



U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



Semiannual Report to the Congress

OFFICE OF INSPECTOR GENERAL

OCTOBER 1, 2014—MARCH 31, 2015

COVER: Under USAID/Pakistan's Entrepreneurs Project, the Embellished Fabrics Value Chain Development Initiative intends to preserve the indigenous craft of hand embellishment, empower women, and offer a practical model for sustainable development in Pakistan's hand-embellished fabric industry. (Photo by USAID, October 18, 2012)

MISSION

The mission of the Office of Inspector General is to provide independent oversight that promotes the efficiency, effectiveness, and integrity of foreign assistance 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 high-quality work that facilitates mission achievement in foreign assistance.
- Increases accountability and promotes good stewardship of foreign assistance funds.

INSPECTOR GENERAL HOTLINE

The Inspector General hotline makes it easy to report allegations of fraud, waste, abuse, mismanagement, or misconduct in the programs and operations of the U.S. Agency for International Development (USAID), the Millennium Challenge Corporation (MCC), the U.S. 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.

OIG also has created separate hotlines to receive allegations specific to its non-USAID client organizations. These hotlines are accessible from the main Web sites of MCC, USADF, IAF, and OPIC. OIG also receives allegations of fraud, waste, and abuse through country-specific hotlines in Haiti and Pakistan, which are implemented by local chapters of Transparency International, an international nongovernmental organization (NGO) that focuses on anticorruption.

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 OIG and request confidentiality.

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

E-MAIL

ighotline@usaid.gov

COMPLAINT FORM

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

TELEPHONE

1-800-230-6539 or 1-202-712-1023

MAIL

USAID OIG HOTLINE

P.O. Box 657

Washington, DC 20044-0657

EBOLA HOTLINE

The U.S. Government responded to the unprecedented outbreak of the Ebola virus disease in West Africa by mobilizing a large-scale response to contain and stop the spread of the disease. As a result, USAID OIG is working to promote the integrity of these efforts. On February 24, 2015, USAID OIG was designated the Associate Inspector General to provide oversight of the interagency response to Ebola. USAID OIG will also be responsible for generating required reports and providing additional support where needed.

The Ebola hotline was launched to receive complaints of fraud, waste, or abuse relating to the U.S. Government Ebola programs and activities. Ebola-related complaints may include information about mismanagement or violations of law, rules, or regulations by U.S. Government employees, implementers of U.S. Government-funded programs, or program participants. OIG accepts complaints directly from employees, program participants, or the general public. In addition, fraud awareness briefings are being presented to implementers and USAID personnel on the role of OIG and identifying controls and processes to prevent fraudulent activities.

E-MAIL

ebolahotline@usaid.gov

TELEPHONE

1-800-230-6539 or 202-712-1023

MAIL

USAID OIG HOTLINE

Attn: Ebola Hotline

P.O. Box 657

Washington, DC 20044-0657

“MAKE A DIFFERENCE” MALARIA HOTLINE

On November 2014, the President’s Malaria Initiative (PMI) and USAID OIG launched the “Make a Difference” (MAD) campaign in Benin. The goal is to promote the use of a reward-based, toll-free hotline that will allow local community members to call with information concerning stolen and falsified medicines. The major aim of this hotline is to increase public awareness of and involvement in the fight against stolen and falsified medicines. OIG offers cash rewards for significant information leading to the arrest or conviction of individuals participating in or attempting or conspiring to commit this pharmaceutical crime. Using the hotline, individuals can report information concerning stolen or falsified antimalarial drugs. Mass communication materials were developed and distributed throughout several markets in Benin with information about the hotline and messages about safe malaria medicines. Although the campaign was launched in Benin, the plan is to implement similar campaigns in all PMI countries with each country connected to the USAID OIG hotline.

E-MAIL

madmalariahotline@usaid.gov

TELEPHONE

1-855-484-1033

MAIL

USAID OIG HOTLINE

P.O. Box 657

Washington, DC 20044-0657

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MESSAGE FROM THE ACTING DEPUTY INSPECTOR GENERAL

I am pleased to present the USAID OIG Semiannual Report to the Congress for the period of October 1, 2014, through March 31, 2015, in accordance with the Inspector General Act of 1978, as amended.

Working from ten regional and country offices around the world and our headquarters in Washington, D.C., is charged with overseeing over \$19 billion worth of U.S. foreign assistance programs.¹ OIG staff promoted efficiency, effectiveness, and integrity across a broad spectrum of foreign assistance programs. During the reporting period, we identified concerns related to program sustainability, government-to-government assistance, and underperformance of program activities. We also found that USAID needs to better balance budget-based requirements and local priorities in its country and regional development cooperation strategies and improve performance reporting on contractors. In addition, our audit report on USAID's financial statements for FY 2014 did not express an opinion on the statements because USAID did not adequately support changes it made to some of the accounts in its financial records. OIG issued these findings along with other reports that recommended improvements in health, education, infrastructure, and other foreign assistance programs worldwide.

OIG has realized more than \$75 million in funds to be saved or returned to the U.S. Government. OIG also achieved important results of its investigations into fraud, waste, and abuse. Working as part of a task force with multilateral donor organizations, OIG assisted Zambian law enforcement authorities in conducting raids on vendors selling stolen USAID-funded anti-malarial drugs. Our work helped lead to the arrest of five suspects and the recovery of hundreds of doses of U.S. Government-funded medicines. In Afghanistan, OIG efforts resulted in the arrests of two individuals in connection with an alleged embezzlement scheme and the sentencing to more than 5 years in prison of another individual who had stolen more than \$500,000 from another USAID program. Finally, in December 2014, the U.S. Department of Justice announced that the former chairman, chief executive officer (CEO), and president of Louis Berger Group, Inc. (LBG) pleaded guilty to conspiracy to defraud USAID. The plea was the result of an extensive, multiagency investigation into the company following indications of fraud in its



Acting Deputy Inspector General
Catherine M. Trujillo

¹ The \$19 billion figure accounts for the foreign assistance obligations for FY 2014 for USAID, MCC, USADF, and IAF, as reported on <http://www.foreignassistance.gov/web/AgencyLanding.aspx>. OPIC obligations were not available.

billing for reconstruction work in Afghanistan and Iraq.

Although these results are measurable steps toward improved performance and greater accountability, they nonetheless remind us that the need for oversight is ever-present. As the fiscal year began, the U.S. responses to two international crises—the rise of the Islamic State of Iraq and the Levant (ISIL) in Iraq and Syria and the Ebola virus disease outbreak in West Africa—were designated overseas contingency operations. These designations triggered provisions in the Inspector General Act that increase oversight coordination and reporting requirements for the Inspectors General for the Department of Defense, Department of State, and USAID.

OIG has met the challenge, working with our partner OIGs to develop joint oversight plans, coordinate oversight activities, and meet necessary reporting requirements. We have taken a particularly aggressive stance with respect to activity in West Africa, as USAID OIG has been designated the Associate Inspector General for the U.S. Government's response to the Ebola outbreak. In response, we have launched a dedicated antifraud hotline, engaged in fraud awareness activities, begun to coordinate oversight efforts with other OIGs, and laid the groundwork for reporting on the operation.

Meanwhile, as USAID increases funding to host-country partners under its Local Solutions Initiative, we continue to promote oversight of foreign entities receiving Agency funds. Over the period, we assessed USAID's management of financial audits in West Africa, making recommendations to improve management of the program at two missions and ensure compliance with USAID policy. During the reporting period, more than 4,200 individuals attended OIG's fraud awareness briefings and cost principles training sessions. These sessions involved meeting with Agency personnel, as well as staff from international NGOs, contractors, grantees, and audit firms, and provided a critical venue for educating both new Agency implementers and the local audit firms that examine their financial statements.

Finally, OIG has continued to make improvements in its own management systems. Our newly established Employee Advisory Council is working to ensure that staff concerns and suggestions reach OIG's senior leadership. We have formalized a unit within our Human Capital (HC) Division to better serve the personnel needs of our Foreign Service staff. Moreover, in March, OIG leaders and managers from our operating units around the world assembled in Washington, D.C., to discuss the state of the organization, identify areas for further improvement, and discuss plans for oversight in the coming year. We also continue to implement a number of employee recommendations to help ensure that our staff has the support and resources it needs. These steps reflect a culture of continual improvement in

OIG ACCOMPLISHMENTS DURING THE REPORTING PERIOD

- Almost \$190 million in questioned costs and funds recommended to be put to better use
- Over \$16 million in investigative recoveries and savings
- 330 audit reports issued
- 31 investigations closed
- 11 prosecutorial referrals
- 54 administrative actions

OIG, as we remain committed to providing effective oversight of foreign assistance programs, keeping our stakeholders informed of the results of our work, and ensuring that we have a capable, motivated workforce that adds value to the operations and activities that we oversee.

INTRODUCTION

History, Mandates, and Authority

USAID's OIG was established on December 16, 1980, by Public Law 96-533, 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 the efficiency, effectiveness, and 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 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. The following highlights our participation in these areas.

Overseas Contingency Operations

USAID OIG is working currently with counterparts in the Departments of State and Defense to coordinate future oversight efforts for two overseas contingency operations. Operation Inherent Resolve (OIR) is the campaign against ISIL. USAID OIG worked the Defense and State Department OIGs to develop and implement a joint strategic plan for comprehensive oversight and to report to Congress on oversight activities, issued on March 31, 2015.

USAID OIG has played a pivotal leadership role in Operation United Assistance (OUA), the campaign to combat the Ebola virus disease in West Africa. In February, USAID OIG was appointed the Associate Inspector General to lead planning and coordination for oversight of the interagency response and work with the Lead Inspector General to provide reports to Congress on the status of the contingency operation and on oversight of related programs and operations.

Southwest Asia Joint Planning Group

This group conducts oversight activities in Afghanistan, Iraq, Pakistan, and the surrounding areas (e.g., Kazakhstan, Kyrgyzstan, Uzbekistan, and elsewhere in the region). The group comprises representatives of the Government Accountability Office, the Special Inspector General for Afghanistan Reconstruction (SIGAR), 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.

Joint Interagency Task Force (JIATF)

The JIATF is made up of the Global Fund's OIG, USAID OIG, and the United Nations Development Programme's Office of Audits and Investigations. The task force works with local law enforcement authorities throughout Africa to track the theft, diversion, and counterfeiting of Global Fund and USAID-funded medicines.

Department of Justice and Federal Bureau of Investigation (FBI) Task Forces

OIG participates in 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 performance measures in its 2015-2019 strategic plan. The data below reflect our midyear accomplishments for FY 2015.

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	2014 Results	2015 Year-End Target	2015 Midyear Results
Percentage of audits covering high-priority programs and operations, addressing management challenges, or identifying systemic weaknesses	NA	90%	97%
Percentage of agency expenditures audited	91%	65%	51%
Percentage of management decisions ¹ on which OIG and the Agency agree that have final action within 1 year of the decision	NA	70%	78%

¹ A management decision is considered to be made when auditee management establishes corrective action to be taken in response to an audit recommendation. A management decision must determine the allowability of questioned costs (if applicable), establish a corrective action plan, and identify a target date for final action. An auditee cannot state that a decision will be made at a later date once more information is available.

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	2014 Results	2015 Year-End Target	2015 Midyear Results
Percentage of OIG investigations resulting in substantiated allegations that were referred for criminal, civil, or administrative action	100%	90%	100%
Number of individuals reached through outreach events	7,818	3,800	4,004
Dollar value of investigative savings and recoveries	NA	Meets or exceeds total cost of investigative operations	Exceeds total cost of investigative operations
Number of briefings and meetings with senior U.S. Government or foreign government officials that provide law enforcement liaison and support to anticorruption efforts	NA	25	11

Goal 3: Provide useful, timely, and relevant information to enable stakeholders to make informed decisions about foreign assistance programs and operations.

Measure	2014 Results	2015 Year-End Target	2015 Midyear Results
Number of congressional engagements (e.g., testimony, briefings, and other formal contacts)	NA	45	40
Number of page views on the OIG Web site	NA	176,264	91,300

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

Measure	2014 Results	2015 Year-End Target	2015 Midyear Results
Percentage of employees indicating satisfaction with OIG customer service, operations, and initiatives	61%	60%	61%
Percentage of major management milestones met relating to strategic planning, continuity of operations, policy development, human capital management, information technology (IT) management, financial resource management, operations planning, and external reporting requirements	84%	80%	70%
Percentage of OIG operating units executing within 5 percent of budget plans	NA	50%	NA ²

² This measure will be reported at the end of the fiscal year.

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	2014 Results	2015 Year-End Target	2015 Midyear Results
Percentage of incoming employees hired within established time frames	NA	65%	25%
Percentage of employees retained who are performing at or above fully successful or proficient levels	NA	90%	95%
Percentage of employees engaged in their work	57%	60%	57%

PROGRESS IN MEETING STRATEGIC GOALS AND OBJECTIVES

In January 2015, OIG released its FY 2015–2019 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.

To date, OIG is performing at a high level. We had almost \$190 million in questioned costs and funds recommended to be put to better use, about \$16 million in investigative recoveries and savings, and 54 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 number of audits that cover high-priority programs, substantiated allegations referred, number of fraud awareness briefings, 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

To assess our progress toward Goal 1, OIG is tracking three measures. Currently, we are exceeding our goals for percentage of audits covering high-priority programs and operations, addressing management challenges, or identifying systemic weaknesses and for percentage of management decisions on which OIG and the Agency agree that have final action within 1 year of the decision. These measures are essential to confirming that OIG’s audit activities focus on areas that will most benefit the agency and that audit recommendations have had an impact on agency programs and operations. We are on track to meet the percentage of agency expenditures audited, which helps make sure we have sufficient audit coverage of agency expenditures.

OIG is implementing a number of other activities that help bring us closer to meeting the goals in our strategic plan. USAID OIG has worked closely with counterparts in the Departments of State and Defense to plan future oversight efforts for the two overseas contingency operations, OIR and OUA, which are focused on fighting against ISIL and Ebola, respectively. These actions will help align audit plans with Agency priorities and promote effectiveness and efficiency in foreign assistance programs.

We are conducting at least three audits this year in support of OUA activities. These audits will cover community preparedness and responsiveness to Ebola exposure, acquisition and assistance implementation, and internal controls and procedures over commodities that support efforts to combat

the disease. We have already completed one FY 2015 audit in support of OIR—an audit of USAID/Jordan’s Water and Wastewater Infrastructure Project. In addition, we will review selected USAID Office of Foreign Disaster Assistance activities in Iraq and the Middle East Bureau’s use of procurement processes that are exempted from full and open competition. We believe these activities will help build on OIG’s strong record of effective coordination and engagement with others in the IG community to ensure that U.S. taxpayer dollars are fully accounted for and used for intended purposes in these critical operations.

To further promote effectiveness and efficiency in foreign assistance programs, OIG used a new technique to develop the annual statement summarizing USAID’s most serious management and performance challenges. We conducted a survey of USAID staff, with validation by senior USAID management. This approach identified a number of new management challenges that were added to the Acting IG’s statement to the USAID Administrator.

Finally, OIG has taken several steps to promote consistency in our audit program so that reports are informative and useful. OIG conducted an extensive review of the audit handbook and issued an updated version in December 2014. The handbook provides guidelines and instructions for OIG management and staff members to help them audit the programs and operations of the agencies we oversee. In addition, OIG began holding work planning meetings to address audit planning for FY 2016, audit report policies, the editing process, training, and teambuilding, among other topics.

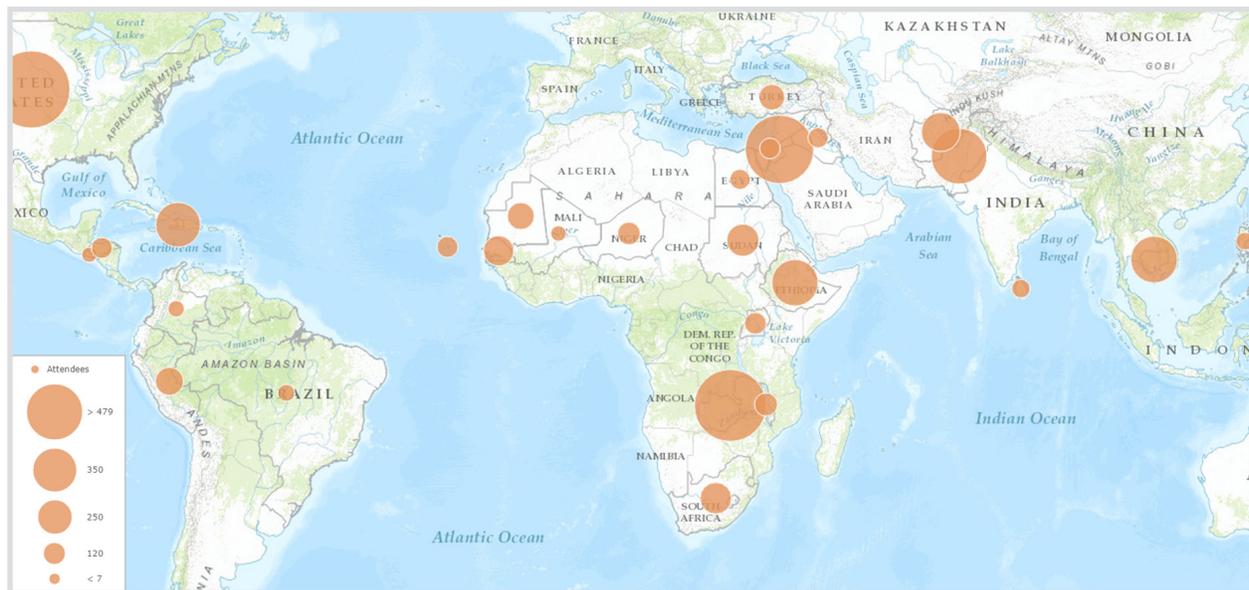
Strategic Goal 2

OIG is on track to meet our performance targets related to the detection of fraud, waste, and abuse. Of our investigations with substantiated allegations, 100 percent have been referred for criminal, civil, or administrative action. We have surpassed our outreach goal already and have achieved more than 40 percent of our goal for holding briefings or meetings with senior U.S. Government or foreign government officials. These education and relationship-building efforts help deter fraud, waste, and abuse by increasing awareness of how to report criminal, civil, and administrative violations; educating stakeholders on the consequences of committing these violations; and establishing cooperation with other law enforcement authorities.

In addition, this report contains numerous examples of the investigations OIG has led or participated in to detect fraud, waste, and abuse. These investigations have led to important outcomes for the agencies we oversee, including USAID’s suspension of International Relief and Development (IRD), a high-profile implementer being investigated for cost mischarging; restitution after an implementer embezzled almost \$800,000 from a USAID environmental program; and a former CEO of LBG pleading guilty to conspiring to defraud the U.S. Government in connection to billions of dollars in USAID contracts over a nearly 20-year period.

Furthermore, in conjunction with the PMI, OIG launched the MAD public awareness campaign in November 2014 in a prominent market in Cotonou, Benin. MAD is one aspect of a multifaceted effort by

OIG Fraud Awareness Briefings, October 1, 2014–March 31, 2015



This map reflects the geographic distribution of OIG's fraud awareness briefings. The circles indicate the locations of the briefings, and the size of the circle represents the number of attendees.

Investigations to combat the theft, diversion, and falsification of U.S.-funded antimalarial commodities in Africa, which results in the loss of thousands of lives every year.

OIG's Office of Investigations also is taking a prominent role in the overseas contingency operations to combat ISIL and Ebola. For instance, we launched an Ebola hotline to receive complaints of fraud, waste, or abuse relating specifically to the U.S. Government Ebola programs and activities. We also are conducting fraud awareness briefings for implementers and USAID personnel in affected areas on the role of OIG and identifying controls and processes to prevent fraudulent activities.

Strategic Goal 3

OIG continues to respond to stakeholders' need for useful and timely information that relates to OIG operations and the overall management and delivery of U.S. foreign assistance. To date, OIG's performance results indicate that we are on track to meet the targets for engagements with Congress and the number of page views on our Web site. Both indicators help offer insight into the extent to which OIG serves as a source for reliable information for Congress and the public at large. OIG is continuously working to promote transparency and improve its ability to inform policy and decision-making concerning assistance programs.

At the beginning of the fiscal year, OIG held a number of meetings with congressional committees and Office of Management and Budget (OMB) staff to discuss our new strategic plan. Since then, we have briefed congressional staff on audit and investigative work, responded to congressional and press inquiries and requests for information, and sought to promote awareness of challenges facing OIG in

coming years. OIG also posted previously unreleased management letters on its public Web site and continues to post such letters and memorandums as they are issued.

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. OIG officials traveled to Afghanistan and Pakistan to meet with staff from OIG's country offices, USAID missions, and U.S. embassies in both countries and discuss OIG's role in investigating corruption cases related to USAID projects. OIG hosted a delegation from the United Kingdom's development agency, the Department for International Development, to discuss approaches to oversight and shared interests going forward.

OIG continues to use its public Web site, electronic notifications, and presence on Twitter to promote awareness of the results of our work. We also engage directly with congressional committees and agency leadership on important matters under OIG's purview.

Strategic Goal 4

OIG appears to be on track to meet its internal process measures. Currently, we have completed 70 percent of our fiscal year management milestones. We will conduct a follow-up customer satisfaction survey in FY 2015 to determine whether we are improving our service levels. In addition, OIG is making budget execution a priority to ensure that we are using our resources efficiently. Furthermore, to ensure that OIG's strategic priorities are aligned with its budgetary resources, we conducted a review of OIG's strategic plan in consultation with employees, supervisors, OMB, and external stakeholders and revised the plan to confirm that it still reflects the organization's priorities.

We took several steps to improve internal communication. We established an Employee Advisory Council to provide a mechanism for employees to communicate ideas, concerns, and solutions to senior leadership. Council members were nominated and elected by employees and represent each OIG office, with special seats to represent field, Foreign Service National, and supervisory employees. We held town hall meetings with all OIG offices, launched an internal wiki page for employees to share information more easily, began populating an OIG planning calendar, and are piloting a program to provide employees the opportunity to comment on OIG policy revisions.

OIG is also using IT systems to improve productivity and customer service. The Information Management Division (IM) developed a new Intranet-based helpdesk ticketing system that includes an option for employees to record their satisfaction with the service provided. IM is also establishing a new document management system and collaboration tool. The system will allow for more efficient content and records management, electronic processing, and document collaboration across offices.

Strategic Goal 5

OIG has put an emphasis on improving the organizational culture, and we are implementing a number of activities to improve employee engagement and leadership development. In response to employee work group recommendations, OIG established an annual awards program that will recognize OIG

employees for outstanding contributions to audit, investigations, and mission support efforts. The program celebrates the organization's successes through recognition given to representatives from different offices, locations, and positions and that includes employees in the nomination and decision-making process. The nomination process took place in March 2015.

The Office of Management addressed the long-standing staffing shortage in the Human Capital (HC) Division by hiring three new personnel specialists for the HC Foreign Service team. We expect this staff restructuring to help improve the service to OIG employees and supervisors. Specifically, we anticipate that the new hiring processes and collaboration between the staff and hiring officials will help improve the time it takes to hire new employees, which is an area of weakness in OIG's performance results for this reporting period.

To address employee concerns that they do not fully understand personnel processes and benefits, HC—with assistance from an employee work group—also developed answers to frequently asked questions and posted them on the OIG Intranet. The site now includes information and links for HC contacts, employee benefits, and employee relations and will be updated as necessary.

In addition, OIG held its annual managers' meeting in Washington, D.C., to discuss internal and external challenges and opportunities facing the organization and how to proactively position resources to best support the mission. Participation was expanded this year to include team leaders from each of OIG's operating units in Washington and regional and country offices. Leadership training was provided during the conference, and there were presentations and discussions regarding customer service, organizational improvements, improving leadership practices and OIG operations, and other internal issues. In addition, the Acting Deputy Inspector General announced plans to restructure OIG's oversight arrangement for MCC, including the establishment of a new Deputy Inspector General for Audit who will oversee MCC activities.

Overall, these performance results demonstrate that OIG is performing at a high level. However, the organization does face some significant challenges in the current budget environment. These challenges will affect how we operate as an organization, including recruiting, developing, and retaining a high-quality workforce and providing them with the information and tools they need to successfully fulfill our mission. We will continue to look for innovative ways to position our resources to balance the workload and oversight needs appropriately.

