial Audits Contracted by Foreign Recipients, transmits the reports to the appropriate USAID mission for corrective actions. Audit firms also are notified of any problems identified in the audit reports.

During this reporting period, OIG reviewed 170 audits of foreign-based organizations, covering more than \$915 million in expenditures and resulting in about \$8 million in questioned costs, as well as 12 audits of funds granted to foreign governments, covering \$79 million in expenditures and \$23,000 in questioned costs. OIG also completed seven quality control reviews to ensure that the audits were completed in accordance with appropriate audit standards.

Employee Misconduct

Foreign Service National Terminated for Defrauding U.S. Government

In January 2014, USAID OIG received allegations that a Foreign Service National (FSN) leasing agent in Kazakhstan was engaged in a kickback scheme with a local real estate agent. The FSN employee worked exclusively with the agent on USAID rental properties. The FSN employee admitted to OIG investigators that for several years she inflated rental property charges to the U.S. Consulate in exchange for a share of the agent's first month's commission. The FSN employee was terminated in March 2014 as a result of the investigation.

USAID Executive Officer Abused Motor Pool

An executive officer in Latin America, who oversaw motor pool activities, improperly ordered the use of USAID vehicles to transport him and others back and forth between home and work. In November 2013, USAID management issued a bill of collection to the employee to recoup the fuel costs associated with the improper vehicle usage.

USAID Foreign Service National Terminated for Violating USAID Procurement Guidelines in Afghanistan

A USAID FSN was terminated in October 2013 for violating procurement policies related to a multi-million-dollar contract in Afghanistan. The Special Inspector General for Afghanistan Reconstruction (SIGAR) received an allegation in June 2013 that the employee sought a bribe from a potential bidder on a USAID contract. After a joint investigation by OIG and SIGAR found evidence the employee violated several USAID policies related to the integrity of the procurement process, the employee was terminated.

USAID Contractor Reimburses Funds to USAID

Central Asia Development Group (CADG) reported that an internal audit uncovered fraud perpetrated by two Afghan employees in the province of Zabul. The investigation found the fraud was committed by creating fictitious payment sheets on several cash-for-work projects between July 2012 and December 2012, which caused CADG to overcharge USAID more than \$400,000. Both individuals resigned in

December 2012 before CADG discovered the fraud. The matter was reported to the Afghan National Police. Extensive efforts to locate the subjects were unsuccessful. In March 2014, CADG reimbursed the amount.

Contract Suspended After Investigation of Fraud

OIG was advised that a USAID agreement officer's representative (AOR) in Africa approved an unauthorized \$735,000 subaward for American Procurement Inc., which included a \$454,000 cash advance. OIG's investigation confirmed that the AOR approved the work plan, budget, and the subaward at the direction of the alternate AOR, who was a senior FSN. The alternate AOR misled the primary AOR into believing he had received approval from the mission. The alternate acknowledged what he did and admitted to not having received approval from the mission for the work plan or budget before resigning in January 2014 in lieu of termination. The primary AOR was placed on a performance improvement plan. The \$735,000 subcontract was suspended.

Expanding Accountability

Corruption and lack of accountability are major impediments to development. They threaten to negate years of economic growth, especially in the areas of the world subject to political instability and violence.

OIG audits and investigations provide two methods of safeguarding USAID funds. However, OIG pursues additional methods to promote accountability and transparency, described below.

Expanding Supreme Audit Institutions' Capabilities

OIG continues to work closely with selected supreme audit institutions (SAIs) in countries where USAID is present. SAIs are the principal government audit agencies in the recipient countries and are often the only organizations that have a legal mandate to audit the accounts and operations of their governments. As such, SAIs may be called upon to audit funds provided to host governments by USAID or other donors. OIG and USAID missions have signed memorandums of understanding (MOUs) with SAIs in 23 countries.

Before SAIs may conduct audits for USAID, they must demonstrate sufficient professional capacity and independence. OIG often provides training to SAIs in how to conduct financial audits of USAID funds in accordance with Agency guidelines and U.S. Government auditing standards. OIG provides quality control for all audits of USAID funds performed by SAIs.

During this reporting period, SAIs issued 15 audit reports covering approximately \$98 million in USAID funds. They reported approximately \$663,000 in questioned costs, 9 internal control weaknesses, and 20 material instances of noncompliance.

Training USAID Staff and Others

OIG remains committed to preventing losses of development funds and continues to provide training in cost principles and fraud awareness to USAID employees, contractors, grantees, SAIs, and auditors from local accounting firms.

Cost Principles Training

USAID's contracts and grants incorporate cost principles that define the types of costs that can be legitimately charged to USAID programs.

To increase awareness of—and compliance with—cost principles and to promote the highest standards, OIG conducts training for overseas USAID staff, contractors, grantees, and others.

This training provides a general overview of U.S. Government cost principles and actual examples of instances that demonstrate concepts such as reasonableness, allocability, allowability, and various specific cost principles (e.g., travel expenses or entertainment costs). The training also includes financial audit requirements and accountability issues.

During this reporting period, OIG provided training in cost principles and related subjects in 7 countries to approximately 500 people including employees of USAID and international nongovernmental organizations, contractors and grantees, and auditors from local public accounting firms.

Fraud Awareness

During the current reporting period, OIG placed an emphasis on fraud prevention by providing 163 fraud awareness briefings to 4,963 people.

Investigations resulting in criminal or civil prosecution are publicized on USAID's Web site and in other settings, calling attention to prosecutorial actions taken against individuals or organizations whose illegal activities have targeted foreign assistance activities and programs.

In addition, OIG has developed publications and educational materials. OIG hotline posters, fliers, and cards have been distributed worldwide. To expand OIG's outreach efforts, these materials are produced in many languages.

FOOD SECURITY

USAID's agriculture and food security programs work to increase food security through Feed the Future, the U.S. Government's global hunger and food security initiative. The Agency supports agricultural research and development, expanding and enhancing agricultural markets and trade, capacity development, global nutrition programs, and investment in sustainable agriculture. It also provides food assistance to vulnerable populations and those in crisis.

OIG's oversight of agriculture and food security programs this reporting period focused on assistance programs in the Central Asian Republics and Madagascar. Audits noted problems with data quality, among other areas.

Audit of USAID/Central Asian Republics' Family Farming Program for Tajikistan Report No. 5-176-14-002-P

Approximately 30 percent of the population of Tajikistan suffers from food insecurity. Most affected are those in remote areas, especially unskilled laborers, farmers, and members of households headed by women.

To address Tajikistan's food security problem, USAID/Central Asian Republics awarded a task order to Development Alternatives Inc. (DAI) worth approximately \$29 million to implement the Family Farming Program for Tajikistan. For a 4-year period starting in September 2010, its main objectives are improving food security by increasing the volume of agricultural production, increasing the income of food insecure households to make food more accessible, and raising the standard of household nutrition in various regions in which food insecurity exists.

SIGNIFICANT FINDINGS AND ACTIVITIES

- **OIG's Audit of USAID's Central Asian Republics' Family Farming Program for Tajikistan** found that the program has made positive contributions through its technical assistance to food-insecure communities. For example, the program has assisted farmers in targeted communities by demonstrating improved agricultural approaches. It also helped establish 20 water user associations and trained women on nutrition enhancement and household economics. However, OIG found several problems in contract modifications and unreliable reported results.
- Implementers made progress in meeting program goals in USAID's food security program in Madagascar and received positive feedback from beneficiaries. However, they failed to divulge names of people suspected of fraud, including one employee who resigned after being caught falsifying training receipts.

OIG found that the program has made positive contributions through its technical assistance to food-insecure communities. For example, the program has assisted farmers in targeted communities by demonstrating improved agricultural approaches. It also helped establish 20 water user associations and trained women on nutrition enhancement and household economics.

OIG also found several problems. To start, when USAID decided to implement the Feed the Future initiative in Tajikistan in late 2011—which changed the focus and components of the original program—the mission sought to modify the contract task order. That modification, however, had not been executed at the time of the audit, which took place 15 months later. The delay stemmed from the mission’s and the contractor’s limited technical capacity and the frequent turnover of key officials. The slow progress in modifying the task order delayed completion of the performance management and evaluation plan, a critical tool for planning, monitoring, and documenting data.

In addition, OIG found that most of the program’s reported results were not reliable because the data was not supported properly. Results for some indicators were not valid and did not measure the intended result. These deficiencies impeded the mission’s ability to measure the program’s overall performance and make informed decisions. Finally, the contractor did not implement required branding and marking at all sites. Without proper branding, the people of Tajikistan will not realize that the assistance is provided by the U.S. Government.

USAID has made management decisions on all four OIG recommendations and has taken final action on two.

Audit of USAID’s Food Security Program in Madagascar

Report No. 4-962-14-002-P

Madagascar suffers from chronic food insecurity caused by low agricultural productivity, lack of dietary diversity, and disease—all of which are exacerbated by natural disasters and poor governance. To address Madagascar’s food insecurity, USAID awarded a 5-year, \$84.7 million cooperative agreement to Catholic Relief Services (CRS) in May 2009 to implement the Strengthening and Accessing Livelihoods Opportunities for Household Impact (SALOHI) program. The goal of the program is to reduce food insecurity by improving the health and nutritional status of children younger than 5, improving household livelihoods, and strengthening communities’ resilience and ability to withstand economic shocks and natural disasters.

OIG found that SALOHI met or made acceptable progress toward meeting the performance targets related to those program goals. For instance, SALOHI had already reached its 5-year target for the percentage of underweight children 0-59 months (a key measure of program impact). Beneficiary feedback during OIG’s site visits was also quite positive.

However, inconsistent implementation reduced the program's impact. Implementation strategies varied among partners, and disaggregated performance results showed that some partners were not meeting their targets while others exceeded theirs. Because SALOHI was structured as a consortium that reported only consolidated results, USAID was unaware of these differences.

In addition, CRS did not divulge names of people suspected of fraud. It terminated employment with seven individuals for falsifying hotel receipts, severed its subagreement with a local faith-based organization for mismanaging funds and disregarding internal controls, and identified another employee who resigned after being caught falsifying training receipts. CRS initiated a forensic audit involving its entire SALOHI staff because of these concerns, and it recommended that its partners do the same. However, CRS did not disclose to USAID the names of its former employees, contrary to the guidance provided by the Agency's Compliance Division. Further, CRS only planned to share the results of the audit if U.S. Government funds were misappropriated.

OIG noted a number of additional issues with USAID's leadership role in overseeing program recommendations, environmental compliance, and ensuring appropriate branding and marking. Also, USAID did not resolve commodity losses worth more than \$80,000, and it did not address problems with the quality of sorghum the program provided. There were also problems with performance data precision and reliability.

USAID made management decisions on all 17 OIG recommendations and has taken final action on 3.

USAID Subcontractor Debarred Following Conviction on Drug Charges

The director general of a USAID/Haiti subcontractor, ANAPAAAH (the Association Nationale des Producteurs Agricoles pour l'Avancement de l'Agriculture Haïtienne), was arrested by the Drug Enforcement Administration on a charge of conspiracy to distribute cocaine. After being extradited to the United States, he pled guilty to the federal charge in Florida and was sentenced to 51 months in prison. An OIG review determined that the subject's company received approximately \$360,000 in funding under the USAID WINNER program. A referral from OIG to the USAID's Compliance Division resulted in his debarment in February 2014.

CRISES, CONFLICT, AND INSTABILITY

With a focus on crisis prevention, response, recovery, and transition, USAID works to strengthen resilience by helping states and communities prepare for and mitigate the impacts of disasters. USAID works to provide life-saving humanitarian assistance; to accelerate recovery by supporting livelihoods, markets, and the sustainable provision of basic services; and to address underlying grievances that cause instability and conflict. The Agency also strives to promote peaceful political transitions by strengthening civil society and respect for human rights, facilitating reconciliation, supporting effective democratic governance, and fostering the resumption of basic economic activity.

Survey of Selected USAID Syria-Related Activities

Report No. 6-276-14-001-S

As of September 2013, the U.S. Government had committed more than \$1 billion in assistance in response to the Syrian conflict. The State Department and USAID are the main agencies involved; the State Department has primary responsibility for Syrian refugees, while USAID focuses on providing humanitarian aid to those still in Syria and supporting the countries that are taking in refugees. USAID has awarded approximately \$845 million through the Agency's Bureau for Democracy, Conflict, and Humanitarian Assistance including: the Offices of U.S. Foreign Disaster Assistance, Food for

SIGNIFICANT FINDINGS AND ACTIVITIES

- **OIG found that USAID had taken steps to establish policies and procedures to build positive environments with respect to its Syria-related activities. Although the ability of these implementers to directly conduct risk assessments in Syria is limited, USAID requires its implementers worldwide to submit a safety and security plan with their proposals, including information on risk-mitigation measures. Implementers identified problems with detention, kidnapping, and snipers. Some said they were accepted in local communities, but their acceptance among fundamental Islamist groups working with the opposition was nonexistent, which increased their risk. To the extent possible, implementers used full- or part-time staff and other networks to monitor activities; however, implementers expressed concern that the security situation was getting worse, limiting their ability to enter the country.**
- **OIG conducted several investigations during this reporting period involving embezzlement and fraud. In one instance, OIG found that an Afghan employee working on a municipalities program for Chemonics had stolen project funds. The employee was referred to the Afghan Attorney General's office for prosecution. In another investigation, five employees—including a chief of party and deputy chief of party—were terminated after OIG identified improper hiring practices.**

Peace, Transition Initiatives, Conflict Management and Mitigation, and the Center of Excellence on Democracy, Human Rights, and Governance. Officials said the Agency's Bureau for the Middle East and USAID/Jordan also were conducting Syria-related activities.

The five Office of Foreign Disaster Assistance implementers selected for review during this survey had taken steps to establish policies and procedures to build positive environments. Although the ability of these implementers to directly conduct risk assessments is limited, USAID requires all implementers—including those working in response to the Syria crisis—to submit a safety and security plan with their proposals. These plans must be specific about their planned activity locations and must include information on risk-mitigation measures. In the proposals OIG reviewed during fieldwork, implementers identified problems with detention, kidnapping, and snipers. Some implementers said they were accepted in local communities, but their acceptance among fundamental Islamist groups working with the opposition was nonexistent, which increased risks for those implementers. The implementers also reported that the presence of these groups in many of the camps for internally displaced people in northern Syria was increasing.

To the extent possible, implementers used full- or part-time staff and other networks to monitor activities in Syria. However, implementers expressed concern that the security situation was getting worse, limiting their ability to enter Syria.

OIG made no recommendations.

Audit of USAID/West Africa's Peace Through Development II Program

Report No. 7-625-14-001-P

About 50 million people inhabit the Sahel region of Africa in some of the poorest, most unstable countries in the world. Many are frustrated by the lack of economic opportunities, weak and corrupt governments, and natural resource degradation. Therefore, they are vulnerable to violent extremism and the influence of terrorist groups. Youth are especially vulnerable if they are unemployed, uneducated, and do not have any job prospects.

Burkina Faso, Chad, Mauritania, and Niger are four countries in the Sahel that are at risk. Although violent or extreme ideology is not widespread in these nations, the chances of it taking hold are likely to increase if living standards and governments do not improve. To address these concerns, the U.S. Departments of Defense and State and USAID have formed the Trans-Sahara Counterterrorism Partnership to improve country and regional capabilities in the Sahel and the nearby Maghreb to defeat terrorist organizations. Contributing to the goals of this partnership, USAID's West Africa Regional Mission awarded the nearly \$62 million Peace Through Development II Program to International Relief and Development (IRD) to help make communities less vulnerable.

OIG found that IRD ran into significant problems in the first year, during which only 26 percent of planned activities were implemented. By the end of March 2013, more than \$10.4 million had been spent with few results. Problems included cost overruns, which in some cases exceeded first-year projections by more than 400 percent. With only 3 months left in the second year, the program had already exceeded its annual budget for nearly all line items relating to operating expenses by 18 to 364 percent. In addition, two of three local partners discontinued their partnerships with IRD because they were dissatisfied with the company's business practices. Moreover, OIG found problems with internal controls, policies, and procedures, as well as data quality and training.

OIG made 12 recommendations, and USAID made management decisions on all of them. Final action has been taken on four.

Chemonics Refunds Savings to USAID After Investigation Uncovers Embezzlement Scheme

In October 2013, USAID contractor Chemonics reported to OIG that an Afghan employee working on the Regional Afghan Municipalities Program for Urban Populations for the Regional Command South had stolen project funds. An internal investigation into the matter resulted in the termination of the employee and the implementation of a new cash payment procedure to prevent future thefts. Since the funds had already been charged to USAID, Chemonics repaid the amount in November 2013. In February 2014, the subject was referred to the Afghan Attorney General's Office for local prosecution.

Five USAID Contractors Terminated

Five employees of USAID implementer AECOM were terminated in November 2013 following an investigation into allegations of improper hiring practices in the Stabilization in Key Areas–West program based in Herat, Afghanistan. After receiving allegations in June and July 2012 about these problems, OIG coordinated with AECOM to launch an inquiry into the matter. The investigation uncovered evidence from an internal audit in June 2012 substantiating the allegations and leading to the termination of the employees, including the chief of party and deputy chief of party.

Fraud-Related Termination of USAID Grant in Pakistan

An OIG investigation substantiated allegations of fraud against Sangam Development Organization (SDO), a grantee under the Small Grants and Ambassador's Fund Program (SGAFP) implemented by the National Rural Support Program (NRSP), as well as kickbacks paid by SDO to two NRSP employees related to the scheme. The investigation found that the SDO and NRSP employees conspired to misrepresent the total number of biogas plants built under the grant, claiming payment for 100 when only 80 were constructed. SDO personnel also knowingly falsified documents, withheld salary payments from employees, and made payments to NRSP employees responsible for overseeing the program. OIG has referred the matter to USAID/Pakistan for potential recovery of approximately \$15,000 and has also

referred SDO, its leadership, and two former NRSP employees for debarment. In addition, in November 2013, an NRSP employee was terminated and another resigned.

USAID Grant in Pakistan Terminated

In November 2013, NRSP terminated a grant that it awarded to Al-Mehboob Welfare Society (AMWS) under the Small Grants and Ambassador's Fund Program. The OIG investigation determined that AMWS submitted inflated costs for sand filters in its grant proposal. In addition, NRSP modified its application process to include further measures to strengthen the pre- and post-award process.

STABLE, PROSPEROUS, AND DEMOCRATIC STATES

USAID's efforts to promote democracy, human rights, and good governance are multifaceted. They include supporting free and fair elections, civil society, and independent media, as well as protecting human rights, which includes countering trafficking in persons. USAID recognizes that promoting accountability and transparency in the countries it serves is key to these efforts.

OIG's work noted challenges in the areas of contract or program management, data quality, and internal controls.

Audit of USAID/Colombia's Consolidation and Enhanced Livelihood Initiative-Central Region Report No. I-514-14-004-P

According to the U.S. State Department, endemic violence and social inequities, combined with limited government presence, have led to the expansion of illicit drug cultivation and an illicit economy in large areas of Colombia. To address these problems, the Colombian Government unveiled Plan Colombia in 1999 as a comprehensive strategy to promote peace, combat the narcotics industry, revive the national economy, improve respect for human rights, and strengthen Colombian democratic and social institutions. In 2004, the Colombian Government was able to establish, for the first time in recent history, a presence in all the country's municipalities.

SIGNIFICANT FINDINGS AND ACTIVITIES

- OIG's audit of USAID/Indonesia's Kinerja Program found that improvements made in the health sector were generally the direct result of the health clinics' own internal initiatives, with the district government having little or no involvement. Although there was increased support from parents and the community in the education process, greater transparency in the planning and budgeting processes, and improvements in the overall appearance of the school, these were primarily the result of actions taken by the school and not the district government.
- OIG found that USAID/Iraq's Administrative Reform Project had mixed results. USAID is carrying out the national policy development component successfully but is struggling with the civil service reform and administrative decentralization components. The latter two components—which represent 72 percent of the project's funding—faced a number of challenges that hindered progress, including lack of full support from the Iraqi Government.
- Individuals at the Ministry of Finance and other counterparts said that USAID/Jordan's Financial Reform Project has provided valuable technical assistance. OIG auditors, however, found that the scope of the project had been expanded beyond its original intent and objectives had become unclear.

To maintain state presence in areas previously controlled by non-state armed groups, the government launched the National Consolidation Plan in 2007. To support this effort, USAID—through Tetra Tech—initiated the \$115 million Consolidation and Enhanced Livelihood Initiative-Central Region (CELI-Central) in April 2011. Tetra Tech directly implemented an initial wave of rapid-response activities in the target municipalities. These activities included small infrastructure projects, such as building school bathrooms, cafeterias, and playgrounds, as well as paving roads and making donations for libraries and other community spaces.

OIG determined that the mission successfully implemented a number of activities designed to help communities gain confidence in the government, such as those to improve or foster infrastructure, land ownership, economic development, good governance, and social development. Funds were used to respond to urgent priorities of the targeted region, such as providing support to purchase land for displaced people. In addition, the initiative supported capacity-building projects using profits from oil, gas, and mineral development in the country. CELI-Central also helped form 36 alliances that provided technical assistance to farmer and producer associations seeking to improve their businesses.

OIG noted some areas that needed improvement, however. CELI-Central did not achieve many of its expected results because targets for the first 2 years were too ambitious. Some activities started or finished late, and Tetra Tech had problems with staff turnover. In addition, USAID had not given Tetra Tech any training on counter-trafficking in persons, despite the fact that the United Nations Office on Drugs and Crime reported that Colombia's endemic violence and internal armed conflict, together with the production of narcotics and illicit crops, have made the country vulnerable to trafficking in persons.

OIG made two recommendations. USAID made management decisions on both and has taken final action on one.

Audit of USAID/Indonesia's Kinerja Program

Report No. 5-497-14-001-P

In September 2010, USAID awarded a 5-year, \$24.8 million cooperative agreement to RTI International to implement the Kinerja-Local Governance Service Improvement Program (Kinerja). Working with a consortium of five partners, Kinerja (the Indonesian word for “performance”) seeks to improve how local governments deliver public services.

Although the program was making some progress, OIG found that local governments needed to make greater efforts in supporting the program's service improvement activities. Although service improvements were noted, most of them—particularly in the health and education sectors—were attributed to either Kinerja-supported technical support provided directly to the service delivery units (SDUs) or activities jointly carried out by the SDU and the local community. For instance, improvements

made in the health sector were generally the direct result of the health clinics' own internal initiatives, with the district government having little or no involvement. The head of one clinic said it had not received any additional funding, staff, or equipment from the district, which was also the case in other clinics visited.

The education sector experienced similar improvements but the same issue. Although there was increased support from parents and the community, greater transparency in the planning and budgeting processes, and improvements in the overall appearance of the schools, these were primarily the result of actions taken by the schools and not the district government.

OIG made three recommendations, and USAID made management decisions on all of them.

Audit of USAID/Iraq's Administrative Reform Project

Report No. 6-267-14-004-P

Political instability and sectarian violence have affected the Iraqi Government's ability to develop, finance, and implement programs and projects to meet local needs. Since 2003, Iraq has been transferring power to its 18 provinces. However, the challenge of improving Iraq's public institutions, the large size of its federal service, and the outdated tools available to the Government's employees to meet local demand for quality services have made transition difficult.

USAID awarded Management Systems International Inc. a 4-year, \$156.7 million contract in June 2011 to implement the Administrative Reform Project, the goal of which is to improve how the Iraqi Government delivers public services. USAID/Iraq adopted a "whole of government approach" to implementing the project, which involves working with all levels of government from the central to the provincial. The project focused on three components: civil service reform, national policy management, and administrative decentralization reform (i.e., decentralizing administrative functions to lower levels of government and strengthening human and financial resources at the provincial level).

OIG found mixed results. USAID is carrying out the national policy development component successfully but is struggling with the civil service reform and administrative decentralization components. The latter two components, which represent 72 percent of the project's funding, faced a number of challenges that hindered progress.

The two components lacked full support from the Iraqi Government. As a result, USAID was unable to address the underlying challenges of civil service reform and efforts to help central ministries devise regulations, and instructions on giving authority to lower levels of government stalled. In addition, the project did not help five ministries improve business functions as planned. None had improved their operations and completed organizational development cycles or developed action plans to improve their

budget execution. Only two of the ministries reengineered their key businesses, and only one began developing standard operating procedures.

OIG also found problems with USAID's project oversight. The mission paid more than \$1 million in fees for contract deliverables that did not meet contract requirements, and overall oversight of contract administration was weak.

OIG made ten recommendations, and USAID reached management decisions on all of them. Final action has been taken on all but one.

