



OFFICE OF INSPECTOR GENERAL

AUDIT OF USAID/PAKISTAN'S MANAGEMENT OF PREAWARD ASSESSMENTS

AUDIT REPORT NO. G-391-11-004-P
MAY 6, 2011

ISLAMABAD, PAKISTAN



Office of Inspector General

May 6, 2011

MEMORANDUM

TO: USAID/Pakistan Mission Director, Andrew Sisson

FROM: Office of Inspector General/Pakistan Director, Steven H. Bernstein /s/

SUBJECT: Audit of USAID/Pakistan's Management of Preaward Assessments
(Report No. G-391-11-004-P)

This memorandum transmits our final report on the subject audit. In finalizing the report, we considered your comments and included your response in Appendix II.

The report contains four recommendations to help the mission improve various aspects of the program. On the basis of the information provided by the mission in response to the draft report, we determined that final action has been taken on three recommendations, and a management decision has been made on the other recommendation. A determination of final action will be made by the Audit Performance and Compliance Division when the mission completes planned corrective actions on the remaining recommendation.

I want to thank you and your staff for the cooperation and courtesies extended to us during this audit.

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SUMMARY OF RESULTS

The Enhanced Partnership with Pakistan Act of 2009 authorized \$7.5 billion in U.S. Government assistance over 5 years to promote an enhanced strategic partnership with Pakistan and its people. In authorizing these funds, the act encourages the U.S. President, as appropriate, to utilize Pakistani firms and nongovernmental organizations and to work with local leaders to build local capacity. In response, the Administration reported to the U.S. Congress in its *Civilian Assistance Strategy for Pakistan Report** that one element of the strategy is to work more closely with Pakistani Government institutions, the private sector, and civil society in designing and implementing programs. The intent of this strategy is to make U.S. Government programs more sustainable and to foster local capacity.

To facilitate this strategy, USAID/Pakistan estimated that approximately 50 percent of fiscal year 2010 funding, or \$750 million, would go through Pakistani federal and provincial agencies and local organizations (recipients). For fiscal years 2009 and 2010, USAID/Pakistan signed agreements with various Pakistani recipients, under which it obligated nearly \$588 million and disbursed approximately \$448 million. Appendix III provides a complete list of all the agreements.

With the implementation of the strategy to build Pakistani capacity, concerns have been raised in the media and within the U.S. Government that providing too much money to Pakistani recipients too quickly could jeopardize U.S. funds. USAID/Pakistan recognized the challenges and took proactive steps to address the risks. One key step taken by the mission was to contract with international and local accounting firms to conduct preaward assessments (also referred to as preaward surveys) of potential first-time recipients of USAID funds. The intent of these assessments is to determine whether the recipients can effectively manage and account for these funds. The accounting firms identify vulnerabilities and recommend actions to address the vulnerabilities. For fiscal year 2010, USAID/Pakistan expended approximately \$657,000 on the 28 preaward assessments conducted and the resultant reports. Appendix IV provides details on 8 of 28 assessments selected for testing.

USAID's Office of Inspector General in Pakistan (OIG/Pakistan) conducted this audit to answer two questions:

- Did USAID/Pakistan's preaward assessment process provide a reasonable basis for identifying significant vulnerabilities that could result in the waste or misuse of U.S. Government resources?
- Did USAID/Pakistan ensure that significant vulnerabilities identified in the preaward assessments of Government of Pakistan institutions and local organizations were corrected in a timely fashion?

The audit found that USAID/Pakistan's preaward process did provide a reasonable basis for identifying significant financial management vulnerabilities; however, the audit noted weaknesses in the mission's management of the preaward process:

* U.S. Department of State, December 14, 2009.

- The mission did not prioritize or follow up on significant vulnerabilities identified in assessments (page 3). The eight audited assessments contained more than 250 weaknesses in the recipients' ability to manage funds, yet only 55 weaknesses were incorporated in agreements as special award conditions. USAID/Pakistan did not ensure that recipients corrected significant vulnerabilities before receiving funding, placing U.S. Government resources at higher risk of fraud, waste, and abuse.
- The mission did not ensure that the preaward assessment reports were properly documented (page 5).

