



U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



# Semiannual Report to the Congress

## OFFICE OF INSPECTOR GENERAL

OCTOBER 1, 2015–MARCH 31, 2016

COVER:

Liberia, January 30, 2015

A young girl orphaned by the Ebola crisis carries freshly harvested crops from the field to the home of Harriet B. Quenisseir. Harriet and her husband have welcomed 35 youth—most of whom are orphans who lost their parents to the Ebola crisis—into their home. USAID supports families and individuals who have helped respond to the tragedy of Ebola.

Photo by Adam Parr, USAID

### MISSION

The mission of the Office of Inspector General is to provide independent oversight that promotes the efficiency, effectiveness, and integrity of foreign assistance programs and operations under USAID OIG's jurisdiction.

### VISION

OIG's vision is to be a leading oversight organization with a motivated and resourceful workforce that:

- Produces high-quality work that facilitates mission achievement in foreign assistance.
- Increases accountability and promotes good stewardship of foreign assistance funds.

# INSPECTOR GENERAL HOTLINE

The hotline makes it easy to report allegations of fraud, waste, abuse, mismanagement, or misconduct in the programs and operations of the United States Agency for International Development (USAID) and the other organizations under Office of Inspector General (OIG) oversight: the Millennium Challenge Corporation (MCC), the United States African Development Foundation (USADF), the Inter-American Foundation (IAF), and the Overseas Private Investment Corporation (OPIC). Employees of these organizations, as well as contractors, program participants, and members of the general public, may report allegations directly to OIG. Complaints may be submitted electronically by using e-mail or OIG's online complaint form.

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

The Inspector General Act of 1978, as amended, and other laws protect those who make hotline complaints. For example, the Whistleblower Protection Enhancement Act of 2012 provides protection to employees who disclose misconduct or misuse of government resources. Individuals who contact the hotline are not required to identify themselves and may request confidentiality when submitting allegations. However, OIG encourages those who report allegations to identify themselves so that they can be contacted if OIG has additional questions. Pursuant to Section 7 of the Inspector General Act, OIG will not disclose the identity of an employee of USAID, MCC, USADF, IAF, or OPIC who provides information unless that employee consents or unless the Inspector General determines that such disclosure is unavoidable during the course of an investigation. As a matter of policy, OIG provides comparable protection to employees of contractors, grantees, and others who provide information to OIG and request confidentiality. The hotline Web site is encrypted, consistent with industry standards; however, individuals who are concerned about the confidentiality or anonymity of electronic communication may submit allegations by telephone or mail.

## E-MAIL

[ighotline@usaid.gov](mailto:ighotline@usaid.gov)

## COMPLAINT FORM

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

## TELEPHONE

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

## MAIL

USAID OIG HOTLINE

P.O. Box 657

Washington, DC 20044-0657

# EBOLA HOTLINE

The U.S. Government responded to the unprecedented spread of the Ebola virus disease in West Africa by mobilizing a large-scale response to contain the disease. As a result, USAID OIG is working to promote the integrity of these efforts. On February 24, 2015, USAID OIG was designated the Associate Inspector General for oversight of international Ebola response efforts throughout the federal government.

The Ebola hotline was launched to receive complaints of fraud, waste, or abuse relating to the U.S. Government Ebola programs and activities. Ebola-related complaints may include information about mismanagement or violations of law, rules, or regulations by U.S. Government employees, implementers of U.S. Government-funded programs, and program participants. OIG accepts complaints directly from employees, program participants, or the general public.

## E-MAIL

[ebolahotline@usaid.gov](mailto:ebolahotline@usaid.gov)

## TELEPHONE

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

## MAIL

USAID OIG HOTLINE

Attn: Ebola Hotline

P.O. Box 657

Washington, DC 20044-0657

# “MAKE A DIFFERENCE” MALARIA HOTLINE

In an effort to obtain significant information concerning the theft or falsification of antimalarial drugs, OIG launched the “Make a Difference” (MAD) campaign to solicit the involvement of local communities in the fight against those who prey upon America’s overseas antimalaria programs. The MAD campaign’s main objective is to obtain actionable information concerning the theft, transshipment, or resale or falsification of antimalarial drugs, as well as commodities within select countries funded by the President’s Malaria Initiative (PMI). In support of this objective, mass communication materials have been developed and distributed throughout local communities with information regarding the hotline and messages about safe malaria medications.

The campaign offers country-specific reward hotlines for community members to safely report information on manufacturers, distributors, or sellers of illicit commodities. Rewards are offered through OIG for relevant and actionable information. Significant impacts, such as the arrest or conviction of individuals participating in antimalarial pharmaceutical crime or systemic changes that result from information obtained through the hotline, may result in additional reward payments. To date, OIG has launched the MAD campaign in Benin, Nigeria, and most recently, in Malawi.

## E-MAIL

[madmalariahotline@usaid.gov](mailto:madmalariahotline@usaid.gov)

## TELEPHONE

1-855-484-1033

## MAIL

USAID OIG HOTLINE

P.O. Box 657

Washington, DC 20044-0657



# CONTENTS

- Message From the Inspector General . . . . . 1
- Introduction . . . . . 5
- OIG Organizational Performance Measures . . . . . 9
- Progress in Meeting Strategic Goals and Objectives . . . . . 13
- Summary Tables . . . . . 19
- Significant Findings and Activities: U.S. Agency for International Development . . . . . 29
  - Accountability . . . . . 31
  - Crises, Conflict, and Instability . . . . . 39
  - Sustainable, Broad-Based Economic Growth . . . . . 47
  - Global Health and Strong Health Systems . . . . . 53
  - Stable, Prosperous, and Democratic States . . . . . 59
  - Food Security . . . . . 63
  - Building Institutional Capacity . . . . . 67
- Tables: U.S. Agency for International Development . . . . . 71
- Significant Findings and Activities: Millennium Challenge Corporation . . . . . 165
  - Management Accountability . . . . . 167
  - Financial Management . . . . . 169
- Tables: Millennium Challenge Corporation . . . . . 171
- Significant Findings and Tables: United States African Development Foundation . . . . . 175
- Significant Findings and Tables: Inter-American Foundation . . . . . 181
- Significant Findings: Overseas Private Investment Corporation . . . . . 185
- Peer Reviews . . . . . 191
- Common Abbreviations . . . . . 193





# MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present the USAID OIG Semiannual Report to the Congress for the period of October 1, 2015, through March 31, 2016, in accordance with the Inspector General Act of 1978, as amended.

It was an honor to be named USAID Inspector General late last November. Since my arrival, I have been impressed by the commitment and professionalism of OIG staff across our 11 regional and country offices and Washington, D.C., headquarters. Their dedication has translated into tangible advances in our mission of promoting the effective and efficient administration of approximately \$20 billion in U.S. foreign assistance and protecting related programs and activities from fraud, waste, and abuse. During the reporting period, USAID OIG completed 358 audits resulting in more than \$120 million in questioned costs and funds to be put to better use.<sup>1</sup> OIG investigations led to more than \$78 million in savings and recoveries as well as nine prosecutorial referrals.



Ann Calvaresi Barr  
Inspector General

One of the most pressing foreign assistance challenges currently facing the U.S. Government stems from the conflict and humanitarian crises in Syria and Iraq. To ensure effective oversight of related U.S. Government efforts, USAID OIG has worked closely with the Department of Defense and Department of State OIGs to provide oversight of Operation Inherent Resolve, the campaign against the Islamic State in Iraq and the Levant. USAID OIG made key contributions to quarterly reports on the progress of this operation and attendant oversight work, providing detailed information regarding USAID humanitarian assistance activities as well as measures to promote effective governance and stabilization in Iraq. OIG also completed a survey of USAID humanitarian assistance programs in Iraq that identified several challenges to the Agency's ability to reach areas in need, as well as concerns about the long-term sustainability of this assistance. Meanwhile, OIG investigations in the region revealed product substitution, collusion, and bribery in USAID-funded projects and programs. One such investigation uncovered a product-substitution scheme affecting the delivery of aid into Syria from surrounding areas. These and other investigative efforts prompted USAID to place holds on program activities, halt procurement and distribution activities, suspend individuals and firms from receiving future U.S. Government awards, and terminate a cross-border medical assistance program resulting in

---

<sup>1</sup>The \$120 million comprises \$110 million in questioned costs and \$10 million in funds recommended to be put to better use.

\$10.5 million in savings. To raise awareness about these and other issues, OIG performed extensive outreach to USAID implementing partners in the region, conducted site visits, and offered fraud awareness briefings and workshops.

Foreign assistance is frequently administered in challenging environments, and these high-risk areas are a significant focus for OIG oversight efforts. Consequently, other significant OIG work during the quarter involved assessments of projects and programs in some of USAID's most difficult operating environments. An audit of USAID's strategy for monitoring and evaluating programs in Afghanistan, for example, found that the mission was unable to fully implement a multitiered monitoring system it developed, thus limiting its ability to provide effective oversight as envisioned. Also in Afghanistan, a program to assist in developing enterprises was behind schedule and had not created jobs or improved the business environment as planned. Elsewhere, an audit of construction programs in the West Bank and the Gaza Strip raised questions about their sustainability. A review of a civil society support program in Cuba likewise noted concerns about sustainability, as the program was unable to be successful without public funding. OIG also reported that the program did not always follow internal controls in awarding grants and that there were conflicts of interest when, for a project to produce a Twitter-like communication system, the implementing partner's operations manager awarded grants to a company owned by a family member.

Several OIG activities during the period also focused on oversight of health programs. USAID OIG continued to work with the Department of Health and Human Services OIG to prepare and issue joint quarterly reports on the progress of U.S. Government international Ebola response and preparedness activities and corresponding oversight efforts. In addition, we completed two audits on Ebola response activities, including an audit of food aid programs that found the programs were limited in their ability to reach those in need because of delays that extended over an average of 3 months. OIG investigative efforts also yielded important gains for global health over the past 6 months. For instance, as a result of an extensive investigation into fraud in an antimalarial program, the U.S. Attorney's Office charged a West African man with defrauding the program of more than \$12 million in funds intended for insecticide-treated nets. Another health-related investigation revealed that a USAID employee had shared sensitive procurement information with a favored candidate for a large-scale cooperative agreement. Provided this information, USAID stopped the procurement process, thereby saving \$55 million that otherwise could have been improperly awarded.

#### OIG ACCOMPLISHMENTS DURING THE REPORTING PERIOD

- More than \$120 million in questioned costs and funds to be put to better use
- More than \$78 million in investigative recoveries and savings
- 358 audit reports issued
- 37 investigations closed
- 9 prosecutorial referrals
- 88 administrative actions

The effective execution of OIG oversight responsibilities is inextricably tied to our independence and ability to wield authorities under the Inspector General Act. Accordingly, I have worked with Agency officials to foster a greater understanding of OIG's role and the responsibility of Agency employees to cooperate with our office. I began meeting with the leadership of organizations for which OIG has jurisdiction, so far including USAID, the Millennium Challenge Corporation, the U.S. African Development Foundation, and the Overseas Private Investment Corporation, to underscore the importance of independent oversight of their programs and operations. This engagement prompted the USAID Administrator to issue an executive message reminding USAID employees that they must assist OIG and respond to OIG requests in a timely and transparent manner.

Since joining the organization, another top priority has been to conduct outreach with OIG staff to determine how we can build on our past work, policies, and practices to better support our mission. In connection with this aim, I recently visited our country offices in Afghanistan and Pakistan and our regional office in the Philippines, speaking to OIG employees and mission leadership. Through my interactions with both U.S. direct hire and Foreign Service National staff, I gained an even deeper understanding and appreciation for our work, the difficult circumstances we face in executing our mission, and the profound dedication of our staff.

In the coming year, I look forward to building on our commitment to providing OIG staff with the tools, resources, and support needed to accomplish our mission. We will work to ensure that we have established clear pathways for professional growth and a training and professional development program that provides the building blocks for future success. We will institute an independent quality assurance unit responsible for ensuring that our work is of the highest caliber and that our standards and policies reflect best practices across the accountability community. Finally, we will recruit and retain senior leaders who reflect our values, can provide a sustained high level of engagement with our staff and work, and have the expertise necessary to effectively execute our mission.

In addition to strengthening OIG's internal standing, I look forward to elevating the focus of our work to inform and provide strategic insights to foreign assistance decision makers and stakeholders. It is a privilege to lead OIG during this exciting time, as we undertake oversight by linking policy-level decisions with the implementation of development programs and activities on the ground. In this and other work, USAID OIG will remain a steadfast partner in promoting integrity and accountability in U.S. foreign assistance.



# INTRODUCTION

## History, Mandates, and Authority

USAID's OIG was established on December 16, 1980, by Public Law 96-533, an amendment to the Foreign Assistance Act of 1961. On December 29, 1981, the International Security and Development Cooperation Act of 1981 brought the USAID Inspector General under the purview of the Inspector General Act of 1978. OIG assumed audit and investigative oversight of USADF and IAF in 1999 and of MCC in 2004. OIG also maintains some oversight authority over OPIC under 22 U.S.C. 2199(e).

The Inspector General Act authorizes the Inspector General to conduct and supervise audits and investigations. Our mission is to provide independent oversight that promotes the efficiency, effectiveness, and integrity of programs and operations under our jurisdiction. Some of our work is mandated by statute or other requirements; other work is performed at OIG's discretion. When identifying and prioritizing appropriate audit and investigative activity, we consider stakeholder interests and needs, alignment with strategic goals, program funding, and risks associated with Agency programs, including potential vulnerabilities in internal controls.

## Areas of Responsibility

### Audits

OIG audit activities relate to the worldwide foreign assistance programs and Agency operations of USAID, MCC, USADF, IAF, and OPIC. Audit activities include performance audits and reviews of programs and management systems, financial statement audits required under the Chief Financial Officers Act of 1990, and audits related to the financial accountability of grantees and contractors.

### Investigations

OIG investigates allegations of fraud, waste, and abuse relating to the foreign assistance programs and operations of our client agencies. Investigations of criminal, civil, and administrative violations cover all facets of these worldwide operations. OIG also works proactively by providing fraud awareness briefings and literature, audiovisual aids, and advice on fraud prevention strategies for Agency personnel and employees of foreign assistance implementers worldwide.

## Joint Work and Partners

OIG participates in task forces and cooperates with other groups. The following activity summaries highlight our participation in these areas.

## Overseas Contingency Operation (OCO) Oversight Coordination

Section 8L of the Inspector General Act of 1978, as amended, requires the Inspectors General for the Department of Defense (DoD), Department of State, and USAID to coordinate oversight on overseas contingency operations lasting more than 60 days. Section 8L requires these OIGs to work together to develop and execute a joint strategic plan for comprehensive oversight of the contingency operation and to submit to Congress a quarterly report on the progress of the operation as well as a semiannual report on corresponding oversight activities.

In connection with Operation Inherent Resolve (OIR), the overseas contingency operation to combat the Islamic State of Iraq and the Levant (ISIL), USAID OIG conducted site visits and performed extensive outreach to USAID's implementing partners, providing fraud awareness briefings in Turkey, Jordan, and Iraq. To promote fraud prevention, USAID OIG hosted workshops with USAID's Office of Foreign Disaster Assistance and produced guides on compliance and fraud prevention for implementing partners active in the region. The Inspectors General for the Department of State and USAID have been working closely on these issues, as well as on a joint investigation, as the two agencies share many of the same implementing partners in the region. Meanwhile, USAID OIG has worked to identify weaknesses in USAID programs in the region with the aim of being able to more swiftly respond to problems that arise in the humanitarian responses in Syria and Iraq.

In addition, USAID OIG has maintained oversight of Ebola recovery and preparedness activities. Although the Section 8L coordination and reporting requirements associated with Operation United Assistance (OUA)—the overseas contingency operation established in response to the West Africa Ebola outbreak—have concluded, USAID OIG and the Department of Health and Human Services (HHS) OIG have continued to provide quarterly reporting to promote transparency and public awareness about U.S. Government Ebola-related activities. USAID OIG has also continued to conduct audits on the effectiveness of Ebola response activities, such as those associated with the Office of Food for Peace.

## Syria Investigations Working Group

In October 2015, USAID OIG founded the Syria Investigations Working Group (SIWG). The group consists of representatives within the investigative oversight bodies of the USAID OIG, the Department of State OIG, public international organizations (PIOs), and bilateral donors. The group shares investigative leads, coordinates oversight activities, and identifies trends in the region. OIG hosted the group's two teleconferences and, in February 2016, hosted an in-person meeting at the U.S. Mission to the United Nations in Geneva. Attendees included representatives of the oversight or investigative elements of USAID OIG and the Department of State OIG as well as several PIOs and bilateral donors.

## Southwest Asia Joint Planning Group

This group conducts oversight activities in Afghanistan, Iraq, Pakistan, and the surrounding areas (e.g., Kazakhstan, Kyrgyzstan, Uzbekistan, Egypt, Jordan, Lebanon, the Syrian Arab Republic, and Yemen). The group comprises representatives of the Government Accountability Office, the Special

Inspector General for Afghanistan Reconstruction (SIGAR), the U.S. Army Audit Agency, the Naval Audit Service, the Air Force Audit Agency, and the OIGs for USAID, DoD, and DOS.

### **Joint Interagency Task Force (JIATF)**

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

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

OIG participates in the National Procurement Fraud Task Force and the International Contract Corruption Task Force.

### **Coordinated Audit Plan for HIV/AIDS, Tuberculosis, and Malaria**

OIG collaborates with its counterparts at DOS and HHS to develop an annual consolidated audit plan. The three OIGs work together to determine the audits each office will conduct to make the best use of U.S. Government resources.

### **Working With Bilateral Donors**

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

### **Office of Government Ethics Curriculum Development Team**

OIG participates in the Office of Government Ethics curriculum development team, which involves multiple government agencies working together to develop ethics guidance and training for law enforcement officers.





# OIG ORGANIZATIONAL PERFORMANCE MEASURES

OIG established performance measures in its strategic plan for fiscal years 2015–2019, several of which were updated with the publication of the fiscal year 2016 annual plan. The data below reflects our midyear accomplishments for fiscal year 2016. Information marked “NA” indicates that the measure was not in place during the reporting period.

<b>Strategic Goal I: Strengthen the ability of the organizations for which OIG provides oversight to manage and deliver foreign assistance efficiently and effectively through audit products and activities.</b>			
Measure	2015 Results	2016 Year-End Target	2016 Midyear Results
Percentage of audits covering high-priority programs and operations, addressing management challenges, or identifying systemic weaknesses	96%	92%	100%
Percentage of audit peer review recommendations with which OIG agrees that have been implemented within 1 year <sup>1</sup>	NA	100%	NA
Percentage of management decisions <sup>2</sup> on which OIG and the Agency agree that have final action within 1 year of the decision	79%	72%	67.9%

<sup>1</sup> OIG has not yet received its 2016 peer review. An extension has been granted through June 30, 2016.

<sup>2</sup> A management decision is considered to be made when auditee management establishes corrective action to be taken in response to an audit recommendation. A management decision must determine the allowability of questioned costs (if applicable), establish a corrective action plan, and identify a target date for final action.

**Strategic Goal 2: Deter and detect fraud, corruption, criminal activity, and misconduct in the programs, operations, and workforce of the organizations for which OIG provides oversight.**

Measure	2015 Results	2016 Year-End Target	2016 Midyear Results
Percentage of OIG investigations resulting in a positive outcome (e.g., indictments, recoveries, systemic changes)	NA	50%	65%
Number of individuals reached through outreach events	8,592	5,000	5,276
Dollar value of investigative savings and recoveries	Exceeded total cost of investigative operations	Meets or exceeds total cost of investigative operations	Exceeds total cost of investigative operations
Number of briefings and meetings with senior U.S. Government or foreign government officials that provide law enforcement liaison and support to anticorruption efforts	21	25	10

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

Measure	2015 Results	2016 Year-End Target	2016 Midyear Results
Number of congressional engagements (e.g., testimony, briefings, and other formal contacts)	60	60	24
Number of page views on the OIG Web site	176,778	176,778	95,767

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

Measure	2015 Results	2016 Year-End Target	2016 Midyear Results
Percentage of employees indicating satisfaction with OIG customer service, operations, and initiatives	66%	67%	To be reported at year-end
Percentage of major management milestones met relating to strategic planning, continuity of operations, policy development, human capital management, IT management, financial resource management, operations planning, and external reporting requirements	80%	80%	43%
Percentage of OIG operating units executing within 5 percent of budget plans	39%	50%	To be reported at year-end

**Strategic Goal 5: Recruit, develop, and retain a highly qualified, motivated, and diverse workforce with the necessary tools and training to fulfill OIG's mission.**

Measure	2015 Results	2016 Year-End Target	2016 Midyear Results
Percentage of incoming employees hired within established time frames <sup>3</sup>	38%	65%	5%
Percentage of employees retained who are performing at or above fully successful or proficient levels	85%	90%	94%
Percent of employees engaged in their work	65%	67%	To be reported at year-end

<sup>3</sup> The established time frame for Civil Service vacancies is 80 calendar days and 140 calendar days for Foreign Service positions. The time frame starts when the Request for Personnel Action (SF-52) is completed and ends the day the employee enters on duty.



# PROGRESS IN MEETING STRATEGIC GOALS AND OBJECTIVES

In January 2015, OIG released its strategic plan for fiscal years 2015–2019. The five goals and supporting strategies in the plan reaffirm our commitment to providing quality oversight to the agencies we serve and informing the public and our stakeholders of OIG effectiveness at safeguarding taxpayer resources. The plan also emphasizes our obligation to continually find ways to improve our own operations and ensure that our workforce is highly motivated and well trained to carry out its responsibilities. In our fiscal year 2016 annual plan, OIG revised its performance indicators to better assess progress toward achieving the goals articulated in the plan.

This reporting period, we identified more than \$120 million in questioned costs and funds recommended to be put to better use, and our investigative work led to more than \$78 million in investigative recoveries and savings. We implemented numerous activities to promote the effectiveness and integrity of foreign assistance programs, provide quality information for our stakeholders, and enhance OIG’s internal processes and workforce.

OIG is on track to meet all of its performance goals by the end of the fiscal year except one, involving time to hire new employees, which is discussed under “Strategic Goal 5.”

**Strategic Goal 1: Strengthen the ability of the organizations for which OIG provides oversight to manage and deliver foreign assistance efficiently and effectively through audit products and activities.**

To assess our progress toward Goal 1, OIG is tracking three measures, two of which we have data to report for this period. OIG exceeded its goals for the percentage of audits covering high-priority programs and operations and nearly met its goal for management decisions on which OIG and the Agency agree that have final action within 1 year of the decision. We are unable to report on the percentage of peer review recommendations implemented because we have not received the final report, which was being drafted as of the end of the reporting period. These measures are essential to confirming that OIG’s audit activities focus on areas that will most benefit the agency and that audit recommendations have had an impact on agency programs and operations.

OIG is implementing several other activities that contribute toward Goal 1. USAID OIG has worked closely with counterparts in the Departments of State and Defense to plan future oversight efforts for the two overseas contingency operations, OIR and OUA, which are focused on addressing ISIL and Ebola, respectively. These actions will help align audit plans with Agency priorities and promote effectiveness and efficiency in foreign assistance programs.

We have issued two audits this year in support of OUA activities. We are also currently working on five additional audits covering training of healthcare workers, review of selected Ebola OFDA response activities in Liberia and Sierra Leone, and an audit of activities to help rebuild Liberia's health care system. We are conducting audits in support of OIR, including audits of an education program in Lebanon and a community engagement program in Jordan. We believe these activities will help build on OIG's strong record of effective coordination and engagement with others in the inspector general community to ensure that U.S. taxpayer dollars are fully accounted for and used for intended purposes in these critical operations.

OIG has also begun holding work-planning meetings to address audit planning for fiscal year 2017, audit report policies, the editing process, training, and teambuilding, among other topics. OIG is reengineering its audit planning process for FY 2017 to focus audits on high-risk, cross cutting programs and processes.

**Strategic Goal 2: Deter and detect fraud, corruption, criminal activity, and misconduct in the programs, operations, and workforce of the organizations for which OIG provides oversight.**

OIG is on track to meet performance targets related to identifying, investigating, and deterring fraud, waste, and abuse in Agency programs and operations. Of all our investigations during this reporting period, 65 percent resulted in positive outcomes. The map that follows reflects the geographic distribution of OIG's fraud awareness briefings conducted worldwide this reporting period. We have reached 5,276 individuals through outreach events, surpassing our outreach goal. We have also achieved 40 percent of this fiscal year's goal for holding briefings or meetings with senior U.S. Government or foreign government officials. These education and relationship-building efforts help deter fraud, waste, and abuse by increasing awareness of reporting procedures criminal, civil, and administrative violations; educating stakeholders on the consequences of committing these violations; and establishing cooperation with other law enforcement authorities.



## Fraud Awareness Briefings Conducted Worldwide (October 1, 2015–March 31, 2016)



This map reflects the geographic distribution of OIG’s fraud awareness briefings. The circles indicate the locations of the briefings, and the size of the circle represents the number of attendees. (Map provided by OIG.)

This report contains numerous examples of the investigations OIG has led or participated in to detect fraud, waste, and abuse. These investigations have led to important outcomes for the agencies we oversee, including the indictment of a citizen of Burkina Faso for his role in a \$12 million antimalarial program fraud scheme to procure and distribute millions of fraudulent mosquito nets throughout Burkina Faso. Details regarding this scheme were revealed through a transnational, multiyear investigation by USAID OIG in collaboration with the Global Fund OIG, the USAID President’s Malaria Initiative, the U.S. Department of State Regional Security Office in Burkina Faso, and the U.S. Attorney’s Office for the Southern District of New York.

Furthermore, OIG has continued to expand its MAD public awareness campaign during the reporting period by laying the groundwork for launching the program in Malawi.

OIG’s Office of Investigations is also taking a prominent role in the overseas contingency operations to combat ISIL, as well as expanding outreach to implementers working to assist displaced persons suffering in and around Syria. As noted previously, OIG founded the Syria Investigations Working Group (SIWG), consisting of representatives from both government and nongovernmental oversight organizations, who share investigative leads, coordinate oversight activities, and identify trends in the region.

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

OIG continues to respond to stakeholder needs for useful and timely information on the management and delivery of U.S. foreign assistance and OIG operations. We regularly engage with Congress on OIG's high-profile programs and provide information on our external Web site. OIG continually works to promote transparency and improve its ability to inform policy and decision-making about assistance programs. OIG uses its public Web site, electronic notifications, and presence on Twitter to promote awareness of the results of our work.

OIG has also contributed to periodic reporting with other OIGs in connection with two overseas contingency operations. Working with the OIGs for the Departments of Defense and State, we gathered and reported on program and oversight activities underway in Iraq and Syria, with a particular focus on humanitarian assistance. Although OIG is no longer required to report quarterly on Government-wide programs in response to the Ebola outbreak in West Africa, we have continued to do so to keep Congress and the public informed of work undertaken by both USAID OIG as well as the OIG for the Department of Health and Human Services.

During the reporting period, OIG supported congressional engagements in connection with the nomination of a new USAID Inspector General, briefed congressional staff on audit and investigative work, and responded to congressional and press inquiries and requests for information. The Inspector General provided written testimony on agency management challenges to support Senate consideration of the FY 2017 budget request for USAID.

As mandated by Congress, USAID OIG also joined its counterparts in the Departments of Defense and State to continue to brief congressional staff quarterly on Operation Inherent Resolve and related oversight efforts in Iraq and Syria. The Inspector General also traveled to Afghanistan, Pakistan, and the Philippines, meeting with stakeholders to discuss OIG's role in providing oversight of U.S. foreign assistance programs. The Inspector General's outreach included meetings with Pakistani Government authorities on anticorruption efforts.

Lastly, for this and future semiannual reports to the Congress, OIG has expanded the types of information it provides in response to long-standing congressional interests. Our semiannual report now includes the number of open and unimplemented recommendations and potential cost savings; identifies audit reports issued for comment but not responded to within 60 days; provides any information on attempts to interfere with IG independence, including restrictions on congressional communications and budgetary constraints, if any; and identifies instances in which OIG has faced restrictions or significant delays on its ability to access Agency information.

### **Strategic Goal 4: Continually improve the efficiency, effectiveness, and quality of OIG operations.**

OIG's recently established Employee Advisory Council continues to receive input from employees on ways to improve OIG operations and meets with senior staff members to provide advice. It is currently

revising its charter and is looking to expand avenues for employee input into decisions that will affect the overall workforce.

OIG is more than halfway to its goal of achieving its Office of Management milestones. We are continuing to promote information technology tools that make OIG more efficient. Following our implementation of a new electronic document management system in the previous reporting period, we continue to refine the system to make it easier to use and meet the needs of specific work areas.

During this reporting period, OIG also distributed several new policies, clarifying and promoting opportunities for employees to obtain professional certifications to help them develop their skills, providing new procedures for implementing the Foreign Service Tenure Board, and revising criteria for Foreign Service promotion eligibility.

**Strategic Goal 5: Recruit, develop, and retain a highly qualified, motivated, and diverse workforce with the necessary tools and training to fulfill OIG's mission.**

OIG has expanded efforts to recognize OIG employees for their exceptional work. We held our second annual awards ceremony during this reporting period, and we are working to revise our awards criteria and categories for next year's program so a greater numbers of employees may be recognized in front of their peers for exemplary efforts.

OIG hired 15 Civil Service and 11 Foreign Service employees, a 37 percent increase over fiscal year 2014 accessions. We are working to reduce the time it takes to hire employees by implementing new strategies to streamline recruitment efforts.

