TOP MANAGEMENT CHALLENGES

Facing USAID in Fiscal Year 2021

OFFICE OF INSPECTOR GENERAL
U.S. Agency for International Development

CONTENTS

Message From the Inspector General

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Inspector General

USAID provides humanitarian and stabilization assistance to people in countries recovering from natural disasters and armed conflict, as well as assistance in combating disease, food insecurity, child and maternal mortality, and gender-based violence. The United Nations recently reported that new and ongoing crises displaced nearly 80 million people at the end of 2019. Prolonged conflict has left over 13 million people internally displaced in Afghanistan, Iraq, Syria, and Yemen, while on the other side of the world, violence and political unrest have displaced 4.5 million Venezuelans. The global spread of COVID-19 added new threats for populations already lacking access to food, medicine, and basic services.

USAID's foreign assistance investments also advance economic growth, create markets and U.S. trade partners, and promote stable and free societies—all of which promote good will abroad and strengthen U.S. national security interests. To help ensure USAID maximizes its budgetary resources— approximately $29 billion in fiscal year 2020—OIG independently oversees USAID operations and programs.[1] As part of this oversight, the Reports Consolidation Act of 2000 (Public Law 106–531) requires USAID to include in its performance and accountability report a statement by the Inspector General summarizing the most daunting challenges and the progress made in managing them.

Based on our recent audits, investigations, and other oversight work, we identified four top management challenges facing USAID in fiscal year 2021:

- *Managing Risks Inherent to Humanitarian and Stabilization Assistance Amid a Public Health Emergency of International Concern.* The flow of billions in assistance dollars in crisis environments creates prime opportunities for fraud and diversions of U.S.-funded goods to the black market and terrorist groups. The pandemic not only exacerbated barriers to getting critical resources to individuals in need, but it also created new opportunities for bad actors to exploit these resources for personal gain. USAID continues to adapt its approach to managing the complex risks in providing foreign assistance. Notably, USAID established three new bureaus dedicated to relief, response, and resilience as part of its ongoing structural transformation aimed at creating a more

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[1] USAID OIG also provides oversight of the Millennium Challenge Corporation (MCC), the Inter-American Foundation (IAF), and the U.S. African Development Foundation (USADF), as well as oversight of overseas contingency operations as part of Lead Inspector General initiatives (described in section 8L of the Inspector General Act, as amended). Until recently, OIG also had oversight responsibility for the Overseas Private Investment Corporation (OPIC)—a component that merged with other USAID functions to become the U.S. International Development Finance Corporation (DFC). DFC became operational in December 2019, and an Inspector General for DFC was appointed in mid-2020. USAID OIG has continued to act in an advisory role to assist the DFC Inspector General in establishing his office and hiring staff.

field-oriented, functionally aligned, and responsive Agency. However, sustained diligence will be critical to implementing a risk management culture—especially as USAID continues to work to access beneficiaries in nonpermissive settings, enhance oversight of implementers and third-party monitors, and raise awareness of fraud and sexual exploitation and abuse reporting, all while balancing interventions to address COVID-19. Any operational deficiencies will continue to expose USAID programs to significant risk from those who seek to exploit vulnerabilities.

- *Promoting Local Capacity and Improving Planning and Monitoring To Achieve Sustainability of U.S.-Funded Development.* The long-term success of U.S. foreign development depends on host country commitment to growth. However, ongoing imbalances between local capacity and desired outcomes—along with gaps in program planning, monitoring, and assessment—continue to compromise countries' ability to lead and finance development activities and services after U.S. involvement ends. This has been the case with USAID's $9.5 billion Global Health Supply Chain – Procurement and Supply Management project. Since 2016, our investigations and joint operations with local authorities have revealed that host governments have been unable or unwilling to strengthen warehousing, security, and distribution systems—allowing bad actors to steal lifesaving medicines and medical supplies. A lack of sound plans and monitoring have similarly undermined outcomes of USAID's health systems strengthening efforts, locally led supply chains for global health, education programs in Pakistan, and other USAID development projects. USAID has been responsive to our recommendations, as demonstrated in its efforts to improve power initiatives in Africa and Haiti. However, significant risks remain that may compromise the Agency's ability to achieve sustainable development results.

- *Reconciling Interagency Priorities and Functions To Efficiently and Effectively Advance U.S. Foreign Assistance Objectives.* U.S. foreign assistance frequently involves multiple Government agencies, each having its own authorities, funding, and strategies for advancing shared interests. A failure to clearly define and reconcile these priorities and functions can complicate USAID programming and impede multi-agency efforts, which we have seen in the U.S. response to Ebola and now with COVID-19. U.S. and foreign laws can further complicate certain initiatives, as was the case with USAID's crime and violence prevention program in El Salvador, which aims to curb engagement in gangs, including those with links to transnational criminal organizations. USAID actions have the potential to improve interagency coordination, but frequently shifting demands along with increasingly uncertain budgets and staffing will require maximum flexibility to adapt to and advance U.S. foreign policy and national security objectives.

- *Addressing Vulnerabilities and Implementing Needed Controls in Agency Core Management Functions.* USAID's ability to carry out its mission and safeguard Federal funds depends on the integrity and reliability of its core business practices and systems. Without them, other safeguards will not work effectively. Through its actions, USAID has demonstrated its commitment to strengthening controls over core management functions, particularly in bringing its financial and information systems into compliance with strict Federal requirements. However, our recent audits and investigations show that gaps in Agency controls have put some foreign assistance and administrative programs at risk of fraud and abuse. Moreover, the pandemic has altered how USAID does business to protect staff and maintain operations, and USAID continues to work to instill rigor in its awards, financial, information, and human capital management amid changing conditions.

In addition to meeting the requirements of the Reports Consolidation Act, this document will help inform our work and frame our dialogues with Congress and the Administration to pursue stakeholder priorities for effective stewardship of U.S. funds dedicated to foreign aid and development.

OIG remains committed to conducting thorough and timely audits and investigations of USAID programs and management and, when appropriate, recommending actions to help address the challenges we identify. If you would like to discuss or have any questions about top management challenges facing USAID, MCC, IAF, and USADF for fiscal year 2021, please contact me at 202-712-1150.

As part of USAID and the World Food Programme's COVID-19 Emergency Response in Mukuru Kwa Reuben Urban Settlement, selected families receive nutrition supplements and cash transfers. Photo: USAID/Kenya (August 13, 2020)

Chapter 1.

Managing Risks Inherent to Humanitarian and Stabilization Assistance Amid a Public Health Emergency of International Concern

USAID is a leader in responding to humanitarian crises around the world. The inherent risks to foreign assistance in these complex and vulnerable settings demand distinct approaches for planning, implementation, and monitoring. Our audits and investigations highlight the unique challenges USAID faces delivering humanitarian assistance to those in need—challenges that have been exacerbated by the COVID-19 pandemic.

According to the United Nations High Commissioner for Refugees, new and ongoing humanitarian crises forcibly displaced nearly 80 million people at the end of 2019, roughly 40 percent under 18 years of age.[2] Populations in Afghanistan, Iraq, Syria, and Yemen have endured prolonged conflict and displacement, and

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[2]   United Nations High Commissioner for Refugees, "Global Trends: Forced Displacement in 2019," June 18, 2020.

in Lebanon, the Port of Beirut warehouse explosions caused over 150 deaths and thousands of casualties and destroyed homes, hospitals, and businesses within miles of the blast site. On the other side of the world, Venezuelans continued to migrate to escape violence and political unrest. The global spread of COVID-19 early in 2020 added new threats for populations already lacking access to food, medicine, and basic services. Crises like these led the United Nations Office for the Coordination of Humanitarian Affairs to estimate that nearly 168 million people—1 person in 45 worldwide—would need humanitarian assistance and protection in 2020, the highest figure in decades.

To help alleviate suffering, save lives, and promote U.S. Government objectives for foreign assistance and national security, USAID reported expending over $4.3 billion on humanitarian and stabilization assistance in fiscal year 2019.[3] Supplementary resources from Congress to mitigate and respond to the global impacts of COVID-19 augmented USAID's humanitarian assistance portfolio previously anticipated for fiscal year 2020.

Our audits, investigations, and other oversight work speak to the unique risks and challenges that USAID strives to overcome in these complex settings to ensure aid reaches those who need it most. The pandemic not only increased vulnerabilities for individuals in need but has also exacerbated the risks and challenges in getting critical resources to them—further straining USAID's ability to plan, implement, and monitor its programs and creating new opportunities for bad actors to exploit USAID's humanitarian assistance for personal gain. The challenges in managing these risks encompass the considerable vulnerabilities in this perfect storm.

- ● *Balancing Interventions To Address COVID-19 in Humanitarian Settings With New Programming and Ongoing Crises.* As of August 2020, USAID's planned investments related to COVID-19 efforts approached $2 billion in congressional appropriations and funds redirected from other sources. Of this amount, $558 million has been allocated for humanitarian assistance through USAID's International Disaster Assistance (IDA) account to provide COVID-19-related humanitarian assistance in ongoing emergency responses and in fragile countries with potential need. While the Agency reported efficiencies as part of its process for obligating COVID-19 supplemental funding, more than two dozen organizations sent a letter to the USAID Acting Administrator in June 2020 to report long delays in the award process that hindered USAID assistance from reaching beneficiaries in an emergency response. USAID explained that the full supplemental funding had not been immediately available because of the tranche system by which funds were allocated, and that the amount of available funding for planning, commitments, or obligations in each tranche was subject to requests to USAID leadership and approvals within USAID and by other Federal agencies. After revising its processes, USAID ultimately obligated all IDA funding for COVID-19 by the end of July 2020. However, the multimonth delay in obligating funds and the pace of disbursements raised questions about whether USAID's COVID-19 response aligned with its typical humanitarian approach to move money quickly to places in need. USAID reported that delayed approvals across multiple tranches disrupted its ability to rapidly plan with implementers and review applications. Moreover, in April 2020, the International Rescue Committee reported that a slow and insufficient humanitarian response to COVID-19 in fragile and conflict-affected contexts would drive further crises with long-term second-order implications—that is, potential political, economic, and security impacts.[4]

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[3] This figure reflects combined funding amounts for humanitarian assistance, and conflict mitigation and stabilization, as reported by USAID in the Agency Financial Report for fiscal year 2019.
[4] International Rescue Committee, "COVID-19 in Humanitarian Crises: A Double Emergency," April 2020.

Increased food insecurity, gaps in education programs, violence against women and children, and other tangential effects of the pandemic put additional pressure on USAID's humanitarian response efforts. A recent study warns that the economic contraction caused by COVID-19 could significantly affect developing countries, impoverishing up to an additional 580 million people and reversing 30 years of economic improvement in some regions.[5] Moreover, the United Nations High Commissioner for Refugees increased its emergency appeal for funding from $33 million in March 2020 to $745 million by May 2020 to account for the unprecedented potential impacts on the world's displaced individuals. This over 20-fold increase is just one indication that global needs have quickly outpaced resources.

In the coming year, USAID will need to strike a balance between addressing the ongoing humanitarian aspects of COVID-19; mitigating second-order impacts like loss of livelihoods and education; and attending to existing humanitarian crises that pre-date the pandemic and new ones that emerge. This complex effort is in line with the U.S. Government's action plan to support the international response to COVID-19, known as the SAFER package, requiring careful planning, implementation, and monitoring to maximize impact and minimize risks across sectors.[6]

- ***Overcoming Constrained Access to Humanitarian and Stabilization Settings.*** Through our quarterly monitoring of overseas contingency operations, we have seen access in humanitarian settings become increasingly limited. Physical and security restrictions in some cases prevented USAID, implementers, and other actors from delivering aid to people in need and monitoring the aid delivered. One such scenario is in Afghanistan, where polio cases have increased following Taliban access restrictions that effectively halted all vaccination campaigns. In Iraq, USAID reported that over 40 percent of Iraqis in need of assistance live in areas perceived as having medium to high access constraints. In addition, USAID reported that multiple implementers in Iraq temporarily suspended on-the-ground programming due to COVID-19 risks and restrictions, and the ordered departure of Embassy personnel in March 2020 reduced USAID's in-country staff to oversee and manage response activities from 27 to 5. While some humanitarian activities have continued, such as critical health programs, cash and non-food distributions, hygiene promotion, and COVID-19 awareness campaigns, USAID and implementers reported barriers to monitoring the implementation of activities like these in the pandemic environment. The current security situation has prompted new reports of State Department warnings of Embassy closures in Iraq, which, if put into effect, are likely to introduce added operational challenges for USAID staff. USAID's access to data to support effective planning and implementation is also constrained in humanitarian settings, with USAID reporting a scarcity of subnational-level data on humanitarian locations and conditions to target COVID-19 interventions. We have ongoing work to better understand and document how access constraints affect the efficiency and effectiveness of USAID's humanitarian and stabilization assistance.

