

Office of Inspector General
U.S. Agency for International Development

**AUDIT AND INVESTIGATIVE
OVERSIGHT PLAN
FOR FISCAL YEAR 2019**



MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present the Office of Inspector General's (OIG) fiscal year 2019 audit and investigative plan for overseeing the five foreign assistance agencies we monitor: the U.S. Agency for International Development, the Millennium Challenge Corporation, the U.S. African Development Foundation, the Inter-American Foundation, and the Overseas Private Investment Corporation. This oversight plan highlights our audit and investigative priorities, which are risk-based, follow high-dollar and crosscutting initiatives, and provide independent insights to inform stakeholders' decision making.

In prioritizing our audits and investigations, we identify weaknesses that affect the agencies we oversee, including vetting and promoting coordination among implementers and measuring, monitoring, and evaluating performance; and strengthening financial and IT management. We also coordinate with other U.S. foreign assistance oversight offices, including the OIGs for the Department of State and the Department of Health and Human Services on an annual audit plan for HIV/AIDS, tuberculosis, and malaria; and with the OIGs for the Departments of Defense and State on overseas contingency operations.

Finally, we build in flexibility to respond to new administration and congressional priorities that may emerge, hotline tips, and results from audits and investigations.

To ensure our plan remains relevant and actionable, we will continue to assess the impact of our work and consult with Congress, the agencies we oversee, and other stakeholders as we identify new and evolving vulnerabilities and challenges.

I want to thank our dedicated staff for embracing the planning process and for their tireless efforts on behalf of the American people to accomplish our mission.

INTRODUCTION

OIG's mission is to safeguard and strengthen U.S. foreign assistance through timely, relevant, and impactful oversight. We provide independent oversight of the U.S. Agency for International Development (USAID), U.S. African Development Foundation (USADF), Inter-American Foundation (IAF), Millennium Challenge Corporation (MCC), and Overseas Private Investment Corporation (OPIC).¹

Our audits and investigations cover a broad range of high-risk, high-dollar programs and projects. They address large-scale programs and initiatives that provide assistance to host governments for reconstruction, development, and self-reliance, as well as innovative approaches such as public-private partnerships to development investment. Our audits isolate the underlying causes of fraud, waste, and abuse in foreign aid and development programs and make sound recommendations for eliminating these vulnerabilities.

Some of our work is mandated by statute or based on requests from key stakeholders including Congress; other work is performed at OIG's discretion. In keeping with our oversight mandates, we help ensure accurate and transparent financial reporting, the security of information technology assets, and the proper use of travel and purchase cards. We verify that agencies are doing the accounting that is required and upholding the principles that guide all Federal agencies.

When identifying and prioritizing discretionary audit and investigative activity, we consider many factors:

- OIG's strategic goals and agencies' top management challenges.
- Stakeholders' needs and requests, gathered through outreach with agency officials, congressional committees, board members, and others, as well as within OIG.
- The source and amount of funds going to key programs, countries, regions, and implementers.
- Risks associated with the agencies' programs, including potential vulnerabilities in internal controls.
- Results of prior audit and investigative work.

We also analyze program areas and operations where we could have the biggest impact.

This document features our ongoing and planned audit and investigative work to help the entities we oversee effectively plan, monitor, and achieve sustainability of U.S.-funded development programs; advance accountability in programs requiring complex

¹ USAID OIG was established on December 16, 1980, by Public Law 96-533, an amendment to the Foreign Assistance Act of 1961. On December 29, 1981, the International Security and Development Cooperation Act of 1981 brought OIG under the purview of the Inspector General Act of 1978. USAID OIG also maintains limited authority over OPIC under 22 U.S.C. 2199(e).

interagency coordination; and maintain controls in agency core management functions. Once an audit is initiated, objectives may change based on what we learn from survey research and where we can focus finite resources to provide the most meaningful and timely work for agency officials and other stakeholders.

PROMOTING EFFECTIVE OVERSIGHT OF THE DELIVERY OF HUMANITARIAN AND STABILIZATION ASSISTANCE

Nowhere is USAID's work and OIG's oversight more important than in environments characterized by conflict, government instability, or cataclysmic natural events. Managing the risks inherent to responding to crises has been a longstanding challenge, especially when short-term humanitarian response evolves into a protracted presence. Our past work exposed vulnerabilities and weaknesses in planning and monitoring in these environments, demonstrating the need for improved risk assessment and identification, and plans to counter complex corruption schemes and mitigate the growing threat of funds diverted to terrorists. In these areas, where heightened security risks and the large amounts of assistance provided make monitoring essential but especially difficult, OIG dedicates audit and investigative resources to better ensure U.S.-funded goods and services reach intended beneficiaries.