Improving our time to hire is critical to ensuring that resources are in place to address the large volume of high-priority work for which OIG is responsible. We have taken steps to educate managers about special hiring authorities, which have included veteran, Schedule A, and student appointments, as well as direct-hire authorities. Using special hiring authorities, we expect to dramatically reduce the time-to-hire process and help achieve the 80-day hiring standards. We have also examined the reasons for past delays, which have included lags in internal processes, security clearance delays, external reviews, and medical clearances. More than 35 percent of the delays have resulted from managers requesting more time to review applicants. To address this issue, we have established more stringent requirements for adhering to timelines for the review of applicants and returning selection certificates.

In addition to attending the annual Presidential Management Fellows Job Fair, OIG has increased recruitment efforts by participating with USAID's External Outreach and Strategic Recruitment team, which focuses on historically black colleges and universities.



# SUMMARY TABLES

<b>Summary Table of Audits Conducted                      USAID, USADF, IAF, and OPIC                      October 1, 2015–March 31, 2016</b>		
Type of Report	Number of Reports	Amount of Recommendations (\$)
Performance Audits Conducted by OIG		
USAID economy and efficiency	13	1,050,590 9,963,825 <sup>1</sup>
IAF economy and efficiency	1	0
Performance Audits Conducted by Independent Public Accountants		
USAID economy and efficiency (Federal Information Security Management Act, or FISMA)	1	0
IAF, USADF, and OPIC economy and efficiency (FISMA)	1	0
USAID economy and efficiency	1	0
Financial Statement Audits Conducted by OIG		
USAID programs and operations	1	0
Financial Statement Audits Conducted by Independent Public Accountants		
IAF, USADF, and OPIC programs and operations	2	0
Financial Audits Conducted by Independent Public Accountants or the Defense Contract Audit Agency (DCAA) <sup>2</sup>		
Agency-contracted Audits (ACA)		
U.S.-based contractors	8	5,695,844
U.S.-based grantees	11	3,027,513
Foreign-based organizations	9	748,277
Foreign governments	10	4,989,331
Defense Contract Audit Agency		
U.S.-based contractors	14	81,903,527
U.S.-based grantees	3	46,684
Foreign-based organizations	0	0
Incurred Costs		
U.S.-based contractors	8	351,001
A-133		
U.S.-based grantees	19	0
Other Financial Reports (Agreed-Upon Procedures)		
U.S.-based grantees	1	39,899
Enterprise funds		

**Summary Table of Audits Conducted  
USAID, USADF, IAF, and OPIC  
October 1, 2015–March 31, 2016**

Type of Report	Number of Reports	Amount of Recommendations (\$)
U.S.-based grantees	2	0
Local currency trust fund		
Foreign-based organizations	1	0
Recipient-Contracted Audits (RCA)		
U.S.-based contractors	0	0
U.S.-based grantees	5	0
Foreign-based organizations <sup>4</sup>	163 <sup>3</sup>	9,419,510 <sup>3</sup>
Foreign governments (Supreme Audits Institutions (SAI)) <sup>4</sup>	20	2,875,143
Nonaudits Conducted by OIG		
Reviews/surveys–USAID	4	0
Reviews/surveys–USADF, IAF, and OPIC	3	0
Quality control reviews	10	0
Risk assessments–USAID	0	0
Risk assessments–USADF, IAF, and OPIC	0	0
Other Nonaudits Conducted by Independent Public Accountants		
Attestation Engagements (Examinations)		
U.S.-based contractors	4	0
Foreign-based organizations	38	0
<b>Total</b>	<b>353</b>	<b>120,111,144</b>

<sup>1</sup> Funds recommended to be put to better use.

<sup>2</sup> In some instances, USAID contracts with DCAA and independent public accounting firms to perform audits.

<sup>3</sup> Adjustment to exclude reissued audit report 4-613-15-118-R (originally issued September 1, 2015) and its questioned costs, which were reported in SARC period April 1-September 30, 2015.

<sup>4</sup> SAIs are the principal government audit agencies in the recipient countries and are often the only organizations that have a legal mandate to audit the accounts and operations of their governments.

**Summary Table of Audits Conducted  
MCC  
October 1, 2015–March 31, 2016**

Type of Report	Number of Reports	Amount of Recommendations (\$)
Performance Audits Conducted by OIG		
Economy and efficiency	0	0
Performance Audits Conducted by Independent Public Accountants		
MCC economy and efficiency (FISMA)	1	0
Financial Statement Audits Conducted by Independent Public Accountants		
MCC programs and operations	1	0
Financial Audits Conducted by Independent Public Accountants		
Foreign-based MCA compacts	2	0
Nonaudits Conducted by OIG		
Other	0	0
Quality Control Reviews (QCR)	1	0
<b>Total</b>	<b>5</b>	<b>0</b>



**Office of Inspector General Open and Unimplemented Recommendations  
USAID, USADF, IAF, OPIC, and MCC  
as of March 31, 2016**

Agency	Open and Unimplemented Recommendations			Monetary Recommendations With Management Decisions			Monetary Recommendations Without Management Decisions		Adjusted Potential Cost Savings <sup>1</sup> (\$)
	Total	With Potential Cost Savings (\$)		Total	Original Questioned Costs	Amount Sustained (\$)			
USAID	1,106	394	310,250,235	297	197,521,169	67,564,173	97	112,729,066	180,293,239
USADF	8	0	0	0	0	0	0	0	0
IAF	5	0	0	0	0	0	0	0	0
OPIC	2	0	0	0	0	0	0	0	0
MCC	21	2	33,583	2	33,583	33,583	0	0	33,583
<b>Total</b>	<b>1,142</b>	<b>396</b>	<b>310,283,818</b>	<b>299</b>	<b>197,554,752</b>	<b>67,597,756</b>	<b>97</b>	<b>112,729,066</b>	<b>180,326,822</b>

<sup>1</sup> The figures in this column reflect an adjusted amount based on agency management decisions for monetary recommendations as of the end of the reporting period. Monetary recommendations are those that identify either questioned (i.e., unsupported or ineligible) costs or funds recommended to be put to better use. An agency management decision to sustain all or a portion of the total amount signals the agency's intent to recoup or reprogram the funds.

Once agency managers make such a decision, OIG acknowledges the dollar amount the agency has agreed to sustain as the most accurate representation of dollars to be saved, since it is this amount that the agency will attempt to recoup. When they are available, we use these sustained costs, adding them to those monetary recommendations that have yet to receive a management decision, to arrive at an adjusted figure that most accurately reflects potential savings.

**Summary Table of Investigative Activities Including Matters  
Referred to Prosecutive Authorities  
October 1, 2015–March 31, 2016**

Workload		Civil Actions	
Investigations opened	63	Civil referrals	1
Investigations closed	37	Civil declinations	0
		Judgments	0
		Settlements	2
		<b>Total</b>	<b>3</b>
Criminal Actions		Administrative Actions	
Prosecutive referrals	9	Reprimands/demotions	2
Prosecutive declinations	4	Personnel suspensions	0
Arrests	9	Resignations/terminations	35
Indictments	0	Recoveries	13
Convictions	0	Suspensions/debarments	25
Sentencing	1	Systemic changes	3
Fines/assessments	0	Other	10
Restitutions	1		
<b>Total</b>	<b>24</b>	<b>Total</b>	<b>88</b>
Recoveries and Savings (\$)			
Judicial recoveries (criminal and civil)			9,095,000
Administrative recoveries			7,177,278
Savings			62,156,725
<b>Total</b>			<b>78,429,003</b>

**Fraud Awareness Briefings Conducted Worldwide  
October 1, 2015–March 31, 2016**

Month	Location	Sessions	Attendees
<b>October</b>	Addis Ababa, Ethiopia	2	19
	Bangkok, Thailand	1	24
	Islamabad, Pakistan	2	38
	Jakarta, Indonesia	6	239
	Kiev, Ukraine	15	276
	Maputo, Mozambique	2	22
	Maseru, Lesotho	1	21
	New York, New York, United States	1	61
	Port-au-Prince, Haiti	5	114
	San Salvador, El Salvador	2	70
	Tbilisi, Georgia	5	102
	Washington, D.C.	3	254
	Yerevan, Armenia	3	43

**Fraud Awareness Briefings Conducted Worldwide  
October 1, 2015–March 31, 2016**

Month	Location	Sessions	Attendees
<b>November</b>	Cairo, Egypt	2	148
	Cape Town, South Africa	2	48
	Dakar, Senegal	2	50
	Kabul, Afghanistan	2	279
	Karachi, Pakistan	5	78
	Nouakchott, Mauritania	3	32
	Port-au-Prince, Haiti	3	64
	Pretoria, South Africa	2	26
	Saint-Marc, Haiti	1	52
	San Salvador, El Salvador	2	49
	Thies, Senegal	1	20
	Washington, D.C.	2	54
<b>December</b>	Islamabad, Pakistan	2	83
	Johannesburg, South Africa	1	28
	Kabul, Afghanistan	2	14
	Washington, D.C.	4	102

**Fraud Awareness Briefings Conducted Worldwide  
October 1, 2015–March 31, 2016**

Month	Location	Sessions	Attendees
<b>January</b>	Abuja, Nigeria	4	553
	Accra, Ghana	13	390
	Kabul, Afghanistan	1	4
	Pretoria, South Africa	1	35
	San Salvador, El Salvador	3	56
	Tegucigalpa, Honduras	1	36
	Washington, D.C.	3	53
<b>February</b>	Amman, Jordan	3	229
	Bukavu, DRC	4	67
	Goma, DRC	5	110
	Kabul, Afghanistan	5	65
	Kananga, DRC	2	70
	Lilongwe, Malawi	1	56
	Lubumbashi, DRC	1	38
	Mbuji-Mayi, DRC	3	95
	San Salvador, El Salvador	3	31
	Washington, D.C.	3	62

**Fraud Awareness Briefings Conducted Worldwide  
October 1, 2015–March 31, 2016**

Month	Location	Sessions	Attendees
<b>March</b>	Conakry, Guinea	3	77
	Islamabad, Pakistan	2	210
	Jinja, Uganda	1	49
	Kabul, Afghanistan	3	44
	Kampala, Uganda	5	188
	London, United Kingdom	1	41
	Montrouis, Haiti	1	6
	San Salvador, El Salvador	1	11
	Washington, D.C.	7	337
	Williamson, Haiti	1	15
<b>Total</b>		<b>168</b>	<b>5,338</b>



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



Produce by Haitian farmers brought to the USAID post-harvest center to be cleaned, packaged, and prepared for sale. Photo by Janice Laurent, USAID.





# ACCOUNTABILITY

## Contractor and Grantee Accountability—Audits

### Overall Audit Activity

USAID is required by the Federal Acquisition Regulation (FAR), the Single Audit Act, and Office of Management and Budget (OMB) guidance to obtain appropriate and timely audits of its contractors, grantees, and enterprise funds. In addition, USAID has its own internal policies and procedures governing these audits. OIG provides oversight of these audit activities, ensuring that they are conducted in accordance with appropriate quality standards.

### Audits of U.S.-Based Companies

U.S.-based companies carry out many USAID-funded activities. DCAA conducts audits, reviews, and preaward surveys of U.S.-based contractors on USAID's behalf. OIG then reviews DCAA's reports and transmits them to USAID management.

During this reporting period, OIG reviewed and transmitted 14 DCAA reports pertaining to U.S.-based companies. These audits covered \$1 billion in costs and questioned more than \$82 million. In addition, OIG reviewed and transmitted eight incurred cost audit reports covering approximately \$43 million in costs and questioned \$351,001. In addition, OIG reviewed and issued eight Agency-contracted audits covering approximately \$209 million in costs and questioned \$6 million.

### Audits of U.S.-Based Grantees and Enterprise Funds

U.S.-based nonprofit organizations also receive significant USAID funds to implement development programs overseas. As required by OMB guidance, nonfederal auditors perform annual financial audits of USAID grantees that spend more than \$750,000 in federal funds annually. The auditors are required to identify:

- Significant deficiencies involving major programs.
- Material noncompliance with laws and regulations.
- Known fraud affecting federal awards.
- The status of prior audit findings.

In some instances, USAID contracts with DCAA to perform special financial audits and with independent public accounting firms to perform Agency-contracted financial audits of U.S.-based

grantees. OIG provides oversight for the nonfederal auditors performing these audits to determine whether they have prepared audit reports in accordance with OMB reporting requirements and generally accepted government auditing standards (GAGAS).

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

During the reporting period, OIG reviewed 19 A-133 Single Audit Act reports covering approximately \$1.7 billion, and identified no questioned costs. In addition, OIG reviewed and issued 11 Agency-contracted audits, covering approximately \$236 million in costs and questioning more than \$3 million; 3 DCAA reports covering \$130 million in costs and questioning \$46,684; 5 recipient-contracted audits, covering \$5.4 million in costs with no questioned costs; 1 review of agreed-upon procedures, covering \$257,546 in costs and questioning \$39,899; and 2 enterprise fund reviews covering \$26 million with no questioned costs. Together, these audits covered over \$2 billion in USAID funds spent by U.S.-based grantees.

### **Audits of Foreign-Based Contractors, Grantees, Foreign Governments, and Local Currency Funds**

OMB's "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (the super circular that combines eight previously separate sets of OMB guidance) does not apply to foreign-based contractors and grantees. Given the high-risk environment in which USAID operates, however, USAID has extended similar audit requirements to its foreign-based contractors and grantees through standard provisions included in grants, cooperative agreements, and contracts. Financial audits of foreign-based contractors and grantees are normally conducted by independent audit firms approved by OIG's overseas regional offices.

USAID's financial audit requirements concerning its contracts, grants, and cooperative agreements with foreign entities are normally satisfied under the recipient-contracted audit program. However, Agency-contracted audits may be initiated by either USAID or OIG to provide additional audit coverage or address specific concerns.

Under the recipient-contracted audit program, audits are required for all foreign entities that spend \$300,000 or more in USAID funds during the fiscal year. USAID may also request financial audits of nonprofit organizations that fall below the \$300,000 threshold.

OIG reviews all audit reports and, if they are found to be in compliance with government auditing standards, transmits the reports to the appropriate USAID mission for corrective actions. Audit firms also are notified of any problems identified in the audit reports.

During this reporting period, OIG reviewed 172 audits of foreign-based organizations, covering more than \$594 million in expenditures and resulting in about \$10 million in questioned costs, as well as 10 audits of funds granted to foreign governments, covering \$1.2 billion in expenditures and resulting

in about \$5 million in questioned costs. OIG also reviewed one local currency trust fund audit, covering \$329,449 in expenditures with no questioned costs. In addition, OIG completed ten quality control reviews to ensure that the audits were completed in compliance with appropriate audit standards.

## **Contractor and Grantee Accountability—Investigations**

### **Company Agrees to Pay \$9 Million to Resolve False Claims Act Allegations**

In the 1990s, USAID-funded contracts for the construction of water and wastewater infrastructure projects in Egypt were awarded to a joint venture partnership between Washington Group International (WGI) and Contrack International Inc. Subsequently, the United States filed suit under the False Claims Act and the Foreign Assistance Act, alleging that prior to the awarding of those contracts, the joint venture partners concealed from USAID that Misr Sons Development S.A.E., an Egyptian company, was also a partner in the venture. USAID was prevented from evaluating the Egyptian company's qualifications and eligibility, which was a precondition of awarding the contract. As a result, WGI and its partners received USAID-funded contracts for which they were ineligible. In January 2016, URS E & C Holdings Inc., a successor in interest to WGI, agreed to pay \$9 million to settle allegations that WGI submitted false claims to USAID. The United States had previously settled with Contrack for \$3.5 million.

### **USAID Suspends \$309,000 Grant in Malawi After OIG Investigation Uncovers Evidence of Flawed Selection Process**

OIG conducted an investigation into allegations that the Chief of Party for Tetra Tech in Malawi helped to steer a USAID-funded subgrant worth more than \$300,000 to Kawandama Hills Plantation (KHP) by violating the selection process. OIG obtained evidence that Tetra Tech did not adhere to selection procedures in its own grants manual when it awarded the grant to KHP. In February 2016, upon being informed of the results of the investigation, USAID/Malawi suspended the grant to KHP.

### **Country Director for USAID Implementer in South Sudan Terminated After OIG Investigation Confirms He Received \$102,120 From False Lodging Receipts**

An OIG investigation involving the Management Sciences for Health's (MSH's) country director in South Sudan confirmed that the country director fabricated false lodging receipts, submitted them to his employer for reimbursement and received payment. OIG found that the country director submitted \$102,120 worth of false receipts from a hotel where he did not stay. MSH, not knowing that the receipts were false, passed these costs on to USAID. As a result of the OIG investigation, the country director's contract with MSH was terminated in November 2015, saving USAID \$217,953—the value of the country director's employment contract. MSH also reimbursed USAID more than \$100,000 that it had paid the country director for the false receipts and implemented a corporate-wide policy change to prevent future occurrences of falsifying receipts.

## Three Employees of U.S.-Based Organization in Uganda Arrested for Scheme to Divert \$29,000 to Pay for Country Director's Ph.D.

OIG investigated allegations that the country representative for MSH, which is implementing a USAID-funded project in Uganda, was involved in a scheme to use USAID funds to assist in paying for her Ph.D. from a university in Switzerland. OIG confirmed that the country representative misused \$29,000 of project funds by hiring a consultant to conduct a study directly related to her Ph.D. dissertation. After the study was completed, the country representative submitted it to the university as her own work. During the investigation, OIG also discovered that the director of contracts and grants and the former director of finance for MSH actively participated in facilitating the fraud. As a result of the investigation, the country representative resigned in March 2015, and the director of contracts and grants was terminated for cause in October 2015. In addition, OIG referred the findings of the investigation to the Criminal Investigative Division of the Ugandan Police for consideration of prosecution. After considering the evidence of the case, Ugandan detectives, with the assistance of OIG, arrested the country representative and former director of finance in October and November 2015 for their involvement in the fraud. The director of contracts and grants was arrested previously.

## USAID Implementer Terminates Five Employees After OIG Investigation Confirms Their Involvement in Financial Malfeasance

OIG investigated several allegations involving the submission of false documentation for cash advances by local employees of ZOA, an organization implementing a USAID-funded project in Ethiopia. The OIG investigation found that five employees were responsible for several fraudulent transactions. In February 2016, ZOA terminated the employment of all five employees and agreed to reimburse USAID for the amount of the funds defrauded by the employees.

## Seven Drivers Employed by a USAID Implementer Arrested in Uganda for Falsely Billing Gas Receipts

OIG conducted an investigation in Uganda involving allegations that drivers working for MSH, a USAID implementer, were involved in a false billing scheme. OIG, working closely with the Ugandan Police Force in Kampala, corroborated the allegations and determined that the transportation manager and six of his subordinates generated approximately \$100,000 in false fuel receipts. Seven individuals were arrested in February and March 2016 by the Ugandan Police Force and will be referred for local prosecution.

## Employee Misconduct

### USAID Scraps Bidding Process for \$55 Million Cooperative Agreement

While conducting an unrelated investigation, OIG obtained several e-mails containing sensitive procurement information that had been sent by a USAID employee in Africa. OIG's investigation revealed that the USAID employee was a member of a selection committee that was in the process of evaluating competitive bids from several organizations for a \$55 million USAID-funded cooperative

agreement. The selection process was in its final stages and the committee had already selected the winner of the cooperative agreement. OIG confirmed that the employee had been disclosing confidential procurement information to the country representative of MSH, which had been selected to win the award. As a result of the OIG investigation, the USAID employee was removed in November 2015. In addition, USAID decided not to award the cooperative agreement to MSH.

### **USAID Mission Director Retires after OIG Investigation Reveals Improper Financial Solicitation**

OIG investigated a complaint alleging that a mission director exceeded his authority by accessing restricted USAID electronic information. OIG also received information that he solicited donations from prohibited sources to support a charity fund-raising effort. OIG confirmed the allegations and issued an investigative report, after which the mission director retired in October 2015.

### **OIG Investigation Leads to Reprimand of Foreign Service National Employee and Systemic Changes in USAID Program in Southeast Asia**

OIG received allegations of fraud involving a USAID-funded health awareness and services program in Southeast Asia. An OIG investigation found that the USAID contracting officer's representative (COR) was giving questionable instructions to the implementer to revise and realign the program budget. OIG also found that whistleblower protections may have been violated when the COR's actions were reported by another employee. OIG learned in October 2015 that, as a result of the investigation, the COR was reprimanded and temporarily removed from the project for improper performance of his official duties. He was then placed on a performance improvement plan. In addition, the USAID mission agreed to ensure that a clause for whistleblower protection for contractor employees will be included in all new awards and major modifications to current awards. This investigation is open and ongoing.

### **OIG Investigation in Pakistan Leads to Resignation of Two Foreign Service National (FSN) Employees**

In August 2015, OIG received allegations that 150 new hard disks were stolen from computers belonging to the USAID Mission in Pakistan. OIG's investigation found that a USAID FSN computer management specialist substituted new hard disks with old hard disks without approval from the Office of Executive Management. The specialist also failed to properly control, manage, and discard USAID technical equipment. In addition, the USAID computer management assistant routinely served as the acting supervisor in the specialist's absence. Without authorization, the assistant gave his wife a USAID-funded cell phone and incurred \$412.44 in cellular telephone service charges. In October 2015, USAID accepted the resignation of both FSNs in lieu of termination.

### **OIG Investigation Uncovers Misuse of Representational Funds Resulting in Recovery of Funds and Systemic Changes**

OIG received allegations that a USAID deputy mission director misused representational funds in Southeast Asia by authorizing the use of alcohol for a mission-wide office holiday party. The alcohol was initially purchased with representational funds for a mission-hosted development reception for USAID

implementers and was left over from that event. The official admitted to the allegations and, in February 2016, paid back the cost of the alcohol. The investigation resulted in a systemic change requiring that items purchased with representational funds be kept separate from other items and that staff member access to these items be more closely controlled. OIG also referred the matter to USAID for possible disciplinary action against the official.

## **Expanding Accountability**

Corruption and lack of accountability are major impediments to international development. They threaten to negate years of economic growth, especially in areas of the world subject to political instability and violence. OIG audits and investigations provide two methods of safeguarding USAID funds. OIG takes other steps to promote accountability and transparency, as described below.

### **Expanding Supreme Audit Institutions' Capabilities**

OIG continues to work closely with selected supreme audit institutions (SAIs) in countries where USAID is present. SAIs are the principal government audit agencies in the recipient countries and are often the only organizations that have a legal mandate to audit the accounts and operations of their governments. SAIs may be called upon to audit funds provided to host governments by USAID or other donors. OIG and USAID missions have signed memorandums of understanding (MOUs) with SAIs in five countries.

Before SAIs may conduct audits for USAID, they must demonstrate sufficient professional capacity and independence. OIG often provides training in processes for conducting financial audits of USAID funds in accordance with U.S. Government auditing standards. OIG provides quality control for all audits of USAID funds performed by SAIs.

During this reporting period, SAIs issued 20 audit reports covering more than \$93 million in USAID funds. They reported more than \$2.9 million in questioned costs, 37 internal control weaknesses, and 37 material instances of noncompliance.

### **Training USAID Staff and Others**

OIG remains committed to preventing losses of development funds, and it continues to provide training in cost principles and fraud awareness, as described in “Cost Principles Training.”

#### **Cost Principles Training**

USAID's contracts and grants incorporate cost principles that define the types of costs that can be charged legitimately to USAID programs.

To increase awareness of and compliance with these cost principles and to promote the highest standards, OIG conducts overseas training. This training provides a general overview of U.S. Government cost principles and actual examples of instances that demonstrate concepts such as reasonableness, allocability, allowability, and various specific cost principles (e.g., principles relating

to travel expenses or entertainment costs). The training also includes discussions of financial audit requirements and accountability issues.

During this reporting period, OIG provided training in cost principles and related subjects in 11 countries—Bosnia, Georgia, Ukraine, Indonesia, Thailand, Nigeria, Senegal, El Salvador, Honduras, South Africa, and Pakistan—to more than 660 people, including employees of USAID, SAIs, local accounting firms, and implementing partners.

In February 2016, Office of Audit's Performance Audit Division and the Office of Investigation conducted a brown bag session that clarified USAID OIG's audit and investigative process for staff from OFDA and from USAID's Global Health and Africa Bureaus. OFDA had requested the presentation as a result of OIG's recent Ebola-related oversight work. The meeting, which included an interactive discussion, had at least 70 attendees.

### **Fraud Awareness**

During the current reporting period, OIG placed an emphasis on fraud prevention by providing 168 fraud awareness briefings to 5,338 people.

Investigations resulting in criminal or civil prosecution are publicized on USAID's Web site and in other settings, calling attention to prosecutorial actions taken against individuals or organizations whose illegal activities have targeted foreign assistance activities and programs.

In addition, OIG has developed publications and educational materials, such as OIG hotline posters, fliers, and cards that have been distributed worldwide. To expand OIG's outreach efforts, these materials are produced in six languages.





# CRISES, CONFLICT, AND INSTABILITY

With a focus on prevention, response, recovery, and transition, USAID works to strengthen resilience by helping states and communities prepare for and mitigate the impacts of disasters. USAID works to provide life-saving humanitarian assistance; to accelerate recovery by supporting livelihoods, markets, and the sustainable provision of basic services; and to address underlying grievances that cause instability and conflict. The Agency also strives to promote peaceful political transitions by strengthening civil society and respect for human rights, facilitating reconciliation, supporting effective democratic governance, and fostering the resumption of basic economic activity.

## Operation Inherent Resolve Oversight

The complex crises in Syria and Iraq, including the ongoing fight against ISIL, have resulted in the displacement of millions of people and driven the needs of millions more for food and other humanitarian assistance. In Syria, 13.5 million people were considered in need of assistance during the reporting period.<sup>1</sup> Access to those most in need, however, remained an ongoing challenge in Syria, and as of December 2015, 4.5 million people were living in areas identified by the United Nations as hard to reach. In Iraq, many who had been displaced by conflict returned to their homes during the reporting period, but often came back to damaged homes and infrastructure. In addition, heavy rains in October 2015 resulted in flooding, which further displaced

## SIGNIFICANT FINDINGS AND ACTIVITIES

OIG's **Audit of USAID/Afghanistan's Strategy for Monitoring and Evaluating Programs Throughout Afghanistan** found that the Agency did not use the multitiered monitoring system it put in place to provide oversight of project sites, in part because standards had not been provided to technical offices. By using this monitoring, USAID can make decisions about whether to terminate certain activities if the Agency determines that adequate oversight is not possible or sufficient progress is not being made. In addition, Afghan Info—the online database used to report activities and spending—did not have the capability to centralize data collected from the five reporting sources, which hindered data analysis. OIG also found other problems pertaining to the contracting process.

OIG conducted a **Survey of Selected USAID Office of Foreign Disaster Assistance Programs (OFDA) in Iraq** to determine how OFDA was responding to the humanitarian crisis and what steps OFDA and its partners have taken to manage and mitigate risks. Among the challenges noted were OFDA's inability to reach internally displaced persons because of restricted access by local governments and other problems related to a lack of unification and coordination among local governments. In addition, several partners found fraud schemes occurring. OFDA and partners were working to address these and other challenges, including dealing with concerns about the sustainability of long-term assistance and continuation of funding.

<sup>1</sup>UN Security Council, "Report of the Secretary General on the Implementation of Security Council Resolutions 2139 (2014), 2165 (2014) and 2191 (2014)," December 11, 2015, p. 7.

thousands of people, including those who had already been affected by the conflict. As of January 2016, approximately 10 million people in Iraq, including 3.3 million internally displaced persons (IDPs), were considered in need of assistance.<sup>2</sup>

USAID OIG continued to partner with DoD and DOS OIG to provide quarterly reporting on OIR, the overseas contingency operation to combat ISIL, describing USAID efforts to address the needs of populations affected by the conflict as well as work to promote effective governance and stabilization in Iraq. USAID has worked through implementing partners to provide humanitarian support to IDPs in Syria and Iraq in the form of health services, water and sanitation programs, and emergency humanitarian and winter assistance, among other forms of support, and provided food assistance to conflict-affected populations throughout the region. USAID had obligated \$985.8 million to these efforts from FY 2015 and through the first quarter of FY 2016. USAID also worked with ministries and provincial governments to improve the delivery of services in Iraq and support stabilization efforts there, obligating \$215 million for those efforts since their inception.

In addition to providing information on the status of the overseas contingency operation, these quarterly reports have also described our oversight activities. The most recent report noted that, since the start of fiscal year 2015, USAID OIG received 72 complaints associated with activities in Syria and Iraq and the surrounding areas and had 19 corresponding open investigations regarding humanitarian operations in the region. OIG used the data from these cases to inform fraud prevention efforts, and to raise fraud awareness, OIG performed extensive outreach to implementing partners engaged in the cross-border program, conducted site visits, and provided 3 fraud awareness briefings to 62 participants.

### Survey of Selected USAID/Office of Foreign Disaster Assistance Programs in Iraq Report No. 8-267-16-001-S

USAID's OFDA and its partners mobilized to assess the needs of IDPs in Iraq. This action was in response to the armed conflict and subsequent humanitarian crisis in Iraq that began in 2014 and displaced 1.8 million people. As of May 2015, OFDA had obligated \$26.1 million and spent \$18.7 million on humanitarian relief in Iraq through 21 grants and 14 implementing partners.

OIG conducted this survey to determine how OFDA was responding to the humanitarian crisis and what steps



IDPs live in unfinished buildings like this one in Dohuk Governorate.  
Photo by OIG.

<sup>2</sup> OCHA, "Iraq: Humanitarian Snapshot (as of 31 December 2015)," December 31, 2015.

OFDA and its partners have taken to manage and mitigate risks. To respond to the crisis, OFDA activities targeted IDPs fleeing conflict. OFDA grants supported activities in six sectors: logistics and relief commodities (i.e., nonfood items, or NFIs); water, sanitation, and hygiene; health; shelter; humanitarian coordination information management; and protection of basic human rights. OFDA activities sought to help more than 500,000 IDPs and, as of July 21, 2015, the office said it had helped 493,000.

