



USAID
FROM THE AMERICAN PEOPLE

OFFICE OF INSPECTOR GENERAL

**AUDIT OF USAID/JORDAN'S
DEMOCRACY AND
GOVERNANCE ACTIVITIES**

AUDIT REPORT NO. 6-278-09-001-P
October 28, 2008

CAIRO, EGYPT



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Office of Inspector General

October 28, 2008

MEMORANDUM

TO: USAID/Jordan Deputy Mission Director, Dana Mansuri

FROM: Regional Inspector General, Cairo, Lloyd J. Miller /s/

SUBJECT: Audit of USAID/Jordan's Democracy and Governance Activities
(Report No. 6-278-09-001-P)

This memorandum transmits our final report on the subject audit. We have considered your comments on the draft report and have included your responses in appendix II.

The report contains three recommendations intended to improve the implementation of USAID/Jordan's democracy and governance activities. Based on your comments and the documentation provided, we consider that management decisions have been made on all recommendations, and final action has been completed on recommendations nos. 1 and 3. A determination of final action for recommendation no. 2 will be made by the Audit, Performance and Compliance Division (M/CFO/APC) upon completion of the planned actions.

Thank you for the cooperation and courtesy extended to the audit team during this audit.

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SUMMARY OF RESULTS

Jordan's geographic position brings it into contact with regional disturbances that affect its political climate and its economy. According to USAID/Jordan, Jordan's political parties have inadequate technical and organizational skills. In addition, participation in the public decision making process is low. Nevertheless, Jordan has made progress in economic and social reforms. (See page 2.)

The audit covered the 2-year period beginning October 1, 2005, through September 30, 2007, and focused on democracy and governance activities in (1) legislative strengthening, (2) media liberalization, and (3) elections and political processes. The activities were primarily implemented by three principal partners—the State University of New York, the International Research and Exchanges Board, and the Consortium for Elections and Political Process Strengthening. Funding for these programs was \$21.7 million. (See pages 2–3.)

USAID/Jordan's democracy and governance activities achieved planned results in fiscal year 2007 for the indicators in the operational plan and the mission's performance management plan. These indicators primarily measured training for legislators and staff, journalists, and political party candidates, as well as assistance provided to news outlets. Despite the achievement of targets set in formal performance indicators, the impact of the democracy and governance activities has been mixed. For example, although the mission met its targets for training national legislators and their staff members, Jordan's parliamentary elections in November 2007 resulted in a turnover of approximately 70 percent of legislators in the House of Representatives. In addition, the legislative strengthening program procured and installed an electronic voting system for the Parliament at a cost of \$665,000. However, the Parliament used the system on a sporadic basis during its initial period. (See pages 4–5.)

On the other hand, the democracy and governance program completed the important tasks of establishing a budget office and a legislative resource and training center for the Parliament, which assists with budget oversight, research, library services, and training for parliamentary staff and members of Parliament. The democracy and governance program also provided training to elected municipal officials to define community needs, build issues-based campaigns, and to transfer those skills to a political campaign. In addition, media programs helped spread awareness of elections through public education and a video that was shown on television in the weeks preceding the November 2007 parliamentary election. (See pages 5–6.)

Despite the achievement of targets set in formal performance indicators and the mixed impact of the democracy and governance activities, USAID/Jordan reported results that were at times inaccurate, and one of the partner's implementation and monitoring plans lacked sufficient information to measure progress. (See pages 6–9.)

USAID/Jordan agreed with the findings and recommendations in the report, has already implemented corrective actions for two recommendations, and is in the process of completing corrective action for the third recommendation. Management comments in their entirety are included in appendix II. (See page 13.)

BACKGROUND

Jordan's geographic position brings it into contact with regional disturbances that affect its political climate and its economy. According to the mission's 2007 operating report, Jordan's political parties have inadequate technical and organizational skills. In addition, participation in the public decision making process is low. Nevertheless, Jordan has made progress in economic and social reforms.

Jordan's National Agenda, developed under the direction of King Abdullah II, has focused the government's agenda on economic reform, political development, and poverty alleviation. Jordan's National Agenda priorities are reflected in USAID's democratization efforts. U.S. policy seeks to reinforce Jordan's commitment to peace, stability, and moderation including the peace process and Jordan's opposition to terrorism. USAID's democracy and governance activities are designed to strengthen Jordan's governing institutions and remove principal obstacles to democracy by:

- Supporting effective, accountable, and transparent governance.
- Promoting civil society participation in public affairs and decision making.
- Expanding political participation.
- Supporting human rights.