SUMMARY TABLES

Summary Table of Audits Conducted USAID, USADF, and IAF ¹ October 1, 2014 March 31, 2015		
Type of Report	Number of Reports	Value of Recommendations (\$)
Financial Audits		
USAID programs and operations	1	47,000,000 ²
Foundations' programs and operations	2	0
U.S.–based contractors	54	19,381,849
Quality control reviews	0	0
U.S.–based grantees	53	22,009,015
Quality control reviews	0	0
Foreign–based organizations	175	8,448,918
Quality control reviews	9	7,799
Foreign Government	6	4,052,635
Enterprise funds	0	0
Local currency trust fund	0	0
Performance Audits		
USAID economy and efficiency	26	85,070,000 ² 3,928,064 ³
Foundations' and economy and efficiency	2 ⁴	0
Other	2	0
Total	330	189,898,280

¹ OIG has nothing to report on OPIC in this section

² Funds recommended for better use

³ Questioned costs

⁴ Includes USADF's Federal Information Security Management Act audit

**Summary Table of Audits Conducted
MCC
October 1, 2014 March 31, 2015**

Type of Report	Number of Reports	Value of Recommendations (\$)
Financial Audits		
MCC programs and operations	1	0
U.S.-based contractors	0	0
U.S.-based grantees	0	0
Foreign-based organizations	5	69,185
Quality control reviews	0	0
Local currency trust fund	0	0
Performance Audits		
Economy and efficiency	0	0
Other		
Other	2	0
Total	8	69,185

**Summary Table of Investigative Activities Including Matters
Referred to Prosecutive Authorities
October 1, 2014 March 31, 2015**

Workload		Civil Actions	
Investigations opened	42	Civil referrals	3
Investigations closed	31	Civil declinations	2
		Judgments	0
		Settlements	0
		Total	
Criminal Actions		Administrative Actions	
Prosecutive referrals	11	Reprimands/demotions	1
Prosecutive declinations	6	Personnel suspensions	8
Arrests	8	Resignations/terminations	14
Indictments	9	Recoveries	11
Convictions	4	Suspensions/debarments	10
Sentencing	3	Systemic changes	5
Fines/assessments	2	Other	5
Restitutions	1		
Total	44	Total	54
Recoveries and Savings (\$)			
Judicial recoveries (criminal and civil)			1,000,327
Administrative recoveries			15,111,438
Total			16,111,765

**Fraud Awareness Briefings Conducted Worldwide
October 1, 2014 March 31, 2015**

Month	Location	Sessions	Attendees
October	Dakar, Senegal	1	12
	Islamabad, Pakistan	2	71
	Lilongwe, Malawi	2	67
	Mbale, Uganda	1	56
	Nouakchott, Mauritania	7	96
	San Salvador, El Salvador	1	7
	Washington, D.C.	1	13
November	Amman, Jordan	1	54
	Jerusalem, Israel	1	31
	Kabul, Afghanistan	2	76
	Lima, Peru	3	105
	Niamey, Niger	3	63
	Phnom Penh, Cambodia	6	199
	Praia, Cape Verde	2	51
	Ramallah, Palestinian Territories	1	49
	Tegucigalpa, Honduras	2	50
	Washington, D.C.	3	58

**Fraud Awareness Briefings Conducted Worldwide
October 1, 2014 March 31, 2015**

Month	Location	Sessions	Attendees
December	Brasilia, Brazil	2	20
	Dakar, Senegal	1	28
	Islamabad, Pakistan	8	115
	Phnom Penh, Cambodia	1	47
	Port-au-Prince, Haiti	2	94
	Thies, Senegal	1	18
	Washington, D.C.	2	34
January	Antakya, Turkey	2	23
	Colombo, Sri Lanka	1	31
	Gaziantep, Turkey	5	64
	Islamabad, Pakistan	2	56
	Kabul, Afghanistan	1	12
	Khartoum, Sudan	10	135
	Manila, Philippines	1	25
	Pretoria, South Africa	3	115
	Washington, D.C.	6	402
	Tel Aviv, Israel	1	16

**Fraud Awareness Briefings Conducted Worldwide
October 1, 2014 March 31, 2015**

Month	Location	Sessions	Attendees
February	Addis Ababa, Ethiopia	9	244
	Amman, Jordan	2	29
	Bamako, Mali	1	9
	Bogota, Colombia	1	15
	Cairo, Egypt	3	44
	Cap-Haïtien, Haiti	1	44
	Dakar, Senegal	2	38
	Erbil, Iraq	4	44
	Islamabad, Pakistan	1	66
	Kabul, Afghanistan	2	61
	Lusaka, Zambia	8	439
	Port-au-Prince, Haiti	1	35
	Thies, Senegal	1	10
	Washington, D.C.	2	109

**Fraud Awareness Briefings Conducted Worldwide
October 1, 2014 March 31, 2015**

Month	Location	Sessions	Attendees
March	Amman, Jordan	11	329
	Caracol, Haiti	1	21
	Dakar, Senegal	1	16
	Islamabad, Pakistan	1	8
	Johannesburg, South Africa	1	4
	Kabul, Afghanistan	3	37
	Port-au-Prince, Haiti	3	37
	Pretoria, South Africa	1	11
	Washington, D.C.	4	61
TOTAL		152	4,004

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



USAID implements maternal and child health programs to help advance development in Rwanda.
(Photo by USAID, Bill McCarthy)

ACCOUNTABILITY

Contractor and Grantee Accountability—Audits

Overall Audit Activity

USAID is required by the Federal Acquisition Regulation, the Single Audit Act, and OMB guidance to obtain appropriate and timely audits of its contractors, grantees, and enterprise funds. In addition, USAID has its own internal policies and procedures governing these audits. OIG provides oversight of these audit activities, ensuring that they 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 17 DCAA reports covering approximately \$507 million in costs (with questioned costs of more than \$7 million); and reviewed and transmitted 27 incurred cost audit reports covering approximately \$86 million in costs (with questioned costs of more than \$8 million).

Audits of U.S.-Based Grantees

U.S.-based nonprofit organizations also receive significant USAID funds to implement development programs overseas. As required by OMB guidance, nonfederal auditors perform annual financial audits of USAID grantees that spend more than \$750,000 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 financial audits of U.S.-based grantees. OIG provides oversight for the nonfederal auditors to determine whether they have prepared audit reports in

accordance with OMB reporting requirements and generally accepted government auditing standards (GAGAS).

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

During the reporting period, OIG reviewed 35 A-133 Single Audit Act reports, and issued 14 reviews for Agency-contracted audit reports, and 1 limited scope review, covering approximately \$3 billion in USAID funds spent by U.S.-based grantees.

Audits of Foreign-Based Contractors and Grantees

OMB's "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (this Super Circular combines eight previously separate sets of OMB guidance) 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 normally are 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 the GAGAS and 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 175 audits of foreign-based organizations, covering more than \$572 million in expenditures and resulting in about \$8 million in questioned costs, as well as 6 audits of funds granted to foreign governments, covering \$34 million in expenditures that did not identify any questioned costs. OIG also completed nine quality control reviews to ensure that the audits were completed in accordance with appropriate audit standards.

Contractor and Grantee Accountability—Investigations

Major USAID Implementer and Affiliates Suspended and Five Employees Terminated in Ongoing Investigation

In January 2015, USAID suspended IRD and its affiliates as a result of allegations of cost mischarging that are currently being investigated by USAID OIG, State Department OIG, and SIGAR. As a result of the investigation, IRD has terminated five employees. The investigation is ongoing.

Former Louis Berger Group Inc. Chairman, CEO, and President Admits to 20-Year Conspiracy to Defraud Federal Government

In December 2014, the former CEO of LBG pleaded guilty to conspiring to defraud the U.S. Government in connection to billions of dollars in USAID contracts over a nearly 20-year period. The CEO had led a conspiracy to defraud USAID by billing the agency on “cost reimbursable” contracts—including hundreds of millions of dollars of contracts for reconstructive work in Iraq and Afghanistan—for overhead and other indirect costs at falsely inflated rates. As a result, USAID lost millions of dollars. Sentencing is pending.

Employee Misconduct

Nine Foreign Service National Employees Terminated from USAID and State Department in Uganda Pursuant to Voucher Fraud Investigation

An OIG investigation substantiated allegations of travel voucher fraud against USAID and State Department Foreign Service National employees in USAID/Uganda’s office in Gulu. Working with the State Department’s Diplomatic Security Service, OIG found that nine of the employees knowingly falsified hotel receipts and were reimbursed while staying at their own houses or with family members and friends. The total amount paid pursuant to the falsified receipts from 2011 to 2014 was more than \$60,000. OIG referred the matter to USAID/Uganda, as well as to the American Embassy’s Regional Security Officer in Uganda who revoked the nine employees’ security clearances. By February 2015, all of the implicated employees had been terminated.

Assignment of an OAA Director in South America Curtailed Pursuant to Conflict of Interest

An OIG investigation confirmed that a director of an Office of Acquisitions and Assistance (OAA) at a USAID mission in South America agreed to be listed as the program manager on a contract proposal submitted by a USAID implementer to another U.S. Government agency, in violation of federal conflict of interest statutes and the Procurement Integrity Act. At the time, the director was the contracting officer for a USAID contract implemented by the same company that proposed him as program manager. The director failed to notify his superiors of the conflict of interest and did not recuse himself from his responsibilities as a contracting officer with the involved company. As a result of the investigation, the director’s assignment was curtailed, resulting in his retirement as he had reached retirement age and had obtained an age waiver for his assignment.

Former USAID Employee Pleaded Guilty to Distributing Child Pornography

An investigation by the Department of Homeland Security (DHS), supplemented by USAID OIG, documented that a USAID employee distributed child pornography. In June 2014, USAID OIG and DHS agents arrested the subject on charges of receiving and distributing child pornography. The subject was referred for debarment. In March 2015, the subject pleaded guilty to distribution of child pornography. The sentencing date is pending.

USAID Employee Suspended for 60 Days After Misleading USAID on Status of Dependent Child

A USAID employee was given a 60-day suspension without pay after an OIG investigation revealed that he provided false information on a dependency report when he was first hired by USAID. The employee improperly listed his stepchildren as natural children. As a result of the employee's certification, USAID added the children as his dependents, which allowed for full financial benefits from USAID. He concealed other facts uncovered by OIG, including a related child custody dispute that prohibited the children from moving overseas. A bill of collection to the employee for the falsely claimed costs is pending.

Expanding Accountability

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

OIG audits and investigations provide two methods of safeguarding USAID funds. OIG takes other steps to promote accountability and transparency, as 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. 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 with SAIs in 23 countries.

Before SAIs may conduct audits for USAID, they must demonstrate sufficient professional capacity and independence. OIG often provides training 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 nine audit reports covering approximately \$13 million in USAID funds. They reported approximately \$600,000 in questioned costs, 24 internal control weaknesses, and 17 material instances of noncompliance.

Training USAID Staff and Others

OIG remains committed to preventing losses of development funds, and it 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 charged legitimately to USAID programs.

To increase awareness of—and compliance with—these 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., relating to travel expenses or entertainment costs). The training also includes discussions of financial audit requirements and accountability issues.

During this reporting period, OIG provided training in cost principles and related subjects in nine countries to more than 200 individuals, including employees of USAID, SAIs, international NGOs, and one host-country audit agency.

Fraud Awareness

During the current reporting period, OIG placed an emphasis on fraud prevention by providing 152 fraud awareness briefings to 4,004 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, posters, fliers, and cards that have been distributed worldwide. To expand OIG's outreach efforts, these materials are produced in six languages.

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.

Review of USAID/Afghanistan’s Financial Management Controls for Government-to-Government Assistance

Report No. F-306-15-001-S

In response to the goal of international donors to give more aid directly to the Afghan Government, USAID’s development portfolio includes

“on-budget assistance” (OBA). OBA can go directly to Afghan Government entities (referred to in this review as “government-to-government”) or contributions to trust funds created by several donors and run by international organizations. In theory, OBA gives the Afghan Government more experience in managing areas such as budget and oversight, and thus helps build its capacity.

USAID/Afghanistan committed a total of \$3.2 billion to OBA projects that were active between October 1, 2011, and January 31, 2014. Of that amount, \$997 million was committed to government-to-government assistance, the portion this review focused on. Recent oversight work has criticized USAID/Afghanistan’s use of this type of assistance because financial risk assessments funded by the mission indicated that Afghan systems were not reliable. Meanwhile, USAID officials contended that

SIGNIFICANT FINDINGS AND ACTIVITIES

In 2011, USAID/Pakistan issued a task order to build an obstetrics and gynecology wing at the **Jinnah Post Graduate Medical Center and a new hospital, the Jacobabad Institute of Medical Sciences**. OIG’s audit found that the new wing was improving access to and the quality of health-care services, particularly for women. However, the facilities and systems for the new hospital were behind schedule, and the institute was unlikely to be sustainable because of budget and staffing shortfalls, among other weaknesses.

As the result of an OIG investigation, USAID suspended two U.S. contractors and referred them for debarment for building houses in Haiti using cheap, substandard materials that failed to meet technical specifications and safety standards. Structural problems were discovered after 3,000 Haitians had moved into the homes.

government-to-government assistance supports U.S. national security objectives and that mitigation measures, or controls, were put into place to mitigate the problems described in the risk assessments.

OIG determined that the mission or country has improved its implementation of financial management controls for government-to-government assistance over time, as Agency guidance changed and mission officials gained more experience with government-to-government projects. By the end of the review period, the mission had eight controls designed to help ensure that obligated funds were disbursed as planned and that disbursed funds were used as intended.

However, OIG found that only one of the eight controls had been operating consistently since October 1, 2011, creating the opportunity for taxpayer funds to be misused during this period. OIG determined that the mission had not ensured that audit requirements were being met on government-to-government projects before further funding was disbursed. OIG also noted that involvement in Afghan procurements was not always adequate and that some staff did not understand their role and responsibilities with respect to government-to-government projects. Lastly, USAID/Afghanistan had not explained its expectations clearly in project documents, and accounting transactions resulting from the signing of implementation letters were not being recorded in a timely manner.

USAID made management decisions on OIG's nine recommendations and took final action on four.

Two Local Afghanistan International Bank Employees Arrested for Alleged Involvement in \$450,000 Bank Fraud Scheme

In February 2012, USAID contractor Management Sciences for Health (MSH) reported that \$450,000 in USAID program funds had been stolen from one of its bank accounts at the Afghanistan International Bank (AIB) in Afghanistan by an individual purporting to be MSH's CEO who had signatory authority on the account. An investigation was initiated by OIG and the Afghanistan Attorney General's office. On October 14, 2014, an AIB bank branch deputy manager and a bank teller were arrested for not cooperating in the investigation and for providing false statements. The investigation is ongoing.

Audit of USAID/Pakistan's Activities Related to Jinnah Post Graduate Medical Center and Jacobabad Institute of Medical Sciences

Report No. G-391-15-002-P

In 2006, USAID/Pakistan awarded a 5-year, \$120 million contract to CDM Constructors Inc. for the Pakistan Earthquake Reconstruction and Recovery Program. In September 2011, under the expanded recovery program, the mission issued a task order to build an obstetrics and gynecology (OB/GYN) wing at the Jinnah Post Graduate Medical Center as well as a new hospital, the Jacobabad Institute of Medical Sciences.

OIG found that CDM met most of the requirements in the task order and the contract, and that the OB/GYN wing was improving access to and the quality of health-care services, particularly for women. For instance, nearly 200 women received treatment for fistula in 2013, and more than 3,500 medical



The photos above show the medical center's learning and teaching institute (pictured on the left), which features a 155-seat auditorium. On the right is one of the six obstetrics and gynecology wards just prior to opening. (Photos by USAID/Pakistan, October 2013)

professionals used the learning and teaching auditorium for 22 seminars, 68 meetings, 24 workshops, and 41 classroom exams.

Notwithstanding the positive aspects of the project, OIG noted several weaknesses. Facilities and systems needed for the Jacobabad Institute's opening were behind schedule, specifically water and utilities and staff housing. Moreover, OIG found that the institute's planned staffing levels and hospital equipment may be inadequate for its operations. In addition, the institute was unlikely to be sustainable. Budget shortfalls, inadequate backup power systems, and the inability to hire competent staff may keep it from continuing to operate and providing the expected level of care.

OIG found that the OB/GYN wing of the medical center had design and construction shortcomings, such as lack of patient seating in the waiting rooms and nonfunctioning plumbing, air-conditioning chiller plants, and elevators. The institute also had design problems, including noise coming from an adjacent airbase and insufficient electrical backup systems.

Furthermore, the audit report noted several problems with the acquisition process. For instance, the mission approved an incorrect currency exchange rate for the institute project that inflated the award amount by \$1.6 million. In addition, CDM evaluated subcontractor bids based only on cost, calling into question whether there was fair and open competition. Finally, the mission cannot ensure that the construction bids it received were reasonable because it did not prepare an independent government cost estimate.

USAID made management decisions on seven of OIG's eight recommendations and took final action on two of them.

Rafi Peer Theater Workshop (RPTW) Debarred

RPTW is a local Pakistani nongovernmental organization (NGO) that implemented the Pakistan Children's Television Project (PCTV), which was terminated in September 2012. An audit conducted as a part of an OIG investigation into procurement irregularities on the PCTV project had identified more than \$2 million in potentially disallowable costs. Because of the audit findings and input from RPTW, USAID/Pakistan formally disallowed almost \$1.6 million and issued a bill for collection. As previously reported in October 2012, RPTW did not meet the deadline to repay the funds and did not respond to the mission. In addition, the NGO has refused to return video production equipment worth approximately \$900,000 that was purchased as part of the project. RPTW was debarred in February 2015.

USAID Suspended Two U.S. Contractors for Building Houses in Haiti Using Substandard Materials Below Contract Specifications and Terminated a Contract for Default

After the 2010 earthquake in Haiti left thousands of people homeless, USAID awarded contracts to two American firms to build 750 houses in Cap-Haïtien, Haiti. After the completion of the project, and after more than 3,000 Haitian citizens occupied the dwellings, OIG investigators discovered structural problems with the houses. OIG hired an engineering firm to test the materials for compliance with the specifications of the contracts. The results of the inspection revealed that the two contractors built the houses using cheap, substandard materials that failed to meet the technical specifications and safety standards of the awards. After learning the details of the ongoing OIG investigation, USAID suspended the two contractors and proposed them for debarment. One contract was terminated for default.

Three USAID Contractor Employees in Southeast Asia Suspended After OIG Investigation Uncovers Overbilling Scheme

In January 2015, OIG received allegations of procurement fraud by employees of Louis Berger Group, Inc. (LBG) working under the USAID/Philippines Rebuild Project in Southeast Asia. An OIG investigation found that several LBG employees were involved in a scheme to create dummy subcontractor companies to overbill USAID for subcontractor labor. As a result of the investigation, three LBG employees were suspended in February 2015. In addition, two subcontracting companies—EAS Builders and T-Wing Builders—were issued notices to cure in February 2015 for a breach of their subcontractor responsibilities for subcontracting to another second-tier subcontractor without consent from the prime contractor. Notices to cure are notifications to contractors that they must remedy performance issues or risk USAID terminating the contract.

SUSTAINABLE, BROAD-BASED ECONOMIC GROWTH

USAID works to promote international economic growth by supporting trade and investment, improving critical infrastructure, mobilizing entrepreneurs' access to credit and markets, and building skills through accessible education. Programs are designed to build capacity, develop an enabling regulatory environment, and encourage market links.

Audit of USAID/Pakistan's Khyber Pakhtunkhwa Municipal Services Program Report No. G-391-15-003-P

To help improve municipal infrastructure and service delivery, USAID/Pakistan initiated the Khyber Pakhtunkhwa Municipal Services Program with Khyber Pakhtunkhwa Province's Planning and Development Department. The program was to focus activities in three divisions of the province: Dera Ismail Khan, Malakand, and Peshawar. OIG found that the program was not achieving its goal.

The program had completed a few projects in the city of Peshawar, including the rehabilitation of four water supply systems, the cleaning of drains in 12 areas, and the procurement of various solid waste management vehicles and equipment. However, OIG noted that 3 years after signing the initial 5-year agreement, the program had not achieved any significant results beyond those small activities. In addition, no activities were planned for the rest of Peshawar Division or in Dera Ismail Khan and Malakand. Finally, less than 6 percent of the available funding had been

SIGNIFICANT FINDINGS AND ACTIVITIES

OIG's **Audit of USAID/Jordan's Water and Wastewater Infrastructure Project** found that the project is addressing critical water issues in the country. OIG identified several notable achievements, including improving the development of a water and wastewater master plan in four governorates, creating designs for two new wastewater treatment plants, and constructing new pipe networks and a water pumping station in Amman. OIG made recommendations to help make the project more sustainable in the future.

OIG's Review of **USAID/West Bank and Gaza's Trade Project** resulted in the Agency terminating the project. OIG found that the implementer enacted a turnaround plan for the project because results for the first year were far below expectations. OIG identified concerns about the project's history of setting expectations too high. In response, the mission procured the services of an independent expert who found that the project was overestimating its accomplishments.

OIG conducted an investigation of a program that was implemented by the **Education Development Center** in Eastern Europe and aimed to provide financial and technical assistance to young entrepreneurs. OIG referred the case to the USAID mission where a settlement of more than \$500,000 was reached with the implementer in March 2015.

disbursed. OIG's report indicated that the lack of progress resulted largely from the mission not actively engaging with the Government of Khyber Pakhtunkhwa, particularly on project selection, monitoring and evaluation planning, gender analysis, and environmental assessment.

OIG noted a number of other weaknesses in the program. The mission did not have an agreement with the Government of Khyber Pakhtunkhwa for approximately \$50 million in congressionally earmarked funds that were to be used for drinking water projects, making it difficult to ensure that the money is being used as intended. The mission did not promptly conduct an environmental examination for the rehabilitation of two Peshawar wastewater treatment plants, causing delays in the project. The establishment of the Urban Policy Unit, which is to be responsible for improving urban governance and development, was behind schedule, and it is uncertain that the unit will ever be operational. Finally, the mission did not have a gender analysis process in place for the program's infrastructure projects. By not ensuring that appropriate gender analysis is conducted, women in the community could continue to be marginalized through lack of access to public services.

USAID made management decisions on OIG's 12 recommendations and took final action on 6. OIG disagreed with three management decisions.

Audit of USAID/Jordan's Water and Wastewater Infrastructure Project

Report No. 8-278-15-001-P

To help address the water crisis in Jordan, USAID/Jordan initiated the \$34.1 million, 5-year Water and Wastewater Infrastructure Project with CDM International Inc. in May 2010. OIG found that the



Workers in Amman dig a trench for new pipes. (Photos by RIG/Frankfurt, May 2014)

project is meeting its purpose to provide engineering support to the Jordanian Government and that it is addressing some critical water issues in the country.

The project has achieved several notable accomplishments. It converted paper records and drawings of water and wastewater networks to digital computer-based systems, providing the government with better access to records and to forecast infrastructure needs. The project resulted in the development of a water and wastewater master plan in four governorates. These plans enable the government to prioritize upgrades and ensure limited funds are spent on the most urgent needs. The project produced detailed designs for two new wastewater treatment plants in Jerash and Tafilah, which will allow the governorates to treat the wastewater so that it meets environmental regulations and can be reused for agricultural purposes. Finally, CDM oversaw the construction of new pipe networks and a water pumping station in Amman.

OIG noted two weaknesses in the project. First, the Jordanian Government was not fully recovering costs for operating, replacing, and building infrastructure, which prevents the water sector from becoming truly sustainable. Second, mission officials certified the water authority's capabilities to maintain and use a new wastewater treatment plant in Tafilah Governorate without considering staffing, operational, maintenance, and fiscal issues identified in prior studies paid for by USAID.

USAID made management decisions on OIG's two recommendations and took final action on both of them.

Audit of USAID/Indonesia's Urban Water, Sanitation, and Hygiene Project

Report No. 5-497-15-002-P

To increase access to safe drinking water and sanitation in Indonesia, USAID/Indonesia issued a \$33.7 million, 5-year contract with Development Alternatives Inc. (DAI) to implement Indonesia's Urban Water, Sanitation, and Hygiene Project.

OIG found that the project has made progress in expanding water and sanitation services. For instance, 738 out of the 1,626 targeted households had access to a safe water supply through master meter connections managed by community-based organizations. In addition, 76 percent of water utility providers targeted for poor performance showed improvement in technical skill, financial management, customer relations, human resource management, and governance. Also, local government and water utility provider staffs expressed satisfaction with the training and technical assistance they received.

Despite these successes, OIG identified several weaknesses. First, the sustainability of the community-based sludge management activity was questionable. Sludge removal occurred in some of the targeted communities, but the equipment sat idle afterward. OIG noted that the operating schedule, service fee structure, and compensation payments were not established clearly. Mission officials said that there were shortages in raw water (untreated ground or surface water) in some communities and that the local government did not provide the promised septic tanks to facilitate the sludge removal. DAI and USAID/Indonesia did not effectively monitor the implementation of the activity.

In addition, the community-based sewer system activity fell behind schedule largely because of lack of coordination with another donor that was offering connections in a neighboring community at no charge. The project also overstated training results by about 20 percent and did not have a verification system in place for the training data. Finally, the project set an unrealistic performance target for access to microfinance. The loans are intended to assist low-income urban communities pay upfront water supply connection fees. Only 8,346 of 40,000 targeted households had access to microfinance loans.

USAID made management decisions on OIG's six recommendations and took final action on one of them.

Audit of USAID/Pakistan's Entrepreneurs Project

Report No. G-391-15-001-P

In developing economies like Pakistan's, micro and small enterprises suffer from limited production, inadequate financing, poor infrastructure, outdated technology, a lack of pro-business laws, and insufficient information about markets and the business environment. Furthermore, according to the 2009 USAID Pakistan Economic Performance Assessment, slightly less than 20 percent of women participate in the workforce even though they represent about half the country's population.



Embellished Fabrics Value Chain Development Initiative under the USAID's Entrepreneurs Project (Photo by USAID/Pakistan, October 2012)

USAID awarded a 5-year, \$30 million (later decreased to \$28 million) cooperative agreement to Mennonite Economic Development Associates (MEDA) to implement the Entrepreneurs Project, which had an initial goal of increasing the incomes of at least 120,000 predominantly women microentrepreneurs and small enterprise owners in Pakistan's four provinces. (USAID lowered that number to 75,000 and used some of the project's funds to help displaced people recover from conflict and unprecedented floods.) In addition, the project aimed to have at least 64,000 microentrepreneurs benefit from financial literacy training and access to microfinance loans.

The project focused on four sectors: dairy, hand-embellished fabrics, honey, and medicinal and aromatic plants. In each one, the project's staff worked to help micro entrepreneurs develop "value chains" in which they process raw materials, distribute them, and sell the finished products to increase their incomes. OIG noted that the project had only partly achieved its goal. On a positive note, the incomes of medicinal and aromatic plants and hand-embellished fabrics beneficiaries increased. However,

MEDA did not collect sufficient data to show that the incomes of microentrepreneurs in the dairy sector changed. OIG found that the honey sector's micro entrepreneurs' incomes changed very little, and the incomes of a majority of beekeepers involved with the project decreased because of programmatic and technical challenges.

Because the project ended in September 2014, OIG did not make any recommendations to USAID. However, USAID should review the problems noted by OIG and take measures to minimize such deficiencies in any future projects.

OIG Investigation Led to Recovery of \$500,000 for USAID

In November 2012, OIG received allegations of conflicts of interest and mismanagement regarding a USAID-funded program implemented by Education Development Center (EDC). The program was located in Eastern Europe and aimed to provide financial and technical assistance to young entrepreneurs. In response to the allegations, as well as allegations received by EDC's home office, two internal audits were conducted on the program. EDC's audits revealed false grantee and procurement documentation, conflicts of interest in the grantee selection process, and improper personnel management. OIG conducted an investigation that resulted in an OIG audit to assess additional disallowable costs. OIG determined that EDC reasonably owed USAID the value of all identified improper grants as well as administrative and internal control staff salaries. OIG referred the case to the USAID mission where a settlement of more than \$500,000 was reached with EDC in March 2015.

Review of USAID/West Bank and Gaza's Trade Facilitation Project

Report No. 8-294-15-001-S

OIG conducted this review to determine what led Deloitte Consulting to implement a turnaround plan for its West Bank and Gaza Trade Project and how it planned to adjust the project. OIG found that Deloitte implemented the plan because results for the first year were far below expectations. As of September 19, 2014, Deloitte had not completed revisions to its work plan, but a review identified concerns about the project's history of setting expectations too high. In response to OIG's concerns, the mission procured the services of an independent expert, who found that the project was overestimating its accomplishments. As a result, the mission has terminated the project on March 1, 2015.

In March 2013, USAID/West Bank and Gaza initiated the 3-year, \$12.2 million trade project with Deloitte. The goal of the project was to stimulate the economic growth of the Palestinian private sector by expanding trade and investment. The project's primary objective was \$75 million in annual, recurring cost savings and additional revenues for Palestinian companies. Mission officials expressed concerns about the project's progress and asked OIG to review it.

OIG found that project results were far below expectations. The project achieved only 4 percent of its first-year target and less than 17 percent of its midpoint target. Project and mission officials attributed the shortcomings to the conservative way project staff calculated cost savings. Problems with Deloitte's management practices and staff turnover further exacerbated the project's challenges, although the company worked quickly to resolve the problems.

Despite actions Deloitte was taking to improve results, OIG was unable to determine whether the project would meet its objective. Estimates of future cost savings were unavailable as of September 19, 2014, but given Deloitte's tendency to set expectations too high, the outlook for meeting the targeted increase in savings and revenue was not good.