As OFDA and its implementing partners in Iraq are operating in a conflict zone, there are many risks and challenges that must be managed and mitigated. For example, OFDA and its partners faced risks related to a deteriorating security situation and security conditions that limited access to safely deliver assistance. Other challenges included an inability to reach IDPs because of restricted access by local governments and other problems related to a lack of unification and coordination among local governments. In addition, several partners found fraud schemes designed by approved vendors in the NFI voucher program as well as in some cash assistance programs. OFDA and partners were working to manage and address these and other challenges with programs in Iraq.

Another concern was the sustainability of long-term assistance, as there is uncertainty about the continuation of funding. To address this issue, OFDA is deploying a disaster assistance response team to Iraq to work with the United Nations and international nongovernmental organizations on improving IDPs' quality of life. Officials noted, however, that OFDA programs were intended only to address immediate and emergency needs, not long-term development.

### **Investigation Leads to Partial Termination of a USAID-Funded Syria Cross Border Program and a Savings of \$968,319**

An ongoing OIG investigation revealed systemic weaknesses on the part of an implementer in the procurement, storage, handling, transportation, and distribution of pharmaceuticals and medical supplies purchased for use in Syria. As part of the investigation, OIG personnel physically inspected materials on hand in several warehouses operated by the implementer, reviewed associated documentation, and interviewed key personnel. OIG shared its findings regarding these issues as well as procurement irregularities identified in the course of the ongoing investigation with USAID, which conducted a concurrent inspection of the warehouses and materials in question. In March 2016, USAID partially terminated the implementer's award for failing to comply with terms and conditions. As a result of the partial termination, the implementer canceled a planned and approved procurement of additional pharmaceuticals valued at \$968,319.

### **Twelve Turkish Companies and Individuals Suspended and Three Implementer Staff Members Terminated**

In January 2016, as a result of an OIG investigation, five companies operating in Turkey and seven of the companies' owners and operators were suspended from receiving U.S. Government awards. These companies and individuals were found to have violated federal or state antitrust statutes by having colluded with each other in order to win an award to provide supplies to displaced persons under two

USAID-funded programs, International Rescue Committee's (IRC's) Mua'ada: Emergency Aid for Conflict-Affected Syrians program and International Medical Corps' (IMC's) Health, NFI, WASH, and Protection Programming for Conflict-Affected Populations program. In January 2016, IRC terminated two staff members from its Turkey office, who had accepted money from vendors in exchange for steering contracts to them. In March 2016, IMC terminated one staff member from its Turkey office.

### **OIG's Engagement and Advice Leads to \$106,000 in Savings and the Suspension of Two Turkish Entities**

OIG distributed a questionnaire to all OFDA and FFP implementing partners in Turkey and Iraq. OIG distributed the questionnaire to collect information from implementing partners possibly affected by collusion, product substitution, and bribery schemes identified during an ongoing investigation into vendors in Turkey. As a result of this questionnaire, a USAID implementing partner carried out additional oversight of its procurement activities and of a vendor, which was listed in the questionnaire. The implementing partner identified discrepancies in food baskets purchased for distribution in Syria and determined that the vendor fraudulently profited approximately \$106,000 by manipulating the contents of more than 55,000 food baskets. Because of the difficult operating environment within Syria, USAID OIG assumed an advisory role during the implementer's internal review. In March 2016, the implementer committed to not charging USAID for this amount and determined it would no longer work with the vendor. In addition, in March 2016, USAID suspended the vendor and its owner.

### **Audit of USAID/Afghanistan's Strategy for Monitoring and Evaluating Programs Throughout Afghanistan**

Report No. F-306-16-001-P

The drawdown of U.S. forces and the reduction of USAID employees in Afghanistan have restricted the Agency's ability to travel to project sites, making monitoring the Agency's work in the region quite difficult. To overcome these challenges, USAID developed multitiered monitoring (MTM) in Afghanistan, which involves using data from five tiers: (1) U.S. Government sources; (2) USAID partners carrying out activities; (3) Afghan Government and other donors; (4) civil society, local organizations, and beneficiaries; and (5) contractors hired to monitor activities.

The program has had a few successes using satellite imagery and reports from contractors to verify activities taking place at project sites. However, OIG found that the mission had not used MTM, and therefore could not provide the effective oversight as envisioned. Out of 127 awards for project activities, as of September 2014, the mission could only provide information to show how one contractor used MTM as described.

The mission could not fully implement MTM for several reasons. USAID did not provide its technical offices with standards to measure effective and sufficient oversight. As a result, contracting and agreement officers' representatives did not know how to gauge the amount of monitoring necessary or the proper mix of data derived from each tier. Without those standards, USAID risks continuing projects

that it cannot oversee adequately. Moreover, as of March 2015, technical offices had not established annual monitoring plans to help plan site visits conducted by contractors hired to monitor activities.

Afghan Info—the online database used to report activities and spending—did not have the capability to centralize data collected from the five reporting sources. This, in turn, prevented the Implementation Support Team—the group responsible for analyzing data, discerning trends, and making recommendations about program activities—from being able to conduct its duties and make necessary recommendations to USAID leadership. Furthermore, evaluations and recommendations issued between FYs 2013 and 2015 were not recorded or tracked in Afghan Info, as required.

OIG found other problems pertaining to a federal supply schedule contract and a contract that was extended instead of being put up for bid again, as required.

USAID made management decisions on OIG’s nine recommendations and took final action on three.

### **Afghan National Confesses to Contract Steering and Overbilling, Resulting in Termination of Subcontract and \$5.7 Million in Savings**

Chemonics International reported multiple allegations of fraud, involving its subcontractor, Coordination of Humanitarian Assistance (CHA). The OIG investigation subsequently found that one of CHA’s office managers steered vehicle leasing contracts to multiple family members and nearly quadrupled the number of vehicle leases awarded on the project. Market analysis also showed that the leases were for 50 percent above the average market price for similar leased vehicles. OIG confronted the office manager, who confessed to steering the contracts to his family members. From the results of the investigation and CHA’s failure to report its own employee’s allegations to Chemonics International and OIG, USAID rescinded its consent to allow the subcontract with CHA in December 2015. Chemonics International immediately issued an order to stop work and subsequently terminated the subcontract with CHA, preventing the disbursement of the remaining obligated funds totaling more than \$5.7 million.

### **OIG Investigation in Afghanistan Uncovers Overcharges for Armored Vehicles, Resulting in Recovery of Nearly \$700,000 and Leads to an Audit That Identifies More Than \$3 Million in Questioned Costs**

OIG received an allegation that GFA Consulting paid a bribe to senior executive officers of the Afghanistan government-owned power utility company, Da Afghanistan Breshna Sherkat (DABS). GFA allegedly paid the bribe in exchange for its selection as the primary subcontractor on two infrastructure projects worth nearly \$55 million. An OIG investigation discovered that GFA failed to adhere to its own financial management and procurement procedures. Subsequently, OIG requested a third-party audit for portions of the project, which identified \$1.7 million in questionable invoices resulting from GFA’s failure to obtain adequate competition. The audit also identified more than \$1.5 million in questionable invoices resulting from a lack of supporting documentation. Among these questioned costs was the



purchase of three armored vehicles totaling nearly \$700,000, funding that was recovered from DABS in December 2015.

### **Contractor Employee in Afghanistan Ordered to Forfeit \$51,000 and Serve 46 Months in Prison as a Result of OIG Bribery Investigation**

In February 2016, an employee of International Relief and Development Inc. (IRD) in Afghanistan was sentenced to 46 months in prison and ordered to forfeit \$51,000. The employee served as IRD's director of contracts, procurement, and grants, in connection with a cooperative agreement between USAID and IRD to strengthen economic stabilization and promote long-term agricultural development in Afghanistan. The director admitted that he solicited and received a \$51,000 bribe from a representative of an Afghan agricultural products company that sought IRD subcontracts. A joint investigation by USAID OIG, the FBI, and SIGAR revealed that the director conspired with others to make multiple cash deposits of less than \$10,000 each into his bank and credit card accounts in order to circumvent banks' financial reporting requirements and to conceal bribery proceeds.

### **Virginia Security Contractor Pays U.S. Government \$44,000 Over Alleged Export Violation**

In January 2016, Pax Mondial LLC, doing business as Mondial Risk Management Company (MRMC), agreed to pay the United States \$44,000 to settle civil fraud claims that it illegally exported firearms accessories from the United States to Afghanistan. MRMC provided security services to USAID prime contractor Black and Veatch (BV) while BV was engaged in the USAID-funded Kandahar Helmand Power Project. MRMC violated International Traffic in Arms Regulations by shipping weapons accessories from the United States to an Army Air Post Office in Afghanistan. Exports included rifle stocks, rifle hand guards, and pistol magazines. MRMC failed to acquire the requisite permits, licenses, and registrations necessary to ship these controlled items, and had not, at the time of the exports, registered as an exporter with the U.S. State Department's Directorate of Defense Trade Controls. The settlement was a result of joint investigative efforts by USAID OIG, the Department of Homeland Security, Homeland Security Investigations, and the U.S. Attorney's Office for the Eastern District of Virginia.

### **Two Afghanistan Nationals Terminated and More Than \$30,000 Recovered After OIG Investigation Uncovers More Than \$48,000 in False Claims**

Chemonics International disclosed allegations to the OIG that its subcontractor, Afghan Development Association (ADA), submitted numerous false claims related to a USAID-funded project. OIG, along with Chemonics International, conducted an in-depth review of the financial transactions associated with the USAID-funded Regional Agriculture Development Program–South and identified two Afghan national employees responsible for the fraudulent claims. Together, the two employees submitted more than \$48,000 in false claims, many of which resulted from their submission of invoices from fictitious vendors. One of the employees responsible for the fraud was terminated from employment in October 2015. The other employee responsible for the fraud was previously terminated by ADA. As a result of these investigative efforts, Chemonics International disallowed more than \$48,000 in expenses that

ADA submitted for reimbursement. By February 2016, Chemonics International had reimbursed USAID/Afghanistan more than \$30,000.

### **Afghanistan National Terminated for Soliciting a Bribe**

OIG initiated an investigation after receiving multiple allegations of misconduct and fraudulent activities associated with an Afghanistan national employee who served as a technical advisor on a Chemonics International-implemented and USAID-funded project. OIG interviewed the employee, and he confessed to providing interview questions to a friend prior to an upcoming employment interview. In exchange, he demanded that his friend, another national employee, pay him a month's worth of salary after receiving the position. Chemonics International subsequently terminated the technical advisor's employment in December 2015. The other employee had already been removed as the result of a separate investigation.

### **OIG Investigation in Afghanistan Results in Termination of 17 Contractor Employees**

Chemonics International received an anonymous allegation claiming an employee provided a false employment history at the time of her recruitment, thereby fraudulently increasing her starting salary. OIG and Chemonics International interviewed the employee, who confessed and alleged that the human resources manager actively encouraged this activity among new hires. Under OIG's direction, Chemonics International conducted a complete review of the personnel files associated with the human resources manager and identified 13 employees engaged in similar fraudulent activity. Subsequently, Chemonics International expanded its human resources review to encompass all of its active projects in Afghanistan. The review identified nine additional employees within a separate project office engaged in similar fraudulent activity. Chemonics terminated 17 employees between October and December 2015.

### **Former Contractor in Afghanistan Found Guilty of Embezzlement and Debarred**

Development Alternatives, Inc., a USAID implementer, reported to USAID that one of its accountants in Afghanistan embezzled more than \$500,000 from the Agricultural Development Fund established by a \$100 million grant from USAID to Afghanistan's Ministry of Agriculture, Irrigation, and Livestock. OIG's investigation confirmed that the accountant had diverted the money to a fictitious bank account. After eluding law enforcement authorities for nearly a year, the accountant was arrested by the Afghanistan National Police, who were working with OIG agents. The accountant was found guilty on embezzlement charges and sentenced to 61 months in prison by an Afghanistan court. In March 2016, the subject was debarred for the duration of the prison sentence and for 3 more years.





# SUSTAINABLE, BROAD-BASED ECONOMIC GROWTH

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

## Audit of USAID/Afghanistan's Assistance in Building Afghanistan by Developing Enterprises Program

Report No. F-306-16-002-P

Although the U.S. Government's activities in Afghanistan include helping the Afghan police and military, the Afghan Government depends heavily on international donors to fund its security forces because it does not generate enough tax revenue to cover those costs. Therefore, sustainable economic growth and financial independence have become increasingly important goals for both the U.S. and Afghan Governments as the United States reduces its military presence in the country. Recognizing the importance of a strong private sector in promoting economic growth, USAID/Afghanistan signed a 4-year, \$105 million agreement with the Volunteers for Economic Growth Alliance (VEGA) in October 2012 to implement the Assistance in Building Afghanistan by Developing Enterprises Program.

This program was designed to stimulate growth and create jobs through partnerships

### SIGNIFICANT FINDINGS AND ACTIVITIES

OIG audited the **Assistance in Building Afghanistan by Developing Enterprises Program** to determine whether it was creating jobs, improving the business environment, and increasing private investment. OIG determined that, although the program collaborated with a number of Afghan businesses and helped lay the foundation for their expansion, it had not created jobs or improved the business environment as planned. The program was behind schedule and fewer than half of the planned partnerships had been formed. In addition, the program had little impact on regulatory barriers for business.

OIG's **Audit of USAID/West Bank and Gaza's Construction Programs** found that the programs' projects met the needs of Palestinian residents of the West Bank and that recipients have maintained most of the completed sites; 46 of the 48 sites visited were in acceptable condition and used as intended. However, risks to utilization and sustainability persist, with roads showing signs of deterioration and the existence of safety concerns that prevent project coordination. In addition, engineers found examples of poor quality work and materials at sites for which the original plans indicated that the construction would conform to internationally recognized building standards.

called public-private alliances with selected small and medium-sized businesses. The program bought equipment and provided training to help partner businesses expand; it also worked to ease regulatory and procedural barriers hampering the private industry. USAID expected the program to establish 406 partnerships that would in turn generate \$180 million in private-sector investment, increase the partner businesses' sales by 20 percent, and create 46,000 jobs in different industries. As of March 31, 2015, USAID/Afghanistan had obligated \$47.6 million and disbursed \$36.9 million for program activities.

OIG conducted this audit to determine whether the program was creating jobs, improving the business environment, and increasing private investment. OIG determined that although the program collaborated with a number of Afghan businesses and helped lay the foundation for their expansion, it had not created jobs or improved the private investment as planned. The program was behind schedule and less than half of the planned partnerships had been formed. These problems were due to an initial lack of systems and procedures, a weak management team, inefficiencies and understaffing in USAID's vetting and application review, and customs delays, among other causes. Furthermore, only 12 percent of the targeted number of jobs had been created as of March 31, 2015, in part because the mission did not set a realistic target. In addition, the program had little impact on regulatory barriers for business. As to whether the program was improving private investment, OIG could not answer this question as it could not access documentation because of security conditions and could not rely on the program's internal records.

OIG made 12 recommendations to strengthen the program. USAID made management decisions on 11 recommendations and took final action on 5.

## **Audit of USAID/West Bank and Gaza's Construction Programs**

Report No. 8-294-16-001-P

The overall goal of USAID/West Bank and Gaza's construction programs is to help the Palestinian people by providing public infrastructure projects. To help the goals of the Palestinian Authority's 2014-2016 National Development Plan come to fruition, the mission has organized its current infrastructure efforts in support of three intermediate results: increased access to clean water and sanitation services, improved transportation infrastructure, and improved or developed social infrastructure facilities.

Six construction programs were included in the scope of this audit; the earliest of which began in May 2008. As of March 31, 2015, the mission had finished two construction programs and had four more in process. For these programs, the mission had obligated \$762.5 million and disbursed \$604.5 million. The program also completed 79 water and wastewater projects, 115 road projects, and 104 social infrastructure projects. OIG determined that the programs' projects met the needs of Palestinian residents of the West Bank and that recipients have maintained most of the completed sites; 46 of the 48 sites visited were in acceptable condition and used as intended.

However, risks to utilization and sustainability persisted. The engineers from the U.S. Army Corps of Engineers (USACE), who assisted with the audit, observed that 5 of 19 completed road projects inspected

during the audit showed signs of deterioration. In addition, two community development projects were not being used as intended, including a health clinic built in November 2014, but still not equipped, staffed, or used as of February 2015.

OIG also found that restrictions limited the mission's ability to provide sustainable infrastructure projects in the Gaza Strip. HAMAS, a designated foreign terrorist organization, controls the Government of Gaza. This designation restricts the missions' ability to coordinate and implement projects with the host country government. In addition, the U.S. Consulate in Jerusalem has limited the mission's work in the area because of safety concerns.

Furthermore, some projects lacked rigorous design and oversight of construction because of inconsistencies in the performance of two cooperative agreements. These problems led to an inability to track requirements for standards of care at job sites, such as a renovation project at the Old Market in Bethlehem, where staff did not know which building standards were used. Moreover, the USACE engineers found examples of poor quality work and materials at sites for which the original plans indicated that the construction would conform to internationally recognized building standards. Finally, in seismic zones, USACE engineers noted three areas where implementer construction practices were unsafe: lack of reinforcing in walls, problems with the design of building floors and ceilings, and inadequate seismic evaluation of existing buildings.

OIG made 15 recommendations. USAID made management decisions on all recommendations and took final action on 12.

### **Three USAID Subcontractors and Four Individuals in Northern Kosovo Debarred for 10 Years After OIG Investigation Uncovers Bid Rigging and Collusion Scheme**

An OIG investigation substantiated allegations of bid rigging and collusion by several construction subcontractors in Northern Kosovo. Mercy Corps International, the implementer for USAID's \$7.5 million Community Action Initiative Program, had contracted the companies for multiple infrastructure construction projects in Northern Kosovo. OIG found that the companies were closely connected to a Serbian organized crime ring and routinely threatened harm to any other competitive contractors who attempted to apply for Mercy Corps contracts, tactics that allowed the companies to win the majority of Mercy Corps' construction contracts. In December 2015, three of the companies and four of the affiliated individuals were debarred for 10 years. In addition, OIG referred the subcontractors and individuals to the U.S. Treasury Department's Office of Foreign Assets Control for potential inclusion on the Specially Designated Nationals List.

### **USAID/West Bank and Gaza Contractor Terminated for Conflicts of Interests; Bill of Collection Issued to American Implementing Organization for \$146,000**

An OIG investigation revealed that Development Alternatives Incorporated (DAI), a USAID implementer, made ineligible payments totaling nearly \$146,000 to its subcontractor, Al Dawliah. Al Dawliah failed to meet DAI's milestones, and DAI relied on documentation that was insufficient to support program expenditures made under the subcontract. A bill for collection was issued for the full

amount of ineligible payments. In addition, OIG substantiated a conflict of interest involving a USAID personal services contractor (PSC) employee having an inappropriate business relationship with the owner of Al Dawliah. As a result, the PSC's employment was terminated in October 2015.

### **Audit of USAID/Indonesia's Higher Education Leadership and Management Project**

Report No. 5-497-16-001-P

To improve the capacity of universities in Indonesia, USAID initiated the 5-year, \$19.7 million Higher Education Leadership and Management (HELM) Project in November 2011.

HELM made notable accomplishments in the area of quality assurance. University officials said the quality assurance training was responsible for higher accreditation of their institutions. In 2014, HELM reported that 78 percent of the universities reviewed by the national accreditation board had been accredited for the first time, maintained at least a B accreditation, or improved their accreditation. In response to these encouraging results, university leaders plan to allocate additional resources to expand their accreditation offices after the project ends.

Despite these accomplishments, OIG could not determine whether the project was strengthening the management capacity of higher education institutions, because the performance data was unreliable and the expected results listed in the contract were not updated to reflect changes in the project's scope and direction. Specifically, the contract did not reflect changes to the expected results. The mission modified the contract three times during the first 3 years to adjust the project's scope, deliverables, components, and budget line items, but not the expected results. A contract that does not reflect the project's expected results fully may waste resources on results that are irrelevant and cannot assess success properly.

In addition, the project's performance data was unreliable. Many had weak data, were inaccurate, or lacked support. Although the project met most of its targets, some were questionable because they were set too low or lacked baselines. Without quality data, accurate baselines, and targets that are ambitious and realistic, the mission cannot assess performance properly. Furthermore, OIG found that the project exceeded its budget for three contract line items and a webinar created with project funds was not marked and branded properly.

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

### **Audit of USAID/Pakistan's Smallholder Dairy Project**

Report No. G-391-16-002-P

In January 2011, USAID initiated the 3-year, \$14 million Smallholder Dairy Project with the Dairy and Rural Development Foundation (DRDF) to foster a sustainable increase in dairy and livestock productivity. OIG found that the project had met a number of its targets and generally improved the incomes of dairy farmers and artificial insemination workers. However, it fell short of its target

to improve the income of women livestock extension workers (WLEWs) who provide dairy farmers with livestock services such as basic animal health management, diagnosis of common diseases, administration of various basic medicines and animal nutrition.

As of September 30, 2014, the project had trained 9,285 dairy farmers, 2,032 artificial insemination workers, and 5,015 WLEWs, surpassing the targets for each beneficiary group. The project increased the monthly incomes of participating dairy farmers by 18 percent and incomes of artificial insemination workers by 227 percent. Four factors contributed to these successes: (1) dairy farmers increased their income by adopting at least three practices taught under the project, (2) artificial insemination workers received support kits to facilitate their initial business needs, (3) the mission was actively involved with DRDF to strengthen its management capacity and internal controls, and (4) Nestle Pakistan Ltd. assisted the effort with staff and training.

However, OIG found that the project did not increase the average income of WLEWs. Most of the women trained earned only 1,144 rupees (approximately \$11) per month, short of the expected 3,000 rupees (approximately \$30) per month. The implementer and the women themselves attributed the shortfall to social and cultural barriers, including exploitation by farmers who sometimes refused to pay them for services or believed they were not physically capable of doing the job. Furthermore, the project gave women only 1 month of follow-up technical support after the training. That was not enough to reinforce the skills they had learned, build their experience running and marketing a business, or help them promote their services among community farmers.

USAID took final action on OIG's two recommendations.

## **Review of USAID/Egypt's Adherence to Policy, Standards, and Best Practices in Designing Economic Growth Projects**

Report No. 8-263-16-002-S

In 2011, USAID/Egypt's Office of Economic Growth began designing new projects covering agriculture, trade, and tourism in order to enhance opportunities for Egyptian trade and investment. While the mission started the design process in 2011, it did not finish until early 2014 because the Arab Spring uprisings and their consequences hampered efforts. Impediments included budgets not being approved, U.S. policy limiting the mission to work directly with the Government of Egypt, and the leadership in Egyptian ministries constantly churning.

OIG conducted a review to determine whether USAID/Egypt designed new economic growth projects in a manner consistent with Agency policy, federal standards, and best practices. Since 2008, USAID missions have been required to develop a 5-year country development cooperation strategy (CDCS) laying out development objectives and coordinating USAID's efforts with those of the partner-country government and all other U.S. Government agencies. Guidance on what to do when uncertainty makes a 5-year strategy impracticable has shifted. For example, three versions of the Automated Directives System (ADS) 201 permitted the use of an interim strategic plan. As a result, since September 2010,

USAID/Egypt has not had a codified country strategy. In lieu of a country strategy, the mission has produced numerous strategic documents, some formal but limited in scope, others perpetually in draft.

OIG determined that USAID/Egypt staff was able to comply with ADS 201, USAID's policy that establishes responsibilities for project design and approval. However, OIG found that not having a codified strategy ran counter to USAID policy, federal standards, and best practices in organizations and complicated the work of the project design team. As foreign aid continues to flow to Egypt, the need to communicate clear strategic guidance for programmatic activities remains strong.

OIG made two recommendations, and USAID made management decisions on both.



# GLOBAL HEALTH AND STRONG HEALTH SYSTEMS

USAID's global health programs work to combat and prevent HIV/AIDS, tuberculosis, malaria, neglected tropical diseases, pandemic influenza, and other emerging threats. They also focus on health delivery systems, maternal and child health, and nutrition in vulnerable populations.

## Ebola Response

According to the World Health Organization, the Ebola virus disease (EVD) outbreak that began in West Africa in 2014 had resulted in more than 28,000 confirmed cases and 11,300 deaths as of December 2015. By the end of 2015, widespread transmission of EVD had ended in the three most affected countries (Guinea, Liberia, and Sierra Leone), however, nearly 23,000 children<sup>1</sup> had lost at least one parent to the disease and 17,000 EVD survivors must cope with other after-effects.<sup>2</sup>

Although Inspector General Act reporting requirements on the status of the contingency operation response to EVD concluded at the end of fiscal year 2015, USAID OIG and HHS OIG continued to provide quarterly reporting on the progress of the U.S. Government response to the Ebola outbreak in West Africa to promote transparency about these efforts. The latest Ebola quarterly report covering the period through December 2015 noted that the United States remained the largest international financial contributor to response efforts, with more than

## SIGNIFICANT FINDINGS AND ACTIVITIES

OIG conducted audits of two Ebola response activities during this reporting period, involving U.S. Foreign Disaster Assistance in Liberia and Food for Peace programs in West Africa.

In the first audit, OIG found that social mobilization and case management activities were contributing to the success of Liberia's overall Ebola response because efforts were of sufficient scale and outreach workers had established relationships with leaders in the affected communities. The program trained and supported 52 burial teams covering all 15 counties of Liberia, and outreach enabled county leaders to convince the population to take Ebola seriously and support safe burials. However, OIG noted a few weaknesses with the program such as lack of adequate performance measures, lack of transition plans, and potential threats from Ebola-affected border countries.

In West Africa, OIG found that the programs had started to help vulnerable people meet their food needs and recover from the Ebola crisis. Although there were successes, the programs were delayed and were not on track to address food insecurity resulting from Ebola. The delays were due to problems with the award approval process, staff recruitment, and local partner coordination. Other problems were noted with the beneficiary selection process and budget allocations.

<sup>1</sup> UNICEF, Thousands of Children Still Need Care and Support in Wake of Ebola Epidemic, January 14, 2016.

<sup>2</sup> R. Bichell, From Joint Aches to Insomnia, Ebola's Effects Linger in Survivors, National Public Radio, December 16, 2015.



\$2.55 billion in obligations and \$1.23 billion in disbursements toward international Ebola response, recovery, and preparedness reported from FY 2014 to FY 2016. The U.S. Government continued to support Ebola response and preparedness efforts in the region during the quarter and worked with national authorities and development partners to transition response activities to recovery efforts. Many major response activities supported by USAID concluded during this period, including the operation of EVD community care centers, management of Ebola treatment units, and implementation of other measures to promote the rapid isolation and treatment of EVD cases. However, other USAID programs designed to address the second-order effects of the outbreak—such as acute food insecurity, diminished basic health services, and weakened local governance—continued. While USAID did not initiate any new Ebola-related programs in these areas, the U.S. Government committed to assist 13 more countries in achieving related objectives in order to promote future global health security during the reporting period.

### **Audit of Selected Ebola-Response Activities Managed by USAID’s Office of U.S. Foreign Disaster Assistance in Liberia**

Report No. 7-669-16-002-P

To address the 2014 Ebola outbreak in Liberia, USAID’s OFDA awarded Global Communities a 4-month grant for \$758,864 to implement the Assisting Liberians with Education to Reduce Transmissions Program. Subsequent modifications increased the award to \$32.1 million, and OFDA planned to extend the award into 2016. The program’s objective was to promote community preparedness for and responsiveness to exposure to Ebola by assuring a maximum level of community engagement.

OIG found that social mobilization and case management activities were contributing to the success of Liberia’s overall Ebola response because efforts were of sufficient scale and outreach workers had established relationships with leaders in the affected communities. For instance, the program trained and supported 52 burial teams covering all 15 counties of Liberia, and outreach enabled county leaders to convince the population to take Ebola seriously and support safe burials. These and other USAID-supported efforts played a role in the sharp drop in cases in Liberia.

Nonetheless, OIG noted problems that OFDA should address to improve program performance. OFDA lacked adequate performance measures given the unprecedented nature of the Ebola crisis. Many indicators lacked relevance, validity, or targets, which made it difficult to gauge success. In addition, the implementer did not have sufficient controls over salary payments to burial and disinfection team members. They used cash to pay workers who did not have identification cards, which was a risky practice. Furthermore, OFDA did not document program monitoring, although officials had regular contact with the implementer via site visits. The office also did not verify some reported results, as OIG found some to be inaccurate.

OIG reported on two additional matters. First, the program did not start to develop transition plans for key assets, including program vehicles valued at \$6 million and a handover plan for the Disco Hill burial site. Second, porous borders threatened progress as Liberia approached Ebola-free status but cases were still present in neighboring Sierra Leone and Guinea.

USAID made management decisions on OIG's seven recommendations and took final action on one of them. OIG disagreed with two of the management decisions. OIG did not agree that the program indicators collectively measured program effectiveness or that the controls in place for cash payments mitigated the risk identified.

### Audit of Select Activities from the USAID/ Food For Peace Response to the Ebola Crisis in West Africa

Report No. 7-962-16-003-P



At the Disco Hill safe burial site in Liberia. Photo by OIG.

The Ebola epidemic in West Africa in 2014 had profound impacts on trade and agriculture, leading to an increase in food prices and a decrease of food availability. To address these issues, USAID's FFP funded several emergency food security programs in the most affected countries, specifically Guinea, Liberia, and Sierra Leone. The primary activities of the programs were cash transfers to buy food and food vouchers that could be redeemed at local markets. As of June 30, 2015, FFP had obligated \$22.7 million and disbursed \$2.4 million through four selected implementers.

OIG's audit found that the programs were not on track as they were months behind schedule, and many had missed their targets. On average, emergency programs were 3 months behind. The delays were due to problems with the award approval process, staff recruitment, and coordination among local partners. The delayed start had several far-reaching consequences, and much of the time that implementers intended to spend providing food assistance was lost.