- ***Enhancing Planning and Oversight for More Effective Third-Party Monitoring in Humanitarian Settings.*** To mitigate monitoring constraints in nonpermissive environments and when providing humanitarian assistance, one approach USAID uses is to contract third-party monitors—often hired locally and who may have fewer access restrictions—to observe on-the-ground humanitarian assistance programming on USAID's behalf. USAID has employed third-party monitors for programs in Afghanistan, Iraq, and elsewhere for many years and has encouraged the use of third-party monitors during the COVID-19 pandemic where conditions allow. Yet, our work

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5   United Nations University World Institute for Development Economics Research, "Estimates of the Impact of COVID-19 on Global Poverty," April 2020.

6   State Department, "U.S. Government Action Plan To Support the International Response to COVID-19," Fact Sheet, April 16, 2020. The SAFER package outlines plans to Scale up community approaches; Address critical needs of healthcare; Find, investigate, and respond to COVID-19 cases; Employ strategies to address second-order impacts; and Ready plans for deployment of therapeutics and vaccines, diagnostics, and devices.

has identified cases where the Agency lacked a formal planning process to effectively execute its third-party monitoring contracts. This was the case with USAID's humanitarian response to the Lake Chad Basin complex emergency, where the United Nations estimated in February 2020 that 9.8 million people were in need of assistance due to regional conflict and violence. However, when USAID launched its response in 2015, it lacked criteria to evaluate whether a third-party monitor was needed, and if it was, whether the contract should cover all four affected countries (Cameroon, Chad, Niger, and Nigeria) and when the contract needed to be in place. Additionally, USAID did not have a formal process within a humanitarian response for assigning the responsibility for planning and procuring the contract to authorized staff. Ultimately, it was not until April 2019—4 years after the need was first identified—that USAID awarded a third-party monitoring contract, which covered Nigeria but not the three other affected countries.

Similarly, USAID had not developed adequate guidance for using third-party monitors for USAID's education program in Pakistan prior to 2019. Though a third-party monitoring contract was in place, USAID/Pakistan officials responsible for overseeing the program identified a general lack of understanding of and reluctance among staff to use the third-party monitoring contract for conducting site visits, in part because they thought the contractor was too slow and lacked the overall program knowledge to provide useful site visit information. USAID addressed the issue in Pakistan when USAID issued additional Agency-wide site visit guidance in May 2019, and USAID/Pakistan updated its site visit mission order in July 2019 to clarify requirements for determining the number and frequency of site visits, documentation, and the use of third-party monitors. Meanwhile, our work in Lake Chad highlighted problems that USAID should address when implementing humanitarian assistance programming in complex emergency situations to improve the utility and effectiveness of third-party monitors in high-risk environments, as we recommended in October 2020. We have an ongoing audit evaluating the effectiveness of third-party monitoring in Iraq.

- ***Reducing Constraints on Vetting and Access to National Security Information To Improve Programming and Monitoring.*** USAID programming plays a critical role in advancing U.S. foreign policy and national security interests. Our recent work identified constraints on USAID's access to interagency national security information, as well as obstacles to obtaining appropriate and timely security clearances. These vulnerabilities have limited USAID's monitoring activity and impacted its ability to fully assess, mitigate, and respond to threats to its humanitarian assistance and stabilization programs. In a classified advisory, we alerted USAID to these vulnerabilities and the related risks— including potential diversions of U.S.-funded aid to terrorist entities—and encouraged the Agency to evaluate its strategy for vetting humanitarian assistance programs and monitoring national security information. In response, USAID submitted a classified response detailing plans to address the noted risks, which USAID will need to work to implement in the coming year.

- ***Overcoming Pandemic-Exacerbated Challenges in Detecting and Preventing Fraud in Complex Environments.*** The flow of substantial funding into crisis environments creates prime opportunities for fraud, a top management challenge for USAID that we have reported for several years running. Our audits and investigations have exposed instances where unscrupulous individuals and organizations take advantage of American generosity through diversions of USAID-funded goods, contract steering, bid rigging, and other acts of corruption. Our monitoring of overseas contingency operations indicates that bad actors could exploit oversight gaps created by the pandemic to recruit fighters, prepare attacks, restrict civilian access to information about the pandemic, or divert lifesaving commodities. For example, according to the Combined Joint Task Force – Operation Inherent Resolve, temporary increases in the Islamic State of Iraq and Syria's pace of attacks in Iraq likely indicated an "opportunistic exploitation of a confluence of factors," such as the Iraqi Security

Forces' "preoccupation" with measures to contain COVID-19.[7] The World Health Organization (WHO) similarly reported that the rise of COVID-19 cases in Africa presents an unprecedented challenge to U.S. counterterrorism and counter-violent extremism efforts.

While USAID prohibits implementers from engaging with sanctioned entities and requires prompt reporting of fraud and other allegations of wrongdoing, USAID faces challenges in detecting and preventing misconduct, as our recent present responsibility referrals have highlighted.[8] In one case, a U.S.-based implementer knowingly failed to disclose credible allegations of procurement fraud committed by subawardees in its programs. In another case, a nongovernmental organization based outside of the United States refused to provide requested records to OIG and other U.S. Government officials within a reasonable timeframe during an investigation into whether the organization had concealed past material support to designated terrorist organizations when applying for USAID awards. The Agency must hold implementers accountable for noncooperation with OIG investigations or risk setting a troubling precedent for the Agency's ability to obtain and respond to facts suggesting fraud and corruption in USAID programming. We have an ongoing audit looking at fraud risk management in the Agency's humanitarian programming for the Venezuela crisis and the challenges USAID faces in its response. We are also auditing USAID's oversight of an implementer in Syria and the effectiveness of corrective action taken for fraud risks we identified in cross-border activities.

- *Further Mitigating Risks for Unreported Fraud and Aid Diversions Involving Public International Organizations in Humanitarian Settings.* We reported in September 2018 that USAID's policy for public international organizations (PIOs)—organizations principally made up of multiple governments or international financial institutions—did not align with Federal internal control standards. USAID frequently relies on PIOs such as the World Food Programme (WFP) to implement its humanitarian programs in nonpermissive environments. In response to our recommendations, USAID adopted measures to improve PIO oversight, including a standard award provision for PIO awards in November 2019 with a requirement to report fraud and misconduct allegations directly to OIG. While progress has been made, implementation of protocols to effectuate, communicate, and streamline the new requirement is still needed to ensure PIOs report allegations to OIG as required. By the end of September 2020, OIG had received five direct disclosures of alleged fraud and misconduct from PIOs, per the new requirements—a start in improved direct reporting but a figure judged to be low given the size and scope of USAID's PIO awards. Using WFP diversions in Yemen as a case study, we have ongoing work that reveals lessons learned and continuing challenges for USAID in working through PIOs, including obstacles to responding to limitations in access, information sharing, and transparency in humanitarian settings, as well as the need for increased coordination between humanitarian assistance donors and PIOs. USAID has taken steps to overcome or mitigate obstacles in these areas, including establishing a Response Management Team in February 2020 to coordinate the U.S. Government response to continued impediments to humanitarian access in Yemen, but opportunities remain to further reduce the risk of diversion and ensure aid reaches those who most need it.

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[7] "Operation Inherent Resolve Lead Inspector General Quarterly Report to Congress," April 1, 2020, to June 30, 2020, Quarterly Report, published August 4, 2020.

[8] OIG submits present responsibility referrals to USAID's Compliance Division when an investigation sets forth facts which may call into question an entity's ability to do business with the U.S. Government. Federal policy requires that agencies solicit offers from, award contracts to, and consent to subcontracts with responsible contractors only. When a contractor demonstrates a lack of responsibility, the Government is obligated to examine carefully whether it is in the public's interest to exclude that contractor from entering into new awards. Similar provisions exist for recipients of Federal assistance awards.

- ***Continuing To Raise Awareness for Sexual Exploitation and Abuse Detection and Reporting.***
  Awareness of the potential for sexual exploitation and abuse (SEA) in USAID programming was
  elevated in early 2018 following reports that an international implementer covered up claims of
  improper sexual contacts with aid beneficiaries by its staff in Haiti. Since then, USAID has worked
  diligently to improve its rules and processes for SEA detection and reporting, informed in part
  by information from and coordination with OIG. Recent reports of sexual abuse by aid workers
  responding to the Ebola crisis in the Democratic Republic of the Congo from 2018 to 2020
  highlight the ever-pressing importance of effective SEA protocols. Although it is not yet known
  whether the new allegations implicate entities receiving USAID funding, in October 2020 the USAID
  Acting Administrator reiterated the Agency's commitment to protecting beneficiaries from SEA;
  trafficking in persons; and child abuse, exploitation, and neglect—and the expectation that USAID's
  implementers approach these challenges with the same seriousness.

  However, there is still room for improvement as the Agency continues its push to strengthen PIO
  reporting of SEA. In addition, USAID and OIG are working to eliminate or circumvent barriers to
  obtaining critical information from some Europe-based implementers for SEA-related investigations,
  such as the names of alleged perpetrators and, in some cases, the names of individuals who might
  serve as witnesses in the alleged misconduct. Absent this information, which some implementers
  resist providing to USAID or OIG due to concerns with local data privacy laws, OIG's ability to
  investigate SEA allegations is limited, as is USAID's ability to identify and take action against abusers
  who could seek reemployment with other USAID-funded implementers. We have an ongoing audit
  assessing USAID's approach for preventing SEA and responding to SEA allegations, as well as ongoing
  investigations into allegations of SEA by aid workers against beneficiaries.

  Relatedly, implementers have fallen short when it comes to addressing internal allegations of
  sexual misconduct by their staff. For example, in Colombia, OIG identified 71 allegations of sexual
  harassment and misconduct against the staff of one implementer working on a USAID program in
  an area with high migration. While USAID acted quickly and terminated the contract, the instance
  illustrates the need for the Agency to deepen its efforts to promote its zero-tolerance stance for
  sexual misconduct and other abusive behaviors and take steps to ensure implementers protect their
  staff along with USAID's most vulnerable beneficiaries.

USAID Actions To Manage Risks Inherent to Humanitarian and Stabilization Assistance

USAID has continued taking actions to address the inherent risks and challenges in providing
humanitarian and stabilization assistance in nonpermissive settings, along with steps to mitigate the added
impact of COVID-19 and other challenges for the upcoming year. USAID reports the following notable actions:

- USAID regularly assesses the risks facing its programs with senior leaders at semiannual Executive
  Management Committee on Risk and Internal Control meetings. This committee provides general
  oversight of the Agency's enterprise risk management practices and internal control systems. [9] Risks
  of operating in nonpermissive environments, implementing humanitarian assistance, preventing
  diversion of resources to terrorists, and protecting beneficiaries from SEA are among the topics
  included in the Agency's Risk Profile for ongoing evaluation and discussion at the semiannual meetings.

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[9] Office of Management and Budget (OMB) Circular A-123, as updated in 2016, requires that Federal agencies integrate enterprise
risk management into strategic planning and internal control processes to ensure Federal managers are effectively managing
the unique risks an agency faces toward achieving its strategic objectives.

- In February 2020, USAID established three new bureaus as part of its ongoing structural transformation aimed at creating a more field-oriented, functionally aligned, and responsive Agency capable of ending the need for foreign assistance: the Bureaus for Resilience and Food Security, Humanitarian Assistance, and Conflict Prevention and Stabilization.[10] Together, these three bureaus form the Relief, Response, and Resilience (R3) family, led by an Associate Administrator appointed in August 2020. This arrangement, according to USAID, brings together the Agency's capabilities to tackle humanitarian and development challenges, aligns investments to advance foreign assistance and national security goals, and better supports global counterparts to become self-reliant. Notably, the Bureau for Humanitarian Assistance integrates USAID's former Offices of U.S. Foreign Disaster Assistance and Food for Peace with the intent of providing more coordinated international disaster aid. USAID partially revised its Automated Directives System (ADS) chapters and references to clarify and align requirements for the new structure in May and August 2020, respectively.

- In March 2020, USAID activated a COVID-19 Response Management Team to coordinate humanitarian assistance activities in response to COVID-19 within the Bureau for Humanitarian Affairs. Examples of these activities include assessing implementers' proposed plans for providing humanitarian assistance in the pandemic context, including plans for procuring and distributing commodities, and coordinating with other USAID bureaus and other agencies such as the State Department. For high-threat operating environments, USAID requires implementers to submit risk mitigation plans, which specifically examine internal control systems. In addition, USAID noted a requirement for all potential implementers to include in their applications fraud-prevention measures, as well as the guidelines they plan to implement for managing COVID-19 risks. Coordinating with OIG to provide training to implementers is another piece of USAID's strategy to ensure implementers promptly report and follow up on all instances of fraud and other programmatic irregularities. In response to recommendations we made related to the 2014 Ebola outbreak in West Africa, USAID has stepped up efforts to develop a comprehensive policy framework that outlines roles, responsibilities, and approaches for responding to public health emergencies of international concern, and has applied lessons learned to its response to COVID-19.