The report recommends that USAID/Pakistan:

1. Develop and implement a risk-assessment model to use in determining which of the weaknesses identified in the preaward assessments should be addressed before or after the disbursement of funds.
2. Develop and implement a comprehensive tracking system with benchmarks and time frames for measuring progress on resolving weaknesses that are identified in the preaward assessment reports.
3. Develop and implement written guidelines to follow when determining whether predisbursement recommendations have been adequately addressed (page 5).
4. Develop and implement written procedures for reviewing the preaward assessment reports, including guidelines for testing the supporting documentation (page 6).

Detailed findings follow. OIG/Pakistan's evaluation of management comments begins on page 7. On the basis of an evaluation of the mission's response to the draft report, we determined that final action has been taken on three recommendations, and a management decision has been reached on the remaining recommendation.

The audit scope and methodology are described in Appendix I, and USAID/Pakistan's comments are found in their entirety, without attachments, in Appendix II.

AUDIT FINDINGS

Mission Did Not Prioritize or Follow Up on Significant Vulnerabilities

According to USAID's Automated Directives System (ADS) 303.3.9.2, if, after conducting a comprehensive review of a potential recipient, USAID is unable to affirm that the recipient has the capacity to responsibly manage USAID funds, USAID can deny the award or make the award with "special award conditions." USAID may consider making this choice only if it appears likely that the potential recipient can correct its deficiencies within a reasonable amount of time. These conditions are intended to be for a limited time, not for the life of the award.

To minimize the risk in making awards to Pakistani governmental and local organizations, USAID/Pakistan contracted with local accounting firms to conduct preaward assessments. The assessments were to identify weaknesses in the recipients' financial management operations and to make corresponding recommendations to resolve the weaknesses. According to the mission, the results of the assessments were discussed and determinations made as to which of the recommendations should be included in the award agreement (1) as pre-disbursement requirements, or "special award conditions," or (2) as post-disbursement recommendations.

Of the 28 assessment reports completed during fiscal year 2010, the 8 selected for testing noted over 250 weaknesses in the potential recipients' ability to properly manage funds. The mission included 55 of the reported weaknesses in the recipients' agreements and stipulated that the weaknesses should be adequately addressed before or after the initial disbursement of funds. However, many weaknesses that the mission did not include in the recipients' agreements concerned the recipients' payment mechanisms and systems for procurement, accounting, and overall monitoring and assessment. The mission did not include or otherwise address the remaining 195 weaknesses because it did not have a comprehensive plan with a clearly defined methodology for prioritizing and determining which of the 250 weaknesses should or should not be addressed.

In addition, for two of the eight audited assessments that contained special award conditions, the mission disbursed \$204 million before it obtained sufficient evidence that conditions had been met and weaknesses resolved. The first recipient was the Government of Pakistan's Benazir Income Support Program (BISP), established in 2008 to provide a permanent cash support mechanism for families in poverty. Under a cash transfer agreement with the Government of Pakistan, USAID agreed to provide \$85 million for BISP. The cash transfer agreement stipulated that before the disbursement of the \$85 million, the government would provide evidence that BISP had satisfactorily addressed the recommendations (if any) made in the preaward assessment. The accounting firm that conducted the assessment identified seven weaknesses that should be corrected before the disbursement of funds:

1. Deficit in mandated number of private sector representatives on the board of directors.
2. Lack of qualified personnel.
3. Lack of approved and implemented policies and procedures for internal audit.
4. Lack of approved and implemented policies and procedures for finance and accounting.

5. Lack of properly documented systems and procedures to verify the receipt of payments to intended beneficiaries.
6. Lack of approved and implemented policies and procedures for human resources.
7. Lack of adherence to the stipulated time frame in carrying out funds reconciliation.