Audit of USAID's Oversight of Selected Implementers Delivering Humanitarian Assistance in Response to the Syria Crisis

This audit is evaluating USAID's oversight of selected implementers delivering humanitarian assistance. We will assess whether USAID has taken action to address problems previously identified by OIG investigators.

Audit of USAID Activities in Iraq

We are analyzing USAID's strategy for providing assistance to Iraq, where its portfolio is over \$1 billion. In particular, this audit examines USAID's relief efforts in Iraq, including its work in humanitarian assistance and stabilization.

Audit of USAID's Response to the Lake Chad Basin Complex Emergency

Our audit is examining USAID's response to the humanitarian crisis in this high-risk region, which includes areas of Nigeria, Cameroon, Chad, and Niger. Having fled attacks by the Islamic State of Iraq and Syria (ISIS) in West Africa, millions of civilians are displaced and require assistance to meet their basic needs, since conflict interferes with their livelihoods. We are looking at issues that affect USAID's response, as well as at the vetting of partner organizations and recipients to prevent assistance from being diverted to terrorist organizations.

Proactive Outreach in the Philippines

In September 2017, the Secretary of Defense designated Operation Pacific Eagle-Philippines an overseas contingency operation in response to the Philippine Government's request for assistance in defeating the ISIS' Philippines affiliates

(collectively referred to as ISIS-P). Working with USAID and other agencies, the Department of Defense leads the operation to provide humanitarian relief and help stabilize the part of the country most affected by ISIS-P. In May 2018, as part of its oversight outreach efforts, OIG conducted a fraud awareness workshop for organizations providing humanitarian aid in the southern Philippines. The workshop featured an exercise on identifying procurement fraud and false documentation. OIG will continue to focus its outreach efforts by partnering with the Department of Defense to hold fraud awareness workshops.

Fraud Awareness Outreach to Those Responding to the South Sudan Humanitarian Crisis

The South Sudan crisis has left millions of people in need of food assistance. USAID is providing that, along with shelter, water, sanitation, hygiene, and health services for internally displaced people and those who have fled across the border to Northern Uganda. Given the scale of USAID's response, OIG has conducted fraud awareness trainings and outreach activities for USAID staff and implementers, tailoring its activities to address issues in the region.

Increased Awareness of Fraud Among Implementers in the Horn of Africa

In fiscal year 2018, USAID's Office of U.S. Foreign Disaster Assistance and Office of Food for Peace provided more than \$822 million in humanitarian assistance to Somalia, Ethiopia, and Kenya. This assistance helped meet the emergency food, nutrition, health, water, and sanitation needs of internally displaced people, refugees, and other vulnerable communities. OIG will increase its outreach by performing fraud awareness briefings and maintaining contact with USAID and implementers in the region.

Improved Reporting of Sexual Exploitation and Abuse

In March 2018, USAID OIG sent a memorandum to the USAID Administrator highlighting vulnerabilities in USAID's policy on reporting allegations of sexual exploitation and abuse. The Agency had been requiring implementers to report allegations against their staff of trafficking or procuring commercial sex from beneficiaries, but not allegations of other forms of sexual misconduct. The policy gave implementers the discretion to report only allegations that they deemed credible.

Also in March 2018, USAID established the Action Alliance for Preventing Sexual Misconduct, updated standard award provisions, and issued guidance clarifying that all forms of sexual misconduct affecting beneficiaries should be reported to both USAID and OIG. In July 2018, OIG held a workshop on humanitarian operations including requirements and guidelines for reporting allegations of sexual exploitation and abuse. OIG will increase its outreach efforts to USAID industry partners and maintain contact with USAID and implementer staff in unstable regions and crisis environments.