- USAID reports taking several actions to grow its PIO oversight unit, many in response to our audit and investigative work. As of June 2020, the Agency filled four direct-hire positions focused on multilateral affairs and two new contract positions focused specifically on PIO performance and effectiveness. The Agency also said it is in the process of onboarding three additional direct-hire staff dedicated to PIO oversight. To further address PIO policy and performance issues, USAID created a senior-level Agency Multilateral Engagement and Performance Council that convenes leadership and experts from relevant stakeholder bureaus to discuss challenges, highlight priorities, and elevate concerns regarding the Agency's engagement with multilateral organizations. According to USAID, the council charter was approved in August 2019, and the first formal council meeting took place in October 2019. Furthermore, USAID is advancing PIO internal controls and policies, including the implementation of recent updates to ADS chapter 308 to ensure robust oversight of PIOs and the development of additional guidance on PIO spot checks.[11]

- To help prevent diversion of USAID funds to malign actors such as terrorist organizations and other armed groups in conflict settings, USAID stated it is creating a new ADS chapter to codify policy and procedures around vetting, which includes developing and strengthening roles, responsibilities,

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[10] USAID's transformation refers to the Agency's efforts to position its structure, workforce, programs, and processes to effectively advance national security and support host country partners on their journey to self-reliance. The Agency's transformation builds on a 2017 joint USAID and State Department reform effort, which our March 2018 point-in-time review found had shifted over time (9-000-18-003-P).

[11] ADS chapter 308, "Agreements with Public International Organizations," partially revised June 19, 2020.

and governing bodies at varying levels throughout the Agency. This includes assigning the Deputy Administrator corporate-level oversight of all vetting activities. USAID believes these changes will better integrate the vetting process throughout USAID and provide policy cohesion and transparency.

- USAID reported it has provided training and guidance to help USAID staff and implementers understand when and how to use third-party monitors. These resources are available to USAID staff on internal learning platforms and available to the public through the USAID Learning Lab. USAID highlighted its October 2020 discussion note on third-party monitoring in nonpermissive environments and online training on the same subject provided in April 2020 as two recently published resources.

- In March 2020, USAID released its final Protection From Sexual Exploitation and Abuse policy and plans to release additional guidance and resources later in the year. USAID also completed a review of its systems and processes for responding to SEA, which provided findings and recommendations that will inform continued improvements to preventing SEA and safeguarding beneficiaries. With OIG participation, USAID also launched a virtual community of practice for identifying state-of-the-art approaches for strengthening employee screening and referencing processes across the international aid sector to prevent perpetrators of SEA from moving among organizations.

Related OIG Products

- "USAID Has Gaps In Planning, Risk Mitigation, and Monitoring of Its Humanitarian Assistance in Africa's Lake Chad Region" (4-000-21-001-P), October 15, 2020.

- "COVID-19 Information Brief: USAID COVID-19 Activity Update," Special Report, September 21, 2020.

- "Operation Inherent Resolve Lead Inspector General Quarterly Report to Congress," April 1, 2020, to June 30, 2020, Quarterly Report, published August 4, 2020.

- "USAID's Pakistan Education Program Aligned With U.S. Strategy, But Insufficient Oversight Could Impede Accountability for Results" (5-391-20-001-P), July 22, 2020.

- "Lead Inspector General Quarterly Report to the U.S. Congress on the East Africa Counterterrorism Operation and the North and West Africa Counterterrorism Operation," January 1, 2020, to March 31, 2020, Quarterly Report, published July 16, 2020.

- "Key Questions To Inform USAID's COVID-19 Response," Advisory Notice, May 21, 2020.

- "Operation Inherent Resolve Lead Inspector General Quarterly Report to Congress," January 31, 2020, to March 31, 2020, Quarterly Report, published May 12, 2020.

- "Operation Freedom Sentinel Lead Inspector General Quarterly Report to Congress," October 1, 2019, to December 31, 2019, Quarterly Report, published February 14, 2020.

- "Limits in Vetting and Monitoring of National Security Information Pose Risks for USAID Humanitarian Assistance and Stabilization Programs [Classified]," Advisory Notice, January 15, 2020.

- "Advisory Notice for USAID's Response to the Ebola Virus Disease Outbreak in the Democratic Republic of the Congo," Advisory Notice, September 4, 2019.

- "Insufficient Oversight of Public International Organizations Puts U.S. Foreign Assistance Programs at Risk" (8-000-18-003-P), September 25, 2018.

- "USAID's Redesign Efforts Have Shifted Over Time" (9-000-18-003-P), March 8, 2018.

Through filmmaking workshops, children and youth learn skills to make their own short films as part of a USAID project to promote community reconciliation in Colombia. Photo: USAID (September 11, 2020)

Chapter 2.
Promoting Local Capacity and Improving Planning and Monitoring To Achieve Sustainability of U.S.-Funded Development

Strong planning and monitoring are essential to advance host country self-reliance and safeguard the U.S. Government's foreign development investments. Building appropriate risk mitigation strategies and accountability measures into USAID programs at the start is also necessary to curtail corruption and exploitation and better ensure that programs save lives and improve citizens' well-being as intended. USAID recognizes the importance of addressing this challenge and continues to improve its approach to planning, monitoring, and risk mitigation.

U.S. foreign assistance aims to promote stability and economic growth around the world. Helping countries develop and improve their citizens' welfare, security, and access to basic infrastructure systems not only increases the quality of life for all people but advances U.S. national security priorities. To keep U.S. foreign assistance on track, limit corruption and fraud, and ensure effective and efficient use of taxpayer funds, the Federal Government requires U.S. foreign assistance agencies and implementers to carefully plan, monitor, and measure progress in achieving goals, and adjust approaches when needed. While USAID policy calls for rigorous planning, monitoring, and risk assessments to achieve its foreign assistance goals, our audits and investigations continue to identify shortfalls—particularly in

policy implementation—which hinder efforts to ensure U.S. development activities can be sustained after assistance ends. This challenge has been exacerbated when programs rely on local entities with underdeveloped financial systems, internal controls, and competencies.

Balancing Local Capacity and Development Outcomes. USAID's guiding mission is to end the need for foreign assistance through enabling locally led—and, increasingly, locally financed—problem-solving for enterprise-driven growth; inclusive societies; and transparent, accountable governance.[12] Presented with seemingly unlimited demands on its resources, USAID must continue to simultaneously develop the capacity of its local partners and show improved programmatic outcomes. Our recent audits demonstrate this challenge, highlighting instances in which USAID's actions may have delayed progress toward local capacity development goals. A move to greater investment in local partners amid the global pandemic exacerbates this challenge.

- ***Strengthening Health Systems.*** In September 2015, USAID issued its vision for improving countries' health outcomes, including the ability to react to large-scale health emergencies, through strengthened health systems at the national, subnational, and community levels. The vision called for missions to align their health project plans with congressional earmarks and focus efforts on achieving results related to the Agency's three primary global health goals: ending preventable child and maternal deaths, achieving an AIDS-free generation, and protecting communities from infectious disease. However, because activities related to strengthening countries' health systems do not have dedicated funding sources, as the primary goals have, we found that missions pursued health systems strengthening activities as a secondary focus when the activities complemented their other work on the primary goals. These system strengthening activities also take longer to show results than direct interventions and, therefore, would not be expected to show in a typical funding cycle noteworthy gains in preparing local country health systems to address large-scale emergencies or global pandemics, such as COVID-19. USAID agreed with our recommendation to develop and disseminate guidelines to help missions determine an appropriate balance between activities that strengthen countries' health systems and direct health interventions. The Agency planned to take action by September 2020 but requested additional time through the end of 2020 to close the recommendation.

- ***Enhancing Local Supply Chains for Global Health.*** The healthcare commodities USAID provides through its Global Health Supply Chain (GHSC) Program help improve health outcomes for beneficiaries around the world, including providing lifesaving medicines and supplies to diagnose, treat, and prevent millions of cases of malaria, HIV/AIDS, and tuberculosis. However, USAID must continue efforts to ensure host countries have systems in place to safeguard and deliver medicines and other healthcare commodities. While USAID has worked to improve host governments' capacity to effectively manage their local supply chains, some measures have been counterproductive. For example, to address implementation challenges such as the unavailability of host government officials to carry out essential duties, including mitigating corruption, USAID projects hired consultants to do the work of government officials. In some cases, USAID operated parallel supply chains alongside host governments' national systems and missed opportunities to build local capacity. Although USAID's policy on self-reliance requires that missions understand programmatic tradeoffs, make hard choices, and take measured risks to achieve this goal, USAID sometimes lacked the plans necessary to transform that vision into reality. USAID agreed with our recommendation to develop and implement a plan with milestones to improve the capability of the Malawian, Mozambican, and Nigerian governments to manage health commodity supply chains and reduce reliance on donor support. USAID plans to compete final action by December 2020.

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[12] USAID Policy Framework, "Ending the Need for Foreign Assistance," April 10, 2019.

- ***Expanding Work With Local Partners.*** To diversify and expand its partner base, USAID announced solicitations for its New Partnerships Initiative (NPI) in April 2020. Specifically, the initiative aims to accelerate countries' progress on their journey to self-reliance, build a different model for how USAID does development, and attract new and underutilized partners to help respond to the COVID-19 pandemic. According to USAID, NPI simplifies access to USAID resources and makes it easier for partners to bring forward ideas and innovation—while strengthening local capacity so countries gain the knowledge and skills needed to lead and sustain their development. As part of NPI, USAID encourages the use of the Expedited Procedures Package (EPP) with new and underutilized partners to facilitate a quicker programmatic response.[13] Yet, as we reported in prior top management challenges reports and as our audits and investigations underscore, assessing and mitigating the risks of working with local partners—who have varying levels of experience and sophistication with program implementation, internal controls, and compliance—is a challenge for USAID and one that may grow with NPI and EPP. For example, in fiscal year 2020, the approximately 370 non-Federal audits conducted on local implementers and overseen by our office, resulted in over $33 million in questioned costs and over 130 recommendations to strengthen material weaknesses in internal controls and noncompliance with laws and regulations.[14] Our recent audit of USAID's education program in Pakistan similarly showed a lack of capacity of the Government of Sindh's Education Department and local contractors, which created significant delays for the construction component of the Sindh Basic Education Program. USAID agreed with our recommendation to identify root causes for capacity deficits and implement a plan to address these deficits, which USAID aims to complete by February 2021. We also have an ongoing audit looking at USAID's efforts to achieve 70 percent local partner participation in its U.S. President's Emergency Plan for AIDS Relief (PEPFAR) programs in Africa by 2020, including assessing USAID's strategy for preparing the Agency to increase PEPFAR funding to local partners while addressing associated risks.

MCC faced similar risks of working with local entities, further demonstrating the importance of planning for and following up on risk mitigation plans for effective foreign assistance. For example, our audit of selected past MCC road infrastructure projects that were initiated between 2006 and 2010 found that MCC identified risks to the sustainability of its road projects, but its efforts to mitigate or track the risks were sometimes inadequate. For example, MCC identified sustainability risks related to the Georgian Government's ability to manage and maintain roads. While MCC planned to provide technical assistance to mitigate these risks, it abandoned the effort because the Georgian Government was unwilling to expend required resources to support the activity. MCC also planned to require the Georgian Government to budget and fund road maintenance as a precondition to receiving assistance. However, MCC did not assess how much funding would be needed and could not demonstrate that it was tracking maintenance spending during the project. Similarly, in Ghana, MCC planned to confirm the Government of Ghana's capacity to fund and perform road maintenance, but MCC could not demonstrate that it followed up on its plan. At the time MCC designed and developed these compacts, it did not have comprehensive guidance for staff on how to develop, implement, and track risk mitigation measures to ensure sustainability of road projects, and post-compact visual inspections of roads revealed that some sections were in poor condition while other sections were in good to excellent condition. MCC updated its guidance and tools to address risks to sustainability and require verification and tracking of data, but

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[13] In March 2020, the USAID Administrator authorized EPP for responding to outbreaks of contagious infectious diseases, which remains in effect for 5 years from the date of authorization. This authorization allows USAID to use sole source or hold limited competitions for new awards and modifications to existing contracts, grants, and cooperative agreements; waives source and nationality requirements for procurement of goods and services; and enables operating units to engage with any qualified, capable partner, whether or not the organization is a current holder of a contract or assistance award with USAID.

[14] Foreign organizations receiving USAID-funded awards must be audited in accordance with the Code of Federal Regulations, Title 2, Part 200, Subpart F. ADS chapter 591, "Financial Audits of USAID Contractors, Recipients, and Host Government Entities," outlines the requirements for this program, including OIG's role in oversight.

the guidance was still in draft at the time of our audit. To address our recommendations, MCC developed, finalized, and distributed guidance to staff in late September 2020, and will need to ensure the new guidance is effectively implemented to help sustain results of its road infrastructure compacts.

Addressing Program Monitoring and Assessment Gaps To Improve Accountability.
USAID's program cycle policy outlines the Agency's operational model for planning, delivering, assessing, and adapting development programming in a given region or country to achieve results that are effective and sustainable and that advance U.S. foreign policy.[15] However, our oversight of specific efforts and programs show that monitoring, evaluating, and measuring results continue to present challenges for USAID—due in part to access and capacity limitations, which the pandemic has further strained.