Map of Jordan



The audit covered the 2-year period beginning October 1, 2005, through September 30, 2007, and focused on USAID/Jordan's democracy and governance activities in (1) legislative strengthening, (2) media liberalization, and (3) elections and political processes. The activities were implemented by the following principal partners.

- USAID/Jordan awarded the Research Foundation of the State University of New York (SUNY) an \$8.7 million contract to increase transparency and accountability within the Parliament and to modernize the legislative process.
- USAID/Jordan awarded the International Research and Exchanges Board (IREX) a \$5.1 million contract to enhance the independence, professionalism, sustainability, and diversity of the media.
- USAID/Jordan awarded the Consortium for Elections and Political Process Strengthening (CEPPS) a \$7.9 million associate cooperative agreement to foster more pluralistic, fair, and representative political competition. The three implementing partners under this agreement are the International Republican Institute (IRI), National Democratic Institute for International Affairs (NDI), and the International Foundation for Elections Systems (IFES).

As of September, 30, 2007, total authorized funding for these programs was \$21.7 million. USAID/Jordan had obligated \$14.1 million and had expended \$5.3 million for these democracy and governance activities.

AUDIT OBJECTIVE

As part of a worldwide audit led by the USAID Office of Inspector General's Performance Audits Division, the Regional Inspector General/Cairo performed an audit to answer the following question:

- Have USAID/Jordan's democracy and governance activities achieved planned results and what has been the impact?

Appendix I contains a discussion of the audit's scope and methodology.

AUDIT FINDINGS

USAID/Jordan's democracy and governance activities achieved planned results in fiscal year (FY) 2007 for the indicators specified in the operational plan and the mission's performance management plan. These indicators primarily measured training for legislators and legislative staff, journalists, domestic election observers, and political party candidates, as well as assistance provided to news outlets.

Table 1. Operational Plan and Performance Management Plan Indicators for Fiscal Year 2007

Indicator	Target FY 2007	Actual FY 2007
1. Number of national legislators and national legislative staff attending U.S. Government-sponsored training on educational events	152	178
2. Number of journalists trained with U.S. Government assistance	160	159
3. Number of non-state news outlets assisted by U.S. Government	7	11
4. Number of individuals who receive U.S. Government-assisted political party training	600 ¹	1,898
5. Number of domestic election observers trained with U.S. Government assistance	None	71

Despite the achievement of targets set in formal performance indicators, the impact of the democracy and governance activities has been mixed. For example, within the legislative strengthening program, although the mission met its targets for training national legislators and their staff members, Jordan's parliamentary elections in November 2007 resulted in a turnover of approximately 70 percent of legislators in the House of Representatives, many of whom had received training provided through USAID programs.

In addition, the legislative strengthening program procured and installed an electronic voting system for the Parliament at a cost of \$665,000. This activity was part of a broader objective to increase transparency and accountability in Parliament through the adoption of select automated systems. Final testing of the electronic voting system was completed in July 2007 and the implementer reported installation was completed in the following quarter. However, the Parliament used the system on a sporadic basis during its initial period. The system required parliamentarians to have their cards with them for voting, and parliamentary leadership had yet to establish procedures for its use.

¹ Target of 600 is from the performance management plan. The operational plan did not include a target.



Electronic voting system installed in the parliamentary chamber under USAID/Jordan's Legislative Strengthening Program. RIG/Cairo photograph taken in April 2008.

On the other hand, the democracy and governance program completed the important tasks of establishing a budget office and a legislative resource and training center for the Parliament, which assists with budget oversight, research, library services, and training for parliamentary staff and members of Parliament. The democracy and governance program also provided training to elected municipal officials to define community needs, build issues-based campaigns, and to transfer those skills to a political campaign.

In addition, media programs spread election awareness through public education and a video demonstrating the administration of an election that was shown in the weeks preceding the November 2007 parliamentary election. For example, under a small subcontract, an implementing partner created a cartoon character, Oo3a,² as part of a "Get Out the Vote" media campaign to encourage young, first-time voters to study the options provided by candidates. According to the implementer, this campaign reached more than 2 million Jordanians. Two successful products of the media campaign were (1) a rap song targeting first-time voters played by most commercial radio stations and (2) a code of ethics adopted by 110 candidates in various regions of Jordan and also used by some candidates as a campaign tool. According to an editorial in a Jordanian newspaper, Oo3a was the most positive initiative in the 2007 elections "because of its message against vote buying and for the improvement of the elections process."