Deterrence of Diversion to Terrorist Organizations

OIG investigations have uncovered multiple schemes to divert USAID funds and goods to armed groups in northwest Syria. These diversions have prompted USAID or implementers to suspend part or all of affected programs, including temporarily suspending activities of one cross-border implementer; terminate or otherwise dismiss employees; verify beneficiaries; and institute new procedures. OIG will continue to focus its investigative and outreach efforts to effectively deter, detect, and neutralize efforts to provide or conceal material support to designated terrorist organizations and armed groups.

ENCOURAGING EFFECTIVE PLANNING, MONITORING, AND SUSTAINABILITY OF U.S.-FUNDED DEVELOPMENT

USAID strives to end the need for foreign assistance and support partner countries on their journeys to self-reliance. To achieve its goal, USAID has to ensure that U.S.-funded development is sustainable—that it endures after U.S. involvement ends. USAID therefore calls for investing in communities that have a stake in continuing activities and services, building the skills of local stakeholders, and promoting planning for sustainability, which could include public- or private-sector participation and financial backing. While USAID has improved program planning, monitoring, and evaluation, our work points to ongoing challenges. MCC has also emphasized country-led implementation of its projects and encourages the development of country ownership. OIG will continue to assess the implementation and sustainability of development programs, including those focused on:

- **Global health programs and supply chain.** With decades of experience implementing programs for HIV/AIDS, tuberculosis, malaria, and other diseases such as Ebola and Zika, USAID has worked to increase overall healthcare access and improve quality. In response, OIG’s audit and investigative priorities converge on the global health supply chain, including programs supported by the President’s Malaria Initiative (PMI) and the President’s Emergency Plan for AIDS Relief (PEPFAR).
- **Developing local infrastructure.** Because power, roads, and other public services can be transformative, USAID, OPIC, and MCC have made infrastructure a priority for developing countries. OIG will conduct audits of infrastructure project design, monitoring, and sustainability and will prioritize investigative efforts related to preventing, detecting, deterring, and neutralizing fraud and corruption in infrastructure projects.
- **Building local capacity.** Carrying on development activities and reforms after U.S. assistance ends requires local citizens who are educated, empowered, and involved in their communities. As a result, USAID works to build the capacity of local individuals and institutions to better ensure sustainability and advance the journey to self-reliance. Our work aims to identify obstacles to USAID’s achieving the full

impact of development funds through country ownership, and assesses the effectiveness of programs at furthering development goals.

Global Health Programs and Supply Chain

Audit of USAID Commodities and In-Country Supply Chain Management

At the request of the Senate Foreign Relations Committee, this audit is evaluating the extent to which USAID has undertaken activities to identify and mitigate root causes of in-country supply chain weaknesses. Key risks include commodity spoilage, stockouts, turnover, theft, and shrinkage.

Audit of USAID's Procurement and Management of Its Global Health Supply Chain Contract

This audit responds to a request from the Senate Foreign Relations Committee and looks at the contract for the Global Health Supply Chain – Procurement and Supply Management Project, a \$9.5 billion indefinite delivery, indefinite quantity contract awarded to Chemonics in January 2016. Auditors are assessing how the contract—the largest ever awarded by USAID—was designed and awarded and whether USAID's management of it provides for accurate and timely delivery of commodities to selected host countries.

Strengthening Global Health Supply Chains

Under the Global Health Supply Chain contract, Chemonics is responsible for making health commodities for HIV/AIDS, malaria, family planning, and maternal and child health readily available in more than 50 countries in a cost-effective manner and for providing technical assistance in supply chain management. After its 2016 review of the project's potential vulnerabilities, OIG outlined areas for increased oversight to the leadership of USAID's Global Health Bureau.² OIG will continue to closely monitor project activities and work with USAID and implementers to improve the project's resilience to fraud, waste, and abuse.

Expanding Fraud Reporting Hotlines

OIG's Make a Difference campaign, aimed at providing actionable information about the theft, transport, resale, or counterfeit of antimalarial commodities, has proven an effective tool for protecting the integrity of the President's Malaria Initiative programs. During campaigns in Benin, Malawi, and Nigeria, hotlines and other OIG initiatives led to 14 arrests and 9 convictions related to the theft of medical commodities. OIG concluded its campaign in these three countries and launched a new initiative in Guinea in September 2018. Working with USAID implementing partners, OIG advises beneficiaries how to safely report information on manufacturers, distributors, or sellers of illicit commodities, as well as build strategic partnerships with local law enforcement in that country.