Finally, the mission's evaluation of Deloitte mischaracterized the contractor's performance. Although project staff generally agreed that the project was unsuccessful in the first year, mission officials reported that Deloitte's performance in the first year was satisfactory. Giving misleading information about Deloitte's performance does a disservice to other contracting officers who use this evaluation.

USAID made management decisions on OIG's four recommendations and took final action on three of them.

Audit of USAID/Colombia's Afro-Colombian and Indigenous Program

Report No. I-514-15-004-P

In 2011, USAID/Colombia initiated the \$61.4 million, 5-year Afro-Colombian and Indigenous Program. The goal of the program is to improve the socioeconomic status of Afro-Colombians and indigenous people in the Pacific, Caribbean, and Central regions of the country, and help them gain control of their land. ACDI/VOCA was selected to implement the program.

The program has made progress through training, technical assistance, and awareness initiatives. For instance, more than 1,100 state officials were trained to implement public policies related to ethnic minorities; 13,600 Afro-Colombian and indigenous leaders received training on organizational capacity, governance, and advocacy skills; and 2,000 farmers and producers were trained to use improved production and postharvest management and to create links to markets. The program also trained and provided at least 6 months of employment to more than 1,600 Afro-Colombian and indigenous people.

Despite these achievements, OIG found that the program did not make much progress in helping Afro-Colombians and indigenous people obtain rights to their lands because the Colombian Government did not approve the title requests that ACDI/VOCA submitted. Until the government



Using skills taught in a USAID program, men and women in Cali make shoes. (Photo by RIG/San Salvador, August 2014)

formally recognizes these land rights, ethnic minorities are vulnerable to losing their lands, homes, and important cultural sites.

OIG also found that ACDI/VOCA did not comply with competition requirements. It awarded more than \$2 million to subcontractors for 12 activities without competition or adequate documentation for exceptions to competition. These actions exposed U.S. taxpayers to the risk of overpaying for services. In addition, ACDI/VOCA did not have enough supporting documentation to show trainee participation in courses lasting more than 1 day and did not conduct a midterm evaluation of the program as planned.

USAID made management decisions on five of OIG's six recommendations and took final action on four of them.

Audit of USAID/West Africa's Education Support Program in Côte d'Ivoire Report No. 7-681-15-004-P

In 2012, USAID/Washington initiated the 3-year, \$6 million Education Support Program with the American Institutes for Research (AIR). The purpose of the program is to increase equitable access to education, especially for girls in conflict-affected areas of Côte d'Ivoire. The program consists of three components: (1) institutional capacity building, (2) construction of three middle schools, and (3) community engagement to support the middle schools. In 2013, USAID/Washington transferred the management of the program to Abidjan, Côte d'Ivoire and reduced the program budget to \$4.7 million in response to federal budget sequestration. OIG found that the program was not increasing equitable access to education.

On the positive side, community engagement activities were on schedule. AIR was training communities on gender equality, the importance of girls' education, and child protection. It also helped form parent-teacher associations, school management committees, and other community support groups. However, OIG noted that the other two program components were behind and would not be completed on time.



UNACOOPEC, an Ivorian microfinance institution, donated a grinder (left) and tiller (right) to the community support group of Languibonou. (Photo by RIG/Dakar, September 2014)

Construction delays were significant. Halfway through the program, AIR had not built any schools or started any construction activities. The delays were largely caused by the withdrawal of the subcontractor from the project and delays in receiving several necessary USAID approvals.

In addition, the program was not reaching its goals related to institutional capacity-building and public-private partnership activities. Other than completing a needs assessment of the Ministry of Education's information and communication technology (ICT) systems, AIR did not implement the institutional capacity-building activities outlined in its program description. Furthermore, AIR did not finalize a public-private partnership (PPP) strategy to guide its efforts to establish partnerships between private sector companies and the Ministry. As a result, the agreements it did establish did not directly involve the participation of the Ministry, and some did not show promise of longevity or benefit to the community. AIR's underperformance stems from disagreements it had with the Ministry on ICT activity implementation and a lack of Ministry support for AIR's PPP activities.

Finally, USAID/Côte d'Ivoire did not demonstrate financial oversight of the program. Mission officials could not quantify the funds the agency had disbursed to AIR during implementation of the program.

USAID made management decisions on OIG's six recommendations and took final action on four.

OIG Clears Senior Level USAID Official of Undue Influence on High-Profile Award

An anonymous complaint alleged that an NGO chaired by a foreign former head of state received undue preference for an award under USAID's Power Africa program. Specifically, it was alleged that a high-ranking USAID official intervened in the process by applying pressure on the contracting officer to select the NGO. OIG's investigation concluded that even though there was a desire to expedite the procurement process, there was no evidence to substantiate that pressure was applied by the USAID official or anyone else to steer the award.

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.

Audit of USAID/Regional Development Mission for Asia's Greater Mekong Subregion Malaria Control Project

Report No. 5-486-15-004-P

In 2011, USAID's Regional Development Mission for Asia (RDMA) initiated the 5-year, \$24 million Greater Mekong Subregion Malaria Control Project (also known as CAP-Malaria) with University Research Co. (URC). URC created a consortium with Kenan Institute Asia and Save the Children to implement the project in Burma, Cambodia, and Thailand. The goal of the project is to contain the spread of multidrug-resistant *Plasmodium falciparum malaria* in the region, the most dangerous form of malaria. The project has four objectives to help achieve this goal: (1) develop and increase cost-effective control interventions to prevent malaria transmission, (2) improve the quality and effectiveness of diagnosis, (3) reduce bottlenecks at local institutions, and (4) support the establishment of strategic information for malaria control.

OIG found that the project generally was meeting the first three objectives, and the report identifies several related successes. Nonetheless, it was falling short in supporting the establishment and maintenance of strategic information of malaria control. It also had problems with project management. URC's monitoring, evaluation, and reporting systems were weak. URC reported limited strategic

SIGNIFICANT FINDINGS AND ACTIVITIES

OIG's **Audit of USAID/Rwanda's Family Health Project** determined that the project is achieving its goal to increase the use of district-level facility and community-based family health services. Participants indicated that training helped improve the quality of care and greater coordination among health-care facilities and insurers allowed health management teams to identify, advocate for, and solve systematic problems. OIG made recommendations to improve issues related to data quality and the precision of the contract.

OIG participated in its first law enforcement operation with the **Joint Interagency Task Force**. OIG agents provided logistics and criminal intelligence and acted as law enforcement mentors to the Zambia National Task Force to conduct raids on 13 wholesale and retail vendors in Zambia that were selling stolen antimalarial drugs funded by USAID and the Global Fund. The raids resulted in the arrest of five suspects and the recovery of hundreds of doses of medicines that were intended to be distributed free of charge to victims suffering from malaria.

information that could be used for future project planning, and some of the reported data were not accurate or adequately supported. In addition, the project management information system did not have appropriate access controls in place, which increased the risk of project information being compromised.

Another problem was that the need for the project's regional platform was no longer clear. When CAP-Malaria began, USAID/RDMA was supposed to manage and oversee the project. However, its role had shifted toward providing technical support to the other missions in Burma and Cambodia. As a result, the missions did not have a clear understanding of the roles and responsibilities of USAID/RDMA and the regional approach of the project, which could have jeopardized effective management of the project at the regional level.

In addition, the cooperative agreement was not amended to reflect significant changes in project implementation. Significant decreases in project funding to Thailand and added requirements for URC on the implementation plans and progress reports were not incorporated into the agreement. Furthermore, URC had yet to prepare the required sustainability and exit plan and did not conduct the required gender analysis.

USAID reached management decisions on OIG's 12 recommendations and took final action on 1 of them.

USAID OIG Participated in First Law Enforcement Operation of the JIATF

Under the auspices of the JIATF—which includes the Global Fund, the United Nations Development Program, and USAID OIG—OIG agents and personnel from the Global Fund component of JIATF provided logistics, criminal intelligence, and support to a March 2015 operation with the Zambia National Task Force (ZNTF). The ZNTF consisted of officers from the Zambian Ministry of Health, Zambian Police Service, Zambian Medicines Regulatory Authority, and the country's Drug Enforcement Commission. Assisted by two OIG agents, the ZNTF conducted raids on 13 wholesale and retail vendors in Zambia that were selling stolen USAID- and Global Fund-funded antimalarial drugs. The raids resulted in the arrest of five suspects and the recovery of hundreds of doses of U.S. Government-funded medicines that were intended to be distributed free-of-charge to victims suffering from malaria.

Audit of USAID/Zambia's HIV Prevention Activities

Report No. 4-611-15-001-P

To address high rates of HIV/AIDS, USAID/Zambia's prevention program focused on preventing mother-to-child transmission of HIV/AIDS and providing circumcisions, condoms, and HIV testing and counseling services to the Zambian people. OIG found that the HIV prevention activities covered in the audit were helping to prevent the spread of HIV in Zambia.

To reduce the rate of new HIV infections, USAID/Zambia worked with the government to ensure that condoms were readily available. A mission official stated that male condoms supplied through the Partnership for Integrated Social Marketing (PRISM) project made up about 50 percent of all condoms distributed in Zambia. In addition, 175,000 men were voluntarily circumcised through the project,

compared with a target of 30,000. Furthermore, USAID projects made HIV counseling and testing services available to 1,291,121 Zambians, exceeding the target of 1,277,500.

The Support to the HIV/AIDS Response in Zambia (SHARe II) project worked with 52 employers in Southern Province to train more than 3,000 hospitality workers and commercial sex workers on HIV prevention. Along with the Zambia-led Prevention Initiative (ZPI), the project also helped community and religious leaders learn about HIV/AIDS and prevention advocacy with appropriate messaging.

Despite these accomplishments, OIG noted problem areas that should be addressed to strengthen the quality of HIV prevention activities. Selected activities overlapped because the mission did not have a strategy to determine where they should be implemented. The condom distribution strategy for PRISM was ineffective because distributors were tasked with both selling and freely distributing the same condoms. OIG found that the mission did not monitor selected projects adequately. Because of a lack of resources, mission staff did not perform monitoring visits frequently enough and did not maintain adequate files for their projects. Finally, OIG identified problems with inventory controls and storage conditions at the warehouses used for PRISM activities.

USAID made management decisions on OIG's seven recommendations and took final action on five.

Implementer Staff in Uganda Terminated for Inflating Charges, Falsifying Documents, and Paying Kickbacks

OIG, in coordination with the implementer Management Sciences for Health, investigated allegations of fraud in the a \$63 million cooperative agreement to implement HIV/AIDS and tuberculosis programs in Uganda. The investigation confirmed the specific complaint that approximately \$160,000 intended to be used for male circumcisions (conducted to prevent the spread of HIV) was dispersed illicitly to staff instead of used as intended. The investigation—combining numerous interviews, site visits, and record reviews—also revealed the apparent involvement of Ugandan Ministry of Health employees who were involved in a scheme to defraud the program by inflating charges, falsifying documents, and paying kickbacks. OIG agents and the implementer's auditors interviewed suspects, with several admitting to their fraudulent activities. As a result, the implementer terminated six individuals between August and October 2014. The matter also was referred to local authorities, resulting in a criminal investigation of two individuals by the Ugandan National Police.

Audit of USAID/Rwanda's Family Health Project

Report No. 4-696-15-002-P

In February 2012, USAID/Rwanda initiated the 5-year, \$50 million Family Health Project. The goal of the project was to increase the use of district-level facility and community-based family health services. OIG determined that the project was achieving this goal.

The program met or exceeded its targets for seven of eight selected indicators. Community health workers indicated that the training they received helped them achieve a lower rate of patients suffering

from preventable and treatable illnesses, allowing the health facility staff to focus more on seriously ill patients.

Health facility employees confirmed that the training the project provided on topics such as quality improvement methodologies, HIV/AIDS, emergency obstetric and neonatal care, electronic patient file software, nutrition, and gender-based violence improved the quality of care. For example, after providing antiretroviral services under the project, one health center reported fewer babies born with HIV.

In addition, district health management teams reported that greater coordination among pharmacies, hospitals, health centers, and health insurers allowed them to identify, advocate for, and solve systematic problems. For example, one team requested that the project certify the district's community health workers in family planning methods, which resulted in a notable improvement in family planning indicators.

OIG did note a few weaknesses in the project. The contract did not include precise goals or targets and therefore did not provide clear guidance on what the project should accomplish. The indicator data were not reported in a timely manner, nor were they broken out by sex. This delay may have led to missed opportunities to take corrective action had the data been reported in a more comprehensive quarterly report. The mission had not implemented a formal process to track data quality assessment recommendations. Finally, the mission did not validate project data, which may have led to missed opportunities to identify and correct inaccuracies.

USAID made management decisions on OIG's four recommendations and took final action on one.

USAID Implementer Issued \$7,000 Bill of Collection After Financial Review

In June 2013, OIG received allegations of nepotism and procurement fraud committed by the Reproductive and Child Health Alliance (RACHA) in Cambodia under the USAID-funded Maternal and Child Health Program in Southeast Asia. The allegations involved procurement irregularities and false claims regarding the purchase of equipment in support of the program. Upon consultation with OIG, USAID/Cambodia conducted a financial review, which uncovered mismanagement of USAID funds by RACHA. As a result, USAID denied a 6-month cost extension requested by RACHA, amounting to a savings of more than \$1.3 million. In October 2014, USAID issued the implementer a bill for collection for more than \$7,000 for unallowable costs identified by the financial review.



A community health worker opens family planning aids supplied by USAID/Rwanda. (Photo by RIG/Pretoria, August 2014)

STABLE, PROSPEROUS, AND DEMOCRATIC STATES

USAID's efforts to promote democracy, human rights, and good governance are multifaceted. They are designed to support free and fair elections, civil society, and independent media, as well as protect human rights and counter human trafficking. USAID recognizes that promoting accountability and transparency in the countries it serves is key to these efforts.

Subcontract for \$1.7 Million in Somalia Canceled Because of Executive Officer's Theft of Employees' Salaries

A \$1.7 million subcontract, managed by the International Organization for Migration (IOM) in Somalia, was canceled after an OIG investigation confirmed that the CEO for the subcontracted company continually stole a percentage of several employees' salaries. Through IOM, the CEO billed USAID for the amount of the employees' salaries, but then forced the employees to give him more than 80 percent of what they earned in cash. After being confronted by OIG investigators, the CEO confessed. Upon learning of the fraud, IOM canceled the subcontract in September 2013. IOM also recovered more than \$34,000 from the company, the total amount the CEO had stolen, with \$24,000 of that returned as a credit to USAID in November 2014. IOM subsequently reimbursed USAID the full amount.

Audit of USAID/Haiti's Protecting the Rights of Children, Women, and Youth Program Report No. I-521-I5-001-P

In Haiti, social, economic, and cultural factors combine to create an environment where gender-based violence and forms of exploitation such as human trafficking, prostitution, and children working as domestic servants can occur. These problems were exacerbated by Haiti's 2010 earthquake, especially for vulnerable children, women, and youth. To improve the safety and security of children, women, and

SIGNIFICANT FINDINGS AND ACTIVITIES

A \$1.7 million subcontract in Somalia was canceled after an OIG investigation confirmed the executive officer's theft of employees' salaries.

OIG's **Audit of USAID/Haiti's Protecting the Rights of Children, Women, and Youth Program** found that it had not achieved any significant results to improve the safety and security of Haitian children, women, and youth. Only 8 percent of the grants had been awarded to local partners, and the largest activity completed was a weeklong summer camp for 100 children funded through a \$100,000 grant. Because of the lack of progress, the implementer agreed to the mission's request to cease all program activities and close out the program.

youth in Haiti, in March 2012, USAID/Haiti awarded a \$22.5 million, 5-year cooperative agreement to Cooperative for Assistance and Relief Everywhere (CARE) Inc.

CARE planned to implement the program as part of a consortium with Save the Children International Haiti and Plan International Haiti; CARE's expertise was in gender integration and gender-based violence, Save's was in child protection, and Plan's was in child-centered community development. The consortium would issue grants to Haitian organizations, service providers, and community groups. These grantees would carry out activities to (1) improve community-based services and support at-risk groups, (2) raise public awareness about key human rights issues, (3) reduce risk factors among at-risk individuals and groups, and (4) reduce the number of family separations that resulted from the earthquake. The program also sought to expand protection of and support for vulnerable populations facing the risks of gender-based violence, human trafficking, sexual exploitation, child labor, and recruitment into gangs and criminal activity.

OIG's audit of the program found that during the program's initial 18 months, CARE had not achieved any significant results. Only 8 percent of the grants had been awarded to local partners, and the largest activity completed was a weeklong summer camp for 100 children funded through a \$100,000 grant. Problems that contributed to the program's poor performance included a broad scope that make it difficult to achieve objectives, limitations in program management because of the type of agreement used, delays in completing the award for the program, omissions in descriptions of two of five expected results, and confusion and disagreements over members' roles and responsibilities, among other issues.

Because of the lack of progress, in December 2013 CARE agreed to cease all program activities and close out the program. USAID reached management decisions on 10 of OIG's 11 recommendations and took final action on all but 2.

Audit of USAID/Peru's ProDecentralization Project

Report No. I-527-15-005-P

In October 2012, USAID/Peru began its third prodecentralization project since the Peruvian Government passed the Decentralization Law in 2002. The main goal of the 5-year, \$12 million project was effective service delivery to marginalized populations in targeted areas of Peru through improved decentralized management. OIG found that the mission was on target to achieve this goal.

The project successfully provided technical assistance in its three focus areas: (1) improving national policies and reform related to decentralization, (2) strengthening government institutions, and (3) enhancing government accountability by making processes and actions more open to the public. As a result of the project's activities, public service delivery in the education, environment, and health sectors improved in the target areas. For instance, the number of days needed to distribute educational materials decreased, the frequency of trash collection services increased, wait times at a health center declined, and patients' medical records were digitized.

Despite these achievements, OIG noted a few problems. The project did not address civil service reform adequately. To alleviate high turnover in civil service jobs, the Peruvian Government passed a civil

service law in 2013. However, OIG found that public service employees had negative impressions of the law because they did not understand it and feared it added additional qualification requirements for their jobs that did not exist previously. Creating a stable workforce through civil service reform is critical to the project's sustainability.

In addition, the project did not involve the private sector, as required by the contract. It did not establish any private sector partnerships to expand activities and improve service delivery, and it achieved only 4 percent of its goal to obtain \$123,000 in private sector funds in the first 2 years of implementation. Private sector involvement would improve sustainability. Finally, some of the indicators used to measure the project's success were not clearly defined.

USAID took final action on OIG's two recommendations.

Bill for Collection Reissued to Azerbaijan Lawyers Confederation and Two of Its Employees Referred for Debarment

In May 2014, USAID/Azerbaijan terminated a cooperative agreement with Azerbaijan Lawyers Confederation (ALC) as a result of an OIG investigation, resulting in a savings of more than \$700,000. The investigation revealed that procurement officers working for the implementer colluded with numerous local vendors that operated from the same location. The vendors submitted fabricated invoices and bids to create the appearance of fair and open competition to sell office furniture, computer equipment, stationery, and catering and cleaning services to ALC. The mission reissued a bill for collection in the revised amount of more than \$28,000. In February 2015, OIG referred the matter for debarment against ALC and two of its employees.

Three Implementer Employees in Southeast Asia Terminated for Procurement Integrity Violations

In October 2012, OIG received allegations of procurement fraud by a USAID implementer that was contracted to automate local courts in Southeast Asia. The allegations involved procurement irregularities in the purchasing of IT equipment and print materials. An OIG investigation determined that several of the contractor's printing and IT procurements were not openly competed and lacked the justifications necessary to be exempt from open competition. As a result of the investigation, an office manager and driver were terminated and an IT director resigned in October 2014. Furthermore, in January 2015, the contractor implemented a number of new procurement and training policies and procedures to ensure future compliance. The investigation is ongoing.

CLIMATE CHANGE IMPACTS AND LOW EMISSIONS GROWTH

USAID's climate change programs work to address issues related to climate change (such as promoting climate-smart planning and clean technologies), conserving biodiversity and forests, securing land tenure and resource rights, promoting sustainable land management and tourism, and ensuring environmental compliance in the implementation of USAID projects.

Audit of USAID/Nepal's Hariyo Ban Program Report No. 5-367-15-003-P

To reduce adverse effects of climate change and threats to biodiversity, USAID/Nepal initiated the 5-year, \$37.4 million Hariyo Ban Program with the World Wildlife Fund (WWF). OIG found that the program was on track to achieve this goal. In addition, most of the activities were on track to achieve the planned outputs.

The program has demonstrated a number of accomplishments in its first 3 years. It identified habitat loss and poaching as threats to biodiversity. To counter the threats, the program formed, trained, and mobilized 131 community-based antipoaching units. These actions resulted in improvements of 4.4 million hectares of grassland, wetland, and forest.

To better sustain the landscape and reduce the need for firewood, the program promoted alternative sources of energy and reported that 47,050 people benefited from these alternative sources and more efficient stoves. Finally, the program helped communities develop plans to help them adjust to the effects of climate change.

SIGNIFICANT FINDINGS AND ACTIVITIES

OIG's **Audit of USAID/Nepal's Hariyo Ban Program** found that the program was on track to reduce the adverse impacts of climate change and threats to biodiversity. The program demonstrated a number of accomplishments to conserve biodiversity, better sustain the landscape, and develop plans to help communities adjust to the effects of climate change.

A U.S. Forest Service subcontractor in Sierra Leone repaid \$773,000 after OIG confirmed an embezzlement scheme in the **Sustainable and Thriving Environments for West African Regional Development (STEWART)** program. OIG referred information to officials of the Sierra Leone Anti-Corruption Commission, which subsequently indicted three individuals on multiple criminal counts. One individual was arrested, and the other two absconded. The Forest Service provided restitution to USAID.

USAID/Vietnam launched the **Environmental Assessments and Remediation Project** to treat dioxin-contaminated soil and sediment at Da Nang Airport and Bien Hoa Airbase. OIG's audit of the project concluded that although some project activities did not meet their intended results and there were some performance management issues, the project is generally on track to achieve its goal. OIG noted some significant accomplishments, including an improved diplomatic relationship between the United States and Vietnam.

For instance, one of the more common threats identified was the increased risk of forest fires, so the program provided training, equipment, and supplies to fight fires. The community adaptation plans reportedly benefited 151,825 people.

OIG did note a few problems that should be addressed to strengthen oversight and expand the program's impact. Some of the performance targets identified early in the planning process were not particularly useful or ambitious and could therefore not effectively assess the program's performance. WWF did not manage funds it loaned through cooperatives sufficiently in various ways: its records were incomplete, it did not have a standard reporting procedure for program income, not all of the funds were used as loans, and there was no limit on allowed administrative expenses by cooperatives.

Furthermore, WWF did not set targets for the Windows of Opportunity Funds, which were permitted initially to fund activities without a formal evaluation process. This inability to track and assess performance is an internal control weakness that increases the risk of misuse or inefficient use of up to \$2.7 million in program funds. Finally, local subrecipients were not audited according to *USAID Standard Provisions*.

USAID made management decisions on OIG's five recommendations and took final action on three.

U.S. Forest Service Subcontractor in Sierra Leone Repaid \$773,000 After OIG Confirmation of Embezzlement Scheme

An OIG investigation confirmed the embezzlement of USAID/West Africa funding for the Sustainable and Thriving Environments for West African Regional Development (STEWARD) program in Sierra Leone. The program was funded through a participating agency program agreement (PAPA) with the U.S. Forest Service (USFS) International Programs Office which then awarded funding to an implementer. OIG, in conjunction with foreign and domestic law enforcement partners, established that the implementer's former administrative and finance manager, the former assistant administrative manager, and the former administrative assistant for general services conspired to falsify cash withdrawal authorizations, among other schemes, to defraud the program. A review conducted by a local audit firm revealed the total value of fraudulent and unsupported expenditures to be more than \$773,000. OIG referred information to officials of the Sierra Leone Anti-Corruption Commission, who subsequently opened an investigation and indicted the three individuals on multiple criminal counts involving the embezzlement of donor funding. One individual was ultimately arrested, and the other two absconded. In addition, the USFS provided restitution to USAID for the full amount identified in the audit report.

Audit of USAID/Philippines' Mangrove Rehabilitation for Sustainably Managed, Healthy Forests Project

Report No. 5-492-15-005-P

According to USAID, mangrove forests provide habitat for fish, protect coastal communities from typhoons and storm surge, and provide wood for cooking and construction. In September 2012, USAID/Philippines began the 5-year, \$7.47 million Mangrove Rehabilitation for Sustainably Managed

Healthy Forests (MARSH) project to improve the adaptive capacity of coastal communities to manage mangrove forests. The project is implemented by the International Union for the Conservation of Nature and Natural Resources. It started in Papua New Guinea, and the mission intended to extend it to Solomon Islands and Vanuatu in the third year.

Despite some limited accomplishments related to training, strengthening capacity for forest carbon monitoring, reporting, and verification, and planting of seedlings, OIG found that the project had achieved few of its objectives to restore degraded-mangrove forests and strengthen community-based, sustainable mangrove forest management and reforestation. For example, it completed only about 10 percent of planned outputs for the second year work plan. As a result of the audit, USAID decided to close all ongoing MARSH activities by the end of FY 2015. This will result in a \$3.8 million program cost reduction that will make those funds available for better use.

OIG noted several problems that kept the project from achieving its objectives. It significantly underestimated costs of operating in Papua New Guinea because it had not conducted a cost-benefit analysis. As a result, the project's design was too ambitious and complicated to cover within the allotted budget. Some targets were unrealistic and unachievable, causing the project to fall significantly short in conducting baseline surveys, vulnerability assessments, and management plans that would have ensured consistent implementation across sites and increased interactions with communities.

The project did not have adequate management controls to oversee activities. It lacked a monitoring and evaluation position, and the award monitoring plan did not address roles, responsibilities, and procedures for monitoring subrecipients. OIG found that the project's data were not valid or reliable, some lacked support, and other data used were collected by applying different methods than those identified in the award monitoring plan. The project did not promote and mark commodities and



Residents in Papua New Guinea do not use a nursery (left) for mangrove seedlings and continue to use mangroves as building materials (right) instead of conserving them. (Photos by RIG/Manila, November 2014)

activities consistently. Finally, the mission did not amend the agreement when necessary—when the mission reduced the project sites from 33 to 23, for instance.

USAID reached management decisions on OIG’s ten recommendations.

Audit of USAID/Armenia’s Clean Energy and Water Project

Report No. 9-III-15-002-P

To introduce a sustainable approach to energy and water management, improve Armenia’s ability to tackle problems posed by climate change, and provide greater local access to clean energy and water, USAID/Armenia started the 4-year, \$5.67 million Clean Energy and Water Project.

OIG found that the project promoted responsible water use and that its demonstration projects have proved successful. For example, the Ararat Valley groundwater study findings prompted the government to take action to prevent illegal water use and make fisheries more responsible. In addition, demonstration projects were coordinated with communities and partners to bring new technology, accessibility, and reliability of energy and water resources to the Armenian people.