- *Monitoring Activities To Strengthen Health Systems.* Missions reported being satisfied with the technical assistance and guidance that USAID's Office of Health Systems (OHS) provided. However, they also reported that OHS information on Agency-wide progress on activities to strengthen health systems was limited—as would be expected given that OHS did not have a centralized mechanism for tracking country-level progress to readily provide results across missions. Moreover, USAID did not track amounts spent on health systems strengthening activities. Regardless, two of the three performance indicators that OHS created for missions to use in performance reporting indicated only the presence of investment instead of tracking progress. The third indicator—when missions used it—was often reframed to reflect inputs rather than results. This lack of information affected OHS's ability to monitor the Agency's activities and provide targeted support to missions. USAID agreed with our recommendation to identify and disseminate a set of indicators that would provide more useful information on health systems strengthening progress, such as implementation, achievement, and improvement at the country level. USAID initially planned to close this recommendation by May 2020 but was delayed because the pandemic interrupted plans to pilot a new measurement tool.

- *Addressing Local Supply Chain Risks.* While missions identified and documented country-specific supply chain risks, USAID's Bureau for Global Health did not capture or aggregate this information to understand the global impact of those risks on the GHSC program. Specifically, missions assessed warehouse capacity, logistics management systems, and commodity leakage to inform their project designs and country-level strategies, which allowed them to target persistent challenges in their country, but the Agency did not leverage this information to gain insight into problems that may exist across missions and provide detailed, ongoing assessments of supply chain challenges. At times, missions' country-level supply chain risks were included in the Agency's risk management model but not reported to the Bureau for Global Health, and USAID lacked a structured process for tackling comprehensive global risks. USAID agreed to develop and implement a robust risk management process that identifies, mitigates, and monitors risks across the GHSC program and plans to complete the action by March 2021.

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[15] ADS chapter 201, "Program Cycle Operational Policy," revised October 28, 2020.

- ***Conducting Site Visits Related to the Pakistan Education Program.*** In 2016, we reported that USAID's mission in Pakistan did not have sufficient guidance to outline requirements for in-country site visits, a mainstay of effective monitoring. Our recent audit of USAID's Pakistan Education Program—in which as of July 2020 USAID had invested over $840 million since 2005—identified continuing weaknesses in how USAID conducted site visits, followed through on results of program reports, and measured program performance. Notably, staff did not always understand what they should accomplish during site visits, how frequently they should go to project sites, or how to document visits. In addition, mission staff did not take full advantage of the services of the contractor the mission hired to monitor the program. Consequently, site visits were limited and did not identify problems that our auditors discovered, including that some of the $11.4 million worth of USAID-funded lab equipment was not being used because staff did not know how it worked. We also identified limitations with the mission's use of quarterly progress reviews, portfolio reviews, and performance indicators, which curtailed the mission's ability to make necessary course corrections and raised questions about the education program's success. USAID has taken steps to strengthen how it monitors its Pakistan Education Program and is working to improve the quarterly progress review process by the end of November 2020.

- ***Evaluating Democracy, Human Rights, and Governance Programs.*** USAID requires operating units to conduct at least one performance or impact evaluation during each Democracy, Human Rights, and Governance (DRG) project to help expand the Agency's knowledge base across all countries and sectors. However, USAID's DRG Center primarily focused on less-costly performance evaluations. The missions in Europe, Eurasia, and the Middle East were particularly underserved: During a 7-year period starting in 2012, the DRG Center assisted with just three impact evaluations in these regions. While performance evaluations may identify certain project achievements, USAID staff indicated that information from impact evaluations would allow them to assess project effectiveness. USAID agreed to review the DRG Center's products and services and make any necessary adjustments to align them to current programmatic areas of focus. The Agency originally planned to close this recommendation by June 2020 but needed more time to take final action given the delay in operationalizing the new Bureau for Development, Democracy, and Innovation, which is expected to reorient headquarters-based technical expertise to drive program decision making toward the field. In addition, USAID tasked the DRG Center with helping missions and implementers around the globe adopt strategies to safeguard COVID-19-related funding by reducing the risk of corrupt actors exploiting potential oversight gaps often found in rapid responses. As the DRG Center takes on these additional responsibilities, USAID will need to remain focused on DRG Center performance as expectations may be stretched, particularly given the staffing and budget constraints we also identified.

- ***Monitoring Under Pandemic Conditions.*** Safety protocols imposed by COVID-19—such as evacuations from posts, travel restrictions, and mandatory telework—have affected routine field site visits and other monitoring by USAID and implementer staff. While USAID issued guidance on how to monitor programs, projects, and operations during the pandemic, including adopting remote monitoring technology, putting these methods into practice requires staff and implementers to first develop, learn, and deploy new techniques that work for their unique needs, then validate them to ensure the remote monitoring data are reliable. The pandemic has also affected implementers' ability to carry out work plans and achieve targets that were established before the safety protocols were imposed. USAID acknowledges the need to provide flexibility while disseminating clear policies and procedures for adapting work and monitoring plans, reporting requirements, and performance evaluations to hold implementers accountable to the American taxpayer. USAID said that, through its guidance, contracting and agreement officer's representatives have been asked to work with

implementers to document updated approaches for monitoring, evaluation, and learning during the pandemic and upload amended plans into the Agency's document management system. We have initiated an audit to assess how COVID-19 has impacted USAID missions' capacity to monitor programs.

Firming Up Actions To Prevent Fraud, Waste, and Abuse. Our recent and ongoing investigations highlight how gaps in planning, monitoring, and risk mitigation can result in performance shortfalls that go unchecked and create opportunities for bad actors to pilfer USAID funds and commodities for personal gain. For example:

- USAID's $9.5 billion Global Health Supply Chain – Procurement and Supply Management (GHSC-PSM) Project—the largest component of USAID's $10.5 billion GHSC program—has been under scrutiny since 2016, when our investigations revealed that host governments were either unable or unwilling to put in place controls that would minimize the potential for large-scale, illicit resale of USAID-funded commodities to private businesses and public markets. In two ongoing investigations against one USAID implementer, OIG confirmed the theft as well as transnational and transcontinental diversion of USAID-funded health commodities from USAID programs in Kenya, Tanzania, Uganda, and other countries in Africa to countries in South America, the Caribbean, and potentially elsewhere. Our investigations determined that system weaknesses, a lack of implementer internal controls, and potential corruption at the highest levels of the implementing organizations created supply chain vulnerabilities. In coordination with USAID and law enforcement partners, we are pursuing additional GHSC-PSM casework in Kenya.

- USAID's $72 million education program in Rwanda was subject to procurement fraud when a subcontractor's managing director sought to bribe a USAID employee for procuring sensitive information. USAID debarred the managing director following our referral and received specific commitments from the subcontractor to implement an antibribery and anticorruption policy.

- An OIG investigation determined that a USAID implementer in Egypt inflated the number of beneficiaries receiving training and technical assistance under a USAID-funded agricultural program. However, OIG's investigation also found that USAID wrote the award in a manner where payments to the implementer were not contingent on the number of beneficiaries reached. In November 2019, the USAID mission in Egypt made staff changes and implemented new procedures, such as strengthening monitoring and evaluation systems and project oversight, to identify and prevent future schemes.

- OIG investigations have also exposed multiple cases of billing fraud against USAID awards. In one case, an implementer working under a project that sought to increase health programs in the Philippines mischarged USAID over $42,000 for employee work and lodging expenses unrelated to the USAID project, which USAID issued a bill of collection for in February 2020. In another case, an implementer's engineering consultant and contractors submitted falsified documents to obtain USAID funding under a construction project in Uganda.

USAID Actions To Assess Local Capacity and Improve Planning and Monitoring To Achieve Sustainability of U.S.-Funded Development

USAID efforts to promote the sustainability of U.S.-funded development are ongoing and include issuing new policies and making structural reforms. USAID reported making progress on the following key actions over the last fiscal year:

- According to USAID, the Agency has made progress on monitoring the American University in Afghanistan (AUAF) to ensure compliance with USAID award terms and responsible stewardship of taxpayer dollars—an example of a challenge we reported on last year. For instance, after establishing an administrative agreement with AUAF that outlined robust monitoring and internal control requirements, USAID helped revise the university's monitoring and learning plan, which includes a logical framework, performance indicators, and data requirements for the remainder of the activity. In addition, USAID reported assisting with the development of AUAF's detailed work plan for the year, reviewing biweekly notes and quarterly reports on progress, and replacing site visits with virtual visits during the pandemic. USAID also stated that the Asia Foundation is working with AUAF to enhance capacity in financial management, procurement, and human resources.

- USAID reported that the Power Africa Initiative has worked to correct monitoring challenges referenced in last year's top management challenges report.[16] For example, according to USAID, Power Africa has instituted extensive systems for monitoring and evaluation that included tracking progress through performance indicators and measures to verify that stakeholders follow through on their monitoring responsibilities. USAID also stated that specific measures have been put in place to ensure that performance monitoring is applied by all relevant stakeholders, that it is a consultative and verified process, and that performance indicators are designed employing a project-based approach and tested throughout implementation. Additional measures include updating the initiative's monitoring, evaluation, and learning plan and socializing it with stakeholders; forming a working group that meets on a regular basis to comprehensively address Power Africa's monitoring and evaluation procedures, needs, and challenges; and obtaining technical support for performance monitoring.

- USAID reported several actions to improve previously reported concerns with monitoring and accountability of the Afghanistan Reconstruction Trust Fund (ARTF). To align with Agency best practices, for example, USAID reported finalizing a monitoring, evaluation, and learning plan. The plan provides a framework for monitoring and measuring the results of USAID funds implemented through the ARTF and defines objectively verifiable performance indicators to assess progress. USAID also noted that, along with other donors, the Agency assisted the World Bank in improving its own verification of indicators and achievements prior to disbursing funds to ARTF.

- USAID reported making significant progress alongside the Government of Haiti in transitioning the Caracol Power Utility to a private sector concession. The end result, according to USAID, will be for private sector companies to operate the regional grids in partnership with the Government of Haiti and for USAID to no longer contract for the operation of the Caracol Power Plant—a goal USAID had hoped to achieve by 2016 but that has remained out of reach. USAID reported that staffing gaps at the mission in Haiti remain an issue, as we noted in our November 2018 report.

- USAID stated that the Bureau for Global Health is on track to develop and disseminate guidelines to assist missions in striking an appropriate balance between direct health interventions and activities

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[16] Power Africa is a U.S. Government interagency initiative, launched in 2013 and coordinated by USAID, that brings together the collective resources of over 170 public and private sector entities to double access to electricity in sub-Saharan Africa.

that strengthen health systems. Additionally, USAID reported developing a results framework that articulates how health program investments feed into the Journey to Self-Reliance approach and provide a common framework to relate health system strengthening activities to other global health programs.

- USAID reported several efforts to strengthen the GHSC-PSM project and address our recommendation to establish a risk management program to reduce the threat of stock-outs, leakage, losses, theft, diversion, and expiration of U. S. Government-funded commodities. For example, the Bureau for Global Health reported requesting central funding estimated at $2 million from the State Department's Office of the U.S. Global AIDS Coordinator and Health Diplomacy to launch the first wave of risk planning and mitigation reviews, and received approval for the funding in February 2020. The bureau also reports establishing a new Supply Chain Node within its front office, led by a senior officer, to ensure effective coordination across supply chain teams and program components. The node will include a supply chain risk management advisor who will work closely with advisors in each of the supply chain units to lead their respective risk management efforts. USAID stated that it began filling these positions in July 2020 with several positions under recruitment. Going forward, USAID plans to incorporate risk reviews, management, and mitigation into planning activities for Country Operational Plans.

- The Agency is working on guidance to improve program planning, monitoring, and evaluation. For example, the Agency is drafting its first local capacity development policy. A priority under its Effective Partnership and Procurement Reform initiative, the policy will define the principles of effective local capacity development and outline programmatic approaches. In addition, in September 2020, the Agency reported developing and submitting its first draft Annual Evaluation Plan for fiscal year 2022 to OMB in compliance with the Foundations for Evidence-Based Policymaking Act of 2018, which requires agencies to develop a plan describing the significant evaluation activities they plan to conduct in the upcoming fiscal year.

- Since launching its first acquisition and assistance strategy in December 2018, USAID reported completing numerous reforms to catalyze Agency changes in program design, procurement, and implementation. Those accomplishments include implementing a new Agency-wide indicator to track the strengthened capacity and organizational performance of local entities and locally established organizations; issuing a new policy on monitoring, evaluation, and learning plans that places greater emphasis on site visits; and designating the Bureau for Policy, Planning, and Learning as the coordinator to provide support and tools to contracting and agreement officer's representatives and to increase their accountability. USAID also reported initiating a review of its pre-award survey processes.

Related OIG Products

- "USAID's Pakistan Education Program Aligned With U.S. Strategy, But Insufficient Oversight Could Impede Accountability for Results" (5-391-20-001-P), July 22, 2020.