Audit of USAID/Iraq's Broadening Participation Through Civil Society Project

Report No. 6-267-14-006-P

Since 2003, Iraq has made progress transitioning from an authoritarian to a more democratic government in which civil society can operate more openly. Consequently, international donors have poured millions of dollars into civil society organizations (CSOs), and their numbers have increased significantly since 2003. With shifting priorities and a reduced budget, USAID/Iraq's challenge is to ensure that the mission solidifies its achievements in civil society before the Agency leaves Iraq.

To strengthen the civil society sector to help Iraq become a more participatory democracy, the mission awarded a 3-year, \$75 million cooperative agreement to Mercy Corps to carry out the Broadening Participation Through Civil Society Project. These funds included \$15 million from the Marla Ruzicka Iraqi War Victims Fund, directed by Congress to help victims of conflict.

OIG found that the activities Mercy Corps implemented in its first year generally had positive results, such as helping to build organizational capacity for more than 80 local CSOs and helping civilian victims of conflict start small businesses and address community needs.

However, the project as a whole was behind, and numerous activities were changed substantially or canceled. Challenges included the departure of a key subpartner responsible for implementing numerous activities. In addition, the mission reduced the project budget from \$75 million to \$55 million and asked Mercy Corps to adjust activities without modifying the cooperative agreement's project description, budget, or performance management plan accordingly. Moreover, OIG identified internal control problems with Mercy Corps' grant process, as well as issues with USAID's financial system that resulted in incorrectly reported spending on a congressional directive.

OIG made four recommendations to help the mission improve the project. USAID has made management decisions on all four recommendations and taken final action on three.

Audit of USAID/Iraq's Elections Support Follow-on Project

Report No. 6-267-14-002-P

Since 2004, USAID has been actively helping the Iraqi Government hold free, fair, and credible elections. In the past decade, Iraq has gone from a dictatorship to holding eight successful elections, with the assistance of two consecutive democracy and governance projects funded by USAID/Iraq. A March 2012 audit of the first project, the 7-year, \$103 million Electoral Technical Assistance Program, concluded that the program did not achieve one of its main goals. That goal called for implementing partner International Foundation for Electoral Systems to help build the Iraqi Independent High Electoral Commission's (IHEC's) capacity so it could manage the electoral system with minimal international assistance. The mission agreed to take corrective action implementing recommendations in the follow-on Elections Support Project designed to help IHEC become a self-sufficient entity and to implement OIG's 11 recommendations.

In this follow-up audit, OIG determined that the actions the mission took in response to the 11 recommendations in the previous audit report were largely effective. However, the auditors noted that strategic planning and capacity-building activities were not meeting targets, thus jeopardizing IHEC's ability to strategically plan for future elections effectively.

USAID/Iraq took final action on the one recommendation.

Audit of USAID/Pakistan's Government-to-Government Assistance Program

Report No. G-391-14-002-P

Under USAID/Pakistan's Government-to-Government Assistance Program, transfers of funds are intended to meet objectives such as building Government of Pakistan institutional capacity, improving the partnership between the United States and Pakistan to achieve more effective development, increasing mutual accountability, and building capacity for Pakistani Government systems to achieve sustainability in development programs. To date, USAID/Pakistan has disbursed \$960 million in government-to-government assistance to the Government of Pakistan and its subnational governments. A previous audit of USAID/Pakistan's government-to-government cash transfer agreement under the Benazir Income Support Program (Report No. G-391-12-006-P, May 21, 2012), made clear the risk inherent in this kind of assistance. OIG noted that potential misappropriation of funds, unauthorized deposits, or diversions to the wrong accounts could occur.

OIG conducted this audit to determine whether USAID/Pakistan was managing its government-to-government assistance program to achieve the mission's development goals, such as creating improved opportunities for work and education, increasing stability in certain areas, and improving the Pakistani people's economic status.

Because program achievements were not properly measured or documented, OIG relied on anecdotal evidence for feedback about USAID/Pakistan's government-to-government assistance projects. The mission had not conducted reassessments, updated assessments, or evaluated its government-to-government assistance projects, nor had it validated training activities designed to build capacity in government entities implementing government-to-government projects. However, staff members at some of the five entities OIG included in the audit expressed their appreciation for capacity-building training and USAID funding of their projects.

OIG identified four weaknesses in the mission's assistance program, including a need to reassess Government of Pakistan implementing entities, the existence of conflicting guidance on requirements for project design and implementation, the need to validate the effectiveness of training intended to increase the capacity of government entities, and data quality problems. OIG made eight recommendations to help USAID/Pakistan strengthen its management of the Government-to-Government Assistance Program, and USAID has made a management decision on one recommendation thus far.

Review of USAID/Afghanistan's Electoral Assistance Program

Report No. F-306-14-001-S

Afghanistan's presidential and provincial council elections in April 2014 are widely regarded as a watershed event in the country's future development. The U.S. Government believes that Afghanistan's ability to sustain governance, development, and security gains after 2014 will largely depend on a successful presidential election and a smooth transfer of power. The Government of the Islamic Republic of Afghanistan and members of the international community have agreed that credible and inclusive elections are essential to a secure, just, stable, and prosperous Afghanistan. Consistent with this recognition, the government is committed to conduct credible, inclusive, and transparent presidential and parliamentary elections in 2014 and 2015 according to the Afghan Constitution, in which all citizens have the opportunity to participate freely.

Toward this end, USAID sponsored efforts to improve Afghanistan's voter registry, promoted civic coalition building, and encouraged civic education and advocacy efforts in Afghanistan provinces and districts. USAID projects in this area, at a cost of more than \$200 million, were designed to promote public consultation on the legal framework surrounding elections, develop the capacity of Afghan electoral institutions, and support citizen participation so that elections reflect Afghan leadership and choices.

OIG found that USAID assistance strengthened Afghan institutions' ability to promote electoral credibility, inclusiveness, and transparency and contributed to Afghan solutions to longer-term electoral issues. Despite these successes, OIG noted limitations in plans for electoral support, including a lack of support arrangements for electoral dispute resolution, a need to further define and implement

plans for support of independent domestic observers and women in key electoral roles, and a need to refine the focus of USAID-sponsored civic education and outreach activities. In addition, provincial council elections in 2014 proceeded under a voting system in which candidates may win with a very small percentage of the vote, and elected officials often do not represent a majority of voters in their constituencies. Moreover, several significant voter registration weaknesses mentioned in a previous OIG report remained and were expected to affect the April elections. The audit also found problems with sustainability of activities and monitoring and reporting weaknesses.

OIG made ten recommendations to improve the management of USAID/Afghanistan's Electoral Assistance Program. USAID has reached management decisions on all of them and taken final action on two.

Review of USAID's New Counter-Trafficking in Persons Program

Report No. 9-000-14-001-S

In 2000, Congress enacted the Trafficking Victims Protection Act (Public Law No. 106-386) to combat trafficking in persons. The Act and its reauthorizations have promoted prevention, protection, and prosecution and have included specific requirements for U.S. Government departments and agencies to address trafficking in persons.

According to the Agency, between fiscal years 2001 and 2011, USAID programmed more than \$180 million in 68 countries and regional missions for countering trafficking in persons. In February 2011, USAID launched a counter-trafficking in persons (C-TIP) code of conduct, which prohibits employees from engaging in actions that foster trafficking in persons (TIP) and requires USAID personnel to report suspected human trafficking cases. The code also requires that each mission designate a C-TIP coordinator to disseminate TIP-related information and respond to TIP-related inquiries. The Agency later issued implementing guidance and an Agency-wide standard operating procedure for the code of conduct.

In February 2012, USAID issued a C-TIP policy, incorporating the principles established in the Trafficking Victims Protection Act and building on the C-TIP code of conduct. The C-TIP policy contains seven guiding principles that are driven by five programming objectives, which include integrating efforts to combat trafficking into relevant Agency initiatives and programs; improving codification and application of learning in efforts to combat trafficking; enhancing institutional accountability to combat TIP as a result of training and coordination; augmenting C-TIP investments in critical trafficking challenge countries; and increasing investments in TIP prevention and protection in conflict and crisis-affected areas.

OIG reviewed USAID's new program and found that the C-TIP policy aligns with the Agency's broader strategic plans and objectives, builds in flexibility, and reflects the experience of those inside and outside

the Agency. However, although the center completed work and has important activities under way, USAID faces challenges implementing the policy. For example, the policy implementation plan did not establish priorities, C-TIP coordinators said they did not receive training to implement the policy, and a cognizant USAID/Washington unit lacked data to monitor C-TIP policy implementation.

OIG made 11 recommendations to address these issues. USAID has made management decisions on all of the recommendations.

USAID Cambodia Recovers Funds as Investigation Into Program Uncovers False Travel Claims

OIG previously reported on an investigation into false travel claims by Legal Support for Women and Children in connection with a USAID-funded program in Cambodia. In January 2014, following OIG's investigation, the prime implementer, East West Management Institute, credited more than \$535,000 back to USAID.

Former Employee of USAID Implementer Referred for Debarment for Soliciting Bribes

OIG referred a former employee of the Trust for Democratic Education and Accountability, an implementer of the Citizen's Voice Project in Pakistan, to USAID for debarment after an investigation found that he solicited and received a bribe in connection with the program. The former employee received a \$30,000 bribe from a local information technology vendor in exchange for the promise of future work on the USAID-funded project. The employee admitted to misconduct as part of a related Pakistani police investigation as well as to passing bad checks in an effort to repay the bribe.

Former Employee Steals More Than \$64,000 in USAID Funds

USAID awarded a grant to an Egyptian nongovernmental organization (NGO), Alliance for Arab Women, to implement a civil society program. The NGO's former accountant stole old checkbooks from the NGO and forged the signatures of the NGO's directors to illicitly withdraw \$64,000 of USAID-provided funds from the NGO's accounts. The former employee was debarred, and the NGO was issued a bill for collection for the embezzled funds. Egyptian judicial authorities issued an arrest warrant for the accountant, who has since fled the country.

SUSTAINABLE, BROAD-BASED ECONOMIC GROWTH

USAID works to promote international economic growth and trade by supporting sound economic policies, mobilizing entrepreneurs' access to credit and markets, and supporting private enterprise. Goals include building skills and capacity, developing an enabling regulatory environment, and encouraging market linkages.

USAID also seeks to promote economic growth through education programming. These programs work to improve early grade reading, expand access to education and workforce development, educate children and youth in crisis and conflict, and provide training to address skill and knowledge gaps among mid- and high-level managers and professionals in other countries.

OIG's audits during this reporting period noted problems with data quality, internal controls, inefficient operations, the need for improvement in funds control, and program sustainability. OIG also found \$3.7 million in funds that could be put to better use.

Audit of USAID/Afghanistan's Financial Access for Investing in the Development of Afghanistan Project

Report No. F-306-14-002-P

USAID/Afghanistan's Financial Access for Investing in the Development of Afghanistan Project, a nearly \$89 million effort implemented by Chemonics, was initiated to build a sustainable, diverse, and inclusive financial sector in the

SIGNIFICANT FINDINGS AND ACTIVITIES

- OIG's audit of Haiti's Improved Cooking Technology Program found that the program did not reduce charcoal consumption by large users and households as significantly as planned, reaching only 24 percent of the target. Moreover, the stoves were too expensive for many Haitians because the program has not yet obtained carbon financing to reduce prices and provide for its long-term financial sustainability.
- In OIG's audit of USAID/Dominican Republic's Effective Schools Program, OIG found that the program provided significant assistance to primary school education through school materials and activities such as training classes, teacher mentoring, and workshops. Feedback from teachers and ministry officials was positive overall, and teachers said training was helpful and practical. OIG also identified problems with weak program monitoring, absence of key documents—including a sustainability plan—and the fact that the implementer did not publicize success stories as required.
- OIG's audit of USAID/Guatemala's Multi-Sector Alliance Program identified opportunities for USAID to strengthen program management. In addition, some program activities had not demonstrated sustainability.

country to generate and sustain quality employment. Its focus was on meeting the needs of micro-, small, and medium-sized enterprises. With an anticipated completion date of August 2014, the project was intended to enhance the capacity and outreach of financial institutions and their employees' skills, update and develop financial regulations, and provide technical assistance to mobile money providers.

OIG found that efforts to build capacity in financial institutions were generally working toward the overarching project goal, and beneficiaries who received training had positive reviews. Moreover, roughly 23 percent of the project's financial industry trainees were women, a notable percentage because women make up a considerably smaller percentage of workers in the industry. However, the project is not meeting all of its objectives, particularly in the areas of facilitating job-creating loans to enterprises; improving the enabling environment for policy, legal, and regulatory matters; and expanding mobile money and branchless banking (the latter of which was not defined as a priority in the Afghanistan National Development Strategy).

Across all objectives, OIG found several weaknesses, such as agribusiness activities not meeting objectives; activities not strengthening the capacity of the central bank; the previously mentioned difficulties with expanding mobile money banking; and a lack of a contract to conduct a financial audit of the project.

The report includes four recommendations to strengthen USAID/Afghanistan's Financial Access for Investing in the Development of Afghanistan Project. USAID has reached management decisions on each of the recommendations.

Audit of USAID/Dominican Republic's Effective Schools Program

Report No. I-517-14-001-P

In 2010, the United Nations Educational, Scientific and Cultural Organization and the World Forum assessed the quality of education in the Dominican Republic and ranked its primary education as the worst in the Central American and Caribbean region. Despite high enrollment, students were not learning at the expected rate and received low scores on achievement tests in fundamental literacy and mathematics. To enhance the quality of education in the country, USAID initiated the approximately \$17 million Effective Schools Program, which focuses on primary education in Grades 1 through 4. The program has three components: education management to strengthen school governance practices; in-service training and curriculum development provided to existing teachers in participating elementary schools to achieve significant improvements in reading, writing, and math; and monitoring and evaluation to provide valid, reliable feedback about the program that supports changes, if warranted.

OIG found that the program has provided significant assistance to primary school education through school materials and activities such as training classes, teacher mentoring, and workshops. Feedback

from teachers and ministry officials was positive overall, and teachers said training was helpful and practical. During 2012, the mission reported that it had trained 4,729 teachers, surpassing the target of 3,600. Nevertheless, the program might have been more successful if the various components were integrated better. The grant agreement with Pontificia Universidad Católica Madre y Maestra (PUCMM) stated that the components would be integrated to bring a comprehensive approach to affect the formal education system as a whole; however, a November 2012 midterm evaluation observed that components operated autonomously and recommended that PUCMM “seek opportunities to collaborate across components at the project and at the school level” to make the program more efficient. Despite this recommendation, PUCMM continued to manage the components as if each one were a separate project.

OIG also identified problems with weak program monitoring, absence of key documents—including a sustainability plan—and the fact that the implementer did not publicize success stories as required. OIG made ten recommendations to improve the program. USAID has reached management decisions on all ten recommendations and has taken final action on seven.

Audit of USAID/Guatemala’s Multi-Sector Alliances Program

Report No. I-520-14-002-P

Despite an abundance of natural and cultural resources, many Guatemalans live in poverty. In addition, the nation has some of the lowest social indicators for the region in the areas of literacy, chronic child malnutrition, and infant mortality. As part of USAID/Guatemala’s plan to address the country’s challenges in health and education, the mission developed an approach to augment the impact of USAID assistance through alliances with private organizations. The USAID public-partnership strategy includes using funds from the private sector at a 2-to-1 ratio to the total USAID investment of approximately \$31 million.

OIG conducted this audit to determine whether the Multi-Sector Alliances Program and its implementer, RTI International, were achieving their primary goal of forging alliances to support development objectives of USAID missions in the Central America and Mexico regional strategy. OIG found that USAID/Guatemala cannot determine whether program results are supporting that goal because the mission did not set outcome indicators with tangible targets and time frames. Furthermore, OIG found areas in which the mission could strengthen its management of the program, such as documenting site visits and validating the accuracy of reported training data. OIG also determined that the staff needed to monitor reconstruction activities to confirm that they were meeting environmental requirements.

In addition, some program activities have not demonstrated sustainability. For example, water filtration systems in one small community expired after 1 year and were not being replaced. The mission also created two funds that did not have sustainability requirements and for which adequate USAID guidance did not exist.

OIG found that the mission had been proactive in validating RTI's internal controls through a fiscal year 2011 financial review. That review had 18 findings related to inadequate internal controls. Program reviews conducted jointly by USAID and RTI in other countries had identified internal control weaknesses, including the fabrication of data and employee theft. Because USAID/Guatemala took the initiative to conduct such reviews, the mission recovered \$26,615 in questioned costs and strengthened internal controls over the program's procurements and disbursements.

OIG made nine recommendations, and USAID made management decisions on all but one. Final action has been taken on two of the recommendations.

Audit of USAID/Haiti's Improved Cooking Technology Program

Report No. I-521-I4-005-P

Most Haitians meet their daily household energy needs with open fires or stoves that burn charcoal or wood. Deforestation has caused erosion and destroyed natural watersheds, leaving Haiti vulnerable to landslides and flash floods. In addition to environmental damage, relying on unclean fuels causes health problems. Daily exposure to smoke from traditional cooking practices results in a range of acute, chronic, and deadly health problems, especially respiratory illnesses. To address these problems, USAID/Haiti entered into an \$8.2 million contract with Chemonics International Inc. to implement the Improved Cooking Technology Program. The program's goal was to reduce charcoal consumption in Haiti by establishing a thriving, sustainable, and affordable market for clean cooking solutions.

OIG found that the program has made some progress toward meeting its objectives. For example, it has carried out systematic testing of various biomass stoves and selected four types to support and promote through program-funded activities; developed strong relationships with five biomass stove manufacturers and retailers to increase stove supply and price accessibility in several areas of Port-au-Prince; helped manufacturers establish distribution networks and improve marketing and customer service; trained 37 technicians in liquefied petroleum gas stove repair and manufacturing; and supported and designed communications efforts to increase awareness of the improved cooking technology.

Despite these positive steps, the program did not reduce charcoal consumption by large users and households as significantly as planned, reaching only 24 percent of the planned charcoal reduction target (14,981 metric tons) and only 37 percent (10,905) of the anticipated beneficiaries. Moreover, the stoves were too expensive for many Haitians because the program has not yet obtained carbon financing to reduce prices and provide for the program's long-term financial sustainability. Other aspects of the cookstoves' marketing effort needed to be addressed to expand sales, including establishment of a certifying lab, improved marketing to promote the cookstoves through raffles, and elimination of an unnecessary training component.

OIG made 15 recommendations to improve USAID/Haiti's implementation of the Improved Cooking Technology Program. USAID has made management decisions on all of them and taken final action on two.

Audit of USAID/Jamaica's Basic Education Project

Report No. I-532-14-003-P

Jamaica has made some progress in improving its educational system over the years and has achieved near-universal enrollment rates in both primary and secondary education. However, the quality of public education continues to face challenges because of inadequate teacher training, a lack of resources, and the effects of crime and violence in schools. Over the past several years, on average, 71 percent of fourth-grade students have been literate.

USAID/Jamaica's Basic Education Project is intended to support programs that strengthen the quality, efficiency, and equity of Jamaica's primary education system. Juarez & Associates Inc. was chosen to implement the project with an award of approximately \$13 million. The project intended to strengthen accountability in the education system by using measurement tools and standards, establishing reading and math standards and improving student performance in those areas in the first through third grades, strengthening public-private partnerships in education, and building capacity in various governmental organizations to monitor school performance.

OIG found that the project was achieving some of the expected results. For example, the project established reading and math standards for Grades 1-3 for the Ministry of Education and provided training to more than 700 principals and teachers. It also provided approximately \$938,000 in equipment and supplies to the lowest-performing primary schools. Feedback from principals and teachers during OIG's site visits to 20 schools was positive overall.

However, OIG found that the project made little progress on seven of the original nine expected results designed to strengthen the quality, efficiency, and equity of the primary education system. According to mission officials, the lack of progress resulted from a shift in USAID strategy, funding constraints, and the lack of institutional capacity in the Ministry of Education. Consequently, the mission reduced funding by \$3.8 million and the number of schools targeted from 250 to 172, eliminated efforts to increase math proficiency, and dropped the expected result pertaining to strengthening public-private partnerships. OIG also found that the mission paid the fixed-fee amount to the contractor although some requirements were not completed and internal controls over supplies and equipment were weak.

This report made eight recommendations, and USAID has reached management decisions on all but one. Final action has been taken on three recommendations.

Audit of USAID/Jordan's Fiscal Reform Project II

Report No. 6-278-14-003-P (Revised)

Although Jordan's government debt as a percentage of gross domestic product decreased during the past few years, reforms in the national government and economic challenges necessitate further fiscal restraint and increased revenue to keep government debt at "acceptable" levels. To help the government, USAID/Jordan launched the Fiscal Reform Project II (FRP II), which provides technical assistance to the Ministry of Finance. In October 2009, USAID entered into a \$38.5 million task order with Development Alternatives Inc. to carry out the project, which was later increased to \$43 million.

OIG conducted this audit to determine whether the project was achieving its main goals of macroeconomic stability and economic growth through improving Jordan's Ministry of Finance public financial management and fiscal policy. OIG found that the project was partially meeting its goals. Individuals at the Ministry of Finance and other counterparts said that FRP II had provided valuable technical assistance and analysis, such as studies and a road map to develop a new energy strategy, tools to develop strategies to improve fiscal management, and training in best practices and international standards for government performance audits, among other advances. Also to its credit, the mission took action in areas where reforms were stalled.

Despite these successes and proactive measures, OIG identified a number of problems. The mission did not manage trade and investment funds effectively, nor did it follow requirements for using other than full and open competition. To address the Government of Jordan's needs, the mission expanded the scope of the FRP II project beyond the original intent of fiscal reform, making the project's objectives unclear. In addition, because FRP II was directly staffing and supervising some government positions, the ability of the government to sustain its financial management system is uncertain. OIG also determined that the same type of assistance to Jordanian Customs will have diminishing marginal returns because current and past investments have largely achieved results. The mission also had not collected evidence from development experience and lessons learned to use in the design of a follow-on project, thereby increasing the risk of duplicating past activities that had proven ineffective. Lastly, USAID/Jordan's performance monitoring was inadequate because data in FRP II's annual performance monitoring plans were not supported adequately.

OIG made five recommendations to address these and other problems, and USAID made management decisions on all of them. After the issuance of the final report, the mission submitted revised management decisions to resolve disagreements on two recommendations. OIG issued a revised management decision memo in March 2014, acknowledging the revised management decisions and resolving the disagreements.

Audit of USAID/Pakistan's Power Distribution Program

Report No. G-391-I4-001-P

For almost a decade, Pakistan has grappled with a severe power crisis, and the gap between the demand for and supply of electricity has increased for a variety of reasons (e.g., increased industrialization, decreases in hydropower). Acute power shortages result in routine load shedding—disconnecting power when demand exceeds supply—with outages ranging from 4 to 12 hours in both urban and rural areas. Load shedding is reducing the output of the industrial sector, crippling economic growth, and creating social unrest. In addition, lack of investment in the power sector has contributed to the shortage of electricity. The investment shortfalls stem from distribution companies charging less than the full cost of electricity supplied to consumers, the Government of Pakistan not paying the companies make-up subsidies, and companies incurring high technical (e.g., poor quality of voltage) and nontechnical (e.g., theft of electricity) losses.

To help improve the performance of these distribution companies, in September 2010, the mission awarded a \$60 million task order—later increased to \$230 million—to International Resources Group to implement the Power Distribution Program. It has three components: (1) detailed reviews of the operations of each distribution company to identify needs for improvement and the development of action plans to address the needed improvements; (2) sustainability, governance improvement, revenue improvement, loss reduction, and capacity building and training; and (3) technical assistance in technology and implementing intensive changes in management, governance, and organizational structure in two selected distribution companies, while continuing activities in the remaining companies.

OIG found mixed results. The program contributed to the distribution companies' engineering planning and operations, billing technology, and training. However, the program had little effect on governance, organizational structure, financial management, rate control, and staffing. Auditors identified several problems and challenges, such as frequent modifications in the program's scope, little progress in improving distribution companies' management and governance or in establishing tariffs, insufficient program monitoring and financial oversight, a lack of milestones, and 29 months' worth of charges for weekend and overtime pay that were contrary to contract provisions.

OIG made seven recommendations to help USAID/Pakistan strengthen its management of the Power Distribution Program, and USAID had made management decisions on five.

Audit of USAID/Pakistan's Sindh Basic Education Program

Report No. G-391-14-003-P

Pakistan's education sector has been neglected in terms of public and private spending and Sindh, the second-largest province in Pakistan and the country's economic hub, exemplifies this problem. Poverty and inadequate infrastructure are the main obstacles to attendance.