As evidence that BISP had addressed the above weaknesses satisfactorily, USAID/Pakistan primarily relied on a memorandum supplied by the Government of Pakistan that reported the status of BISP's efforts to address the significant deficiencies noted. USAID/Pakistan officials stated that they did not interpret the special award conditions in the agreement to mean that the recipient had to resolve the weaknesses, but only had to provide evidence that BISP was working to resolve the deficiencies. USAID/Pakistan officials also noted that the World Bank was providing technical support to BISP and was working closely with BISP to resolve many of the reported weaknesses. Accordingly, in January 2010, the mission determined that the deficiencies had been addressed satisfactorily and in the following month made the \$85 million disbursement. In June 2010, the mission disbursed an additional \$75 million to the Government of Pakistan for future BISP requirements. The mission did perform a more detailed review before the disbursement of the second tranche in June 2010; nevertheless, the mission's review confirmed that the implementation of five of the seven recommendations remained pending. Since June 2010, the mission has not performed any additional follow-up on the pending recommendations.

To determine the current status of the reported deficiencies at BISP, the audit team met with World Bank and Government of Pakistan officials. World Bank officials confirmed that the seven recommendations had not been resolved before funds were disbursed and many—nearly a year after the initial disbursement of funds—remained unresolved. World Bank officials cited as critical issues that remain unresolved (1) the deficit of private sector representatives on the board of directors, (2) the lack of qualified staff to implement policies and procedures, and (3) the lack of an independent internal audit function to monitor operations. Government of Pakistan officials with management responsibilities for BISP also noted that although progress was being made on the predisbursement recommendations, BISP agreed that they were not fully resolved before disbursement.

The second recipient was the Government of Pakistan's program to help families affected by the ongoing military operations in Pakistan. Under a cash transfer agreement, USAID/Pakistan agreed to reimburse the Government of Pakistan \$44 million for payments made to 140,000 families that were displaced as a result of military operations. Again, the cash transfer agreement stipulated that before the disbursement of the \$44 million the Government of Pakistan would provide evidence that the government office responsible for helping the displaced had satisfactorily addressed the recommendations (if any) made in the USAID/Pakistan assessment. The accounting firm that conducted this assessment identified two weaknesses that should be corrected before the disbursement of funds:

1. All the implementing partners should sign a contract that clearly specifies the roles and responsibilities of all parties.
2. All implementing partners should reconcile the records of internally displaced persons (IDPs).

As with BISP, USAID/Pakistan released the \$44 million based on the recipient's assertion that the predisbursement recommendations had been addressed. USAID/Pakistan did not test or

verify the recipient's response. The audit team met with Government of Pakistan officials to determine the current status of the two reported deficiencies. The officials stated that—over a year later—they were unsure whether a signed contract existed among all parties implementing this project. Also, the overall reconciliation of IDP records remains a work in progress.

With regard to the two incidents discussed above, mission officials stated that given the extreme pressure to move funds quickly to the recipients, USAID/Pakistan did not perform a detailed analysis to ensure adequate evidence existed that the predisbursement recommendations had been implemented before releasing funds. Mission officials reiterated that, based on the representations made and discussions with the recipients, they believed satisfactory progress had been made on the reported weaknesses. However, it is our opinion that given the high risk of providing funds to recipients with significant reported deficiencies, a more conservative approach should have been taken. In addition to obtaining the memorandum from the Government of Pakistan before disbursing funds, the mission should have independently verified the recipients' responses.

As a result of the weaknesses discussed above, USAID/Pakistan should strengthen its follow-up to ensure that significant vulnerabilities identified in the preaward assessments are corrected in a timely fashion. USAID/Pakistan released \$204 million before properly ensuring that the predisbursement conditions were resolved, thereby placing U.S. Government funds at increased risk of waste or misuse. Strengthening follow-up would decrease this risk and the risk that USAID-funded projects with these recipients might not achieve their overall objectives.

To resolve these weaknesses, we recommend the following:

Recommendation 1. We recommend that USAID/Pakistan develop and implement a risk-assessment model to use in determining which of the weaknesses identified in the preaward assessments should be addressed before or after the disbursement of funds.

Recommendation 2. We recommend that USAID/Pakistan develop and implement a comprehensive tracking system with benchmarks and time frames for measuring the progress on resolving weaknesses that are identified in the preaward assessment reports.