- "USAID's Global Health Supply Chain Would Benefit From More Rigorous Risk Management and Actions To Enhance Local Ownership" (4-936-20-002-P), July 10, 2020.

- "Additional Actions Are Needed To Improve USAID's Democracy, Human Rights, and Governance Programs" (8-000-20-001-P), November 26, 2019.

- "MCC Has Opportunities To Enhance Guidance and Tools for Sustaining Results of Road Infrastructure Compacts" (M-MCC-20-001-P), October 29, 2019.

- "More Guidance and Tracking Would Bolster USAID's Health Systems Strengthening Efforts" (4-936-20-001-P), October 21, 2019.

- "Misjudged Demand, Stalled Reforms, and Deficient Oversight Impeded USAID/Haiti's Sustainable Electricity Goals" (9-521-19-001-P), November 13, 2018.

- "USAID Planning and Monitoring Gaps Weaken Accountability for Results Through the Afghanistan Reconstruction Trust Fund" (8-306-17-004-P), August 16, 2017.
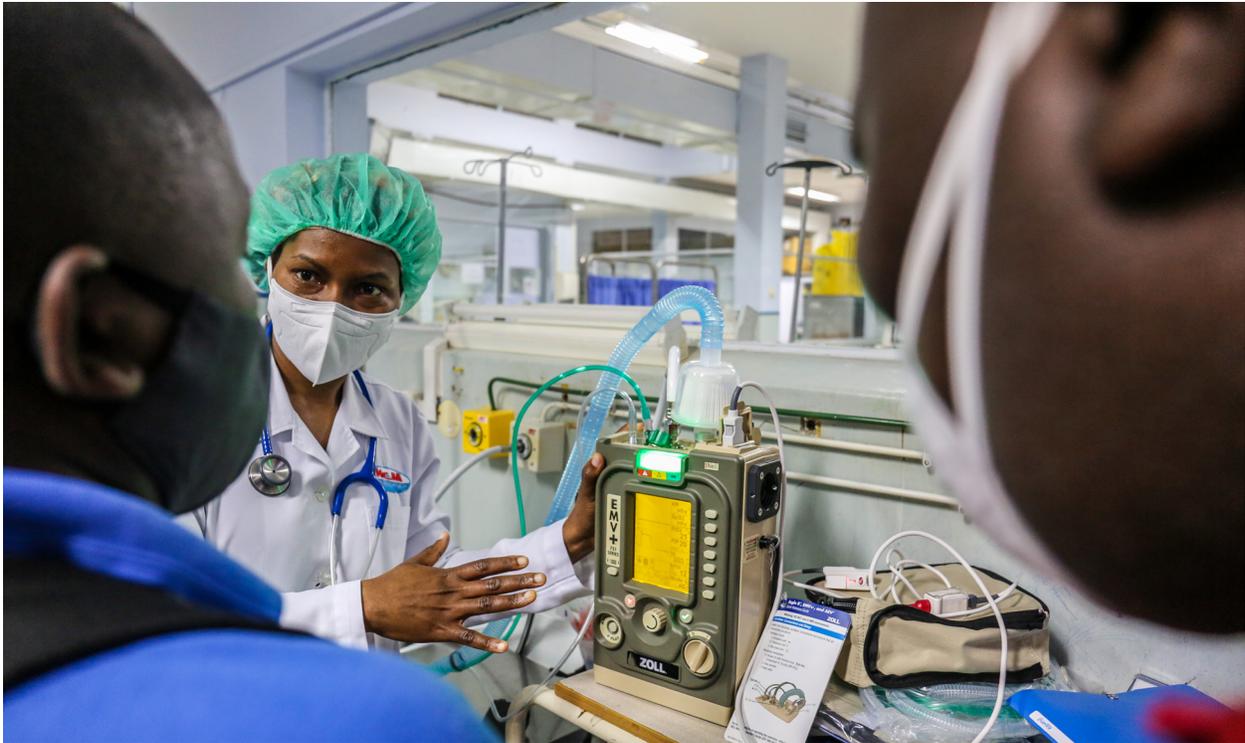
USAID works with the Mozambique Ministry of Health to train medical personnel to use 50 ventilators donated as part of the U.S. Government's international COVID-19 response. Photo: USAID (September 11, 2020)

Chapter 3.
Reconciling Interagency Priorities and Functions To Efficiently and Effectively Advance U.S. Foreign Assistance Objectives

Implementing U.S. foreign assistance frequently involves multiple Government agencies, donors, and local actors, each having its own priorities and strategies for advancing shared interests. To further U.S. foreign policy and national security objectives, it is critical that stakeholders' roles, responsibilities, policies, and processes be clearly defined and reconciled. USAID must advance efforts to coordinate aid and development and respond nimbly to changing priorities, particularly when decisions extend beyond its immediate control and authority.

USAID works alongside other U.S. Government agencies, host-country governments, donors, and a variety of other partners to implement U.S. foreign assistance priorities. Within this context, USAID may lead efforts or support other Government agencies. Regardless of its role, USAID continues to confront divergent priorities and functions of multiple stakeholders that have yet to be reconciled to achieve complementary but distinct goals.

Clarifying and Testing Roles, Capabilities, and Responsibilities in U.S. Responses to International Public Health Emergencies. The unique characteristics and transmission rates of disease, along with variable country capacity to respond to outbreaks in the developing world, present major obstacles for rapid containment. Outbreaks such as Ebola have repeatedly demonstrated that coordinating the efforts of multiple U.S. Government agencies and international responders further complicate containment efforts. While USAID has taken action to implement our recommendations for improving its response,[17] a key recommendation that we made in January 2018 related to coordination—to identify and regularly test roles, capabilities, and responsibilities in responding to public health emergencies of international concern—remains open. USAID has taken some steps toward implementing this recommendation, such as establishing a memorandum of understanding with the Department of Health and Human Services' (HHS) Centers for Disease Control and Prevention (CDC) for international disaster assistance. However, the Agency has yet to finalize operational details regarding temporary duty assignments and training for deploying USAID Disaster Assistance Response Teams for large-scale public health emergencies and public health emergencies of international concern. According to USAID staff, this gap delayed assigning a CDC deputy and health technical lead to USAID's Disaster Assistance Response Team for the 2019 Ebola outbreak in the Democratic Republic of the Congo. In addition, USAID has not developed procedures for regularly testing roles and capabilities, which would enhance USAID's capacity to coordinate a whole-of-Government response. USAID reports continual engagement with CDC at both the senior and staff levels to strengthen coordination and health response activities. Nevertheless, USAID said it has been unable to formalize a joint operational planning process to improve coordination between the two agencies, in part because of CDC's focus on Ebola and COVID-19 efforts and subsequent unavailability for further engagement. HHS OIG made a similar recommendation in August 2019 for HHS to work with other U.S. Government agencies to develop a framework defining each agency's role and responsibilities for responding to an international public health emergency.[18] The HHS OIG recommendation remains open as well.

The COVID-19 pandemic has required an unprecedented response from a broad range of stakeholders worldwide. According to USAID, it must engage regularly with other U.S. Government agencies to ensure response activities are coordinated, strategic, and nonduplicative. Examples include standing and ad hoc meetings with the Departments of Defense and State and HHS, including CDC. In addition, USAID pointed to regular contact with the White House Coronavirus Task Force for overall policy guidance and prioritization for foreign assistance, as well as participation in National Security Council meetings focused on White House pandemic response priorities. This high level of coordination, strengthened by USAID's experience with the 2014 Ebola outbreak in West Africa and participation in the Global Health Security Strategy, helps to optimize USAID's role in the U.S. Government's COVID-19 response.[19] Nevertheless, the Agency continues to face coordination challenges that have stymied its pandemic response, as well as its broader approach to implementing foreign assistance. For example:

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[17] USAID successfully closed 10 of the 14 recommendations from our 2018 report (9-000-18-001-P) and all 15 recommendations from two other reports we issued related to the 2014 Ebola outbreak in West Africa (9-000-18-002-P and 9-000-17-001-P).

[18] HHS OIG, "HHS Did Not Always Efficiently Plan and Coordinate Its International Ebola Response Efforts" (A-04-16-03567), August 12, 2019.

[19] The 2019 Global Health Security Strategy outlines the U.S. Government's approach to strengthen global health security, including accelerating the capabilities of targeted countries to prevent, detect, and respond to infectious disease outbreaks. USAID and CDC have central roles in the strategy and have been the U.S. Government's principal implementers of international capacity-building activities under the Global Health Security Agenda, an initiative of countries, PIOs, and nongovernmental stakeholders to achieve common goals for infectious disease threats.

- *Coordinating and Maximizing Response Resources.* USAID traditionally used its emergency international stockpile and Emergency Relief Fund for Contagious Infectious Disease Outbreaks to provide personal protective equipment (PPE) and finance preparedness and response efforts around the world. However, for several months during the COVID-19 response, USAID stopped PPE shipments abroad and paused implementers' use of funds to procure PPE. According to USAID, this decision was made under the advisement of the USAID COVID-19 Task Force based on direction from the White House Coronavirus Task Force to offset the shortage of PPE for domestic healthcare workers, but further official guidance was lacking in clarity and timeliness. USAID and implementers reported that the restricted funding and terms under which implementers could obtain PPE affected their capacity to carry out key services due to their inability to employ appropriate safety precautions to protect their workers. In addition, USAID reported that unclear PPE guidance delayed COVID-19-related programming and increased risks for implementers working on other global health activities that also require PPE for safe implementation.

  Broader U.S. Government priorities also served as the driver in determining what health interventions USAID would pursue in response to the pandemic. The National Security Council selected countries that would receive ventilators produced under the Defense Production Act, and USAID assisted the selected countries with the procurement and delivery of ventilators.[20] However, according to USAID, the Agency's role in determining whether to prioritize ventilators as an intervention and the countries to distribute them to was limited. USAID reported that it remained committed to delivering the ventilators and also began procuring basic oxygen supplies using pre-existing awards to support this supplementary intervention. As part of our COVID-19 oversight, we have initiated an audit looking at the role of ventilators in USAID's COVID-19 response.

- *Resolving Differences Through the Interagency Funding Process.* Supplemental COVID-19 appropriations for USAID and State Department programming and operations illustrate longstanding complications with the interagency funding process. For example, the supplemental funding USAID receives progresses through a tiered approval process involving USAID and State Department leadership, various bureaus, and operating units, and, in some instances, top-level approvers like the White House Coronavirus Task Force.[21] While the goals of the process are to foster transparency, coherence, broad coordination, and effective and swift interagency decision making, some officials who experienced the process noted roadblocks that may have affected the timeliness and flexibility of USAID's response. Strong internal and external communication, clear policies and procedures, and defined roles and responsibilities can help U.S. Government agencies resolve differences, as we saw in the 2014 Ebola outbreak in West Africa where USAID played a central role coordinating the U.S. Government's international response. Without a direct seat on the White House Coronavirus Task Force, some officials felt USAID may have been limited in its ability to influence the speed and decision-making process for the COVID-19 funds that directly affected USAID's ability to act.

- *Rapidly Adapting to Changes in the Public International Organization Landscape.* Approximately 30 percent of USAID's supplemental COVID-19 funding was allocated to PIOs like WHO. USAID has worked closely with WHO on its global health and humanitarian assistance programs; WHO was among USAID's first funding recipients in the COVID-19 response and the

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[20] The White House, "Memorandum on Order Under the Defense Production Act Regarding the Purchase of Ventilators," April 2, 2020. Under the act, HHS finalized contracts to produce or acquire more than 41,000 ventilators by the end of May 2020, and over 187,000 ventilators by the end of the year. The U.S. Government has committed to delivering more than 8,700 ventilators to 44 countries plus the North Atlantic Treaty Organization (NATO), and as of August 31, 2020, USAID had delivered over 5,200.

[21] "Guidance on the Process for Investing Supplemental Foreign Assistance Resources to Respond to the Pandemic of COVID-19," effective April 1, 2020, outlines the joint USAID and State Department approach to programming resources provided in these supplemental appropriations.

intended recipient of additional IDA funds in two early tranches. However, in mid-April 2020, concerns about WHO's COVID-19 management and information sharing prompted the White House to pause new obligations to and demand accountability from WHO. [22] This posture required USAID to revisit its response plans and identify other PIOs and implementers to carry out activities slated for WHO. By July 2020, the Agency reported that it identified WHO alternatives in 24 countries for new and existing awards worth approximately $51.7 million—but also noted that the posture change has kept the Agency out of some discussions with international donors that have a different stance on WHO. In the coming year, it will be important for USAID to adapt to and identify new sources of trusted information, guidance, and implementing capacity for its global health programs, while finding ways to stay engaged in key discussions with the broader international community.