To assist the Sindh Government in enacting educational reforms and improving the learning environment, USAID proposed a 5-year agreement with the Sindh Government to implement the Sindh Basic Education Program. Under the agreement, the mission plans to provide \$155 million in support of the program. The program's goal is to increase and sustain student enrollment in primary, middle, and secondary schools in targeted locations by developing a school environment that is conducive to teaching and learning. OIG audited the program to determine whether it was increasing and sustaining student enrollment in primary and secondary schools in targeted areas.

On a positive note, OIG found that USAID's program manager and his team had established a good working relationship with Sindh Government officials. Although the project team has laid the foundation for implementing the program's school construction component, the program was not, however, achieving its goal. It had built no schools and made very little, if any, improvement in early-grade reading, community mobilization, or technical assistance to the Department of Education. Therefore, the program had not made progress in developing a school environment conducive to teaching and learning in order to increase and sustain student enrollment.

The program experienced implementation delays, which increased construction prices by \$1.3 million for six schools, and the local implementer chosen to implement activities under the reading component of the program was terminated for lack of progress. Capacity-building efforts had not been successful because the operational manuals provided to the implementation unit were too generic to use and recruitment efforts filled less than half of the open positions. Moreover, the mission set an unrealistic target for improving literacy (i.e., the target set exceeds by 37 percent the number of students enrolled).

OIG made five recommendations to improve aspects of the program. USAID made management decisions on all of them and took final action on three.

Audit of USAID/Peru's Alternative Development Activities

Report No. I-527-14-006-P

The U.S. and Peruvian Governments have collaborated on initiatives to eradicate coca, the plant used to make the drug cocaine, and replace it with legal crops such as cacao, coffee, and palm oil. In the San Martin Region (located in the north of the country) the mission has made

considerable progress. As part of its efforts to consolidate gains made in San Martin and to expand into the nearby regions of Huanuco and Ucayali, USAID/Peru entered into two cooperative agreements: a 3-year, \$8 million cooperative agreement with Centro de Información y Educación para la Prevención del Abuso de Drogas (CEDRO), a Peruvian nongovernment organization, to implement the Digital Inclusion Program, and a 4-year, \$36 million cooperative agreement with CARANA Corp., a U.S. consulting firm, to implement the Alianza Cacao Peru.

CEDRO is on track to meet its main goal of opening 30 technological centers in the 3 targeted regions. As of January 2014, CEDRO has opened 25 centers, and the remaining 5 are scheduled to be opened by April 2014. However, OIG found that CEDRO still had not developed a sustainability plan to address how and who would continue to operate or finance the centers. Digital program employees said they focused primarily on opening and establishing the centers and planned to address sustainability during the time left.

CARANA showed limited results in the first year; only 380 hectares of cacao were planted out of the overall goal of 28,000 hectares by 2016. This happened because CARANA's chief of party and a key subcontractor were replaced, a partner could not register in Peru, and the program's leadership was restructured and divided among three regional directors. In addition, the program ran into delays obtaining plants.

Other issues concerned data collection and reporting. Both CARANA and CEDRO entered incorrect data into USAID's Training Results and Information Network. The mission overstated the program's results for jobs created because they included numbers from a previous program. In addition, CEDRO was not collecting data consistently at the technological centers, making it difficult to assess the benefit or value of the centers.

OIG made seven recommendations, and USAID made management decisions on all of them, taking final action on two.

Audit of USAID/Yemen's Community Livelihoods Project

Report No. 6-279-14-001-P

Yemen ranks as one of the world's poorest countries and one with a high population growth rate. This combination is placing a serious strain on its already limited resources. Adding to these challenges, Yemen has endured political strife and secessionist movements since the 1960s, which have hurt safety and stability. In July 2010, USAID launched the \$124 million Community Livelihoods Project in Yemen to mitigate the causes of instability in that country. Through a cooperative agreement, Creative Associates was to implement a variety of activities to increase employment opportunities, promote community participation, strengthen local governance, and improve access to quality services, particularly in health and education.

The project ran into problems early. Beginning in January 2011, widespread demonstrations rippled throughout a number of Middle Eastern countries in what later became known as the “Arab Spring.” The demonstrations sparked a revolution in Yemen that ended the 33-year rule of President Ali Abdullah Saleh, and a new president took office in February 2012. Because of the revolution and the sweeping effects it had on the country and the project, OIG divided its analysis of the project into two periods: pre-revolution (July 2010 to February 2012) and post-revolution (March 2012 to March 2013).

Overall, the project has delivered mixed results. OIG found that it made limited progress in the first 20 months. It was delayed from the beginning because USAID/Yemen was slow to introduce the project to various officials in the Yemeni Government. The revolution and subsequent personnel evacuations continued to postpone progress. After the revolution, the project encountered additional delays as staffing and security challenges arose. However, the mission made a number of adjustments to improve and focus the project, creating some notable results. Officials from Yemen’s Ministry of Agriculture and Irrigation told the audit team they were extremely pleased with the assistance, particularly the activities related to pest control and demonstration plots. Feedback from beneficiaries was positive, including a farmer who reported that the mission’s interventions helped him double his production that season.

OIG identified several areas for improvement, including better funds control and monitoring of progress, as well as ensuring that goods are delivered and are in working order.

USAID made management decisions on all nine OIG recommendations and took final action on seven.

Review to Verify Whether Water Pipes and Fittings Purchased by USAID/West Bank and Gaza for the Palestinian Water Authority Were Used as Intended on Approved Mission Projects

Report No. 6-294-14-002-S

In September 2009, USAID/West Bank and Gaza issued two task orders to procure pipes and fittings worth \$17.1 million to use in the USAID-funded Infrastructure Needs Program to support water distribution improvement projects in the West Bank and Gaza. The mission hired MWH Global and later Black & Veatch to provide construction management services. To support this effort, the mission—acting through the Palestinian Water Authority (PWA)—signed a memorandum of understanding in May 2010 in which PWA agreed to provide secure storage for pipes and materials at its storage yards until USAID or its implementing partners needed them. The pipes are USAID’s property, intended for use in designated USAID projects.

In October 2011, USAID transferred ownership of some of the pipes and fittings, worth \$6.2 million, to PWA. USAID made the transfer on the condition that PWA would use the materials for 14 projects specified at the time of the transfer. Each of these projects required prior approval from the mission for vetting to ensure that no project would benefit municipalities controlled by a designated terrorist organization. As of September 2013, PWA and contractor records showed that 22,377 meters of these transferred pipes, valued at \$2.9 million, remained at the PWA storage yard.

OIG found that all of the materials PWA used supported projects to improve the water supply to Palestinians in the West Bank. However, PWA used more than \$2 million worth of USAID-funded pipes on 19 projects that had not been approved by USAID. Furthermore, PWA used materials worth almost \$400,000 that were not officially transferred for projects in the West Bank.

OIG made six recommendations to determine the reasonableness of certain costs associated with materials used by PWA and to implement specific control activities. USAID made management decisions on all of the recommendations and took final action on four of them.

UNICEF Self-Reports and Returns Overcharges to USAID

USAID provided the United Nation's Children's Fund (UNICEF) with a \$7.8 million grant to support water, sanitation, and hygiene components of a school rehabilitation program. UNICEF auditors and investigators determined that the program was systematically overcharging by 25 to 100 percent and that many of the schools being funded were underperforming. In January 2012, UNICEF reported that more than \$4 million in program funding had been misappropriated and estimated that about \$600,000 of this total had been provided by USAID. UNICEF invoked diplomatic immunity in this matter, which kept OIG from fully investigating it. In October 2013, UNICEF returned the \$600,000 to USAID.

GLOBAL HEALTH AND STRONG HEALTH SYSTEMS

USAID's global health programs work to combat and prevent HIV/AIDS, tuberculosis, malaria, neglected tropical diseases, pandemic influenza, and other emerging threats. They also focus on health delivery systems, maternal and child health, and nutrition in vulnerable populations. Cross-cutting audit findings of USAID health programs during this reporting period included data quality problems, insufficient coordination among implementers, inefficient operations, noncompliance with procedures, and sustainability issues.

Audit of USAID/Jordan's Strengthening Family Planning Project

Report No. 6-278-14-005-P

To address concerns of population growth and limited resources in Jordan, the mission awarded a \$33 million cooperative agreement to Abt Associates for the Strengthening Family Planning Project in July 2010. Known locally as Ta'ziz, the project provided services that included training and the purchase and renovation of family planning clinics throughout Jordan; assisting the Jordanian Association for Family Planning and Protection (JAFPP), the country's only nongovernmental entity providing woman-to-woman family planning services; and funding family planning marketing campaigns and community outreach efforts.

OIG found that the project made progress in helping JAFPP expand access to and improve the quality and use of family planning services. It made it easier for women to access family planning services

SIGNIFICANT FINDINGS AND ACTIVITIES

- OIG's audit of USAID/Jordan's Strengthening Family Planning Project found that activities had made progress in helping the Jordanian Association for Family Planning and Protection expand access to and improve the quality and use of family planning clinics. The project also made progress in providing quality clinic renovations. Abt Associates held its subcontractors to high standards and did not pay for work that did not meet expectations. OIG found some areas for improvement, however, including a lack of progress in the project's financial sustainability.
- Although data limitations prevented OIG from definitively determining the nationwide impact of USAID/Kenya's tuberculosis activities, auditors found indications that the mission's tuberculosis and HIV activities had increased people's access to health services. For example, AMPATH Plus trained health workers in the communities around health facilities, resulting in the screening of almost 12,000 people during 2012. In addition, APHIA Plus Nairobi Coast reported directly supporting 198 health facilities. Despite these accomplishments, auditors noted concerns with the projects' financial sustainability and data quality.

through JAFPP and improved the quality of and increased demand for JAFPP services. However, the project's goals were not limited to JAFPP and were extended to the family planning private sector generally. Because the project design and indicators focused on JAFPP, the results could not be projected beyond that one provider.

One of the project's highlights was quality clinic renovations. Auditors visited 12 of 14 renovated JAFPP clinics. In some cases, the renovations occurred more than a year before the audit, yet there was little visible wear. Floor and wall tiles were in good condition, as were windows, toilets, and other equipment the project funded. Abt achieved consistent quality results in all the clinics by identifying specific brands of each item. Furthermore, Abt held its subcontractors to high standards; for example, it refused to pay the first subcontractor for work that did not meet expectations. Holding project subcontractors accountable contributed to quality renovations.

OIG found some areas for improvement, however. JAFPP did not make progress toward becoming financially sustainable because it lost money on each client from offering deeply discounted services. OIG also found some discrepancies in reported results and in compliance with award procedures and training database requirements.

OIG made eight recommendations to help USAID/Jordan improve its Strengthening Family Planning Project. USAID made management decisions on all of them and took final action on five.

Audit of USAID/Kenya's Tuberculosis Activities

Report No. 4-615-14-001-P

The tuberculosis (TB) epidemic in Kenya has hindered the country's overall development by infecting more than 100,000 Kenyans and killing thousands every year. Despite gains that the Government of Kenya has made in TB care, diagnosis, and treatment, occurrences of TB in children under 15 and multidrug-resistant TB are growing concerns. In 2010, the Kenyan Government drafted a new 5-year strategic plan to address these concerns and build on previous gains.

USAID/Kenya drafted its own TB strategy for 2012-2016, which aims to improve TB detection and treatment and to better diagnose and care for people coinfecting with TB and HIV. OIG audited three projects that support this strategy—TB Care, APHIA Plus Nairobi Coast, and AMPATH Plus—to determine whether USAID/Kenya's TB activities have improved laboratory capabilities and access to treatment and whether TB/HIV activities increased access to the service delivery system. Auditors found that TB Care had improved laboratory capability and access to treatment. OIG reviewed data on indicators such as the treatment success rate and the case detection rate, including a review of source documentation in six TB control zones. Reported results for these indicators were 87 percent and 82 percent, respectively, which exceeded World Health Program targets.

Although data limitations prevented OIG from definitively determining the projects' impact nationwide, auditors found indications that USAID/Kenya's TB/HIV activities had increased people's access to health services. For example, AMPATH Plus trained health workers in the communities around health facilities, resulting in the screening of almost 12,000 people during 2012. In addition, APHIA Plus Nairobi Coast reported directly supporting 198 health facilities. At one, the district coordinator said that APHIA Plus provided needed structural improvements. At another location, a different district coordinator said that APHIA Plus officials had trained him in TB/HIV activities, which improved the capacity of facilities and district coordinators.

Despite these accomplishments, auditors noted concerns with the projects' financial sustainability and data quality. Notably, the implementer's payment of travel expenses for district coordinators created disincentives for maximizing cost efficiency, inadvertently causing bloat.

OIG made three recommendations. USAID made management decisions on each of them and took final action on one.

Audit of USAID/Mozambique's Clinical HIV/AIDS Services Strengthening Project in Sofala, Manica, and Tete Provinces

Report No. 4-656-I4-003-P

Mozambique suffers from a generalized HIV and AIDS epidemic, with some 1.6 million people living with HIV. The epidemic has strained the country's health system and hindered economic growth by reducing the labor supply and diverting funds to health care that could otherwise be used for investment. As of December 31, 2012, the U.S. Government, through its global HIV initiative (i.e., the President's Emergency Plan for AIDS Relief, or PEPFAR), had spent approximately \$1.1 billion to combat HIV in Mozambique.

In 2011, USAID initiated the Clinical HIV/AIDS Services Strengthening Project in the Sofala, Manica, and Tete Provinces of Mozambique, implemented by Abt Associates. The project's goal is to improve the quality of the health services that the system provides and the integration of HIV care and related primary health-care services, as well as to support interaction between the health system and the community. Its total estimated cost is \$111.4 million.

OIG found that the project was increasing access to and provision of high-quality HIV services by supporting provincial health directorates in the targeted provinces. This support included paying salaries for health-care workers, furnishing materials to health facilities, and providing technical assistance. Health-care workers interviewed generally commended the technical assistance provided by the project. These interventions have enhanced the ability of the health directorates in Sofala, Manica, and Tete to deliver HIV services, which included enrolling infected individuals in antiretroviral

treatments (including pregnant women in an effort to reduce the risk of mother-to-child transmission) and providing counseling and testing services.

Despite these positive results, the auditors found that the project lacked a strategy to transfer routine operating expenses to the Mozambican Government, did not effectively measure capacity-building efforts, and did not extend grants to community-based organizations on time. Therefore, the project's impact was limited in creating sustainable Mozambican systems and integrating HIV services with primary health care.

OIG made five recommendations to improve program activities, and USAID has made management decisions on all of them.

Agreed-Upon Procedures Review of USAID Resources Managed by Inter-Religious Council of Uganda Under Cooperative Agreement AID-617-A-10-00002

Report No. 4-617-14-001-S

Because Uganda is a deeply religious country, faith-based organizations (FBOs) play a key role in combating HIV. According to a 2012 PEPFAR report, more than a third of clinical care in Uganda is provided by FBOs. Accordingly, in December 2009, USAID/Uganda awarded a \$30 million, 5-year, cooperative agreement to the Inter-Religious Council of Uganda (IRCU) for a faith-based HIV/AIDS response in Uganda. During this time, the Ugandan Parliament was considering an “Anti-Homosexuality Bill” to prohibit same-sex relationships and criminalize the failure of individuals to report suspected homosexuals to authorities. Despite the important role played by FBOs, Agency policy is clear that “faith-based and community organizations may not use direct financial assistance from USAID (or any other federal agency) to support inherently religious activities” and “faith-based and community organizations may not, in providing USAID-funded program assistance, discriminate for or against any actual or potential beneficiary on the basis of religion or religious belief.” As a result, the IRCU award includes statements to this effect.

On the basis of these policies, outside groups have raised concerns that FBOs in Uganda, such as IRCU, may have used U.S. Government funds to support the passage of the Anti-Homosexuality Bill (which became law in February 2014) or to discriminate on the basis of religious beliefs. To address these concerns, OIG reviewed IRCU's work with FBOs and found that none of the annual work plans reviewed or interviews or surveys conducted indicated that IRCU was supporting the bill through its support of FBOs. However, OIG reviewed training courses that IRCU delivered and found one booklet that contained questionable content—a statement calling on political leaders to “advocate” for the passage of legislation “denouncing all forms of negative cultural practices”—that could be interpreted as supporting the bill.

OIG made one recommendation to USAID to determine and take appropriate action regarding this statement. Although the mission conceded that the statement was ambiguous, they believed the authors' intent was to advocate against practices such as female genital mutilation, wife sharing, and other forms of gender violence.

The recommendation was closed upon report issuance.

Follow-On Review Uncovers Fraudulent Expenditures

An internal investigation by Abt Associates uncovered falsified travel vouchers submitted by staff and management on an antimalarial project in Africa. Nine employees with the subcontractor signed acknowledgment letters concerning the fraud and agreed to return misappropriated funding. The self-disclosure by Abt also included descriptions of procurement irregularities; however, none of the questioned costs pertaining to those irregularities were included. An examination of financial documents by OIG found that \$18,000 in additional USAID funding had been defrauded, which the implementer credited back to USAID.

Employee Charged with Theft From South Sudan Project

In October 2013, OIG was notified about a theft of signed checks valued at \$74,000 by an employee of African Medical and Research Foundation, a local subimplementer of Jhpiego. The employee stole the checks—which were intended to be used for employees' salaries—and cashed them before fleeing the country. Of the \$74,000, approximately \$52,000 came from USAID funding. The employee was charged in South Sudan for the theft and arrested in Uganda on a South Sudan warrant, where he is awaiting extradition. As a result, Jhpiego changed several internal banking policies and paid \$52,288 in restitution to USAID.

OIG Investigation Leads to Recovery of More Than \$4,000

In Southeast Asia, a USAID subimplementer, Cordial Hands, made false claims to its prime implementer, PSI, regarding infectious disease trainings under a USAID-funded health program that had not actually taken place. PSI found that Cordial Hands claimed expenses for trainings that had not been held, inflated expenses for trainings that had been held, and attempted to bill PSI for expenses that were not allocable to the USAID program. In addition, PSI identified other expenses for which there was insufficient documentation to support the allocation of the costs to the USAID project. PSI reimbursed USAID for more than \$4,000 in disallowed costs.

BUILDING INSTITUTIONAL CAPACITY

During this reporting period, OIG conducted three audits of USAID management practices, involving overtime compensation, information management security, and financial management.

Audit of USAID/Afghanistan's Management Controls Over Overtime Compensation Report No. F-306-14-001-P

The Afghanistan service recognition package is designed to recognize the “exceptional factors involved in service in Afghanistan.” In addition to basic salary, the package includes overtime and other types of premium pay to compensate certain categories of employees for substantial amounts of extra work performed. At the same time, employees are expected to manage their time effectively and to make sure that any overtime worked is essential to meet the U.S. Government’s goals.

According to payroll reports generated by USAID’s electronic time and attendance system, webTA, USAID/Afghanistan’s employees received premium pay for approximately 468,277 hours from January 1, 2011, to August 25, 2012. Approximately 333,348 hours of this total, or 71 percent, were overtime hours. OIG determined that although the mission paid approximately \$16.6 million for overtime compensation, 94 percent of the overtime hours (worth more than \$15 million) were paid without any record of overtime requests in webTA.

SIGNIFICANT FINDINGS AND ACTIVITIES

- OIG’s Audit of USAID/Afghanistan’s Management Controls Over Overtime Compensation identified more than \$16 million in questioned costs, as well as problems with internal controls. Correct procedures were not followed for 98 percent of overtime hours audited.
- OIG’s Audit of USAID’s Fiscal Year 2013 Compliance With the Federal Information Security Management Act of 2002 found that USAID had not established an effective risk management program to ensure that policies and procedures were assessed and working as intended. Auditors concluded that USAID was not in substantial compliance with FISMA.
- OIG has rendered an unmodified opinion on USAID’s principal financial statements for fiscal years 2013 and 2012. With respect to internal control, we identified one deficiency that we consider a material weakness (i.e., USAID’s process for reconciling its fund balance with the U.S. Treasury). In addition, OIG identified four significant deficiencies in internal control.

Despite multiple directives from the mission reminding employees of overtime requirements, OIG found widespread noncompliance. In fact, correct procedures were not followed for 98 percent of the overtime hours audited. For instance, some of the requests that were recorded were missing required justifications. Others that included justifications were too vague to tell what work was performed.

Overtime was controlled poorly because USAID/Afghanistan supervisors and employees were not following established requirements for requesting and approving overtime. Although the mission provided training to its employees on overtime policies and webTA, the training did not achieve an acceptable degree of compliance with applicable regulations and USAID and mission policies regarding overtime use. It is not enough to establish internal control policies; management also is responsible for monitoring the effectiveness of those controls on an ongoing basis.

In addition, leaders did not exhibit a positive, supportive attitude toward internal control and conscientious management. For example, they indicated that while the mission requires employees to ask for overtime in advance, it allows individual supervisors to make exceptions. Giving them that discretion rendered numerous USAID and mission policies inapplicable.

OIG recommended that USAID/Afghanistan determine the allowability of \$16,283,163 in unsupported questioned costs; however, the mission disagreed with this recommendation. In February 2014, after the audit was finalized, USAID/Afghanistan gave OIG additional data that purported to show proof of overtime approval. Without auditing the new data, OIG could not determine whether any overtime was requested and approved in advance as reported by the mission.

Management decisions were made on all four recommendations.

Audit of USAID's Fiscal Year 2013 Compliance with the Federal Information Security Management Act of 2002

Report No. A-000-14-001-P

The Federal Information Security Management Act (FISMA) requires agencies to develop, document, and implement an Agency-wide information security program to protect their information and information systems, including those provided or managed by another agency, contractor, or other source. The act also requires agencies to have an annual assessment of their information systems.

OIG contracted with the independent certified public accounting firm of Cotton & Company LLP to conduct the audit in accordance with U.S. Government auditing standards. The objective was to determine whether USAID implemented certain minimum security controls for selected information systems to reduce the risk of data tampering, unauthorized access to and disclosure of sensitive information, and disruptions to USAID's operations.

The auditors found that USAID had not established an effective risk management program to ensure that policies and procedures were assessed and working as intended. In addition, auditors reported that USAID’s decentralized management of information technology and information security did not allow it to implement a process to effectively assess, respond to, and monitor information security risks throughout the Agency. Consequently, auditors concluded that USAID was not in substantial compliance with FISMA.

The auditors made 29 recommendations to help USAID strengthen its information security program. USAID made management decisions on all 29 recommendations and took final action on 9 of them.

Audit of USAID’s Financial Statements for Fiscal Years 2013 and 2012

Report No. 0-000-14-001-C

OIG has rendered an unmodified opinion on USAID’s principal financial statements for fiscal years 2013 and 2012. With respect to internal controls, OIG identified one deficiency that we consider a material weakness, which pertains to USAID’s process for reconciling its fund balance with the U.S. Treasury. Additionally, we identified four significant deficiencies in internal control. They pertain to USAID’s processes for (1) deobligating unliquidated obligations, (2) accounting for advances, (3) supporting payroll deductions, and (4) reconciling intragovernmental transactions.

OIG did not find any instances of substantial noncompliance with federal financial management system requirements, federal accounting standards, or the U.S. Standard General Ledger at the transaction level as a result of our tests required under Section 803(a) of the Federal Financial Management Improvement Act of 1996 (FFMIA), Public Law 104 208, Title VIII (31 U.S.C. 3512 note). However, we reported one significant deficiency in the Agency’s annual Federal Information Security Management Act report, No. A-000-14-001-P, dated October 15, 2013, which we classified as an instance of substantial noncompliance with FFMIA as required by OMB Bulletin 14-02, “Audit Requirements for Federal Financial Statements.”

The report made four recommendations to improve USAID’s internal control over financial reporting. USAID made management decisions on all four.

OIG Reporting Under the Government Charge Card Abuse Prevention Act of 2012

The Government Charge Card Abuse Prevention Act of 2012, Public Law 112-194, seeks to prevent waste, fraud, and abuse of Government-wide charge card programs. The act distinguishes between two types of charge cards—purchase cards and travel cards. It includes two requirements for ongoing OIG reporting to the Office of Management and Budget (OMB). OMB has provided guidance for interpreting these requirements in OMB Memorandum M-13-21, “Implementation of the Government Charge Card Abuse Prevention Act of 2012.” Under the OMB guidance, one requirement is for semiannual joint (OIG

and USAID) reports on purchase card violations and the other is for annual OIG reports on agency implementation of audit recommendations relating to travel and purchase cards.