² Oo3a means "watch out," in Arabic.

Despite the achievement of targets set in formal performance indicators and the mixed impact of the democracy and governance activities, the audit identified the following issues requiring USAID/Jordan management attention.

- Some reported results were at times inaccurate.
- One partner's implementation and monitoring and evaluation plans lacked sufficient information to measure progress.
- Unexpended obligated balances should be liquidated in a timely manner.

Some Reported Results Were at Times Inaccurate

Summary: Automated Directives System 203.3.5.1 defines five data quality standards, including data reliability. According to ADS, "data should reflect stable and consistent data collection processes and analysis methods from over time." Within USAID/Jordan's performance report and performance management plan, some reported results for fiscal year 2007 were not accurate. Mission officials relied heavily on the results reported by the implementing partners and did not conduct periodic data testing and verification. Without reliable performance data, decision makers have little assurance of whether an operating unit succeeded or fell short in achieving its program targets.

Automated Directives System (ADS) 203.3.5.1 defines five data quality standards, including data reliability. According to the ADS, "data should reflect stable and consistent data collection processes and analysis methods from over time. The key issue is whether analysts and managers would come to the same conclusions if the data collection and analysis process were repeated. Operating units should be confident that progress toward performance targets reflects real changes rather than variations in data collection methods." Moreover, USAID's Performance Management Toolkit provides guidance to Operating Units to periodically validate the integrity of the data collected on the reported indicators through spot checks to ensure that the numbers reported are accurate and supported.

Within USAID/Jordan's performance report and performance management plan, some reported results for fiscal year 2007 were not accurate. For example:

- One performance indicator was "number of national legislators and national legislative staff attending U.S. Government-sponsored training or educational events." This indicator had three errors. First, the fiscal year 2007 operational plan target was 152 (the correct number, according to mission officials), whereas the performance management plan target was 332. Second, the reported result was also inaccurately reported. The reported result of 99 was provided by the implementing partner. However, the partner's records showed that the actual number was 178. Third, of the 99 legislators and staff that received training, the mission reported that 92 women and 7 men attended the training. The supporting documentation showed that 171 men and 6 women received training. The differences were caused by underreporting by the implementing partner of total individuals trained and the transposition of the numbers for men and women.

- One performance indicator was “number of individuals who receive U.S. Government-assisted political party training.” The fiscal year 2007 reported result was 1,535: 1,210 women and 325 men. This indicator had two errors. First, the reported result of 1,535 was inaccurately reported in the operational plan. However, the partners’ records showed that the actual number was 1,898. Second, partner documentation showed that the proportion of men who received training significantly exceeded the proportion of women. The difference was caused by incorrect data entry in the submission of the results.
- One performance indicator was “number of domestic election observers trained with U.S. Government assistance.” The reported result was 127, but documentation showed that the result was 71. The difference of 56 was caused by counting election observers that were trained in the first month of the following fiscal year.

The mission reported this erroneous data in their performance report in November 2007. At the time the data were collected, the mission was attempting to balance competing priorities resulting from monitoring activities related to the parliamentary elections. Consequently, the mission relied heavily on the results reported by the implementing partners and did not conduct periodic data testing and verification.

USAID/Jordan should periodically validate the integrity of the data collected on the reported indicators through spot checks to ensure that the numbers reported are accurate and supported. Although USAID/Jordan performed other methods of assessing data quality, including reviewing partner reports and attending training events, periodic sampling, and review of data for completeness, accuracy and consistence could have reduced the risk of collecting and reporting incorrect data. Without reliable performance data, program management decisions may be adversely affected.

Recommendation No. 1: We recommend that USAID/Jordan issue specific guidance requiring the cognizant technical officers for the democracy and governance program to periodically verify data reported by implementing partners.

One Partner’s Implementation Plans Lacked Sufficient Information to Measure Progress

The Government Accountability Office’s *Standards for Internal Control in the Federal Government*³ provides examples of control activities including the establishment and review of performance measures and indicators. These controls include comparisons and assessments relating different sets of data to one another so that appropriate actions can be taken.