Adjusting to Interagency Staffing Decisions. Staffing decisions made outside of USAID continue to impact its ability to plan, implement, and monitor programs. As we reported in our fiscal year 2020 Top Management Challenges statement, other Federal agencies' staffing fluctuations in Afghanistan, Central America, Iraq, Syria, and West Bank and Gaza—often the result of unstable security—complicated USAID planning, including filling key positions and staffing offices to monitor and sustain ongoing activities. While staffing conditions in some settings have improved, USAID reported that decisions external to the Agency continue to hinder its ability to control staffing at the mission level. Notably, the State Department OIG's August 2020 audit found that State's 2019 approach to adjusting the number and composition of mission staff in Afghanistan and Iraq did not fully use existing procedures, guidance, or best practices identified from previous efforts, given the expedited manner in which assessments were conducted. [23] Moreover, the State Department OIG reported that the foreign policy priorities and strategic diplomatic objectives for each mission remained unchanged. The report concluded that just as the short timeframe and limited resources affected staffing decisions overall, these same factors precluded either mission from fully assessing and adjusting its strategic objectives to align with the prescribed staff reductions. Near the end of September 2020, congressional notifications were still pending for USAID posture adjustments in Afghanistan, Iraq, and West Bank and Gaza. Given the importance of staffing on USAID operations, we are conducting an audit of USAID's strategy for aligning its limited staff resources with high-risk and high-impact programmatic priorities in Afghanistan.

Maximizing Use of Interagency Work Groups for USAID's Democracy, Human Rights, and Governance Programs. In November 2019, we reported that USAID and the State Department coordinated planned and ongoing DRG programs, primarily in-country. For example, USAID DRG officials obtained feedback from their State Department counterparts on program design; USAID and the State Department conducted joint site visits to observe program activities; State Department officials were included on USAID DRG award selection committees; and USAID worked with the State Department to establish DRG work groups. The U.S. Government Accountability Office (GAO) similarly reported coordination between the two agencies on DRG programs, including establishing work groups.[24] However, not all missions have started up or sustained DRG work groups. GAO also reported that some work groups oriented around rule of law assistance (a component of DRG) did not include USAID representatives.[25] Without active and appropriately staffed DRG work groups, the agencies may miss opportunities for strengthening DRG coordination in the field and sharing best practices. USAID

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[22] The White House, "President Donald J. Trump Is Demanding Accountability From the World Health Organization," April 15, 2020.
[23] State Department OIG, "Audit of the Department of State's Approach To Adjust the Size and Composition of U.S. Missions Afghanistan and Iraq" (AUD-MERO-20-38), August 2020.
[24] GAO, "Democracy Assistance: State Should Improve Information Sharing With Embassies" (GAO-20-173), January 28, 2020.
[25] GAO, "Rule of Law Assistance: Agency Efforts Are Guided by Various Strategies, and Overseas Missions Should Ensure that Programming Is Fully Coordinated" (GAO-20-393), June 9, 2020.

agreed with our recommendation to develop and issue interagency coordination guidance for Agency staff to promote and strengthen the use of DRG work groups in the field and expects to close the recommendation by the end of June 2021.

Supporting Target Populations That Are Difficult To Reach Due to U.S. and Foreign Laws. In some cases, legal requirements prevent USAID from supporting beneficiaries who would otherwise fit the profile of a targeted population or would most benefit from USAID's foreign assistance programs. This was the case with USAID's crime and violence prevention program in El Salvador. Specifically, U.S. and El Salvadoran laws prevented USAID from working with individuals at the highest risk of engaging in criminal and violent activity, including active gang members and chronic offenders associated with Mara Salvatrucha-13 (better known as MS-13), which the U.S. Government has identified as a transnational criminal organization and, as such, is prohibited from receiving U.S. foreign assistance. While the Treasury Department's Office of Foreign Assets Control granted USAID a 2-year license to include gang members as beneficiaries in its program, the approval process for obtaining the special authorization took about 2 years, substantially delaying implementing crime and violence prevention programs with the highest-risk group.

The State Department's Trafficking in Persons watchlist also influences some types of USAID assistance.[26] Near the close of fiscal year 2020, USAID was engaging with 30 Tier 2 countries and 13 Tier 3 countries, each encumbered with unique programmatic restrictions for USAID. In the coming year, USAID will need to continue to navigate interagency policies such as these to both advance USAID's foreign assistance mandate and promote broader U.S. Government economic and national security interests.

USAID Actions To Reconcile Interagency Priorities and Functions To Efficiently and Effectively Advance U.S. Foreign Assistance Objectives

USAID continues to act within its authority to address interagency coordination challenges. USAID reported undertaking the following recent efforts:

- To improve coordination with the Defense Department, USAID had embedded personnel at the Defense Department's U.S. Africa Command and U.S. Special Operations Command. At the U.S. Africa Command, the USAID senior development advisor reports directly to the commander, compared to most other combatant commands that have USAID staff posted within the office that manages interagency coordination. USAID also reported providing training and briefings to military personnel deploying to Somalia. Coordination with other U.S. Government agencies that USAID reported includes mechanisms such as work groups and mission civil-military coordinators, who are tasked with strengthening effective engagement with the Defense Department to meet mutual objectives.

- In response to unstable security situations and policy adjustments for staffing, USAID said it adopted the practice of keeping Foreign Service assignments open, even if left vacant, to facilitate a staffing surge should conditions change. For example, in both West Bank and Gaza and Afghanistan, the Agency said it has not closed positions it has been unable to fill due to decisions made outside the Agency.

- As part of its effort to meet State Department-driven targets for local participation in PEPFAR programs, USAID reported that it consulted with its headquarters and mission staff, including mission directors, and international and local implementers and identified five risk areas to greater

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[26] Congress enacted the Trafficking Victims Protection Act in 2000 to combat trafficking in persons. Consistent with the act, the State Department issues an annual report that places countries on one of four tiers. Tier 3 countries face funding restrictions based on the foreign governments' lack of antitrafficking efforts. Tier-2 watch list countries risk being moved to Tier 3 after 2 years without improvement.

local participation: (1) local partner capacity, (2) USAID staffing and oversight, (3) USAID policies and procedures, (4) communication and engagement, and (5) local context. The Agency is working to address these risk areas across its PEPFAR portfolio.

- USAID completed actions to close the three recommendations in our March 2019 Power Africa report that described barriers USAID faced in coordinating the initiative with other Federal agencies. Specifically, Power Africa updated its risk management approach to holistically manage the risk environment of Power Africa's portfolio, including creating reporting and compliance objectives and implementing other measures, such as incorporating Power Africa in its enterprise risk management process and holding discussions with senior leaders to assess, draft, and prepare a new risk profile.

Related OIG Products

- "USAID/El Salvador's Crime and Violence Prevention Programs Need To Focus More on High-Risk Individuals To Advance Security Goals" (9-000-20-00X-P), draft audit report issued September 11, 2020, pending final issuance in November 2020.

- "COVID-19 Information Brief: USAID COVID-19 Activity Update," Special Report, September 21, 2020.

- "Operation Inherent Resolve Lead Inspector General Report to the Congress," April 1, 2020, to June 30, 2020, Quarterly Report, published August 4, 2020.

- "Key Questions To Inform USAID's COVID-19 Response," Advisory Notice, May 21, 2020.

- "East Africa and North and West Africa Counterterrorism Operations Lead Inspector General Report to Congress," October 1, 2019, to December 31, 2019, Quarterly Report, published February 11, 2020.

- "Additional Actions Are Needed To Improve USAID's Democracy, Human Rights, and Governance Programs" (8-000-20-001-P), November 26, 2019.

- "Advisory Notice for USAID's Response to the Ebola Virus Disease Outbreak in the Democratic Republic of the Congo," Advisory Notice, September 4, 2019.

- "Power Africa Coalesced Energy Efforts but Lacked Portfolio-Wide Risk Management and Consistent Measures of Progress" (4-698-19-001-P), March 7, 2019.

- "Lessons From USAID's Ebola Response Highlight the Need for a Public Health Emergency Policy Framework" (9-000-18-001-P), January 24, 2018.

- "Assessment and Oversight Gaps Hindered OFDA's Decision Making About Medical Funding During the Ebola Response" (9-000-18-002-P), January 24, 2018.

- "Ebola Experience Highlights Opportunities To Strengthen USAID's Award Process and Reprogram Funds" (9-000-17-001-P), December 27, 2016.

In partnership with UNICEF, USAID and implementers hold sessions to educate Myanmar factory workers on COVID-19 prevention. Photo: UNICEF/Thailand (June 11, 2020)

Chapter 4.
Addressing Vulnerabilities and Implementing Needed Controls in Agency Core Management Functions

Award, financial, information, and human capital management are top management challenges reported Governmentwide. Without these core business practices and systems properly functioning, Federal agencies, including USAID and the other entities we oversee, cannot effectively and efficiently execute their missions. Ongoing efforts to address these management gaps have been exacerbated by the pandemic's evolving conditions.

A Federal agency's ability to carry out its mission and ensure effective stewardship of Federal funds depends on the integrity and reliability of its core business practices and systems. Other safeguards—no matter how well they are designed and implemented—will not work effectively without them. USAID's progress in strengthening its controls over core management functions demonstrates the Agency's commitment to implementing sound controls. However, our recent audits and investigations show that gaps in USAID's controls remain. Meanwhile, the pandemic has altered how the Agency does business to protect staff, continue operations, and address the global threat, augmenting the challenges related to USAID's management of awards, finances, information, and human capital.

Award Management

To implement its foreign assistance programs, USAID relies on contracts, grants, and cooperative agreements to implementers, including for-profit businesses, nonprofit organizations, and PIOs. These awards are central to USAID's business model. Without them, USAID would not have the staff, expertise, or capability to achieve its foreign assistance mandate, particularly in the nonpermissive environments USAID frequently works in and where its employees may have limited access. USAID's contracting officers and agreement officers, with the assistance of designated representatives in day-to-day monitoring and administration, bear the ultimate responsibility for ensuring the Agency's implementers comply with Federal regulations and meet agreed-upon award terms. The pandemic prompted USAID to enact flexibilities for expediting procurement and expanding work with new implementers to provide for a timely and scaled response. As USAID's employees face professional and personal challenges related to the pandemic, these new demands make it all the more important that programming and funding decisions and award management activities meet Government acquisition standards. Our work continues to identify deficiencies that risk programs falling short of achieving successful outcomes and point to challenges facing USAID in the upcoming year.

Strengthening Adherence to Policies, Procedures, and Oversight Requirements for Effective Award Management. Last year, we reported that approximately 43 percent of USAID's awards ending in fiscal years 2014 through 2016 achieved about half the expectations outlined in their initial awards. This shortfall stemmed from insufficient oversight, deviation from established policies and processes for award management, and poor recordkeeping practices. USAID concurred with our recommendations and has acted to address all of them by the end of fiscal year 2020. The Agency recognizes the need to maintain diligence for effective outcomes and states that it continues to improve accountability and award management based on our recommendations. Without these efforts, USAID will risk repeating previous shortcomings that can undermine the impact and integrity of USAID's mission.

Insufficient award management also creates opportunities for fraud. For example, an OIG investigation exposed fraud and conflicts of interest affecting a $4.7 million USAID-funded agriculture program in Uganda. OIG's investigation uncovered a conflict of interest involving consultancy contracts awarded to the implementer's former chief of party as well as evidence that the project accountant falsified records in order to substantiate payments. In January 2020, the implementer responded by instituting various organization-wide process improvements, including antibribery policies and revising and updating policies for reporting ethical misconduct, whistleblower protection, conflicts of interest, and document retention. Two other multiyear investigations revealed extensive fraud and abuse by an implementer of multiple USAID grants and contracts. The implementer's senior leadership intentionally charged unallowable costs to its indirect accounts, including the funding of lavish off-site retreats, unallowable public relations costs designed solely to promote the organization, and large year-end bonuses for senior managers at the organization. We questioned $17.3 million in direct and indirect costs incurred by the implementer between 2009 and 2014; in February 2020, USAID issued a bill of collection to the implementer for $5.5 million of the incurred costs.

Prudently Managing Pandemic-Related Procurement and Reporting Flexibilities Instituted To Provide Rapid Response. New procurement flexibilities for the pandemic response temporarily waive requirements for competition, source, and nationality of goods and services, and temporarily

expand procurement and purchasing capabilities of non-U.S. direct-hire personnel.[27] Federal guidance provides additional temporary relief for administrative, financial management, and audit requirements.[28] These measures, which enable USAID to act swiftly and offset risks its implementers may face during a public health emergency of international concern, require a different approach to fiscal prudence. For example, USAID acknowledges the need to implement controls to ensure that operating units do not use procurement flexibilities to extend poorly performing programs; sign agreements with unqualified recipients; or circumvent competition, source, and nationality requirements for ineligible programs, goods, and services. The Agency also recognizes the need to provide training and supervisory oversight for staff taking on new procurement-related responsibilities. USAID reported working to publish clear and effective guidance on programming and funding processes for staff and implementers and has released supplemental information where existing guidance is incomplete. However, the shifted and constrained management structure of staff working from alternate locations under new expectations and evolving guidance will continue to challenge USAID oversight and may increase risks of introducing inefficiencies by well-meaning staff and fraud by bad actors who seek to exploit the crisis for personal gain.