² ["OIG Advisory Memorandums and Global Health Advisory on Internal Control Concerns,"](#) June 7, 2017, accessed on May 31, 2018.

Audit of USAID’s Health Systems Strengthening Programs in Selected Missions

This audit is examining whether selected USAID missions defined and designed health systems strengthening programs to address USAID’s vision for health systems strengthening, and whether USAID’s Office of Health Systems provided USAID missions with the necessary direction and technical assistance to be successful.

Developing Local Infrastructure

Audit of MCC’s Model for Building Sustainability Into Transportation Infrastructure Projects

By looking at the results of finished road projects, an area of significant MCC investment, this audit examines how MCC identified and addressed sustainability risks of select past road projects and integrated sustainability lessons into risk assessment policies and procedures.

Investigations of Fraud and Corruption Involving MCC Infrastructure Projects

To provide further oversight of MCC’s investment in infrastructure, OIG established a team devoted exclusively to investigating allegations of fraud, waste, and abuse in MCC infrastructure projects.

Building Local Capacity

Audit of USAID’s Democracy, Human Rights, and Governance Programs

OIG initiated this audit in response to a request from the Senate Foreign Relations Committee and is examining how USAID designs and implements these programs, how it measures their progress, and how it coordinates with the State Department. Specifically, it evaluates how USAID mitigates the risk of bias in its democracy, human rights, and governance programs to avoid the perception of interference in a country’s internal politics.

Audit of USAID’s Use of Local Solutions

This audit seeks to determine whether USAID’s now-retired local solutions initiative had an impact on strengthening local capacity, enhancing and promoting country ownership, and increasing sustainability. We are also looking at whether USAID implemented risk mitigation procedures for working with government ministries, local NGOs, and local for-profit firms to implement USAID-funded programs.

Audit of USAID/Pakistan’s Education Portfolio

OIG is conducting this audit to ascertain the extent to which USAID/Pakistan’s portfolio of education projects is linked to a comprehensive strategy that advances U.S. development objectives in Pakistan. The audit will also determine how effectively USAID/Pakistan managed its education projects to ensure timely and impactful results.

ADVANCING ACCOUNTABILITY IN FOREIGN ASSISTANCE PROGRAMS INVOLVING COORDINATION OF COMPLEX INTERAGENCY PRIORITIES

U.S. foreign assistance has the dual purpose of advancing U.S. national security and economic prosperity while promoting global development objectives. Delivering this assistance involves multiple U.S. government agencies, which presents coordination challenges, particularly as it relates to reconciling agency priorities and short- and long-term U.S. government objectives. OIG will continue to provide oversight in these complex and dynamic areas to ensure that U.S. foreign assistance dollars are used efficiently and effectively to meet foreign assistance aims.

- **Oversight of Interagency Efforts.** Delivering foreign assistance often involves multiple U.S. Government agencies. Their joint endeavors require cooperation and rigorous coordination, especially on complex tasks such as carrying out development projects in crisis and conflict zones and fostering private-sector partnerships that advance both U.S. prosperity and global development goals. Through investigations and audits, OIG promotes effective oversight of ongoing interagency and multidonor development efforts and works with its partners in the oversight community to plan and coordinate future efforts.
- **Accountability in Areas of Strategic National Interest.** Foreign assistance has an integral role in U.S. foreign policy by fostering democracy, good governance, and economic opportunity to support partnerships and promote stability. Neglecting these tenets can contribute to regional and global insecurity, transnational crime, and violence and extremism. OIG continues to concentrate its oversight in regions where the U.S. government invests in foreign assistance to promote regional and global peace and security.
- **Coordinating to Promote Proactive Oversight.** OIG participates in several task forces, coordinated oversight efforts, and information sharing initiatives both within the U.S. government and with international oversight counterparts. This includes proactively standing up work groups with other government oversight entities working in Syria; developing coordinated oversight plans with other OIGs on Overseas Contingency Operations and HIV/AIDS programs; and contributing to efforts of the Council of the Inspectors General on Integrity and Efficiency.

Oversight of Interagency Efforts

Audit of Foreign Assistance Agencies' Approach to Incorporating Private Capital Into Projects

In response to a congressional request, OIG is assessing U.S. development agencies' efforts to leverage private capital to help achieve development objectives. OIG will

identify the primary types and sources of private capital that USAID, USADF, IAF, MCC, and OPIC receive. We will also describe their approaches for engaging the private sector and mobilizing private capital for their projects.