With regard to USAID/Jordan’s democracy and governance activities, with one exception all of the implementing partner’s implementation plans or performance monitoring and evaluation plans linked activities to objectives and results. However, the implementation plan and performance monitoring and evaluation plan for the International Republican

³ GAO/AIMD-00-21.3.1, November 1999

Institute⁴ were not sufficient. The implementation plan did not set targets or link the program activities to objectives and indicators. The performance monitoring and evaluation plan consisted only of a narrative listing of results and indicators. It did not include specific information on the partner's targets, monitoring and evaluation approach, or methods of measurement and data collection.

Mission staff was not aware of the deficiency of the implementer's plans and a copy was not readily available in the mission files. In addition, the plans provided by IRI to USAID/Jordan were not approved in writing, as required by the terms of the agreement. As a result, the Institute was not aware of deficiencies in its plans.

Performance and implementation plans set targets and link program activities and indicators as the blueprint for specific tasks and results to be achieved. USAID managers and stakeholders should be able to use program data as a basic guide to indicate the need for revising objectives, targets, or financial assistance to be efficient and effective. Without established, documented, and approved implementation plans and performance monitoring plans, program managers do not have a reliable, sound basis upon which to make management decisions. For these reasons, this audit makes the following recommendation:

Recommendation No. 2: We recommend that USAID/Jordan (1) provide guidance to the International Republican Institute in the development and submission of both an implementation plan and a performance monitoring and evaluation plan that link activities to objectives and results and a performance monitoring and evaluation plan that explains the partners' approach to monitoring and evaluation and includes details of methods of measurement and data collection, and (2) approve these plans in writing.

Other Matter—Review of Unexpended Balances

ADS 602.3.7 refers to an annual review of unexpended obligated balances. This review is conducted at least annually to determine the amount of unexpended obligations. According to the guidance, older funds are to be expended before newer funds.

According to USAID financial records, as of April 9, 2008, USAID/Jordan had not liquidated obligated balances of \$333,339 from fiscal years 2005-2006 for contract number 278-DFD-I-02-04-00128-00 with the State University of New York, although disbursements were applied to the obligated balances funded from fiscal years 2006–2007. According to mission officials, the obligation was offline for a time due to a migration from MACS to Phoenix. As a result, the mission did not liquidate or deobligate these funds in a timely manner. Thus, older funds are not being expended before newer funds or older funds are not being deobligated and used for other program purposes in accordance with agency guidance.

The mission is in the process of implementing procedures to ensure that older funds are expended before newer funds. Accordingly, this audit is not making a recommendation to the mission to enhance its funds management procedures, but makes a

⁴ The total estimated cost for the International Republican Institute's program component of the cooperative agreement was \$3.2 million.

recommendation for the unexpended obligated balance from fiscal years 2005–2006 as follows:

Recommendation No. 3: We recommend that USAID/Jordan liquidate the unexpended balance of \$333,339 from fiscal years 2005–2006 for contract number 278-DFD-I-02-04-00128-00 before making any expenditures from later fiscal years' funds.

EVALUATION OF MANAGEMENT COMMENTS

In its comments to the draft report, USAID/Jordan agreed with the three recommendations and developed specific plans to implement each of the recommendations.

In response to recommendation no. 1, USAID/Jordan issued formal guidance from the democracy and governance team leader to the cognizant technical officers requiring periodic review of data provided by implementing partners. USAID/Jordan's democracy and governance team also conducted a meeting led by a monitoring and evaluation expert for its cognizant technical officers and implementing partners to discuss improvements to the existing processes to meet the requirements under the operational plan process, implementation plans, and program monitoring and evaluation plans.

In response to recommendation no. 2, in addition to the guidance provided at the implementing partners meeting, the cognizant technical officer sent detailed guidance to the International Republican Institute on the issues identified during the audit and the mission's expectations vis-à-vis the new work plan and program monitoring and evaluation plan. USAID/Jordan processed an award modification in September 2008 that requires the International Republican Institute to submit a new work plan and program monitoring and evaluation plan within 45 days.

In response to recommendation no. 3, the mission liquidated the unexpended balance against invoices submitted by the contractor and provided documentation showing the liquidation and status of funds for the contractor.