However, OIG determined that many challenges existed that could hinder the project’s success and sustainability. OIG noted several problems with project planning. During the planning process, the mission did not integrate lessons learned from previous projects, risk analyses, or comments from the concept paper review team into the project design. In addition, the mission made significant changes to the project’s strategy, deliverables, and activities but did not modify the contract; therefore, expectations and requirements for the project were unclear, and the frequent changes affected the cost, quality, and relevance of the deliverables. Furthermore, the mission was aware of past concerns about the government’s support and risks related to the government’s capacity, but these issues were not considered sufficiently during project planning. Additionally, the Armenian Government may not have the capacity to continue project activities, and the project may not be sustainable.



Some of the projects USAID funded included equipping a medical clinic with a solar air heating system (left) and replacing a village’s corroded steel and cast-iron water pipes (right) with ones made of polyethylene. (Photos by OIG, October 2013)

OIG identified a number of other issues, as well. The project duplicated other activities taking place in the country, salaries may have exceeded approved rates by at least \$131,235, the project documentation was inadequate, and performance monitoring was weak. Furthermore, although funding was obligated for water and energy activities, the project focused primarily on water.

USAID made management decisions on OIG's 16 recommendations and took final action on 10.

Audit of USAID/Vietnam's Environmental Assessments and Remediation Project

Report No.5-440-15-001-P

In September 2009, USAID/Vietnam launched the Environmental Assessments and Remediation Project to treat dioxin-contaminated soil and sediment at Da Nang Airport, and later Bien Hoa Airbase. The highly toxic chemical remains in high concentrations some 50 years after large amounts of Agent Orange, an herbicide, were stored there. OIG conducted this audit to determine whether the project is on track to complete the cleanup of dioxin contamination within the expected time frame and budget.

OIG concluded that the project is generally on track and has made some notable accomplishments. For example, the bilateral cooperation already has improved the diplomatic relationship and working partnership between the United States and Vietnam, an important goal of the project.

Despite the significant accomplishments, OIG determined that several weaknesses need to be addressed. First, the project did not have a formal risk management plan that would help the mission track and address potential risks before they become actual problems. It also would allow the mission to comply with the Office of Management and Budget Circular A-123 on management's responsibilities on internal control. Second, some project activities did not meet their intended results. OIG found that the construction management contractor did not fully implement required capacity-building activities for the Vietnamese Government, and community outreach activities did not fully inform local residents about the purpose of the project.

OIG noted a few other performance management issues. The capacity-building performance measures were not clear, and the targets were unambitious. The mission did not finalize its performance management plan. Finally, the contractor reported some inaccurate, unsupported performance data.

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

FOOD SECURITY

USAID's agriculture and food security programs work to increase food security through Feed the Future (FTF), 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.

Audit of USAID/Honduras's ACCESO Project Report No. I-522-15-003-P

FTF is designed to "improve food security through increasing incomes and reducing undernutrition among the world's poorest, especially women and girls." To implement FTF's initial investment in Honduras, USAID/Honduras awarded Fintrac Inc. a 4-year, \$40.6 million contract to implement the ACCESO project. The goal of the project is to move "rural Honduran households out of extreme poverty and undernutrition by improving their incomes." OIG found that ACCESO had not made significant progress and was unlikely to meet this goal by the end of the project.

ACCESO is on track to meet the targets for 17 of its 25 output indicators. Through March 31, 2014, for instance, 18,862 farmers applied new agricultural technical assistance methods they learned under the project, and 46 public-private partnerships were formed. However, there has been limited progress in achieving its outcome targets.

After 2.5 years of implementation and \$22.6 million spent, the project met only 7 percent of its goal to move 30,000 rural households above the poverty line and 9 percent of its goal to raise 18,000 households

SIGNIFICANT FINDINGS AND ACTIVITIES

USAID/Honduras implemented the **ACCESO project** to move "rural Honduran households out of extreme poverty and undernutrition by improving their incomes." OIG found that ACCESO is unlikely to meet this goal. After 2.5 years of implementation and \$22.6 million spent as of FY 2013, the contractor met only 7 percent of its goal to move 30,000 rural households above the poverty line and 9 percent of its goal to raise 18,000 households above the extreme poverty line.

A former contract employee in Afghanistan was sentenced to 61 months in prison on charges of embezzlement from USAID's Agricultural Development Fund. The investigation uncovered that the subject embezzled more than \$500,000 by diverting the funds to a fictitious bank account.

above the extreme poverty line.¹ Furthermore, Fintrac created only 25 percent of the intended permanent jobs in the communities. The lack of progress on these targets resulted largely from a severe decline in world coffee prices and production caused by the coffee leaf rust pandemic. Additional challenges included unrealistic targets because of a lack of up-to-date data on poverty in the program area when designing the activity, as well as delays in awarding the activity.

OIG identified other problems with the project. USAID/Honduras did not require ACCESO to report on some key activities that track whether households were moving out of poverty. The project did not prepare a formal security plan to ensure the safety of personnel and equipment despite Honduras being considered a high-risk country for crime and violence. Finally, Fintrac's evaluation did not reflect its performance accurately. The company received positive ratings for its first 2 years despite missing certain targets for increasing household income. OIG found the rating misleading and noted it could have a major impact on future awards.

USAID made management decisions on OIG's eight recommendations.

¹ Based on data reported September 30, 2013.

Former Contractor Employee in Afghanistan Sentenced to 61 Months' Imprisonment for Embezzlement

In April 2013, USAID contractor Development Alternatives, Inc. reported that one of its credit administration accountants in Afghanistan embezzled more than \$500,000 from the Agricultural Development Fund, established by a \$100 million grant from USAID to Afghanistan's Ministry of Agriculture, Irrigation, and Livestock. An OIG investigation uncovered that the subject diverted the money to a fictitious bank account. After eluding law enforcement authorities for nearly a year, the subject was arrested in April 2014 by the Afghanistan National Police, working with USAID agents. In December 2014, the subject was found guilty on embezzlement charges and sentenced to 61 months in prison by an Afghanistan court.

Former Contractor Employee Suspended and Arrested on Charges of Soliciting and Receiving Kickbacks and Money Structuring

In May 2012, OIG received allegations of procurement fraud against an IRD employee in Afghanistan working on the Southern Regional Agricultural Development Program, a USAID-funded program meant to increase long-term agricultural development and improve the incomes of farm families in several parts of the country. A joint OIG investigation with SIGAR and the FBI revealed that the subject solicited and accepted bribes from local businesses in exchange for awards. In December 2014, the employee was indicted by a federal grand jury in Dallas, Texas, on three counts of soliciting bribes and one count of conspiracy to commit structuring, a form of money laundering in which cash is broken into smaller deposits to evade currency reporting requirements. In December 2014, the subject was arrested by agents of the USAID OIG, SIGAR, and FBI. The subject has pleaded not guilty, and the case is pending trial. The subject was suspended by the contractor in March 2015.

BUILDING INSTITUTIONAL CAPACITY

To support its mission, USAID must ensure that it has the proper institutional capacity to implement and oversee its programs and activities. USAID Forward is a reform effort intended to lay the foundation so that USAID can effectively address the development challenges of the 21st century.

USAID Forward consists of reforms in the areas of rebuilding policy capacity, restoring budget management, strengthening monitoring and evaluation, leading on innovation, supporting capabilities in science and technology, building local capacity, and attracting and retaining talent.

Audit of USAID Country and Regional Development Cooperation Strategies

Report No. 9-000-15-001-P

Country and regional development cooperation strategies (CDCSs) are intended to help missions determine the kinds of activities they will conduct and the amount of money they will need to do so. CDCSs should help USAID invest resources in countries, regions, or sectors where they are likely to have the greatest impact. OIG found that CDCSs contributed to improved selectivity and focus by limiting the number of development objectives and considering geographic and sectoral focus. For example, one mission was able to focus on the region with the highest poverty and crime rates, and officials at a regional mission avoided duplicating activities of other missions within their purview. OIG also found that CDCSs mostly complied with USAID policy and guidance. For instance, those that were reviewed

SIGNIFICANT FINDINGS AND ACTIVITIES

OIG's Audit of USAID's Financial Statements for Fiscal Years 2014 and 2013 did not express an opinion on the statements because USAID did not adequately support changes it made to some of the accounts in its financial records.

Country and regional development cooperation strategies (CDCSs) are intended to help USAID invest resources in areas where they are likely to have the greatest impact. OIG's audit of USAID's CDCSs found that these strategies did contribute to improved selectivity and focus of Agency activities. However, they were taking longer than expected to develop, and there was some indication that presidential initiatives and earmarks still drove the selection of development objectives.

OIG's Audit of USAID's Progress in Adopting Cloud Computing Technologies concluded that USAID had not implemented selected governance controls for cloud computing services. USAID did not (1) protect personally identifiable information and sensitive but unclassified information from unauthorized disclosure, (2) complete adequate cost-benefit analyses for cloud services, (3) maintain a complete and accurate inventory of cloud computing contracts, and (4) follow best practices for contracting cloud computing services.

were based on evidence, research, and analyses; addressed critical assumptions, risks, and evaluation; and included the required gender and biodiversity analyses.

Despite these achievements, OIG identified some problems. The Bureau for Policy, Planning, and Learning (PPL) reported that 63 of the 108 countries and regional missions were required to have a CDCS. Of the 63, 20 completed a CDCS by the initial deadline. Exemptions were permitted but PPL did not maintain appropriate documentation. It produced exemption documents for only six countries, and three of those did not meet the established exemption criteria. Preparation was further impacted because missions were taking longer than expected to develop a CDCS. The guidance estimated that missions needed between 5 and 7 months to complete strategies, but 10 of the 12 missions OIG reviewed took 22 months on average. The missions identified several causes for the delays, including limited resources, conflicting advice and support from Washington, and numerous changes to the guidance.

Finally, guidance indicated that missions should develop their CDCSs based on activities that address local development priorities, not just on the amount of resources available. Despite this guidance, mission employees reported that the budget played a dominant role in the development of their CDCSs and that presidential initiatives and earmarks drove the selection of development objectives. Furthermore, although CDCSs were supposed to determine the budget, some missions found that budget allocations did not align with their requests.

USAID made management decisions on OIG's six recommendations. OIG did not agree with one because the proposed actions did not address the problem.

Audit of USAID's Financial Statements for Fiscal Years 2014 and 2013

Report No. 0-000-15-001-C

OIG did not express an opinion on USAID's financial statements for fiscal years 2014 and 2013 because we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. USAID recorded over 12,000 entries totaling \$4.2 billion to bring its general ledger into agreement with its subsidiary ledger but was unable to provide sufficient support to validate the adjustments, and we were not able to extend our audit procedures or perform alternative procedures to do so. Despite the adjustments, differences still existed between its general ledger and its subsidiary ledger and a difference of \$158 million remained between USAID and Treasury.

With respect to internal control, OIG identified one deficiency that we consider a material weakness. The material weakness pertains to USAID's processes for reconciling its fund balance with the U.S. Treasury. Additionally, OIG identified five deficiencies in internal control that are considered significant deficiencies. They pertain to USAID's processes for (1) deobligating unliquidated obligations, (2) liquidating advances, (3) supporting payroll deductions, (4) reconciling intragovernmental transactions, and (5) complying with federal accounting standards for reimbursable agreements.

OIG found no instances of substantial noncompliance with federal financial management systems requirements, federal accounting standards, or the U.S. 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. However, OIG reported one significant deficiency in our annual audit of the Agency's compliance with the Federal Information Security Management Act, Report No. A-000-15-003-P, dated October 30, 2014, which was classified as an instance of substantial noncompliance with FFMIA as required by OMB Bulletin 14-02, "Audit Requirements for Federal Financial Statements."

USAID made management decisions on OIG's seven recommendations and took final action on one of them.

Audit of USAID's Application Controls Over Premium Pay in Its WebTA System

Report No. A-000-15-005-P

To avoid overtime abuses, USAID established policies and procedures for employees and supervisors to follow when requesting and approving premium pay. Premium pay consists of overtime, compensatory time, holiday, night differential, and Sunday pay. For employees to earn premium pay, they and their supervisors must follow a four-step procedure in USAID's electronic time and attendance system, webTA.

OIG found that USAID did not have adequate approval procedures in place to reasonably assure the prevention of premium pay abuse. Specifically, the webTA system is configured to allow employees and supervisors to bypass the premium pay submission and approval procedures. Agency officials indicated that some flexibility is needed to assure that payroll payments are made to employees in a timely manner. However, they acknowledged the importance of maintaining adequate approval procedures to avoid overtime abuse.

OIG cites two primary reasons for the internal control weaknesses. First, USAID did not document an approved baseline set of controls for the webTA system. This lack of a baseline configuration has consequences for pay categories beyond just premium pay. Second, there was confusion over which USAID office was responsible for enforcing the rules that govern premium pay.

USAID made management decisions on OIG's four recommendations.

Audit of USAID/Haiti's Internal Control Over Administration of Cost-of-Living Allowances

Report Number I-521-15-002-P

In Haiti, Foreign Service officers and U.S. citizens employed as contractors lead USAID/Haiti's \$2.2 billion reconstruction and development effort. While working in Haiti, these employees and their families face a number of challenges, including lack of adequate local health care, schooling, and transportation. USAID provides a variety of cost-of-living allowances to help employees cope with these personal hardships. OIG determined that USAID/Haiti does not have the appropriate internal controls in place to prevent improper use and calculation of these cost-of-living allowances.

First, USAID/Haiti did not use the required documentation or provide the proper approval for allowance payments. Of the \$1.6 million in employee allowances the mission processed between October 2010 and

September 2013, 57 percent were processed without the required Standard Form (SF)-1190, “Foreign Affairs Application, Grant and Report.” Furthermore, none of the post and separate maintenance allowance claims filed during that time had been approved by the mission’s managers, as required.

Second, some allowances were not paid correctly. OIG found that \$23,518 of \$872,709 in allowance payments were paid incorrectly between October 2010 and September 2011. Errors occurred largely because payments were calculated manually during that time, post allowance rates fluctuated frequently, and managers did not verify allowance eligibility but instead relied on employees to report accurate information. However, OIG noted that these errors significantly decreased in the following years.

In addition, the filing system for employee allowances was poorly organized and not in compliance with the U.S. Government’s archiving policy. The file management practices for allowance applications, claims, and documentary evidence did not comply with USAID guidance, and data pertaining to employee eligibility, approvals, and claim history were scattered throughout mission offices and systems and not readily available.

Finally, employees did not know what allowances were available to them or how to submit a claim properly. There was a lack of training and clear guidance on post allowances, and employees indicated that the information they received was not always clear or correct.

USAID made management decisions on all 11 OIG recommendations and took final action on 1 of them.

Audit of USAID/Guinea’s Systems for Ensuring Appropriate Oversight of Funded Programs

Report No. 7-675-15-003-P

Contracts, grants, and cooperative agreements are the main tools USAID uses to provide its foreign assistance programs to host-country governments and to U.S.-based and foreign organizations. Agency rules and regulations state that foreign NGOs spending more than \$300,000 of USAID funds during the fiscal year are required to have an annual financial audit, and recipients that spend more than \$500,000 throughout the award must have a closeout audit. To make sure the financial audits are monitored properly, missions must maintain a list of all awards in their portfolios. USAID/Guinea’s FY 2013 award list had 48 awards worth about \$135 million. Ten of them, worth \$6 million, were made to foreign organizations or the Guinean Government.

OIG determined that USAID/Guinea did not manage its audit program effectively. For instance, a review of the mission’s award list showed that 22 expired awards dating back to 1999 still appeared in the financial systems with an open status, which mission officials attributed, in part, to high staff turnover. They said that certain closeout procedures, like negotiated indirect cost rate agreement audits, are the responsibility of USAID in Washington and that employees there had not completed them on time.

In addition, the mission did not verify whether some audits were performed in accordance with Agency policies and submitted on time. In one example, an audit was scheduled for completion in September 2013 but was actually finished in June 2014, 9 months later. In this case, mission officials said they believed that the prime recipient was responsible for verifying that audits of subrecipients

were conducted. They also said they did not know they needed to review the statement of work for a subrecipient that spent more than \$300,000 of USAID funds within its fiscal year.

USAID made management decisions on OIG's four recommendations.

Audit of USAID/Senegal's Systems for Ensuring Appropriate Audit Oversight of Funded Programs Report No. 7-685-15-001-P

USAID administers its foreign assistance programs primarily through contracts, cooperative agreements, and grant awards. According to USAID policy—Automated Directives System (ADS) Chapter 591—a mission's primary responsibility is to be sure that awards made to foreign organizations that meet certain criteria are audited. These audits must be conducted in accordance with procedures outlined in the OIG's *Guidelines for Financial Audits Contracted by Foreign Recipients*.

In addition, the mission is required to develop an annual audit list of all awards. Within this list, the mission must identify and include in its audit plan all awards that meet ADS 591 criteria. Furthermore, the mission is responsible for reviewing and approving draft audit contracts before award recipients hire audit firms to be sure they include all procedures outlined in OIG's *Guidelines*, and it must monitor the performance of these audits to ensure that they are submitted to the assigned regional inspector general office (RIG) for review. The report is due to the RIG 9 months after the end of the fiscal year in which the expenditures were incurred. In FY 2013 USAID/Senegal had 18 awards totaling \$35 million that were awarded to foreign recipients. Four of them—worth a total of \$34 million—met the criteria for audits under USAID policy.

The RIG is responsible for providing the mission with a list of approved audit firms the recipient may use to conduct audits. In addition, the RIG performs a desk review of the drafted audit report to confirm that it was conducted in accordance with procedures outlined in OIG's *Guidelines*. OIG conducted this audit to determine whether the mission included in its annual audit plans all recipients from its award list that required a financial audit and whether the financial audits of foreign recipients were performed and submitted in accordance with USAID rules and regulations. OIG determined that the mission did include all recipients that required financial audits in its annual plan, and that it performed and submitted financial audits to the RIG's office in Dakar. However, not all complied fully with USAID policy; some were not performed annually, closeout procedures were not performed, audit contracts were not approved, and some audits were not submitted for review on time.

OIG made three recommendations to help USAID/Senegal improve its internal processes for ensuring appropriate audit oversight of funded programs, and USAID took final action on all of them.

Audit of USAID's Fiscal Year 2014 Compliance With the Federal Information Security Management Act of 2002

Report No. A-000-15-003-P

The Federal Information Security Management Act of 2002 (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. Cotton was required to conduct the audit in accordance with U.S. Government auditing standards. The objective was to determine whether USAID implemented selected minimum security controls for selected information systems in support of FISMA.

The auditors concluded that USAID was not in compliance with FISMA. USAID had not established an effective risk management program to ensure that policies and procedures were assessed and working as intended. Consequently, there were a number of information system weaknesses that, if exploited, could adversely affect the confidentiality, integrity, and availability of USAID's data and information systems. Ultimately, those weaknesses could have a negative impact on the Agency's ability to protect the security of its information or information systems.

USAID made management decisions on OIG's 18 recommendations and took final action on one of them. This report is the first of two addressing USAID's compliance with FISMA.

Audit of USAID's Federal Information Security Management Act of 2002 Action Plan

Report No. A-000-15-004-P

In April 2013, USAID's Office of the Chief Information Officer developed a 3-year action plan to address a significant deficiency in agency-wide security that OIG had identified in its 2012 report on the Agency's compliance with FISMA.

OIG contracted with the independent certified public accounting firm of Cotton & Company LLP to conduct the audit. Cotton was required to conduct the audit in accordance with U.S. Government auditing standards. The objective was to assess USAID's progress in implementing its FISMA action plan.

The auditors concluded that USAID had not fully implemented all activities and related milestones identified in the plan. Cotton reported that USAID had completed 16 of 48 activities tracked in its May 2014 status report.

USAID made management decisions on OIG's four recommendations to improve USAID's FISMA action plan. This report is the second of two addressing USAID's FISMA compliance.

Audit of USAID's Progress in Adopting Cloud Computing Technologies

Report No. A-000-15-006-P

The objective of OIG's audit of USAID's progress in adopting cloud computing technologies was to determine whether USAID implemented selected governance controls over its cloud computing services in accordance with federal guidelines. According to National Institute of Standards and Technology Special Publication (NIST SP) 800-144, cloud computing is "a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g., network,

service, storage, applications and services) that can be provisioned rapidly and released with minimal management effort or service provider interaction.” The cloud-computing project proposal of the Council of Inspectors General on Integrity and Efficiency stated, “Cloud computing offers the potential for significant cost savings through faster deployment of computing resources, a decreased need to buy hardware or build data centers, and enhanced collaboration capabilities.”

OIG concluded that USAID had not implemented selected governance controls for cloud computing services. For example, USAID did not (1) protect personally identifiable information and sensitive but unclassified information from unauthorized disclosure, (2) complete adequate cost-benefit analyses for cloud services, (3) have a complete and accurate inventory of cloud computing contracts, or (4) follow best practices for contracting cloud computing services.

USAID made management decisions on 16 of OIG’s 18 recommendations and planned to address the remaining 2 in the future.

Audit of USAID’s Implementation of Key Components of a Privacy Program for Its Information Technology Systems

Report No. A-000-15-001-P

The Privacy Act of 1974, as amended, defines the rights and responsibilities for maintaining, protecting, and disclosing personal information. The act requires that agencies publish notices describing systems of records, make reasonable efforts to maintain accurate, relevant, timely and complete records about individuals, and manage those records in a way to ensure fairness to individuals in agency programs.

OIG conducted this audit to determine whether USAID implemented key components of a privacy program for its IT systems to mitigate the risk of violations against key privacy requirements. For this audit, “key components” of a privacy program are privacy management structures, including clear assignment of roles and responsibilities; policies and procedures, awareness and training; and monitoring for compliance.

OIG found that USAID did not implement these key components. For example, the Agency did not designate a senior agency official for privacy. Therefore, the Agency did not have a senior-level individual responsible for making sure it complies with privacy laws, regulations, and policies. The Agency also did not fully provide basic privacy training or role-based privacy training. Thus, employees may not know how to handle personally identifiable information (PII), which puts the Agency at risk of privacy breaches and incidents. In addition, employees who regularly handle PII may not have the knowledge and skills needed to protect the information and therefore are at risk of causing a breach.

OIG also determined that the Agency did not have complete system of records notices for three of four judgmentally selected systems. Individuals cannot have an opportunity to review their records for accuracy if they are unaware that a system of records exists. Further, any officer or employee who willfully maintains a system of records without meeting the Privacy Act of 1974, as amended, is guilty of a misdemeanor and may be fined up to \$5,000. USAID did not post privacy notices for six judgmentally selected third-party Web sites that made PII available to the Agency. People may not understand the

potential impact on their privacy when they use third-party Web sites that make their PII available to the Agency. Privacy impact assessments were also incomplete for its third-party Web sites. Thus, USAID did not make sure that it collected information in conformance with applicable legal, regulatory, and policy requirements. Moreover, it did not require in its privacy impact assessment procedures that the assessments address how people can grant consent to provide information for particular uses. Members of the public may not have been fully aware that certain actions they take may imply their consent.

USAID also did not address all requirements in the Agency's privacy breach notification procedures. Therefore, USAID's Breach Response Team may not fully understand how to handle a privacy breach. Working links were also not provided on the Agency's external Web site to system of record notices and the privacy impact assessment for AIDNet, the Agency's computer network. Thus, the public may not be aware of what PII the Agency is collecting or how it collects, uses, and stores PII in AIDNet. It also did not update its electronic records disposition schedule. As a result, USAID cannot ensure that Agency officials know when to dispose of electronic records that contain PII.

Most of the weaknesses identified can be attributed to three underlying causes. USAID did not make its privacy program a priority within the organization, it had a material weakness because of its decentralized IT security program, and it allocated a questionable level of resources to the privacy program. OMB Circular A-123, Management's Responsibility for Internal Control (December 21, 2004), defines a material weakness as a control deficiency that the agency head determines to be significant enough to report outside of the agency.

USAID made management decisions on OIG's 34 recommendations and took final action on 11.