Recommendation 3. We recommend that USAID/Pakistan develop and implement written guidelines to follow when determining whether predisbursement recommendations have been adequately addressed.

Mission Did Not Ensure Assessments Were Properly Documented

According to USAID's Automated Directives System (ADS) 202.3.6, USAID must ensure that work performed by contractors is conducted in accordance with the terms in the contract and that outputs produced by the contractor are of acceptable quality. The scope of work for the preaward assessments required accounting firms to properly support, index, foot, and cross-foot their conclusions with supporting documentation.

For seven of the eight assessment reports tested, the audit noted the following deficiencies.

- The reports were not indexed to supporting documentation.
- The reports' conclusions were not supported by adequate documentation.

- The extent of testing of the recipients' internal controls was not clearly documented.
- Evidence of supervisory review of the working papers was not found.
- Weaknesses noted in the working papers were not included in the reports.
- Some working papers were erroneous or incomplete.
- Evidence of field visits was not found.
- Scope limitations were not disclosed in the reports.

USAID/Pakistan officials stated that, because they relied on the expertise of the accounting firms, they saw no need to perform a detailed review of the documentation supporting the preaward assessment reports. The audit confirmed that USAID/Pakistan maintained regular communication with the accounting firms throughout the assessment process. However, it is our opinion that given the amount of funding involved and the high risk of exposure, mission officials should conduct a more thorough review of the documentation supporting the reports' conclusions and findings.

To ensure that the preaward assessments provide a reasonable basis for detecting financial management vulnerabilities that could result in waste or misuse of U.S. Government resources, we make the following recommendation:

Recommendation 4. *We recommend that USAID/Pakistan develop and implement written procedures for reviewing the preaward assessment reports, including guidelines for testing the supporting documentation.*

EVALUATION OF MANAGEMENT COMMENTS

USAID/Pakistan agreed with all recommendations included in the draft report. Having evaluated the mission's response and supporting documentation to the draft report, we determined that final action has been taken on three recommendations, and a management decision has been reached on the remaining recommendation. The status of each of the four recommendations is shown below:

- Final action—Recommendations 1, 2, and 3.
- Management decision—Recommendation 4.

The mission agreed with Recommendation 4. USAID/Pakistan's Office of Financial Management will develop a plan and procedure for reviewing the preaward assessment reports and conducting tests of supporting documentation on a random sample of reports. The target date to develop and implement written procedures is July 1, 2011.

We consider that a management decision has been reached on Recommendation 4. The Audit Performance and Compliance Division will make a determination of final action on completion of the planned corrective actions.

The mission's written comments on the draft report are included in their entirety, without attachments, as Appendix II to this report.

SCOPE AND METHODOLOGY

Scope

We conducted this performance audit in accordance with generally accepted government auditing standards. 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 in accordance with our audit objective. We believe that the evidence obtained provides that reasonable basis.

The purpose of this audit was to determine whether USAID/Pakistan's preaward assessment process provided a reasonable basis for identifying significant vulnerabilities that could result in the waste or misuse of U.S. Government resources and to determine whether the significant vulnerabilities identified in the preaward assessments of Government of Pakistan institutions and local organizations were corrected in a timely fashion. USAID/Pakistan utilized the services of international and local accounting firms in Pakistan to perform the preaward assessments. No previous audits addressed the areas reviewed.

The audit covered preaward assessment reports issued during fiscal year 2010. For fiscal year 2010, 28 preaward assessment reports were completed at a cost to USAID of \$614,403. For the fiscal years ending 2009 and 2010, USAID/Pakistan obligated nearly \$588 million and disbursed approximately \$448 million to various Pakistani recipients (Appendix III).

We reviewed applicable laws and regulations, as well as USAID policies and procedures pertaining to USAID/Pakistan's program: Automated Directives System Chapters 202, 301, and 303 and supplemental guidance. The audit relied on the following sources of evidence: scopes of work for preaward assessments; preaward assessment reports; cooperative agreements; implementation letters; interviews with officials from accounting firms, implementing partners, the Government of Pakistan, and USAID/Pakistan; working paper files of accounting firms; and documentation maintained at the mission. Audit fieldwork was performed at the USAID/Pakistan mission, the offices of accounting firms completing the assessments, and implementing partners' main program offices located in Islamabad from November 8, 2010, through January 28, 2011. The names of the accounting firms and implementing partners appear in Appendix IV.