Despite setbacks, the programs had started to help vulnerable people meet their food needs and recover from the Ebola crisis. For example, OIG observed that a beneficiary of the Mercy Corps cash transfer program intended to use her disbursement to improve her rice-selling business, which suffered during the crisis. A Catholic Relief Services beneficiary used her vouchers to exchange for food at the market.

Although there were successes, OIG identified several other issues. For instance, one implementer's beneficiary selection process was not adequately documented and did not show the criteria each beneficiary met to be selected for the program. The lack of documentation increased the risk of nepotism, as well as the risk that fewer of the most vulnerable beneficiaries would be included in the program. In addition, one implementer did not allocate expenses correctly and allowed budget overruns. Lastly, one implementer did not set a realistic budget for bank services, increasing the risk that the budget would not accurately reflect the program needs.

USAID made management decisions and took final action on all nine of OIG's recommendations. However, OIG disagreed with three management decisions involving procedures for identifying

and selecting beneficiaries and requirements for conducting a financial review of an implementer's activities.

### West African Man Charged in \$12 Million Antimalarial Program Fraud Scheme

In October 2015, a citizen of Burkina Faso was indicted for his role in a scheme to procure and distribute millions of fraudulent mosquito nets throughout Burkina Faso. Details regarding the scheme were revealed through a transnational, multiyear (2009-present) investigation by USAID OIG in collaboration with the Global Fund OIG, the USAID President's Malaria Initiative, the U.S. Department of State Regional Security Office in Burkina Faso, and the U.S. Attorney's Office for the Southern District of New York. The USAID OIG investigation revealed that the man submitted an offer on behalf of two companies, his company and his mother's company, in response to a bid request of more than \$6 million from the Government of Burkina Faso Ministry of Health to promote in-country antimalarial programs. USAID, through the Global Fund, provided the Ministry of Health with funds to support and promote antimalarial programs and campaigns. OIG's investigation found that the man used the program funds to procure nets that contained little to no insecticide from an unapproved supplier and then labeled and packaged the counterfeit nets to resemble those produced by an approved supplier. Furthermore, OIG determined that the man knowingly distributed the counterfeit nets to government health facilities in four regions of Burkina Faso. As a result of the investigation, the man was charged with one count of wire fraud of more than \$12 million intended for the country's antimalarial programs.



Beneficiaries receive food vouchers. Photo by OIG.

### USAID Issues Bill for Collection of More Than \$6 million to USAID Implementer in Nigeria

Information disclosed during an OIG investigation was used to identify fraudulent transactions by Hope Worldwide Nigeria, a USAID implementer based in Nigeria. The investigation identified two "shell" companies created by employees of Hope Worldwide that were used to generate fraudulent and inflated expenses to a USAID-funded program that was designed to provide services to orphans and vulnerable children. As a result of the OIG investigation, USAID/Nigeria contracted an audit firm that used the identities of the shell companies as part of its findings of more \$6 million in unreasonable, unsupported, and questioned costs. In November 2015, USAID/Nigeria issued a bill for collection to the implementer for more than \$6 million.

### Contractor in South Sudan Debarred for 3 Years for Theft of Program Funds

OIG received an allegation of theft against a contract employee on a USAID/South Sudan project. OIG found that the employee stole and cashed approximately \$74,000 in payroll checks before absconding.

Of the \$74,000, approximately \$51,000 was from USAID funding. The employee was criminally charged in South Sudan for the theft. As a result of the investigation, the implementer changed several internal banking policies and paid restitution for the affected amount to USAID. In February 2016, the employee was debarred and placed on the excluded parties list for 3 years.

### **More Than \$107,000 in Fraudulent Charges Reimbursed to USAID**

In cooperation with the Honduran Attorney General's office, OIG assisted in corroborating evidence that staff members working for a USAID subgrantee forged signatures on checks, made payments to fictitious vendors, and fraudulently steered funds to personal bank accounts. In October 2015, USAID/Honduras was reimbursed more than \$107,000 by the Honduran Ministry of Health, which served as the prime implementer of the USAID-funded project. The criminal investigation involving the subgrantee is open and ongoing.



# STABLE, PROSPEROUS, AND DEMOCRATIC STATES

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

## Audit of USAID/Pakistan's Political Party Development Program

Report No. G-391-16-001-P

Pakistan faces critical challenges that require informed policies to respond to its citizens' needs and improved democratic governance to ensure long-term development and stability. To help Pakistan's political parties become more effective and responsive to local concerns, USAID/Pakistan entered into a 5-year, \$21.5 million cooperative agreement with the National Democratic Institute (NDI) to implement the Political Party Development Program. NDI awarded subagreements to the U.S.-based International Republican Institute (IRI) and to a Pakistani organization, Strengthening Participatory Organization. IRI, in turn, made an award to the Institute for Public Opinion Research (IPOR), also Pakistani.

The program provides opportunities for the parties' branch members (grassroots members) to participate in shaping parties' strategies. The program has several objectives to help political parties (1) formulate more responsive and

## SIGNIFICANT FINDINGS AND ACTIVITIES

OIG's **Review of USAID's Cuban Civil Society Support Program** found that the program was designed to carry out the Commission for Assistance to a Free Cuba's recommendations to foster democracy. However, OIG found that appropriate management controls were not in place for all selected aspects of the program. The team found, for example, that the program did not always follow internal controls in awarding grants, conflicts of interest occurred under ZunZuneo, legal roles and responsibilities were ambiguous, and program monitoring and evaluation were not implemented fully. Although OIG did not find evidence of fraud, the methods designed to conceal funding sources and recipients posed inherent risks.

OIG's **Audit of USAID/Pakistan's Political Party Development Program** found that the program took initial steps toward enhancing the responsiveness of political parties to local concerns, with achievements, for example, in training efforts for political parties and poll watchers. However, other program activities largely stalled, and OIG expressed doubt that the program would achieve its objectives based on its progress at the midpoint. Parties did not adopt standards for internal democracy and transparency, and implementers did not prepare a Pakistani research entity to be independent as planned. OIG found that the mission did not invest resources wisely on election activities.



informed platforms and enable them to contribute more actively and effectively to the policy making of government institutions; (2) communicate more effectively with members, constituents, and the general public; (3) demonstrate movement toward nationally recognized standards for internal democracy and transparency; and (4) strengthen democratic political party practices. The program also anticipates that IPOR will operate as an independent research facility that adheres to international research standards.

In its audit, OIG found that the program took initial steps toward enhancing the responsiveness of political parties to local concerns. Operating within a challenging political and security context, the program did see some achievements, such as in its training efforts for political parties and poll watchers and its facilitation of the participation of women and girls at the grassroots level in various activities. Women made up half the members of the policy working groups, and youths accounted for 41 percent.

However, other program activities largely stalled, and OIG expressed doubt that the program would achieve its objectives based on its progress at the midpoint. Parties did not achieve the first cycle's results. They did not establish enough research units and policy working groups, research had limited impact on policy development, only few parties held national conferences to debate draft policies, and parties' continued involvement was in doubt. They did not adopt standards for internal democracy and transparency, and implementers did not prepare a Pakistani research entity to be independent as planned. There were problems with effective awards management, program monitoring and, data accuracy. Moreover, OIG found that the mission did not invest resources wisely on election activities and implementers did not ensure compliance with federal financial audit requirements.

OIG made 14 recommendations to improve the program. USAID made management decisions on all but one and has taken final action on nine.

## Review of USAID's Cuban Civil Society Support Program

Report No. 9-000-16-001-S

In October 2008, USAID's Office of Transition Initiatives (OTI) awarded Creative Associates International Inc. a \$15.5 million contract to implement the 3-year Cuban Civil Society Support Program. USAID created the program to support activities "that expand the reach and impact of independent civil society in Cuba." The program awarded 103 grants, 12 of which made up a Twitter-like project eventually called ZunZuneo.

OIG conducted a review to determine how the program—including ZunZuneo—was designed, approved, and implemented; how the program implementers designed and used an HIV prevention workshop; and whether USAID used appropriate management controls for selected aspects of the program. OIG found that the program was designed to carry out the Commission for Assistance to a Free Cuba's recommendations to foster democracy. ZunZuneo grew into a multifaceted communication system that reportedly increased communication among Cubans. However, efforts to make it sustainable without public funding did not succeed, and the project ended in August 2012.

OIG also noted that the HIV prevention workshop was part of a capacity-building grant aimed at empowering local youth to "reach consensus on community-based projects." It was reported that the

Cuban youth group that the grantee worked with chose this activity because HIV was an issue that youth in their community were interested in. The workshop was conducted using an HIV/AIDS prevention manual published by the United Nations Population Fund, and Creative Associates stated that the grantee's trainings were successful.

OIG found that appropriate management controls were not in place for all aspects of the program examined. The team found, for example, that the program did not always follow internal controls in awarding grants, conflicts of interest occurred under ZunZuneo, legal roles and responsibilities were ambiguous, and program monitoring and evaluation were not implemented fully.

OIG noted two other program matters. Although OIG did not find evidence of fraud, the methods designed to conceal funding sources and recipients posed inherent risks. The report describes program activities in relation to the covert action definition. OIG did not conduct work to determine whether the program involved covert actions as defined under the National Security Act. However, the report contains information related to this matter that was obtained during the review.

USAID made management decisions on OIG's 16 recommendations and took final action on 8.

### **Audit of USAID/Haiti's Improving Justice Service Delivery and Sector Reform in Haiti Project** Report No I-521-I6-003-P

High crime rates, ineffective prosecution of criminals, and widespread abuse of executive power have troubled Haitians for years. To combat these issues, USAID/Haiti began implementing the Improving Justice Service Delivery and Sector Reform in Haiti Project in 2009. The project seeks to enhance the performance of the Haitian judicial system while fostering an environment conducive for judicial sector overhaul and institutional improvements. OIG conducted the audit to determine whether the project resulted in (1) a strengthened criminal justice system that deters crime while protecting human rights; (2) improved noncriminal justice services; (3) improved standardization, independence, control, and oversight of justice-sector operations, including independence and self-governance; and (4) helped the Haitian Government develop a comprehensive sector reform strategy and action plan.

The project clearly had a positive impact in some areas. For example, it provided legal services to many citizens who otherwise would not have had the means to pay for them. It opened two mediation centers in two very volatile areas, resulting in less violence in those areas. It helped place an independent nine-member oversight group to vet current judges before their terms are renewed. Finally, it established Haiti's first electronic case management information system in a pilot jurisdiction.

However, OIG could not determine whether the project achieved its four key results because neither USAID/Haiti nor the implementer established appropriate indicators or targets to measure progress toward the project's goals and expected results. In addition, OIG found that some reported data were not reliable and could not be verified. There were discrepancies between reported and audited results, and the mission did not perform data quality assessments on custom indicators even though they were tied to the contract's fixed-fee deliverables. Finally, the mission did not manage files properly. Some documents



that mission employees provided did not appear to be final versions, some were not readily available, and others were approved too late.

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

### **Audit of USAID/Paraguay's Democracy and Governance Program (Reissued January 21, 2016)**

Report No. I-526-16-004-P

To help strengthen the internal management and governance systems of select public institutions, USAID/Paraguay initiated the \$24.4 million, 5-year Democracy and Governance Program in 2013. The program was implemented by the Centro de Estudios Ambientales y Sociales (Center for Environmental and Social Studies) as part of USAID's local solutions initiative; the mission intended to award 100 percent of the program funds through government entities or local organizations. The program's emphasis was to "develop the capacity of and installing accountability mechanisms in the core public institutions necessary for a responsive democracy."

OIG found that the center successfully provided technical assistance in the 28 activities that began during the first year, and only 1 was behind schedule. For instance, the program improved and updated the tool used to measure how well the civil service managed human resources and integrated the national public procurement system with the Ministry of Health's new inventory system. This allowed for better procurement management and accurate tracking and management of medical supplies.

Despite these positive actions, OIG could not determine whether the program was achieving its main goal because the initial monitoring and evaluation plan could not measure progress towards planned results. The data needed to track many of the program's indicators were not available and some of the indicators were repetitive and not measuring the planned results. Moreover, the center did not have the capacity or knowledge to gather and measure the results of the 25 indicators. In addition, USAID/Paraguay did not fully assess, identify, or monitor the risk of using a local organization to implement the program. In the preaward survey it completed for the center, the mission did not appropriately assess risk. Furthermore, the mission did not include specific conditions in the agreement to address all of the weaknesses the preaward survey identified, nor did it adequately monitor to see if the center implemented the specific conditions.

OIG identified other problems as well. The implementer had weak controls related to competition, conflicts of interest, and payroll. The implementer did not explore ways to staff the program economically and violated local labor laws by paying consultants higher rates than it paid employees. Finally, the mission did not pay enough attention to the center's revenue sources, putting its sustainability at risk.

USAID made management decisions on all 14 OIG recommendations and took final action on 12.

# FOOD SECURITY

USAID's agriculture and food security programs work to increase food security through Feed the Future, the U.S. Government's global hunger and food security initiative. The Agency supports agricultural research and development, expanding and enhancing agricultural markets and trade, capacity development, global nutrition programs, and investment in sustainable agriculture. It also provides food assistance to vulnerable populations and those in crisis.

## Audit of USAID/Haiti's Feed the Future North Project

Report No. I-521-16-001-P

USAID/Haiti's 5-year, \$87.8 million Feed the Future North (FTFN) Project was intended to double agricultural incomes in Haiti's northern corridor for at least 43,500 rural households and double the amount of cacao exported that is produced by FTFN-supported farmers. OIG found that FTFN was not achieving these goals. Although OIG observed some positive activities pertaining to farming and hillside stabilization, the project had not expanded these activities as planned and fell far short of targets. As of September 30, 2014, only 7 of the contractor's 42 performance indicators for measuring the project's progress met at least 80 percent of the established targets.

The contract emphasized the importance of irrigation as the foundation for increasing agricultural productivity, but the project had not started any irrigation construction at the

## SIGNIFICANT FINDINGS AND ACTIVITIES

OIG's **Audit of USAID/Haiti's Feed the Future North (FTFN) Project** found that FTFN was not achieving its goals to (1) double agricultural incomes in Haiti's northern corridor for at least 48,500 rural households and (2) double the amount of cacao exported by program-supported farmers. Although OIG observed some positive activities pertaining to farming and hillside stabilization, the project had not expanded these activities as planned and fell far short of targets. OIG also noted problems with project management.

An OIG investigation in Southeast Asia uncovered embezzlement of funds from an agricultural program, which resulted in a bill for collection for nearly \$16,000. The financial officer who embezzled the money was fired.

OIG's **Audit of USAID/West Africa's Staple Crops and Biotechnology Programs** found that the programs did not achieve their goals. OIG noted that the mission did not incorporate program changes into the cooperative agreement and, without an updated agreement, Agency officials could not verify that the implementer spent program funds on the right activities and could not track program progress. In addition, OIG found that the mission entered into an unauthorized commitment and allowed the implementer and its subawardees to incur costs of nearly \$300,000 for activities that may be unallowable or ineligible.

time of the audit. Another project focus was working with local organizations to implement the activities. However, fewer local organizations than anticipated were interested in implementing the activities or qualified to do so. Therefore, the contractor, Development Alternatives Inc. (DAI) continued to implement most activities. Staffing was also an issue. USAID assigned contract design and administration to inexperienced staff, resulting in contract flaws that complicated project implementation and management. In addition, DAI officials said it was difficult to recruit and keep qualified staff in the northern corridor, and USAID/Haiti's delays in approving the professional staff contributed to the program's implementation problems.



A Haitian farmer tends her crops. Photo by USAID.

Furthermore, USAID did not fulfill its project management responsibilities. The staff was slow to process approvals that were necessary for project implementation and waited too long to formally elevate performance concerns. The mission also did not portray the contractor's performance accurately in the contractor performance assessment report. Poorly defined roles and responsibilities and inadequately managed personnel conflicts contributed to the problem. The report notes a number of other issues, including mismanaged project materials at risk of waste and misuse and attributing \$7.9 million of USAID/Haiti's FY 2012 and 2013 congressional earmarks for water, sanitation, and hygiene activities that did not meet the criteria.

USAID made management decisions on OIG's 33 recommendations and took final action on 22.

### **OIG Investigation Uncovers Embezzlement Scheme in USAID Program in Southeast Asia, Resulting in a Bill for Collection for Approximately \$16,000**

OIG received allegations of fraud involving a USAID-funded safe water supply and improved sanitation facilities program in Southeast Asia. It was alleged that a financial officer for Farmers' Initiatives for Ecological Livelihoods and Democracy (FIELD) embezzled funds from a USAID-funded program and never returned to the office. OIG verified that the financial officer embezzled money from the USAID-funded program by substituting his own bank account number for FIELD's in order to redirect refunded advances from subcontractors working on the program. FIELD terminated the finance officer's employment in September 2015. Also as a result of the OIG investigation, in October 2015, USAID issued a nearly \$16,000 bill for collection.

### **Audit of USAID/West Africa's Staple Crops and Biotechnology Programs**

Report No. 7-624-16-001-P

To address food insecurity issues in West Africa, USAID/West Africa awarded a 5-year, \$7 million cooperative agreement to Conseil Ouest et Centre Africain pour la Recherche et le Développement

Agricoles (i.e., the West and Central African Council for Agricultural Research and Development, or CORAF) in June 2009 for the Staple Crops and Biotechnology Programs. The mission requested that OIG conduct an audit to determine whether the programs achieved their primary goals. Although the report notes some positive outcomes, OIG found that the programs did not achieve their goals.

OIG noted that the mission did not incorporate program changes into the cooperative agreement, even though the mission and CORAF changed the programs' strategy, changed the projects to be implemented, and extended the supplementary support component. Without an updated agreement, Agency officials could not verify that the implementer spent program funds on the right activities, and the mission could not track CORAF's progress to determine its overall success.

OIG found that the mission entered into an unauthorized commitment. The mission continued to provide funds to CORAF, and CORAF continued to spend money on the programs after the agreement ended. In allowing the programs to continue, USAID/West Africa let CORAF and its subawardees incur costs of nearly \$300,000 for activities that may be unallowable or ineligible.

In addition, CORAF did not manage its subaward funding properly. For instance, subawardees did not justify the use of \$78,000 they received for Global Food Security Response projects and did not return outstanding funds to USAID/West Africa. In addition, CORAF did not fund its Feed the Future subawards in accordance with its agreements.

USAID/West Africa did not establish clear salary guidelines for the programs' institutional support component, which resulted in five program-funded employees working on other programs while being paid by USAID/West Africa. In addition, CORAF reported poor quality data to USAID/West Africa, and subawards exceeded budgeted amounts and expired.

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



# BUILDING INSTITUTIONAL CAPACITY

To support its mission, USAID must ensure that it maintains the proper institutional capacity to implement and oversee its programs and activities. OIG provides oversight of USAID's management initiatives and operations.

## Audit of USAID's Financial Statements for Fiscal Years 2015 and 2014

Report No. 0-000-16-001-C

OIG issued unmodified opinions on each of USAID's principal financial statements for fiscal years 2015 and 2014. With respect to internal control, OIG identified one deficiency that we consider a material weakness. The material weakness pertained to USAID's process for reconciling its fund balance with the U.S. Treasury.

In addition, OIG identified four deficiencies in internal control that we consider significant material weaknesses pertaining to USAID's processes for (1) supporting funds obligated and expenses accrued, (2) reconciling intragovernmental transactions, (3) complying with federal accounting standards for reimbursable agreements, and (4) making adjustments between the subsidiary ledger (SL) and general ledger (GL) in the Phoenix Financial Management System.

OIG found no instances of substantial noncompliance with federal financial management systems requirements, but there were two exceptions that we considered substantial noncompliance with the Federal Financial Management Improvement Act (FFMIA) for federal accounting standards and the U.S. Standard General Ledger at the transaction level as a result of our

## SIGNIFICANT FINDINGS AND ACTIVITIES

### OIG's **Audit of USAID's Financial Statements for Fiscal Years 2015 and 2014** identified one material weakness.

That weakness, which had been identified in prior financial statement audits, pertained to USAID's process for reconciling its fund balance with the U.S. Treasury.

OIG's **Audit of USAID's Controls Over the Use of Premium-Class Travel** found that appropriate controls were not in place. OIG found that 76 percent of the statistically selected trips did not fully meet Agency requirements for premium-class travel. In addition, USAID did not always have assurance that agent fees were reasonable. Twenty-seven percent of the statistically selected trips had a greater number of agent fees than the number of airline tickets charged for a given month. There were also instances in which the required language was not present in travel authorizations, creating a risk that travelers may claim more reimbursable expenses than was authorized. Another issue was that USAID policies did not reflect current processes for determining reasonable accommodations for staff with disabilities.



tests required under Section 803(a) of the Federal Financial Management Improvement Act of 1996, Public Law 104-208.

OIG made no recommendations to improve USAID's internal control over financial reporting because the Agency has developed and is currently implementing new procedures to remediate the findings identified.

OIG identified other control deficiencies that were not material to an overall opinion on USAID's financial statements and noted these in a management letter to USAID's Chief Financial Officer. The management letter indicated, for example, that some employees who had separated from USAID had done so without completing a required form that triggers actions to revoke physical and electronic access, return property, and collect outstanding liabilities, and that this control weakness had the potential to expose USAID to associated risks. There were also problems with staff members deviating from procedures for recording information on sensitive payments, as well as a lack of segregation of duties in a division of the Office of the Chief Financial Officer. Furthermore, OIG noted that, although the Agency had made progress in reviewing past unliquidated obligations that did not have disbursements for 3 or more years, the Agency still needed to review \$49 million for possible deobligation. In addition, USAID headquarters components and several missions had deficiencies in accounting for and reporting on assets such as property, plants, and equipment. Several missions also had problems related to processes for liquidating advances, calculating accruals, recovering cash advances, and processing travel vouchers that included expenses that exceeded amounts incurred by employees.

### **Audit of USAID's Controls Over the Use of Premium-Class Travel**

Report No. A-000-16-005-P

From December 1, 2012, to November 30, 2014, USAID/Washington had 245 premium travel trips in E2, the Agency's travel management system, worth \$3.1 million. The Government Accountability Office defines premium-class travel as first-class and business-class travel. In 2011, USAID entered into an agreement with Duluth Travel Inc. to provide travel management center (TMC) services to arrange travel for Agency staff.

OIG conducted an audit to determine whether USAID implemented controls to prevent improper use of premium-class travel in accordance with Agency policy. OIG found that USAID did not, and 76 percent of the statistically selected trips did not fully meet Agency requirements for premium-class travel. Many of the cases involved premium-class travel trips that were not always classified properly in the travel system and did not always have enough documentation. These included trips that would allow for premium-class travel in certain circumstances (e.g., temporary duty travel in excess of 14 hours, travel by an individual with a disability, and travel by a person with physical needs) but did not have the required documentation to justify the expense.

In addition, USAID did not always have assurance that Duluth's agent fees were reasonable. For example, the Agency did not always have supporting documentation to validate fees incurred because of changes in travel or calls to the TMC after business hours.

OIG also identified areas of concern associated with language and USAID policies. In some instances, the required language was not present in travel authorizations, creating a risk that travelers may claim more reimbursable expenses than were authorized. The issue of policy arose because USAID policies did not reflect current processes for determining reasonable accommodations for staff with disabilities.

OIG made 27 recommendations to improve the controls for premium-class travel. USAID made management decisions on 24 of the 27 recommendations. However, OIG disagreed with one management decision. In addition, USAID took final action on two recommendations.

### **Assessment of the U.S. Agency for International Development's Fiscal Year 2014 Government Charge Card Programs**

Report No. 0-000-16-001-S

Under the Government Charge Card Abuse Prevention Act of 2012 (referred to as the Charge Card Act), Public Law 112-194, USAID's OIG is required to conduct periodic risk assessments of the Agency's purchase card, travel card, centrally billed account, and convenience check programs to analyze the risks of illegal, improper, or erroneous purchases and payments (USAID does not use convenience checks). Based on the results of the risk assessment, the OIG must then determine the scope, frequency, and number of periodic audits or reviews of Government charge card programs. In addition, the Charge Card Act requires OIGs to conduct periodic audits or reviews of travel programs of their respective agencies with more than \$10 million in travel card spending.

The data on the amount of funds spent in FY 2013 showed that USAID exceeded the \$10 million threshold, which triggers an automatic OIG review or audit of the travel card program. That review is scheduled for FY 2016. OIG made no recommendations in this assessment.

### **Audit of USAID's Computer Network Change-Control Process**

Report No. A-000-16-003-P

OIG contracted with the independent certified public accounting firm of CliftonLarsonAllen LLP to determine whether USAID implemented a change-control process in accordance with Agency and National Institute of Standards and Technology (NIST) guidance. The auditors concluded that USAID had generally implemented a configuration management process in accordance with Agency and NIST standards. However, the audit found three areas of the configuration management process that need improvement.

USAID made management decisions on OIG's four recommendations to help USAID strengthen its configuration management process.



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

Report No. A-000-16-004-P

OIG contracted with CliftonLarsonAllen LLP to conduct an audit of the progress USAID has made in implementing its Federal Information Security Management Act (FISMA) action plan. The auditors concluded that USAID has made progress in implementing its action plan. During FY 2015, USAID's Chief Information Office updated its action plan to address specific open audit findings that either directly or indirectly related to the original Corrective Action Plan and requested closure for 18 of 21 open audit findings. However, closure requests for 2 of the 18 findings were rejected and actions to close another finding had not been fully implemented.

Recommendations addressing these findings were noted in the past year's FISMA action plan audit. However, USAID had not closed the recommendations. Therefore, this report does not make any new recommendations.

## Independent Accountant's Review Report of USAID's FY 2015 Detailed Accounting Submission and Performance Summary

OIG conducted a review of USAID's detailed accounting submission and performance summary report for the year that ended that September 30, 2015, to express a conclusion about the reliability of each assertion made in the report in accordance with the Office of National Drug Control Circular, "Accounting of Drug Control and Performance Summary" (Circular dated January 18, 2013).

Based on our review, nothing came to OIG's attention that caused us to believe that the detailed accounting submission and performance summary report are not fairly stated, in all material respects, in conformity with the required Office of National Drug Control Program criteria.

# TABLES: U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

## Incidents in Which OIG Was Refused Assistance or Information USAID October 1, 2015–March 31, 2016

Section 6(b)(2) of the Inspector General Act of 1978, as amended, requires an inspector general to report to the head of the agency whenever requested information or assistance is unreasonably refused or not provided.

During this reporting period, there were no reports of instances in which OIG was unreasonably refused assistance or information. OIG did not encounter resistance or objections to oversight activities, nor did it face restricted or significantly delayed access to information.

## Interference With OIG Independence USAID October 1, 2015–March 31, 2016

During this reporting period, OIG did not encounter any attempts to interfere with its independence, to include restrictions of OIG's congressional communications or budgetary constraints designed to limit OIG's capabilities.