TABLES: U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Significant Recommendations Described Previously Without Final Action USAID October 1, 2014 March 31, 2015

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	25	11/9/10	8/31/15
0-000-11-001-C	Audit of USAID's Financial Statements for Fiscal Years 2010 and 2009	11/12/10	1	11/12/10	12/31/15
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 Firm 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	23 24	11/15/11 11/15/11	6/30/17 12/31/15
A-000-12-004-P	Audit of USAID's Contracts for Cloud Computing Services	4/12/12	3	4/12/12	7/31/15
4-615-12-011-P	Audit of Commodities Funded Under the President's Malaria Initiative in Kenya	6/28/12	1	6/28/12	6/30/15
9-000-12-005-P	Audit of USAID's Small Business Utilization Practices	9/27/12	9	9/27/12	9/30/15
6-263-13-002-P	Audit of USAID/Egypt's Transition Support Grants Program	10/22/12	6**	10/22/12	9/30/15

**Significant Recommendations Described Previously Without Final Action
USAID
October 1, 2014 March 31, 2015**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
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	12/31/15
			6.1	11/14/12	12/31/15
			6.2	11/14/12	12/31/15
			6.5	11/14/12	12/31/15
			10.3	11/14/12	12/31/15
			10.4	11/14/12	12/31/15
			13.1	11/14/12	12/31/15
			15	11/14/12	2/28/16
			16.2	11/14/12	2/28/16
			20	11/14/12	8/28/15
4-621-13-003-P	Audit of USAID-Funded Net Distribution Activities Implemented by Mennonite Economic Development Associates in Tanzania	11/15/12	8	11/15/12	6/14/15
0-000-13-001-C	Audit of USAID's Financial Statements for Fiscal Years 2012 and 2011	11/16/12	1	11/16/12	12/31/15
			3	11/16/12	9/30/15
4-962-13-004-P	Audit of USAID's Internal Controls Over Prepositioned Food Assistance for the Horn of Africa	1/7/13	3	2/19/13	3/1/16
6-278-13-001-S	Review of USAID/Jordan's Cash Transfer Activities	1/31/13	10	1/31/13	8/15/15
			11	1/31/13	8/15/15
4-654-13-006-P	Audit of USAID/Angola's HIV/AIDS Activities	3/5/13	10***	9/5/13	9/30/15
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	6/30/16
4-612-13-010-P	Audit of USAID's Agricultural Programs in Malawi	7/30/13	5	7/30/13	4/7/15
A-000-13-005-P	Audit of the Cost and Security Policies and Procedures for USAID's Mobile Devices	9/17/13	3	9/17/13	4/30/15
			4	9/17/13	4/30/15
			5	9/17/13	4/30/15
			6	9/17/13	12/31/15
			9	9/17/13	9/14/15
			11	9/17/13	8/31/15
			18	9/17/13	12/31/15
			20	9/17/13	5/1/15
			21	9/17/13	5/1/15
23	9/17/13	6/1/15			

**Significant Recommendations Described Previously Without Final Action
USAID
October 1, 2014 March 31, 2015**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
9-000-13-005-P	Audit of USAID's Defense Base Act Insurance Program	9/18/13	2	9/18/13	8/30/15
			4	9/18/13	8/30/15
			5	9/18/13	6/30/15
A-000-14-001-P	Audit of USAID's Fiscal Year 2013 Compliance With the Federal Information Security Management Act of 2002	10/15/13	1	10/15/13	6/30/15
			5	10/15/13	4/30/15
			6	10/15/13	6/1/15
			7	10/15/13	12/31/15
I-520-14-002-P	Audit of USAID/Guatemala's Multi-Sector Alliances Program	11/26/13	8	11/29/13	4/30/15
			9	10/15/13	6/1/15
0-000-14-001-C	Audit of USAID's Financial Statements for Fiscal Years 2013 and 2012	12/16/13	1	12/16/13	12/31/15
			2	12/16/13	9/30/15
4-962-14-002-P	Audit of USAID's Food Security Program in Madagascar	1/7/14	3	1/7/14	6/30/15
			5	1/7/14	6/30/15
			9	1/7/14	6/30/15
			13	1/7/14	4/7/15
			17	1/7/14	6/30/15
I-521-14-005-P	Audit of USAID/Haiti's Improved Cooking Technology Program	3/3/14	12	3/3/14	4/15/15
I-521-14-007-P	Audit of USAID/Haiti's New Settlement Construction Activities	4/14/14	1	4/14/14	4/30/15
			2	4/14/14	4/30/15
			3	4/14/14	4/30/15
			4	4/14/14	11/30/15
			5	4/14/14	7/30/15
			6	4/14/14	4/30/15
			7	4/14/14	4/30/15
6-294-14-007-P	Audit of USAID/West Bank and Gaza's Partner Vetting and Geo-Management Information Systems	4/23/14	1	4/23/14	4/23/15
			2	4/23/14	4/23/15
			3	4/23/14	12/31/15
			4	4/23/14	4/23/15
			5	4/23/14	4/23/15
			6	4/23/14	4/23/15
			7	4/23/14	4/23/15
			8	4/23/14	4/23/15
			9	4/23/14	4/23/15
			12	4/23/14	4/23/15
			13	4/23/14	4/23/15
			17	4/23/14	6/30/15
			19	4/23/14	4/23/15
			32	4/23/14	4/23/15
34	4/23/14	4/23/15			

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I-521-14-008-P	Audit of USAID/Haiti's Health Infrastructure Program	4/25/14	1	4/25/14	4/1/15
			3	4/25/14	4/1/15
			4	4/25/14	4/1/15
			5	4/25/14	4/1/15
			6	4/25/14	4/1/15
			7	4/25/14	4/30/15
			5-176-14-003-P	Audit of USAID/Central Asian Republics' Quality Health Care Project	4/30/14
3	4/30/14	4/30/15			
4	4/30/14	4/30/15			
5	4/30/14	4/30/15			
1-520-14-009-P	Audit of USAID/Guatemala's Violence Prevention Project	5/15/14			
2			5/15/14	5/15/15	
3			5/15/14	5/15/15	
4			5/15/14	5/15/15	
6			5/15/14	5/15/15	
8			5/15/14	5/15/15	
9			5/15/14	5/15/15	
I-527-14-010-P	Audit of USAID/Peru's Health Policy and Healthy Communities and Municipalities II Activities	5/15/14	1	5/15/14	6/30/15
			6	5/15/14	4/30/15
			7	5/15/14	4/30/15
4-687-14-005-P	Audit of USAID/Madagascar's Procurement and Distribution of Long-Lasting Insecticide-Treated Nets Under the President's Malaria Initiative	5/20/14	1	5/20/14	5/31/15
8			9/3/14	10/30/15	
9-121-14-002-P	Audit of USAID's Strengthening Civil Society in Ukraine Project	5/29/14	3	5/29/14	5/28/15
F-306-14-003-P	Audit of USAID/Afghanistan's Afghan Civilian Assistance Program II	6/10/14	4	6/10/14	6/10/15
6-294-14-009-P	Audit of USAID/West Bank and Gaza Education Programs Implemented by America-Mideast Educational and Training Services Inc. (AMIDEAST)	6/12/14	5	6/12/14	6/30/15
9-000-14-002-S	Evaluation of USAID's Implementation of Executive Order 13526, Classified National Security Information	7/25/14	8	7/25/14	4/30/15
			10	7/25/14	5/31/15

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7-675-14-003-P	Audit of USAID/Guinea's Elections and Political Process Strengthening Program III	7/31/14	1	1/13/15	5/31/15
			2	7/31/14	5/31/15
			3	7/31/14	5/31/15
			4	7/31/14	5/31/15
			5	1/13/15	5/31/15
			6	7/31/14	5/31/15
1-518-14-012-P	Audit of USAID/Ecuador's Sustainable Forests and Coasts Program	7/31/14	3	7/31/14	4/30/15
A-000-14-005-P	Audit of USAID's Use of System Administrator Roles	8/5/14	3	8/5/14	5/30/15
			4	8/5/14	7/31/16
			5	8/5/14	7/8/15
4-621-14-007-P	Audit of USAID/Tanzania's HIV Treatment Activities	8/14/14	1	8/14/14	4/30/15
			4	8/14/14	4/30/15
			6	3/17/15	4/30/15
			7	8/14/14	4/30/15
			9	8/14/14	4/30/15
9-000-14-003-P	Audit of the Office of Development Credit's Compliance With Federal Regulations and Guidance	8/19/14	1	10/17/14	9/1/15
			2	10/17/14	9/1/15
			3	10/17/14	9/1/15
			4	10/17/14	9/1/15
			5	10/17/14	9/1/15
			6	10/17/14	9/1/15
			7	10/17/14	9/1/15
5-486-14-004-P	Audit of USAID/Regional Development Mission for Asia's Behavior Change Communication for Infectious Disease Prevention Project	9/5/14	1	9/5/14	8/31/15
			4	9/5/14	8/31/15
			5	9/5/14	8/31/15
			6	9/5/14	8/31/15
			7	9/5/14	7/31/15
F-306-14-003-S	Follow-Up on a Department of Defense Audit of Commander's Emergency Response Program Funds Provided to USAID/Afghanistan	9/7/14	1	9/7/14	9/7/15
			2	9/7/14	9/6/15
			3	9/7/14	6/30/15
			4	9/7/14	9/7/15
			5	9/7/14	6/30/15
5-497-14-006-P	Audit of USAID/Indonesia's Strengthening Integrity and Accountability Program I	9/12/14	5	9/12/14	09/30/15

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4-668-14-008-P	Audit of USAID/South Sudan's Management of Nonexpendable Property	9/30/14	1	9/30/14	4/15/15
			2	9/30/14	4/15/15
			3	9/30/14	4/30/15
			4	9/30/14	4/15/15
			5	9/30/14	4/15/15
			6	9/30/14	4/30/15
			7	9/30/14	4/30/15
			8	9/30/14	4/30/15
			9	9/30/14	4/30/15
			10	9/30/14	4/30/15
9-000-14-003-S	Review of USAID's Past Performance Evaluations for Partners	9/30/14	1	9/30/14	9/30/15
			2	9/30/14	9/30/15
			3	9/30/14	9/30/15
			4	9/30/14	9/30/15
			5	9/30/14	9/30/15
			6	9/30/14	9/30/15
			7	9/30/14	9/30/15
1-598-14-001-S	Review of Stage 2 Risk Assessments for the Latin America and Caribbean Region Under Local Solutions	9/30/14	1	9/30/14	6/30/15
			2	9/30/14	6/30/15

* Entered into a repayment plan with the Agency.

** With Treasury for further collection.

*** Recipient appealed questioned costs to the Procurement Executive.

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Foreign Government				
I-532-15-019-R	3/9/15	Audit Report No. I-532-15-019-R, Audit of Program Assistance No. 532-HE-2010-AA for the "National HIV/STI Programme," Managed by the Ministry of Health (MOH), for the Period From October 1, 2011, to June 30, 2013	13 8	QC UN
I-522-15-020-R	3/9/15	Audit of the Agreement No. 522-0450 "Assistance for the Health Program," PIL No. 10 for the Period From October 1, 2012, to September 30, 2013, PIL No. 7, 11, and 14 for the Period From January 1, 2013, to September 30, 2013, and PIL No 13 for the Period From May 1, 2013, to December 31, 2013; Managed by the Honduran Secretariat of Health Through the Unit for Extension of Coverage and Funding (UECF)	550 282	QC UN
5-367-15-002-N	10/28/14	Financial Audit of USAID Resources Managed by the Department of Health Services, Government of Nepal, Under USAID Assistance Agreement No. 367-012, Implementation Letter No. 3.3, for the Period From July 17, 2011, to July 15, 2012	8 1	QC UN
F-306-15-002-N	10/22/14	Audit of the Fund Accountability Statement of the Agriculture Development Fund Implemented by the Ministry of Agriculture, Irrigation and Livestock Under Award Number 306-IL-12-0AG-16 for the Period From July 18, 2010, to December 30, 2013	392	QC
F-306-15-014-N	1/15/15	Closeout Audit of USAID Resources Managed by the Government of the Islamic Republic of Afghanistan, Ministry of Finance, Under the Salary Support Program, Implementation Letters No. 306-IL-10-06-01 and 306-IL-10-06-02, for the Period From October 1, 2010, to February 18, 2012	686 686	QC UN
F-306-15-019-N	1/26/15	Audit of USAID Resources Managed by the Ministry of Education Under the Basic Education, Literacy and Technical-Vocational Education Program, Implementation Letter No. 306-IL-12-07-20, for the Period From November 16, 2011, to December 20, 2013	2,403	QC
Programs and Operations				
0-000-15-001-C	11/17/14	Audit of USAID's Financial Statements for Fiscal Years 2014 and 2013	47,000	BU

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Foreign-Based Organizations				
I-522-15-001-R	10/1/14	Audit of the Cooperative Agreement No. AID-522-A-11-00001 for the “Decentralization Enabling Environment (DEE) Project,” Managed by the Federation of Non-Governmental Organizations for the Development of Honduras (FOPRIDEH), for the Period From January 1, 2013, to December 31, 2013	4	QC
I-526-15-002-R	10/2/14	Closeout Audit of Cooperative Agreement No. AID-526-A-10-00003 “Support Governmental Reform to Improve Management and Policy Making Systems,” Managed by Gestion Ambiental (GEAM), for the Period From January 1, 2013, to December 31, 2013	10	QC
I-526-15-003-R	10/6/14	Closeout Audit of the Program “Supporting Reforms in the Paraguayan Justice Sector Aimed at Increasing Transparency and the Rule of Law” No. 526-A-10-00005; Managed by the Fundación Comunitaria Centro de Información y Recursos Para el Desarrollo (CIRD), for the Period From January 1, 2013, to December 31, 2013	2	QC
I-538-15-004-R	10/22/14	Audit of the Fund Accountability Statement of Grant No. 538-LSSAG-538-2011-001 “Reducing the Risks to Human and Natural Assets Resulting from Climate Change” and Grant No. 538-LSS-GA-538-2011-002 “Reforms to the Juvenile Justice System,” Managed by the Organization of Eastern Caribbean States (OECS), for the Period From July 1, 2012, to June 30, 2013, and October 12, 2011, to June 30, 2013, respectively		
I-514-15-005-R	10/28/14	Audit of the Cooperative Agreement No. AID-514-A-09-00004 for the “Strengthen the Institutional Capacity and Governance of Colombia’s Protected Areas for Long-Term Environmental Conservation, Community and Cultural Preservation and Improved Livelihoods,” Managed by PATRIMONIO NATURAL - (Fondo para la Biodiversidad y Areas Protegidas), for the Period From January 1, 2013, to December 31, 2013		
I-514-15-006-R	10/28/14	Audit of the Cooperative Agreement No. AID-514-A-13-00001 for the “Inclusion for Community Development,” Managed by Fundación Saldarriaga Concha, for the Period From January 30, 2013, to December 31, 2013		

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I-520-15-007-R	11/6/14	Audit of the Fund Accountability Statement of the "Project of Rural Value Chains," Cooperative Agreement No. AID-520-A-12-00004, Managed by the Asociación Nacional del Cafe (ANACAFE), for the Period From May 31, 2012, to December 31, 2013	620 578	QC UN
I-522-15-008-R	11/6/14	Audit of the Fund Accountability Statement Under the Assistance Agreement No. 522-0441, for the Community Led Infrastructure Program of the Merida Initiative and the Central America Regional Security Initiative (MERIDA/CARSI); Managed by the Honduran Social Investment Fund (FHIS) Through the Directorate of Major Infrastructure (DIM), for the Period From January 1, 2013, to December 31, 2013		
I-526-15-009-R	12/2/14	Audit of the Fund Accountability Statement of Cooperative Agreement No: AID-526-A-12-00002 "Restoring the Monday River Forest Landscape," Managed by Asociación a Todo Pulmon Paraguay Respira (ATP), for the Period From May 7, 2012, to December 31, 2013	5	QC
I-517-15-010-R	12/4/14	Audit of the Fund Accountability Statement of Cooperative Agreement No: 517-A-00-10-00100-00 "Basic Education USAID/AMCHAMDR," Managed by the American Chamber of Commerce of the Dominican Republic, Inc. (AMCHAMDR), for the Period From January 1, 2013, to December 31, 2013	1	QC
I-517-15-011-R	12/4/14	Audit of the Fund Accountability Statement of Cooperative Agreement No: 517-A-12-00002 "AT-RISK Youth Activity/Young Alert," Managed by ENTRENA, SRL, for the Period From January 1, 2013, to December 31, 2013	20	QC
I-522-15-012-R	12/10/14	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 April 1, 2013, to January 31, 2014		
I-517-15-013-R	12/10/14	Closeout Audit of the Fund Accountability Statement of Cooperative Agreement No: 517-A-12-00001 "Sustainable Tourism Empowerment," Managed by Consorcio Dominicano de Competitividad Turística, Inc. (CDCT), for the Period From January 1, 2013, to April 30, 2014		

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I-521-15-014-R	12/18/14	Audit of the Fund Accountability Statement of Cooperative Agreement No: AID-521-A-12-00003 "Support for and Empowerment of Vulnerable Women (CSWS and Rape Victims) in High Risk Environments," Managed by Les Centres GHESKIO, for the Period From December 29, 2011, to December 31, 2013	2	QC
I-524-15-015-R	12/23/14	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, 2013	233 233	QC UN
I-519-15-016-R	1/30/15	Audit of the "Entrepreneurs Program Superate," Cooperative Agreement No 519-A-10-00002 Between the U.S. Agency for International Development (USAID) and Fundación Sagrera Palomo, for the Period From January 1, 2013, to December 31, 2013	0	QC
I-527-15-017-R	1/13/15	Closeout 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 January 1, 2013, to February 15, 2014	4	QC
I-524-15-018-R	2/10/15	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 Nicaragüense Para el Desarrollo Económico y Social (FUNIDES), for the Period From January 1, 2013, to December 31, 2013	12	QC
I-527-15-021-R	3/9/15	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-11-00007, Managed by Fundación Arcangeles Para la Rehabilitación Integral for the Period From January 1, 2013, to December 31, 2013		

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I-527-15-022-R	3/9/15	Closeout Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-527-A-12-00004 "Effective and Transparent Congress," Managed by Transparencia, for the Period From June 8, 2012, to June 7, 2014		
I-527-15-023-R	3/11/15	Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-527-A-12-00005 for the "Active Schools in Ucayali and San Martin: Methodology to Improve the Educational Quality in Alternative Development Communities Program" Managed by CEPSCO, for the Period From July 1, 2012, to December 31, 2013	3	QC
I-596-15-024-R	3/11/15	Audit of the Fund Accountability Statement of the Cooperative Agreement No. AID-596-A-13-00001 "Program Youth and Community Development in El Salvador, Guatemala, and Honduras," for the Period From October 19, 2012, to December 31, 2013, and Cooperative Agreement No. AID-519-A-12-00003 Subagreement PIF-001 "Project Investment for the Future" for the Period From January 1, 2013, to December 31, 2013; Managed by Fundación Crisalida Internacional		
I-527-15-025-R	3/17/15	Audit of the Strategic Objective Agreement No. 527-0423 and 527-0426, Managed by the Comisión Nacional Para el Desarrollo y Vida Sin Drogas (DEVIDA) for the Period From January 1 to December 31, 2013	59	QC
3-121-15-001-R	10/15/14	Audit Report of All-Ukrainian Charitable Organization "Municipal Development Institute" (MDI) Under Sub-Agreement No. 4008-MDI-CR and USAID Cooperative Agreement No. AID-121-A-13-00002 for the Year Ended December 31, 2013		
3-000-15-002-R	10/16/14	Audit Report of Action Contre La Faim (ACF) Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2013	9	QC
3-000-15-003-R	10/22/14	Audit of Norwegian Refugee Council (NRC) Under USAID Multiple Agreements for the Year Ended December 31, 2013	3 3	QC UN
3-000-15-004-R	10/22/14	Audit Report of Medair Under USAID Multiple Agreements for Fiscal Year (FY) ended December 31, 2011	29 2	QC UN

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3-000-15-005-R	10/27/14	Audit Report of GOAL Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2013		
3-000-15-006-R	11/3/14	Audit of VSF Germany - Under Multiple Agreements for Fiscal Year (FY) December 31, 2013		
3-000-15-007-R	11/12/14	Audit of Solidarités International (SI) Under USAID Multiple Agreements for the Year Ended December 31, 2013	21 20	QC UN
3-000-15-008-R	11/14/14	Audit of Save the Children Fund UK 9SCUK) Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2012	164 164	QC UN
3-000-15-009-R	11/14/14	Audit of Deutsche Welthungerhilfe e.V. (DW) Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2012	284	QC
3-000-15-010-R	11/18/14	Closeout Audit of Humedica e.V. Under USAID Agreement No. AID-OFDAG-12-00082 for the Period January 1, 2013, Through November 30, 2013	26 26	QC UN
3-121-15-011-R	11/20/14	Closeout Audit of All Ukrainian Public Organization "Civic Network" OPORA" Under Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2013	2	QC
3-000-15-012-R	11/20/14	Audit of KNCV Tuberculosis Foundation (KNCV) Under USAID Agreement Nos. GHS-A-00-05-00019-00 and AID-OAA-A-10-00020 for the Fiscal Year (FY) Ended September 30, 2011		
3-121-15-013-R	11/24/14	Audit of East Europe Foundation (EEF) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2013		
3-000-15-014-R	12/17/14	Audit of Norwegian People's Aid Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 1, 2012	5	QC
3-000-15-015-R	1/5/15	Audit of Danish Refugee Council (DRC) Under Multiple USAID Agreements for Fiscal Year (FY) Ended December 31, 2013		
3-000-15-016-R	1/26/15	Audit of Fondation Terre des Hammes (TOH) Under USAID Agreement Nos. DFDG-00-08-00109-00 and 182-A-00-03-00103-00 for the Fiscal Year (FY) Ended December 31, 2008		
3-000-15-017-R	1/26/15	Audit of Practical Action Under USAID Agreements nos. AID-OFDA-G-12-00134 and AID-OFDA-A-12-00015 for Fiscal Year (FY) Ended March 31, 2014		

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3-000-15-018-R	1/26/15	Audit of Oxfam GB (OGB) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended March 31, 2014	4 4	QC UN
3-000-15-019-R	1/28/15	Audit of ZOA Under Multiple Agreements for Fiscal Year (FY) Ended December 31, 2013		
3-000-15-020-R	2/25/15	Audit of Cooperazione Internazionale (COOPI Under USAID Agreement Nos. 623-A-00-03-00079-00 and 623-A-00-09-00009-00 for the Fiscal Year (FY) Ended December 31, 2008		
3-000-15-021-R	3/2/15	Audit of The Mentor Initiative (TMI) Under Multiple Agreements for Fiscal Year (FY) Ended September 30, 2012	3 3	QC UN
3-000-15-022-R	3/19/15	Audit of Federation Handicap International (FHI) Under Multiple Agreements for Fiscal Year (FY) Ended December 31, 2010		
3-000-15-023-R	3/17/15	Audit of KNCV Tuberculosis Foundation (KNCV) Under USAID Agreement Nos. GHS-A-00-05-00019-00 and AID-OAA-A-10-00020 for Fiscal Year (FY) Ended September 30, 2012		
4-674-15-001-N	10/28/14	Agency Contracted Audit of USAID Resources Managed by Siyjabula SiyaKhula Under Cooperative Agreement No. AID-674-A-12-00025 for the Year Ended December 31, 2013	154 144	QC UN
4-674-15-001-R	10/6/14	Audit of USAID Resources Managed by Anova Health Institute Under Cooperative Agreement Nos. 674-A-00-08-00009-00 (Closeout), 674-A-12-00015, 674-A-12-00028 and Johns Hopkins Health and Education in South Africa Under Subaward No. JHHESA-01-09 for the Year Ended September 30, 2013		
4-674-15-002-R	10/6/14	Audit of USAID Resources Managed by Witkoppen Health and Welfare Centre (WHWC) Under Cooperative Agreement No. AID-674-A-12-00033 and Subaward No. AID-674-A-12-00020 Under Right to Care for the Year Ended September 30, 2013		
4-674-15-003-R	10/7/14	Audit of USAID Resources Managed by Regional Psychosocial Support Initiative (REPSSI) Under Cooperative Agreement No. AID-674-A-13-00004 for the 14 Month Period Ended December 31, 2013	4	QC

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4-621-15-004-R	10/9/14	Audit of USAID Resources Managed by the Ministry of Health and Social Welfare - Primary Health Care Institute (PHCI) Iringa Under the Strategic Objective Grant Agreement No. 621-0011.01, Implementation Letter No. 44 and 46 for the Year Ended June 30, 2013		
4-617-15-005-R	10/10/14	Audit of USAID Resources Managed by Hospice Africa Uganda Under Cooperative Agreement No. 617-A-00-05-00010-00 for the Year Ended March 31, 2013	7 2	QC UN
4-611-15-006-R	10/14/14	Closeout Audit of USAID Resources Managed by Development Aid from People to People Under Cooperative Agreement No. 611-A-00-09-00001-00, School WASHE and Quality Education Program for the Period January 1, 2012, Through September 30, 2013	52	QC
4-674-15-007-R	10/14/14	Closeout Audit of USAID Resources Managed by Grassroot Soccer South Africa Under Cooperative Agreement No. 674-12-00007-00 Skillz Health Initiative for the Period From February 22, 2012, Through March 31, 2013		
4-621-15-008-R	10/17/14	Audit of USAID Resources Managed by the Ministry of Health - Zanzibar Malaria Elimination Program (ZAMEP) Under the Strategic Objective Grant Agreement No. 621-0011.01, Implementation Letter No. 39 and 45 for the Year Ended June 30, 2013		
4-621-15-009-R	10/17/14	Audit of USAID Resources Managed by the Ministry of Health and Social Welfare - Centre for Educational Development in Health Arusha (CEDHA) Under the Strategic Objective Grant Agreement No. 621-0011.01, Implementation Letter No. 42 and 47 for the Year Ended June 30, 2013		
4-613-15-010-R	10/17/14	Audit of USAID Resources Managed by Southern African Parliamentary Support Trust Under Cooperative Agreement No. 613-A-12-00005 for the Year Ended September 30, 2013	11	QC
4-612-15-011-R	10/20/14	Audit of USAID Resources Managed by Baylor College of Medicine Children's Foundation Malawi Under Cooperative Agreement No. 674-A-00-10-00093-00, Tingathe Program, and Cooperative Agreement No. 674-A-00-10-00035-00, EQUIP Program, for the Year Ended September 30, 2013		

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4-621-15-012-R	10/20/14	Audit of USAID Resources Managed by the Ministry of Health and Social Welfare–Kigoma Zonal Training Centre (KZTC) Under the Strategic Objective Grant Agreement No. 621-0011.01, Implementation Letter No. 43 and 48 for the Year Ended June 30, 2013		
4-613-15-013-R	10/20/14	Audit of USAID Resources Managed by Tree of Life Trust Under Cooperative Agreement No. AID-613-A-13-00001 for the Period From December 6, 2012, Through December 31, 2013	2	QC
4-612-15-014-R	10/21/14	Audit of USAID Resources Managed by Banja La Mtsogolo Under Cooperative Agreement No. AID-612-A-12-00001 for the Period November 1, 2011, Through December 31, 2012		
4-696-15-015-R	10/21/14	Audit of USAID Resources Managed by FXB Rwanda Under Cooperative Agreement No. AID-696-A-12-00004, Turengere Abana Program for the Period From September 12, 2012, Through December 31, 2013		
4-696-15-016-R	10/23/14	Audit of USAID Resources Managed by Society for Family Health Rwanda Under Agreement No. 696-A-13-00001, Rwanda Social Marketing Program for the Year Ended December 31, 2013	3	QC
4-613-15-017-R	10/23/14	Closeout Audit of USAID Resources Managed by Zimbabwe Election Support Network Under Cooperative Agreement No. AID-613-A-12-00001 for the Year Ended January 31, 2014	8	QC
4-613-15-018-R	10/23/14	Audit of USAID Resources Managed by Zimbabwe Lawyers for Human Rights Under Cooperative Agreement No. 613-A-12-00010, Legal Services, Education, and Advocacy to Ensure Protection of Human Rights Defenders Program for the 15 Months Ended December 31, 2013	42 42	QC UN
4-615-15-019-R	10/27/14	Audit of USAID Resources Managed by African Medical Research Foundation (AMREF) Kenya for Aphia Plus Northern Arid Lands Service Delivery (IMARISHA) Under Cooperative Agreement No. AID-623-A-12-00015, Aphia Plus Health Service Delivery Project, Rift Valley Zone 3 Under Cooperative Agreement No. AID-623-A-11-00007 (Subagreement No. FCO# 0569.0002/616010), and Aphia Plus Kamili Under Subagreement No. 11-SBA-016 for the Year Ended September 30, 2013	60	QC

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4-615-15-020-R	10/27/14	Audit of USAID Resources Managed by Uraia Trust Under Cooperative Agreement No. AID-623-A-12-00020 for the Year Ended December 31, 2013		
4-613-15-021-R	10/28/14	Audit of USAID Resources Managed by Organization for Public Health Interventions and Development Trust Under Cooperative Agreement No. AID-613-A-12-00003 for the Year Ended September 30, 2013	1,400 1,182	QC UN
4-617-15-022-R	10/28/14	Audit of USAID Resources Managed by Uganda Health Marketing Group Under Cooperative Agreement No. AID-617-A-12-00007 and Subgrants 2000127244, UG-00-9-290-02114-0-00, and With Plan International Under AID-617-A-12-00005 for the Period September 26, 2012, Through September 30, 2013		
4-615-15-023-R	11/13/14	Audit of USAID Resources Managed by Inuka Kenya Trust Under Cooperative Agreement No. AID-623-A-12-00012 and AID-623-A-11-00026 (Closeout) for the Period January 1, 2012, Through December 31, 2013	44	QC
4-623-15-024-R	11/13/14	Audit of USAID Resources Managed by Makerere University for Regional Centre for Quality of Health Care Under Strategic Objective Grant Agreement No. 623-SOAG 6230011.02-60088 for the Year Ended June 30, 2013	30	QC
4-674-15-025-R	11/13/14	Audit of USAID Resources Managed by Right to Care NPC Agreement Nos. 674-A-00-08-00007-00 (Closeout), 674-A-00-09-00001-00 (Closeout), AID-674-A-12-00020, 674-C-12-0004, AID-674-Q-13-00001 for the Year Ended September 30, 2013	1,776 1	QC UN
4-621-15-026-R	11/14/14	Audit of USAID Resources Managed by Deloitte Consulting Limited Tanzania Under Cooperative Agreement No. AID-621-A-12-00004, Comprehensive and Sustainable Clinical Community HIV/AIDS Services (TUNAJALI II), and Cooperative Agreement No. 621-A-00-11-00005-00, Building Organization Capacity for Results (BOCAR), for the Year Ended December 31, 2012, and Closeout Audit of the Mission Support Services Indefinite Quantity Contract (MSS IQC II), Contract No. 621-I-00-08-00003-00, for the Period From January 1, 2012, Through May 31, 2012	16	QC