In planning and performing the audit, the audit team assessed relevant controls used by the mission to manage the preaward assessment process and to ensure that USAID/Pakistan provided adequate oversight of program activities. These controls included maintaining regular contact with the accounting firms and reviewing project files.

Methodology

To answer the audit objectives, the audit team interviewed officials at USAID/Pakistan, in the offices of accounting firms completing the assessments, in the Government of Pakistan, and at the implementers' main country offices to gain an understanding of (1) how preaward assessments are initiated for a potential recipient; (2) how the accounting firm is selected for conducting preaward assessments; (3) how the quality of work of the accounting firm is monitored by the mission; (4) how mission officials decide which of the material

recommendations made in the preaward assessment reports to include in the agreements; and (5) how the material weaknesses are monitored by the mission.

In addition, we performed the following audit tests:

- Reviewed the scopes of work for USAID/Pakistan's preaward assessments of government entities and local organizations for compliance with ADS and other relevant guidance.
- Reviewed the procedures established by USAID/Pakistan to ensure the quality of the assessments.
- Reviewed assessments, the completed work programs used for the assessments, working papers, or other evidence supporting the assessment reports.
- Interviewed staff who performed the assessments.
- Reviewed the subsequent awards made by USAID/Pakistan to determine whether any material weaknesses (referred to as "conditions precedent" by the mission) were identified in the assessments and, if so, how the mission monitored progress on correcting the weaknesses to ensure they were resolved in a timely manner.
- Interviewed staff in government institutions and local organizations that had been assessed to ascertain their input into the preaward assessment process and their follow-up on recommendations included in the preaward assessment reports.

In validating the conditions precedent included in the agreements, we checked material weaknesses noted in preaward assessment reports against material conditions included in the agreements. To test how the mission ensured that the conditions precedent were resolved, we corroborated responses from the recipients and the mission and verified the supporting evidence available.

We used attribute sampling and selected a random sample of eight preaward assessments and corresponding awards representing cumulative obligations and disbursements of \$307.3 million and \$269.1 million (Appendix IV) from the universe of 28 preaward assessment reports completed. This sample size provided a 90 percent confidence level that our conclusions are correct.

To categorize the results, we established a materiality threshold of 10 percent. For example, if the mission did not verify the conditions precedent before disbursement of funds or follow up on recommendations within the time stipulated in the agreements in 3 awards of the selected sample of 28, we concluded that significant vulnerabilities identified in the preaward assessments were not corrected in a timely fashion.

MANAGEMENT COMMENTS



USAID | **PAKISTAN**
FROM THE AMERICAN PEOPLE

MEMORANDUM

Date: April 14, 2011

To: Steven H. Bernstein
OIG/Pakistan

From: Andrew Sisson /s/
Mission Director

Subject: Management Comments
Audit of USAID/Pakistan's Management of Pre-award Assessments (Report No. G-391-11-00X-P)

Reference: Draft report no. G-391-11-00X-P dated March 14, 2011.

In response to the referenced draft audit report, please find below the management comments on the four recommendations included therein:

Recommendation 1 We recommend that USAID/Pakistan develop and implement a risk-assessment model to use in determining which of the weaknesses identified in the pre-award assessments should be addressed before or after the disbursement of funds.

Management Comments:

Mission management concurs with this recommendation. The following corrective actions have been started to address the recommendation:

- The Mission has developed a Risk Mitigation Framework (RMF), to outline and determine actions to be taken based on the conditions/risks identified in the pre-award assessment report (Annexure-A).
- A template of RMF has been developed and implemented mission wide (Annexure-B).
- The Mission is in the process of formalizing a standard template of the memo requesting approval from the Deputy Mission Director for the implementation of RMF actions.

Corrective actions on this recommendation have been taken by the Mission. Therefore, we request the closure of this recommendation upon issuance of the final report, based on the aforementioned steps taken by the Mission.