Audit of USAID's Use of Public-Private Partnerships

We are evaluating USAID's use of public-private partnerships for achieving development goals, the metrics and other tools it uses to evaluate partnerships' performance, and what key stakeholders perceive as the major advantages and disadvantages from partnerships. This work is being conducted in response to a request from the House Appropriations Committee.

Accountability in Areas of Strategic National Interest

Work to Neutralize Fraud and Corruption in Critical Priority Countries

OIG is focused on deterring, detecting, and neutralizing fraud and corruption involving high-priority USAID programs in South Sudan, Afghanistan, Pakistan, Iraq, the West Bank and Gaza, and Yemen. To demonstrate the priority it puts on them, OIG created an investigative and analytical team dedicated to countering fraud in these countries and their humanitarian operations, and a second team focused exclusively on Iraq and Syria.

Quarterly Reporting on Overseas Contingency Operations

USAID OIG works closely with the Inspectors General of the Department of Defense and Department of State to plan, coordinate, and report on oversight of overseas contingency operations. The framework provided in the Inspector General Act requires that during such circumstances, one agency be designated as the Lead Inspector General. Under this framework, the three IGs issue quarterly reports to Congress on oversight of overseas contingency operations in Iraq and Syria for Operation Inherent Resolve, in the Philippines for Operation Pacific Eagle, in Afghanistan for Operation Freedom's Sentinel, and in other countries associated with three classified overseas contingency operations in Africa and the Middle East.

Audit of USAID/Afghanistan's New Development Partnership

OIG is conducting an audit of USAID/Afghanistan's New Development Partnership to determine if USAID/Afghanistan adopted internal policies and procedures to adequately verify the achievement of indicators in the July 2015 partnership's results framework. The audit also examined whether USAID/Afghanistan adequately verified the achievement of completed indicators under the New Development Partnership for any payments made.

Audit of USAID's Strategy for Monitoring and Evaluating Projects Throughout Afghanistan

A prior OIG audit found USAID needed to improve its multitiered monitoring strategy for Afghanistan by setting standards for effective oversight and by doing more centralized and rigorous data monitoring. The objective of this audit is to examine the extent to which USAID has used the strategy to manage projects and serve as the basis for informed decision making.

Fraud and Corruption in Afghan Energy Infrastructure Projects

OIG will continue to focus on emerging power transmission projects in Afghanistan. These projects, which have long constituted a significant amount of total USAID infrastructure development funding, have continually fallen prey to fraud and corruption schemes at all levels of procurement and implementation. OIG's work is even more important following USAID's decision to discontinue on-budget funding through elements of the Afghanistan Government for a state-owned power infrastructure company.

Fraud Involving an Education Project in Afghanistan

OIG will continue to monitor the efforts underway to reform and rehabilitate the American University of Afghanistan financial, human resources, and internal control systems. Recent investigations uncovered systemic, long-term failures by American University of Afghanistan staff and board members to ensure adequate oversight of and accounting for more than \$100 million in previously awarded U.S. Government funds. USAID OIG and the Special Inspector General for Afghanistan Reconstruction (SIGAR) continue to investigate numerous allegations of fraud, waste, and abuse while monitoring the university's progress toward reforming its financial, human resources, and internal control systems in order to continue receiving U.S. Government funds.

Investigations' West Bank and Gaza Office

OIG's West Bank and Gaza office remains of high importance as it transitions to a regional platform to investigate emerging issues in Yemen, Syria, and other countries in the region. Two special agents and a locally hired investigator make up the team assigned there, which focuses on deterring and detecting fraud and halting the use of USAID funds to provide material support to designated terrorist organizations.

Audit of USAID's Crime and Violence Prevention Activities in Central America

This audit is examining the extent to which USAID has processes in place to ensure that its activities advance the U.S. security strategy in Central America.

Coordinating with Partners to Promote Proactive Oversight

Council of the Inspectors General on Integrity and Efficiency

OIG participates in the Council of the Inspectors General on Integrity and Efficiency (CIGIE) and contributes to several committees and working groups. The USAID Inspector General recently served as the Vice Chair for the Audit Committee, and a Deputy Assistant Inspector General for Audit serves as CIGIE's liaison to the Council of Chief Financial Officers. OIG also provides its audits and semiannual reports to [Oversight.gov](https://www.oversight.gov), the council's online repository of reports from all OIGs.