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4-674-15-027-R	11/14/14	Audit of USAID Resources Managed by The Wildlife and Environment Society of South Africa (WESSA) Under Cooperative Agreement No. 674-A-00-11-00015-00 for the Year Ended March 31, 2013	17 5	QC UN
4-615-15-028-R	11/14/14	Closeout Audit of USAID Resources Managed by Children of God Relief Institute (COGRI) Under Agreement No. AID-623-A-09-00008 for the Period January 1, 2013, Through August 31, 2013, and Audit of USAID Resources Managed by COGRI Under Agreement No. AID-623-A-00-13-00001 for the Year Ended December 31, 2013	6	QC
4-617-15-029-R	11/17/14	Audit of USAID Resources Managed by The AIDS Support Organization Under Cooperative Agreement No. AID-617-A-09-00005-00 for the Year Ended December 31, 2013	26 26	QC UN
4-615-15-030-R	11/17/14	Audit of USAID Resources Managed by Equity Group Foundation Under Agreement No. 623-G-12-00001 for the Period November 10, 2011, Through December 31, 2013	71	QC
4-623-15-031-R	11/25/14	Audit of USAID Resources Managed by East, Central and Southern Africa - Health Community (ECSA-HC) Under Strategic Objective Agreement (SOAG) Nos. 6230011.02-600-87 and 6230011.02-690-0020, for the Year Ended June 30, 2013	288 214	QC UN
4-615-15-032-R	11/25/14	Audit of USAID Resources Managed by Centre for Health Solutions - Kenya Under Cooperative Agreement No. AID-615-A-13-00006 for the Period June 27, 2013, Through December 31, 2013, and Subcontract No. 2013-097 for the Period July 15, 2013, Through December 31, 2013	32	QC
4-696-15-033-R	11/26/14	Closeout Audit of USAID Resources Managed by Institute of Research and Dialogue for Peace (IRDPA) Under Cooperative Agreement No. AID-696-G-12-00001 for the Period December 21, 2011, Through June 20, 2013		
4-615-15-034-R	11/26/14	Audit of USAID Resources Managed by Kenya Community Development Foundation Under Cooperative Agreement No. AID-623-A-11-00013, Global Give Back Circle Program for the Year Ended September 30, 2013	223 222	QC UN

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4-613-15-035-R	11/28/14	Audit of USAID Resources Managed by Crisis in Zimbabwe Coalition Under Cooperative Agreement No. AID-613-A-12-00007 for the Year Ended September 30, 2013	14	QC
4-654-15-036-R	12/11/14	Audit of USAID Resources Managed by Development Workshop Angola Under Grant Agreement No. 674-A-00-10-00119-00 and Cooperative Sub Agreement No. EPP-A-00-05-00007-00 for the Year Ended December 31, 2012	6 3	QC UN
4-617-15-037-R	12/12/14	Audit of USAID Resources Managed by Reproductive Health Uganda Under Cooperative Agreement No. AID-617-A-09-00007 for the Year Ended December 31, 2013		
4-674-15-038-R	12/11/14	Audit of USAID Resources Managed by Africa Health Placements NPC Under Cooperative Agreement No. AID-674-A-12-00035 for the Rural Staffing Program, and Sub-Awards AID-674-A-12-00017 and WRHI-674-A-12-00021-AHP, Systems Strengthening for Better HIV/TB Patient Outcomes Program, for the Year Ended December 31, 2013		
4-617-15-039-R	12/12/14	Audit of USAID Resources Managed by AVSI Foundation Under Cooperative Agreement No. AID-617-A-11-00001, Subagreement TSOI, and Subagreement AID-617-A-12-000005 for the Year Ended December 31, 2013		
4-613-15-040-R	12/12/14	Audit of USAID Resources Managed by Counselling Services Unit Under Grant Award No. 613-G-00-01-00244-00 and Cooperative Agreement No. AID 613-A-12-00009 for the Year Ended December 31, 2013		
4-613-15-041-R	12/17/14	Audit of USAID Resources Managed by Population Services Zimbabwe Under Cooperative Agreement No. ID-613-A-12-00004 for the Year Ended September 30, 2013	10	QC
4-621-15-042-R	12/17/14	Audit of USAID Resources Managed by African Medical and Research Foundation (AMREF) Tanzania Under Cooperative Agreement No. 621-A-00-08-00018-00 for the Period October 1, 2011, Through September 30, 2013, and Grant Agreement Number 621-G-12-00005 for the Period July 20, 2012, Through September 30, 2013	1	QC

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4-674-15-043-R	12/18/14	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, 2013		
4-674-15-044-R	12/19/14	Audit of USAID Resources Managed by University of South Africa (UNISA) Under Grant No. 674-G-00-11-00066-00, Management of Democratic Elections in Africa Program for the Year Ended December 31, 2013		
4-674-15-045-R	12/19/14	Audit of USAID Resources Managed by Association for Water and Rural Development NPC (AWARD) Under Cooperative Agreement No. AID-674-A-13-00008, for the Year Ended December 31, 2013	4	QC
4-674-15-046-R	12/24/14	Audit of USAID Resources Managed by Wits Health Consortium (Pty) Ltd. Under Multiple Agreements for the Period October 1, 2012, to December 31, 2013	53	QC
4-674-15-047-R	12/24/14	Audit of USAID Resources Managed by New Partnership for Africa's Development (NEPAD) Business Foundation Under Cooperative Agreement No. 674-A-00-11-00047-00, Removing the Barriers Program, for the Year Ended March 31, 2014		
4-696-15-048-R	1/5/15	Closeout Audit of USAID Resources Managed by Avocats Sans Frontiers ASBL Under Cooperative Agreement No. 696-A-00-08-00073-00 for the Period From May 28, 2008, Through May 27, 2012		
4-656-15-049-R	1/5/15	Audit of USAID Resources Managed by International Centre for Reproductive Health in Mozambique (ICRH) Under Cooperative Agreement No. 656-A-00-11-00053-00 for the Period April 1, 2011, Through December 31, 2012	130 130	QC UN
4-696-15-050-R	1/5/15	Audit of USAID Resources Managed by African Evangelistic Enterprise (AEE) Under Cooperative Agreement No. AID-696-A-12-00005 Ubaka Ejo Project and Subagreement No. ILP-AA-12-05 Ejo Heza Project for the Year Ended December 31, 2013	4	QC
4-621-15-051-R	1/5/15	Closeout Audit of USAID Resources Managed by Maasai Women Development Organisation (MWEDO) Under Grant Agreement No. 621-G-00-07-00005-00 and Cooperative Agreement No. 621-A-00-08-00010-00 for the Period January 1, 2013, Through February 28, 2014		

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4-617-15-052-R	1/7/15	Audit of USAID Resources Managed by Marie Stopes Uganda Under Agreement No. 617-A-10-00004 and Subgrant No. 19101-002 for the Year Ended December 31, 2013		
4-623-15-053-R	1/9/15	Audit of USAID Resources Managed by East African Community (EAC) Under Assistance Agreement No. 623-AA-09-002-00-EAC for the 2 Years Ended June 30, 2013	8 6	QC UN
4-623-15-054-R	1/27/15	Audit of USAID Resources Managed by the Intergovernmental Authority on Development (IGAD)/ Conflict Early Warning and Response Mechanism (CEWARN) Under Limited Scope Grant Agreement No. 6230009.02-3-60082 for the Year Ended December 31, 2013		
4-611-15-055-R	1/27/15	Audit of USAID Resources Managed by Community Markets for Conservation (COMACO) Limited Under Cooperative Agreement No. AID-611-A-12-00001 for the Period December 1, 2011, Through March 31, 2013	374 348	QC UN
4-674-15-056-R	2/9/15	Audit of USAID Resources Managed by Catholic AIDS Action Under Cooperative Agreement No. 674-A-00-10-00121-00, Community-Based Care, OVC and Prevention Services (C-COPS) for the Year Ended February 28, 2013	1,244 1,235	QC UN
4-674-15-057-R	2/9/15	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 Year Ended December 31, 2013		
4-611-15-058-R	2/10/15	Closeout Audit of USAID Resources Managed by Comprehensive HIV AIDS Management Program (CHAMP) Under Agreement Nos. 611-A-00-08-00009-00, GHS-I-05-007-00004-CHAMP-0002, and 3760-03-CHAMP-01 for the Year Ended September 30, 2012	2	QC
4-673-15-059-R	2/11/15	Audit of USAID Resources Managed by Lifeline/ Childline Under Cooperative Agreement No. 673-A-11-00001 and Subagreement No's PAN-LL/CL002 and LLCL-SA-04064-01 for the Year Ended March 31, 2014		
4-696-15-060-R	2/24/15	Audit of USAID Resources Managed by International Alert Under Agreement No. AID-696-A-13-00003 and AID-OAA-A-12-00006 and Under Subagreement to AID-623-A-12-00005 for the Period January 1, 2013, Through December 31, 2013		

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4-615-15-061-R	2/24/15	Financial Audit of USAID Development Assistance Grant Agreement No. 615-005 Improved Natural Resource Management Wildlife Conservation Program Implemented by Kenya Wildlife Service Implementation Letter No. 8 for the Period July 1, 2010, Through December 30, 2013	54 54	QC UN
4-673-15-062-R	2/26/15	Audit of USAID Resources Managed by Society for Family Health Under Cooperative Agreement No. 674-A-00-11-00017-0 and Subagreement No. PAN-SFH003 for the year Ended December 31, 2013		
4-612-15-063-R	2/27/15	Audit of USAID Resources Managed by Dignitas International Under Cooperative Agreement No. 674-A-00-10-00034-00 for the Year Ended December 31, 2013	235 10	QC UN
4-674-15-064-R	3/5/15	Audit of USAID Resources Managed by South African Supplier Diversity Council (SASDC) Under Cooperative Agreement No. AID-674-A-12-00012 for the Period from April 4, 2012, Through September 30, 2013	7 7	QC UN
4-621-15-065-R	3/5/15	Audit of USAID Resources Managed by Tanzania Horticultural Association Under Grant No. AID-621-G-13-0001 for the Period From December 1, 2012, Through December 31, 2013	12 12	QC UN
4-612-15-066-R	3/23/15	Audit of USAID Resources Managed by Partners in Hope Under Cooperative Agreement No. 674-A-00-10-00035-00 for the Year Ended March 31, 2014	6	QC
4-674-15-067-R	3/24/15	Audit of USAID Resources Managed by Stellenbosch University Under Cooperative Agreement Nos. OFDA-G-11-00215 and AID-674-A-12-00031 and Subagreement No. GHN-A-00-08-00004-00 for the Year Ended December 31, 2012	14	QC
4-674-15-068-R	3/24/15	Audit of USAID Resources Managed by Stellenbosch University Under Agreement Nos. OFDA-G-11-00215 and AID-674-A-12-00031 and Subagreement Nos. GHN-A-00-08-00004-00 and FY13-G87-4740 for the Year Ended December 31, 2013	152 1	QC UN
4-674-15-069-R	3/24/15	Audit of USAID Resources Managed by Hospice Palliative Care Association of South Africa (HPCA-SA) Under Cooperative Agreement Nos. 674-A-00-10-00023-00 (Closeout) and AID-674-A-13-00016 for the Year Ended March 31, 2014		

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5-367-15-001-N	10/28/14	Financial Audit of the Project "School Led Safe Water, Sanitation and Hygiene Improvement in Mid-Western Nepal" (Su-Swastha), USAID/Nepal Cooperative Agreement No. AID-367-A-11-00002, Managed by Environment and Public Health Organization, for the Period From January 3, 2011, to December 31, 2012		
5-492-15-001-R	10/10/14	Closeout Audit of the "Danajon Bank Marine Park Project: The First Collaborative Large-Scale Marine Protected Area in the Philippines," USAID/Philippines Cooperative Agreement No. AID-492-A-11-00002, Managed by the Coastal Conservation and Education Foundation, Inc. (CCEF), for the Period From January 28, 2011, to April 27, 2013	21 21	QC UN
5-497-15-002-R	10/15/14	Closeout Audit of the Project "Cocoa Added Value Chain and Cottage Industry in Central Sulawesi, Indonesia, USAID/Indonesia Cooperative Agreement No. AID-497-A-10-00006, Managed by the Sajogyo Institute (SAINS), for the Period From September 30, 2010, to December 31, 2013		
5-383-15-003-N	12/11/14	Closeout Audit of the Construction Craftsman Training Program (CCTP), USAID/Sri Lanka's Cooperative Agreement No. 383-A-00-10-00510-00, Managed by the Chamber of Construction Industry of Sri Lanka for the Period From July 15, 2010, to April 20, 2012	28 18	QC UN
5-442-15-003-R	10/22/14	Financial Audit of the Program "Structuring Partnerships for an Innovative Communications Environment," USAID/Cambodia Cooperative Agreement No. AID-442-A-12-00002, Managed by the Open Institute, for the Period From October 1, 2012, to September 30, 2013		
5-367-15-004-N	1/29/15	Closeout Audit of the Program "Safe Practices on Water, Sanitation and Hygiene (SafeWASH)," USAID/Nepal Cooperative Agreement No. AID-367-A-11-00001, Managed by Social Empowerment and Building Accessibility Centre Nepal, for the Period From January 1, 2013, to April 30, 2014		
5-386-15-004-R	11/13/14	Closeout Audit of the Innovations in Family Planning Services Project, Project No. 386-0527, Managed by Jharkhand Health Society, for the Period From April 1, 2009, to March 31, 2012	79 5	QC UN

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5-386-15-005-R	11/18/14	Closeout Audit of the Innovations in Family Planning Services Project, Project No. 386-0527, Managed by the State Innovations in Family Planning Services Project Agency, for the Period From April 1, 2012, to May 31, 2013		
5-176-15-006-R	11/25/14	Financial Audit of USAID/Central Asian Republics' Resources Managed by the Association for Civil Society Development in the Republic of Kazakhstan for the Year Ended December 31, 2013		
5-383-15-007-R	12/9/14	Closeout Audit of the Integrated Aquaculture Project, USAID/Sri Lanka's Cooperative Agreement No. 383-A-00-10-00502-00, Managed by the Aqua 'N Green Limited for the Period From April 1, 2012, to March 31, 2013	28 6	QC UN
5-176-15-008-R	12/22/14	Financial Audit of the Program "Enhancing Transboundary Water Cooperation," USAID/Central Asia Cooperative Agreement No. AID-176-A-12-00007-00, Managed by the Regional Environmental Centre for Central Asia (CAREC), for the Period From April 16, 2012, to December 31, 2013		
5-388-15-009-R	12/29/14	Financial Audit of the Agricultural Extension Support Activity Project, USAID/Bangladesh's Cooperative Agreement No. 388-A-13-00001, Managed by the Dhaka Ahsania Mission for the Period From October 23, 2012, to September 30, 2013		
5-367-15-010-R	1/29/15	Financial Audit of USAID/Office of U.S. Foreign Disaster Assistance (OFDA) Resources Managed by the National Society for Earthquake Technology-Nepal for the Period From July 16, 2012, to July 15, 2013	21 7	QC UN
5-497-15-011-R	2/4/15	Financial Audit of the Program "Cultivating the Culture of Public Accountability Through the Utilization of Public Participation Avenues in Public Services Administration Policy," USAID/Indonesia's Cooperative Agreement No. AID-497-A-12-00013, Managed by the Yayasan Penguatan Partisipasi Inisiatif dan Kemitraan Masyarakat Indonesia (YAPPIKA) for the Period From April 30, 2012, to December 31, 2013		
5-492-15-012-R	2/10/15	Financial Audit of USAID Funds Managed by the Philippine Business for Social Progress, Inc., for Periods Ending September 30, 2013	5 5	QC UN

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5-493-15-013-R	2/19/15	Financial Audit of USAID Funds Managed by the Asian Disaster Preparedness Center, for the Year Ended December 31, 2013		
5-492-15-014-R	2/25/15	Financial Audit of the Project "HPDP2 - Health Policy Development Project 2," USAID/Philippines Cooperative Agreement No. 492-A-12-00016, Managed by the UPecon Foundation, Inc. (UPecon), for the Period From October 1, 2012, to December 31, 2013		
5-492-15-015-R	2/26/15	Financial Audit of the Project "Strengthening the Capacity of Civil Society Organizations in the Philippines," USAID/Philippines' Contract No. AID-492-C-11-00004, Administered by the Ayala Foundation, Inc., for the Period From January 1, 2013, to December 31, 2013		
5-497-15-016-R	3/16/15	Financial Audit of USAID Funds Managed by Jawa Pos Institute of Pro-Otonomi (JPIP), for the Period Ending December 31, 2013		
5-497-15-017-R	3/16/15	Closeout 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 January 1, 2013, to June 13, 2014		
5-486-15-018-R	3/17/15	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, 2013, to December 31, 2013		
5-497-15-019-R	3/17/15	Financial Audits of USAID Funds Managed by the Kemitraan Bagi Pembaruan Tata Pemerintahan (KEMITRAAN), for the Period From January 1, 2013, to December 31, 2013		
5-492-15-020-R	3/30/15	Financial Audit of the Project "Strengthening the Resiliency of Local Government Units and Local Communities to Adapt to the Impact of Climate Change," USAID/Philippines' Cooperative Agreement No. AID-492-A-12-0004, Managed by the Philippine Partnership for the Development of Human Resources in Rural Areas (PhilDHRRRA) for the Period From November 1, 2012, to December 31, 2013		

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7-688-15-001-R	11/7/14	Closeout Audit of USAID Resources Managed by the University of Bamako - Malaria Research and Training Center (MRTC) Under the High Impact Health Services, Agreement No. 688-A-00-10-00077-00 for the Period from May 6, 2010, to May 2, 2013	6 6	QC UN
7-685-15-002-R	11/7/14	Audit of USAID Resources Managed by the Agency for Development of Social Marketing (ADEMAS) Under Cooperative Agreement No. 685-A-12-00002 for the Period of March 1, 2012, to December 31, 2012		
7-624-15-003-R	11/17/14	Consolidated Audit of USAID and Other Donor Resources Granted to the Permanent Interstate Committee for Drought Control in the Sahel (CILSS) for the Period January 1, 2012, to December 31, 2012		
7-620-15-004-R	12/10/14	Closeout Recipient-Contracted Audit of USAID Resources Managed by the Women Farmers Advancement Network (WOFAN) Under the Access to Safe Drinking Water, Sanitation and Hygiene Project (WASH) (Cooperative Agreement No. 620-A-00-09-00017-00) for the Period January 1, 2013, to June 12, 2014		
7-620-15-005-R	12/15/14	Recipient-Contracted Audit of USAID Resources Managed by the International Centre for Energy, Environment and Development (ICEED) Under the Energy Efficient Woodstoves Project (EEW) in Nigeria (Cooperative Agreement No. 620-A-12-00001) for the Period April 10, 2012, to December 31, 2013		
7-685-15-006-R	12/16/14	Closeout Recipient-Contracted Audit of USAID Resources Managed by the Civil Forum (CA No. 685-A-00-09-00005-00) under the Program Decentralization, Governance and Transparency (DGT) for the Period from January 1, 2011, to October 31, 2012	2	QC
7-620-15-007-R	1/6/15	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, 2013, to December 31, 2013, and the Strengthening HIV Prevention Services for Most-at-Risk Populations Program (Agreement No. 620-A-12-0002) for the Period May 23, 2013, to December 31, 2013		

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7-620-15-008-R	2/23/15	Closeout Recipient-Contracted Audit of USAID Resources Managed by the Gembu Centre for HIV/AIDS Advocacy Nigeria (GECHAAN) Under the New Tomorrows Project (Cooperative Agreement No. 620-A-00-08 00076-00) for the Period January 1, 2013, to July 14, 2014		
7-675-15-009-R	3/13/15	Recipient-Contracted Audit of USAID Resources Managed by Opportunities and Industrialization Centers (OIC) Under the Rural Microenterprise Development Project in the Fouta Djallon Highlands in Guinea (RMDG)(Cooperative Agreement No. 675-A-12-00001) for the Period January 1, 2012, to December 31, 2013	11	QC
7-620-15-010-R	3/16/15	Recipient-Contracted audit of USAID resources managed by the Interfaith Mediation Centre (IMC) under the Training of Leaders for Religious and National Co-Existence Project (Cooperative Agreement No.620-A-12-00003) for the Period October 3, 2012, to April 30, 2014		
8-278-15-001-N	2/23/15	Audit of the Cost Representation Statement of Costs Incurred by Al Nasher Technical Services Co., USAID Contract Number 278-C-00-08-00315-00, for the Period From May 26, 2008, to October 31, 2010		
8-294-15-001-O	12/4/14	Closeout Examination of Arabtech Jardaneh Engineers & Architect's Compliance With Terms and Conditions of Subcontracts Number 24043-12-WBSA005, 24043-13-WB-SA005, and 24043-13-WB-SA006, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From March 5, 2012, to February 28, 2014		
8-294-15-002-O	12/4/14	Closeout Examination of Nijad Contracting Company's Compliance With Terms and Conditions of Subcontracts Number 24043-12-CW-SA002 and 24043-12-CW-SA003, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From February 12, 2012, to December 2, 2012		

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8-294-15-002-R	10/26/14	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed by H.L. Education for Peace Ltd. Under Cooperative Agreement Number AID-294-A-00-10-00106, Advancing Public Support for Negotiated Agreement, for the Period From November 8, 2011, to December 31, 2012		
8-294-15-003-O	12/4/14	Closeout Examination of Al Omar Engineering Company's Compliance With Terms and Conditions of Subcontract Number 24043-13-CW-SA012, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From March 12, 2013, to September 29, 2013		
8-294-15-003-R	10/26/14	Closeout Audit of the Fund Accountability Statement USAID Resources Managed by the Holy Family Hospital Under Cooperative Agreement Number 294-A-00-05-00236-00, Partnership for Expanded Access to Quality Maternal and Neonatal Health Care for Palestinian Women and Infants Project, for the Period From July 1, 2010, to March 30, 2012		
8-294-15-004-O	12/4/14	Closeout Examination of Al Tayseer for Contracting & Trading's Compliance With Terms and Conditions of Subcontract Number 24043-12-CW-SA007, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From January 15, 2012, to December 13, 2012		
8-294-15-004-R	10/26/14	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed by Economic Cooperation Foundation, (ECF) Under Cooperative Agreement Number AID-294-A-00-12-00002, Jenin-Gilboa-Nablus-Haifa Cooperation Zone Program, for the Period From October 1, 2012, to January 22, 2014	56	QC
8-294-15-005-O	12/4/14	Closeout Examination of Al Awael for General Contracting's Compliance With Terms and Conditions of Subcontract Number 24043-13-NW-SA001, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From December 26, 2012, to September 25, 2013		

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8-294-15-006-O	12/4/14	Closeout Examination of Al Buraq General Contracting Company's Compliance With Terms and Conditions of Subcontracts Number 24043-13-SW-SA014, and 24043-13-SW-SA021, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From October 24, 2012, to December 13, 2013		
8-294-15-007-O	12/4/14	Closeout Examination of Al Hizam Al Thahabi Company for Contracting's Compliance With Terms and Conditions of Subcontracts Number 24043-12-SW-SA016, 24043-12-SW-SA025, 24043-12-SW-SA026, and 24043-13-SW-SA015, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From May 8, 2012, to April 23, 2013		
8-294-15-008-R	12/4/14	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed by Sharek Youth Forum, Subgrant Number 24043-13-WB-SG001 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From November 14, 2012, to June 30, 2014		
8-294-15-009-O	1/26/15	Examination of BCI Communications and Advance Technology Compliance With Terms and Conditions of Subcontract Number 97811-INT-0002 Under Prime, CDM Construction Inc., Indefinite Quantity Contract Number AID-294-I-12-00001, Infrastructure Needs Program II, Task Order Number AID-294-TO-13-00007, Well Flow Monitoring, for the Period From May 19, 2013, to April 30, 2014		
8-294-15-009-R	12/4/14	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed by Engineering Association Jerusalem Center, Subgrant Number 24043-11-WB-SG001, Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From October 1, 2012, to September 30, 2013		

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8-294-15-010-O	1/26/15	Closeout Examination of Stones Machines and Contractors Diamond Stone Company's Compliance With Terms and Conditions of its Subcontract Under Prime, Saqa Skills & Quality Construction Company, Indefinite Quantity Contract Number AID-294-I-13-00005, Local Construction Program, Task Order Number 20, Milling and Overlay of Jenin Internal Roads, for the Period From November 13, 2013, to March 25, 2014		
8-294-15-010-R	1/15/15	Audit of Locally Incurred Costs Managed by Augusta Victoria Hospital, Cooperative Agreement Number AID-294-A-13-00001, New Bone Marrow Transplantation Program, for the Period From April 5, 2013, to April 4, 2014		
8-294-15-011-O	3/3/15	Closeout Examination of Saqa Skills & Quality Construction Company's Compliance With Terms and Conditions of Indefinite Quantity Contract Number AID-294-I-13-00005, Local Construction Program, Task Order Number 20, Milling and Overlay of Jenin Internal Roads, for the Period From September 27, 2013, to April 2, 2014		
8-268-15-011-R	1/26/15	Audit of USAID Resources Managed by Rene Moawad Foundation Under Cooperative Agreement Number AID-268-A-12-00004, Building Alliance for Local Advancement, Development, and Investment, for the Period From October 1, 2012, to September 30, 2013	16 16	QC UN
8-263-15-012-R	3/3/15	Audit of USAID Resources Managed by Blue Moon Under Cooperative Agreement Number AID-263-A-11-00008, Premium Project For Egyptian Small Growers, for the Period From August 3, 2011, to December 31, 2012		
8-263-15-014-R	3/11/15	Closeout Audit of the Fund Accountability Statement of Coptic Evangelical Organization for Social Services (CEOSS), USAID Agreement Number 263-G-00-09-00032-00, Strengthening Civil Society at the Local Level by Promoting Democratic Practices Among Youth, for the Period From September 1, 2011, to August 31, 2012		
F-306-15-001-N	10/19/14	Audit of USAID Resources Managed by Afghanistan Independent Bar Association Under Cooperative Agreement Number AID-306-A-12-00001, Support to Afghanistan Independent Bar Association, for the Period From January 4, 2012, to April 30, 2013	15 5	QC UN