Recommendation 2 We recommend that USAID/Pakistan develop and implement a comprehensive tracking system with benchmarks and time frames for measuring the progress on resolving weaknesses that are identified in the pre-award assessment reports.

Management Comments:

Mission management concurs with this recommendation. The Risk Mitigation Framework (as described in Recommendation 1) has benchmarks and time frames for measuring the progress on resolving weaknesses that are identified in the pre-award assessment reports. The technical officer is responsible to keep track of progress on resolving weaknesses within agreed timeframe.

Corrective actions on this recommendation have been taken by the Mission. Therefore, we request the closure of this recommendation upon issuance of the final report, based on the aforementioned steps taken by the Mission.

Recommendation 3 We recommend that USAID/Pakistan develop and implement written guidelines to follow when determining whether pre-disbursement recommendations have been adequately addressed.

Management Comments:

Mission management concurs with this recommendation. The Risk Mitigation Framework (as described in Recommendation 1) provides for the deliverables along with timelines and indicates the responsible person/office to address the pre-award recommendations that Mission management considers important. The technical officer does actively follow-up on the status of open conditions up to their closure and keep the involved offices updated as to the status and the related action items.

Corrective actions on this recommendation have been taken by the Mission. Therefore, we request the closure of this recommendation upon issuance of the final report, based on the aforementioned steps taken by the Mission.

Recommendation 4 We recommend that USAID/Pakistan develop and implement written procedures for reviewing the pre-award assessment reports, including guidelines for testing the supporting documentation.

Management Comments:

Mission management concurs with the recommendation. The Office of Financial Management will develop a plan and procedure for reviewing the pre-award assessment reports and conducting tests for supporting documentation on random basis, by July 1, 2011.

Attachments: a/s

CC: ASIA/SCAA:

Andrew Plitt

**USAID/Pakistan's Awards to Governmental and
Nongovernmental Entities, Fiscal Years 2009 and 2010
(Unaudited)**

Activity	Recipient	Obligations (\$)	Disbursements (\$)
Awards to Governmental Entities			
Merit and Needs-Based Scholarship Program	Higher Education Commission	6,205,605	6,063,717
Public Health Training and Research Project	Health Services Academy	1,550,737	564,027
Budgetary Support	Higher Education Commission	5,000,000	5,000,000
Competitiveness Support Fund	Ministry of Finance	10,311,000	7,861,905
Quick-Impact Projects in the South Waziristan Agency	Federally Administered Tribal Areas Secretariat	8,250,000	0
Malakand Reconstruction and Recovery Program	Provincial Relief, Rehabilitation and Settlement Authority	4,965,000	0
Malakand Reconstruction and Recovery Program	Provincial Relief, Rehabilitation and Settlement Authority	8,556,384	0
Tarbela Dam Repair and Maintenance	Ministry of Water & Power	16,500,000	0
Muzaffargarh Thermal Power Station Repair and Maintenance	Ministry of Water & Power	15,193,000	0
Guddu Thermal Power Station Repair and Maintenance	Ministry of Water & Power	18,068,000	0
Housing Cash Transfer Program	Provincial Relief, Rehabilitation and Settlement Authority	65,000,000	65,000,000
University and Technical Education	Higher Education Commission	45,000,000	45,000,000
University and Technical Education	Higher Education Commission	45,000,000	45,000,000
Cash Support Program for Internally Displaced Persons	Cabinet Division / United Bank Limited	44,000,000	44,000,000
Benazir Income Support Program	Benazir Income Support Program	85,000,000	85,000,000
Benazir Income Support Program	Benazir Income Support Program	75,000,000	75,000,000
Jamshoro Thermal Power Repair and Maintenance	Jamshoro Thermal Power Station	18,360,000	0
Widening and Improvement of the Jandola-Kotkai-Sara Rogha Road	Provincial Relief, Rehabilitation and Settlement Authority	7,893,369	0