The semiannual joint reports on purchase card violations are required only if the executive agency has more than \$10 million in purchase card spending annually. Of the four agencies under OIG's purview (USAID, MCC, IAF, and USADF), only USAID met this \$10 million threshold. OMB guidance states that the agency should incorporate the joint reports into the charge card management plans due to OMB on January 31, 2014. USAID/OIG submitted a memo ("OIG Input to Semiannual Joint (OIG/USAID) Purchase Card Violation Report") to USAID, and USAID included the memo in the joint report that it created and submitted to OMB as part of its charge card management plan. The memo includes the determination that OIG's Office of Investigations did not conduct any investigations involving purchase card violations in FY 2013, and states that OIG reviewed USAID's "Summary Description of Confirmed Violations Involving Misuse of a Purchase Card" for FY 2013. The next semiannual joint report is due to OMB on July 31, 2014.

For the annual OIG reports on agency implementation of audit recommendations relating to travel and purchase cards, OMB guidance states that these should report on open recommendations, as well as those closed during the prior year. The OMB memo states that "IGs will report to the Director of OMB 120 days after the end of each fiscal year on agency progress in implementing audit recommendations, beginning with the FY 2013 submission due by January 31, 2014." The Acting Inspector General submitted four reports to the OMB Director—one each for USAID, MCC, IAF and USADF. A thorough search of OIG audit recommendations for these four agencies did not reveal any open recommendations relating to travel or purchase card programs and did not reveal any closed in FY 2013 relating to purchase cards. The search identified six recommendations that USAID closed in FY 2013 relating to its travel card program.

TABLES: U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Significant Recommendations Described Previously Without Final Action USAID October 1, 2013-March 31, 2014					
Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
I-511-09-004-P*	Audit of Engender Health's Management of Activities Financed by USAID/Bolivia	1/15/09	2 3	1/15/09 1/15/09	6/30/15 6/30/15
A-000-11-002-P	Audit of USAID's Compliance with the Federal Information Security Management Act of 2002 for Fiscal Year 2010	11/9/10	3 25	11/9/10 11/9/10	12/31/14 2/28/15
0-000-11-001-C	Audit of USAID's Financial Statements for Fiscal Years 2010 and 2009	11/12/10	1	11/12/10	12/31/14
F-306-11-005-S	Review of USAID/Afghanistan's Afghan Civilian Assistance Program	8/31/11	7	2/14/12	9/30/15
G-391-12-001-P	Audit of USAID/Pakistan's Firms Project	11/3/11	5	-	-
A-000-12-003-P	Audit of USAID's Fiscal Year 2011 Compliance With the Federal Information Security Management Act of 2002	11/15/11	6.1 9.2 13.1 15.1 15.2 23 24 27 29	11/15/11 11/15/11 11/15/11 11/15/11 11/15/11 11/15/11 11/15/11 11/15/11 11/15/11	5/15/14 12/31/14 5/15/14 5/15/14 5/15/14 12/30/14 12/31/15 12/30/14 9/30/14
4-654-12-006-P	Audit of USAID/Angola's Public-Private Partnerships for Development	2/27/12	7	8/28/12	6/30/14
A-000-12-004-P	Audit of USAID's Contracts for Cloud Computing Services	4/12/12	3	4/12/12	5/15/14
F-306-12-003-P	Audit of USAID/Afghanistan's Internal Controls in the Administration of the Involuntary Separate Maintenance Allowance	6/25/12	8	3/27/13	9/30/14
4-615-12-011-P	Audit of Commodities Funded Under the President's Malaria Initiative in Kenya	6/28/12	1	6/28/12	3/6/15

**Significant Recommendations Described Previously Without Final Action
USAID
October 1, 2013-March 31, 2014**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
I-527-12-008-P	Audit of USAID/Peru's Environmental Activities	9/19/12	10	9/19/12	4/15/14
9-000-12-005-P	Audit of USAID's Small Business Utilization Practices	9/27/12	3	9/27/12	6/30/14
			9	9/27/12	9/30/14
6-263-13-002-P*	Audit of USAID/Egypt's Transition Support Grants Program	10/22/12	6	10/22/12	9/30/14
A-000-13-003-P	Audit of USAID's Fiscal Year 2012 Compliance With the Federal Information Security Management Act of 2002	11/14/12	1	11/14/12	12/31/14
			3.1	11/14/12	7/31/14
			3.2	11/14/12	7/31/14
			5	11/14/12	5/15/14
			6.1	11/14/12	7/31/14
			6.2	11/14/12	7/31/14
			6.5	11/14/12	7/31/14
			6.6	11/14/12	5/15/14
			9.1	11/14/12	7/21/14
			9.2	11/14/12	7/31/14
			10.1	11/14/12	9/30/14
			10.2	11/14/12	9/30/14
			10.3	11/14/12	9/30/14
			10.4	11/14/12	9/30/14
			12.1	11/14/12	5/15/14
			12.2	11/14/12	5/15/14
			12.3	11/14/12	5/15/14
			13.1	11/14/12	12/20/14
			14	11/14/12	9/30/14
			15	11/14/12	9/30/14
16.1	11/14/12	5/15/14			
16.2	11/14/12	9/30/14			
20	11/14/12	4/30/14			
21.1	11/14/12	12/30/14			
21.2	11/14/12	12/30/14			
4-621-13-003-P	Audit of USAID-Funded Net Distribution Activities Implemented by Mennonite Economic Development Associates in Tanzania	11/15/12	4	6/25/13	6/14/14
			5	6/25/13	6/14/14
			6	6/25/13	6/14/14
			7	6/25/13	6/14/14
			8	11/15/12	6/14/14
0-000-13-001-C	Audit of USAID's Financial Statements for Fiscal Years 2012 and 2011	11/16/12	1	11/16/12	12/31/14
			3	11/16/12	9/30/14
			4	11/16/12	6/30/14
5-442-13-002-P	Audit of USAID/Cambodia's Better Health Services Project	12/7/12	2	6/5/13	4/30/14
			3	12/7/12	4/30/14

**Significant Recommendations Described Previously Without Final Action
USAID
October 1, 2013-March 31, 2014**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
4-962-13-004-P	Audit of USAID's Internal Controls Over Prepositioned Food Assistance for the Horn of Africa	1/7/13	1 3	2/19/13 2/19/13	5/31/14 7/31/14
A-000-13-004-P	Audit of Selected Controls Over USAID Badges Used to Access USAID Facilities	1/30/13	1 3 8.1 9 10 11	1/30/13 1/30/13 1/30/13 1/30/13 1/30/13 1/30/13	4/30/14 4/30/14 4/30/14 4/30/14 4/30/14 4/30/14
6-278-13-001-S	Review of USAID/Jordan's Cash Transfer Activities	1/31/13	10 11	1/31/13 1/31/13	4/30/14 4/30/14
4-654-13-006-P	Audit of USAID/Angola's HIV/AIDS Activities	3/5/13	1 2 10 11	3/5/13 3/5/13 9/5/13 3/5/13	4/30/14 4/30/14 6/30/14 6/30/14
0-000-13-001-S	Report on USAID's Compliance With the Improper Payments Elimination and Recovery Act of 2010	3/15/13	2	3/15/13	6/30/14
9-168-13-003-P	Audit of USAID/Bosnia-Herzegovina's Fostering Interventions for Rapid Market Advancement Project	5/30/13	2 5	5/30/13 5/30/13	4/30/14 4/30/14
7-688-13-003-P	Audit of USAID/Mali's Economic Growth Activities	5/31/13	8	5/31/13	4/30/14
9-000-13-003-S	Review of USAID's Partner-Country and Local Organization Assessments Under Implementation and Procurement Reform	6/7/13	1 3 4 5 6 7	6/7/13 6/7/13 6/7/13 6/7/13 6/7/13 6/7/13	6/30/14 5/31/14 5/31/14 5/31/14 5/31/14 5/31/14
G-391-13-004-P	Audit of USAID/Pakistan's Agribusiness Project	6/12/13	1 2 3 4 5 6 7 8 9	1/30/14 6/12/13 1/30/14 1/30/14 1/30/14 1/30/14 1/30/14 1/30/14 1/30/14	6/12/14 6/12/14 6/12/14 6/12/14 6/12/14 6/12/14 6/12/14 6/12/14 6/12/14

**Significant Recommendations Described Previously Without Final Action
USAID
October 1, 2013-March 31, 2014**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
4-668-13-008-P	Audit of USAID/South Sudan's Core Institutional Structures Project	7/11/13	2	7/11/13	4/30/14
			3	7/11/13	4/30/14
			7	7/11/13	4/30/14
5-497-13-007-P	Audit of USAID/Indonesia's Indonesia Forest and Climate Support Project	7/24/13	4 6	7/24/13 7/24/13	7/24/14 7/24/14
4-695-13-009-P	Audit of USAID/East Africa's Maternal and Child Health Program in Burundi	7/26/13	1 2	7/26/13 7/26/13	4/30/14 4/30/14
4-612-13-010-P	Audit of USAID's Agricultural Programs in Malawi	7/30/13	5	7/30/13	6/30/14
			7	2/18/14	8/18/14
			12	7/30/13	5/31/14
			13	7/30/13	5/31/14
I-521-13-007-P	Audit of USAID/Haiti's Leadership, Management and Sustainability Project	8/2/13	1	8/2/13	4/30/14
			2	8/2/13	4/30/14
			3	8/2/13	4/30/14
I-521-13-008-P	Audit of USAID/Haiti's Integrated Financing for Value Chains and Enterprises	9/5/13	1	9/5/13	5/31/14
			2	9/5/13	5/31/14
			3	9/5/13	5/31/14
			4	9/5/13	5/31/14
			5	9/5/13	5/31/14
			6	9/5/13	5/31/14
			7	9/5/13	5/31/14
6-294-13-016-P	Audit of USAID/West Bank and Gaza's Peace and Reconciliation Program	9/15/13	1	9/15/13	4/30/14
			2	9/15/13	4/30/14
			3	9/15/13	4/30/14
			4	9/15/13	4/30/14
			5	9/15/13	4/30/14
			6	9/15/13	4/30/14
G-391-13-005-P	Audit of USAID/Pakistan's Small Grants Program	9/17/13	1	9/17/13	8/15/14
			2	9/17/13	8/15/14
			3	9/17/13	8/15/14

**Significant Recommendations Described Previously Without Final Action
USAID
October 1, 2013-March 31, 2014**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
A-000-13-005-P	Audit of the Cost and Security Policies and Procedures for USAID's Mobile Devices	9/17/13	1	9/17/13	8/31/14
			2	9/17/13	8/31/14
			3	9/17/13	8/31/14
			4	9/17/13	8/31/14
			5	9/17/13	8/31/14
			6	9/17/13	8/31/14
			7	9/17/13	8/31/14
			8	9/17/13	8/31/14
			9	9/17/13	8/31/14
			10	9/17/13	8/31/14
			11	9/17/13	8/31/14
			12	9/17/13	8/31/14
			14	9/17/13	8/31/14
			15	9/17/13	8/31/14
			16	9/17/13	8/31/14
			17	9/17/13	12/31/14
			18	9/17/13	8/31/14
			19	9/17/13	8/31/14
			20	9/17/13	12/31/14
			21	9/17/13	12/31/14
			22	9/17/13	8/31/14
			23	9/17/13	8/31/14
			24	9/17/13	8/31/14
			25	9/17/13	8/31/14
			26	9/17/13	8/31/14
			9-000-13-005-P	Audit of USAID's Defense Base Act Insurance Program	9/18/13
2	9/18/13	2/1/15			
3	9/18/13	4/30/14			
4	9/18/13	2/1/15			
5	9/18/13	9/30/14			
F-306-13-001-P	Audit of USAID/Afghanistan's Kandahar Helmand Power Project	9/25/13	1	9/25/13	9/30/14
			2	9/25/13	9/30/14
			3	9/25/13	9/30/14

*The vendor is on a repayment plan with USAID

**Incidents in Which OIG Was Refused Assistance or Information
USAID**

October 1, 2013-March 31, 2014

Section 6(b)(2) of the Inspector General Act of 1978 requires an inspector general to report to the head of the agency whenever requested information or assistance is unreasonably refused or not provided.

During this reporting period, there were no reports of such instances.

Financial Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
USAID
October 1, 2013–March 31, 2014

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Foreign Government				
G-391-14-002-R	10/3/13	Close-out Financial Audit of USAID/Pakistan Grant Agreement No. 391-IL-00-08-01111-00, Managed by Health Services Academy (HSA), for the Period From July 1, 2012, to March 31, 2013	6 6	QC UN
G-391-14-003-R	10/11/13	Financial Audit of the Program Titled "Merit and Need Based Scholarship Project," USAID/Pakistan Agreement No. 391-G-00-04-01023-00, for the Year Ended June 30, 2012; Managed by Higher Education Commission	17 16	QC UN
G-391-14-005-R	10/25/13	Financial Audit of the USAID/Pakistan Program Assistance Agreement No. 391-SWA-FARA-001-00, Managed by the Federally Administered Tribal Areas Secretariat, for the Year Ended June 30, 2012		
G-391-14-006-R	10/30/13	Financial Audit of the USAID/Pakistan Program Assistance Agreement No. 391-MUZ-FARA-004-00, Managed by the Northern Power Generation Company Limited, for the Year Ended June 30, 2012		

Financial Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
USAID
October 1, 2013–March 31, 2014

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
G-391-14-007-R	11/1/13	Financial Audit of the USAID/Pakistan Program Assistance Agreement No. 391-PEPA-ENR-SATPARA-PIL-001, Managed by the Water and Power Development Authority, for the Year Ended June 30, 2012		
G-391-14-008-R	11/1/13	Financial Audit of the USAID/Pakistan Program Assistance Agreement No. 391-TDR-FARA-002-00, Managed by the Water and Power Development Authority, for the Year Ended June 30, 2012		
G-391-14-009-R	11/5/13	Financial Audit of the USAID/Pakistan Program Assistance Agreement No. 391-PEPA-ENR-GOMAL-PIL-001, Managed by the Water and Power Development Authority, for the Year Ended June 30, 2012		
G-391-14-010-R	12/4/13	Financial Audit of the USAID/Pakistan Program Assistance Agreement No. 391-AAG-011-SWA-TANK, Managed by the Federally Administered Tribal Areas Secretariat, for the Year Ended June 30, 2012		
G-391-14-011-R	12/19/13	Financial Audit of the USAID/Pakistan Program Assistance Agreement No. 391-013, Program Implementation Letter for the Kaur Gomal Tanai Wana Road, Managed by the Federally Administered Tribal Areas Secretariat, for the Year Ended June 30, 2012		
G-391-14-012-R	1/2/14	Financial Audit of the USAID/Pakistan Project Implementation Letter No. 391-013-PIL-004, Project No. 391-013-004, Managed by the Federally Administered Tribal Areas Secretariat, for the Year Ended June 30, 2012		

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G-391-14-013-R	1/2/14	Financial Audit of the USAID/ Pakistan Project Implementation Letter No. 391-013-PIL-004, Project No. 391-013-009, Managed by the Federally Administered Tribal Areas Secretariat, for the Year Ended June 30, 2012		
G-391-14-014-R	1/9/14	Financial Audit of the USAID/ Pakistan Project Implementation Letter 391-013-PIL-004, Project No. 391-013-010, for the Widening and Reconstruction of Ahmed Wam Tunnel, Managed by the Federally Administered Tribal Areas Secretariat, for the Year Ended June 30, 2012		
Programs and Operations				
0-000-14-001-C	12/16/13	Audit of USAID's Financial Statements for Fiscal Years 2013 and 2012	55,000	BU
Foreign-Based Organizations				
I-534-14-001-N	3/19/14	Close Out Audit of the Certified Expenditures Report Under Contract No. AID-504-C-11-00001, Managed by the Community Support and Development Services Inc. (CSDS), for the Period From January 1, 2012, to September 30, 2013		
I-519-14-001-R	10/3/13	Audit of the "Entrepreneurs Program Superate," Cooperative Agreement No. 519-A-10-00002 Between the United States Agency for International Development (USAID) and Fundación Sagrera Palomo, for the Period From January 1, 2012, to December 31, 2012		

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I-527-14-002-N	3/19/14	Close-Out Audit of the Certified Expenditures Report of USAID Resources Provided Under Contract No. AID-527-C-08-00010 "Strengthening Institutions and Policies," Managed by Consultandes S.A. for the Period From January 1, 2012, to June 30, 2013	982	QC
I-596-14-002-R	10/10/13	Audit of the Fund Accountability Statement of USAID Resources Provided Under Strategic Agreement No. 596-A-00-06-00078-00 "Economic Freedom: Open Diversified Expanding Economies in Central America and the Dominican Republic CAFTA-DR," Managed by Comisión Centroamerica de Ambiente y Desarrollo (CCAD) for the Period From January 1 to December 31, 2012	12	QC
I-522-14-003-R	10/10/13	Financial Audit of USAID Assistance Agreement No. 522-0480 "More Responsive Governance Program and Elections and Political Processes Element," Managed by the Supreme Electoral Tribunal (TSE) for the Period From January 1, 2012, to March 31, 2013	63 10	QC UN
I-527-14-004-R	10/10/13	Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-527-G-11-00001 "Strengthening the Climate Change Adaptive Capacity of Local Governments and Organizations in Rural Southern Peru Program," Managed by the Asociación Especializada para el Desarrollo Sostenible (AEDES), for the Period From February 16, 2011, to December 31, 2012		

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I-518-14-005-R	10/10/13	Audit of Cooperative Agreement No. 518-A-00-07-00067-00, "Integrated Municipal Development Program (IMDP)," and 518-A-10-00005, "Program to Combat the Trafficking in Persons in Ecuador (TIP)," Managed by the International Organization for Migration (IOM), for the Year Ended on December 31, 2012		
I-512-14-006-R	10/16/13	Audit of the USAID Cooperative Agreement No. 512-A-11-00002, Increasing Testing Options and Leadership on HIV/AIDS "Quero Fazer" Program, Managed by Espaço de Prevenção e Atenção Humanizada (EPAH) for the Period From January 1, 2012, to December 31, 2012		
I-527-14-007-R	10/16/13	Close-out Audit of the Fund Accountability Statement of Cooperative Agreement No. 527-A-10-00006 "The Cajamarca Nutrition Alliance: Strengthening and Expanding Predeci Program," Managed by the Asociación Los Andes de Cajamarca (ALAC), for the Period From October 14, 2010, to April 13, 2013		
I-598-14-008-R	10/15/13	Close-out Audit of the Fund Accountability Statement of the "Building More Inclusive and Equitable Democracies in the Americas," Project No. RLA-A-00-09-00006-00, and Audit of the "Strengthening Electoral Management Project," No. AID-518-A-11-00002, Managed by the Inter-American Institute of Human Rights (IIHR), for the Year Ended December 31, 2012		

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I-532-14-009-R	10/18/13	Close-out Audit of USAID Resources Managed by Digicel Foundation for the Redemption Market Project Under Cooperative Agreement AID-532-A-12-00001 for the Period From December 2, 2011, to December 30, 2012	121 120	QC UN
I-524-14-010-R	10/21/13	Audit of the Fund Accountability Statement Under Cooperative Agreement No. AID-524-A-11-00001 for the "Promotion of Economic and Social Development in Nicaragua Program," Managed by Fundación Nicaraguense Para el Desarrollo Económico y Social (FUNIDES), for the Period From January 1, 2012, to December 31, 2012		
I-524-14-011-R	11/6/13	Audit of the Fund Accountability Statement of the Project "Education for Success Program on the South Atlantic Autonomous Region of Nicaragua," Cooperative Agreement No. 524-A-10-00005, Managed by Fundación para la Autonomía y el Desarrollo de la Costa Atlántica de Nicaragua (FADCANIC), for the Year Ended on December 31, 2012	55	QC
I-514-14-012-R	11/15/13	Close-out Audit of the Fund Accountability Statement of the "Pilot Project to Provide Mental Health Services to Victims in Rural Areas Affected by Colombian Internal Conflict," Managed by Fundación País Libre, Under the Cooperative Agreement AID-514-A-10-00003, for the Period From January 1, 2012, to November 30, 2012		

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I-538-14-013-R	1/21/14	Audit of the Fund Accountability Statement of Grant No: 538-LSSAG-538-2011-001 "Reduce Risks to Human and Natural Assets Resulting from Climate Change Program," Managed by the Organization of Eastern Caribbean States (OECS), for the Period from January 17, 2011, to June 30, 2012		
I-527-14-014-R	1/22/14	Audit of the Strategic Objective Agreement No. 527-0423, Managed by the Comisión Nacional Para el Desarrollo y Vida Sin Drogas (DEVIDA) for the Period From January 1 to December 31, 2012	357	QC
I-527-14-015-R	2/20/14	Financial Audit of the Strategic Objective Agreement No. 527-0423, Managed by the Regional Government of San Martin (GORESAM) for the Period From April 1 to December 31, 2012	50 49	QC UN
I-532-14-016-R	2/20/14	Audit of the Agreements No. 532-IL-532-4-ENV-AA-0007 and 532-IL-ENV-AA-00005, for the "USAID/GOJ Gustav Agricultural Rehabilitation Project (GARP)," Managed by the Ministry of Agriculture and Fisheries (MOAF), for the Period From August 1, 2011, to September 30, 2012	7	QC
I-532-14-017-R	2/26/14	Audit of the Agreement No. 532-IL-532-AG-8- 00007, for the "Marketing and Agriculture for Jamaican Improved Competitiveness (MAJIC) Program," Managed by the Ministry of Agriculture and Fisheries (MOAF), for the Period From May 4, 2011, to September 30, 2012	10 4	QC UN

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I-538-14-018-R	3/20/14	Audit of USAID Resources Managed By the Caribbean HIV AIDS Alliance, Under Regional Strategic Assistance Cooperative Agreement Number AID-538-A-II-00001, "Eastern Caribbean Community Action Project II (EC-CAP II) Program" From the Period From March 1, 2011, to December 31, 2011		
I-527-14-019-R	3/28/14	Financial Audit of the Fund Accountability Statement of the "Awareness Program on Sport, Recreation and Culture for Wheelchair Users in Latin America," Cooperative Agreement No. AID-527-A-II-00007, Managed by Fundación Arcangeles Para la Rehabilitación Integral for the Period From September 27, 2011, to December 31, 2012		
3-168-14-001-R	10/9/13	Audit of Community Development Foundation Mozaik Under Fund Accountability Statement USAID Grant Agreement Nos. 168-A-00-10-00103-00 and 168-A-00-10-00101-00 for Fiscal Year December 31, 2012		
3-000-14-002-R	10/8/13	Audit of ZOA, Under Agreement Nos. AID-OFDA-G-II-0098 and AID-383-G-II-00004 for Fiscal Year Ended December 31, 2011		
3-118-14-003-R	10/9/13	Audit of New Eurasia Foundation (NEF) Fund Accountability Statement Under USAID Multiple Agreements for the Fiscal Year Ended December 31, 2012	13	QC
3-000-14-004-R	10/9/13	Audit of Première Urgence-Aide Médicale Internationale (PUAMI) Fund Accountability Statement Under USAID Multiple Agreements for Fiscal Year Ended June 30, 2010	7 7	QC UN

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3-000-14-005-R	10/10/13	Audit of Première Urgence-Aide Medicale Internationale (PUAMI) Fund Accountability Statement Under USAID Multiple Agreements for the Period July 1, 2010, to December 31, 2010	1 1	QC UN
3-168-14-006-R	10/10/13	Audit of Fostering Entrepreneurship in Rural Areas-Fruit Grower Association "Integralna Proizvodnja Voća" Fund Accountability Statement Under USAID Cooperative Agreement Number AID-168-A-11-00003 for Fiscal Year (FY) Ended December 31, 2012		
3-000-14-007-R	10/15/13	Audit of Première Urgence - Aide Medicale Internationale (PUAMI) Fund Accountability Statement Under USAID Multiple Agreements for Fiscal Year Ended December 31, 2011		
3-000-14-008-R	10/16/13	Audit of Solidarités International (SI) Fund Accountability Statement Under USAID Multiple Agreements for Fiscal Year Ended December 31, 2012		
3-000-14-009-R	10/17/13	Audit of European Cooperative for Rural Development (EUCORD) Fund Accountability Statement Under USAID Cooperative Agreement No. GHO-A-00-09-00008-00 for the Period January 1, 2012, Through August 31, 2012		
3-000-14-010-R	10/18/13	Audit of International HIV/AIDS Alliance Fund Accountability Statement Under USAID Multiple Agreements for Fiscal Year Ended December 31, 2012		