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F-306-15-001-R	11/5/14	Audit of USAID Resources Managed by the Turquoise Mountain Trust Under Cooperative Agreement Number 306-A-00-09-00503-00, Building Livelihood and Trade Project, for the Year Ended December 31, 2013		
G-391-15-001-R	12/22/14	Financial Audit of USAID/Pakistan's Satpara Development Project, Cooperative Agreement No. 391-A-12-0002, Managed by the Aga Khan Foundation (AKF), for the Year Ended December 31, 2013	9	QC
G-391-15-002-R	2/20/15	Financial Audit of the Program Titled: "Fata Institutional Strengthening Project," USAID/Pakistan Contract No. AID-391-C-11-00003, Managed by Abacus Consulting Technology (Private) Limited, for the Period From August 25, 2011, to June 30, 2013	2	QC
G-391-15-003-R	3/16/15	Financial Audit of the USAID Resources Managed by Basic Education For Afghan Refugees, for the Period From April 1, 2012, to June 30, 2013	13 13	QC UN
G-391-15-004-R	2/27/15	Financial Audit of the USAID Resources Managed by Marie Stopes Society (MSS), Under Cooperative Agreement No. AID-391-A-13-00007, Family Planning And Reproductive Health (FPRH) Services, for the Period From October 2, 2013, to December 31, 2013	10	QC
U.S.-Based Contractors				
3-000-15-001-D	10/3/14	Mendez England and Associates, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2007		
3-000-15-001-I	10/27/14	Dexis Interactive, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2011	29 29	QC UN
3-000-15-002-D	10/7/14	Checchi & Company Consulting, Inc. Report on Audit of Incurred for Fiscal Year (FY) Ending June 30, 2007, Through June 30, 2011		
3-000-15-002-I	10/23/14	Democracy International, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2012	9	QC
3-000-15-003-D	10/7/14	Mendez England and Associates, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2009		
3-000-15-003-I	10/28/14	LTL Strategies Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008	13 13	QC UN

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3-000-15-004-D	10/9/14	Mendez England and Associates, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2010		
3-000-15-004-I	10/29/14	LTL Strategies, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2009	24	QC
3-000-15-005-D	10/7/14	Emerging Markets Group, LTD. Report on Audit of Incurred Costs for the Transition Fiscal Year (FY) June 1, 2007, Through June 30, 2008		
3-000-15-005-I	10/28/14	Weidemann Associates, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2011	1,910 1,910	QC UN
3-000-15-006-D	10/9/14	Creative Associates International, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ending September 30, 2008	195 195	QC UN
3-000-15-006-I	11/3/14	ECODIT LLC Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2011	137	QC
3-000-15-007-D	10/22/14	Creative Associates International, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended September 30, 2009		
3-000-15-007-I	12/1/14	Development & Training Services, Inc. (DTS) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2011	63 6	QC UN
3-000-15-008-D	10/17/14	Management Systems International, Inc. (MSI) Report on Audit of Costs Incurred and Billed Under USAID Contract No. 306-DFD-I-05-05-00221 for the Period December 9, 2010, Through January 22, 2012	42	QC
3-000-15-008-I	12/2/14	Pillar Systems Corporation (PSC) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2012	789 789	QC UN
3-000-15-009-D	2/2/15	Advanced Engineering Associates International, Inc. Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FY) 2006, 2007, and 2008	547 547	QC UN
3-000-15-009-I	12/5/14	Rivera Consulting Group, Inc. (RCG) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2011		
3-000-15-010-D	12/3/14	Louis Berger Group, Inc. Report on Audit of Proposed Direct Cost Amounts on Unsettled USAID Flexibly Priced Contracts for Fiscal Years (FY) 2001 and 2002	4,179 4,179	QC UN
3-000-15-010-I	1/7/15	Sibley International Corp (SIC) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008		

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3-000-15-011-I	2/2/15	The QED Group, LLC (TQG) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2012	338 2	QC UN
3-000-15-012-I	1/5/15	Training Resources Group, Inc. (TRG) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2006		
3-000-15-013-D	1/26/15	John Snow, Inc. Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year (FY) 2008	32	QC
3-000-15-013-I	1/5/15	Training Resources Group, Inc. Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2007		
3-000-15-014-D	3/9/15	Management Systems International, Inc. (MSI) Report on Disclosed Cost Accounting Practices		
3-000-15-014-I	1/5/15	Training Resources Group, Inc. (TRG) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008		
3-000-15-015-D	3/9/15	Independent Audit Report on AECOM International Development, Inc's Disclosed Cost Accounting Practices		
3-000-15-015-I	1/5/15	Sibley International, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009	8 8	QC UN
3-000-15-016-D	3/12/15	DPK Consulting Report on Claimed Amounts on Unsettled Flexibly Priced Contracts Fiscal Years (FY) 2006 - 2009	6	QC
3-000-15-016-I	1/26/15	Sibley International, LLC Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010	656 656	QC UN
3-000-15-017-I	1/8/15	International Business Initiatives Corporation (IBIC) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2011	498	QC
3-000-15-018-I	2/24/15	The Mitchell Group, Inc. (TMGI) Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2008	715 715	QC UN
3-000-15-019-I	1/26/15	The Mitchell Group, Inc. (TMG) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009	66 66	QC UN
3-000-15-020-I	1/26/15	The Mitchell Group, Inc. (TMGI) Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2010	1,115 1,115	QC UN
3-000-15-021-I	1/26/15	The Mitchell Group, Inc. (TMG) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2011	644 644	QC UN

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3-000-15-022-I	2/3/15	Financial Markets International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2005	6 6	QC UN
3-000-15-023-I	1/26/15	Financial Markets International, Inc. (FMI) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2006	180 39	QC UN
3-000-15-024-I	1/26/15	Financial Markets International, Inc. (FMI) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2007	301 222	QC UN
3-000-15-025-I	2/5/15	Financial Markets International, Inc. Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2008	394 394	QC UN
3-000-15-026-I	3/2/15	Financial Markets International, Inc. (FMI) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2009	106 106	QC UN
3-000-15-027-I	2/9/15	Financial Markets International, Inc. (FMI) Report on Incurred Costs for Fiscal Year (FY) Ended December 31, 2010	63 54	QC UN
8-267-15-001-D	11/6/14	Independent Audit of Research Triangle Institute's Costs Billed Under USAID Contract Number 267-C-00-05-00505, for the Period From January 1, 2009, to December 31, 2009	37 20	QC UN
8-294-15-001-R	10/26/14	Audit of the Cost Representation Statement of Local Costs Incurred by Trigon Associates LLC, Subaward Number 10-262, Under Prime Black & Veatch, Indefinite Quantity Contract Number 294-I-00-10-00205-00, Infrastructure Needs Program II, Task Order Number 1, for the Period From October 25, 2011, to September 30, 2012	48 48	QC UN
8-267-15-002-D	11/25/14	Audit of Louis Berger Group, Inc.'s (BGI) Incurred Costs, Contract Number 267-C-00-04-0435-00, for the Period From October 1, 2007, to March 31, 2008	1,884 1,794	QC UN
8-267-15-003-D	1/15/15	Independent Audit of Costs Incurred and Billed by America-Mideast Educational and Training Services, Inc., Subcontract Under Management Systems Internationals Contract Number DFD-I-01-05-00221, for the Period From October 1, 2008, Through July 31, 2011	146 146	QC UN
8-294-15-005-R	10/26/14	Audit of Locally Incurred Costs by Deloitte Consulting LLP., Under USAID Contract Number AID-294-C-13-00001-00, the Trade Project, for the Period From March 21, 2013, to March 20, 2014		

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8-294-15-008-O	1/15/15	Examination of CDM Constructors Inc.'s Compliance With Terms and Conditions of USAID Task Order Number AID-294-TO-13-00007 Under Indefinite Quantity Contract Number AID-294-1-12-00001, Infrastructure Needs Program II, for the Period From May 14, 2013, to June 12, 2014		
F-306-15-003-N	10/28/14	Closeout Audit of the Schedule of Costs Incurred in Afghanistan by Development Alternatives Inc. (DAI) for the Regional Afghan Municipalities Program for Urban Populations (RAMP-UP) Under Contract Nos. 306-C-00-10-00526 (RAMP-UP East) for the Period June 10, 2010, to March 31, 2014; 306-C-00-11-00510 (RAMP-UP North) for the Period February 8, 2011, to March 31, 2014; and 306-C-00-11-00501 (RAMP-UP West) for the Period November 14, 2011, to March 31, 2014	14	QC
F-306-15-007-N	11/13/14	Audit of Costs Incurred By Black & Veatch Special Projects Corporation Under Award Number 306-C-00-11-00506-00, Kandahar Helmand Power Program, for the Period From December 9, 2010, to December 31, 2013	240 240	QC UN
F-306-15-011-N	12/2/14	Closeout Audit of Costs Incurred By MWH Americas, Inc. Under Award Number 306-EDH-I-01-08-00025 for the Period From July 1, 2009, to April 5, 2012	23 11	QC UN
F-306-15-013-N	12/8/14	Financial Audit of Costs Incurred by Development Alternatives Inc. (DAI) for Assistance to Legislative Bodies of Afghanistan (ALBA) Under 306-TO-13-00004 for the Period March 28, 2013, to December 31, 2013; Stabilization in Key Areas (SIKA) North Under 306-C-12-00003 for the Period March 15, 2012, to December 31, 2013; Afghanistan Parliamentary Assistance Program (APAP) Under 306-TO-12-00012 for the Period September 1, 2012, to January 16, 2013 (Closeout Audit); Incentives Driving Economic Alternatives for the North, East, and West (IDEA NEW) Under 306-A-00-09-00508 for the Period January 1, 2013, to December 31, 2013; and Agriculture Credit Enhancement (ACE) Program in Afghanistan Under 306-EDH-I-14-05-00004 for the Period July 15, 2010, to December 31, 2013	13 13	QC UN

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F-306-15-016-N	1/20/15	Audit of Costs Incurred in Afghanistan By Advanced Engineering Associates International (AEAI) for: (1) the Sheberghan Gas Generation Activity, Under Contract No. 306-AID-306-TO-12-00002, for the Period December 21, 2011, to September 30, 2013; (2) Technical Support to Afghan Energy Information Center, Under Contract No. 306-C-00-09-00528, for the Period September 15, 2009, to February 29, 2012 (Closeout Audit); and (3) Afghan Energy Capacity Building, Under Contract No. 306-DOT-I-04-04-00022, for the Period March 7, 2008, to February 1, 2012	9	QC
F-306-15-021-N	2/3/15	Closeout Audit of Costs Incurred by Aircraft Charter Solutions, Inc. (ACS) Under the Embassy Air Project Contract, Contract No. 306-C-00-10-00510-00, for the Period January 1, 2012, to March 31, 2013	3,897 14	QC UN
F-306-15-023-N	2/22/15	Audit of Costs Incurred in Afghanistan by Tetra Tech, Inc. Under (1) 306-AID-306-TO-12-00008, Salang Tunnel Feasibility Study (Closeout); (2) 306-EDH-I-00-08-00027, Afghan Engineering Support Program (AESP); and (3) 306-EPP-I-05-04-00035, Kabul City Initiative (KCI) Program (Closeout) for the Period May 20, 2012, Through December 31, 2013	5 5	QC UN
U.S.-Based Grantees				
3-000-15-001-L	2/20/15	Limited Scope Review of Cooperative for Assistance and Relief Everywhere, Inc. (CARE) for Fiscal Year 2015		
3-000-15-001-N	10/1/14	Report on Examination of Costs Incurred and Reported by the Partnership for Supply Chain Management System on the USAID Ethiopia Project for the Period October 1, 2011, to December 31, 2013		
3-000-15-001-T	10/1/14	Desk Review of Consortium for Elections and Political Process Strengthening, OMB Circular A-133 Audit Report for the Year Ended September 30, 2009		
3-000-15-002-N	1/6/15	Closeout Audit Report on Resources Managed by Cooperative for Assistance and Relief Everywhere, Inc. (CARE) Under Municipal Development Program (MDP) Agreement Number 690-A-00-06-00067-00 for the Period July 19, 2006, Through March 31, 2012	2,305 2,305	QC UN
3-000-15-002-T	11/3/14	Save the Children Federation, Inc. OMB Circular A-133 Audit Report for the Year Ended September 30, 2005		

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3-000-15-003-T	11/3/14	OMB Circular A-133 Audit Report of World Vision International and World Vision, Inc. (U.S.A.) for Fiscal Year Ended September 30, 2013		
3-000-15-004-T	11/5/14	OMB Circular A-133 Audit of Family Health International for the Fiscal Year Ended September 30, 2005 and 2004		
3-000-15-005-T	11/6/14	Save the Children Federation, Inc. (SCF) OMB Circular A-133 Audit Report for the Year Ended September 30, 2006		
3-000-15-006-T	11/12/14	Save the Children Federation, Inc. (SCF) OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended September 30, 2007		
3-000-15-007-T	11/14/14	OMB Circular A-133 Audit Report of Pathfinder International for the Year Ended June 30, 2006		
3-000-15-008-T	11/17/14	A-133 Audit Report of International Foundation for Electoral Systems for Fiscal Year Ending September 30, 2013		
3-000-15-009-T	11/19/14	Mercy Corps and Affiliates, OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended June 30, 2013		
3-000-15-010-T	11/25/14	Population Services International (PSI) OMB Circular A-133 Audit Report for the Fiscal Year Ended December 31, 2005		
3-000-15-011-T	12/9/14	OMB Circular A-133 Audit Report of Family Health International for Fiscal Year Ended September 30, 2012		
3-000-15-012-T	12/2/14	The Asia Foundation (TAF) OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended September 30, 2013		
3-000-15-013-T	12/2/14	Christian Mission Aid United States of America OMB Circular A-133 Audit Report for the Fiscal Year (FY) Ended June 30, 2013		
3-000-15-014-T	12/2/14	Africare OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended June 30, 2012	13,497 13,487	QC UN
3-000-15-015-T	12/5/14	Pathfinder International OMB Circular A-133 Audit Report for Fiscal Year Ended June 30, 2005		
3-000-15-016-T	12/10/14	Population Services International (PSI) OMB Circular A-133 Audit Report for the Fiscal Year Ended December 31, 2006		
3-000-15-017-T	12/11/14	Africare OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended June 30, 2013	64	QC

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Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-15-018-T	12/12/14	OMB Circular A-133 Audit Report of Winrock International Institute for Agricultural Development for FY 2013		
3-000-15-019-T	12/16/14	OMB Circular A-133 Audit Report of The International Rescue Committee, Inc. Fiscal Year Ended September 30, 2008		
3-000-15-020-T	12/16/14	Desk Review of Education Development Center, Inc., OMB Circular A-133 Audit Report for the Year Ended September 30, 2006		
3-000-15-021-T	1/5/15	OMB Circular A-133 Audit Report of the Education Development Center, Inc. Fiscal Year Ended September 30, 2009		
3-000-15-022-T	1/5/15	Audit Report for the Consortium for Elections and Political Process Strengthening for the Fiscal Year Ended September 30, 2013		
3-000-15-023-T	1/5/15	Desk Review of Education Development Center, Inc., OMB Circular A-133 Audit Report for the Year Ended September 30, 2013		
3-000-15-024-T	1/7/15	Mercy Corps OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended June 30, 2006	4	QC
3-000-15-025-T	1/7/15	Mercy Corps OMB Circular A-133 Audit Report for the Year Ended June 30, 2009		
3-000-15-026-T	1/26/15	Program for Appropriate Technology in Health (PATH), OMB Circular A-133 Audit Report for Fiscal Year Ended December 31, 2013		
3-000-15-027-T	2/2/15	Opportunity International, Inc. and Affiliates (011) OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2010 Report No. 3-000-15-027-T	42	QC
3-000-15-028-T	1/30/15	OMB Circular A-133 Audit Report of Mercy Corps and Affiliates for the Fiscal Year (FY) Ended June 30, 2014		
3-000-15-029-T	2/5/15	Desk review of International Relief and Development Holdings, Inc. and Affiliates, (IRD), OMB Circular A-133 Audit Report for the Year Ended December 31, 2013		
3-000-15-030-T	2/9/15	Childfund International, USA OMS Circular A-133 Audit Report for Fiscal Year (FY) Ended June 30, 2013	36	QC
3-000-15-031-T	2/12/15	Desk Review of Public Health Institute, OMB Circular A-133 Audit Report for Fiscal Year Ended December 31, 2013		
3-000-15-032-T	2/12/15	The Nature Conservancy A-133 Audit for the Fiscal Year Ended June 30, 2006		

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Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-15-033-T	3/9/15	Global Communities and Related Entities OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended September 30, 2013		
3-000-15-034-T	3/12/15	The Jane Goodall Institute for Wildlife Research, Education, and Conservation (TJGI), OMB Circular A-133 Audit Report for the Fiscal Year Ended December 31, 2012		
3-000-15-035-T	3/18/15	Mercy Corps OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended June 30, 2005		
8-263-15-006-R	10/26/14	Financial Audit of USAID Resources Managed by Bamyán Media, Cooperative Agreement Number AID-263-A-11-00014, Unleashing Entrepreneurship Project, for the Period From October 3, 2011, to June 30, 2013		
8-294-15-007-R	12/4/14	Audit of the Fund Accountability Statement of USAID Resources Managed by Global Communities Under Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From October 1, 2012, to September 30, 2013		
8-294-15-013-R	3/3/15	Audit of USAID Resources Managed by School for Peace, Neve Shalom/Wahat Al-Salam, Subgrant Under Prime, American Friends of Neve Shalom/Wahat Al-Salam, Cooperative Agreement Number 294-A-00-10-00109-00, Creating Change Agents Program, for the Period From October 1, 2011, to September 30, 2012	1 1	QC UN
F-306-15-004-N	11/2/14	Closeout Audit of Costs Incurred in Afghanistan by Lorna Linda University Under Cooperative Agreement Number 306-A-00-07-00505-00, Support to Wazir Akbar Khan Hospital and Kabul Medical University, for the Period From January 13, 2007, to August 29, 2009	3 2	QC UN
F-306-15-005-N	11/6/14	Audit of Costs Incurred in Afghanistan by Oasis International Schools, Inc., Under Cooperative Agreement Number 306-A-00-11-00528-00, Afghanistan Tuition Scholarship Program, for the Period From August 21, 2011, to December 31, 2012	3,211	QC
F-306-15-006-N	11/12/14	Closeout Audit of Costs Incurred by Counterpart International Under Cooperative Agreement Number 306-A-00-10-00534, Initiative to Promote Afghan Civil Society (IPACS II), for the Period From October 1, 2010, to March 31, 2014	94 94	QC UN

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Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
F-306-15-008-N	11/13/14	Closeout Audit of Costs Incurred in Afghanistan by The Partnership for Child Health Care, Inc. Under Contract Number 306-GHA-I-10-04-00002, Basic Support for Institutionalizing Child Survival (BASICS III), for the Period From October 1, 2009, to September 30, 2011		
F-306-15-009-N	11/18/14	Closeout Audit of Costs Incurred by Washington State University Under Cooperative Agreement No. 306-A-00-06-00524-00, Afghan eQuality Alliance (AeQA), for the Period From June 16, 2006, to February 28, 2011		
F-306-15-010-N	11/24/14	Closeout Audit of Costs Incurred in Afghanistan by Mercy Corps Under Cooperative Agreement Number 306-A-00-08-00521-00, Strengthening Market Chains for Afghan Grapes and Pomegranates, for the Period From May 22, 2008, to October 31, 2011	1 1	QC UN
F-306-15-012-N	12/2/14	Financial Audit of Costs Incurred by Purdue University Under Cooperative Agreement No. 306-A-00-11-00516, Strengthening Afghanistan Agriculture Faculties (SAAF), for the Period From March 25, 2011, to December 31, 2013		
F-306-15-015-N	1/19/15	Closeout Audit of Costs Incurred by Volunteers for Economic Growth Alliance Under Cooperative Agreement No. 306-A-00-08-00503, Community Development Agriculture Program in Paktia, Paktika, Khost and Southeast Ghazni, for the Period From November 15, 2007, to November 14, 2009, and Audit of Award No. AID-306-LA-13-00001, Assistance in Building Afghanistan by Developing Enterprises, for the Period From October 16, 2012, to December 31, 2013		
F-306-15-017-N	1/22/15	Closeout Audit of Costs Incurred in Afghanistan by International City/County Management Association Under Cooperative Agreement Number 306-A-00-09-00501-00, Commercialization of Afghanistan Water and Sanitation Activity (CAWSA), for the Period From November 12, 2008, to May 11, 2014	370 10	QC UN
F-306-15-018-N	1/26/15	Closeout Audit of Costs Incurred in Afghanistan by Catholic Relief Services Under the Afghanistan Licit Livelihood Initiative, Cooperative Agreement Nos. 306-A-00-08-00511 and 306-A-00-07-00504, for the Period From January 8, 2007, to September 30, 2011	756	QC

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Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
F-306-15-020-N	1/31/15	Closeout Audit of Costs Incurred in Afghanistan by ARZU, Inc. Under the Social Benefits Program for Afghan Women Weavers Future, Grant Agreement No. 306-G-00-08-00524, for the Period From June 19, 2008, Through June 21, 2011	306 306	QC UN
F-306-15-022-N	2/10/15	Audit of Costs Incurred in Afghanistan By International Relief and Development, Inc. (IRD) Under the Engineering, Quality Assurance and Logistical Support (EQUALS) Program, Contract Number 306-C-00-11-00512-00, for the Period From April 18, 2011, to December 31, 2012	1,319 1,088	QC UN

**Performance 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
Economy and Efficiency				
1-521-15-001-P	11/12/14	Audit of USAID/Haiti's Protecting the Rights of Children, Women, and Youth Program	110 110	QC UN
1-521-15-002-P	12/8/14	Audit of USAID/Haiti's Internal Controls Over the Administration of Cost-of-Living Allowances		
1-522-15-003-P	1/26/15	Audit of USAID/Honduras's ACCESO Project		
1-514-15-004-P	1/30/15	Audit of USAID/Colombia's Afro-Colombian and Indigenous Program	2,087	QC
1-527-15-005-P	2/19/15	Audit of USAID/Peru's ProDecentralization Project		
4-611-15-001-P	2/20/15	Audit of USAID/Zambia's HIV Prevention Activities		
4-696-15-002-P	2/24/15	Audit of USAID/Rwanda's Family Health Project		
5-440-15-001-P	11/12/14	Audit of USAID/Vietnam's Environmental Assessments and Remediation Project		
5-497-15-002-P	1/5/15	Audit of USAID/Indonesia's Urban Water, Sanitation and Hygiene Project		
5-367-15-003-P	2/23/15	Audit of USAID/Nepal's Hariyo Ban Program		
5-486-15-004-P	3/25/15	Audit of USAID/Regional Development Mission for Asia's Greater Mekong Subregion Malaria Control Project		
5-492-15-005-P	3/27/15	Audit of USAID/Philippines' Mangrove Rehabilitation for Sustainably Managed, Healthy Forests Project	4,470	BU
7-685-15-001-P	10/21/14	Audit of USAID/Senegal's Systems for Ensuring Appropriate Audit Oversight of Funded Programs		
7-675-15-003-P	11/6/14	Audit of USAID/Guinea's Systems for Ensuring Appropriate Oversight of Funded Programs		
7-681-15-004-P	2/4/15	Audit of USAID/West Africa's Education Support Program in Cote d'Ivoire		
8-278-15-001-P	1/20/15	Audit of USAID/Jordan's Water and Wastewater Infrastructure Project		
9-000-15-001-P	2/20/15	Audit of USAID Country and Regional Development Cooperation Strategies		
9-111-15-002-P	2/25/15	Audit of USAID/Armenia's Clean Energy and Water Project	131 131	QC UN
A-000-15-001-P	10/10/14	Audit of USAID's Implementation of Key Components of a Privacy Program for Its Information Technology Systems		
A-000-15-003-P	10/30/14	Audit of USAID's Fiscal Year 2014 Compliance with the Federal Information Security Management Act of 2002		

**Performance 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
A-000-15-004-P	11/5/14	Audit of USAID's Federal Information Security Management Act of 2002 Action Plan		
A-000-15-005-P	2/10/15	Audit of USAID's Application Controls Over Premium Pay in Its webTA System		
A-000-15-006-P	3/12/15	Audit of USAID's Progress in Adopting Cloud Computing Technologies		
G-391-15-001-P	10/27/14	Audit of USAID/Pakistan's Entrepreneurs Project		
G-391-15-002-P	1/29/15	Audit of USAID/Pakistan's Activities Related to Jinnah Post Graduate Medical Center and Jacobabad Institute of Medical Sciences	1,600	QC
G-391-15-003-P	3/27/15	Audit of USAID/Pakistan's Khyber Pakhtunkhwa Municipal Services Program	80,600	BU

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
Quality Control Reviews (QCR)				
I-524-15-001-Q	1/8/15	Quality Control Review of Grant Thornton Hernandez & Asociados, S.A. of Nicaragua, Regarding the 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 el Desarrollo de la Costa Atlántica de Nicaragua (FADCANIC), for the Year Ended on December 31, 2013		
I-523-15-002-Q	2/23/15	Quality Control Review of RSM Bogarin y Cia., S. C. of Mexico, Regarding the Financial Audit of the Fund Accountability Statement for the Cooperative Agreement "Scout Experience: Ready for Life," No. AID-523-A-12-00001, Managed by Asociación de Scouts de Mexico, A.C. for the Period From August 17, 2012, to December 31, 2013	8 7	QC UN
5-176-15-001-Q	11/25/14	Quality Control Review of the Financial Audit of the Projects "Empowerment Now!" and "Development through Regional Cooperation," USAID/Central Asian Republics Cooperative Agreement Nos. AID-176-A-12-00016 and AID-176-A-12-00019, Managed by Association for Civil Society Development in the Republic of Kazakhstan for the Period From August 7, 2012, to December 31, 2013		
5-383-15-002-Q	12/9/14	Quality Control Review of the Closeout Audit of the Integrated Aquaculture Project, USAID/Sri Lanka's Cooperative Agreement No. 383-A-00-10-00502-00, Managed by the Aqua 'N Green Limited for the Period From April 1, 2012, to March 31, 2013		
5-386-15-003-Q	2/24/15	Quality Control Review of the Financial Audit of Health of the Urban Poor Program, USAID/India Cooperative Agreement No. 386-A-00-09-00305-00, Managed by Population Foundation of India, for the Period From April 1, 2012, to March 31, 2013		
8-114-15-001-Q	3/10/15	Quality Control Review on the Georgian Audit & Consulting Company (GACC), Closeout Audit of Coalition of Independent Living, Sub-grant Agreement Number PWD-001 Under Save the Children, Supporting Equal Opportunities for Persons With Disabilities Project, for the Period November 1, 2006, to February 29, 2012		

8-165-15-002-Q	3/11/15	Quality Control Review on Grant Thornton DOO, Macedonia (GT), Audit of the Fund Accountability Statement of Macedonian Civic Education Center, Interethnic Integration in Education Project, Cooperative Agreement Number AID-165-A-12-00002, and Teacher Professional and Career Development Project, Cooperative Agreement Number AID-165-A-13-00001, for the Period From January 01, 2013, to December 31, 2013		
8-168-15-003-Q	3/16/15	Quality Control Review on KPMG, Audit of USAID Resources Managed by Centers for Civic Initiatives Tuzla, Cooperative Agreement Number 168-A-00-08-00104 00, Civic Advocacy Partnership Program II, and Cooperative Agreement Number AID-168-A-13-00006, Civil Society Sustainability Project, for the Period From January 1, 2013, to December 31, 2013		
8-165-15-004-Q	3/26/15	Quality Control Review on KPMG, Audit of the Fund Accountability Statement of the Foundation Open Society Macedonia, Roma Education Program, Cooperative Agreement Number 165-A-00-04-00101-00, and Civil Society Project, Cooperative Agreement Number AID-165-A-12-00004, for the Year Ending December 31, 2013		
Other				
8-294-15-001-S	3/19/15	Review of USAID/West Bank and Gaza's Trade Project		
F-306-15-001-S	10/30/14	Review of USAID/Afghanistan's Financial Management Controls for Government-to-Government Assistance		

**Reports With Questioned and Unsupported Costs
USAID
October 1, 2014 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, 2014	87	27,231,424 ^{2,3}	19,769,252 ^{2,3}
B. Add: Reports issued October 1, 2014-March 31, 2015	147	57,828,280 ⁴	37,283,765 ⁴
Subtotal	234	85,059,704	57,053,017
C. Less: Reports with a management decision made October 1, 2014–March 31, 2015	128 ⁵	34,374,664 ⁶	19,058,979 ⁶
Value of costs disallowed by Agency officials		9,714,747	6,732,086
Value of costs allowed by Agency officials		24,659,917	12,326,893
D. For which no management decision had been made as of March 31, 2015	106	50,685,040 ⁷	37,994,038 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, 2014, for questioned costs totaling \$25,340,781 and for unsupported costs totaling \$18,208,600 were increased by \$1,890,643 for questioned costs and increased by \$1,560,652 for unsupported costs respectively, to reflect adjustments in recommendations from prior periods.