**Performance Audits (Including Audits Conducted by Independent Public Accountants)  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use**

**USAID**

**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Economy and Efficiency				
I-521-16-001-P	10/21/15	Audit of USAID/Haiti's Feed the Future North Project	10 10 9,930	QC UN BU
I-521-16-003-P	1/6/16	Audit of USAID/Haiti's Improving Justice Service Delivery and Sector Reform in Haiti Project (PROJUSTICE)		
I-526-16-004-P	1/21/16	Audit of USAID/Paraguay's Democracy and Governance Program—Reissued	409	QC
5-497-16-001-P	10/6/15	Audit of USAID/Indonesia's Higher Education Leadership and Management Project	85	QC
7-624-16-001-P	11/30/15	Audit of USAID/West Africa's Staple Crops and Biotechnology Programs—Reissued	396 118	QC UN
7-669-16-002-P	12/4/15	Audit of Selected Ebola-Response Activities Managed by USAID's Office of U.S. Foreign Disaster Assistance in Liberia		
7-962-16-003-P	3/16/16	Audit of Select Activities from the USAID/Food for Peace Response to the Ebola Crisis in West Africa	34	BU
8-294-16-001-P	2/22/16	Audit of USAID/West Bank and Gaza Construction Programs		
A-000-16-003-P	12/16/15	Audit of USAID's Computer Network Change-Control Process		
A-000-16-004-P	12/22/15	Audit of USAID's Federal Information Security Management Act Action Plan		
A-000-16-005-P	2/2/16	Audit of USAID's Control Over the Use of Premium Class Travel		
F-306-16-001-P	12/10/15	Audit of USAID/Afghanistan's Strategy for Monitoring and Evaluating Programs Throughout Afghanistan		
F-306-16-002-P	3/14/16	Audit of USAID/Afghanistan's Assistance in Building Afghanistan by Developing Enterprises Program	11 11	QC UN
G-391-16-001-P	10/26/15	Audit of USAID/Pakistan's Political Party Development Program	138	QC

**Performance Audits (Including Audits Conducted by Independent Public Accountants)  
 Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
 Funds Be Put to Better Use  
 USAID  
 October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
G-391-16-002-P	10/29/15	Audit of USAID/Pakistan's Smallholder Dairy Project		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Foreign Government				
I-522-16-001-R	10/1/15	Audit of the Agreement No. 522-0450 "Assistance Agreement for the Health Program," Implementation Letter No. 15 HIV/AIDS Component, for the Period From January 6, 2014, to December 31, 2014; Managed by the Honduran Secretariat of Health Through the Unidad Administradora de Fondos de Cooperación Externa (UAFCE)	355 161	QC UN
I-522-16-007-R	10/21/15	Audit of the Fund Accountability Statement Under the Community Led Infrastructure Program of the Merida Initiative and the Central America Regional Security Initiative (MERIDA/CARSI), Assistance Agreements No. 522-0441 and No. 522-0470, Managed by the Directorate of Major Infrastructure (DIM) of FHIS, for the Period From January 1 to December 31, 2014	66 10	QC UN
I-527-16-020-R	12/16/15	Closeout Audit of the Strategic Objective Agreement No. 527-0423 and Audit of Agreement No. 527-0426, Managed by the Regional Government of San Martin (GOESAM) for the Period From January 1, 2014, to December 31, 2014	758 742	QC UN
I-527-16-024-R	2/11/16	Audit of USAID Grant Agreement No. 527-0423, Technical Assistance Program (PAT), Managed by the Ministerio del Ambiente–MINAM, for the Period From January 1, 2014, to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
I-532-16-025-R	2/19/16	Audit of the Fund Accountability Statement of USAID Resources Managed by the Ministry of Health Under Program Assistance No. 532-DOAG-2013-JM (Implementation Letter No. 1), The National HIV/STI Program for the Period From March 1, 2014, to March 31 2015	1,052 1,052	QC UN
I-532-16-027-R	2/24/16	Audit of the Fund Accountability Statement of Assistant Agreements No: 532-ED-2010-AA and 532-DOAG-2013-JM; Under Implementation Letter No. 532-IL-532-ED-8-00004, "USAID/MOE Education Partnership for Improved Reading Outcomes Project," Managed by Ministry of Education (MOE), for the Period From April 1, 2014, to March 31, 2015		
I-527-16-029-R	3/10/16	Audit of the Strategic Objective Agreement No. 527-0423 and 527-0426, Managed by the Comision Nacional Para el Desarrollo y Vida Sin Drogas (DEVIDA) for the Period From January 1 to December 31, 2014	22	QC
4-615-16-002-N	1/26/16	Agency Contracted Audit of USAID Resources Managed by Kenya Agricultural and Livestock Research Organization (KALRO) Under Implementation Letter Number 17, Strategic Objective Assistance Number 615-007 for the Period July 1, 2012, Through January 31, 2015	2	QC

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-621-16-004-R	10/23/15	Audit of USAID Resources Managed by Ministry of Health and Social Welfare–National Malaria Control Program Under Strategic Grant Agreement No. 621-0011.01, Implementation Letter Nos. 14, 24, 32, and 41, Health Status of Tanzanian Families Improved Project, for the Period July 1, 2007, Through June 30, 2013		
4-617-16-005-N	2/24/16	Agency Contracted Closeout Audit of USAID Resources Managed by Joint Medical Store Under Grant Agreement No. AID-617-G-12-00001 for the Period July 1, 2013, Through March 29, 2014	I	QC
4-621-16-038-R	2/1/16	Audit of USAID Resources Managed by the President’s Office, Ethics Secretariat Under Grant Agreement No. 621-0014.08, Implementation Letter No. 1 for the Period January 1, 2013, Through June 30, 2014		
8-278-16-003-N	2/15/16	Audit of the Statement of Deposits and Releases of Funds of the Dollar Separate Account, Managed by Government of Jordan’s Ministry of Planning and International Cooperation, Assistance Agreement Number 278-EO/CT-II, for the Period From January 1, 2010, to December 31, 2012		
8-278-16-004-N	2/15/16	Closeout Audit of the Statement of Inflows and Outflows of Funds of USAID/Jordan’s Local Currency Activities, Managed by Government of Jordan’s Ministry of Planning and International Cooperation, Assistance Agreement Number 278-EO/CT-II, for the Period From January 1, 2010, to December 31, 2012		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-005-N	2/21/16	Audit of the Fund Accountability Statement of USAID Resources Managed by the Palestinian Authority Through the Ministry of Finance Under Cash Transfer Grant Agreement Number 294-CT-00-15-00001-00, For the Period From November 5, 2014, to December 7, 2014		
F-306-16-001-N	11/29/15	Closeout Audit of USAID Resources Managed by the Independent Administrative Reform and Civil Service Commission Under the Cash Transfer Program Assistance for Civil Service Reform, Grant No. 306-06-00-01, for the Period From March 1, 2013, to October 31, 2014		
F-306-16-003-N	3/29/16	Closeout Audit of USAID Resources Managed by the Government of the Islamic Republic of Afghanistan Ministry of Finance Under the Civilian Technical Assistance Program (CTAP), Grant Agreement No. 306-09-CTAP-0001, for the Period From September 30, 2009, to July 31, 2015 (Originally issued December 3, 2015, and reissued on March 29, 2016	203	QC
F-306-16-011-N	2/17/16	Financial Audit of USAID Resources Managed by the Ministry of Education Under the Basic Education, Learning and Training (BELT) Program, Implementation Letter No. 306-IL-12-07-20, for the Period December 21, 2013, to December 20, 2014		



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
F-306-16-013-N	3/30/16	Audit of the Fund Accountability Statement Under Partnership Contracts for Health Services (PCH) Program Managed by the Ministry of Public Health (MoPH), Award No. 306-08-IL-06-00, for the Year Ended December 20, 2013	953 581	QC UN
F-306-16-014-N	3/31/16	Audit of USAID Resources Managed by Da Afghanistan Breshna Sherkat (DABS) Under Power Transmission Expansion and Connectivity (PTEC) and the Installation of Turbine Generator Unit 2 at Kajaki Dam Hydropower Plant Projects for the Period From December 5, 2012, Through December 31, 2014	3,830 2,829	QC UN
G-391-16-004-R	1/5/16	Financial Audit of the Program Titled “Merit and Need Based Scholarship Project,” USAID/Pakistan Agreement No. 391-G-00-04-01023-00, for the Year Ended June 30, 2014; Managed by Higher Education Commission	29	QC
G-391-16-006-R	1/15/16	Financial Audit of USAID/ Pakistan Agreement No. 391-JAM-FARA-003-00, Managed by the Jamshoro Power Company Limited, for the Financial Year Ended June 30, 2013		
G-391-16-007-R	1/21/16	Financial Audit of the USAID/ Pakistan Agreement No. 391-PEPA-ENRGOMAL-PIL-001, Managed by the Water and Power Development Authority, for the Financial Year Ended June 30, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
G-391-16-008-R	1/26/16	Financial Audit of the USAID/Pakistan Agreement No. 391-PEPA-ENRSATPARA-PIL-001, Managed by the Water and Power Development Authority, for the Financial Year Ended June 30, 2013		
G-391-16-009-R	1/27/16	Financial Audit of the USAID/Pakistan Agreement No. 391-PEPA-2011-001, Program Titled "Citizens' Damage Compensation Program Phase-II," Managed by the Cabinet Division, for the Financial Year Ended June 30, 2013		
G-391-16-011-R	3/2/16	Financial Audit of the USAID/Pakistan Program Agreement No. 391-013-PIL-007, Project Titled "Widening/Blacktopping of Bannu–Miran Shah–Ghulam Khan Road, Section 3," Managed by the FATA Secretariat, for the Year Ended June 30, 2013		
G-391-16-012-R	3/3/16	Financial Audit of the USAID/Pakistan Program Agreement No. 391-013-PIL-007, Project Titled "Widening/Blacktopping of Bannu–Miran Shah–Ghulam Khan Road, Section 4," Managed by the FATA Secretariat, for the Year Ended June 30, 2013		
G-391-16-013-R	3/4/16	Financial Audit of the USAID/Pakistan Program Agreement No. 391-011, Program Titled "Malakand Reconstruction and Recovery Program Assistance–Housing Cash Transfer," Managed by the Provincial Reconstruction Rehabilitation and Settlement Authority (PaRRSA), Government of Khyber Pakhtunkhwa, for the Year Ended June 30, 2012		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
G-391-16-014-R	3/4/16	Financial Audit of the USAID/Pakistan Program Agreement No. 391-011, Program Titled “Malakand Reconstruction and Recovery Program Assistance–Housing Cash Transfer,” Managed by the Provincial Reconstruction Rehabilitation and Settlement Authority (PaRRSA), Government of Khyber Pakhtunkhwa, for the Year Ended June 30, 2013	31 31	QC UN
G-391-16-016-R	3/16/16	Financial Audit of the USAID/Pakistan Program Agreement No. 391-PEPA-DG/MSDP/KP:01, Project Implementation Letters 1, 3, and 5, Program Titled: “Municipal Services Program,” Managed by the Government of Khyber Pakhtunkhwa, Planning and Development Department, for the Year Ended June 30, 2013	557 557	QC UN
G-391-16-017-R	3/16/16	Financial Audit of the USAID/Pakistan Program Agreement No. DG/MSDP/KP:01, Project Implementation Letters 2 and 4, Program Titled “Urban Policy Unit,” Managed by the Government of Khyber Pakhtunkhwa, Planning and Development Department, for the Year Ended June 30, 2013	6 6	QC UN
<b>Programs and Operations</b>				
0-000-16-001-C	11/16/15	Audit of USAID’s Financial Statements for Fiscal Years 2015 and 2014		
<b>Foreign-Based Organizations</b>				
I-520-16-002-R	10/1/15	Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-520-A-12-00003, “Rural Value Chains Program,” Managed by Asociación Guatemalteca de Exportadores (AGEXPORT), for the Year Ended December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
I-520-16-003-R	10/1/15	Audit of Fund Accountability Statement of the “Rural Value Chains Project,” Under Cooperative Agreement No. AID-520-A-12-00004, Managed by the Asociación Nacional del Café (ANACAFE) for the Period From January 1, 2014, to December 31, 2014	2,217 2,215	QC UN
I-514-16-004-R	10/8/15	Audit of USAID Resources for the Cooperative Agreement No. AID-530-A-13-00004, “Conservation and Governance in the Amazon Piedmont (C&G),” Managed by PATRIMONIO NATURAL–Fondo Para la Biodiversidad y Áreas Protegidas, for the Period Between August 1, 2013, to December 31, 2014		
I-519-16-005-R	10/21/15	Audit of the Fund Accountability Statement of Cooperative Agreements No. 519-A-11-00001 Project “Adopt a School” and No AID-519-A-12-00003 Project “SolucionES” Managed by Fundación Empresarial Para el Desarrollo Educativo (FEPADE), for the Period From January 1, 2014, to December 31, 2014		
I-524-16-006-R	10/21/15	Audit of the Fund Accountability Statement Under Cooperative Agreement No. AID-524-A-11-00001 for the “Promotion of Economic and Social Development in Nicaragua Program,” Managed by Fundación Nicaragense Para el Desarrollo Económico y Social (FUNIDES), for the Period From January 1 to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
I-526-16-008-R	11/4/15	Audit of the Grant Agreement No. AID-526-A-13-00002 for the “Inclusive Value Chains for Rural Development Program,” Managed by the Federación de Cooperativas de Producción LTDA. (FECOPROD), for the Period From October 1, 2013, to December 31, 2014	1	QC
I-519-16-009-R	11/16/15	Audit of the Fund Accountability Statement of Cooperative Agreement No. 519-A-10-00002 for the “Entrepreneurs Program Superate,” Managed by Fundación Sagrera Palomo, for the Period From January 1, 2014, to December 31, 2014		
I-596-16-010-R	11/16/15	Audit of the Fund Accountability Statement Under Cooperative Agreement No. AID-596-A-13-00002 for the “Regional Climate Change Program,” Managed by the Tropical Agricultural Research and Higher Education Center (CATIE), for the Period From January 1, 2014, to December 31, 2014	270 242	QC UN
I-523-16-011-R	11/20/15	Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-523-A-13-00002 “Improving the Development of Mexico: Advocacy and Public Policy Research on the Competitiveness and the Strengthening of the Rule of Law by the New Reform of Justice Penal,” Managed by Centro de Investigación para el Desarrollo, A.C. (CIDAC) for the Period From February 11, 2013, to December 31, 2014	15 15	QC UN

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
I-520-16-012-R	11/20/15	Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-520-A-13-00002, "Sustainable Water Management in the Cuchumatanes Program, Managed by Fundación para el Ecodesarrollo y la Conservación (FUNDAECO)," for the Period From July 30, 2013, to December 31, 2014		
I-514-16-013-R	11/24/15	Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-530-A-13-00005, "Caqueta: Maintaining and Restoring Connections within Andean and Amazonian Social and Natural Systems Program," Managed by Fondo para la Acción Ambiental y la Ninez (Fondo Acción), for the Period From July 30, 2013, to December 31, 2014		
I-518-16-014-R	11/24/15	Closeout Audit of the Cooperative Agreement No. 518-A-00-03-00054-00 for the Strengthening Democracy in Ecuador Program, Managed by Corporación Participación Ciudadana Ecuador (PC) for the Period From January 1, 2013, to May 31, 2014		
I-523-16-015-R	12/3/15	Audit of the Fund Accountability Statement Under Cooperative Agreement No. AID-523-A-12-00001 for the "Scout Experience: Ready for Life Program," Managed by Asociación de Scouts de Mexico, A.C. (ASMAC), for the Period From January 1, 2014, to December 31, 2014	304	QC

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
I-596-16-016-R	12/3/15	Audit of the Fund Accountability Statement of the Cooperative Agreement No. AID-596-A-13-00001, "Youth and Community Development Program in El Salvador, Guatemala, and Honduras," for the Period From January 1, 2014, to December 31, 2014, Managed by Fundación Crisalida Internacional	53 49	QC UN
I-518-16-017-R	12/7/15	Closeout Audit of the Cooperative Agreement No. 518-A-00-07-00056-00, "Program for the Protection of Water Resources to Keep the Biodiversity: Financial Mechanisms for the Protection of the Watersheds of Ecuador," Managed by the Fideicomiso Mercantil Fondo Ambiental Para la Protección de las Cuencas y Agua (FONAG), for the Period From October 1, 2012, to January 31, 2014	24	QC
I-527-16-018-R	12/8/15	Closeout Audit of the Fund Accountability Statement of the "Awareness Program on Sport, Recreation and Culture for Wheelchair Users in Latin America," Cooperative Agreement No. AID-527-A-II-00007, Managed by Fundación Arcangeles Para la Rehabilitación Integral for the Period From January 1, 2014, to November 28, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
I-523-16-019-R	12/11/15	Financial Statement Audit of USAID-Funded Programs Managed by PRONATURA SUR, A.C., for the Period from January 1, 2014, to December 31, 2014. The Programs Covered by the Audit Were (1) Including the Forest of Mangrove Under the Strategy REDD+ in Mexico: An Integrated Treatment of Collaboration Between the Social and Private Sectors No. AID-523-A-13-00001, (2) Initiatives of Early Action to Reduce Emissions of Cattle in the Basin of River Cuxtepec, La Concordia, Chiapas No. END-MREDD-14-3/6, (3) Proposal for the Strengthening of Local and Regional Participants Related to REDD+ Projects No. Subnomex-121913, and (4) Program to Reduce Greenhouse Gas Emissions No. AID-OAA-A-13-00079		
I-517-16-021-R	12/16/15	Closeout Audit of the “Effective Schools Program,” Cooperative Agreement No. 517-A-00-10-00102-00, Administered by the Pontificia Universidad Catolica Madre y Maestra (PUCMM), for the Period From July 1, 2014, to April 30, 2015		
I-519-16-022-R	1/27/16	Audit of the Fund Accountability Statement of the Project, “Education for Children and Youth,” Cooperative Agreement No. 519-A-13-00001, Managed by Fundación Para la Educación Integral Salvadoreña (FEDISAL), for the Period From January 1, 2014, to December 31, 2014		



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
I-523-16-023-R	2/3/16	Closeout Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-523-A-12-00002 “National Campaign to Prevent Torture and Other Cruel, Inhuman, or Degrading Treatment,” Managed by Instituto Para la Seguridad y la Democracia (INSYDE) for the Period From January 1, 2015, to September 29, 2015		
I-538-16-026-R	2/24/16	Audit of USAID Resources Managed by the Caribbean Examinations Council Under Cooperative Agreement No AID-538-A-12-00005, “Strengthening Second Chance Education in the Eastern Caribbean Program” From the Period From October 1, 2012, to December 31, 2013	166	QC
I-523-16-028-R	2/29/16	Closeout Audit of the Fund Accountability Statement of Cooperative Agreement No. AID-523-A-13-00003 “Integrated Landscape Management for REDD in Community Lands,” Managed by Consejo Civil Mexicano Para la Silvicultura Sostenible, A.C. (CCMSS) for the Period From January 1, 2015, to April 25, 2015	3	QC
3-000-16-001-R	10/9/15	Closeout Audit of Solidarites International (SI) Under Multiple USAID Agreements for the Fiscal Year (FY) Ended December 31, 2014	I I	QC UN
3-000-16-002-R	10/15/15	Audit of Norwegian Refugee Council (NRC) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2014		
3-000-16-003-R	10/19/15	Audit of VSF Germany (VSFG) Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2014	5	QC

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-004-R	10/16/15	Audit of DanChurchAid (DCA) Under USAID Agreement No. AID-OFDA-G-14-00044 for the Fiscal Year (FY) Ended December 31, 2014		
3-000-16-005-R	10/30/15	Audit of CESVI Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2012	79 79	QC UN
3-000-16-006-R	11/2/15	Closeout Audit of Medical Emergency Relief International (Merlin) Audit Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2014	13 13	QC UN
3-000-16-007-R	11/4/15	Audit of Acción Contra el Hambre (ACH) USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2014		
3-000-16-008-R	11/18/15	Audit of International HIV/AIDS Alliance (IHAA) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2013		
3-000-16-009-R	12/2/15	Audit of American Refugee Committee (ARC) Under the Subaward to USAID Agreement No. AID-OFDA-A-13-00021 for the Fiscal Year (FY) Ended September 14, 2014		
3-000-16-010-R	12/7/15	Closeout Audit of Agency for Technical Cooperation and Development (ACTED) Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2014		
3-000-16-011-R	12/11/15	Closeout Audit of Danish Refugee Council (DRC) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-012-R	12/11/15	Closeout Audit of Deutsche Welthungerhilfe e. V., (DW) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2013	491 475	QC UN
3-000-16-013-R	12/11/15	Closeout Audit of the Overseas Development Institute (ODI) Under USAID Agreement No. AID-OFDA-G-10-00164 for the Period September 28, 2010, to August 29, 2013	6 6	QC UN
3-000-16-014-R	12/17/15	Closeout Audit of CESVI Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2013	343 343	QC UN
3-000-16-015-R	12/17/15	Closeout Audit of Norwegian People's Aid (NPA) Under USAID Multiple Agreements for Fiscal Year (FY) Ended December 31, 2013	79 76	QC UN
3-000-16-016-R	12/21/15	Closeout Audit of Action Centre La Faim (ACF) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2014		
3-000-16-017-R	1/11/16	Audit of Christian Aid Under USAID Multiple Awards for the Fiscal Year (FY) Ended March 31, 2015	8 8	QC UN
3-000-16-018-R	1/13/16	Closeout Audit of International HIV/AIDS Alliance (IHAA) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2014	2 2	QC UN
3-000-16-019-R	2/8/16	Closeout Audit of GOAL Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2014		
3-000-16-020-R	2/8/16	Audit of Overseas Development Institute (ODI) Under USAID Multiple Agreements for Fiscal Years (FY) Ended March 31, 2015		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-022-R	2/8/16	Closeout Audit of Medair Under USAID Multiple Agreements for the Fiscal Year (FY) Ended December 31, 2013		
3-000-16-023-R	2/8/16	Closeout Audit of Oxfam GB (OGB) Under USAID Multiple Agreements for the Fiscal Year (FY) Ended March 31, 2015	4	QC
3-000-16-024-R	2/18/16	Closeout Audit of Tearfund Under USAID Multiple Agreements for Fiscal Year (FY) Ended March 31, 2015		
4-613-16-001-R	10/9/15	Audit of USAID Resources Managed by Counselling Services Unit Under Cooperative Agreement No. AID-613-A-12-00009 for the Year Ended December 31, 2014		
4-621-16-002-R	10/9/15	Closeout Audit of USAID Resources Managed by Emusoi Centre for Pastoralists Girls Under Cooperative Agreement No. 621-A-00-09-00001-00, Pastoralist Girls' Education Support Project, for the Period January 23, 2009, Through January 22, 2013	57	QC
4-611-16-003-N	1/26/16	Agency Contracted Audit of USAID Resources Managed by Agribusiness in Sustainable Natural African Plant Product (ASNAPP) Under Cooperative Agreement No. AID-611-A-12-00003 for the Period February 8, 2012, Through September 30, 2013	703 696	QC UN
4-663-16-003-R	10/9/15	Audit of USAID Resources Managed by Aged and Children Pastoralist Association (ACPA) Under Cooperative Agreement No. AID-663-A-12-00015 for the Period January 1, 2013, Through December 31, 2014	158 152	QC UN

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-623-16-004-N	2/22/16	Agency Contracted Closeout Audit of USAID Resources Managed by Inuka Kenya Trust Under Cooperative Agreement No. AID-623-A-12-00012 for the Year Ended December 31, 2014		
4-621-16-005-R	10/23/15	Audit of USAID Resources Managed by Lawyers' Environmental Action Team (LEAT) Under Grant Agreement No. AID-621-G-14-00001 for the Period November 27, 2013, Through December 31, 2014	11	QC
4-674-16-006-N	3/7/16	Closeout Agency Contracted Audit of USAID Resources Managed by The East, Central and Southern Africa Health Community (ECSA-HC) Under Strategic Objective Agreement No. 623-SOAG6230011.02-600-87 and Strategic Objective Agreement No. 6230011.02-690-0020 for the Period July 1, 2014, Through September 30, 2015		
4-696-16-006-R	10/23/15	Audit of USAID Resources Managed by Caritas Rwanda Under Cooperative Agreement No. AID-696-A-12-00003, Gimbuka Project, and Subagreement IILP-AA-12-03, Ejo Heza Project, for the Year Ended December 31, 2014	98	QC
4-615-16-007-R	10/23/15	Audit of USAID Resources Audit of USAID Resources Managed by Moi Teaching and Referral Hospital Under Agreement No. AID-615-A-12-00001 for the Year Ended September 30, 2014	136	QC

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-612-16-008-N	3/18/16	Agency Contracted Audit of USAID Resources managed by Total Land Care Under Program Spice Promotion in Commercial Enterprise (SPICE), Cooperative Agreement No: 674-A-00-09-00051-00, for the Period October 1, 2012, Through September 30, 2013 (Closeout); Kulera Biodiversity Project, Cooperative Agreement No: 674-A-00-09-00140-00, for the Period October 1, 2012, Through December 31, 2013 (Closeout); and Sub-award agreement No. 6580130-FY-10-12-MW-004 Under Program Wellness and Agriculture for Life Advancement (WALA) for the Period October 1, 2012, Through December 31, 2013	15 9	QC UN
4-617-16-008-R	11/3/15	Closeout Audit of USAID Resources Managed by Reproductive Health Uganda Under Cooperative Agreement No. AID-617-A-09-00007 for the Period January 1, 2014, Through August 23, 2014		
4-687-16-009-R	11/3/15	Audit of USAID Resources Managed by Institut Pasteur de Madagascar Under Grant Agreement No. AID-687-G-13-00003, Surveillance and Data for Management Project, for the Year Ended December 31, 2014	325 244	QC UN
4-696-16-010-R	11/3/15	Audit of USAID Resources Managed by FXB Rwanda Under Cooperative Agreement No. AID-696-A-12-00004 for the Year Ended December 31, 2014		
4-621-16-011-R	11/3/15	Audit of USAID Resources Managed by Tanzania Horticultural Association (TAHA) Under Grant Agreement No. AID-621-G-13-0001 for the Year Ended December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-696-16-012-R	11/3/15	Audit of USAID Resources Managed by International Alert Under Cooperative Agreement No. AID-696-A-13-00003, Partnership for Peaceful Rural Transformation in Rwanda, and the Subagreement for the Tufaidike Wote Project in the Democratic Republic of Congo Under Cooperative Agreement No. AID-623-A-12-00005 (Cooperative for Assistance & Relief Everywhere (CARE) International) for the Year Ended December 31, 2014	2	QC
4-673-16-013-R	11/3/15	Audit of USAID Resources Managed by Nawalife Trust Under Cooperative Agreement No. 673-A-12-00001, Strengthening HIV Prevention for the General Population of Namibia for the Year Ended February 28, 2014	23 23	QC UN
4-696-16-014-R	11/5/15	Audit of USAID Resources Managed by Society for Family Health Rwanda Under Agreement No. 696-A-13-0000, Rwanda Social Marketing Program, for the Year Ended December 31, 2014	32	QC
4-612-16-015-R	11/9/15	Audit of USAID Resources Managed by Dignitas International Under Cooperative Agreement No. 674-A-00-10-00034-00 for the Year Ended December 31, 2014	11 10	QC UN

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-673-16-016-R	11/9/15	Audit of USAID Resources Managed by The Society for Family Health Trust Under Cooperative Agreement 674-A-00-11-00017-0, Strengthening HIV Prevention for Most at Risk Populations in Namibia, and Subagreement No. PAN-SFH003, Strengthening HIV Prevention Through Sexual Risk Reduction Community Level Activities for the General Population in Namibia, for the Year Ended December 31, 2014		
4-656-16-017-R	11/17/15	Audit of USAID Resources Managed by ANEMO–Associação Nacional Dos Enfermeiros De Moçambique Under Cooperative Agreement No. AID-656-A-14-00001 and Subagreement with Family Health International (FHI) GHH-I-05-07-00043-00 (Closeout), for the Year Ended September 30, 2014		
4-674-16-018-R	11/17/15	Audit of USAID Resources Managed by University of South Africa (UNISA) Under Agreement No. 674-G-00-11-00066-00, Management of Democratic Elections in Africa Program, for the Year Ended December 31, 2014		
4-674-16-019-R	11/17/15	Audit of USAID Resources Managed by Foundation for Professional Development (Pty) Ltd Under Cooperative Agreement Nos. AID-674-A-12-00013, AID-674-A-12-00017, AID-674-A-12-00026 (Closeout), AID-674-A-12-00037, AID-674-A-14-00006, and Subagreement AID-674-A-14-0009/ CDS for the Year Ended December 31, 2014	3	QC



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-674-16-020-R	12/1/15	Audit of USAID Resources Managed by Africa Health Placements NPC Under Cooperative Agreement No. AID-674-A-12-00035 for the Rural Staffing Program, Subaward No. WRHI-674-A-12-00021-AHP, and Subawards Under Cooperative Agreement Nos. AID-674-A-12-00017 for the Systems Strengthening for Better HIV/TB Patient Outcomes Program and AID-674-A-12-00020 for the Health Management Improvement Programme for the Year Ended December 31, 2014	1	QC
4-674-16-021-R	12/2/15	Audit of USAID Resources Managed by Mothers2mothers South Africa NPC Under Cooperative Agreements No. AID-674-A-12-00030 and No. AID-674-A-13-00015 and Subagreement No. 36521-02 under JSI Research & Training Institute, Inc. for the Year Ended December 31, 2014	2	QC
4-613-16-022-R	12/2/15	Audit of USAID Resources Managed by Zimbabwe Human Rights Association Under Cooperative Agreement No. AID-613-A-12-00006 for the Period October 1, 2013, Through December 31, 2014		
4-621-16-023-R	12/15/15	Audit of USAID Resources Managed by Deloitte Consulting Limited, Tanzania Under Cooperative Agreement No. AID-621-A-12-00004, TUNAJALI II Program, and No. 621-A-00-11-00005-00, BOCAR Program, for the Year Ended December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-674-16-024-R	1/5/16	Close Out Audit of USAID Resources Managed by African Palliative Care Association (APCA) Under Cooperative Agreement No. 674-A-00-09-00112-00 for the Year Ended March 31, 2015	2	QC
4-611-16-025-R	1/5/16	Audit of USAID Resources Managed by BioCarbon Partners Zambia Limited Under Cooperative Agreement No. AID-611-A-14-00001 for the Period February 1, 2014, Through December 31, 2014	80 25	QC UN
4-674-16-026-R	1/5/16	Audit of USAID Resources Managed by Right to Care NPC Under Cooperative Agreement No. AID-674-A-12-00020 for the Year Ended September 30, 2014	746	QC
4-611-16-027-R	1/5/16	Audit of USAID Resources Managed by Zambia Centre for Communications Programme (ZCCP) Under Cooperative Agreement No. AID-611-A-13-00003 for the Period April 11, 2013, Through December 31, 2014		
4-612-16-028-R	1/5/16	Audit of USAID Resources Managed by Farmers Union of Malawi Under Cooperative Agreement No. 612-A-13-00001, Malawi Agriculture Policy Strengthening (MAPS) and Subagreements 623-I-10-00003, Integrating Nutrition in Value Chains (INVC), and OAA-A-12-00061, Strengthening Input and Output Markets in Africa (SAIOMA), for the Period February 1, 2013, Through December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-656-16-029-R	1/25/16	Audit of USAID Resources Managed by Ajuda de Desenvolvimento de Povo Para Povo Moçambique (ADPP) Under Cooperative Agreement Nos. AID-OAA-A-10-00020 (Closeout) and AID-656-A-14-00008 for the Year Ended December 31, 2014	4 4	QC UN
4-615-16-030-R	1/25/16	Audit of USAID Resources Managed by Uraia Trust Under Cooperative Agreement No. AID-623-A-12-00020 for the Period June 12, 2012, Through December 31, 2012	39 39	QC UN
4-674-16-031-R	1/25/16	Audit of USAID Resources Managed by Wits Health Consortium (Pty) Ltd. (WHC) Under Multiple Agreements for the Year Ended December 31, 2014	112	QC
4-623-16-032-R	1/25/16	Audit of USAID Resources Managed by Lewa Wildlife Conservancy (LWC) Under the Northern Rangelands Trust (NRT) Support Programme Phase II, Under Cooperative Agreement No. 623-A-00-09-00011-00 for the Period July 1, 2013, Through December 31, 2014		
4-615-16-033-R	1/26/16	Audit of USAID Resources Managed by Uraia Trust Under Cooperative Agreement No. AID-623-A-12-00020 for the Year Ended December 31, 2014	2	QC
4-674-16-034-R	1/27/16	Closeout Audit of USAID Resources Managed by the University of the Western Cape Under Cooperative Agreement No. 674-A-00-09-00019-06 for the Year Ended December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-674-16-035-R	1/27/16	Audit of USAID Resources Managed by The Wildlife and Environment Society of South Africa (WESSA) Under Cooperative Agreement No. 674-A-00-11-00015-00 for the Year Ended March 31, 2014	10 6	QC UN
4-674-16-036-R	1/27/16	Audit of USAID Resources Managed by Association for Water and Rural Development (RF) NPC Under Cooperative Agreement No. AID-674-A-13-00008 for the Year Ended December 31, 2014		
4-611-16-037-R	2/1/16	Audit of USAID Resources Managed by Community Markets for Conservation Limited Under Cooperative Agreement No. AID-611-A-12-00001, Better Life Alliance Program for the Period April 1, 2013, Through March 31, 2015	272 236	QC UN
4-673-16-039-R	2/1/16	Audit of USAID Resources Managed by Lifeline/Childline Under Cooperative Agreement No. 673-A-11-00001 and Subagreement Nos. PAN-LL/CL002 and LLCL-SA-04064-01 for the Year Ended March 31, 2015		
4-623-16-040-R	2/22/16	Audit of USAID Resources Managed by Equity Group Foundation Under Grant Agreement No. 623-G-12-00001, Wings to Fly Programme for the Year Ended December 31, 2014	17 12	QC UN
4-654-16-041-R	2/23/16	Audit of USAID Resources Managed by Alfalit Angola, Under Cooperative Agreement No. 654-A-13-00002 for the Year Ended December 31, 2014	7 7	QC UN