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3-165-14-011-R	10/21/13	Audit of Foundation Center for Entrepreneurship and Executive Development-CEED Macedonia (FCEED) Fund Accountability Statement Under USAID Cooperative Agreement No. AID-165-A-11-00002 for Fiscal Year Ended December 31, 2012	10	QC
3-121-14-012-R	10/23/13	Audit of "Civic Network "OPORA" (OPORA) Fund Accountability Statement Under USAID Multiple Agreements for the Fiscal Year Ended December 31, 2012		
3-000-14-013-R	10/23/13	Audit of Save the Children UK Fund Accountability Statement Under USAID Multiple Agreements for Fiscal Year Ended December 31, 2011		
3-168-14-014-R	10/23/13	Audit of Centers for Civic Initiatives Fund Accountability Statement Under Cooperative Agreement No. 168-A-00-08-00104-00 for Fiscal Year Ended December 31, 2011		
3-168-14-015-R	10/23/13	Audit of Centers for Civic Initiatives Fund Accountability Statement Under Cooperative Agreement No. 168-A-00-08-00104-00 for Fiscal Year Ended December 31, 2012		
3-000-14-016-R	10/29/13	Audit of Handicap International Under Multiple Agreements for Fiscal Year Ended December 31, 2012		
3-000-14-017-R	11/19/13	Audit of Action Contre La Faim-Fund Accountability Statement Under USAID Multiple Agreements for Fiscal Year Ended December 31, 2012		
3-000-14-018-R	11/19/13	Closeout Audit of Agency for Technical Cooperation and Development (ACTED) Under Multiple Agreements for Fiscal Year Ended December 31, 2011		

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3-165-14-019-R	12/11/13	Audit of the Foundation Open Society Macedonia (FOSM)-Fund Accountability Statement Under Cooperative Agreement Nos. 165-A-00-04-00101-00 and AID-165-A-12-00004 for the Year Ended December 31, 2012		
3-111-14-020-R	12/5/13	Audit of Armenian Young Lawyers Association, Under USAID Cooperative Agreement No. AID-111-A-11-00002 for Fiscal Year Ended December 31, 2012		
3-000-14-021-R	12/10/13	Audit of Norwegian People's Aid-Fund Accountability Statement Under USAID Multiple Agreements for the Year Ended December 31, 2011		
3-111-14-022-R	12/11/13	Audit of Eurasia Partnership Foundation Under USAID Multiple Agreements for the Fiscal Year Ended December 31, 2012		
3-000-14-023-R	12/17/13	Audit of Danish Refugee Council (DRC)-Fund Accountability Statement Under USAID Multiple Agreements for the Year Ended December 31, 2011	14	QC
3-000-14-024-R	1/6/14	Audit of Marie Stopes International (MSI)-Fund Accountability Statement Under USAID Multiple Agreements for the Year Ended December 31, 2012	1,946 1,946	QC UN
3-111-14-025-R	1/6/14	Audit of It's Your Choice NGO (IYC)-Fund Accountability Statement Under Agreement No. AID-111-G-II-00002 for the Year Ended December 31, 2012		
3-000-14-026-R	1/6/14	Audit of Norwegian Refugee Council (NRC)-Fund Accountability Statement Under USAID Multiple Agreements for the Year Ended December 31, 2012	31 23	QC UN

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3-165-14-027-R	1/15/14	Audit of Business Startup Center Bitola (BSCB) Fund Accountability Statement Under USAID Cooperative Agreement No. 165-A-11-00104-00 for the Fiscal Year Ended December 31, 2012	4	QC
3-000-14-028-R	1/23/14	Audit of Building Markets, Ltd-Fund Accountability Statement Under USAID Agreement No. AID-669-G-12-00001 for the Period of March 5, 2012, Through June 30, 2012	38 31	QC UN
3-112-14-029-R	1/27/14	Audit of "UMID" Support to Social Development Public Union (UMID), Under USAID Cooperative Agreement No. 112-A-09-00003 and Sub-Award No. 669-11-100-3018-20 for the Year Ended December 31, 2012		
3-114-14-030-R	2/3/14	Audit of The United Nations Association of Georgia (UNAG) Under USAID Agreement No. AID-114-A-11-00002 for the Year Ended December 31, 2012		
3-000-14-031-R	1/30/14	Audit of Tearfund Under Multiple Agreements for Fiscal Year Ended March 31, 2013		
3-121-14-032-R	2/5/14	Audit of Centre UA, Under USAID Cooperative Agreement No. 121-A-00-08-00707-00 for the Year Ended December 31, 2012	6 6	QC UN
3-000-14-033-R	3/3/14	Audit of Merlin Under Multiple Agreements for Fiscal Year Ended December 31, 2012		
3-114-14-034-R	3/3/14	Closeout Audit of Coalition for Independent Living (CIL) Fund Accountability Statement Under USAID Agreement March 3, 2014 No. PWD 001 for the Period November 1, 2006, Through February 29, 2012	232 224	QC UN

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3-000-14-035-R	3/6/14	Audit of VSF Germany-Fund Accountability Statement Under Multiple Agreements for the Fiscal Year December 31, 2012		
3-000-14-036-R	3/6/14	Audit of Oxfam GB (OGB)- Fund Accountability Statement Under USAID Multiple Agreements for the Year Ended March 31, 2013	1 1	QC UN
3-000-14-037-R	3/11/14	Audit of Water and Sanitation for the Urban Poor (WSUP) Under Multiple Agreements for the Year Ended March 31, 2013	66 62	QC UN
3-000-14-039-R	3/18/14	Audit of ZOA Under USAID Multiple Agreements for Fiscal Year Ended December 31, 2012		
3-000-14-040-R	3/20/14	Audit of Practical Action Under Multiple Agreements for Fiscal Year Ended March 31, 2013		
3-165-14-041-R	3/24/14	Audit of Macedonian Civic Education Center Under Cooperative Agreements Nos. AID-165-A-12-00002 and AID-165-A-13-00001 for Fiscal Year Ended December 31, 2012		
4-615-14-001-N	11/13/13	Agency Contracted Closeout Audit of USAID Resources Managed by the Ministry of Education Under Implementation Letters No. 615-IL615-008-008, 615-IL-003-10-KIE, 615-IL615-008-011, 615-IL615-008-012 and 615-IL-008-013-MOE for the Period From July 1, 2008, to June 30, 2011, and Implementation Letter No. 615-IL615-008-003-I for the Period From October 26, 2006, to June 30, 2008	18	QC

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4-615-14-001-R	10/2/13	Audit of USAID Resources Managed by Children of God Relief Institute (COGRI) for Lea Toto Program Under Cooperative Agreement No. AID-623-A-09-00008 and Closeout Audit for Nyumbani Village Program, Cooperative Agreement Number AID-623-A-00-09-00027 for the Year Ended December 31, 2012	8	QC
4-615-14-002-N	12/5/13	Agency Contracted Audit of USAID Resources Managed by PricewaterhouseCoopers Limited Under Orphans and Vulnerable Children Scholarships Programme Agreement No. 623-C-00-09-00007-00 for the Period From January 1, 2009, to November 17, 2011, and Closeout Audit of Higher Education Scholarships Programme Agreement No. 623-C-00-08-00022-00 for the Period From January 1, 2009, to April 22, 2012	107	QC
4-969-14-002-R	10/3/13	Audit of USAID Resources Managed by ADPP Mozambique Under Cooperative Agreement No. GHH-A-00-07-00038-00 (closeout), Subagreement No. FFP-A-00-08-00084-02, Subagreement No. IU2GPS001542-01, Subagreement No. RLA-C-0004-00074-00 and Subagreement No. AID-OAA-A-10-0020 for the Year Ended December 31, 2011	21	QC
4-615-14-003-N	2/27/14	Agency Contracted Closeout Audit of USAID Resources Managed by Deloitte Consulting LLP Under Contract No. AID-623-C-II-00010 (KEMSA Support Program) for the Period From May 10, 2011, to May 9, 2013	105	QC

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4-615-14-003-R	10/3/13	Audit of USAID Resources Managed by Kenya Community Development Foundation Under Cooperative Agreement No. AID-623-A-11-00013 for the Year Ended September 30, 2012	1	QC
4-673-14-004-R	10/7/13	Audit of USAID Resources Managed by Katutura Youth Enterprise Centre Trust (KAYEC) Under Agreement No. 674-A-00-11-00034-00 for the Period From April 20, 2011, to December 31, 2011	4	QC
4-612-14-005-R	10/9/13	Audit of USAID Resources Managed by Baylor College of Medicine Children's Foundation Malawi Under Cooperative Agreement No. 674-A-00-10-00093-00 "Community Health Workers as a Bridge Between PMTCT, EID and Pediatric HIV Services (Tingathe Program)" and Subagreement no. 674-A-00-10-00035-00 "Extending Quality Improvement for HIV/AIDS in Malawi (EQUIP Program)" for the Period From November 15, 2010, to September 30, 2012	7	QC
4-621-14-006-R	10/9/13	Audit of USAID Resources Managed by Selian Lutheran Hospital-AIDS Control Program Under Cooperative Agreement No. AID-621-A-11-00004 for the Year Ended December 31, 2012	1	QC
4-674-14-007-R	10/9/13	Audit of USAID Resources Managed by Right to Care (RTC) Under Cooperative Agreement Nos. 674-A-00-08-00007-00 and 674-A-00-09-00001-00 for the Year Ended September 30, 2012	8 4	QC UN

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4-674-14-008-R	10/10/13	Audit of USAID Resources Managed by African Palliative Care Association Under Agreement No. 674-A-00-09-00112-00, Subagreement No. H-F3-BOT-07-P-PTR-APBO, Subagreement 17436-APCA-01, and Closeout audit of Subagreement No. AIDSTAR-ONE-001 for the Year Ended March 31, 2013		
4-617-14-009-R	10/25/13	Audit of USAID Resources Managed by Marie Stopes Uganda Under Cooperative Agreement No. AID 617-A-10-00004 and Sub Grant No. 19101-002 for the Year Ended December 31, 2012	5	QC
4-617-14-010-R	10/25/13	Audit of USAID Resources Managed by Joint Clinical Research Centre Under Cooperative Agreement No. AID-617-A-10-00006 Targeted HIV/AIDS and Laboratory Services (THALAS) for the Period July 1, 2011, to June 30, 2012, and Subagreement No. 617-A-00-09-00006-00 for the Period November 30, 2009, to June 30, 2012	59	QC
4-674-14-011-R	10/29/13	Audit of USAID Resources Managed by The University of the Western Cape Under Cooperative Agreement No. 674-A-00-09-00019-00 for the Year Ended December 31, 2012		
4-617-14-012-R	11/6/13	Audit of USAID Resources Managed by The AIDS Support Organisation (TASO) Uganda limited Under Cooperative Agreement No. 617-A-09-00005-00 for the Year Ended December 31, 2012	2	QC

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4-674-14-013-R	11/6/13	Audit of USAID Resources Managed by Solutions for Innovative Policies, Programs and Technologies NPC Under Agreement No. 674-A-12-00009 for the Period May 14, 2012, to December 31, 2012	44 39	QC UN
4-936-14-014-R	11/6/13	Closeout Audit of USAID Resources Managed by Otse Community Home Based Care Trust Under Cooperative Agreement No. GHO-A-00-09-00003-00 for the 11 Month Period From April 1, 2011, to February 29, 2012		
4-617-14-015-R	11/13/13	Audit of USAID Resources Managed by Association of Volunteers in International Service (AVSI) Foundation Uganda Under Cooperative Agreement No. AID-617-A-11-00001, Subagreement No. TSO1 for the Year Ended December 31, 2012, and Closeout Audit of Subagreement No. 016 for the Period From January 1, 2012, to April 30, 2012		
4-674-14-016-R	11/18/13	Audit of USAID Resources Managed by Foundation for Professional Development Under Cooperative Agreement Nos. AID-674-A-00-08-0006-00, AID-674-A-12-00013, AID-674-A-12-00017, AID-674-A-12-00026, and AID-674-A-12-000037 for the Year Ended December 31, 2012	2	QC
4-663-14-017-R	11/19/13	Audit of USAID Resources Managed by Justice for All-Prison Fellowship Ethiopia (JFA-PFE) Under Agreement No. 663-A-00-07-00416-00 for the Year Ended December 31, 2012		

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4-621-14-018-R	11/22/13	Audit of USAID Resources Managed by AMREF Tanzania Under Cooperative Agreement No. 621-A-00-08-00018-00 for the Period From July 27, 2008, to September 30, 2009	4 3	QC UN
4-674-14-019-R	12/2/13	Audit of USAID Resources Managed by University of South Africa Under Management of Democratic Elections in Africa Grant No. 674-G-00-11-00066-00 for the Period From June 20, 2011, to December 3, 2012		
4-902-14-020-R	12/4/13	Audit of USAID Resources Managed by Africa Centre for Holistic Management (ACHM) Under Grant Agreement No. DFD-G-00-10-00084-00 and Subagreements 12-ZRR-G-G-0491 and 10-ZCL-G-A-0244 for the Year Ended December 31, 2012		
4-623-14-021-R	12/2/13	Audit of USAID Resources Managed by Intergovernmental Authority on Development (IGAD) Under limited Scope Grant Award (LSGA) No. 6230009.02-3-60082 IGAD/CEWARN for the Year Ended December 31, 2012		
4-621-14-022-R	12/2/13	Audit of USAID Resources Managed by PASADA Under Cooperative Agreement No. AID-621-A-11-00002 for the Year Ended December 31, 2012	5	QC
4-663-14-023-R	12/3/13	Audit of USAID Resources Managed by Fre Addis Ethiopia Yesetoch Merja Mahiber (Girls' Scholarship Program) Under Cooperative Agreement No. AID-663-A-10-00001 for the Year Ended August 31, 2012	5	QC

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4-962-14-024-R	12/4/13	Audit of USAID Resources Managed by The Diocese of Chikwawa Under Sub-Agreement with Catholic Relief Services Award Number AID-FFP-A-09-00001 for the Year Ended June 30, 2010		
4-962-14-025-R	12/4/13	Audit of USAID Resources Managed by The Diocese of Chikwawa Under Various Subagreements With Catholic Relief Services for the Year Ended June 30, 2011		
4-617-14-026-R	12/5/13	Audit of USAID Resources Managed by Inter-Religious Council of Uganda (IRCU) Under Cooperative Agreement No. AID-617-A-10-00002 (Comprehensive Faith and Community Based HIV/AIDS Prevention, Care and Treatment Services) and Subagreement No. 617-A-00-09-00006-00-IRCU with Management Sciences for Health for the Year Ended December 31, 2012	1 1	QC UN
4-962-14-027-R	12/10/13	Audit of USAID Resources Managed by Total Land Care Under Subagreement With Catholic Relief Services Award Number AID-FFP-A-09-00001 (Wellness for Agriculture and Life Advancement) for the Period From July 1, 2010, to September 30, 2011	65 64	QC UN

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4-612-14-028-R	12/10/13	Audit of USAID Resources Managed by Total Land Care Under Cooperative Agreement No. 674-A-00-09-00051-00 Spice Promotion in Commercial Enterprise Project (SPICE), Cooperative Agreement No. 674-A-00-09-00140-00 Kulera Biodiversity Project and Subagreement With Catholic Relief Services Award Number AID-FFP-A-09-00001 (Wellness for Agriculture and Life Advancement) for the Year Ended September 30, 2012	6 6	QC UN
4-674-14-029-R	12/11/13	Audit of USAID Resources Managed by HIV SA Under Cooperative Agreement Nos. AID-674-A-13-00006, AID 674-A-00-08-00009-00 and Subaward With ANOVA Under Cooperative Agreement No. AID-674-A-12-00015 for the Period From October 1, 2012, to February 28, 2013	6 6	QC UN
4-612-14-030-R	12/12/13	Audit of USAID Resources Managed by Dignitas International Under Cooperative Agreement No. 674-A-00-10-00034-00, Support for Health Systems Strengthening and HIV/AIDS Service Delivery in Malawi's South East Zone, for the Year Ended December 31, 2012		
4-621-14-031-R	12/12/13	Audit of USAID Resources Managed by African Medical Research Foundation (AMREF) Tanzania Under Cooperative Agreement No. 621-A-00-08-00018-00 for the Angaza Zaidi Program for the Two-Year Period Ended September 30, 2011	3 2	QC UN

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4-674-14-032-R	12/18/13	Audit of USAID Resources Managed by Broadreach Healthcare Proprietary Limited Under Cooperative Agreement Nos. 674-A-12-00016 and 674-A-12-00038 for the Period From August 22, 2012, to December 31, 2012		
4-674-14-033-R	1/2/14	Audit of USAID Resources Managed by Lifeline/Childline Under Cooperative Agreement No. 673-A-11-00001 (SHARRP) and Various Subagreements With EngenderHealth, Intrahealth, and PACT for the Year Ended March 31, 2012		
4-673-14-034-R	1/2/14	Audit of USAID Resources Managed by Lifeline/Childline Under Cooperative Agreement No. 673-A-11-00001 (SHARRP) for the Year Ended March 31, 2013		
4-621-14-035-R	1/6/14	Audit of USAID Resources Managed by Women in Law and Development in Africa (WiLDAF) Under Cooperative Agreement No. 621-A-00-10-00004-00 for the Year Ended December 31, 2012	1	QC
4-673-14-036-R	1/7/14	Audit of USAID Resources Managed by Church Alliance for Orphans Trust Under Cooperative Agreement No. 674-A-00-11-00013-00 (Orphan and Vulnerable Children Program in Namibia) for the Year Ended February 28, 2013		
4-623-14-037-R	1/13/14	Audit of USAID Resources Managed by Common Market for Eastern and Southern Africa (COMESA) Under the Integrated Partnership Assistance Agreement No. 623-AA-09-001-00-EA for the Year Ended December 31, 2012	972 965	QC UN

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4-674-14-038-R	1/21/14	Audit of USAID Resources Managed by National Association of Childcare Workers Under Cooperative Agreement No. AID-674-A-13-00009 for the 5 Months Ended March 31, 2013		
4-673-14-039-R	1/21/14	Audit of USAID Resources Managed by Society Family Health Trust Under Cooperative Agreement No. 674-A-00-11-00017-0, Strengthening HIV Prevention for Most at Risk Populations in Namibia, for the Year Ended December 31, 2012	I	QC
4-612-14-040-R	1/23/14	Audit of USAID Resources Managed by Partners in Hope Under Cooperative Agreement No. 674-A-00-10-00035-00 (EQUIP Malawi) for the Year Ended March 31, 2013	I	QC
4-936-14-041-R	1/23/14	Closeout Audit of USAID Resources Managed by Aga Khan Foundation Mozambique Under Cooperative Agreement No. GHN-A-00-09-00009-00 (Malaria Communities Program) for the Year Ended September 30, 2012		
4-615-14-042-R	1/23/14	Closeout Audit of USAID Resources Managed by The Mindset Network Under Cooperative Agreement No. 623-A-00-08-00044-00 and Subagreement with Johns Hopkins University Under Cooperative Agreement No. 674-A-00-08-00039 for the 43-Month Period from June 1, 2008, to December 31, 2011	I3	QC
4-674-14-043-R	2/13/14	Audit of USAID Resources Managed by Hospice Palliative Care Association of South Africa (HPCA) Under Cooperative Agreement No. 674-A-00-10-00023 for the Year Ended March 31, 2013		

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4-615-14-044-R	2/13/14	Audit of USAID Resources Managed by Lewa Wildlife Conservancy Through Northern Rangelands Trust (NRT) Under Cooperative Agreement No. 623-A-00-09-00011-00 for the 18-Month Period Ended June 30, 2013		
4-615-14-045-R	2/13/14	Audit of USAID Resources Managed by Laikipia Wildlife Forum Under Cooperative Agreement No. AID-623-A-09-00002 for Laikipia Biodiversity Conservation Program for the 18-Month Period Ended June 30, 2013	50 45	QC UN
4-674-14-046-R	2/18/14	Audit of USAID Resources Managed by NEPAD Business Foundation Under the Removing the Barriers (RtB) Program, Cooperative Agreement No. 674-A-00-11-00047-00, for the Year Ended March 31, 2013		
4-674-14-047-R	2/21/14	Audit of USAID Resources Managed by Childline Mpumalanga Under Cooperative Agreement No. AID-674-A-13-00010 for the Period From December 1, 2012, to March 31, 2013		
4-612-14-048-R	3/3/14	Audit of USAID Resources Managed by Nkhoma Synod Relief and Development Under Cooperative Agreement No. 674-A-00-11-00029 for the Period From February 24, 2011, to June 30, 2012	177 166	QC UN

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4-621-14-049-R	3/4/14	Closeout Audit of USAID Resources Managed by Tanzania Red Cross Society Under Agreement No. 621-A-00-09-00007-00 (LLIN Hang Up Campaign Program) and Agreement No. 621-G-00-12-00001 (Flood Emergency in Dar es Salaam Program) for the 18-Month Period Ended June 30, 2013		
4-673-14-050-R	3/18/14	Audit of USAID Resources Managed by Catholic AIDS Action Under Cooperative Agreement No. 674-A-00-10-00121-00 and Closeout Audits of Grant Agreement No. 674-G-00-11-00065-00 and Subagreement No. P3125-SG-006 for the Year Ended February 29, 2012		
5-497-14-001-R	10/10/13	Financial Audit of the Program "Strengthening Southeast Asian Media Partnerships to Promote Human Rights and Good Governance," USAID/Indonesia Cooperative Agreement No. AID-497-A-11-00009, Managed by Perhimpunan Pengembangan Media Nusantara (PPMN/Indonesian Association for Media Development), for the Period From January 1, 2012, to December 31, 2012		
5-119-14-002-R	10/16/13	Closeout Financial Audit of the Cross-Border Vocational Education in Badakhshan (CVEB) Program, USAID/Central Asian Republics Cooperative Agreement No. 119-A-00-09-00024, Managed by the University of Central Asia (UCA), for the Period From October 1, 2009, to March 29, 2013		
5-493-14-003-R	10/17/13	Financial Audit of USAID Funds Managed by the Asian Disaster Preparedness Center (ADPC), for the Year Ended December 31, 2012		

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5-497-14-004-R	10/22/13	Financial Audit of the High Five Kelurahan Program (High Five), USAID/Indonesia Cooperative Agreement No. AID-497-A-11-00006, Managed by the Cipta Cara Padu Indonesia (CCP-I) Foundation, for the Period From April 14, 2011, to December 31, 2012		
5-493-14-005-R	10/30/13	Financial Audit of USAID Funds Managed by the Kenan Foundation Asia for the Year Ended September 30, 2011	53 19	QC UN
5-492-14-006-R	10/30/13	Financial Audit of the Project "Literacy for Peace and Development (LIPAD)," USAID/Philippines' Cooperative Agreement No. 492-A-11-00001, Managed by the Magbassa Kita Foundation, Inc. (MKFI) for the Period From January 1, 2012, to December 31, 2012	4 1	QC UN
5-497-14-007-R	10/30/13	Financial Audits of USAID Funds Managed by the Kemitraan Bagi Pembaruan Tata Pemerintahan (KEMITRAAN), for the Period From January 1, 2012, to December 31, 2012		
5-492-14-008-R	11/25/13	Financial Audit of the Project "Strengthening the Capacity of Civil Society Organizations (CSOs) in the Philippines," USAID/Philippines' Contract No. AID-492-C-11-00004, Administered by the Ayala Foundation, Inc. (AFI), for the Period From September 28, 2011, to December 31, 2012	1	QC

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5-442-14-009-R	11/27/13	Financial Audit of the Together for Good Health (ToGoH) Project, Cooperative Agreement No. 442-A-00-08-00007-00, Managed by the Reproductive Health Association of Cambodia (RHAC), for the Year Ended December 31, 2012	20 19	QC UN
5-442-14-010-R	12/10/13	Financial Audit of USAID Resources Managed by the Khmer HIV/AIDS NGO Alliance (KHANA) for the Year Ended December 31, 2012		
5-442-14-011-R	1/16/14	Financial Audit of "Support to Documentation Center of Cambodia", USAID Cooperative Agreement No. 486-A-00-04-00012-00, for the Year Ended December 31, 2012; Managed by Documentation Center of Cambodia (DC-Cam)		
5-442-14-012-R	1/24/14	Financial Audit of Maternal and Child Health Program, USAID Cooperative Agreement No. 442-A-00-08-00008-00, Managed by the Reproductive and Child Health Alliance (RACHA) for the Year Ended December 31, 2012		
5-492-14-013-R	2/3/14	Financial Audit of the Project "Investment Enabling Environment (INVEST)," USAID/Philippines Contract No. AID-492-C-II-00005, Managed by Orient Integrated Development Consultants, Inc. (OIDCI), for the Period From September 29, 2011, to December 31, 2012		