As a result of the mission's actions to implement these recommendations, management decisions and final actions have been completed for recommendation nos. 1 and 3. Determination for final action for recommendation no. 2 will be made by the Audit, Performance and Compliance Division (M/CFO/APC) upon completion of the actions planned by the mission. Mission comments in their entirety are included in appendix II.

SCOPE AND METHODOLOGY

Scope

The Regional Inspector General/Cairo conducted this audit in accordance with generally accepted Government auditing standards to determine whether USAID/Jordan's democracy and governance activities have achieved planned results and what the impact of the program has been. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We reviewed the democracy and governance program indicators included in the fiscal year 2007 operational plan and performance management plan for the democracy and governance programs in legislative strengthening, media liberalization, and elections and political processes. The program's main implementers were the State University of New York (SUNY), the International Research and Exchanges Board (IREX), and the Consortium for Elections and Political Process Strengthening (CEPPS). The three implementing partners under the CEPPS agreement were the International Republican Institute (IRI), the National Democratic Institute for International Affairs (NDI), and the International Foundation for Elections Systems (IFES). The audit covered the 2-year period from October 1, 2005, through September 30, 2007, but in cases where related activities extended beyond that period, we considered supporting documentation from prior or subsequent periods. The USAID/Jordan democracy and governance program did not report measurable results in 2006 for indicators within the scope of the audit. The 2006 annual report, the precursor to the operational plan, only included one indicator that was related to the rule of law component which was outside the scope of the audit. In addition, USAID/Jordan drafted but did not finalize a 2006 performance management plan for its democracy and governance activities. As of September, 30, 2007, USAID/Jordan had obligated \$14.1 million and had expended \$5.3 million for these democracy and governance activities.

We conducted our audit fieldwork at USAID/Jordan from March 30 through June 24, 2008. We visited the Amman offices of the implementing partners, State University of New York (SUNY), International Research and Exchanges Board (IREX), the International Republican Institute (IRI), National Democratic Institute for International Affairs (NDI), and the International Foundation for Elections Systems (IFES). In addition, the audit team made site visits to Parliament, the Ministry of Interior, and the local radio station AmmanNet.

In planning and performing the audit, we assessed significant management controls related to management review, and review of performance measures and indicators. Specifically, we evaluated (1) the fiscal year 2006 annual report (not required for fiscal year 2007), (2) the fiscal year 2007 operational plan and performance report, (3) the fiscal year 2006 and 2007 performance monitoring plans, (4) the mission's Federal Managers' Financial Integrity Act of 1982 assessment, (5) the implementers quarterly and annual progress reports, (6) data quality assessments, and (7) financial reports. We also conducted interviews with key USAID/Jordan personnel, implementing partner staff,

Government of Jordan officials, and beneficiaries. There were no prior audits relevant to this review.

Methodology

To answer the audit objective, we reviewed the fiscal year 2007 operational plan and performance monitoring plan's planned and actual results. We also planned to review the mission's results for fiscal year 2006, but the mission did not report measurable results in 2006 for indicators within the audit scope. In addition, USAID/Jordan drafted but did not finalize a 2006 performance management plan for its democracy and governance activities under the strategic objective, *Social Sectors Development*. USAID/Jordan developed a new strategic objective, *Democratic Reforms Strengthened*, in 2006 in response to the Government of Jordan's new agenda for political reform and U.S. Government foreign policy emphasizing democracy in the Middle East. A performance management plan for fiscal year 2007 was finalized for the new strategic objective.

We selected all five operational plan and performance management plan indicators for the legislative strengthening, media liberalization and elections and political processes programs for review. The mission reported on 21 democracy and governance indicators. We did not review the 10 indicators for governance programs that were implemented through the mission's economic growth programs. We also excluded the six indicators for justice and civil society activities that were outside the scope of the audit. We validated performance data for each of these indicators as of September 30, 2007, by comparing reported results to supporting documentation such as sign-in sheets and attendance records. If the mission met 80 percent of the target for an indicator, we concluded that the mission achieved the target for that one indicator.

For the three main agreements for the legislative strengthening, media liberalization, and elections and political processes components, we reviewed the implementing partner's agreement documents, work plans, and progress reports. We conducted interviews with USAID/Jordan's democracy and governance team, implementing partners, Jordanian government officials at Parliament and the Ministry of Interior, and beneficiaries of political party training. We concluded that the mission achieved its results if it met or exceeded 80 percent of performance indicators' targets.