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-902-16-042-R	2/23/16	Audit of USAID Resources Managed by Specialized Rescue South Africa NPC Under Grant Agreement No. AID-OFDA-G-12-00135 for the Period September 10, 2012, Through March 10, 2015	24 2	QC UN
4-654-16-043-R	2/23/16	Audit of USAID Resources Managed by Ajuda ao Desenvolvimento de Povo para Povo (ADPP Angola) Under Cooperative Agreement No. 674-A-00-10-00126-00 for the period January 1, 2012, Through December 15, 2014 (Closeout) and Cooperative Agreement No. 654-A-12-00002 for the Period October 1, 2012, Through December 31, 2014	5 5	QC UN
4-612-16-044-R	2/23/16	Audit of USAID Resources Managed by Banja La Mtsogolo (BLM) Under Cooperative Agreement No. AID-612-A-12-00001 for the Year Ended December 31, 2014	30 14	QC UN
4-623-16-045-R	2/25/16	Audit of USAID Resources Managed by Life Skills Promoters Under Cooperative Agreement No. AID-623-A-13-00004 for the Period June 26, 2013, Through March 31, 2015	2	QC
4-674-16-046-R	2/25/16	Closeout Audit of USAID Resources Managed by NEPAD Business Foundation Under Cooperative Agreement No. 674-A-00-11-00047-00, Removing the Barriers Program, for the Period April 1, 2014, Through February 28, 2015		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-621-16-047-R	2/25/16	Closeout Audit of USAID Resources Managed by Marie Stopes Tanzania Under Cooperative Agreement No. AID-621-A-13-00002 for the Period December 1, 2012, Through February 28, 2015	265 12	QC UN
4-623-16-048-R	2/25/16	Audit of USAID Resources Managed by Laikipia Wildlife Forum Under Cooperative Agreement No. AID-623-A-09-00002 for the Period July 1, 2013, Through December 31, 2014	2	QC
4-674-16-049-R	3/2/16	Audit of USAID Resources Managed by Child Welfare Bloemfontein & Child Line Free State Under Cooperative Agreement No. AID-674-A-13-00003 for the Year Ended March 31, 2015		
4-674-16-050-R	3/8/16	Audit of USAID Resources Managed by Future Families Under Cooperative Agreement No. AID-674-A-13-00012 for the Year Ended March 31, 2015		
4-674-16-051-R	3/8/16	Audit of USAID Resources Managed by BroadReach Healthcare (Pty) Ltd. Under Cooperative Agreement Nos. 674-A-12-00016 and 674-A-12-00038 for the Year Ended December 31, 2014	815	QC
4-674-16-052-R	3/9/16	Audit of USAID Resources Managed by Children in Distress Network (CINDI) Under Cooperative Agreement No. AID-674-A-13-00011 for the Year Ended March 31, 2015	4	QC
4-674-16-053-R	3/9/16	Audit of USAID Resources Managed by National Association of Child Care Workers Under Cooperative Agreement No. AID-674-A-13-00009 for the Year Ended March 31, 2015		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
4-656-16-054-R	3/16/16	Audit of USAID Resources Managed by Fundação para o Desenvolvimento da Comunidade (FDC) Under Cooperative Agreement No. AID-656-A-14-00003 and Under a Subagreement with Johns Hopkins Bloomberg School of Health/ Center of Communication Programs for the Pacto Project for the Year Ended December 31, 2014		
4-902-16-055-R	3/16/16	Closeout Audit of USAID Resources Managed by Wajir South Development Association (WASDA) Under Grant Agreement No. AID-OFDA-G-12-00146 for the Period September 26, 2012, Through September 30, 2014	252 252	QC
4-617-16-056-R	3/16/16	Audit of USAID Resources Managed by AVSI Foundation Under Cooperative Agreement No. AID-617-A-11-00001, Subagreement No. TSOI, and Subagreement No. AID-617-A-12-000005 for the Year Ended December 31, 2014		
4-611-16-057-R	3/17/16	Audit of USAID Resources Managed by Women and Law in Southern Africa Educational Trust Under Cooperative Agreement No. AID-611-A-13-00002 for the Period April 4, 2013, Through December 31, 2014	47 44	QC UN
4-674-16-058-R	3/17/16	Audit of USAID Resources Managed by Hospice Palliative Care Association of South Africa (HPCA-SA) Under Cooperative Agreement No. AID-674-A-13-00016 for the Year Ended March 31, 2015		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
5-492-16-001-N	10/30/15	Closeout Audit of the Program “Literacy for Peace and Development,” USAID/Philippines Cooperative Agreement No. AID-492-A-11-00001, Managed by the Magbassa Kita Foundation, Inc. (MKFI) for the Period From January 1, 2013, to June 30, 2014	I	QC UN
5-383-16-001-R	10/5/15	Financial Audit of the Project “Building Resilience of Returnees,” USAID/Sri Lanka’s Cooperative Agreement No. AID-383-A-13-00001, Managed by Sevalanka Foundation for the Period From April 1, 2013, to March 31, 2014	135 53	QC UN
5-472-16-002-R	10/5/15	Financial Audit of USAID/Timor-Leste’s Resources Managed by NGO Belun for the Period Ending September 30, 2014	5	QC
5-176-16-003-R	10/6/15	Closeout Audit of the Program “Western Kazakhstan Community Dialogue,” USAID/Central Asia’s Grant Agreement No. AID-176-A-12-00018, Managed by the Civic Alliance of Mangistau Oblast (CAMO) for the Period From January 1, 2014, to March 25, 2015	30	QC
5-388-16-004-R	10/9/15	Financial Audit of the Program “Marketing Innovation for Health,” USAID/Bangladesh Cooperative Agreement No. AID-388-A-12-00003, Managed by Social Marketing Company (SMC) for the Period From October 1, 2013, to September 30, 2014	11	QC
5-383-16-005-R	10/9/15	Closeout Audit of “Eastern Garment Alliance Project,” USAID/Sri Lanka Cooperative Agreement No. AID-383-A-00-10-00504-00, Managed by Daya Apparel Exports (Pvt) Ltd (DAEL) for the Period From April 1, 2010, to September 30, 2012	621 621	QC UN



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
5-116-16-006-R	10/13/15	Closeout Audit of USAID Funds Managed by the Eurasia Foundation of Central Asia-Kyrgyzstan (EFCA-Kyrgyzstan) for the Period Ending January 31, 2015		
5-367-16-007-R	10/27/15	Financial Audit of “Ghar Ghar Maa Swasthya (GGMS) Project,” USAID/ Nepal Cooperative Agreement No. AID-367-A-10-00002, Managed by Nepal CRS Company Pvt. Ltd. (CRS) for the Period From August 1, 2013, to July 31, 2014		
5-442-16-008-R	11/2/15	Financial Audit of the Project “Support to Documentation Center of Cambodia,” USAID/Cambodia Cooperative Agreement No. 486-A-00-04-00012-00, Managed by Documentation Center of Cambodia (DC-Cam) for the Period From January 1, 2013, to December 31, 2013		
5-176-16-009-R	11/6/15	Financial Audit of USAID/Central Asia’s Resources Managed by the Association for Civil Society Development in the Republic of Kazakhstan (ARGO) for Periods Ending August 6, 2014, and December 31, 2014		
5-388-16-010-R	11/10/15	Financial Audit of the Agricultural Extension Support Activity Project, USAID/Bangladesh’s Cooperative Agreement No. AID-388-A-13-00001, Managed by the Dhaka Ahsania Mission for the Period From October 1, 2013, to September 30, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
5-176-16-011-R	11/13/15	Financial Audit of the Program “HIV React Project,” USAID/Central Asia’s Grant Agreement No. AID-176-A-14-00002, Managed by the AIDS Foundation East-West in Kazakhstan (AFEW) for the Period From June 11, 2014, to December 31, 2014		
5-492-16-012-R	11/13/15	Financial Audit of USAID Funds Managed by the UPecon Foundation, Inc. (UPecon) for the Periods Ending December 31, 2014		
5-497-16-013-R	11/24/15	Closeout Audit of the Program “Akuntabilitas! Promoting Government Accountability Improving Coverage of Reports and Issues in the Press (“Akuntabilitas!”),” USAID/Indonesia’s Cooperative Agreement No. AID-497-A-12-00011, Managed by Jawa Pos Institute of Pro-Otonomi for the Period From January 1, 2014, to October 2, 2014		
5-497-16-014-R	11/25/15	Financial Audit of the “Program to Extend Scholarships and Trainings to Achieve Sustainable Impacts, Phase II (PRESTASI II),” USAID/Indonesia’s Contract No. AID 497-C-12-00004, Managed by the Indonesian International Education Foundation (IIEF) for the Period From January 1, 2013, to December 31, 2013	80 1	QC UN
5-492-16-015-R	12/4/15	Financial Audit of USAID Funds Managed by Orient Integrated Development Consultants, Inc. (OIDCI) for the Period From January 1, 2014, to January 31, 2015		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
5-440-16-016-R	12/9/15	Financial Audit of The Provincial Competitiveness Index (PCI) Program, USAID/Vietnam’s Cooperative Agreement No. AID-440-A-13-00001, Managed by the Vietnam Chamber of Commerce and Industry (VCCI) for the Period From July 15, 2013, to December 31, 2014	28	QC
5-497-16-017-R	12/21/15	Financial Audit of USAID Funds Managed by the Kemitraan Bagi Pembaruan Tata Pemerintahan (KEMITRAAN) for the Periods Ending December 31, 2014		
5-176-16-018-R	12/21/15	Financial Audit of the Program Leader for People Living With Human Immunodeficiency Virus (LPLHIV)” USAID/Central Asia Cooperative Agreement No. AID-176-A-14-00001, Managed by Central Asia Association of People Living With Human Immunodeficiency Virus (CAAPLHIV), for the Period From April 25, 2014, to December 31, 2014		
5-442-16-019-R	12/21/15	Financial Audit of USAID Resources Managed by the Khmer HIV/AIDS NGO Alliance (KHANA) for the Year Ended December 31, 2014		
5-497-16-020-R	12/22/15	Financial Audit of USAID/Indonesia’s Resources, Managed by Farmers’ Initiatives for Ecological Livelihood and Democracy (FIELD) for the Periods Ending December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
5-492-16-021-R	1/7/16	Financial Audit of the Project “Strengthening the Resiliency of Local Government Units and Local Communities to Adapt to the Impact of Climate Change,” USAID/Philippines’ Cooperative Agreement No. AID-492-G-12-0004, Managed by the Philippine Partnership for the Development of Human Resources in Rural Areas (PhilDHRRA) for the Year Ended December 31, 2014		
5-442-16-022-R	1/12/16	Financial Audit of USAID/Cambodia’s Resources, Managed by the Open Institute (OI) for Various Periods From October 1, 2013, to March 31, 2015	3 3	QC UN
5-497-16-023-R	1/15/16	Financial Audit of the “SMART Lab Program,” USAID/Indonesia’s Cooperative Agreement No. AID-497-A-13-00008, Managed by the Yayasan Putera Sampoerna (Putera Sampoerna Foundation–PSF) for the Period From March 11, 2013, to December 31, 2014	13	QC
5-497-16-024-R	3/1/16	Financial Audit of the Program “The Community Empowerment of People Against Tuberculosis (CEPAT),” USAID/Indonesia’s Cooperative Agreement No. AID-497-A-13-00007, Managed by Jaringan Kesehatan/Kesejahteraan Masyarakat (JKM) for the Period From December 20, 2012, to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
5-497-16-025-R	3/8/16	Financial Audit of the Program “Community Empowerment of People Against Tuberculosis (CEPAT),” USAID/ Indonesia’s Cooperative Agreement No. AID-497-A-13-00003, Managed by Lembaga Kesehatan Nahdlatul Ulama (LKNU) for the Period From January 1, 2014, to December 31, 2014		
5-497-16-026-R	3/9/16	Financial Audit of the Program “The Community Empowerment of People Against Tuberculosis (CEPAT),” USAID/ Indonesia’s Cooperative Agreement No. AID-497-A-13-00011, Managed by Roman Catholic Diocese Timika (RCD Timika) for the Period From June 7, 2013, to December 31, 2014		
5-492-16-027-R	3/31/16	Financial Audit of the Project “C.H.A.N.G.E.-Communication for Health Advancement Through Networking and Governance Enhancement,” USAID/Philippines’ Contract No. AID-492-C-13-00005, Managed by Campaigns & Grey Philippines for the Period From January 1, 2014, to December 31, 2014	175	QC
7-624-16-001-R	11/13/15	Audit of Donor Resources, Internally Generated Resources and Members States Resources Granted to The Permanent Interstate Committee For Drought Control in the Sahel (CILSS) for the Period From January 1, 2013, to December 31, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
7-620-16-002-R	11/19/15	Recipient Contracted Audit of USAID Resources Managed by Save the Children International (SCI), Under the Link for Children Project, Cooperative Agreement No. 620-A-00-09-00008-00 for the Period January 1, 2012, to December 31, 2012		
7-624-16-003-R	11/30/15	Recipient Contracted Audit of USAID Resources Managed by the West and Central African Council for Agricultural Research and Development (CORAF/WECARD) Under Grant Agreements No. 624-A-00-09-00037 and AID-624-A-12-00007 for the Period January 1, 2013, to December 31, 2013	36 36	QC UN
7-620-16-004-R	12/18/15	Audit of USAID Resources Managed by Marie Stopes International Organisation Nigeria (MSION), Under the Family Health Plus Project, Award No. AID-620-A-14-00001 for the Period From March 4, 2014, to December 31, 2014		
7-685-16-005-R	12/29/15	Audit of USAID Resources Managed by the Agency for Social Marketing (ADEMAS) Under Cooperative Agreement No AID-685-A-12-00002 for the Period From January 1, 2014, to December 31, 2014		
7-685-16-006-R	12/30/15	Recipient Contracted Audit of USAID Resources Managed by the Non Governmental Organization for Decentralisation-Droits Humains-Developpement Local (ONG 3D), Under Cooperative Agreement No. AID-685-A-13-00004 for the Period October 1, 2013, to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
7-620-16-007-R	1/27/16	Audit of USAID Resources Managed by Health Initiatives for Safety and Stability in Africa (HIFASS) Under Local Partners for Orphans and Vulnerable Children (LOPIN 3) Project, Cooperative Agreement No. AID-620-A-14-00007 for the Period July 31, 2014, to December 31, 2014		
7-620-16-008-R	1/28/16	Recipient Contracted Audit of USAID Resources Managed by Save the Children International (SCI), Under the Link for Children Program, Cooperative Agreement No. 620-A-00-09-00008-00 for the Period From January 1, 2013, to December 31, 2013		
7-620-16-009-R	2/4/16	Recipient Contracted Audit of USAID Resources Managed by the Interfaith Mediation Centre (IMC) Under the Training of Leaders for Religious and National Co-Existence Project (Agreement No.620-A-12-00003) for the Period May 1, 2014, to April 30, 2015		
7-620-16-010-R	2/4/16	Recipient Contracted Audit of USAID Resources Managed by Society for Family Health Under the Expanded Social Marketing Project in Nigeria (ESMPIN) No. AID-620-A-11-0001 for the Period January 1, 2014, to December 31, 2014, and Strengthening HIV Prevention Services for Most-at-Risk Populations (SHIPS for MARPS) No. AID-620-A-12-00002 for the Period From January 1, 2014, to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
7-620-16-011-R	2/25/16	Audit of USAID Resources Managed by the International Centre for Energy, Environment and Development (ICEED), Under Cooperative Agreement No. AID-620-A-12-00001 for the Period From January 1, 2014, to December 31, 2014		
8-278-16-001-N	10/1/15	Audit of the Fund Accountability Statement of USAID Resources Managed by INJAZ, Cooperative Agreement No. 278-A-00-09-00309-00, Youth Education Program for Jordan-INJAZ III, for the Period From July 1, 2011, to June 30, 2013	30 22	QC UN
8-294-16-001-O	11/29/15	Examination of Al-Abbasi General Contracting Co. Ltd.'s Compliance With the Terms and Conditions of Subcontract Number 2013-0008 Under Prime, International Relief and Development, Inc., Task Order Number AID-294-TO-13-00018, Arraba, Sanour and Saadeh Wells Rehabilitation Projects, for the Period From November 12, 2013, to May 22, 2015		
8-294-16-001-R	10/8/15	Audit of the Fund Accountability Statement of USAID Resources Managed by the Citizens' Accord Forum Under Cooperative Agreement Number AID-294-A-11-00007, The Youth Parliament of Mixed Towns of Israel Program, for the Period From October 1, 2012, to September 30, 2013		



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-002-N	10/7/15	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed by Economic Cooperation Foundation Under Grant Number 294-G-00-09-00206-00, Improving Conditions for Trade and Economic Development in the West Bank, for the Period From June 22, 2009, to December 31, 2010		
8-294-16-002-O	11/29/15	Closeout Examination of Palestinian Trade Center's Compliance With the Terms and Conditions of Subcontracts Number COMPETE-OPS-1008 and COMPETE-OPS-1027 Under Prime, Development Alternatives, Inc., Contract Number AID-294-C-12-00001, The Competitiveness Project, for the Period From August 11, 2013, to April 30, 2014		
8-294-16-003-O	11/29/15	Closeout Examination of Tarifi Contracting and Reconstruction Company's Compliance with the Terms and Conditions of Subcontracts Project Numbers 1 and 7 Under Prime, APCO/ArCon Construction and Services, L.L.C, Task Order Number 294-TO-13-00004, Seven Roads in the South, Under Indefinite Quantity Contract Number AID-294-I-00-12-00005, Infrastructure Needs Program II, for the Period From May 5, 2013, to February 16, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-004-O	12/8/15	Closeout Examination of Al Saleh for Building and Construction Company Ltd's Compliance With the Terms and Conditions of Subcontract Number EGP-Subk-OPS-14-003 Under Prime, Development Alternatives, Inc.'s Contract Number AID-294-C-13-00003, Effective Governance Program, for the Period From February 5, 2014, to September 4, 2014		
8-168-16-004-R	10/26/15	Closeout Audit of Centers for Civic Initiatives Tuzla, Cooperative Agreement Numbers 168-A-00-08-00104-00 and AID-168-A-13-00006, Civic Advocacy Partnership Program II (CAPP II) and Civil Society Sustainability Project (CSSP) in Bosnia and Herzegovina, for the Period From January 1, 2013, to December 31, 2013		
8-294-16-005-O	12/16/15	Closeout Examination of Shaltaf Company for General Contracting's Compliance With Terms and Conditions of Subcontracts Project Number 3 Under Task Order Number 294-TO-13-00011, Singil-Wadi Al Balat and Kharbatha Roads, and Project Number 2 Under Task Order Number 294-TO-13-00014, Nablus Western Entrance Road and Deir Sharaf-Innab Roads, Under Prime, APCO/ArCon Construction and Services, L.L.C, Indefinite Quantity Contract Number AID-294-I-00-12-00005, Infrastructure Needs Program II, for the Period From November 11, 2013, to August 20, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-005-R	10/26/15	Audit of the Fund Accountability Statement of USAID Resources Managed by the Citizens' Accord Forum Under Cooperative Agreement Number AID-294-A-11-00007, The Youth Parliament of Mixed Towns of Israel Program, for the Period From September 15, 2011, to September 30, 2012		
8-294-16-006-O	12/16/15	Closeout Examination of Al Sadek Construction and Contracting Company's Compliance with the Terms and Conditions of Subcontracts Number APCO-00013 Under Task Order Number AID-294-TO-13-00011, Singil-Wadi Al Balat and Kharbatha Roads, and APCO-00014 Under Task Order Number AID-294-TO-13-00014, Nablus Western Entrance Road and Deir Sharaf-Innab Roads, Under Prime, APCO/ArCon Construction and Services, L.L.C., Indefinite Quantity Contract Number AID-294-I-00-12-00005, Infrastructure Needs Program II, for the Period From January 13, 2014, to August 26, 2015		
8-268-16-006-R	10/28/15	Audit of Hariri Foundation for Sustainable Human Development, USAID Cooperative Agreement Number AID-268-A-12-00006, Building Alliance for Local Advancement, Development, and Investment (BALADI), for the Period From January 1, 2013, to December 31, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-278-16-007-N	3/14/16	Closeout Audit of the Cost Representation Statements of USAID Resources Managed by Al Nasher Technical Services Company, Contract Number 278-C-00-11-00403-00, for the Period From November 30, 2013, to May 31, 2014, and Contract Number AID-278-C-14-00003, for the Period From June 1, 2014, to August 31, 2014, Communication and Outreach Program		
8-294-16-007-R	10/28/15	Audit of the Fund Accountability Statement of USAID Resources Managed by Israel/Palestine Center for Research and Information (IPCRI), Award Number AID-294-A-12-000001, Jewish and Palestinian-Israeli Youth Defining Shared Citizenship, Partners for Change Program, for the Period From February 1, 2012, to September 30, 2012		
8-294-16-008-R	11/12/15	Audit of the Fund Accountability Statement of USAID Resources Managed by St. John Eye Hospital Under Cooperative Agreement Number AID-294-A-13-00002, Improving Eye Care Services For Palestinians Project, for the Period From March 4, 2013, to March 31, 2014		
8-294-16-010-O	2/28/16	Closeout Examination of Abu Fulan Company for Contracting's Compliance With the Terms and Conditions of Subcontract Number 24043-14-SW-SA005 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From February 6, 2014, to August 27, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-010-R	11/12/15	Closeout Audit of the Fund Accountability Statement of Locally Incurred Costs by Givat Haviva Under Cooperative Agreement Number AID-294-A-11-00005, Communicating Peace Project, for the Period From October 1, 2012, to September 15, 2013	3	QC
8-294-16-011-O	2/28/16	Closeout Examination of Abu Thaher Company for General Contracting's Compliance With the Terms and Conditions of Subcontract Number 24043-14-CW-SA001 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From December 8, 2013, to June 24, 2014		
8-294-16-012-O	2/28/16	Closeout Examination of Al Alam Company for General Contracting's Compliance With the Terms and Conditions of Subcontract Number 24043-14-SW-SA016 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From February 6, 2014, to September 23, 2014		
8-294-16-012-R	11/22/15	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed by Peace Players International Under Cooperative Agreement Number 294-A-00-10-00113-00, Twinned Basketball Clubs Program, for the Period From October 1, 2012, to June 30, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-013-O	2/28/16	Closeout Examination of Al Amarah Company for Contracting's Compliance With the Terms and Conditions of Subcontract Number 24043-13-NW-SA014 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From October 2, 2013, to April 17, 2014		
8-165-16-013-R	11/22/15	Audit of the Fund Accountability Statement of Foundation Open Society Macedonia, Cooperative Agreement Number AID-165-A-12-00004, Civil Society Project, for the Period From January 1, 2014, to December 31, 2014		
8-294-16-014-O	2/28/16	Closeout Examination of Al Anan Company for General Contracting's Compliance With the Terms and Conditions of Subcontracts Number 24043-13-CW-SA061 and 24043-14-CW-SA006 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From May 13, 2013, to November 20, 2014		
8-294-16-014-R	12/6/15	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed by Ta'awon for Conflict Resolution, Subaward Numbers TCR-CP-041 and TCR-CP-042 Under Prime, Catholic Relief Services, Cooperative Agreement Number 294-A-00-10-00208-00, Civic Participation Program, for the Period From August 14, 2012, to August 31, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-015-O	2/28/16	Closeout Examination of Al Asmar Company for Construction's Compliance With the Terms and Conditions of Subcontracts Number 24043-13-NW-SA015 and 24043-14-NW-SA001 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From June 13, 2013, to September 24, 2014		
8-294-16-016-O	2/28/16	Closeout Examination of Al Awael for General Contracting's Compliance With the Terms and Conditions of Subcontracts Number 24043-14-NWSA002 and 24043-14-NW-SA009 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From April 2, 2014, to May 7, 2015		
8-114-16-016-R	1/3/16	Closeout Audit of Coalition for Independent Living, Supporting Equal Opportunities for Persons with Disabilities Project, Subagreement Number PWD 001 Under Save the Children, Cooperative Agreement Number 114-A-00-06-00104-00, for the Period From November 1, 2006, to February 29, 2012		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-017-O	2/28/16	Closeout Examination of Al Azzam General Contracting Company's Compliance With the Terms and Conditions of Subcontracts Number 24043-14-NW-SA021 and 24043-14-NW-SA026 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From April 15, 2014, to November 15, 2014		
8-112-16-017-R	1/18/16	Audit of the Fund Accountability Statement of Transparency Azerbaijan Public Anticorruption Association, Azerbaijan Partnership for Transparency Project, Cooperative Agreement No. AID-112-A-12-00003, Support to Development of Small Entrepreneurship Project, Subgrant Number MESP-K-06 Under Entrepreneurships Development Foundation (EDF), and Increase Organization Capacity Project, Fixed Obligation Subgrant Number BLCD-OCD-08 Under Chemonics International Inc., for the Period From January 1, 2014, Through December 31, 2014		