Coordinated Oversight Planning

USAID OIG works closely with other Federal OIGs to coordinate oversight planning as required by Congress. Currently, USAID OIG participates in the development of a joint Coordinated Oversight Plan for Overseas Contingency Operations with the Department of Defense and Department of State OIGs. USAID OIG also develops

coordinated oversight plans for the President's Emergency Plan for AIDS Relief (PEPFAR) with the OIGs for the Department of State, Department of Health and Human Services, and Peace Corps.

Syria Investigations Working Group

OIG founded the Syria Investigations Working Group in October 2015. This group consists of representatives from the oversight bodies of USAID OIG, the Department of State OIG, public international organizations, and bilateral donors. Group members share investigative leads, coordinate oversight activities, and identify trends in the region.

Collaboration With International Oversight Agencies

OIG attends global conferences with other international oversight agencies to increase information sharing that addresses common investigative and audit issues and mitigates fraud in development programs. Additionally, OIG serves as one of the founding members of the International Audit and Integrity Group, whose mission is to facilitate the sharing of information to increase integrity in development programs. The meetings include participants from United Nations agencies and multilateral and bilateral donor organizations.

Work With Bilateral Donors

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

IDENTIFYING VULNERABILITIES AND NEEDED CONTROLS IN AGENCY CORE MANAGEMENT FUNCTIONS

Effective and reliable financial and information systems are vital to the stewardship of U.S. Government resources. Our audit and investigative work aims to address risks that could impede an agency's ability to address uncertain security settings, ensure adequate controls over computer systems, meet Governmentwide requirements for transparency in financial reporting and accountability for appropriated funds, and effectively use limited financial and human resources. Our work focuses on the ability of entities' systems to manage financial resources, information technology resources, and human capital.

Financial Systems and Agencies' Management Practices

Audit of OPIC's Compliance With Appropriations Requirements

To respond to a request from the House Appropriations Committee, this audit is assessing the processes and procedures OPIC used to ensure compliance with the funding conditions and reporting requirements in the Fiscal Year 2018 Consolidated Appropriations Act (Public Law 115-141).

Audit of USAID's Award Management

This audit looks at whether implementers are delivering results as initially intended and assesses USAID's award management process.

Audit of USAID's Management of Expired or Cancelled Funds

In response to a congressional request, we are auditing USAID's use of appropriated funds prior to their expiration and cancellation. For example, we are looking at whether operating units used appropriated funds within the deadlines of the appropriations and made obligations with expired funds in accordance with Federal requirements.

Audit of MCC's Threshold Program

This audit will look at the effectiveness of MCC's Threshold Program, which supports promising countries' efforts to implement key policy and institutional reforms that demonstrate their commitment to MCC's eligibility criteria.

Investigations Proactive Outreach Program

OIG investigators continue to implement a proactive outreach program by working with implementers of high-priority USAID programs to enhance OIG's understanding of their program activities and related risks and improve implementers' resilience to fraud. OIG special agents and analysts help implementer employees identify systemic weaknesses and vulnerabilities in each organization's internal controls and procurement, finance, staffing, and other processes. These engagements provide opportunities for investigators to build relationships with implementer staff and provide information about actions they can take against fraud.

Audit of Financial Statements

The Government Management and Reform Act, Office of Management and Budget (OMB) Bulletin 15-02 Sec 7, and the Accountability of Tax Dollars Act of 2002 require OIG to perform an independent audit of the annual financial statements for the agencies under its jurisdiction. OIG must render an opinion on whether the financial statements are presented fairly in all material aspects; report on internal control; and report on compliance with laws, regulations, contracts, and grant agreements pertaining to the statements. OIG will conduct this audit for USAID, USADF, IAF, and MCC.

Non-Federal Audit Program

The non-Federal Audit Program includes audits conducted by independent public accounting (IPA) firms, supreme audit institutions (SAI), and the Defense Contract Audit Agency (DCAA) for which OIG provides oversight. The program issues approximately 500 audit reports annually, with audited amounts of about \$10 billion per year.