For example, prior to the pandemic, our investigation confirmed that multiple Foreign Service National employees at USAID's Southern Africa mission were involved in a contract-steering conspiracy. One employee registered a shell company that received 10 USAID contracts over the course of 4 years valued at more than $150,000. Two additional employees knowingly fabricated quotes, invoices, and reports in support of the scheme. The three confessed to taking kickbacks on contracts awarded to the shell company and admitted that USAID received little to no goods under these contracts. In November 2019, following an OIG referral, USAID terminated employment for the three conspirators for fraud and theft, while a fourth individual implicated in the investigation resigned in lieu of termination.

Other instances of procurement fraud have resulted in numerous USAID and implementer staff terminations and resignations. One investigation in Liberia found that implementer employees steered over $1.5 million of the $9.5 billion GHSC-PSM award to a vendor with falsified documentation. In Nepal, a Foreign Service National and an employee of a USAID GHSC-PSM contractor were implicated in improperly disclosing procurement-sensitive information for a USAID-funded subaward to a prospective bidder. In Zambia, OIG substantiated allegations that the lead engineer of an implementer under the GHSC-PSM award violated the implementer's conflict of interest policy and shared procurement-sensitive information with a prospective vendor.

Enhancing Verification of Implementer Controls To Decrease Risk of Diversion of Resources to Terrorist Groups and Criminal Actors. USAID relies on implementers to provide food, sanitation facilities, clean water, and other emergency supplies to people displaced by regional conflict—such as those displaced in Africa's Lake Chad region, which has become a protracted humanitarian crisis. To safeguard these resources and keep them from falling into the wrong hands, implementers are expected to screen beneficiaries, store commodities in secure warehouses, and confirm the identity of beneficiaries at distribution points. However, USAID does not require implementers to provide post-distribution monitoring reports for Agency review, limiting USAID's ability to verify that implementers complied with these expectations. While our review of a sample of post-distribution monitoring reports from 2015 to 2017 did not find diversion to terrorists, our review revealed instances where beneficiaries had given USAID-funded commodities away to unintended recipients.

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[27] The USAID Administrator communicated these authorities through "Expedited Procedures Package (EPP) for Responding to Outbreaks of Contagious Infectious Disease," approved March 24, 2020, and "Reinforcing the Capabilities of Our Foreign Service Nationals During the COVID-19 Pandemic," Executive Message sent April 10, 2020, which included locally employed staff and cooperating country/third-country national personal service contractors.

[28] OMB, "Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) Due to Loss of Operations" (M-20-17), March 19, 2020.

Non-Federal audits further indicate that USAID cannot always depend on its implementers' plans to meet antiterrorism requirements. Specifically, non-Federal auditors have performed at least 15 audits of USAID-funded activities in countries—including Ethiopia, Kenya, Nigeria, and South Africa—over the past 2 years that reported USAID implementers were not applying key controls to prevent the diversion of USAID resources to terrorists.

Financial Management

Like all Federal agencies, USAID requires effective and efficient financial management to ensure it maximizes its resources. USAID has made notable progress resolving challenges that have repeatedly affected the integrity of its financial statements. For example, USAID reconciled its longstanding multimillion-dollar fund balance with the Treasury Department. In addition, USAID used most of its appropriated funds facing statutory expiration or cancellation between fiscal years 2016 to 2018 prior to required deadlines, letting approximately .02 percent to expire and .53 percent to be cancelled during the period we tested. However, USAID faces other challenges related to financial management.

Completing Administrative Closeout When Grants End. Congress requires Federal agencies to improve fiscal responsibility by closing out expired grants. The Agency must confirm that required payments have been made, audits have been completed, deliverables have been received, and unspent funds have been returned to the Treasury Department or reprogrammed for other authorized purposes. Yet, the Agency has a high risk of delayed grant closeout because of weaknesses with communication, procedures, deobligation of awards, documentation, and employee training and certification. Notably, USAID's grant closeout procedures did not align with timelines in Federal regulations, and the Agency had nearly $261 million to finalize tied to over 4,000 expired grants as of January 2020. We made nine recommendations to address these weaknesses, which USAID said it will be working to address through March 2021. As part of our audit of USAID's 2019 financial statements, we made a related recommendation to determine if $32 million associated with obligations where a disbursement had not been made in over 3 years should be deobligated or returned. USAID agreed and reported taking final action by the end of September 2020.

Meeting Internal Control and Compliance Standards for Charge Card Spending. Our oversight of USAID's purchase card and travel card programs has shown that USAID's policies and procedures, internal controls, and compliance with laws and regulations—along with actions to address prior recommendations—have led to a low risk of improper purchases and payments. Purchases and payments under these programs totaled $67.3 million for USAID in fiscal year 2019. Implementing effective and efficient risk mitigation measures in this area will help the Agency ensure it continues to prevent charge card holders from making illegal, improper, or erroneous purchases and payments.

Our oversight of MCC's comparable programs, on the other hand, demonstrates the outcomes of less effective risk mitigation. For example, we found that MCC's risk of improper purchases and payments increased from low to moderate in its fiscal year 2018 programs and remained unchanged for its fiscal year 2019 programs due to noncompliance with MCC's travel and charge card policies and procedures and violations of the Federal Travel Regulation. Examples include claiming travel and cash advances that were unsupported by valid business needs and being improperly reimbursed for early check-in fees. We made six recommendations to address these concerns, two related to fiscal year 2018 programs that are resolved but open pending review of final action for closure and four related to fiscal year 2019 programs that MCC plans to close in the upcoming fiscal year. In addition, our July 2020 report noted challenges with controls specifically over MCC's use of premium travel. The audit team estimated that MCC spent over $10 million more on premium travel than if the agency had used the lower-cost coach

fare and determined that 73 percent of MCC's total travel costs were for premium travel. In fiscal year 2019, premium travel usage at MCC (44 percent) was substantially higher than at the State Department (3 percent) and USAID (2 percent). Further, despite having policies in place to ensure compliance with the Federal Travel Regulation, we noted instances where controls were not effective in preventing waste and abuse. For example, auditors found instances where MCC staff overrode policies that required the use of coach; use of premium class travel was not justified; approvals were made by those who lacked authority; and travelers did not report to work the day following arrival and inappropriately collected per diem. We made four recommendations to MCC to address the internal control weaknesses and noncompliance. The recommendations have been resolved but are open pending final action.

With USAID staff and implementers facing unprecedented pandemic-related travel for authorized departure and return to post, continued diligence over the Agency's purchase card and travel card programs will help keep the risks of improper purchases and payments low. The Agency has released periodic guidance to staff to mitigate risks and prevent unauthorized spending. In accordance with the Government Charge Card Abuse Prevention Act of 2012 (the Charge Card Act), Public Law 112-194, we will be conducting a risk assessment of USAID's purchase card program. We will also be conducting an audit of USAID's travel card program for fiscal year 2020 because the Agency's historical spending in this area exceeds $10 million.

Information Management

USAID depends on sound information systems for all facets of business, from tracking budgets and managing award documentation and performance to connecting staff and implementers around the world. Federal law requires agencies to develop, document, and implement an information security program to protect their information and information technology (IT) systems, including those provided or managed by another agency, contractor, or source. USAID reports being an IT leader among Federal Government agencies and notes that its efforts to improve information systems and security have earned the Agency the highest commendation awarded on the House Committee on Oversight and Reform's Federal Acquisition Reform Act Scorecard. However, the Agency's expanded telework policies to protect the health and safety of staff during the pandemic increase risks to the Agency's information systems and call for additional diligence—in June 2020, the Chief Information Officer reported a 400 percent increase in cyberattacks on USAID since the start of the pandemic.

As USAID works to meet past challenges, our recent work raises ongoing and emerging concerns facing USAID in the upcoming year.

Enhancing Employee Access to Information for Project Management. Our audits continue to identify limitations on the availability of data, a top management challenge for USAID that we have reported for several consecutive years. Recent examples include the following:

- *Health Systems Strengthening.* USAID did not track health systems strengthening progress at the country level or results across missions. Furthermore, it did not have a reliable system to track missions' budgeting or spending on those activities. These limitations affected USAID's ability to assess the success of activities for strengthening health systems—a critical metric in light of the pandemic—or understand where additional guidance and support were needed across missions. USAID has taken action to improve budget tracking but needed more time than planned to improve tracking country-level progress and was still working toward final action on the recommendation.

- ***Pakistan Education Program.*** USAID chose not to report on some indicators for its education program in Pakistan because of difficulty gathering or presenting the data. Partial use of performance measurement and other key oversight mechanisms such as site visits, program reports, and cost estimate reviews hindered the mission's ability to ensure accountability for results.

- ***Agency-Wide Information Systems.*** USAID reported that it is working to build and deploy a consolidated Development Information Solution (DIS) system, which is intended to help missions manage performance monitoring and budgeting across program areas and reduce redundancies in reporting systems. Notably, in 2018 USAID pointed to this system as the fix for data limitations we identified with the Agency's response to the 2014 Ebola outbreak in West Africa and with its management of construction projects under cooperative agreements and grants around the world. After encountering numerous development delays with the system, USAID said seven missions were using DIS on a pilot basis by August 2020 and announced in October 2020 that the system would be deployed globally in the upcoming fiscal year. Eventually, DIS will be used by every mission, bureau, and independent office in the Agency. USAID notes that the success of DIS depends on Agency-wide commitment to integrate the system fully into daily work and operations, use the data collected through DIS to inform project design and strategic programmatic decisions, and retire existing legacy systems. Given the importance of this system to USAID's information management responsibilities, we are overseeing a contracted audit to assess USAID's progress in achieving its DIS goals.

Strengthening USAID's Information Security Program and Practices for Improved Effectiveness. The Federal Information Security Modernization Act of 2014 (FISMA) requires OIGs to evaluate their respective agency's information security program and practices every year. For fiscal year 2019, we reported that while USAID generally implemented an effective program, the Agency had weaknesses in areas related to its operating environment, including weaknesses in documenting user approvals, updating hardware inventory policies, and monitoring and reviewing privacy controls. USAID's Chief Information Officer updated its Cyber Security Asset Management tool and updated and implemented its system development life-cycle process description document in response to two of our recommendations. However, other recommendations from our fiscal year 2019 report remain open, and some related issues on preventing unauthorized access to USAID's financial management system reported in our 2019 financial statement audit carried over to the current year audit.

Control weaknesses in information security programs and practices were identified for the three other foreign assistance agencies we oversee. For example, IAF had not maintained an accurate system inventory, prepared a business impact analysis, provided specialized training, and fully implemented multifactor authentication—which are all FISMA requirements. USADF continued to work to configure system management and maintain documentation for user account reviews. Auditors also found weaknesses in MCC's information security program and practices related to risk management, data protection and privacy, and timely review and updating of policies and procedures. Control gaps such as these potentially exposed IAF, USADF, and MCC's information and information systems to unauthorized access, use, disclosure, disruption, modification, or destruction.

Addressing Technology-Related Security Risks. USAID operates a set of web-based applications that include email, shared calendars, and videoconferencing as well as tools and software to create, edit, store, and share documents over the Internet. Currently, USAID employees can use their personal devices or Government-issued devices when working remotely, which increases the risk that hackers could misuse the system or harm USAID's operations, depending on how staff configure security access controls on their personal devices. USAID acknowledged the increased risk—particularly amid the pandemic with expanded telework flexibilities—and has acted to close three of our recommendations to protect information available in the Agency's external cloud system when staff connect to it through

their personal devices. USAID plans to take final action on the last recommendation calling for a risk assessment and mitigation plan by March 2021.

Another technology-related challenge USAID faces in the coming year is complying with Section 889 of the National Defense Authorization Act of Fiscal Year 2019, which prohibits U.S. Government agencies and implementers from procuring or using certain telecommunications equipment or services. In following the act, USAID learned that covered technologies are frequently present in local Internet service providers, cell phone carriers, and landline-phone service providers in the countries where USAID and its implementers operate. The act also restricts the entities that departments and agencies can contract with and the equipment, services, and systems that they can buy. However, the act allows for the head of a department or agency to grant waivers for acquisitions for a period through August 2022 if certain significant prerequisites are fulfilled. In September 2020, USAID updated Agency policy to clarify the process for obtaining waivers for covered equipment.[29] In addition, USAID announced approval to extend a waiver for Internet and phone services through September 2022, the point by which contractors will need to phase out the use of covered technology to continue doing business with USAID.

Human Capital Management

Maintaining a workforce with the capabilities and performance needed to accomplish its mission has been an ongoing challenge for USAID rooted in staff vacancies and outdated workforce plans. Notably, in the last 10 years, about one-third of our performance audits identified staffing or training as a cause of or factor that contributed to reported shortcomings—shortcomings that affect USAID's ability to carry out its development and humanitarian assistance mission. We have also reported on the Agency's structural transformation, a hefty undertaking initiated in 2017 that is still ongoing.