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-018-O	2/28/16	Closeout Examination of Al Bayan Modern Company for Construction's Compliance With the Terms and Conditions of Subcontracts Number 24043-14-SW-SA007 and 24043-14-SW-SA008 Under Prime, Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From December 29, 2013, to September 15, 2014		
8-165-16-018-R	1/18/16	Audit of the Fund Accountability Statement of Foundation Center for Entrepreneurship and Executive Development-CEED Macedonia, Micro and Small Enterprises Project, Cooperative Agreement Number AID-165-A-11-00002, for the Period From January 1, 2013, to December 31, 2013	115	QC
8-294-16-019-O	3/3/16	Closeout Examination of Al Hizam Al Thahabi Company for Contracting's Compliance With the Terms and Conditions of Subcontracts Number 24043-14-SW-SA013 and 24043-14-SW-SA023 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From November 28, 2013, to August 27, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-165-16-019-R	1/18/16	Audit of the Fund Accountability Statement of Foundation Open Society Macedonia, Roma Education Program, Cooperative Agreement Number 165-A-00-04-00101-00, and Civil Society Project, Cooperative Agreement Number AID-165-A-12-00004, for the Year Ended December 31, 2013		
8-294-16-020-O	3/6/16	Closeout Examination of Al Johar Company for General Contracting's Compliance With the Terms and Conditions of Subcontracts Number 24043-13-CW-SA014, 24043-14-CW-SA014, and 24043-14-CW-SA021 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From June 1, 2013, to November 13, 2014		
8-263-16-020-R	1/19/16	Audit of the Fund Accountability Statement of USAID Resources Managed and Expenditures Incurred by Blue Moon, Cooperative Agreement Number AID-263-A-11-00008, Premium Project for Egyptian Small Growers, for the Period From January 1, 2013, to July 31, 2014	36 33	QC UN
8-294-16-021-O	3/6/16	Closeout Examination of Al Moheet (Ocean Infrastructure and Investment Company's Compliance With the Terms and Conditions of Subcontract Number 24043-14-SW-SA003 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program for the Period From December 12, 2013, to July 23, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-021-R	2/28/16	Audit of the Fund Accountability Statement of USAID Resources Managed by Engineers Association Jerusalem Center, Subgrant Number 24043-11-WB-SG001, Under Prime, Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From October 1, 2013, to September 30, 2014		
8-294-16-022-O	3/6/16	Closeout Examination of Alam Al Jawaher Company for Contractings Compliance With the Terms and Conditions of Subcontracts Number 24043-14-SW-SA017 and 24043-14-SW-SA021 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From January 22, 2014, to April 20, 2015		
8-263-16-022-R	3/14/16	Closeout Audit of the Fund Accountability Statement of USAID Resources Managed and Expenditures Incurred by Unified Group, Cooperative Agreement Number AID-263-A-11-00019, Integrated Community Development Initiative Project in Al Darb Al Ahmar Area, for the Period From September 29, 2011, to June 28, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-023-O	3/6/16	Closeout Examination of Al Azd Company for Investment and General Contracting's Compliance With the Terms and Conditions of Subcontracts Number 24043-14-SW-SA002 and 24043-14-CW-SA002 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From November 27, 2013, to July 6, 2014		
8-294-16-023-R	3/22/16	Closeout Audit of USAID Resources Managed by Windows–Channels for Communication, Cooperative Agreement Number 294-A-00-10-00108-00, Youth Media Program, for the Period From October 1, 2011, to May 6, 2013	162 155	QC UN
8-294-16-024-O	3/6/16	Closeout Examination of Good Shepherd Engineering and Computing Company's Compliance With the Terms and Conditions of Subcontract Number 24043-13-WB-SA052 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From July 16, 2013, to August 19, 2013		
8-294-16-025-O	3/6/16	Closeout Examination of Homeco Company for Contracting's Compliance With the Terms and Conditions of Subcontract Number 24043-14-SW-SA032 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From May 29, 2014, to December 29, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-026-O	3/6/16	Closeout Examination of Iwan for General Contracting Company's Compliance With the Terms and Conditions of Subcontracts Number 24043-14-NW-SA010 and 24043-14-NW-SA018 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From March 4, 2014, to March 18, 2015		
8-294-16-027-O	3/6/16	Closeout Examination of Khaled Al Tayeb Office for General Contracting's Compliance With the Terms and Conditions of Subcontracts Number 24043-14-NW-SA011 and 24043-14-NW-SA024 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From November 28, 2013, to November 15, 2014		
8-294-16-028-O	3/7/16	Closeout Examination of Khalil Contracting Establishment's Compliance With the Terms and Conditions of Subcontract Number 24043-14-CW-SA003 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From December 11, 2013, to November 17, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-029-O	3/7/16	Closeout Examination of Maher Naafash and Partners for General Contracting Company's Compliance With the Terms and Conditions of Subcontract Number 24043-14-CW-SA012 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From January 20, 2014, to July 12, 2014		
8-294-16-030-O	3/7/16	Closeout Examination of N.A. Contracting Company's Compliance With the Terms and Conditions of Subcontract Number 24043-13-SW-SA028 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From July 14, 2013, to October 2, 2014		
8-294-16-031-O	3/7/16	Closeout Examination of Nijad Contracting Company's Compliance With the Terms and Conditions of Subcontracts Number 24043-13-CW-SA017 and 24043-13-NW-SA011 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From July 2, 2013, to November 21, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-032-O	3/7/16	Closeout Examination of Riyadh Abu Sa'das Office for General Contracting's Compliance With the Terms and Conditions of Subcontract Number 24043-14-SW-SA015 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From January 21, 2014, to September 11, 2014		
8-294-16-033-O	3/7/16	Closeout Examination of Al Helo for General Contracting's Compliance With the Terms and Conditions of Subcontracts Number 24043-13-SW-SA029 and 24043-13-SW-SA030 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From August 29, 2013, to September 30, 2014		
8-294-16-034-O	3/7/16	Closeout Examination of Al Barah Contracting Company's Compliance With the Terms and Conditions of Subcontract Number 24043-14-NW-SA008 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From December 12, 2013, to May 22, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-036-O	3/13/16	Closeout Examination of Al-Abbasi General Contracting Co. Ltd's Compliance With Terms and Conditions of Subcontract Number 2012-0001 Under Prime International Relief & Development, Indefinite Quantity Contract Number AID-294-I-00-12-00003, Task Order Number AID-294-TO-12-00002, Infrastructure Needs Program II, for the Period From October 6, 2012, to January 9, 2013		
8-294-16-037-O	3/13/16	Closeout Examination of Brothers Company for Contracting's Compliance With Terms and Conditions of Subcontract Numbers 2012-0002, and 2013-0006 Under Prime International Relief & Development, Indefinite Quantity Contract Number AID-294-I-00-12-00003, Task Order Number AID-294-TO-13-00002, Infrastructure Needs Program II, for the Period From October 6, 2012, to February 9, 2014		
8-294-16-038-O	3/14/16	Closeout Examination of Technical Group Company for General Contracting's Compliance With Terms and Conditions of Subcontract Number 2013-0005 Under Prime International Relief & Development, Indefinite Quantity Contract Number AID-294-I-00-12-00003, Task Order Number AID-294-TO-13-00002, Infrastructure Needs Program II, for the Period From May 2, 2013, to February 5, 2014		



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-039-O	3/14/16	Closeout Examination of Al-Zayed Company for Contracting & General Contracting's Compliance With Terms and Conditions of Subcontract Number 2013-0002 Under Prime International Relief & Development, Indefinite Quantity Contract Number AID-294-I-00-12-00003, Task Order Number AID-294-TO-13-00002, Infrastructure Needs Program II, for the Period From May 2, 2013, to February 5, 2014		
8-294-16-040-O	3/14/16	Closeout Examination of Al Amjad Arabian Co. Ltd for General Contracting and Construction's Compliance With Terms and Conditions of Subcontract Number 2013-0004 Under Prime International Relief & Development, Indefinite Quantity Contract Number AID-294-I-00-12-00003, Task Order Number AID-294-TO-13-00002, Infrastructure Needs Program II, for the Period From May 2, 2013, to November 2, 2013		
8-294-16-041-O	3/14/16	Closeout Examination of Rabaiyah for Contracting's Compliance With the Terms and Conditions of Subcontract Number 24043-14-NW-SA019 Under Prime Global Communities, Cooperative Agreement Number 294-A-00-10-00211-00, Local Government and Infrastructure Program, for the Period From May 18, 2014, to March 20, 2015		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-042-O	3/14/16	Closeout Examination of Al Azzam General Contracting Co.'s Compliance With Terms and Conditions of Subcontract Number 2013-0003 Under Prime International Relief & Development, Indefinite Quantity Contract Number AID-294-I-00-12-00003, Task Order Number AID-294-TO-13-00002, Infrastructure Needs Program II, for the Period From May 2, 2013, to January 29, 2014		
F-306-16-002-N	12/2/15	Audit of Costs Incurred in Afghanistan by the International Organization for Migration (IOM) Under Cooperative Agreement Number 306-A-00-08-00512-00, Construction of Health and Education Facilities (CHEF) Program, for the Period From July 1, 2013, to December 31, 2014		
G-391-16-001-R	11/17/15	Audit of the Consolidated Cost Representation Statement of Expenses Billed to USAID by Halcrow Pakistan (Private) Limited for the Year Ended December 31, 2014	4	QC
G-391-16-002-R	11/24/15	Financial Audit of USAID/Pakistan's Satpara Development Project, Cooperative Agreement No. 391-A-12-00002, Managed by the Aga Khan Foundation (AKF), for the Year Ended December 31, 2014		
G-391-16-003-R	12/7/15	Financial Audit of USAID Resources Under Cooperative Agreement No. 391-A-00-10-01162-00, Managed by Aurat Publication and Information Service Foundation (APISF), Project Titled "Gender Equity Program (GEP)," for the Year Ended June 30, 2014	52	QC

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
G-391-16-005-R	1/13/16	Financial Audit of USAID Resources Managed by Marie Stopes Society (MSS), Under Cooperative Agreement No. AID-391-A-13-00007, Program Titled: “Family Planning and Reproductive Health Services,” and Subrecipient Agreement No. AID-OAA-A-10-00059, Program Titled: “Strengthening Delivery of Integrity Family Planning and Safe Motherhood Services,” for the Period From January 1, 2014, to December 31, 2014	234	QC
G-391-16-010-R	2/3/16	Desk Review of the Closeout Audit of National Development Consultants (NOC) For (A) Master Plan for Peshawar Khyber Pakhtunkhwa Project for the Period From November 16, 2012, to May 31, 2014 (Contract# AID-391-I-11-00001, Task Order# AID-391-TO-13-00002) and (B) Assessment for Schools Rehabilitation in Sindh and Balochistan Project for the Period From May 25, 2012, to August 30, 2012. (Contract #AID-391-I-11-00001, Task Order# AID-391-TO-12-00008)		
G-391-16-015-R	3/15/16	Financial Audit of Agreement No. 391-A-00-10-01194-00, USAID Funds for the “Anti-Fraud Hotline,” Managed by Transparency International Pakistan (TIP) for the Period Ended June 30, 2015		
<b>Local Currency Trust Fund</b>				
5-492-16-003-N	2/26/16	Financial Audit of USAID/Philippines’ Peso Trust Fund for Operating Expenses, for the Period From January 1, 2014, to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
U.S.-Based Contractors				
3-000-16-001-D	10/13/15	John Snow, Inc. Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FY) Ended December 31, 2009 and 2010		
3-000-16-001-I	10/5/15	Initiatives, Inc. Report on Audit of Incurred Costs for the Fiscal Year (FY) Ended December 31, 2012		
3-000-16-001-N	10/8/15	Financial Audit Report on the Schedule of Costs Incurred by Creative Associates International, Inc. (CAII) in Afghanistan for the Afghanistan Workforce Development Program (AWDP) Under Contract No. AID-306-12-C-00007 for the Period April 5, 2012, Through September 30, 2014		
3-000-16-002-D	10/30/15	Development Alternatives, Inc. Report on Labor Floor Check for Fiscal Year 2015		
3-000-16-002-I	10/21/15	Bankworld, Inc. Report on Audit of Incurred Costs for Fiscal Years (FY) Ended December 31, 2008 and 2009	10 7	QC UN
3-000-16-002-N	10/8/15	Financial and Closeout Audit Report on Costs Incurred by Management Systems International (MSI) in the Performance of Measuring Impact of Stabilization Initiatives (MISTI) and Assistance to Afghanistan Anti-Corruption Authority (4As) Projects for the Period September 14, 2013, to June 30, 2014, and July 1, 2012, to November 15, 2013	1	QC
3-000-16-003-D	11/12/15	Macfadden & Associates, Inc. Report on Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FY) Ended December 31, 2008, 2009 and 2010	142 37	QC UN

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-003-I	10/22/15	Financial Markets International, Inc. (FMI) Report on Audit of Incurred Costs for Fiscal Years (FY) Ended December 31, 2011, and 2012		
3-000-16-003-N	10/8/15	Financial Audit Report on Costs Incurred by Checchi & Company in the Performance of Services Under Program Project Offices For Results Tracking (SUPPORT II) and Rule of Law Stabilization–Informal Component for the Periods July 5, 2012, to June 30, 2014, and July 16, 2012, to March 13, 2014	I I	QC UN
3-000-16-004-D	11/24/15	Associates in Rural Development, Inc. (ARD) Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FY) 2008 and 2009	1,935 274	QC UN
3-000-16-004-I	10/26/15	Social Impact, Inc. (SII) Report on Audit of Incurred Costs for Fiscal Year (FY) Ended December 31, 2012	2	QC

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-004-N	10/8/15	Financial Audit Report on Costs Incurred by Development Alternatives, Inc. (DAI) in the Performance of Incentive Driving Economic Alter for the North, East, and West (IDEA NEW) for the Period January 1, 2014, to November 30, 2014; Regional Agriculture Development Program (RADP)–North for the Period May 21, 2014, to November 30, 2014; Agriculture Credit Enhancement (ACE) Program in Afghanistan for the Period January 1, 2014, to February 25, 2015; Stabilization in Key Areas (SIKA) North for the Period January 1, 2014, to November 30, 2014; Assistance to Legislative Bodies of Afghanistan (ALBA) for the Period January 1, 2014, to November 30, 2014	63 63	QC UN
3-000-16-005-D	12/2/15	Mendez England & Associates Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FY) Ended December 31, 2011 and 2012	3 3	QC UN
3-000-16-005-I	12/2/15	The Mitchell Group, Inc. Report on Audit of Incurred Costs for the Fiscal Year (FY) Ended December 31, 2012		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-005-N	11/13/15	Financial Audit of Costs Incurred by Chemonics International, Inc. in the Performance of Famine Early Warning System Network (FEWSNET)–Phase III for the Period December 29, 2011, Through December 31, 2014; Regional Agriculture Development Program (RADP)–South for the Period October 07, 2013, Through December 31, 2014; Regional Afghan Municipalities Program for Urban Population (RAMP UP)–RC South for the Period October 1, 2013, Through March 31, 2014, (Closeout Audit); Financial Access for Investing in the Development of Afghanistan (FAIDA) for the Period April 1, 2014, Through December 31, 2014; Afghanistan Trade and Revenue Project (ATAR) for the Period November 7, 2013, Through December 31, 2014; and Technical Assistance Project JW (TAP/W) Contract for the Period July 25, 2008, Through July 26, 2012 (Closeout Audit)		
3-000-16-006-D	12/9/15	Tetra Tech Engineering & Architecture Services (TTEAS) Adequacy of Fiscal Year (FY) 2010 Incurred Cost Proposal		
3-000-16-006-I	1/21/16	Arcadia Biosciences, Inc. (ABI) Report on Audit of Incurred Costs for Fiscal Years (FY) Ended December 31, 2010 Through 2012	76	QC
3-000-16-006-N	3/11/16	Report on Audit of Cost Incurred by DPW Training & Associates, LLC. Under Contract Numbers RLA-C-00-10-00007-00 and AID-OAA-C-10-00125 for the Period January 1, 2011, Through September 30, 2014	2,809 2,658	QC UN

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-007-D	12/9/15	Tetra Tech Engineering & Architecture Services (TTEAS) Adequacy of Fiscal Year (FY) 2011 Incurred Cost Proposal		
3-000-16-007-I	2/9/16	Medical Service Corporation International (MSCI) Report on Audit of Incurred Costs for Fiscal Years (FY) Ended December 31, 2006 Through 2008	263 106	QC UN
3-000-16-008-D	2/11/16	COM Constructors, Inc. (CCI) Evaluation of Incurred Cost Proposal for Fiscal Year (FY) 2014		
3-000-16-008-I	2/10/16	Medical Service Corporation International (MSCI) Report on Audit of Incurred Costs for Fiscal Years (FY) Ended December 31, 2009, through 2011		
3-000-16-009-D	3/8/16	CH2M Hill, Inc. Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FY) 2009 and 2010		
3-000-16-010-D	3/10/16	Black & Veatch Corporation Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year (FY) Ended December 31, 2010		
3-000-16-011-D	3/11/16	Independent Audit Report on CH2M Hill Constructors, Inc.'s Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FY) 2009 and 2010		
5-176-16-002-N	12/14/15	Financial Audit of the Quality Health Care Project, USAID/Central Asia Contract No. AID-176-C-10-00001-00, Managed by Abt Associates Inc., for the Period From September 7, 2010, to February 28, 2014	2,821 2,799	QC UN



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-267-16-003-D	11/12/15	Independent Audit Report of AECOM International Development, Inc.'s Incurred and Billed Costs Under Contract Number 267-C-00-10-00005-00 for the Period From October 1, 2012, Through May 31, 2014		
8-267-16-005-D	12/16/15	Independent Audit Report on the Louis Berger Group, Inc.'s Billings to AECOM International Development, Inc. on Subcontract No. 851-S10-003 Under Prime Contract No. 267-C-00-10-00005-00 for the Time Periods February 18, 2011, to September 10, 2012, and October 12, 2012, to July 16, 2014		
8-294-16-007-O	1/3/16	Examination of American Intercontinental Constructors' Compliance With Terms and Conditions of Task Order Numbers 27 and 28, Indefinite Quantity Contract Number 294-I-00-08-00215-00, Infrastructure Needs Program, for the Period From September 25, 2009, to November 4, 2010		
8-294-16-008-O	2/8/16	Examination of The Morganti Group, Inc.'s Compliance With Terms and Conditions of Indefinite Quantity Contract Number AID-294-I-00-12-00002, Infrastructure Needs Program II, Task Order Number AID-294-TO-14-00004, Jericho Collection System Expansion–Phase IA Branch Sewers, for the Period From November 7, 2014, to October 2, 2015		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-009-O	2/21/16	Closeout Examination of International Relief and Development, Inc.'s Compliance With Terms and Conditions of Indefinite Quantity Contract Number AID-294-I-00-12-00003, Infrastructure Needs Program II, Task Order Number AID-294-TO-13-00002, Multiple Roads Project, and Indefinite Quantity Contract Number AID-294-I-00-08-00217, Infrastructure Needs Program I, Task Order Number AID-294-TO-13-00005, Southwest Nablus Project, for the Period From April 9, 2013, to September 25, 2014		
8-294-16-035-O	3/13/16	Closeout Examination of International Relief & Development Compliance With Terms and Conditions of Indefinite Quantity Contract Number AID-294-I-00-12-00003, Infrastructure Needs Program II, Task Order Number AID-294-TO-12-00002, for the Period From September 27, 2012, to February 7, 2013		
F-306-16-001-D	11/25/15	Audit of Direct Costs Incurred by Louis Berger Group, Inc. (LBGI) Under Contract No.306-I-00-06-00517-00 for the Period August 25, 2006, Through September 30, 2008	79,825 79,233	QC UN
F-306-16-007-N	2/15/16	Financial Audit of Costs Incurred by Perini Management Services, Inc. (PMSI) Under the Irrigation and Watershed Management Program (IWMP), Task Order 306-AID-306-TO-13-00002, for the Period December 21, 2012, to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
U.S.-Based Grantees				
1-521-16-001-N	1/5/16	Closeout Audit of the Fund Accountability Statement of USAID Resources, Under Cooperative Agreement No. AID-521-A-12-00006 “Aksyon Kolektif Pou Sekirite Kont Ekspwatasyon (AKSE) Project,” Managed by the Cooperative for American Relief Everywhere (CARE), for the Period From October 1, 2012, to May 15, 2014	2,688	QC
3-000-16-001-E	1/21/16	Romanian-American Investment Foundation Audit Report for Fiscal Year (FY) Ended September 30, 2015		
3-000-16-001-T	11/4/15	Desk Review of OMB Circular A-133 Audit Report for Consortium For Elections and Political Process Strengthening for Fiscal Year Ended September 30, 2014		
3-000-16-002-E	3/21/16	Bulgarian-American Enterprise Fund Independent Audit Report for the Year Ended September 30, 2015		
3-000-16-002-T	12/23/15	Winrock International Institute for Agricultural Development OMB Circular A-133 Audit Report for Fiscal Year (FY) Ending December 31, 2014		
3-000-16-003-T	1/4/16	Public Health Institute Desk Review of OMB Circular A-133 Audit Report for Fiscal Year Ended December 31, 2014		
3-000-16-004-T	1/4/16	Audit (Review) of Mercy-USA for Aid & Development, Inc. for Fiscal Year (FY) Ended December 31, 2014		
3-000-16-005-T	1/5/16	Internews Network OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-006-T	1/6/16	Aga Khan Foundation U.S.A. OMB Circular A-133 Audit Report for Fiscal Year (FY) Ending December 31, 2014		
3-000-16-007-T	1/7/16	Mercy USA for Aid and Development, Inc. OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2012		
3-000-16-008-T	1/15/16	The German Marshall Fund of the United States—A Memorial to the Marshall Plan and Subsidiaries (GMF) OMB Circular A-133 Audit Report for the Fiscal Year (FY) Ended May 31, 2015		
3-000-16-009-T	1/21/16	East-West Management Institute, Inc. OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2014		
3-000-16-010-T	2/8/16	Plan International, Inc. (PI) OMB Circular A-133 Audit Report for the Fiscal Year (FY) Ended June 30, 2011		
3-000-16-011-T	2/10/16	Partnership for Supply Chain Management OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended September 30, 2014		
3-000-16-012-T	2/17/16	Save the Children Federation, Inc., OMB Circular A-133 Audit Report for the Fiscal Year (FY) Ended December 31, 2013		
3-000-16-013-T	2/17/16	The Population Council, Inc. OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended December 31, 2013		
3-000-16-014-T	2/22/16	Management Sciences for Health, Inc. OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended June 30, 2014		
3-000-16-015-T	2/23/16	World Learning, Inc. (WU) OMB Circular A-133 Audit Report for the Fiscal Year (FY) Ended June 30, 2013		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
3-000-16-016-T	3/2/16	The Asia Foundation, OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended September 30, 2015		
3-000-16-017-T	3/2/16	Save the Children Federation, Inc. and Related Entities, OMB Circular A-133 Audit Report for the Fiscal Year (FY) Ended December 31, 2014		
3-000-16-020-T	3/21/16	Education Development Center, Inc. (EDC) OMB Circular A-133 Audit Report for Fiscal Year (FY) Ended September 30, 2015		
3-000-16-021-T	3/21/16	OMB Circular A-133 Audit Report of Pathfinder International for the Fiscal Year Ended June 30, 2015		
4-621-16-001-N	12/1/15	Agency Contracted Closeout Audit of Locally Incurred Costs, USAID Resources Managed by Mennonite Economic Development Association (MEDA) Under Cooperative Agreement No. 621-A-00-06-00008-00 (Tanzania National Voucher Scheme) and Cooperative Agreement No. 621-A-00-10-00005-00 (Achievement and Maintenance of Comprehensive Coverage with Long Lasting Insecticide-treated Nets in Tanzania) for the Period June 12, 2006, Through October 26, 2013	19	QC
4-962-16-007-N	3/18/16	Agency Contracted Audit of Locally Incurred USAID Resources Managed by Catholic Relief Services (CRS), Wellness and Agriculture for Life Advancement (WALA) Program, Under Cooperative Agreement No. AID.FFPA-09-0001 for the Period May 8, 2009, Through December 31, 2013	36 7	QC UN

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
5-492-16-001-O	1/4/16	Report on Agreed-Upon Procedures Performed on the Cost Components of the Community Health Action Team (CHAT) Kits Procured by Helen Keller International, Inc., to Implement the Sustainable Health Improvements Through Empowerment and Local Development (SHIELD) Project, USAID/Philippines Cooperative Agreement No. AID-492-0-13-0018/1, for the Period From July 1, 2011, to December 31, 2012	40	QC
8-267-16-001-D	10/5/15	Independent Audit Report of International Relief and Development, Inc. Incurred and Reported Direct Costs Under Cooperative Agreement Number 267-A-00-08-00506-00 for the Period From October 1, 2011, to September 30, 2012	47	QC
8-267-16-002-D	10/28/15	Independent Audit of Incurred and Reported Direct Costs of International Foundation for Electoral Systems Through the Consortium for Elections and Political Process Strengthening, Cooperative Agreement Number AID-267-LA-11-00001, for the Period From October 1, 2011, to June 30, 2013		
8-294-16-002-R	10/21/15	Audit of the Fund Accountability Statement of USAID Resources Managed by IREX, Cooperative Agreement Number 294-A-13-00004, "Partnership With Youth" Project, for the Period From March 1, 2013, to February 28, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-003-R	10/26/15	Closeout Audit of the Fund Accountability Statement of Locally Incurred Costs by Democracy Council Under Cooperative Agreement Number 294-A-00-10-00201-00, The American School In Gaza-AISG, for the Period From September 30, 2010, to July 31, 2012		
8-267-16-004-D	11/12/15	Independent Audit of Incurred and Reported Direct Costs of Global Communities Under Cooperative Agreement Number 267-A-00-08-00503 for the Period From October 1, 2011, to September 30, 2012		
8-294-16-006-N	2/21/16	Audit of the Fund Accountability Statement of Locally Incurred Costs by Just Vision Under Grant Number 294-G-00-09-00213-00 for the Period From September 26, 2009, to June 30, 2010		
8-294-16-009-R	11/12/15	Audit of USAID Resources Managed by IntraHealth International, Inc. Under Cooperative Agreement Number AID-294-LA-13-00001, Palestinian Health Capacity Project, for the Period From March 4, 2013, to March 3, 2014		
8-294-16-011-R	11/12/15	Audit of the Fund Accountability Statement of USAID Resources Managed by Save the Children USA, Subaward Number 10145-13-001 Under Prime AMIDEAST, Award Number AID-294-A-13-00006, School Support Program-SSP, for the Period From July 2, 2013, to December 31, 2014		

**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-294-16-015-R	12/7/15	Audit of Locally Incurred Costs by Development Alternatives, Inc., Under USAID Contract Number AID-294-C-13-00003, Effective Governance Program, for the Period From April 1, 2014, to March 31, 2015		
F-306-16-004-N	2/15/16	Closeout Audit of Costs Incurred by New Mexico State University (NMSU) Under the Afghanistan Water, Agriculture and Technology Transfer (AWATT) Project, Cooperative Agreement No. 306-A-00-08-00506 for the Period March 3, 2008, to June 30, 2011		
F-306-16-005-N	2/15/16	Closeout Audit of Costs Incurred in Afghanistan by University of California, Davis Under the Pastoral Engagement, Adaptation and Capacity Enhancement (PEACE) Project, Cooperative Agreement No. 306-A-00-06-00521 for the Period July 1, 2006, to October 31, 2012		
F-306-16-006-N	2/15/16	Financial Audit of Costs Incurred in Afghanistan by Volunteers for Economic Growth Alliance (VEGA), Under the Assistance in Building Afghanistan by Developing Enterprises (ABADE) Program, Associate Cooperative Agreement No. AID-306-LA-13-00001; and Capacity Building and Change Management Program II (CBCMP II), Associate Cooperative Agreement No. AID-306-A-14-00010 for the Period January 1, 2014, to December 31, 2014	139	QC



**Financial Audits**  
**(Including Recipient-Contracted Audits and Audits Conducted by Independent Public Accountants or DCAA)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That Funds Be Put to Better Use**  
**USAID**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
F-306-16-008-N	2/16/16	Audit of Costs Incurred in Afghanistan by Purdue University Under the Advancing Afghan Agriculture Alliance Program, Cooperative Agreement No. 306-A-00-07-00509 (Closeout); and the Strengthening Afghanistan Agricultural Faculties Program, Cooperative Agreement No. 306-A-00-11-00516, for the Period March 14, 2007, to June 30, 2015		
F-306-16-009-N	2/16/16	Closeout Audit of Costs Incurred by Oasis International Schools, Inc. Under the Afghan Tuition Scholarship Program, Cooperative Agreement No. 306-A-00-11-00528, for the Period January 1, 2013, to September 30, 2014		
F-306-16-010-N	2/16/16	Financial Audit of Costs Incurred in Afghanistan by International Relief and Development (IRD) Under the Kandahar Food Zone (KFZ) Program, Cooperative Agreement No. AID-306-A-13-00008, for the Period July 31, 2013, to December 31, 2014	99 99	QC UN
F-306-16-012-N	3/7/16	Audit of Costs Incurred in Afghanistan by Roots of Peace Under the Commercial Horticulture and Agriculture Marketing Program (CHAMP), Cooperative Agreement No. 306-A-00-10-00512, for the Period From January 1, 2012, to December 31, 2014; and Afghan Agricultural Research and Extension Development (AGRED) Program, Contract Number AID-306-C-12-00006, for the Period From July 17, 2012, to December 31, 2014	47 47	QC UN

**Nonaudits (Quality Control Reviews) Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Quality Control Reviews (QCR)				
4-621-16-001-Q	11/2/15	Control Review (OCR) of the Audit of Women in Law and Development in Africa Under Cooperative Agreement 621-A-00-10-00004-00 for the Year Ended December 31, 2013.		
4-674-16-002-Q	3/7/16	Quality Control Review (QCR) of the audit of USAID Resources Managed by Stellenbosch University Under Agreement Nos. OFDA-G-11-00215 and AID-674-A-12-00031 and Subagreement Nos. GHN-A-00-08-00004-00 and FY13-G87-4740 for the Year Ended December 31, 2014		
5-497-16-001-Q	11/25/15	Quality Control Review of the Financial Audit of the “Program to Extend Scholarships and Trainings to Achieve Sustainable Impacts, Phase II (PRESTASI II),” USAID/Indonesia’s Contract No. AID 497-C-12-00004, Managed by the Indonesian International Education Foundation (IIEF) for the Period From January 1, 2013, to December 31, 2013		
8-294-16-001-Q	11/22/15	Quality Control Review on Deloitte & Touche M.E., Audit of the Fund Accountability Statement of USAID Resources Managed by IREX, Cooperative Agreement Number 294-A-13-00004, “Partnership With Youth” Project, for the Period From March 1, 2013, to February 28, 2014		
8-114-16-002-Q	12/11/15	Quality Control Review on AG International Consulting, Audit of the Fund Accountability Statement of National Association of Local Authorities of Georgia, Cooperative Agreement Number AID-114-A-12-00001, Institutionalization of Climate Change Adaptation and Mitigation in Georgia Region Project, for the Period From April 2, 2012, to December 31, 2012		

**Nonaudits (Quality Control Reviews) Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
8-121-16-003-Q	2/21/16	Quality Control Review on RSM UKRAINE, Audit of the Fund Accountability Statement of the All-Ukrainian Public Organization, Institute for Budgetary and Socio-Economic Research, Cooperative Agreement Number 121-A-11-00006 for the Period From January 1, 2014, to December 31, 2014		
8-121-16-004-Q	3/13/16	Quality Control Review on Emergex Outsourcing LLC, Audit of the Fund Accountability Statement of Commercial Law Center, Cooperative Agreement Number AID-121-A-11-00004, Commercial Law Project for Ukraine Follow-on for the Period From January 1, 2014, to December 31, 2014		
G-391-16-001-Q	10/30/15	Quality Control Review of BDO Ebrahim & Co., Chartered Accountants, Regarding the Financial Audit of USAID Funded Programs, Managed by Rural Support Programmes Network (RSPN) for the Year Ended June 30, 2013		
G-391-16-002-Q	11/5/15	Quality Control Review of the Audit Report and Audit Documentation for the Financial Audit Conducted by Deloitte Yousuf Adil of Program Titled, "Power Distribution Program," USAID/Pakistan Contract No. AID-EPP-I -13-03-00006, Managed by International Resources Group for the Period From September 16, 2010, to November 7, 2014		
G-391-16-003-Q	1/5/16	Quality Control Review of the Audit Report and Audit Documentation for the Financial Audit Conducted by the Directorate General Audit, Federal Government, Department of the Auditor General of Pakistan, of the Merit and Need Based Scholarship Project, USAID/Pakistan Agreement No. 391-G-00-04-01023-00 for the Year Ended June 30, 2014, Managed by the Higher Education Commission		

**Nonaudits (Surveys, Assessments, and Reviews) Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Other				
0-000-16-001-S	12/24/15	Assessment of the U.S. Agency for International Development's Fiscal Year 2014 Government Charge Card Programs		
8-267-16-001-S	02/10/16	Survey of Selected USAID/Office of Foreign Disaster Assistance Programs in Iraq		
8-263-16-002-S	02/12/16	Review of USAID/Egypt's Adherence to Policy, Standards, and Best Practices in Designing Economic Growth Projects		
9-000-16-001-S	12/22/15	Review of USAID's Cuban Civil Society Support Program		

**Reports With Questioned and Unsupported Costs<sup>1</sup>**  
**USAID**  
**October 1, 2015–March 31, 2016**

Reports	Number of Audit Reports	Questioned Costs (\$)	Unsupported Costs (\$)
A. For which no management decision had been made as of October 1, 2015	102 <sup>2</sup>	86,436,2423 <sup>3,4</sup>	70,781,0813 <sup>3,4</sup>
B. Add: Reports issued October 1, 2015–March 31, 2016	117 <sup>5</sup>	110,147,319 <sup>6</sup>	97,682,397 <sup>6</sup>
Subtotal	219	196,593,561	168,463,478
C. Less: Reports with a management decision made October 1, 2015–March 31, 2016	142 <sup>7</sup>	83,854,495 <sup>8</sup>	62,397,882 <sup>8</sup>
Value of costs disallowed by Agency officials		12,797,115	8,191,426
Value of costs allowed by Agency officials		71,097,380	54,206,456
D. For which no management decision had been made as of March 31, 2016	77	112,729,066 <sup>9</sup>	106,065,596 <sup>9</sup>

<sup>1</sup>Unsupported costs, a subcategory of questioned costs, are reported separately as required by the Inspector General Act.