³ Amounts include \$345,587 in questioned costs and \$52,640 in unsupported costs for audits performed for OIG by other federal audit agencies.

⁴ Amounts include \$7,068,620 in questioned costs and \$6,880,728 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 \$424,395 in questioned costs and \$72,972 in unsupported costs for audits performed for OIG by other federal audit agencies.

⁷ Amounts reflect \$6,989,812 in questioned costs and \$6,860,396 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, 2014 March 31, 2015**

Reports	Number of Audit Reports	Value (\$)
A. For which no management decision had been made as of October 1, 2014	0	0
B. Add: Reports issued October 1, 2014-March 31, 2015	3	132,070,000
Subtotal	3	132,070,000
C. Less: Reports with a management decision made October 1, 2014-March 31, 2015	3	132,070,000
Value of Costs Disallowed by Agency Officials		50,800,000
Value of Costs Allowed by Agency Officials		81,270,000
D. For which no management decision had been made as of March 31, 2015	0	0

**Reports Over 6 Months Old With No Management Decision
USAID
October 1, 2014 March 31, 2015**

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>

**Reports Over 6 Months Old With No Management Decision
USAID
October 1, 2014 March 31, 2015**

Report Number	Auditee	Issue Date	Status
3-521-13-001-N	Rural Justice Center Field Office	9/16/13	Recommendation 1: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2015, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
			Recommendation 2: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2015, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
			Recommendation 3: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2015, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
			Recommendation 4: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2015, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
			Recommendation 5: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2015, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
			Recommendation 6: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2015, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.
			Recommendation 7: USAID/Haiti requested supporting documentation for all the questioned costs included in the audit report from Rural Justice. As of March 31, 2015, Rural Justice has not provided the requested supporting documentation to USAID/Haiti.

**Reports Over 6 Months Old With No Management Decision
USAID**

October 1, 2014 March 31, 2015

Report Number	Auditee	Issue Date	Status
3-000-14-001-N	ABT Associates, Inc.	4/10/14	<p>Recommendation 1: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum.</p>
			<p>Recommendation 2: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum. A target date has been requested, but OIG does not have a target date at this time.</p>
			<p>Recommendation 3: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum. A target date has been requested, but OIG does not have a target date at this time.</p>
			<p>Recommendation 4: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum. A target date has been requested, but OIG does not have a target date at this time.</p>
			<p>Recommendation 5: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum. A target date has been requested, but OIG does not have a target date at this time.</p>

**Reports Over 6 Months Old With No Management Decision
USAID**

October 1, 2014 March 31, 2015

Report Number	Auditee	Issue Date	Status
3-000-14-001-N	ABT Associates, Inc.	4/10/14	Recommendation 6: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum. A target date has been requested, but OIG does not have a target date at this time.
			Recommendation 7: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum. A target date has been requested, but OIG does not have a target date at this time.
			Recommendation 8: The management decision memorandum that OIG received for the audit recommendations in question was not adequate. Therefore, OIG could not consider a management decision reached and acknowledged. The Agency is currently working on modifying the memorandum. A target date has been requested, but OIG does not have a target date at this time.
G-391-14-025-R	Agribusiness Support Fund	6/25/14	Recommendation 1: Mission intends to make a management decision by April 3, 2015.
			Recommendation 2: Mission intends to make a management decision by April 3, 2015.
G-391-14-026-R	National Rural Support Programme	7/25/14	Recommendation 1: Mission intends to make a management decision by April 3, 2015.
			Recommendation 2: Mission intends to make a management decision by April 3, 2015.

**Significant Management Decisions With Which The Inspector General Disagrees
USAID**

October 1, 2014 March 31, 2015

Report Number	Auditee	Issue Date	Rec. No.	Mgmt. Decis. Date	Reason for Disagreement
9-000-15-001-P	USAID	2/20/15	6	2/20/15	OIG disagreed with USAID's management decision, stating that the proposed actions did not address the problem and that the finding highlighted that missions are unclear about the role budget plays in the development of the Country Development Cooperation Strategy and whether the process is driven by budget or local priorities.
G-391-15-003-P	Pakistan	03/27/15	3	03/27/15	OIG disagreed with USAID's decision that no further action was needed for identifying and selecting infrastructure projects as the audit found that the current process for doing so was inadequate. More specifically, currently infrastructure projects are selected by the Government of Khyber Pakhtunkhwa and then shared with USAID for approval. OIG did not consider mission approval or rejection of the host government's selected infrastructure projects to be an efficient or jointly collaborative process.

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

October 1, 2014 March 31, 2015

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.

**Significant Revisions of Management Decisions
USAID**

October 1, 2014 March 31, 2015

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.

Noncompliance with the Federal Financial Management Improvement Act of 1996 USAID

October 1, 2014 March 31, 2015

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; A-000-14-001-P, dated October 15, 2013; and A-000-15-003-P, dated October 30, 2014, OIG identified an instance of substantial noncompliance with FFMIA as required by PMB Bulletin 14-02, 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 the end of FY 2015.

Significant Findings From Contract Audit Reports USAID

October 1, 2014 March 31, 2015

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

MCC 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.



Women in the department of Di, Burkina Faso transplant onion seedlings. MCC invests to help rural farmers, many of them women, to improve crop production and gain access to local markets. An MCC program provided these women with fertilizer and agricultural training to help them fetch better prices for higher quality onions at local markets. (Photo by Jake Lyell for MCC)

ECONOMIC GROWTH

Review of the Millennium Challenge Corporation-Funded Small-Scale Fisheries Project in Morocco

Report No. M-000-15-004-S

In August 2007, MCC signed a compact with the Moroccan Government for \$697.5 million to reduce poverty and increase economic growth. One of the five projects was the Small-Scale Fisheries Project for \$116.2 million. The purpose of the project was to modernize infrastructure for catching, landing, storing, and marketing fish. OIG found that the infrastructure projects did not lead to all of the intended improvements because the Millennium Challenge Account (MCA)-Morocco did not complete all the projects.

MCA-Morocco completed 27 of 39 planned infrastructure projects and 3 marine protected areas.¹ Of these 30 completed projects, 15 were not operational at the compact's end. While the completed infrastructure projects may benefit the small-scale fisheries sector if they become operational, the number of unfulfilled projects will prevent full benefits from being realized.

Two issues led to the insufficient results. First, MCC expected MCA-Morocco to "operationalize" the compact infrastructure projects 1 year before the compact's end. Operationalize for the Small-Scale Fisheries Project included providing electricity, water, and sanitation and the necessary workforce to operate. OIG determined that MCA-Morocco did not operationalize half of the completed projects by the compact's end. Of the 15 projects that became operational by the end, only 2 were operational for at least 1 year. Because the MCA spent the first 2 years of the compact conducting and analyzing feasibility, environmental, and other required studies, it did not have enough time to launch the facilities it built.

SIGNIFICANT FINDINGS AND ACTIVITIES

MCC's **Small-Scale Fisheries Project** was intended to modernize the infrastructure for catching, landing, storing, and marketing fish. OIG found that the infrastructure projects did not lead to all of the intended improvements because MCA-Morocco did not complete them all. It completed 27 of 39 planned infrastructure projects and 3 marine protected areas. Of these 30 completed projects, 15 were not operational at the end of the compact. In addition, poor coordination and oversight limited the results for the \$3.3 million mobile vendor project.

¹ The compact did not specify an absolute number of infrastructure projects that would be built. Rather it stated that compact funds would be used for "up to" 39 infrastructure projects. Similarly, the compact included marine protected areas but did not specify the number to be established.



Some mobile vendors received motorbikes like the one pictured, equipped with a cooler. (Photo by OIG, October 2013)

Second, the \$3.3 million project for mobile vendors did not fully achieve its goals. Mobile vendors sell fish from carts pulled by vehicles, animals, or the vendors themselves. The goals of the project were to provide 2,000 vendors with training and motorbikes equipped with coolers. The MCA achieved only 62 percent of its training goal and 35 percent of the equipment goal. Poor coordination and oversight limited the project's results.

MCC made management decisions and took final action on OIG's two recommendations.

OIG Investigation Supports Effective Management of Underperforming Contractor and New Procedures Being Instituted in the Philippines

In September 2012, OIG received allegations of procurement fraud by the winning bidder for one of the road contracts under the MCA-funded Secondary National Roads Development Project in the Philippines. An OIG investigation reviewed concerns of potential corrupt conduct by the winning bidder and certain potentially false statements made to MCA-Philippines during the proposal process. The OIG investigation revealed that the prime contractor misrepresented its intention to subcontract equipment for use on the project. In addition, the subcontractor that was initially identified to provide the equipment alleged that the documentation submitted to MCA-Philippines with the contractors' initial bid was fake. At the time of the investigation, the contractor was falling well behind its targeted deliverables under the contract. As a result, MCA-Philippines, the implementer of MCC's Compact, worked to focus on improving the poor performance of the contractor. MCA-Philippines gave the contractor in question a poor performance rating in its contractor past performance reporting system, hindering the contractor's chances to be selected for future MCC projects.

MANAGEMENT ACCOUNTABILITY

Evaluation of Millennium Challenge Corporation’s Implementation of Executive Order 13526, Classified National Security Information

Report No. M-000-15-001-S

Executive Order (EO) 13526, “Classified National Security Information,” outlines how national security information should be classified and protected. OIG conducted this evaluation to assess whether MCC has adopted applicable classification policies, procedures, rules, and regulations.

OIG found that MCC generally adopted the classification policies, procedures, rules, and regulations prescribed by EO 13526. There was no evidence that material had been misclassified persistently or overclassified.

However, we did note some areas that need improvement. Although documents were classified properly, MCC did not follow the marking requirements for derivatively classified documents. (EO 13526 defines derivative classification as incorporating, paraphrasing, restating, or generating information that is already classified and then transferring the original classification markings to the new material.) OIG found that MCC’s security training did not cover marking requirements for derivative classification, which meant that the principal classifier for these documents had not been trained in how to mark them properly.

There were additional problems with security training. The three MCC officials designated as original classification authorities did not receive the required specialized security training for their classification responsibilities, and MCC’s classification guide did not address the requirements or waivers for that training.

Finally, OIG found that MCC’s procedures for storing classified information did not comply fully with Title 32 of the Code of Federal Regulations, Section 2001.43, which lists procedures for storing top secret, secret, and confidential information. The Corporation’s procedures had not been updated in a timely manner. MCC made management decisions on OIG’s four recommendations and took final action on one of them.

SIGNIFICANT FINDINGS AND ACTIVITIES

OIG’s Evaluation of MCC’s Implementation of Executive Order 13526, Classified National Security Information found that MCC generally adopted the EO’s classification policies, procedures, rules, and regulations. We did make recommendations on how to improve the program through better training, guidance, and marking practices for derivatively classified documents.

FINANCIAL MANAGEMENT

Fund Accountability Statements

OIG reviews and approves fund accountability statement audits of compact funds under recipient government management. These audits are conducted by independent public auditors that OIG has approved. 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 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 the 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 five fund accountability statement audit reports, which made six recommendations.

Audit of the Millennium Challenge Corporation's Financial Statements, Internal Controls, and Compliance for the Fiscal Years Ending September 30, 2014, and 2013

Report No. M-000-15-001-C

Under OIG's oversight, a nonfederal audit firm performed an audit of MCC's financial statements for the fiscal years that ended September 30, 2014, and 2013. The audit firm issued an unmodified opinion on them.

Auditors identified one issue that was considered a material weakness and one other issue that was considered a significant deficiency. 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 found a significant deficiency in validation control over grant accrual estimates, also a modified repeat finding.

The auditor did not identify any instance of material noncompliance with laws and regulations. OIG reviewed the audit report and found it to be in accordance with applicable standards. MCC made management decisions on all six OIG recommendations.

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
- Performance reports with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- 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, 2014 March 31, 2015**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
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 14	9/20/13 9/20/13	7/31/15 9/30/15
M-000-14-001-P	Audit of the Millennium Challenge Corporation's Controls Over the Use of Premium Class Travel	12/17/13	1	12/17/13	6/30/15
M-000-14-003-S	Review of the Millennium Challenge Account Employee Compensation	7/16/14	1 2 3 4 5 7 8	4/30/14 4/30/14 4/30/14 4/30/14 4/30/14 4/30/14 4/30/14	7/15/15 7/15/15 7/15/15 7/15/15 7/15/15 7/15/15 7/15/15
A-MCC-14-008-P	Audit of the Millennium Challenge Corporation's Fiscal Year 2014 Compliance with the Federal Information Security Management Act of 2012	9/12/14	1 4 5	9/12/14 9/12/14 9/12/14	9/30/15 6/30/15 9/1/15

Financial Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
MCC
October 1, 2014 March 31, 2015

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Programs and Operations				
M-000-15-001-C	11/14/14	Audit of the Millennium Challenge Corporations Financial Statements, Internal Controls, and Compliance for the Fiscal Years Ending September 30, 2014, and 2013		
MCA Audit and Reviews				
M-000-15-001-N	10/09/14	Audit of the Millennium Challenge Corporation (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, 2013, to March 31, 2014 (Report No. M-000-15-001-N)	69 69	QC UN
M-000-15-002-N	10/16/14	Audit of the Millennium Challenge Corporations (MCC) Resources Managed by Millennium Challenge Account-Indonesia (MCA-Indonesia), Under the Compact Agreement Between the MCC and the Government of Indonesia for the Period May 9, 2011, to March 31, 2014		
M-000-15-003-N	10/27/14	Audit of the Millennium Challenge Corporation (MCC) Resources Managed by Millennium Challenge Account-Jordan (MCA-Jordan), Under the Compact Agreement Between the MCC and the Government of Jordan from January 1, 2012, to December 31, 2012		
M-000-15-004-N	11/18/14	Audit of the Millennium Challenge Corporation (MCC) Resources Managed by Millennium Challenge Account-Zambia (MCA-Zambia), Under the Compact Agreement Between the MCC and the Government of the Republic of Zambia for the Period January 1, 2014, to June 30, 2014		
M-000-15-005-N	12/16/14	Audit of the Millennium Challenge Corporation (MCC) Resources Managed by Millennium Challenge Account-Malawi (MCA-Malawi), Under the Compact Agreement Between the MCC and the Government of Malawi for the Period October 1, 2013, to March 31, 2014		

Miscellaneous Audits
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That
Funds Be Put to Better Use
MCC
October 1, 2014 March 31, 2015

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Economy and Efficiency				
M-000-15-001-S	12/18/14	Evaluation of Millennium Challenge Corporation's Implementation of Executive Order 13526, Classified National Security Information		
M-000-15-004-S	03/30/15	Review of the Millennium Challenge Corporation-Funded Small-Scale Fisheries Project in Morocco		

Reports with Questioned and Unsupported Costs
MCC
October 1, 2014 March 31, 2015

Reports	Number of Audit Reports	Questioned Costs (\$)	Unsupported Costs (\$)
A. For which no management decision had been made as of October 1, 2014	3	570,638	513,991
B. Add: Reports issued October 1, 2014-March 31, 2015	1	69,185	69,185
Subtotal	4	639,823	583,176
C. Less: Reports with a management decision made October 1, 2014-March 31, 2015	4	639,823	583,176
Value of Costs Disallowed by Agency Officials		268,644	251,206
Value of Costs Allowed by Agency Officials		371,179	331,970
D. For which no management decision had been made as of March 31, 2015	0	0	0

SIGNIFICANT FINDINGS AND TABLES: U.S. AFRICAN DEVELOPMENT FOUNDATION

USADF is an independent federal agency established to support African-led development that grows community enterprises by providing seed capital and technical support.

USADF Technical Partner in Mauritania Terminated for Procurement Irregularities; Two Employees Dismissed

An OIG investigation substantiated allegations of fraud and abuse against a USADF technical partner in Mauritania.¹ Working with the State Department's Diplomatic Security Service, OIG's investigation found that the partner's administrative assistant inappropriately requested and accepted kickbacks in exchange for his approval of fund disbursements and other actions related to the company's cooperative agreement with USADF. The assistant also solicited payments from vendors to approve their selection and conspired frequently with other officers in his company. OIG referred the matter to USADF/Washington and USAID suspension and debarment officials for consideration of administrative action to protect the interests of the U.S. Government. No final disposition from USAID has been received. As a result of the investigation, USADF terminated the technical partner's contract, and the technical partner dismissed the assistant and another employee from their positions in February 2015.

¹ Technical partners assist African community enterprise applicants convert ideas into practical business and project plans and provide technical and monitoring support during project implementation.

SIGNIFICANT FINDINGS AND ACTIVITIES

An OIG investigation substantiated allegations of fraud and abuse against a **USADF technical partner in Mauritania**. The investigation found that an administrative assistant inappropriately requested and accepted kickbacks in exchange for approval of fund disbursements and solicited payments from vendors to approve their selection. As a result of OIG's referral, USADF terminated the partner's contract, and the partner dismissed the assistant and another employee from their positions.

OIG's Audit of U.S. African Development Foundation's Activities in Burkina Faso concluded that USADF's activities were contributing to the goals of alleviating poverty and promoting emerging entrepreneurs, particularly activities related to training, infrastructure improvements, and procurement assistance. However, some projects were late or incomplete, and OIG made recommendations to address these issues and other program weaknesses.

Audit of U.S. African Development Foundation's Activities in Burkina Faso

Report No. 7-ADF-15-002-P

Since 2008, USADF has supported cooperatives, grassroots associations, and farmers unions in Burkina Faso to improve food security, generate income, and improve livelihoods. The Foundation targets marginalized communities in the landlocked West African country in which, as recently as 2009, nearly 47 percent of the population lived below the national poverty line. USADF develops and monitors its projects through its Burkinabe partner organization, Cabinet d'Ingénierie et de Conseil en Développement d'Entreprises (ICDE). As of March 2014, USADF had 21 active grant projects in Burkina Faso worth approximately \$2.9 million.

OIG concluded that USADF's activities in Burkina Faso were contributing to the goals of alleviating poverty and promoting emerging entrepreneurs. Grantees were trained to manage their associations, and they then wrote manuals that formalized their administrative, governance, and accounting policies. Grantees also bought valuable equipment to use in income-generating activities and to outfit association management offices. By using USADF's procurement process, grantees understood the benefit of comparison-shopping and promised to do so in the future. Furthermore, many grantees benefitted from technical training that encouraged them to use new skills and techniques to increase their production and market their final products. Some benefitted from infrastructure improvements that gave them easier access to their fields and improved their working environments.

Despite these achievements, OIG found that some projects were late or incomplete. Four of the five active grantees OIG visited were running late in carrying out their activities, and six of the seven grantees with expired projects did not finish their activities.

OIG determined that ICDE did not respond to some grantees' problems. Although grantees notified the partner organization of problems affecting how they carried out activities, ICDE employees did not help the grantees solve them in time to make a difference. OIG also determined that financial and administrative management strengthening activities were not sustainable. Grantees hired financial and managerial contractors to perform administrative functions during their projects. However, the contractors left when the projects were over, and the grantees could not replace them. Furthermore, members of grantee associations were not trained properly.

Finally, OIG found that some grantees did not report accurate results, and USADF set some performance targets too low.

USADF took final action on OIG's nine recommendations.

Audit of the U.S. African Development Foundation's Financial Statements for Fiscal Years 2014 and 2013

Report No. 0-ADF-15-002-C

Under OIG's oversight, a nonfederal audit firm performed an audit of USADF's financial statements for the fiscal years that ended September 30, 2014, and 2013. The audit firm issued an unqualified opinion on them.

In addition, the audit firm found no instances of material weakness or significant deficiency in internal control over financial reporting and no instances of noncompliance with selected provisions of applicable laws and regulations. OIG reviewed the audit report and found it to be in accordance with applicable standards. OIG made no recommendations.

Audit of the U.S. African Development Foundation's Fiscal Year 2014 Compliance With the Federal Information Security Management Act of 2002

Report No. A-ADF-15-002-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 Brown & Company CPAs PLLC to conduct the audit. The objective of the audit was to determine whether the USADF implemented selected minimum security controls for selected information systems in support of FISMA.

The auditors concluded that USADF was in substantial compliance with FISMA and has developed and documented the majority of the information security policies and procedures required under FISMA. However, Brown noted a few weaknesses related to policies and procedures that were not always followed.

USADF made management decisions on OIG's four recommendations and took final action on three of them.

Tables

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- Reports with questioned or unsupported costs
- Reports with 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

Performance Audits Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use USADF October 1, 2014 March 31, 2015				
Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Economy and Efficiency				
7-ADF-15-002-P	10/24/14	Audit of U.S. African Development Foundation's Activities in Burkina Faso		
A-ADF-15-002-P	10/23/14	Audit of the U.S. African Development Foundation's Fiscal Year 2014 Compliance With the Federal Information Security Management Act of 2002		

Financial Audits Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use USADF October 1, 2014 March 31, 2015				
Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Programs and Operations				
0-ADF-15-002-C	11/17/14	Audit of the U.S. African Development Foundation's Financial Statements for Fiscal Years 2014 and 2013		

SIGNIFICANT FINDINGS AND TABLES: INTER-AMERICAN FOUNDATION

IAF is an independent U.S. Government agency created to provide development assistance in Latin America and the Caribbean. IAF provides grant support for 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 2014 and 2013

Audit Report No. 0-IAF-15-003-C

Under OIG's oversight, a nonfederal audit firm performed an audit of IAF's financial statements for the fiscal years that ended September 30, 2014, and 2013. The independent auditor expressed an unmodified opinion on them. 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. The report contains no material weaknesses or significant deficiencies in IAF's internal control over financial reporting, and no instances of noncompliance with selected provisions of applicable laws and regulations.

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 Federal Financial Statements."

OIG reviewed the firm's related audit documentation. Our review disclosed no instances in which the independent auditor did not comply, in all material respects, with the auditing standards discussed above. OIG made no recommendations.

OIG Confirms Fraud in IAF Grant in Dominican Republic

An OIG investigation confirmed that the executive director of a Dominican NGO embezzled approximately \$29,000 in IAF program funds in the Dominican Republic. The matter was referred to the Dominican authorities for possible criminal or civil action.

Tables

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- 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

Financial Audits Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use IAF October 1, 2014 March 31, 2015				
Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Programs and Operations				
0-IAF-15-003-C	11/17/14	Audit of the Inter-American Foundation's Financial Statements for Fiscal Years 2014 and 2013		

SIGNIFICANT FINDINGS: OVERSEAS PRIVATE INVESTMENT CORPORATION

OPIIC 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, OPIIC provides financing, guarantees, and political risk insurance, and it offers support for private equity investment funds.

OIG provides some oversight of OPIIC under 22 U.S.C. 2199(e). In addition, Senate Report 113-195, which accompanied the Department of State, Foreign Operations, and Related Programs Appropriations Bill for 2015, directed OPIIC to (1) enter into an FY 2015 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. The Explanatory Statement accompanying the Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235) reiterated the direction for OPIIC to enter into an oversight arrangement with USAID OIG. During the period, OIG and OPIIC signed an agreement for oversight services in FY 2015.

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- 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, 2014 March 31, 2015					
Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
A-OPC-14-007-P	Audit of the Overseas Private Investment Corporation's Compliance with Federal Information Security Management Act for Fiscal Year 2014	9/11/14	6	9/11/14	6/30/15

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

During the current reporting period, there were no peer reviews conducted of the Office of Investigations. The most recent peer review, which was conducted by the Nuclear Regulatory Commission (NRC) OIG in April 2014, found Investigations to be in full compliance with the Council of Inspectors General for Integrity and Efficiency Quality Standards for Investigations.

As a result of the review, NRC OIG made three recommendations. Two of the recommendations have been resolved. The third recommendation—that the Criminal Investigations Manual should be reviewed and revised to update obsolete positions, practices, and procedures—is in process and scheduled to be completed by April 2015.

COMMON ABBREVIATIONS

BU	funds recommended to be put to better use
CEO	chief executive officer
FISMA	Federal Information Security Management Act of 2002
FY	fiscal year
HC	human capital
IAF	Inter-American Foundation
ISIL	Islamic State of Iraq and the Levant
IRD	International Relief and Development
IT	information technology
JIATF	Joint Interagency Task Force
LBG	Louis Berger Group
MAD	Make a Difference campaign
MCA	Millennium Challenge Account
MCC	Millennium Challenge Corporation
NGO	nongovernmental organization
OIG	Office of Inspector General
OIR	Operation Inherent Resolve
OPIC	Overseas Private Investment Corporation
OMB	Office of Management and Budget
OUA	Operation United Assistance
PMI	President's Malaria Initiative

QC	questioned costs
SIGAR	Special Inspector General for Afghanistan Reconstruction
UN	unsupported costs
USADF	U.S. African Development Foundation
USAID	U.S. Agency for International Development



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