Implementing a Strategic Workforce Plan. USAID acknowledges staffing challenges and issued an interim strategic workforce plan in February 2020 to guide the Agency through fiscal year 2022. According to USAID, the goal of the interim plan is to align the Agency's human capital program with current and future goals, and to inform priorities for acquiring, developing, allocating, and retaining staff. USAID also reported that it is supplementing the interim plan with data-driven "talent analytics," which will provide the Agency with human capital data to plan, implement, and evaluate workforce strategies and drive decision making through interactive dashboards and automated reporting. According to USAID, revisions to the Agency's 2016 workforce planning model are also underway to help strategically allocate and align domestic and overseas staff and resources with USAID's mission and critical priorities, and the next iteration of the workforce strategy is in the works with consideration for safe reintegration in the COVID-19 environment. Until these steps are fully implemented, workforce planning will remain a critical priority for USAID. Notably, GAO's prior recommendation to the USAID Administrator to ensure that the Agency completes a strategic workforce plan to support its reform efforts remained open past September 30, 2020. [30] We have an ongoing audit of USAID's human capital hiring mechanisms to identify any gaps in USAID's policies, procedures, and plans that could affect its ability to meet congressionally mandated staffing goals, and to assess USAID's efforts to identify and target Agency-wide skill deficiencies.

Safely Reintegrating Its Workforce. USAID has developed plans and procedures to guide the reentry of its domestic and overseas workforce as pandemic conditions allow over the coming months. For

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[29] ADS chapter 302, "USAID Direct Contracting and Mandatory Reference: ADS 302mbp, Waivers for Covered Telecommunications and Video Surveillance Services or Equipment under FAR 4.2104."

[30] GAO, "USAID Reform: Efforts Address Most Key Practices but Could Improve in Performance Assessment and Strategic Workforce Planning" (GAO-19-609), September 11, 2019.

domestic operations, USAID followed GAO's key considerations by (1) making decisions about reentry based on local conditions, (2) communicating continuously with employees, (3) having appropriate measures in place to protect employees, and (4) implementing social distancing strategies. For overseas operations, USAID followed State Department direction, which also uses a phased approach following criteria based on evolving local conditions, for returning staff to the workplace. USAID has made the health and safety of its personnel among its highest priorities during the pandemic and stated that it will continue to do so. However, USAID will need to ensure that its plans and procedures are effectively implemented and remain flexible to manage evolving conditions and balance short-term precautions with the Agency's long-term needs. Following the deactivation of its COVID-19 Task Force, USAID established the Readiness Unit in September 2020 to continue the task force's role in comprehensively managing and addressing safety, security, and continuity of operations as it responds to the pandemic. USAID anticipates transitioning these roles to the Bureau for Management by December 31, 2020.

Completing Longstanding Efforts for the Agency's Structural Transformation. For the past several years, USAID has been working to implement its structural transformation plans that stemmed from a 2017 Executive order and subsequent OMB requirements.[31] The intent, according to USAID, is to create a more field-oriented, functionally aligned, and responsive Agency capable of ending the need for foreign assistance. In 2018, USAID set out to implement changes to the Office of the Administrator and seven bureaus carved from its existing organizational structure.[32] By the end of September 2020, USAID had received congressional approval to proceed with proposed changes to the Office of the Administrator and five of the bureaus. However, Congress had yet to approve changes for the Bureaus for Management and Policy, Resources, and Performance, which USAID had submitted for approval in August 2018. In addition, USAID formally notified Congress in August 2020 of plans to restructure the Bureau for Global Health—the Agency's largest technical bureau and, according to USAID, the only one that had not explored reorganization as part of transformation efforts. Seeing its multiyear structural transformation to completion will continue to be a complex endeavor with widespread impact on USAID's staff and programming.

Mitigating the Consequences of Staff and Leadership Vacancies on Program Implementation
Education programs in Pakistan experienced significant delays, in part because of leadership and staff turnover. For example, the Centers for Advanced Studies Project saw delays in creating graduate program courses and establishing a national water and energy clearing house for policy research and ideas because key personnel were not in place. Similarly, the Democracy, Human Rights, and Governance director positions at USAID missions in Georgia and Kosovo were vacant for extended periods. Long gaps in leadership affected the quality of USAID's work and may have been interpreted by local stakeholders as a lack of respect and commitment. Medical evacuations and assignment curtailments were among reasons cited for extended vacancies. Moreover, USAID and implementers have reported widespread effects on staff and operations across the globe resulting from pandemic-driven post departures, expanded workplace flexibilities, and other challenges. According to recent Agency reports, nearly two-thirds of USAID's missions reported reduced personnel capacity, and 2 percent reported that personnel capacity had ceased or was significantly restricted due to the pandemic.

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[31] In March 2017, the President issued Executive Order 13781, "intended to improve the efficiency, effectiveness, and accountability of the executive branch." A month later, OMB followed up with Memorandum M-17-22, requiring Executive Branch agencies, including USAID and the State Department, to submit reform plans and workforce plans to OMB by September 2017. In response, USAID helped develop a joint State-USAID reform plan and produced a USAID supplemental reform plan that focused on internal issues, including structural transformation of key offices and bureaus.

[32] The seven bureaus are the Bureaus for Humanitarian Assistance; Resilience and Food Security; Conflict Prevention and Stabilization; Policy, Resources, and Performance; Development, Democracy, and Innovation; Asia; and Management.

Preventing the Chilling Effects of Whistleblower Retaliation and Nondisclosure Agreements on Fraud Reporting. Whistleblower retaliation, or the threat of retaliation, against employees of USAID implementers can discourage the disclosure of fraud and other misconduct that may take place in program areas where large amounts of program money are involved. Between 2018 and 2020, we recorded a 21 percent increase in whistleblower retaliation allegations and a 28 percent increase in new related investigations. In an August 2020 referral to USAID involving whistleblower retaliation allegations against one implementer, we reiterated the Agency's role and legal ability to seek corrective action to address personnel actions taken out of reprisal. While the Agency remains committed to upholding employee integrity and reminded staff of statutory protections against reprisal contained in legislation and the USAID Standards of Conduct, the Agency would further benefit by clarifying to its implementers that retaliating against employees who seek to bring allegations of fraud, waste, abuse, or other misconduct within the performance of USAID's awards is unacceptable. Relatedly, we discovered that some USAID implementers still require staff to complete nondisclosure agreements or comply with related policies barring the reporting of misconduct outside of the organization. Such policies are prohibited and may silence personnel who fear adverse consequences for reporting fraud or misconduct, including SEA, directly to USAID or OIG, rather than through internal mechanisms.

USAID Actions To Address Vulnerabilities and Implement Needed Controls in Core Management Functions

USAID continues to work to strengthen its core management functions. In addition to actions noted above, USAID reported undertaking the following efforts:

- USAID includes risks related to core business practices in its Agency Risk Profile. These topics are routinely monitored, discussed, and evaluated at the senior-leadership level to ensure the Agency does not lose sight of critical risk areas and associated mitigating actions for its core business practices.

- USAID reported a number of actions taken to strengthen award management and the position of its contracting and agreement officers and their representatives based on our audit findings and recommendations. Efforts include expanded training, improved record-keeping requirements, and clarified policies and procedures. In addition, the Agency has established its Bureau for Policy, Planning, and Learning as the institutional home for contracting and agreement officer's representatives to lead the effort to strengthen and support this workforce cadre. The Agency has also reported aligning its obligations control in the Global Acquisition and Assistance System with a check against critical files being available in the electronic files in the Agency Secure Image and Storage Tracking System (ASIST); if the documents are not present, the system will not allow for an obligation. USAID stated that this process, launched in October 2019 for preaward documents and in May 2020 for modifications, has led to a dramatic improvement for file compliance rates in ASIST to better position the Agency for successful file audits.

- USAID reported improvements in reconciling intragovernmental transactions, a previously reported significant deficiency to the Agency's financial statements. Through its work to find answers to differences that occur when Federal agencies use different accounting methods for shared transactions, USAID determined that some differences can be explained but not eliminated. Where action can be taken—as with the largest difference accounting for 27 percent or $124.8 million between USAID and the State Department—USAID established a work group that reports progress tracking differences and seeks solutions to root causes. USAID has completed research on an additional $20 million difference and is awaiting approval from OMB to approve the plan to eliminate the difference.

- USAID identified additional measures to safeguard assistance awards in humanitarian settings. For example, USAID implementers are required to report all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.[33] USAID's Bureau for Humanitarian Affairs said it further requires implementers to report on developments which have a significant impact on the activities supported by their awards, which could include misuse of funds.

- USAID made changes to align operations with the Federal Information Technology Acquisition Reform Act (FITARA). Last year, we reported that USAID had not fully met several provisions of FITARA. In 2020, USAID restructured the Chief Information Officer's reporting relationship, adding responsibility to report to USAID's Administrator for purposes of decision making and overall job performance—to meet statutory requirements—along with reporting to the Assistant Administrator for Management on day-to-day general operations. Additionally, USAID implemented policies to give the Chief Information Officer budgetary responsibility over IT budgeting and spending. With those accomplishments, all OIG recommendations from our 2018 audit on FITARA are now closed.

- To strengthen information security, USAID reported deploying the full range of its capabilities to educate staff and enforce procedures to limit the use of nonofficial electronic systems to conduct official business. This includes official policies, annual training, Agency-wide communications, and reminders, as well as taking enforcement action when the Agency learns that staff are not following the rules. USAID conducts periodic audits of staff who are known to have received approval to forward record content to an official USAID electronic-messaging account, and investigates any cases that come to the Agency's attention.

Related OIG Products

- "USAID Has Gaps in Planning, Risk Mitigation, and Monitoring of Its Humanitarian Assistance in Africa's Lake Chad Region" (4-000-21-001-P), October 15, 2020.

- "Assessment of MCC's Fiscal Year 2019 Charge Card Programs Identified a Moderate Risk of Improper Purchases and Payments" (0-MCC-20-013-C), September 25, 2020.

- "OIG Letter to Chairman Connolly on USAID Reopening Plans," August 6, 2020.

- "Assessment of USAID's Charge Card Programs Showed Low Risk of Improper Purchases and Payments in Fiscal Year 2019" (0-000-20-010-C), July 31, 2020.

- "USAID's Use of Appropriated Funds Prior to Expiration and Cancellation," Advisory Notice, July 27, 2020.

- "USAID's Pakistan Education Program Aligned With U.S. Strategy, But Insufficient Oversight Could Impede Accountability for Results" (5-391-20-001-P), July 22, 2020.

- "Enhanced Controls Are Needed To Ensure the Cost-Effectiveness of MCC Travel and Prevent Waste and Abuse" (0-MCC-20-012-C), July 10, 2020.

- "USAID Needs To Improve Policy and Processes To Better Protect Information Accessed on Personal Devices" (A-000-20-006-P), June 19, 2020.

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[33] Code of Federal Regulations, Title 2, Part 200, Section 113, "Mandatory Disclosures," and ADS Reference 303mab, "Standard Provisions for Non-U.S. Nongovernmental Organizations," section M26, "Mandatory Disclosures."

- "USAID Complied With the GONE Act but Still Has a High Risk of Delayed Grant Closeout" (0-000-20-002-C), March 31, 2020.

- "USAID Generally Implemented an Effective Information Security Program for Fiscal Year 2019 in Support of FISMA" (A-000-20-005-C), February 7, 2020.

- "IAF Has Generally Implemented Controls in Support of FISMA for Fiscal Year 2019" (A-IAF-20-004-C), January 24, 2020.

- "USADF Has Generally Implemented Controls in Support of FISMA for Fiscal Year 2019" (A-ADF-20-002-C), December 19, 2019.

- "Additional Actions Are Needed To Improve USAID's Democracy, Human Rights, and Governance Programs" (8-000-20-001-P), November 26, 2019.

- "Audit of USAID's Financial Statements for Fiscal Years 2019 and 2018" (0-000-20-006-C), November 19, 2019.

- "Assessment of MCC's Fiscal Year 2018 Charge Card Programs Shows Risk of Improper Purchases and Payments Has Increased to Moderate" (0-MCC-20-003-C), November 18, 2019.

- "MCC Generally Implemented an Effective Information Security Program for Fiscal Year 2019 in Support of FISMA" (A-MCC-20-001-C), November 12, 2019.

- "More Guidance and Tracking Would Bolster USAID's Health Systems Strengthening Efforts" (4-936-20-001-P), October 21, 2019.

- "USAID's Award Oversight Is Insufficient To Hold Implementers Accountable for Achieving Results" (9-000-19-006-P), September 25, 2019.

- "USAID Lacks Data To Inform Decisions About Construction Under Cooperative Agreements and Grants" (9-000-19-003-P), February 11, 2019.

- "USAID Has Gaps in Conforming With the Federal Information Technology Acquisition Reform Act" (A-000-19-004-C), November 9, 2018.

- "Lessons From USAID's Ebola Response Highlight the Need for a Public Health Emergency Policy Framework" (9-000-18-001-P), January 24, 2018.

Report fraud, waste, and abuse

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