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5-493-14-014-R	2/3/14	Financial Audit of the Anti-Trafficking in Persons Pan-Asian Campaign, USAID/RDMA Cooperative Agreement No. 486-A-00-06-00015-00, Managed by the MTV EXIT Foundation, for the Period From January 1, 2012, to December 31, 2012		
5-486-14-015-R	2/14/14	Financial Audit of USAID Resources Managed by the Freeland Foundation (Freeland) for the Year Ended December 31, 2012		
5-497-14-016-R	2/14/14	Closeout Audits of USAID Funds Managed by the Yayasan Pusat Telaah dan Informasi Regional (PATTIRO), for Periods Ending December 31, 2012	29 5	QC UN
5-492-14-017-R	2/28/14	Closeout Financial Audit of the Linking Initiatives and Networking to Control Tuberculosis (TB LINC) Program, USAID/Philippines Cooperative Agreement No. 492-A-00-06-00032, Managed by the Philippine Business for Social Progress, Inc. (PBSP), for the Period From October 1, 2011, to December 31, 2012		
5-497-14-018-R	3/18/14	Closeout Financial Audit of the Program "Building Disaster and Climate Change Resilience in Padang Pariaman Farming Communities, West Sumatera," USAID/Indonesia Cooperative Agreement No. AID-497-A-10-00002, Managed by Farmers' Initiatives for Ecological Livelihood and Democracy (FIELD), for the Period From January 1, 2012, to March 29, 2013		

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5-492-14-019-R	3/24/14	Financial Audit of the Master of Science Program in the Marine Protected Areas, USAID/Philippines Cooperative Agreement No. AID-492-A-12-00001, Managed by the Marine Environment and Resources Foundation, Inc. (MERF), for the Period From October 24, 2011, to December 31, 2012	4 4	QC UN
5-492-14-020-R	3/25/14	Financial Audit of the Project "Reducing Threats to Philippine Biodiversity and Ecosystems thru Environmental Law Enforcement Capacity Strengthening," Cooperative Agreement No. AID-492-A-12-00002, Managed by the Tanggol Kalikasan, Inc., for the Period From December 9, 2011, to December 31, 2012	5 2	QC UN
6-294-14-001-N	10/28/13	Close-out Audit of the Fund Accountability Statement of USAID Recourses Managed by the National Company for Agro-Industries "ZAYT," Cooperative Agreement Number CA241, Under Task Order Number AFP-I-01-03-00020-00 With CARANA Corporation, for the Period From September 27, 2005, to June 15, 2008	1,344	QC
6-294-14-001-O	10/22/13	Close-out Examination of Al Tafawoq for Contracting and Investment Co. Compliance With Terms and Conditions of Fixed Price Subcontract Under Prime APCO/ ArCon, Indefinite Quantity Contract Number 294-I-00-08-00221-00, Infrastructure Needs Program I, Task Order Number 51, for the Period From December 11, 2010, to October 31, 2011		

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6-294-14-001-R	10/24/13	Audit of the Fund Accountability Statement of USAID Resources Managed by Adam Institute for Democracy and Peace, Cooperative Agreement Number AID-294-A-11-00009, the Return of the Public Sphere: Reclaiming Civil Society's Role in Conflict Transformation Program, for the Period From September 15, 2011, to September 30, 2012		
6-294-14-002-N	11/25/13	Audit of the Cost Representation Statement of Arabtech Jardaneh, Subcontract Under CH2MHILL Contract Number 294-C-00-00-00063-00, Integrated Water Resources Phase III, for the Period From July 1, 2006, to September 30, 2007	257	QC
6-294-14-002-O	10/24/13	Close-out Examination of Al Fakher Company for Construction's Compliance With Terms and Conditions of Fixed Price Subcontracts, Under Prime APCO/ ArCon Indefinite Quantity Contract Number 294-I-00-08-00221-00, Infrastructure Needs Program I, Task Order Number 49, for the Period From November 6, 2010, to October 12, 2011		

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6-263-14-003-N	11/27/13	Financial Audit of Government of Egypt's Local Currency Special Accounts, USAID/Egypt Grant Agreement Number 263-647 Under Private Sector Commodity Import Program, and Grant Agreement Numbers 263-640, 263-644, and 263-648 Under Cash Transfer Programs, for the Periods From July 1, 2006, to June 30, 2007, July 1, 2008, to June 30, 2009, and July 1, 2010, to June 30, 2011		
6-294-14-003-O	10/29/13	Close-out Examination of Al Sadek Construction and Contracting Company's Compliance With Terms and Conditions of Fixed Price Subcontract Under Prime APCO/ ArCon, Indefinite Quantity Contract Number 294-I-00-08-00221-00, Infrastructure Needs Program I, Task Order Number 51, for the Period From November 27, 2010, to November 14, 2011		
6-294-14-003-R	11/24/13	Audit of the Fund Accountability Statement of Local Costs Incurred by Parents Circle - Families Forum, Cooperative Agreement Number 294-A-00-10-00105-00, History Through the Human Eye, for the Period From May 6, 2010, to September 30, 2011	7 7	QC UN
6-294-14-004-O	10/29/13	Close-out Examination of Birzeit Stone Sources Compliance With Terms and Conditions of Fixed Price Subcontracts Under Prime APCO/ ArCon, Indefinite Quantity Contract Number 294-I-00-08-00221-00, Infrastructure Needs Program I, Task Orders Number 49 and 51, for the Period From November 6, 2010, to October 13, 2011		

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6-263-14-004-R	11/27/13	Audit of the Fund Accountability Statement of USAID Resources Managed by Transparency International e.V., Berlin, Germany, Award Number 263-A-00-10-00076-00, for the Period From January 1, 2012, to December 31, 2012		
6-294-14-005-O	10/29/13	Close-out Examination of Al-A'wa'el Co. for General Contracting Compliance With Terms and Conditions of its Subcontracts With ARD and ANERA, for the Period From May 19, 2009, to May 10, 2010		
6-294-14-006-O	12/11/13	Close-out Examination of K B L Company for General Constructions' Compliance With Terms and Conditions of Fixed Price Subcontracts Number 1000070, 1000082, 1000086, 1000093, 1000094, 1000118, and 1000122, Under Prime APCO/ArCon Indefinite Quantity Contract Number 294-I-00-08-00221-00, Infrastructure Needs Program I, Task Order Number 49, for the Period From April 14, 2011, to October 25, 2011		
6-294-14-006-R	12/8/13	Close-out Audit of the Fund Accountability Statement of USAID Resources Managed by Palestinian Information and Communications Technology Incubator, Subaward Numbers EDIP-010, and EDIP-013 Under Prime CARANA Corporation, Task Order Number EEM-I-03-07-00006-00, Enterprise Development and Investment Promotion Project, for the Period From July 8, 2010, to October 15, 2011		

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6-294-14-008-N	3/27/14	Close-out Audit of the Fund Accountability Statement of USAID Resources Managed by All for Peace Radio Station, Grant Number 294-G-00-09-00214-00, One Message to Two Societies-Broadcasting Messages of Peace-Building to Enact Conflict Mediation and Reconciliation by Empowering the Civil Society Sector, for the Period From July 1, 2010, to September 28, 2011		
6-294-14-008-O	12/23/13	Close-out Examination of Holy Family Hospital Compliance With Fixed Obligation Grant Number 294-F-00-12-00001, Holy Family Hospital of Bethlehem Medical Waste Sterilizer, for the Period From June 19, 2012, to December 18, 2012		
6-263-14-008-R	1/5/14	Close-out Financial Audit of USAID Resources Managed by the National Laboratory for Veterinary Quality Control of Poultry Production (NLQP), Avian Influenza Vaccine Efficacy Project, Ministry of Agriculture and Land Reclamation, USAID/Egypt Project Number 263-0287-Program Element A050. Implementation Letter Number two, for the Period From October 1, 2008, to September 30, 2010	13 5	QC UN

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6-294-14-009-R	1/21/14	Close-out Audit of the Cost Representation Statement of USAID Resources Managed by Center for Engineering & Planning, Subawards Number 24024-10-WB-SA041, 24024-10-WB-SA002, and 24024-08-WB-SA001, Under Prime CHF International, Cooperative Agreement Number 294-A-00-07-00213-00, Emergency Jobs Program, for the Period From November 5, 2009, to January 31, 2011		
6-294-14-011-O	01/29/14	Close-out Examination of Diyar Consulting Co. Compliance With Terms and Conditions of Fixed Price Subcontracts Under MWH-Americas, Indefinite Quantity Contract Number 294-I-00-08-00202-00, Infrastructure Needs Program I, Task Order Numbers 1 and 2, for the Period From November 4, 2010, to September 30, 2011		
6-294-14-011-R	1/23/14	Audit of the Fund Accountability Statement of USAID Resources Managed by Economic Cooperation Foundation, Under Cooperative Agreement Number 294-A-00-12-00002, Jenin-Gilboa-Nablus-Haifa Cooperation Zone Program, for the Period From January 23, 2012, to September 30, 2012		
6-294-14-012-O	2/6/14	Close-out Examination of Farash for General Contracting Company Compliance With Terms and Conditions of Subcontract Numbers EO3-H-SW-99 and EO3-H-SW-106, Under Prime ANERA, Cooperative Agreement Number 294-A-00-08-00219-00, for the Period From June 20, 2011, to April 25, 2012		

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6-294-14-013-O	2/11/14	Close-out Examination of MEDCO Contracting Co. Ltd. Compliance With Terms and Conditions of Subcontract Under Prime, The Morganti Group Inc., Indefinite Quantity Contract Number 294-I-00-08-00216-00, Infrastructure Needs Program I, Task Order Number 29, For the Period From October 13, 2010, to July 27, 2011		
6-294-14-014-O	2/11/14	Close-out Examination of Saqqa & Khoudary Co. Ltd. Compliance with Terms and Conditions of Subcontract Under Prime, The Morganti Group Inc., Indefinite Quantity Contract Number 294-I-00-08-00216-00, Infrastructure Needs Program I, Task Order Number 45, For the Period From April 19, 2011, to October 3, 2012		
6-294-14-014-R	1/28/14	Audit of USAID Resources Managed by Education and Society Enterprises-Mifalot, Cooperative Agreement Number AID-294-A-00-12-00004, United Soccer for Peace Program, for the Period From February 24, 2012, to September 30, 2012		
6-294-14-015-O	2/24/14	Examination of Dimensions Healthcare Compliance With Terms and Conditions of Fixed Price Subcontract Number 294-C-00-08-00225-00-07 Under Prime Chemonics, Contract Number 294-C-00-08-00225-00, Palestinian Health Sector Reform and Development Project, for the Period From January 21, 2012, to December 31, 2012		

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6-294-14-015-R	1/29/14	Audit of the Fund Accountability Statement of USAID Resources Managed by Keshev, Award Number 294-A-00-10-00110-00, Press For Peace Project, for the Period From May 20, 2010, to September 30, 2011		
6-294-14-016-O	2/25/14	Close-out Examination of Business Excellence Services Company's Compliance With Terms and Conditions of Subcontract Number FPC-EDIP-004-2011 Under Prime CARANA Corporation, Task Order Number EEM-I-03-07-00006-00, Enterprise Development and Investment Promotion Project, for the Period From May 29, 2011, to November 15, 2011		
6-294-14-018-R	2/17/14	Audit of the Fund Accountability Statement of USAID Resources Managed by Eco-Peace, Friends of the Earth Middle East, Promoting Water Conservation and Environmental Education in Jerusalem Good Water Neighbors Program, Cooperative Agreement Number 294-A-00-10-00206-00, for the Period From September 30, 2011, to September 30, 2012		
6-294-14-019-R	2/18/14	Audit of the Fund Accountability Statement of USAID Resources Managed by Givat Haviva, Under Cooperative Agreement Number AID-294-A-11-00005, Communicating Peace Project, for the Period From September 15, 2011, to September 30, 2012	2	QC

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6-263-14-023-R	3/27/14	Close-out Audit of USAID Resources Managed by First Microfinance Foundation, Aswan and Qena Governorates Microfinance Program, Cooperative Agreement Number 263-A-00-08-00054-00, for the Period From September 7, 2008, to September 6, 2012	53	QC
7-620-14-001-R	10/31/13	Recipient-Contracted Audit of USAID Resources Managed by Network on Ethics/Human Rights, Law, HIV/AIDS Prevention, Support and Care (NELA) Under the NELA Consortium AIDS Initiatives in Nigeria (NECAIN) (Cooperative Agreement No. 620-A-00-07-00211-00) for the Period January 1 to December 31, 2011		
7-620-14-002-R	11/29/13	Recipient-Contracted Audit of USAID Resources Managed by Society for Family Health Under the Expanded Social Marketing Project in Nigeria (Agreement No. 620-A-11-0001) for the Period January 1, 2012, to December 31, 2012 and the Strengthening HIV Prevention Services for Most-at-Risk Populations Program (Agreement No. 620-A-12-00002) for the Period May 23, 2012, to December 31, 2012	4	QC
7-620-14-003-R	12/31/13	Recipient-contracted audit of USAID resources managed by the Gembu Centre for HIV/AIDS Advocacy Nigeria (GECHMN) under the New Tomorrows Project (Cooperative Agreement No. 620-A-00-08-00076-00) for the Period January 1, 2012, to December 31, 2012		

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7-608-14-004-R	1/30/14	Recipient-Contracted Audit of USAID Resources Managed by the Association Tissilte for Development for the Sewerage and Wastewater Reuse in Tidili Area Project (Cooperative Agreement No.608-A-11-00003) for the Period From March 2011 Through December 2012		
7-620-14-005-R	2/27/14	Closeout Audit of USAID Resources Managed by Pro-Health International (PHI) Under the HIV/AIDS Reduction Program in the Niger Delta (CA No. 620-A-00-08-00132-00) for the Period from January 1, 2011, to May 31, 2012	43 11	QC UN
G-391-14-001-R	10/2/13	Financial Audit of the USAID Resources Managed by United States Educational Foundation in Pakistan, for the Period From October 1, 2008, to September 30, 2012	121 121	QC UN
G-391-14-004-R	10/25/13	Financial Audit of the Program Titled: "Disbursement Service for Tubewell Efficiency Improvement Program," USAID/Pakistan Agreement no. 391-A-00-11-01230-00, Managed by Khushhali Bank Limited, for the Year Ended December 31, 2012		
U.S.-Based Contractors				
3-000-14-001-D	10/2/13	Carana Corporation Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2006		
3-000-14-001-I	10/2/13	Democracy International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010	13 13	QC UN
3-000-14-002-D	10/2/13	Louis Berger Group, Inc. (LBGI) Report on Audit of Cost Accounting Standards (CAS) Disclosure Statement Revision 1 and Revision 2, Effective July 1, 2008		

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3-000-14-002-I	10/4/13	Democracy International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2011		
3-000-14-003-D	10/2/13	Casals & Associates, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2004	149 149	QC UN
3-000-14-003-I	10/3/13	Pillar Systems Corporation Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008		
3-000-14-004-D	10/9/13	Parsons Infrastructure & Technology Group, Inc., Parsons Project Services, Inc., and Parsons Group International, Ltd., Report on Incurred Costs for Fiscal Year (FY) Ended December 28, 2007	942 28	QC UN
3-000-14-004-I	10/3/13	Pillar Systems Corporation Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009		
3-000-14-005-D	10/17/13	Black & Veatch Special Projects Corporation Report on Incurred Cost for Fiscal Year (FY) Ended December 31, 2008	81	QC
3-000-14-005-I	10/3/13	Pillar Systems Corporation Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010		
3-000-14-006-D	10/23/13	Camp Dresser & McKee, Inc. Report on Corporate Incurred Costs for Fiscal Year (FY) 2006		
3-000-14-006-I	10/4/13	Pillar Systems Corporation Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2011		
3-000-14-007-D	11/4/13	Louis Berger Group, Inc. (LBGI) Report on Audit of Cost Accounting Standards Disclosure Statements Revision 2, Effective July 1, 2009, and Revisions 3 and 4, Both Effective July 1, 2012		

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3-000-14-007-I	10/10/13	Review of Ecodit, Inc. Report on Incurred Costs for Fiscal Years (FY) Ended September 30, 2006, and December 31, 2006		
3-000-14-008-D	11/6/13	Louis Berger Group, Inc. - Nation Building Segment (LBGI-NB) Report on Audit of Cost Accounting Standards Disclosure Statement Revisions 1 and 2, Effective July 1, 2008		
3-000-14-008-I	10/15/13	Desk Review of Ecodit, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2007	61	QC
3-000-14-009-D	11/21/13	CH2M HILL Group Management, Inc. Report on Incurred Cost Intermediate Home Office Allocation Contractor for Fiscal Year (FY) Ended December 31, 2007		
3-000-14-009-I	10/15/13	Desk Review of Ecodit, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008		
3-000-14-010-D	11/20/13	CDM Constructors, Inc. Report on Incurred Costs for Fiscal Year (FY) 2006		
3-000-14-010-I	10/15/13	Desk Review of Ecodit, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009	16	QC
3-000-14-011-D	12/2/13	Land O'Lakes International Development Division Report on Incurred Cost for Fiscal Years (FYs) Ended December 31, 2006, and December 31, 2007	38	QC
3-000-14-011-I	10/15/13	Desk Review of Ecodit, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010	54	QC
3-000-14-012-D	1/16/14	John Snow, Inc. (JSI) Report on Audit of Incurred Costs for Fiscal Years (FY) 2005 and 2006		

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3-000-14-012-I	10/25/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 1998	101 101	QC UN
3-000-14-013-D	2/3/14	Bechtel National, Inc. (BNI) Report on Audit of Incurred Costs for the Year Ended December 31, 2006		
3-000-14-013-I	10/25/13	Desk Review of CORE International, Inc. Incurred Cost for Fiscal Year Ended December 31, 1999	231 231	QC UN
3-000-14-014-D	2/19/14	Development Alternatives, Inc. (DAI) Report on Audit of Incurred Costs for Fiscal Year (FY) Ended November 30, 2000	57 57	QC UN
3-000-14-014-I	10/25/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2000	270 270	QC UN
3-000-14-015-D	3/19/14	Development Alternatives, Inc. (DAI) Report on Audit of Incurred Costs for Fiscal Year (FY) Ended November 30, 2001	33 33	QC UN
3-000-14-015-I	10/25/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2001	1,099 1,099	QC UN
3-000-14-016-D	3/25/14	CH2M HILL International Services, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2007	339 251	QC UN
3-000-14-016-I	10/25/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2002	1,842 1,842	QC UN
3-000-14-017-D	3/25/14	Camp Dresser & McKee, Inc. (CDM) Report on Audit of Corporate Incurred Costs for the Year Ended December 29, 2007		
3-000-14-017-I	10/28/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2003	2,268 2,268	QC UN

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3-000-14-018-I	10/30/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2004	49 49	QC UN
3-000-14-019-I	10/30/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2005	5 5	QC UN
3-000-14-020-I	10/30/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2006	664 664	QC UN
3-000-14-021-I	11/4/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2007	2 2	QC UN
3-000-14-022-I	11/4/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008	71 71	QC UN
3-000-14-023-I	11/4/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009	155 155	QC UN
3-000-14-024-I	11/4/13	CORE International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010	30 30	QC UN
3-000-14-025-I	11/5/13	DPW Training & Associates, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2007	3	QC
3-000-14-026-I	11/6/13	DPW Training & Associates, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008	26	QC
3-000-14-027-I	11/8/13	DPW Training & Associates, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009	114 66	QC UN
3-000-14-028-I	11/12/13	DPW Training & Associates, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010	77	QC
3-000-14-029-I	1/16/14	Synergy Strategies Group, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008		
3-000-14-030-I	1/16/14	Synergy Strategies Group, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009		

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3-000-14-031-I	1/24/14	SSG-Advisors, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010		
3-000-14-032-I	1/27/14	SSG-Advisors, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2011		
3-000-14-033-I	3/10/14	International Business Initiatives Corporation Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2007	44	QC
3-000-14-034-I	3/21/14	International Business Initiatives Corporation Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008		
3-000-14-037-I	3/21/14	Social Impact, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2003		
3-000-14-038-I	3/25/14	Social Impact, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2004	19	QC
3-000-14-039-I	3/25/14	Social Impact, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2005	21 16	QC UN
3-000-14-040-I	3/26/14	Social Impact, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2006		
6-267-14-001-D	10/28/13	Independent Audit of The Louis Berger Group Inc. (LBGI), Direct Costs Billed Under INMA Contract No. 267-C-00-07-00500-00 for FY 2008 Through FY 2010	1,221	QC
6-267-14-002-D	1/27/14	Independent Audit of Incurred and Billed Costs of the QED Group, LLC, Purchase Order Number 267-M-00-09-00513 (Perform), for the Period From October 1, 2011, to November 6, 2012		

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6-294-14-004-N	12/8/13	Audit of Locally Incurred Costs by Louis Berger Group, Inc., Contract Number 294-C-00-05-00233-00, Evaluation of Alternative Configuration Program, for the Period From March 1, 2006, to October 26, 2010	23	QC
6-267-14-006-N	3/10/14	Audit of the Cost Representation Statement of USAID Resources Managed by ARD, Inc., Contract Number 267-C-00-10-00006-00, Access to Justice Program, for the Period October 1, 2010, to September 30, 2011	361 164	QC UN
6-294-14-007-N	3/27/14	Close-out Audit of Locally Costs Incurred by AECOM International Development, Inc., Subcontract Number GG477A-2007-001, Under Prime Louis Berger Group, Inc., Task Order Number GEG-I-01-04-00003-00, Modernizing Financial Institutions Program, for the Period From July 1, 2009, to September 29, 2011		
6-294-14-007-O	12/19/13	Examination of American Science and Engineering Inc.'s Compliance With Terms and Conditions of Fixed Price Subcontract Number GP0602 Under Prime Chemonics, Palestinian Integrated Trade Arrangement, Contract Number PCE-I-00-98-00015-00, for the Period From December 9, 2008, to September 30, 2009		

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6-294-14-007-R	12/26/13	Close-out Audit of the Cost Representation Statement of Local Costs Incurred by Chemonics International Inc., Under Task Order Number PCE-I-22-98-00015-00, Palestinian Integrated Trade Arrangement, for the Period From October 1, 2011, to September 28, 2012		
6-294-14-009-N	3/30/14	Close-out Audit of Local Costs Incurred by Louis Berger Group Inc. Under Contract Number 294-GEG-I-00-04-00003-00, Task Order Number 1, Modernizing Financial Institutions Program, for the Period From October 1, 2010, to September 29, 2011	46	QC
6-294-14-009-O	1/5/14	Close-out Examination of APCO/ ArCon's Compliance With Terms and Conditions of USAID Indefinite Quantity Contract Number 294-I-00-08-00221-00, Infrastructure Needs Program I, Task Order Number 51, for the Period From November 4, 2010, to October 4, 2011		
6-294-14-010-O	1/21/14	Close-out Examination of Morganti Group, Inc. Compliance With Terms and Conditions of Indefinite Quantity Contract Number 294-I-00-08-00216-00, Task Order Number 45, Infrastructure Needs Program I, for the Period From April 12, 2011, to July 5, 2012		

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6-294-14-020-R	2/19/14	Close-out Audit of the Cost Representation Statement of USAID Resources Managed by Training Resources Group, Inc., Subcontract Number 294-C-00-08-00225-00-TRG, Under Prime Chemonics, Contract Number 294-C-00-08-00225-00, Flagship Project, for the Period From October 1, 2009, to September 30, 2011		
6-294-14-022-R	3/18/14	Close-out Audit of Local Costs Incurred by Chemonics International Inc., Task Order Number EEM-I-04-07-00008-00, Trade Facilitation Project, for the Period From October 1, 2012, to August 30, 2013		
F-306-14-001-N	10/13/13	Financial Audit of USAID Resources Managed by Aircraft Charter Solutions, Inc. Under Contract No. 306-C-00-10-00510-00 for the Period January 5, 2010, to December 31, 2011	9,391 7,778	QC UN
F-306-14-002-N	11/27/13	Close-out Audit of Costs Incurred by Tetra Tech for the Kabul Electricity Service Improvement Program (KESIP) under Contract No. 306-EPP-I-06-03-00008-00 for the Period May 5, 2009, Through March 31, 2012	557 556	QC UN
F-306-14-003-N	12/31/13	Audit of Local Costs Incurred in Afghanistan by Management Systems International Under the Afghanistan Anti-Corruption Authority Project, Contract No. 306-OFD I-06-08-00072-00 for the Period October 1, 2010, to June 30, 2012	313	QC