Audit of Digital Accountability and Transparency Act Compliance

The Digital Accountability and Transparency Act of 2014 requires OIG to review implementation of the act's requirements by its respective agencies. For fiscal year 2019, OIG will conduct the required audit for USAID and MCC, looking at the completeness, timeliness, quality, and accuracy of the first quarter financial and award data they

submitted to the Department of the Treasury for publication on USASpending.gov and at their implementation and use of the Governmentwide financial data standards.

Monitoring and Reporting on the Improper Payments Elimination and Recovery Act

The Improper Payments Elimination and Recovery Act of 2010, as amended by the Improper Payments Elimination and Recovery Improvement Act of 2012, requires OIG to determine if agencies under its jurisdiction are complying with the act and submit a report each fiscal year to the head of the agency, the Committee on Homeland Security and Governmental Affairs, the Committee on Oversight and Reform, and the Comptroller General. OIG will conduct this report for USAID, USADF, IAF, and MCC.

Assessment of Agency Management of Purchase and Travel Cards

The Government Charge Card Abuse Prevention Act of 2012 requires OIG to conduct a risk assessment of agency purchase cards, travel cards, fleet cards, and convenience checks. It also requires OIG to submit a status report on purchase and travel card audit recommendations to the Director of OMB 120 days after the end of each fiscal year. OIG must also conduct periodic audits or reviews of travel programs of those of its agencies with more than \$10 million in travel card spending. OIG will conduct this assessment for USAID, USADF, IAF, MCC, and OPIC.

Adherence to the Grants Oversight and New Efficiency Act

The Grants Oversight and New Efficiency Act of 2016 requires OIG to report to Congress on the number of grants managed by the agencies under its jurisdiction, challenges leading to delays in grant closeout, and reasons that the 30 oldest Federal grants have not been closed out. For any agency with more than \$500 million in annual grant funding, OIG must conduct a risk assessment to determine whether an audit of the agency's grant closeout process is warranted. We will conduct risk assessments for USAID and MCC in fiscal year 2019.

Review of the Accounting and Authentication of the Fiscal Year 2016 Drug Control Funds and Related Performance Report

The Office of National Drug Control Policy Circular, "Accounting of Drug Control and Performance Summary," January 18, 2013 (21 U.S.C. 1704), requires USAID to submit its report to the Office of National Drug Control Policy. OIG will review the information in USAID's submission and provide an attestation report for USAID to include in its submission.

Information Technology Systems and Management

Audit of USAID's Controls Over Mobile Devices and Personally Owned Devices

OIG is conducting an audit of selected controls to prevent the loss of information when staff access USAID's Google Apps remotely with their own devices. The audit seeks to determine whether USAID implemented key internal controls to reduce the risk of that loss.

Audit of Compliance With the Federal Information Security and Modernization Act

The Federal Information Security Management Act of 2002, amended by the Federal Information Security Modernization Act of 2014, requires OIG to perform an annual evaluation of its agencies' information security programs. OIG will conduct an audit for USAID, USADF, IAF, MCC, and OPIC.

Human Capital Systems and Management

Audit of USAID's Use of Workforce Information

OIG is assessing how USAID uses human capital data to strategically plan and make workforce decisions. The audit is also assessing how workforce strategy fits with the Agency's transformation initiative, which includes managing human capital talent as a key outcome.

USAID Integrity Working Group (IWG)

OIG established IWG to facilitate action and cooperation between USAID offices on lapses in employee integrity. Composed of five member offices—OIG, the Office of Human Capital and Talent Management, the Office of the General Counsel, the Office of Security, and the Office of the Chief Information Security Officer—IWG enhances accountability and continuity in the handling of employee case referrals. It convenes monthly meetings during which the Deputy Assistant Inspector General for Investigations updates the member offices on active investigations, and members discuss how to resolve outstanding cases.

COMMON ABBREVIATIONS

DCAA	Defense Contract Audit Agency
HIV/AIDS	human immunodeficiency virus, acquired immunodeficiency syndrome
IAF	Inter-American Foundation
IPA	independent public accounting
ISIS	Islamic State of Iraq and Syria
IWG	Integrity Working Group
MCC	Millennium Challenge Corporation
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPIC	Overseas Private Investment Corporation
PEPFAR	President's Emergency Plan for AIDS Relief
SAI	supreme audit institution
SIGAR	Special Inspector General for Afghanistan Reconstruction
USADF	U.S. African Development Foundation
USAID	U.S. Agency for International Development