Activity	Recipient	Obligations (\$)	Disbursements (\$)
Malakand Reconstruction and Recovery Program	Provincial Relief, Rehabilitation and Settlement Authority	9,646,900	0
Malakand Reconstruction and Recovery Program	Provincial Relief, Rehabilitation and Settlement Authority	1,000,000	0
Total Awards to Governmental Entities		490,499,995	378,489,649
Awards to Nongovernmental Entities			
Pakistan Children Television	Rafi Peer Theater Workshop	10,000,000	7,848
Establishment of Examination Board	Aga Khan University	4,435,250	4,435,250
FATA School Rehabilitation	Associates in Development	10,432,366	10,432,366
Interactive Teaching & Learning	Children's Global Network	4,436,723	4,423,956
Education for All	Dosti Welfare Organization	26,781	26,781
College Improvement Grant	Foreman Christian College	5,000,000	5,200,000
Establishing Tent Schools & Cash-for-Work Program	Rural Support Programmes Network	2,225,133	2,225,133
FATA School Rehabilitation and Construction Program Monitoring	Sebcon (Pvt) Ltd	217,336	217,336
Fulbright Scholarship Program	United States Educational Foundation in Pakistan	344,766	344,766
Construction of Pakistan Parliament Services Building	Habib Rafiq International Limited	7,800,000	885,110
Anti-Corruption Program	Transparency Intl. Pakistan	250,000	122,259
Pakistan Self-Help Program	Anjum Asim Shahid Associates	199,436	199,436
Rewarding Innovation at the District Level in Pakistan	Rural Support Programmes Network	1,861,855	1,861,855
Strengthening Transparency International	Transparency International-Pakistan	91,500	91,500
Bolton Market Business Revitalization Program	Khushhali Bank	13,000,000	8,195,122
Enterprise Development Facility Initiative	Pakistan Poverty Alleviation Fund	2,532,879	2,532,879
Developing Nonbankable Territories for Financial Services	Khushhali Bank	8,550,000	8,341,736
Improved Pakistani Reproductive Health and Family Planning Services	GreenStar Social Marketing	19,354,292	19,354,292

Activity	Recipient	Obligations (\$)	Disbursements (\$)
FATA School Rehabilitation and Construction Program	Associates in Development	52,727	52,727
Monitoring and Evaluation in South Waziristan	Associates in Development	2,000,000	677,884
Capacity Building – FATA Secretariat	Ernst & Young Ford Rhodes Sidat Hyder & Co.	817,260	0
Capacity Building – Provincial Relief, Rehabilitation and Settlement Authority	KPMG	816,985	100,606
Gender Equity Program	Aurat Foundation	1,266,037	0
Monitoring and Evaluation	Ages Consultants	25,000	0
Monitoring and Evaluation	Ages Consultants	1,224,351	83,211
Anti-Fraud Hotline	Transparency International Pakistan	500,000	0
Total Awards to Nongovernmental Entities		97,460,677	69,612,053
Total Awards		587,960,672	448,101,702

Fiscal Year 2010 Preaward Assessments Selected for Audit

Date of Preaward Assessment	Contractor	Program Name	Recipient	Amount Obligated as of 9/30/10 (\$ millions)	Amount Disbursed as of 9/30/10 (\$ millions)
11/12/09	Grant Thornton	Benazir Income Support Program	Ministry of Economic Affairs and Statistics	160.0	160.0
11/25/09	Deloitte	Housing Damage Compensation	Ministry of Economic Affairs and Statistics	65.0	65.0
2/26/10	KPMG	Quick Impact Projects in South Waziristan	FATA Secretariat	8.3	0.0
11/16/09	KPMG	Support for Internally Displaced Persons	Ministry of Economic Affairs and Statistics	44.0	44.0
5/19/10	Grant Thornton	Jamshoro Thermal Power Station Repair and Maintenance	Ministry of Water and Power	18.4	0.0
5/07/10	Ernst & Young	Pakistan Children's Television	Rafi Peer Theatre Workshop	10.0	0.0
10/21/09	Deloitte	Antifraud Hotline Program	Transparency International Pakistan	0.3	0.1
8/31/10	Deloitte	Gender Equity Program	Aurat Foundation	1.3	0.0
Total				307.3	269.1

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