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F-306-14-004-N	1/29/14	Audit of Local Costs Incurred in Afghanistan by ARD, Inc. under Kabul City Initiative (KCI) Project, Task Order (TO) EPP-I-05-04-00035-00 under IQC EPP-I-00-04-00035-00 for the Period of October 1, 2010, to September 30, 2012		
F-306-14-005-N	2/11/14	Audit of Costs Incurred in Afghanistan by Development Alternatives Inc. Under The Incentives Driving Economic Alternatives for the North, East and West, Cooperative Agreement No. 306-A-00-09-00508-00, for the Period March 2, 2009, to December 31, 2012	2,730 2,727	QC UN
F-306-14-006-N	2/24/14	Audit of the Costs Incurred In Afghanistan by Tetra Tech EM, Inc. Under the Afghanistan Engineering Support Program, Award No. EDH-I-00-08-00027-00 for the Period of November 9, 2009, to September 30, 2012	6,764 6,764	QC UN
F-306-14-007-N	2/27/14	Close-Out Audit of the Costs Incurred by Citizen Network For Foreign Affairs (CNFA) Under Award Number 306-A-00-08-00517, for the Afghanistan Farm Services Alliance (AFSA) for the Period From March 2, 2008, to December 31, 2009, and From January 1, 2012, to June 15, 2012	30 30	QC UN
F-306-14-009-N	3/31/14	Close-Out Audit of Costs Incurred by Deloitte Consulting LLP to Implement the Afghanistan Economic Growth and Governance Initiative (EGGI) Project 306-EEM-I-04-07-00005 for the Period October 1, 2010, to August 31, 2013	1 1	QC UN

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U.S.-Based Grantees				
3-000-14-001-E	12/4/13	Southern Africa Enterprise Development Fund (SAEDF), OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended September 30, 2012	2,769	QC
3-000-14-001-L	3/10/14	Population Services International Limited Scope Review for Fiscal Years 2010 and 2011		
3-000-14-001-T	11/7/13	Review of Research Triangle Institute (RTI), OMB Circular A-133 Audit Report for Fiscal Year Ended September 30, 2012		
3-000-14-002-T	12/2/13	National Albanian American Council, OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2012	34 34	QC UN
3-000-14-003-T	12/2/13	Program for Appropriate Technology in Health (PATH), OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2012	312 274	QC UN
3-000-14-004-T	12/2/13	Desk Review of Childfund International USA, OMB Circular A-133 Audit Report for Fiscal Year Ended June 30, 2011		
3-000-14-005-T	12/4/13	Desk Review of National Association of Regulatory Utility Commissioners OMB Circular A-133 Audit Report for Fiscal Year Ended June 30, 2012		
3-000-14-006-T	12/11/13	The Jane Goodall Institute for Wildlife Research, Education & Conservation (TJGI), OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2010		
3-000-14-007-T	12/12/13	International Relief and Development Holdings, Inc. and Affiliates OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2012		

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3-000-14-008-T	1/6/14	Save the Children Federation, Inc. OMB Circular A-133 Audit Report for Fiscal Years Ended September 30, 2008, and December 31, 2008		
3-000-14-009-T	12/17/13	The Jane Goodall Institute for Wildlife Research, Education and Conservation (TJGI) OMB Circular A-133 Audit Report for Fiscal Year Ended December 31, 2011		
3-000-14-010-T	12/18/13	Africare OMB Circular A-133 Audit Report for Fiscal Year Ended June 30, 2011		
3-000-14-011-T	1/6/14	Adventist Development And Relief Agency International (ADRA), OMB Circular A-133 Audit Report for the Year Ended December 31, 2012	11 4	QC UN
3-000-14-012-T	1/6/14	World Vision International And World Vision, Inc. (U.S.A.) (WV), OMB Circular A-133 Audit Report for Fiscal Year Ended September 30, 2012		
3-000-14-013-T	1/6/14	Family Health International Development 360 OMB Circular A-133 Audit Report for Fiscal Year Ended September 30, 2012		
3-000-14-014-T	1/7/14	Population Services International, OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2012		
3-000-14-015-T	1/14/14	American University of Beirut, OMB Circular A-133 Audit Report for the Nine Month Period Ended June 30, 2011	50	QC
3-000-14-016-T	1/22/14	American Community School at Beirut (ACSB), OMB Circular A-133 Audit Report for Fiscal Year Ended June 30, 2011	10	QC

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3-000-14-017-T	1/24/14	American Community School at Beirut (ACSB), OMB Circular A-133 Audit Report for the Year Ended June 30, 2012	112	QC
3-000-14-018-T	2/3/14	Pacific Institute for Studies in Development, Environment, and Security (PISDES), OMB Circular A-133 Audit Report for the Year Ended December 31, 2012	21	QC
3-000-14-019-T	1/31/14	Desk Review of Grassroot Soccer, Inc., OMB Circular A-133 Audit Report for Year Ended December 31, 2012		
3-000-14-020-T	2/6/14	Food for the Hungry, Inc. & Food for the Hungry Foundation, Inc. (FH), OMB Circular A-133 Audit Report for the Fiscal Year Ended September 30, 2010	1 1	QC UN
3-000-14-021-T	2/12/14	Samaritan's Purse, OMS Circular A-133 Audit Report for the Fiscal Year Ended December 31, 2010	1,508 1,508	QC UN
3-000-14-022-T	3/3/14	Desk Review of the OMB Circular A-133 Audit Report for Food for the Hungry, Inc. for the Year Ended September 30, 2011		
3-000-14-023-T	3/6/14	Search for Common Ground, OMB Circular A-133 Audit Report for the Fiscal Year Ended December 31, 2010	33 33	QC UN
3-000-14-024-T	3/20/14	American University of Beirut (AUB), OMB Circular A-133 Audit Report for the Year Ended September 30, 2008	38	QC
6-294-14-002-R	10/29/13	Audit of the Fund Accountability Statement of Locally Incurred Costs by Peace Players International, Cooperative Agreement Number 294-A-00-10-00113-00, Twinned Basketball Clubs Project, for the Period From July 1, 2010, to September 30, 2011		

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6-267-14-005-N	2/19/14	Audit of the Fund Accountability Statement of Local Costs Incurred by CHF International, Cooperative Agreement Number 267-A-00-08-00503-00, Community Action Program III, for the Period From October 1, 2010, to September 30, 2011	389 389	QC UN
6-294-14-005-R	11/27/13	Close-out Audit of the Fund Accountability Statement of Locally Incurred Costs by William Davidson Institute, Subaward Number EEM-A-00-06-00001-00 Under Prime FHI360, Cooperative Agreement Number 294-A-00-08-00222-00, Expanded and Sustained Access to Financial Services Program, for the Period From October 1, 2009, to August 31, 2011		
6-294-14-010-R	1/22/14	Audit of the Fund Accountability Statement of USAID Resources Managed by Near East Foundation, Cooperative Agreement Number AID-294-A-11-00010, Olive Oil Without Borders, Palestinian - Israeli Olive Oil Project, for the Period From September 16, 2011, to September 30, 2012		
6-294-14-012-R	1/27/14	Close-out Audit of the Fund Accountability Statement of Local Costs Incurred by Education Development Center Under Cooperative Agreement Number 294-A-00-05-00241-00, Palestinian Youth Empowerment Program, for the Period From December 1, 2011, to September 30, 2012		

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6-294-14-013-R	1/28/14	Audit of the Fund Accountability Statement of Local Costs Incurred by Education Development Center, Under Cooperative Agreement Number 294-A-00-05-00241-00, Palestinian Youth Empowerment Program, for the Period From July 1, 2010, to November 30, 2011		
6-294-14-016-R	2/3/14	Audit of the Fund Accountability Statement of USAID Resources Managed by International Youth Foundation, Under Award Number 294-A-00-10-00209-00, Youth Entrepreneurship Development Program, for the Period From October 1, 2011, to September 30, 2012		
6-294-14-017-R	2/6/14	Audit of the Fund Accountability Statement of Local Costs Incurred by American Near East Refugee Aid (ANERA), Cooperative Agreement Number 294-A-00-08-00219-00, Emergency Water and Sanitation Project (EWAS II), for the Period From October 1, 2011, to September 30, 2012		
6-294-14-021-R	2/24/14	Audit of the Fund Accountability Statement of USAID Resources Managed by Catholic Relief Services, Under Cooperative Agreement Number 294-A-00-10-00208-00, Civic Participation Program, for the Period From October 1, 2011, to September 30, 2012		

Performance Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
USAID
October 1, 2013–March 31, 2014

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Economy and Efficiency				
I-517-14-001-P	10/7/13	Audit of USAID/Dominican Republic's Effective Schools Program		
I-520-14-002-P	11/26/13	Audit of USAID/Guatemala's Multi-Sector Alliances Program		
I-532-14-003-P	12/23/13	Audit of USAID/Jamaica's Basic Education Project	12	QC
I-514-14-004-P	1/16/14	Audit of USAID/Colombia's Consolidation and Enhanced Livelihood Initiative-Central Region		
I-521-14-005-P	3/3/14	Audit of USAID/Haiti's Improved Cooking Technology Program		
I-527-14-006-P	3/21/14	Audit of USAID/Peru's Alternative Development Activities		
4-615-14-001-P	10/22/13	Audit of USAID/Kenya's Tuberculosis Activities		
4-962-14-002-P	1/7/14	Audit of USAID's Food Security Program in Madagascar	87	QC
4-656-14-003-P	1/15/14	Audit of USAID/Mozambique's Clinical HIV/AIDS Services Strengthening Project in Sofala, Manica, and Tete Provinces		
5-497-14-001-P	11/5/13	Audit of USAID/Indonesia's Kinerja Program		
5-176-14-002-P	1/13/14	Audit of USAID/Central Asian Republics' Family Farming Program for Tajikistan		
6-279-14-001-P	10/7/13	Audit of USAID/Yemen's Community Livelihoods Project		
6-267-14-002-P	12/5/13	Audit of USAID/Iraq's Elections Support Follow-on Project		
6-278-14-003-P	12/11/13	Audit of USAID/Jordan's Fiscal Reform Project II	3,728	BU
6-267-14-004-P	12/15/13	Audit of USAID/Iraq's Administrative Reform Project		
6-278-14-005-P	1/22/14	Audit of USAID/Jordan's Strengthening Family Planning Project		

**Performance Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
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USAID
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Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
6-267-14-006-P	2/12/14	Audit of USAID/Iraq's Broadening Participation through Civil Society Project		
7-625-14-001-P	3/28/14	Audit of USAID/West Africa's Peace Through Development II Program		
A-000-14-001-P	10/15/13	Audit of USAID's Fiscal Year 2013 Compliance With the Federal Information Security Management Act of 2002		
F-306-14-001-P	3/23/14	Audit of USAID/Afghanistan's Management Controls Over Overtime Compensation	16,308 16,283	QC UN
F-306-14-002-P	3/29/14	Audit of USAID/Afghanistan's Financial Access for Investing in the Development of Afghanistan Project		
G-391-14-001-P	12/20/13	Audit of USAID/Pakistan's Power Distribution Program	110	QC
G-391-14-002-P	12/20/13	Audit of USAID/Pakistan's Government-to-Government Assistance Program		
G-391-14-003-P	3/21/14	Audit of USAID/Pakistan's Sindh Basic Education Program	9,600	BU

Miscellaneous Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
USAID
October 1, 2013–March 31, 2014

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Quality Control Reviews (QCR)				
I-527-14-001-Q	12/23/13	Quality Control Review of Urbano Ventocilla y Asociados, S.C. of Peru, Regarding the Close-out Audit of the Certified Expenditures Report of the "Strengthening Institutions and Policies Project" Contract No. AID-527-C-08-00010 Modification No. 4, for the Period From January 1, 2012, to June 30, 2013, Managed by Consultandes S.A.		
I-527-14-002-Q	1/8/14	Quality Control Review of Ramirez, Enriquez & Asociados of Peru, Regarding the Audit of the Fund Accountability Statement of Cooperative Agreement No. 527-A-00-12-00002 "Digital Inclusion Program," Managed by the Information and Education Center for the Prevention of Drug Abuse (CEDRO), for the Period From February 29 to December 31, 2012	27	QC
I-527-14-003-Q	1/10/14	Quality Control Review of the Controller General of the Republic of Peru, Regarding the Audit of the Strategic Objective Agreement No. 527-0423, Managed by the Comisión Nacional Para el Desarrollo y Vida Sin Drogas (DEVIDA) for the Period From January 1 to December 31, 2011		
4-617-14-001-Q	11/18/13	Quality Control Review of Audit of USAID Resources Managed by Marie Stopes Uganda Under Cooperative Agreement No. AID 617-A-10-00004, Subagreement Nos. 11 and 12 (Under Cooperative Agreement AID-617-A-00-06-00009-00) and Subcontract No. RFP01/2/MSU for the Period August 1, 2010, to December 31, 2011		
4-674-14-002-Q	1/6/14	Quality Control Review of the Audit of the Wildlife and Environment Society of South Africa (WESSA) Under Cooperative Agreement 674-A-00-11-00015-00 for the Period January 17, 2011, to March 31, 2012	5 4	QC UN

Miscellaneous Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
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Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-673-14-003-Q	3/3/14	Quality Control Review of the Audit of USAID Resources Managed by Katatura Youth Enterprise Center Trust (KAYEC) Under Cooperative Agreement Number 674-A-00-11-00034-00 for the Year Ended December 31, 2011		
4-673-14-004-Q	3/18/14	Quality Control Review of Audit of USAID Resources Managed by Catholic AIDS Action Under Cooperative Agreement No. 674-A-00-10-00121-00 and Closeout Audits of Grant Agreement No. 674-G-00-11-00065-00 and Subagreement No. P3125-SG-006 for the Year Ended February 29, 2012	434 434	QC UN
Other				
4-617-14-001-S	10/21/13	Agreed-Upon Procedures Review of USAID Resources Managed by Inter-Religious Council of Uganda Under Cooperative Agreement AID-617-A-10-00002		
6-276-14-001-S	12/1/13	Survey of Selected USAID Syria-Related Activities		
6-294-14-002-S	12/15/13	Review to Verify Whether Water Pipes and Fittings Purchased by USAID/West Bank and Gaza for the Palestinian Water Authority Were Used as Intended on Approved Mission Projects	2,668	BU
9-000-14-001-S	11/27/13	Review of USAID's New Counter-Trafficking in Persons Program		
F-306-14-001-S	2/6/14	Review of USAID/Afghanistan's Electoral Assistance Program		

**Reports With Questioned and Unsupported Costs
USAID
October 1, 2013-March 31, 2014**

Reports	Number of Audit Reports	Questioned Costs (\$)	Unsupported Costs (\$) ¹
A. For which no management decision had been made as of October 1, 2013	77	81,647,811 ^{2,3}	68,618,031 ^{2,3}
B. Add: Reports issued October 1, 2013-March 31, 2014	132	60,291,577 ⁴	48,383,149 ⁴
Subtotal	209	141,939,388	117,001,180
C. Less: Reports with a management decision made October 1, 2013-March 31, 2014	139 ⁵	112,460,761 ⁶	100,563,338 ⁶
Value of costs disallowed by agency officials		39,849,333	35,466,913
Value of costs allowed by agency officials		72,611,428	65,096,425
D. For which no management decision had been made as of March 31, 2014	72	29,478,674 ⁷	16,437,842 ⁷

¹ Unsupported costs, a subcategory of questioned costs, are reported separately as required by the Inspector General Act.

² The ending balances on September 30, 2013, for questioned costs totaling \$82,051,376 and for unsupported costs totaling \$68,823,689 were decreased by \$403,565 for questioned costs and decreased by \$205,838 for unsupported costs respectively, to reflect adjustments in recommendations from prior periods.

³ Amounts include \$18,795,310 in questioned costs and \$17,813,542 in unsupported costs for audits performed for OIG by other federal audit agencies.

⁴ Amounts include \$2,860,365 in questioned costs and \$516,779 in unsupported costs for audits performed for OIG by other federal audit agencies.

⁵ Unlike the monetary figures of this row, this figure is not being subtracted from the subtotal. Some audit reports counted here may be counted again in the figure below it because some reports have multiple recommendations and fall into both categories.

⁶ Amounts include \$21,226,568 in questioned costs and \$17,989,858 in unsupported costs for audits performed for OIG by other federal audit agencies.

⁷ Amounts reflect \$429,107 in questioned costs and \$340,463 in unsupported costs for audits performed for OIG by other federal audit agencies.

**Reports With Recommendations That Funds Be Put to Better Use
USAID
October 1, 2013-March 31, 2014**

Reports	Number of Audit Reports	Value (\$)
A. For which no management decision had been made as of October 1, 2013	0	0
B. Add: Reports issued October 1, 2013-March 31, 2014	4	70,995,662
Subtotal	4	70,995,662
C. Less: Reports with a management decision made October 1, 2013-March 31, 2014	4	70,995,662
Value of costs disallowed by agency officials		67,577,670
Value of costs allowed by agency officials		3,417,992
D. For which no management decision had been made as of March 31, 2014	0	0

**Reports Over 6 Months Old With No Management Decision
USAID
October 1, 2013-March 31, 2014**

Report Number	Auditee	Issue Date	Status
G-391-12-001-P	Pakistan	11/3/11	<p>Recommendation 5: USAID/Pakistan determine the allowability of \$1,359,337 in questioned costs (unsupported) and recover those costs determined to be unallowable. The Office of Acquisition and Assistance; the Office of Financial Management; and Bureau for Economic Growth, Education, and Environment will investigate the unsupported questioned costs of \$1,359,337 and make a decision on those costs. A management decision on this recommendation will be reached when USAID/Pakistan determines whether the questioned costs are allowed or disallowed; final action will occur when any disallowed amount is collected.</p>
3-521-13-001-N	Haiti, Rural Justice Center Field Office	9/16/2013	<p>Recommendation 1: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2014, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.</p>
3-521-13-001-N	Haiti, Rural Justice Center Field Office	9/16/2013	<p>Recommendation 2: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2014, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.</p>

**Reports Over 6 Months Old With No Management Decision
USAID
October 1, 2013-March 31, 2014**

Report Number	Auditee	Issue Date	Status
3-521-13-001-N	Haiti, Rural Justice Center Field Office	9/16/2013	Recommendation 3: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2014, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
3-521-13-001-N	Haiti, Rural Justice Center Field Office	9/16/2013	Recommendation 4: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2014, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
3-521-13-001-N	Haiti, Rural Justice Center Field Office	9/16/2013	Recommendation 5: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2014, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
3-521-13-001-N	Haiti, Rural Justice Center Field Office	9/16/2013	Recommendation 6: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2014, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
3-521-13-001-N	Haiti, Rural Justice Center Field Office	9/16/2013	Recommendation 7: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2014, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.

Significant Management Decisions With Which the Inspector General Disagrees USAID

October 1, 2013-March 31, 2014

Section 5(a)(12) of the Inspector General Act requires semiannual reports to include information concerning any significant management decisions with which the inspector general disagrees.

During this reporting period, there were no instances in which the Inspector General disagreed with a significant management decision.

Noncompliance with the Federal Financial Management Improvement Act of 1996 USAID

October 1, 2013-March 31, 2014

Section 5(a)(13) of the Inspector General Act requires semiannual reports to include an update on issues outstanding under a remediation plan required by the Federal Financial Management Improvement Act of 1996 (FFMIA) (Public Law 104-208, Title VIII, codified at 31 U.S.C. 3512 note). FFMIA requires agencies to comply substantially with (1) federal financial management system requirements, (2) federal accounting standards, and (3) the U.S. Standard General Ledger at the transaction level. An agency that is not substantially compliant with FFMIA must prepare a remediation plan.

Under audit reports A-000-13-003-P, dated November 14, 2012, and A-00-14-001-P, dated October 15, 2013, OIG identified an instance of substantial noncompliance with FFMIA as required by OMB Bulletin 7-04, Audit Requirements for Financial Statements. OIG reported that (1) USAID had not established an effective risk management program to ensure that policies and procedures are assessed and working as intended and (2) USAID's decentralized management of information technology and information security did not allow the Agency to implement a process to effectively assess, respond to, and monitor information security risk across the organization. To address this deficiency, USAID has prepared a 3-year corrective action plan, which is expected to be fully implemented by fiscal year 2015.

**Significant Revisions of Management Decisions
USAID
October 1, 2013-March 31, 2014**

Section 5(a)(11) of the Inspector General Act requires a description and explanation of the reasons for any significant revised management decisions during the reporting period.

During this reporting period, USAID did not make any significant revisions of management decisions.

**Significant Findings From Contract Audit Reports
USAID
October 1, 2013-March 31, 2014**

The National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181, Section 845) requires inspectors general to submit information on contract audit reports, including grants and cooperative agreements, that contain significant audit findings in semiannual reports to the Congress.

The act defines “significant audit findings” to include unsupported, questioned, or disallowed costs in excess of \$10 million and other findings that the inspector general determines to be significant.

During the reporting period, OIG had no significant findings from contract audit reports for USAID.

SIGNIFICANT FINDINGS AND ACTIVITIES: MILLENNIUM CHALLENGE CORPORATION

The Millennium Challenge Corporation forms partnerships with some of the world's poorest countries and provides large-scale grants to them when they demonstrate that they are committed to good governance, economic freedom, and investment in their citizens. These grants fund country-led solutions for reducing poverty through sustainable economic growth.



Pictured above is the MCC-funded Mtoni Service Station on the Zanzibar Archipelago. (Photo by Jake Lyell for MCC.)

FINANCIAL MANAGEMENT

Fund Accountability Statements

OIG reviews and approves fund accountability statement audits of compact funds under recipient government management. These fund accountability statement audits are conducted by independent public auditors. Under the terms of MCC compacts, funds expended by a recipient country must be audited at least annually. The recipient country establishes an accountable entity, usually a Millennium Challenge Account, that produces financial statements documenting account activity. The audit of a fund accountability statement is conducted by an audit firm that OIG has approved.

The selected audit firm issues an opinion on whether the financial statements present fairly, in all material respects, the program revenues and costs incurred and reimbursed, in conformity with the terms of a compact agreement and related supplemental agreements for the period being audited.

In addition, the audit firm is required to employ generally accepted government auditing standards in performing the audits. All MCA audit reports are reviewed, approved, and issued by OIG.

During this reporting period, OIG issued nine fund accountability statement audit reports, which made eight recommendations.

ECONOMIC GROWTH

Audit of the Millennium Challenge Corporation-Funded Program in Namibia Report No. M-000-14-002-P

In 2008, MCC signed a 5-year compact with the Republic of Namibia to reduce poverty and stimulate economic growth through three projects: a \$142 million education project, a \$68 million tourism project, and a \$52 million agriculture project.

In its audit of the education and tourism projects, OIG found that the projects were achieving their goals but made several recommendations to improve their implementation as a result of problems that were identified.

For example, in the education project, five of six renovated schools OIG visited had construction defects, and two of the schools were too small to accommodate current students. Teachers lacked training on science equipment, and textbooks and cars were not marked as required to show that they were provided by the United States. OIG also found staffing limitations that may affect the operation of some educational facilities.

With the tourism project, conservancy grants were not audited for environmental compliance, and problems with measuring training and sustaining and sharing knowledge of that training were also identified.

OIG made eight recommendations to strengthen the MCC-funded program in Namibia. MCC has made management decisions on each of them and taken final action on six.

SIGNIFICANT FINDINGS AND ACTIVITIES

- In its audit of the education and tourism projects in Namibia, OIG found that the projects were achieving their goals but made eight recommendations to improve the projects' implementation.

MANAGEMENT ACCOUNTABILITY

Audit of the Millennium Challenge Corporation's Controls Over the Use of Premium Class Travel

Report No. M-000-14-001-P

Federal travel regulations govern the use of all official government travel, including the use of premium class travel. The regulations authorize the use of premium class travel when the flight is 14 hours or more. To qualify, the traveler may not take a rest stop and must report to work the following day or sooner.

The Government Accountability Office (GAO) issued an audit of the use of premium class travel by all federal agencies, including MCC. GAO provided a management letter to MCC in 2008 outlining its findings. GAO found that “although MCC employees met the 14-hour rule—MCC policy states that travelers on flights less than 14 hours must fly coach—trips were not authorized or justified as required.” In addition, GAO found several internal control weaknesses and offered recommendations to strengthen MCC's policies.

OIG conducted this audit to determine whether MCC has since implemented adequate internal controls to prevent improper use of premium class travel. OIG found that MCC has implemented adequate internal controls, and these included a comprehensive travel policy and the segregation of duties for the review and approval of the travel authorizations. Of the \$1.1 million MCC spent on air travel for the 5-month period between October

SIGNIFICANT FINDINGS AND ACTIVITIES

- OIG found that MCC has implemented adequate internal controls over the use of premium class travel. Of the \$1.1 million MCC spent on air travel for the 5-month period between October 2012 and February 2013, \$691,000 covered air travel that included at least one premium class segment. OIG identified one internal control weakness: MCC did not document domestic premium class travel segments for international trips. As a result, international trips that totaled more than \$102,000 may have contained domestic segments that might not have been allowed under MCC's travel policy.
- Independent auditors expressed an unqualified opinion on MCC's FY 2013 financial statements. They identified one issue that was considered a material weakness and three other issues that were considered significant deficiencies. The material weakness was a modification of a previous finding, involving ineffective and inefficient integration of data, processes, and controls within MCC's financial management systems. The audit also found deficiencies in the validation control over grant accrual estimates, monitoring of audits, and controls of information systems.