We reviewed applicable laws and regulations and USAID policies and procedures including the following: Federal Managers Financial Integrity Act of 1982; Foreign Assistance Act of 1961 section 116 (e); Automated Directives System chapters 201, 203, 253, 324, 350, 602, 603, and 621; and Executive Order 13224 on terrorism financing.

MANAGEMENT COMMENTS



Date: October 6, 2008

To: Lloyd J. Miller, Regional Inspector General, RIG/Cairo

From: Dana Mansuri, Deputy Mission Director, USAID/Jordan /s/

Subject: Management Comments on the Audit of USAID/Jordan's Democracy and Governance Activities (Draft Audit Report 6-278-08-00X-P dated September 10, 2008)

USAID/Jordan would like to thank the RIG/Cairo audit team for their efforts on this audit. The hard work of the audit team has provided the Democracy and Governance Team ("DG Team") with a very useful management tool that will strengthen our ability to ensure that results are not only being achieved but also accurately reported.

The Mission has reviewed and is in agreement with all three of the report's recommendations. The following represents the Mission Management's comments and documents both actions already taken and actions planned to be undertaken to fully address the recommendations contained in the report.

Recommendation 1: We recommend that USAID/Jordan issue specific guidance requiring the cognizant technical officers for the democracy and governance program to periodically verify data reported by implementing partners.

Actions Taken:

1. On August 14, 2008, the USAID/Jordan DG Team convened a meeting of all of their Cognizant Technical Officers ("CTOs") and implementing partners to discuss the Operational Plan ("OP") process, implementation plans ("workplans"), and Program Monitoring and Evaluation Plans ("PMEPs"). The purpose of the meeting was to reinforce, for both CTOs and implementing partners, their understanding of the requirements under the OP, workplans, and PMEPs and to discuss needed improvements to the existing process. A highly-experienced workplan and PMEP expert was brought in to lead the discussion. The meeting agenda is attached (Annex 1).
2. On September 15, 2008, the DG Acting Team Leader issued formal guidance to all DG Team CTOs requiring that each CTO schedule a quarterly meeting with their

implementing partners to verify data provided in the partner's Quarterly Report beginning in the first quarter of FY 2009. A copy of the guidance is attached (Annex 2).

Based on the actions taken by the Mission, we request the recommendation be closed upon issuance of the report.

Recommendation No. 2: We recommend that USAID/Jordan (1) provide guidance to the International Republican Institute in the development and submission of both an implementation plan and a performance monitoring and evaluation plan that link activities to objectives and results, and the performance monitoring and evaluation plan that explains the partners' approach to monitoring and evaluation and includes details of methods of measurement and data collection and (2) approve these plans in writing.

Actions Taken:

1. On August 14, 2008, the USAID/Jordan DG Team convened a meeting of all of their Cognizant Technical Officers ("CTOs") and implementing partners to discuss the Operational Plan ("OP") process, implementation plans ("workplans"), and Program Monitoring and Evaluation Plans ("PMEPs"). The purpose of the meeting was to reinforce, for both CTOs and implementing partners, their understanding of the requirements under the OP, workplans, and PMEPs and to discuss needed improvements to the existing process. A highly-experienced workplan and PMEP expert was brought in to lead the discussion. The meeting agenda is attached (Annex 1).
2. In addition to the guidance provided at the implementing partners meeting (which IRI attended), the CTO sent detailed guidance to IRI on the issues that were identified during the audit and our expectations vis-à-vis the new workplan and PMEP. The guidance was sent on September 22, 2008 and a copy is attached (Annex 3).
3. USAID/Jordan processed an award modification on September 29, 2008 that requires that the International Republican Institute ("IRI") submit a new workplan and PMEP within 45 days of the modification.

Planned Actions:

1. The CTO will inform RIG once the revised IRI workplan and PMEP have been received and approved in writing (NLT December 18, 2008).

Recommendation No. 3: We recommend that USAID/Jordan liquidate the unexpended balance of \$333,339 from fiscal years 2005/2006 for contract number 278-DFD-I-02-04-00128-00 prior to making any expenditures from later fiscal years' funds.

Actions Taken:

1. The Financial Management Office liquidated the unexpended balance of \$333,339 against invoices submitted by the contractor. Documentation showing the status of funds for this contract have been provided to RIG/Cairo for verification of the liquidation.

Based on the actions taken by the Mission, we request the recommendation be closed upon issuance of the report.

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