2012 and February 2013, \$691,000 covered air travel that included at least one premium class segment. OIG identified one internal control weakness: MCC did not document domestic premium class travel segments for international trips. As a result, international trips that totaled more than \$102,000 may have contained domestic segments that might not have been allowed under MCC's travel policy.

OIG made two recommendations, and MCC made management decisions on both of them.

Audit of the Millennium Challenge Corporation's Financial Statements, Internal Controls, and Compliance for the Period Ending September 30, 2013 and 2012

Report No. M-000-14-001-C

OIG contracted with the independent certified public accounting firm of CliftonLarsonAllen LLP to audit MCC's financial statements. The independent auditors expressed an unqualified opinion on MCC's FY 2013 financial statements. They identified one issue that was considered a material weakness and three other issues that were considered significant deficiencies. The material weakness was a modification of a previous finding, involving ineffective and inefficient integration of data, processes, and controls within MCC's financial management systems. The audit also found deficiencies in the validation control over grant accrual estimates, monitoring of audits, and controls of information systems.

The audit made 11 recommendations for improvement, and MCC has made managements decisions on all of them.

MCC Employee Suspended for Storage of Personally Identifiable Information

OIG received a complaint from MCC that an MCC employee improperly stored personally identifiable information (PII) on the MCC network shared drive. OIG and the Securities and Exchange Commission (SEC) conducted a joint investigation into the matter and searched MCC's shared drive. A spreadsheet containing names, Social Security numbers, and dates of birth of 3,700 SEC employees was found on the shared drive in a folder for the sole use of one MCC employee. The employee, who was a former SEC employee, admitted to downloading the spreadsheet containing PII to be used as reference for his position at MCC. The employee received a 5-day suspension.

MCC Residential Country Director Suspended for Misuse of Official Vehicle

OIG confirmed allegations that an MCC resident country director in Asia misused a government vehicle and driver on multiple occasions, including on a trip from the beach to the employee's office. MCC originally proposed the employee's 30-day suspension for unauthorized and improper use of government

property, use of employee's time for an unofficial purpose, and carrying unauthorized passengers in a government vehicle for an unofficial purpose. Upon appeal, MCC reduced the charges to two counts of unauthorized and improper use of government property and suspended the employee for 3 days.

TABLES: MILLENNIUM CHALLENGE CORPORATION

Tables

The tables on the following pages provide information required by the Inspector General Act of 1978, as amended. OIG has no information to report this period in the areas listed below:

- Incidents in which USAID OIG was refused assistance or information
- Reports with recommendations that funds be put to better use
- Reports over 6 months old with no management decision
- Significant management decisions with which the Inspector General disagrees
- Significant revisions of management decisions
- Significant findings from contract audit reports

**Significant Recommendations Described Previously Without Final Action
MCC
October 1, 2013–March 31, 2014**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
M-000-13-001-P	Audit of the Millennium Challenge Corporation's Fiscal Year 2012 Compliance With the Federal Information Security Management Act of 2002	11/6/12	6	11/6/12	8/1/14
M-000-13-001-C	Audit of the Millennium Challenge Corporation's Financial Statements, Internal Controls, and Compliance for the Period Ending September 30, 2012 and 2011	11/15/12	1 2 9 10 11 13 14 12 19	11/13/12 11/13/12 11/13/12 11/13/12 11/13/12 11/13/12 11/13/12 11/13/12	12/13/14 12/13/14 12/13/14 12/13/14 12/13/14 12/13/14 12/13/14 12/13/14
M-000-13-008-N	Fund Accountability Statement (FAS) and Close-Out Audit of the Millennium Challenge Corporation's (MCC) Resources Managed by the Millennium Challenge Georgia Fund (MCG) Under the Compact Agreement Between the MCC and the Government of Georgia for the Period from January 1, 2011, to April 7, 2011, (FAS) and April 8, 2011, to August 4, 2011 (Close-out)	1/8/13	1	8/6/13	9/19/14
M-000-13-004-P	Audit of the Millennium Challenge Corporation's Monitoring of Trafficking in Persons in MCC-funded Programs.	2/12/13	1	2/12/13	7/31/14
M-000-13-005-P	Audit of the Millennium Challenge Corporation's Fiscal Year 2013 Compliance with the Federal Information Security Management Act of 2002	9/20/13	9 11 12 14	9/20/13 9/20/13 9/20/13 9/20/13	6/30/14 8/31/14 5/31/14 5/31/14

Financial Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
MCC
October 1, 2013–March 31, 2014

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Programs and Operations				
M-000-14-001-C	12/13/13	Audit of the Millennium Challenge Corporation's Financial Statements, Internal Controls, and Compliance for the Period Ending September 30, 2013, and 2012		
Millennium Challenge Account (MCA) Audits and Reviews				
M-000-14-001-N	10/9/13	Audit of the Millennium Challenge Corporation's (MCC) Resources Managed by Millennium Challenge Account-El Salvador (MCA-El Salvador), Under the Compact Agreement Between the MCC and the Government of El Salvador from September 21, 2012, to January 18, 2013		
M-000-14-002-N	10/28/13	Audit of the Millennium Challenge Corporation's (MCC) Resources Managed by Millennium Challenge Account-Burkina Faso (MCA-Burkina Faso), Under the Compact Agreement Between the MCC and the Government of Burkina Faso from January 1, 2012, to December 31, 2012		
M-000-14-003-N	11/14/13	Audit of the Fund Accountability Statement of the Millennium Challenge Corporation's (MCC), and the Government of Lesotho (GOL) Resources Managed by (MCA-Lesotho), Under the Compact Agreement Between the MCC and the Government of the Kingdom of Lesotho for the Period January 1, 2013, to September 17, 2013		
M-000-14-004-N	1/14/14	Audit of the Fund Accountability Statement of the Millennium Challenge Corporation's (MCC) Resources Managed by (MCA-Mozambique), Under the Compact Agreement Between the MCC and the Government of Mozambique for the Period January 1, 2012, to December 31, 2012		
M-000-14-005-N	1/16/14	Audit of the Millennium Challenge Corporation's (MCC) Resources Managed by Millennium Challenge Account-Lesotho (MCA-Lesotho), Under the Compact Agreement between the MCC and the Government of the Kingdom of Lesotho from January 1, 2013, to September 17, 2013		

Financial Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
MCC
October 1, 2013–March 31, 2014

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
M-000-14-006-N	2/26/14	Audit of the Millennium Challenge Corporation's (MCC) Resources Managed by Millennium Challenge Account-Senegal (MCA-Senegal), Under the Compact Agreement Between the MCC and the Government of Senegal from January 1, 2012, to December 31, 2012	316 274	QC UN
M-000-14-007-N	2/27/14	Audit of the Millennium Challenge Corporation's (MCC) Resources Managed by Millennium Challenge Account-Philippines (MCA-Philippines), Under the Compact Agreement Between the MCC and the Government of the Republic of the Philippines from July 1, 2012, to December 31, 2012		
M-000-14-008-N	3/11/14	Audit of the Millennium Challenge Corporation's (MCC) Resources Managed by Millennium Challenge Account-Mongolia (MCA-Mongolia), Under the Compact Agreement Between the MCC and the Government of Mongolia from January 1, 2013, to September 17, 2013	3,385 1,643	QC UN
M-000-14-009-N	3/26/14	Audit of the Millennium Challenge Corporation's, (MCC) Resources Managed by Millennium Challenge Account-Morocco (MCA-Morocco), Under the Compact Agreement Between the MCC and the Government of Morocco for the Period January 1, 2013, to September 30, 2013, and the Close-Out Period (120 Days After the Compact End date)		

Performance Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations
That Funds Be Put to Better Use
MCC
October 1, 2013-March 31, 2014

Report Number	Date of Report	Report Title	Amount of Findings	Type of Findings
M-000-14-001-P	12/17/13	Audit of the Millennium Challenge Corporation's Controls Over the Use of Premium Class Travel		
M-000-14-002-P	12/17/13	Audit of the Millennium Challenge Corporation-Funded Program in Namibia		

Miscellaneous Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations
That Funds Be Put to Better Use
MCC
October 1, 2013-March 31, 2014

Report Number	Date of Report	Report Title	Amount of Findings	Type of Findings
M-000-14-001-S	10/11/13	Limited Scope Audit of Millennium Challenge Account-Morocco (MCA-Morocco) Review of Purchases, Contracts, and Administrative Work Products		

**Reports With Questioned and Unsupported Costs
MCC
October 1, 2013-March 31, 2014**

Reports	Number of Audit Reports	Questioned Costs (\$)	Unsupported Costs (\$)
A. For which no management decision had been made as of October 1, 2013 ¹	3	440,981	165,371
B. Add: Reports issued October 1, 2013-March 31, 2014	2	3,701,018	1,916,904
Subtotal	5	4,141,999	2,082,275
C. Less: Reports with a management decision made October 1, 2013-March 31, 2014	3	440,981	165,371
Value of costs disallowed by agency officials		1,330	0
Value of costs allowed by agency officials		439,651	165,371
D. For which no management decision had been made as of March 31, 2014	2	3,701,018	1,916,904

¹ The amounts in the top row of this table have been adjusted to properly reflect management decisions on Audit Report No. M-000-13-020-N that were inadvertently omitted from the last Semiannual Report to the Congress.

SIGNIFICANT FINDINGS AND TABLES: UNITED STATES AFRICAN DEVELOPMENT FOUNDATION

The United States African Development Foundation provides grants of up to \$250,000 to local community groups and enterprises that benefit underserved and marginalized groups in Africa. The Foundation measures grant success in terms of jobs, increased income levels, and improved social conditions.

Audit of U.S. African Development Foundation Activities in Turkana

Report No. 4-ADF-14-004-P

According to the Kenyan Government, Turkana County—the area adjacent to Lake Turkana in the northwestern corner of the country—is the poorest and most remote county in Kenya. More than 70 percent of the people in this traditionally pastoralist society rely on food aid, and 20 percent are malnourished. Although the county continues to suffer from humanitarian crises, it has the potential to address them. USADF launched the Turkana Food Security Program in March 2011, pledging \$10 million in project grants over 5 years to increase food security in the region and help inhabitants earn higher incomes. USADF’s approach involves working with grantees to build their capacity while promoting ownership and sustainability of their projects, which in Turkana focus on livestock, irrigated agriculture, and fisheries.

OIG noted several achievements within the projects, including grantees’ increased ability to operate their businesses and projects successfully. Nearly all grantees demonstrated knowledge and skills acquired through USADF’s business and financial management training. They expressed appreciation for the program and displayed a sense of ownership and responsibility toward their respective projects. One livestock owner said he used the profits from livestock sales at a newly constructed facility in Lodwar to

SIGNIFICANT FINDINGS AND ACTIVITIES

- Auditors concluded that USADF is in substantial compliance with FISMA and has developed and documented the majority of the information security policies and procedures required under the act. However, auditors noted a number of weaknesses in which either documented policy and procedures were inadequate or management had a policy or procedure but was not following it.
- Auditors expressed an unmodified opinion on USADF’s fiscal year 2013 financial statements and notes. The report contained no material weaknesses or significant deficiencies in USADF’s internal control over financial reporting and no instances of noncompliance with applicable provisions of laws, regulations, contracts, and grant agreements.

start a motorcycle taxi business and continue his children's education. He said he also benefitted from a USADF-supported revolving loan fund and business training.

Despite these achievements, OIG determined that the projects audited are not yet reaching their goals to increase food security and promote income generation. The audit also found other problems, such as USADF's not following its own project development policies, inaccurate and unreliable performance data, weak internal controls employed by two grantees, poor financial and business practices, insufficient contractor vetting and management, and lack of a strategy to capitalize on opportunities created by the presence of oil companies in the Lake Turkana region.

OIG made 14 recommendations to improve the program and identified more than \$16,000 in questioned costs and nearly \$43,000 in funds to be put to better use. USADF allowed more than \$9,000 in questioned costs and is in the process of determining the allowability of more than \$6,000 remaining. Final action was taken on 6 of the 14 recommendations.

Audit of the U.S. African Development Foundation's Fiscal Year 2013 Compliance With the Federal Information Security Management Act of 2002

Report No. A-ADF-14-002-P

FISMA requires agencies to develop, document, and implement an agency-wide information security program to protect their information and information systems, including those provided or managed by another agency, contractor, or other source. The act also requires agencies to have an annual assessment of their information systems.

OIG contracted with the independent certified public accounting firm of Cotton & Company LLP to conduct the audit in accordance with U.S. Government auditing standards. The objective of the audit was to determine whether USADF implemented selected minimum security controls for selected information systems to reduce the risk of data tampering, unauthorized access to and disclosure of sensitive information, and disruptions to USADF's operations.

The auditors concluded that USADF is in substantial compliance with FISMA and has developed and documented the majority of the information security policies and procedures required under FISMA. However, auditors noted a number of weaknesses where either documented policy and procedures were inadequate or management had a policy or procedure but was not following it.

Based on the identified weaknesses in USADF's information security controls, OIG made 17 recommendations to assist USADF in strengthening its information security program. USADF made management decisions on all 17 recommendations and took final action on 9 of them.

Audit of the United States African Development Foundation's Financial Statements for Fiscal Years 2013 and 2012

Report No. 0-ADF-14-002-C

OIG contracted with the certified public accounting firm of GKA PC to conduct an audit of USADF's financial statements as of September 30, 2013, and 2012.

The independent auditor expressed an unmodified opinion on USADF's fiscal year 2013 financial statements and notes. The report states that the financial statements presented fairly, in all material respects, USADF's financial position, the net cost of operations, the changes in net position, and budgetary resources for the years ended September 30, 2013, and 2012, in conformity with generally accepted U.S. accounting principles.

The report did not note any material weaknesses or significant deficiencies in USADF's internal control over financial reporting or instances of noncompliance with applicable provisions of laws, regulations, contracts, and grant agreements.

Tables

The tables on the following pages provide information required by the Inspector General Act of 1978, as amended. OIG has no information to report this period in the areas listed below:

- Incidents in which OIG was refused assistance or information
- Miscellaneous reports with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- Significant management decisions with which the Inspector General disagrees
- Significant revisions of management decisions
- Reports over 6 months old with no management decision
- Significant findings from contract audit reports

**Significant Recommendations Described Previously Without Final Action
USADF
October 1, 2013-March 31, 2014**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
7-ADF-08-007-P	Audit of the African Development Foundation/ Ghana Project Activities	9/17/08	1	9/17/08*	10/31/14
			7	9/17/08*	10/31/14
			14	9/17/08**	10/31/14

*Revised management decision 6/30/2011

**Revised management decision 5/3/2011

**Financial Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations
That Funds Be Put to Better Use
USADF
October 1, 2013-March 31, 2014**

Report Number	Date of Report	Report Title	Amount of Findings	Type of Findings
0-ADF-14-002-C	12/16/13	Audit of the African Development Foundation's Financial Statements For Fiscal Years 2013 and 2012		

**Performance Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
USADF
October 1, 2013-March 31, 2014**

Report Number	Date of Report	Report Title	Amount of Findings	Type of Findings
4-ADF-14-004-P	3/13/14	Audit of U.S. African Development Foundation Activities in Turkana	16 6 43	QC UN BU
A-ADF-14-002-P	11/27/13	Audit of the U.S. African Development Foundation's Fiscal Year 2013 Compliance With the Federal Information Security Management Act of 2002		

**Reports With Questioned and Unsupported Costs
USADF
October 1, 2013-March 31, 2014**

Reports	Number of Audit Reports	Questioned Costs (\$)	Unsupported Costs (\$)
A. For which no management decision had been made as of October 1, 2013	0	0	0
B. Add: Reports issued October 1, 2013-March 31, 2014	1	16,109	6,427
Subtotal	1	16,109	6,427
C. Less: Reports with a management decision made October 1, 2013-March 31, 2014	1	9,184	0
Value of costs disallowed by agency officials		0	0
Value of costs allowed by agency officials		9,184	0
D. For which no management decision had been made as of March 31, 2014	1	6,925	6,427

**Reports With Recommendations That Funds Be Put to Better Use
USADF**

October 1, 2013-March 31, 2014

Reports	Number of Audit Reports	Value (\$)
A. For which no management decision had been made as of October 1, 2013	0	0
B. Add: Reports issued October 1, 2013-March 31, 2014	1	42,696
Subtotal	1	42,696
C. Less: Reports with a management decision made October 1, 2013-March 31, 2014	1	42,696
Value of costs disallowed by agency officials		42,696
Value of costs allowed by agency officials		0
D. For which no management decision had been made as of March 31, 2014	0	0

SIGNIFICANT FINDINGS AND TABLES: INTER-AMERICAN FOUNDATION

The Inter-American Foundation is an independent U.S. Government agency created to provide development assistance in Latin America and the Caribbean. IAF provides grant support for the most creative ideas for self-help received from grassroots groups and NGOs, while encouraging partnerships among community organizations, businesses, and local governments that are working to improve the quality of life for poor people and strengthen democratic practices.

Audit of the Inter-American Foundation's Financial Statements for Fiscal Years 2013 and 2012

Report No. 0-IAF-14-003-C

During this reporting period, OIG issued an audit report prepared by the certified public accounting firm of Brown & Company, CPAs, PLLC, on the financial statements as of September 30, 2013, and 2012 of IAF. The independent auditor expressed an unmodified opinion on IAF's fiscal year 2013 audited financial statements and notes. The report states that the financial statements presented fairly, in all material respects, IAF's financial position, the net cost of operations, the changes in net position, and budgetary resources for the years ended September 30, 2013, and 2012, in conformity with accounting principles generally accepted in the United States. The report contains no material weaknesses, one significant deficiency in IAF's internal control over financial reporting, and no instances of noncompliance with selected applicable provisions of laws, regulations, contract, and grant agreements.

OIG reviewed the audit report and found it to be in accordance with auditing standards generally accepted in the United States; generally accepted government auditing standards issued by the Comptroller General of the United States; and the Office of Management and Budget Bulletin 14-02, "Audit Requirements for the Federal Financial Statements," as amended.

In connection with our contract with the independent auditor, OIG reviewed the firm's related audit documentation. Our review found no instances in which the independent auditor did not comply, in all material respects, with the auditing standards discussed above.

SIGNIFICANT FINDINGS AND ACTIVITIES

- An independent auditor expressed an unmodified opinion on IAF's fiscal year 2013 audited financial statements and notes. The report contains no material weaknesses, identifies one significant deficiency in IAF's internal control over financial reporting, and finds no instances of noncompliance with selected applicable provisions of laws, regulations, contract, and grant agreements.

Tables

The tables on the following page provide information required by the Inspector General Act of 1978, as amended. OIG has no information to report in this period in the areas listed below:

- Incidents in which OIG was refused assistance or information
- Performance audits with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- Miscellaneous reports with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- Reports with questioned or unsupported costs
- Reports with recommendations that funds be put to better use
- Reports over 6 months old with no management decision
- Significant management decisions with which the Inspector General disagrees
- Significant revisions of management decisions
- Significant findings from contract audit reports

**Significant Recommendations Described Previously Without Final Action
IAF
October 1, 2013-March 31, 2014**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
A-IAF-13-007-P	Audit of the Inter-American Foundation's Fiscal Year 2013 Compliance with the Federal Information Security Management Act of 2002	9/30/13	1 5	9/17/08 9/30/13	5/13/14 6/13/14

**Financial Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations
That Funds Be Put to Better Use
IAF
October 1, 2013-March 31, 2014**

Report Number	Date of Report	Report Title	Amount of Findings	Type of Findings
0-IAF-14-003-C	12/16/13	Audit of the Inter-American Foundation's Financial Statements For Fiscal Years 2013 and 2012		

SIGNIFICANT FINDINGS: OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation (OPIC) is a U.S. Government institution that mobilizes private capital to address development challenges. It works with the private sector to help U.S. businesses gain footholds in emerging markets by promoting increased revenues, jobs, and growth opportunities at home and abroad. Operating in more than 150 countries, OPIC provides financing, guarantees, and political risk insurance, and it offers support for private equity investment funds.

OIG provides oversight of OPIC under 22 U.S.C. 2199(e). In addition, Senate Report 113-81, which accompanied the Department of State, Foreign Operations, and Related Programs Appropriations Bill for 2014, directed OPIC to (1) enter into an FY 2014 oversight agreement with USAID OIG, (2) allocate funding to support a mutually agreed-upon oversight plan, and (3) reimburse OIG for costs related to oversight and audit functions. This language was later endorsed in the Explanatory Statement accompanying the Consolidated Appropriations Act, 2014 (P.L. 113-76).

Efforts to establish this FY 2014 oversight agreement with OPIC have been problematic, and as of March 31, 2014, no agreement was in place. USAID OIG efforts to engage OPIC on the subject met with significant delays. OIG initially contacted OPIC to initiate discussions on an FY 2014 agreement in September 2013. However, OPIC did not provide any substantive response until February 2014.

Throughout the process of negotiating this oversight agreement, OPIC has sought to limit the scope of OIG's oversight activities. In some cases, OPIC representatives have ruled out oversight proposals without first developing an understanding of underlying requirements or consulting with OIG staff.

Without first agreeing on oversight plans, OPIC sent OIG a draft interagency agreement signed by OPIC's president on March 31, 2014, that provided a basis for the conduct of only three of seven oversight activities that we proposed. OIG did not sign this agreement because it does not reflect a mutually agreed-upon plan of work.

In the interest of ensuring that OPIC receives at least minimum levels of oversight in FY 2014, OIG has commenced work on the subset of oversight activities identified in this draft agreement. OIG completed fraud awareness briefings for OPIC personnel in FY 2014 and plans to conduct an audit on OPIC compliance with FISMA requirements and an assessment of OPIC purchase, combined integrated, and travel card programs in line with requirements in the Government Charge Card Abuse Prevention Act of 2012 (P.L. 112-194) and OMB Memorandum M-13-21.

In our judgment, this work is more limited than appropriate or warranted. As of the end of March 2014, OPIC had rejected or deferred consideration of OIG proposals related to oversight of its financial statement audit, the conduct of a related quality control review, and the conduct of a risk assessment and a performance audit of OPIC programs and activities.

USAID OIG has advised OPIC’s board and relevant congressional committees of our concerns with this process and OPIC’s response to oversight proposals.

Tables

The table that follows provides information required by the Inspector General Act of 1978, as amended. OIG has no information to report this period in the areas listed below:

- Incidents in which OIG was refused assistance or information
- Financial audits with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- Miscellaneous reports with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- Reports with questioned or unsupported costs
- Reports with recommendations that funds be put to better use
- Reports over 6 months old with no management decision
- Significant management decisions with which the Inspector General disagrees
- Significant revisions of management decisions
- Significant findings from contract audit reports

Significant Recommendations Described Previously Without Final Action OPIC October 1, 2013-March 31, 2014					
Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
A-OPC-13-006-P	Audit of Overseas Private Investment Corporation's Compliance with Provisions of the Federal Information Security Management Act of 2002 for Fiscal Year 2013	9/26/13	1	9/26/13	6/30/14
			3	9/26/13	6/30/14
			7	9/26/13	6/30/14
			10	9/26/13	7/31/14
			12	9/26/13	7/31/14

PEER REVIEWS

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203) requires federal inspectors general to report on results of peer reviews in their semiannual reports.

The following are results of peer reviews conducted on USAID OIG during the reporting period.

Audit

The last peer review of USAID OIG's audit functions was completed in September 2012. There are no outstanding recommendations from a peer review conducted on USAID OIG that have yet to be implemented.

Investigations

The last peer review of USAID OIG's investigative functions was completed in April 2011. There are no outstanding recommendations from a peer review conducted on USAID OIG that have yet to be implemented.

ABBREVIATIONS

BU	funds recommended to be put to better use
DCAA	Defense Contract Audit Agency
FISMA	Federal Information Security Management Act of 2002
IAF	Inter-American Foundation
MCA	Millennium Challenge Account
MCC	Millennium Challenge Corporation
NGO	nongovernmental organization
OIG	Office of Inspector General
OPIC	Overseas Private Investment Corporation
OMB	Office of Management and Budget
PEPFAR	President’s Emergency Plan for AIDS Relief
QC	questioned costs
TB	tuberculosis
UN	unsupported costs
USADF	United States African Development Foundation
USAID	United States Agency for International Development

United States Agency for International Development

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