<sup>2</sup>This figure includes audit report no. 4-613-15-118-R (originally issued September 1, 2015) reissued March 08, 2016, as well as audit report no. 5-116-15-049-R, which changed finding type of its recommendation from procedural to questioned cost.

<sup>3</sup>The ending balances on September 30, 2015, for questioned costs totaling \$86,436,956 included \$20,262 in questioned costs for audit report no. 4-613-15-118-R (originally issued September 1, 2015, and reissued on March 8, 2016) and for unsupported costs totaling \$70,785,873. These amounts were decreased by \$714 for questioned costs and \$4,792 for unsupported costs, respectively, to reflect adjustments in recommendations from prior periods.

<sup>4</sup>Amounts include \$12,649,710 in questioned costs and \$9,403,480 in unsupported costs for audits performed for OIG by other federal audit agencies.

<sup>5</sup>This figure excludes reissued audit report no. 4-613-15-118-R (originally issued September 1, 2015) which was reported for SARC period April 1–September 30, 2015.

<sup>6</sup>Amounts include \$81,950,211 in questioned costs and \$79,546,113 in unsupported costs for audits performed for OIG by other federal audit agencies. Questioned costs of \$110,167,581 have been adjusted to \$110,147,319 to exclude questioned costs in the amount of \$20,262 from reissued audit report no. 4-613-15-118-R (originally issued September 1, 2015) which had been reported already for SARC period April 1–September 30, 2015.

<sup>7</sup>Unlike the monetary figures of this row, this figure is not being subtracted from the subtotal. Some audit reports counted here may be counted again in the figure below it because some reports have multiple recommendations and fall into both categories.

<sup>8</sup>Amounts include \$14,775,391 in questioned costs and \$9,716,386 in unsupported costs for audits performed for OIG by other federal audit agencies.

<sup>9</sup>Amounts reflect \$79,824,530 in questioned costs and \$79,233,207 in unsupported costs for audits performed for OIG by other federal audit agencies.

**Reports with Recommendations That Funds Be Put to Better Use  
USAID  
October 1, 2015–March 31, 2016**

Reports	Number of Audit Reports	Value (\$)
A. For which no management decision had been made as of October 1, 2015		
B. Add: Reports issued October 1, 2015-March 31, 2016	2	9,963,825
Subtotal	2	9,963,825
C. Less: Reports with a management decision made October 1, 2015–March 31, 2016	2	9,963,825
Value of Costs Disallowed by Agency Officials		9,946,367
Value of Costs Allowed by Agency Officials		17,458
D. For which no management decision had been made as of March 31, 2016		

**Reports Issued for Comment But Not Responded to Within 60 Days  
USAID  
October 1, 2015 - March 31, 2016**

Report No.	Title	Final Report Issued	Days Elapsed from Request for Comment on Draft	Reason
7-669-16-002-P	Audit of Selected Ebola-Response Activities Managed by USAID's Office of U.S. Foreign Disaster Assistance in Liberia	12/4/2015	92	OFDA requested, and was granted an extension to respond to the recommendations in order to reallocate the necessary staff needed to complete other agency audit requirements.

**Reports Issued for Comment But Not Responded to Within 60 Days  
USAID  
October 1, 2015 - March 31, 2016**

Report No.	Title	Final Report Issued	Days Elapsed from Request for Comment on Draft	Reason
I-526-16-004-P	Audit of USAID/Paraguay's Democracy and Governance Program—Reissued	1/21/2016	71	Many of the issues OIG identified in Paraguay were significant and required changes to existing operations. Therefore, the mission requested and was granted additional time to adequately address the 14 recommendations.

**Reports Over 6 Months Old With No Management Decision  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Status
G-391-12-001-P	Pakistan	11/3/11	<p>Recommendation 5: USAID/Pakistan should determine the allowability of \$1,359,337 in unsupported questioned costs and recover those costs determined to be unallowable. The Office of Acquisition and Assistance; the Office of Financial Management; and Bureau for Economic Growth, Education, and Environment will investigate the unsupported questioned costs of \$1,359,337 and make a decision on those costs. A management decision on this recommendation will be reached when USAID/Pakistan determines whether the questioned costs are allowed or disallowed; final action will occur when any disallowed amount is collected.</p>



**Reports Over 6 Months Old With No Management Decision  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Status
G-391-15-009-R	Al-Kasib Group of Engineering Services Consultants (AGES)	6/15/15	<p>Recommendation I: The mission stated that of the total questioned costs of \$5,026,096 (\$8,639 ineligible and \$5,017,457 unsupported), \$8,639 in ineligible questioned costs are unallowable and sustained and have been recovered by the mission. For the unsupported questioned costs of \$5,017,457 pertaining to noncompetitive selection of personnel and suppliers, the contracting officer has determined these costs are allowable. However, we cannot acknowledge a management decision on this recommendation because the mission has not provided sufficient support to demonstrate how it determined the unsupported questioned costs to be allowable.</p>

**Reports Over 6 Months Old With No Management Decision  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Status
G-391-15-017-R	Al-Kasib Group of Engineering Services Consultants (AGES)	7/14/15	<p>Recommendation 1: The mission stated that of the total questioned costs of \$3,513,803 (\$17,955 ineligible and \$3,495,848 unsupported), the contracting officer has allowed \$3,506,945 (\$11,097 ineligible and \$3,495,848 unsupported) pertaining to noncompetitive selection of personnel and suppliers and use of official vehicle for staff pick up and drop off. The mission has sustained and already recovered ineligible questioned costs of \$6,858 pertaining to sales tax. However, we cannot acknowledge a management decision on this recommendation because the mission has not provided sufficient support to demonstrate how it determined the allowability of the questioned costs.</p>

**Significant Management Decisions With Which The Inspector General Disagrees  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Rec. No.	Mgmt. Decision Date	Reason for Disagreement
<p>The Inspector General disagreed with significant USAID management decisions in response to four recommendations in two OIG reports related to Ebola response efforts: Audit of Selected Ebola-Response Activities Managed by USAID’s Office of U.S. Foreign Disaster Assistance in Liberia (Report No. 7-669-16-002-P), and Audit of Select Activities from the USAID/Food for Peace Response to the Ebola Crisis in West Africa (Report No. 7-962-16-003-P). These recommendations, USAID’s management decisions, and the basis for OIG’s disagreement with them are described in the following pages. In OIG’s view, USAID management decisions in these cases do not reflect an appropriate level of attention to monitoring and oversight in the context of a large emergency response effort. Without effective monitoring and oversight of response efforts, USAID’s ability to effectively and efficiently deliver services to beneficiaries under these circumstances may be significantly reduced."</p>					

**Significant Management Decisions With Which The Inspector General Disagrees  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Rec. No.	Mgmt. Decision Date	Reason for Disagreement
7-669-16-002-P	USAID	12/4/15	2	12/4/15	<p>OIG recommended that USAID's Office of U.S. Foreign Disaster Assistance, in coordination with Global Communities, implement procedures to identify and monitor performance indicators that measure program effectiveness. USAID/OFDA officials decided the program had identified relevant output and outcome indicators that collectively measured program effectiveness. We acknowledge OFDA's management decision and final action. However, we disagree that the program indicators collectively measured program effectiveness.</p> <p>Of the seven indicators cited in management comments, five were in use during the audit and provided limited information. The indicators "number and percentage of county-level traditional leaders publicly committed to Ebola prevention activities," "number of public consultation campaigns completed for Montserrado Safe Burial Site development," and "number of safe burials completed in the safe burial area" (it is unclear if achieving a target number of burials would reduce Ebola deaths) did not have targets that would allow for comparison with actual results. The indicator "number of people trained, disaggregated by sex, in the use and proper disposal of medical equipment and consumables among others" measured only completion, not the effects, of the training. Finally, although the indicator "average percentage of total burials completed with a 24-hour countywide response time" could potentially measure higher-level results, the audit found that program officials did not capture data for this indicator accurately.</p>

**Significant Management Decisions With Which The Inspector General Disagrees  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Rec. No.	Mgmt. Decision Date	Reason for Disagreement
7-962-16-003-P	USAID	3/16/16	4	3/16/16	<p>USAID/FFP officials did not agree to implement procedures to verify that implementers document the time they allot committees to identify beneficiaries as OIG recommended. They explained that the problem relates to implementer performance.</p> <p>Although we acknowledge FFP's management decision, we do not agree with it. FFP should implement procedures to address the problem precisely because it relates to implementer performance.</p> <p>Monitoring the quality and timeliness of outputs like lists of beneficiaries produced by implementers is a major role of USAID officials, and early action in response to problems is essential in managing for results. Members from two of three Mercy Corps program committees said the implementer rushed them to identify beneficiaries; members of one of these further noted that Mercy Corps gave them one day to do so. These committee members made home visits to try to identify vulnerable residents, but because they had so little time they omitted from the list of potential beneficiaries any they didn't find at home. Rushing may lead to the selection of beneficiaries who are not the most vulnerable. Verifying that implementers document the time they allot to beneficiary identification committees could improve program selection.</p>

**Significant Management Decisions With Which The Inspector General Disagrees  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Rec. No.	Mgmt. Decision Date	Reason for Disagreement
7-962-16-003-P	USAID	3/16/16	6	3/16/16	<p>USAID/FFP officials did not agree to implement procedures for verifying that implementers document how beneficiaries meet the selection criteria in line with our recommendation. FFP officials said it would be a costly and unrealistic requirement in an emergency context. Furthermore, officials said including an individual on a beneficiary list or in a database implies the implementer verified that person’s eligibility for project benefits.</p> <p>Although we acknowledge FFP’s management decision and action to implement it, we do not agree with it. In particular, we disagree with FFP’s statement that those on implementer beneficiary lists unequivocally meet eligibility criteria. Three of the four implementers audited did maintain documentation on specific selection criteria their beneficiaries met to qualify for the program. Without that documentation, FFP officials cannot confirm that the programs reached their intended beneficiaries. Moreover, not documenting the selection process increases the risk of nepotism, which U.S. Government agencies do not condone.</p>

**Significant Management Decisions With Which The Inspector General Disagrees  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Rec. No.	Mgmt. Decision Date	Reason for Disagreement
7-962-16-003-P	USAID	3/16/16	8	3/16/16	<p>USAID/FFP officials did not agree to conduct a financial review of Save the Children’s activities to verify that it used funds in accordance with the terms of the grant as OIG recommended. They said that the \$16,367 in funds put to better use in Recommendation 7 represented less than 1 percent of Save the Children’s award of \$4.4 million. In addition, FFP officials said they reviewed Save the Children’s procedures for mitigating the risk of expense misallocations and found them reasonable. We acknowledge FFP’s management decision and final action. While we acknowledge FFP’s management decision, we do not agree with it. First, although FFP officials said that the misallocated costs represented a small amount of the award’s total value, at the time of the audit, the program had expended only \$122,516. Consequently, the funds that FFP agreed to put to better use (\$16,367) made up approximately 13 percent of funds spent by Save the Children. Second, even though FFP officials determined that Save the Children’s procedures for mitigating the risk of expense misallocations were reasonable, the misallocation of \$16,367 happened because the implementer did not have a process for confirming that each of its programs allocated an appropriate share of costs incurred. Moreover, FFP officials admitted that deficiencies in Save the Children’s internal financial procedures led to the recommendation that funds be put to better use. By completing a financial review of the implementer’s activities, USAID/FFP would be able to analyze the program’s operational and financial performance accurately.</p>

**Significant Recommendations Described Previously Without Final Action  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
I-511-09-004-P	Audit of Engender Health's Management of Activities Financed by USAID/Bolivia	1/15/09	2* 3*	1/15/9 1/15/9	9/1/16 9/1/16
F-306-11-005-S	Review of USAID/Afghanistan's Afghan Civilian Assistance Program	8/31/11	7	2/14/12	9/1/16
G-391-12-001-P	Audit of USAID/Pakistan's Firm Project	11/3/11	5	-	-
A-000-12-003-P	Audit of USAID's Fiscal Year 2011 Compliance With the Federal Information Security Management Act of 2002	11/15/11	23	11/15/11	6/30/17
A-000-12-004-P	Audit of USAID's Contracts for Cloud Computing Services	4/12/12	3	4/12/12	6/1/16
6-263-13-002-P	Audit of USAID/Egypt's Transition Support Grants Program	10/22/12	6**	10/22/12	12/31/16
A-000-13-003-P	Audit of USAID's Fiscal Year 2012 Compliance With the Federal Information Security Management Act of 2002	11/14/12	1	11/14/12	6/1/16
0-000-13-001-C	Audit of USAID's Financial Statements for Fiscal Years 2012 and 2011	11/16/12	1	11/16/12	9/1/16
4-962-13-004-P	Audit of USAID's Internal Controls Over Prepositioned Food Assistance for the Horn of Africa	1/7/13	3	2/19/13	9/30/16
4-654-13-006-P	Audit of USAID/Angola's HIV/AIDS Activities	3/5/13	10***	9/5/13	8/31/16
0-000-13-001-S	Report on USAID's Compliance With the Improper Payments Elimination and Recovery Act of 2010	3/15/13	2	3/15/13	6/30/16
A-000-13-005-P	Audit of the Cost and Security Policies and Procedures for USAID's Mobile Devices	9/17/13	3 4 5 9 18 20 21 23	9/17/13 9/17/13 9/17/13 9/17/13 9/17/13 9/17/13 9/17/13 9/17/13	6/1/16 6/1/16 6/1/16 6/1/16 6/1/16 6/1/16 6/1/16 6/1/16
9-000-13-005-P	Audit of USAID's Defense Base Act Insurance Program	9/18/13	5	9/18/13	6/30/16



**Significant Recommendations Described Previously Without Final Action  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
6-294-14-007-P	Audit of USAID/West Bank and Gaza's Partner Vetting and Geo-Management Information Systems	4/23/14	3	4/23/14	9/1/16
			6	4/23/14	9/1/16
			7	4/23/14	9/1/16
			12	4/23/14	9/1/16
			13	4/23/14	9/1/16
			19	4/23/14	5/31/16
			32	4/23/14	5/31/16
I-521-14-008-P	Audit of USAID/Haiti's Health Infrastructure Program	4/25/14	4	4/25/14	5/5/16
			5	4/25/14	5/5/16
			6	4/25/14	5/5/16
F-306-14-003-S	Follow-Up on a Department of Defense Audit of Commander's Emergency Response Program Funds Provided to USAID/Afghanistan	9/7/14	3	9/7/14	6/30/16
			4	9/7/14	9/1/16
			5	9/7/14	6/30/16
4-668-14-008-P	Audit of USAID/South Sudan's Management of Nonexpendable Property	9/30/14	2	9/30/14	6/30/16
A-000-15-001-P	Audit of USAID's Implementation of Key Components of a Privacy Program for its Information Technology Systems	10/10/14	7	10/10/14	6/15/16
			8	10/10/14	2/15/17
			9	10/10/14	2/15/17
			10	10/10/14	6/1/16
			18	10/10/14	2/15/17
			20	10/10/14	2/15/17
			21	10/10/14	2/15/17
			22	10/10/14	2/15/17
			23	10/10/14	2/15/17
			24	10/10/14	2/15/17
			33	10/10/14	6/1/16
A-000-15-004-P	Audit of USAID's Federal Information Security Management Act of 2002 Action Plan	11/5/14	2	11/5/14	6/1/16
			3	11/5/14	6/1/16
			4	11/5/14	6/1/16
0-000-15-001-C	Audit of USAID's Financial Statements for Fiscal Years 2014 and 2013	11/17/14	2	11/17/14	9/1/16
			7	11/17/14	12/31/16

**Significant Recommendations Described Previously Without Final Action  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
I-521-15-002-P	Audit of USAID/Haiti's Internal Controls Over the Administration of Cost-of-Living Allowances	12/8/14	1	12/8/14	5/5/16
			2	12/8/14	4/29/16
			3	12/8/14	4/29/16
			4	12/8/14	5/5/16
			5	12/8/14	5/5/16
			6	12/8/14	5/5/16
			7	12/8/14	5/5/16
			8	12/8/14	9/1/16
			9	12/8/14	5/5/16
			10	12/8/14	5/5/16
			11	12/8/14	5/5/16
A-000-15-005-P	Audit of USAID's Application Controls Over Premium Pay in Its WebTA System	2/10/15	1	2/10/15	9/1/16
			4	2/10/15	9/1/16
9-000-15-001-P	Audit of USAID Country and Regional Development Cooperation Strategies	2/20/15	1	2/20/15	6/30/16
			2	2/20/15	6/30/16
			4	2/20/15	6/30/16
			5	2/20/15	6/30/16
			6	2/20/15	6/30/16
			6	2/20/15	6/30/16
A-000-15-006-P	Audit of USAID's Progress in Adopting Cloud Computing Technologies	3/12/15	1	3/12/15	6/1/16
			2	3/12/15	6/1/16
			3	3/12/15	8/15/16
			4	3/12/15	6/1/16
			5	3/12/15	6/1/16
			6	3/12/15	6/1/16
			7	3/12/15	8/1/16
			8	3/12/15	7/15/16
			10	9/30/15	4/30/16
			11	3/12/15	6/1/16
			12	3/12/15	6/1/16
			13	3/12/15	6/1/16
			14	3/12/15	6/1/16
			15	3/12/15	6/1/16
			16	3/12/15	9/30/16
			17	3/12/15	6/1/16
			18	3/12/15	2/15/17
			I-521-15-006-P	Audit of USAID/Haiti's Leveraging Effective Application to Direct Investments (LEAD) Program	4/30/15
9-165-15-003-P	Audit of USAID/Macedonia's Youth Employability Skills Network Project	7/10/15	3	2/23/16	4/30/16
			14	7/10/15	4/30/16

**Significant Recommendations Described Previously Without Final Action  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
I-534-15-007-P	Audit of USAID/Eastern and Southern Caribbean's Youth-Related Projects	8/19/15	2	8/19/15	9/1/16
			3	8/19/15	9/1/16
			4	8/19/15	9/1/16
			5	8/19/15	9/1/16
			7	8/19/15	9/1/16
			8	8/19/15	9/1/16
			11	8/19/15	9/1/16
			12	8/19/15	9/1/16
			13	8/19/15	9/1/16
5-388-15-006-P	Audit of USAID/Bangladesh's NGO Health Service Delivery Project	8/26/15	1	8/26/15	9/1/16
			5	8/26/15	4/30/16
			7	8/26/15	4/30/16
			8	8/26/15	4/30/16
			9	8/26/15	4/30/16
4-674-15-003-P	Audit of USAID/Southern Africa's Local Capacity Development Activities	8/31/15	1	8/31/15	7/31/16
			2	8/31/15	7/31/16
5-482-15-007-P	Audit of USAID/Burma's Shae Thot (The Way Forward) Program	9/3/15	1	9/3/15	7/31/16
			3	9/3/15	6/30/16
9-000-15-004-P	Audit of USAID's Evaluation Policy Implementation	9/10/15	1	9/10/15	9/1/16
			3	9/10/15	5/31/16
			4	9/10/15	5/31/16
			5	9/10/15	5/31/16
			6	9/10/15	9/1/16
			8	9/10/15	5/31/16
4-656-15-004-P	Audit of USAID/Mozambique's Agriculture, Trade, and Business Portfolio	9/22/15	1	9/22/15	6/30/16
			2	3/18/16	6/30/16
			4	3/18/16	6/30/16
4-649-15-005-P	Audit of USAID/East Africa's Monitoring and Evaluation Program for Somalia	9/23/15	4	9/23/15	4/29/16
			5	9/23/15	4/29/16
			9	9/23/15	4/29/16
			10	3/18/16	4/29/16

**Significant Recommendations Described Previously Without Final Action  
USAID  
October 1, 2015–March 31, 2016**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date			
A-000-15-010-P	Audit of USAID's Fiscal Year 2015 Compliance with the Federal Information Security Management Act Of 2002, as Amended	9/25/15	1	9/25/15	6/15/16			
			3	9/25/15	6/15/16			
			6	9/25/15	6/30/16			
			7	9/25/15	4/15/16			
			8	9/25/15	4/15/16			
			9	9/25/15	4/15/16			
			11	9/25/15	8/15/16			
			12	9/25/15	9/30/16			
			13	9/25/15	9/30/16			
			14	9/25/15	6/15/16			
			15	9/25/15	6/30/16			
			17	9/25/15	6/30/16			
			*Entered into a payment plan with the Agency					
			**With Treasury for further collection					
			***Recipient appealed questioned costs to the Procurement Executive					

**Significant Revisions of Management Decisions  
USAID  
October 1, 2015–March 31, 2016**

Section 5(a)(11) of the Inspector General Act of 1978, as amended, requires a description and explanation of the reasons for any significant revised management decisions during the reporting period.

During this reporting period, USAID did not make any significant revisions of management decisions.

**Significant Findings from Contract Audit Reports  
USAID  
October 1, 2015–March 31, 2016**

Report No. F-306-16-001-D (November 25, 2015), Audit of Direct Costs Incurred by Louis Berger Group, Inc. (LBGI) Under Contract No.306-I-00-06-00517-00 for the Period August 25, 2006, Through September 30, 2008.

DCAA could not audit subcontract costs of \$52,349,607 under the Afghanistan Infrastructure and Rehabilitation Program because travel to subcontractor sites was prohibited for security reasons. In addition, a lack of reliable records precluded issuance of an opinion. For example, one subcontractor was debarred and the location of its records was unknown; another subcontractor was Canadian and thus was not subject to audit by DCAA pursuant to a U.S.-Canadian agreement; and additional accounting records were destroyed in an explosion. DCAA disclaimed an opinion based on the scope limitations regarding its inability to audit major subcontract costs plus the Louis Berger Group's lack of adequate accounting and supporting records.

Questioned Costs: Total questioned costs were \$79,824,530 (\$79,233,207 unsupported). No management decision has been made on the allowability of questioned costs as of March 31, 2016.

**Noncompliance With the Federal Financial Management Improvement Act of 1996  
USAID  
October 1, 2015–March 31, 2016**

Section 5(a)(13) of the Inspector General Act requires semiannual reports to include an update on issues outstanding under a remediation plan required by the Federal Financial Management Improvement Act of 1996 (FFMIA) (Public Law 104-208, Title VIII, codified at 31 U.S.C. 3512 note). FFMIA requires agencies to comply substantially with (1) federal financial management system requirements, (2) federal accounting standards, and (3) the U.S. Standard General Ledger at the transaction level. An agency that is not substantially compliant with FFMIA must prepare a remediation plan.

In four separate audit reports,<sup>1</sup> OIG found that USAID had not established an effective risk management program to ensure that policies and procedures are assessed and working as intended. The reports also found that USAID's decentralized management of information technology and information security does not allow the Agency to effectively assess, respond to, and monitor information security risk across the organization. Consequently, USAID's operations and assets may be at risk of unauthorized access, misuse, and disruption. To address this deficiency, USAID has prepared a 3-year corrective action plan, which is expected to be fully implemented in FY 2016.

<sup>1</sup>The four audit reports cited are Nos. A-000-13-003-P (November 14, 2012), A-000-14-001-P (October 15, 2013), A-000-15-003-P (October 30, 2014), and A-000-15-010-P (September 25, 2015). An audit is in process to address the FISMA findings.



# SIGNIFICANT FINDINGS AND ACTIVITIES: MILLENNIUM CHALLENGE CORPORATION

The Millennium Challenge Corporation forms partnerships with some of the world's poorest countries and provides large-scale grants to them when they demonstrate that they are committed to good governance, economic freedom, and investment in their citizens. These grants fund country-led solutions for reducing poverty through sustainable economic growth.



Girls learn new skills at an MCC-funded high school in El Salvador's Northern Zone. MCC's rehabilitation of high schools in El Salvador is expected to benefit more than 9,700 students each year. Photo provided by the Millennium Challenge Corporation.





# MANAGEMENT ACCOUNTABILITY

## Audit of the Millennium Challenge Corporation's Fiscal Year 2015 Compliance with the Federal Information Security Management Act of 2002, As Amended

Report No. A-MCC-16-001-P

The Federal Information Security Management Act of 2002 (FISMA), as amended, requires agencies to develop, document, and implement an information security program to protect their information and information systems, including those provided or managed by another agency, contractor, or other source. FISMA also requires agencies to have an annual assessment of their information systems. OIG contracted with CliftonLarsonAllen LLP to conduct the audit.

The auditors concluded that MCC implemented 105 of 115 selected security and privacy controls for selected information systems in support of FISMA, as amended. For example, MCC implemented an effective incident handling and response program, maintained an adequate and effective specialized employee training program requiring role-based training, implemented an effective identification and authentication program, established a media sanitization program, and implemented an enterprise architecture strategy.

Although MCC generally had policies for its information security program, Clifton found that MCC's implementation of those policies was not fully effective to preserve the confidentiality, integrity, and availability of the corporation's information and information systems, potentially exposing them to unauthorized access, use, disclosure, disruption, modification, or destruction.

MCC made management decisions on OIG's eight recommendations to help MCC strengthen its information security program and has completed final action on three of them.



# FINANCIAL MANAGEMENT

## Fund Accountability Statements

OIG reviews and approves fund accountability statement audits of compact funds under recipient government management. These audits are conducted by independent audit firms that OIG has approved. Under the terms of MCC compacts, funds expended by a recipient country must be audited at least annually. The recipient country establishes an accountable entity, usually a Millennium Challenge Account, that produces financial statements documenting account activity.

The selected audit firm issues an opinion on whether the fund accountability statement for the MCC-funded programs presents fairly, in all material respects, the program revenues and costs incurred and reimbursed, in conformity with the terms of the compact agreement and related supplemental agreements for the period being audited.

In addition, the audit firm is required to employ GAGAS in performing the audits. All MCA audit reports are reviewed, approved, and issued by OIG.

During this reporting period, OIG issued two fund accountability statement audit reports, which made one recommendation.

### Audit of the Millennium Challenge Corporation's Financial Statements, Internal Controls, and Compliance for the Fiscal Years Ending September 30, 2015, and 2014

Report No. M-000-16-001-C

Under OIG's oversight, an independent certified public accounting firm audited MCC's financial statements for the FYs that ended September 30, 2015, and 2014. The audit firm expressed an unmodified opinion on MCC's FY 2015 financial statements. In addition, auditors reported no instances of noncompliance with certain provisions of laws and regulations that could have a direct and material effect on the determination of the amounts in the financial statements.

In MCC's FY 2015 financial statements, the auditor identified three matters involving the internal control over financial reporting that were considered significant deficiencies. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The three significant deficiencies related to (1) uncorrected misstatements in the FY 2015 financial statement because of MCC's failure to account for advances and their liquidation in a Millennium Challenge Account's (MCA's) permitted account, (2) weak validation controls over grant accrual estimates, and (3) systemic errors in MCC's core (general ledger) system.

MCC made management decisions on OIG's four recommendations.

### **Fiscal Year 2015 Report on the Millennium Challenge Corporation's Implementation of Audit Recommendations Relating to Travel and Purchase Cards**

OIG issued its annual report on MCC's implementation of recommendations related to travel and purchase cards, required under the Government Charge Card Abuse Prevention Act of 2012 (Public Law 112-194). OIG found no open recommendations related to travel and purchase cards; however, OIG did find two instances of previously unreported recommendations associated with the MCC FY 2013 Audit of the Millennium Challenge Corporation's Controls over the Use of Premium Class Travel (Report No. M-000-14-001-P).

Report No. M-000-14-001-P contained two recommendations regarding MCC's travel card program. The first recommendation was that MCC revise its procedures to require its travel agents to document cost comparisons of coach and premium class tickets for the domestic legs of the trip before approving travel. The second recommendation was that MCC revise its approval form to document these cost comparisons.

These recommendations were closed by MCC in FY 2014 and FY 2015 respectively.

# TABLES: MILLENNIUM CHALLENGE CORPORATION

## Tables

The tables on the following pages provide information required by the Inspector General Act of 1978, as amended, and other congressional requirements. OIG has no information to report this period in the areas listed below:

- Incidents in which OIG was refused assistance or information
- Interference with OIG independence
- Reports with Recommendations That Funds Be Put to Better Use
- Reports issued for comment but not responded to within 60 days
- Reports over 6 months old with no management decision
- Significant management decisions with which the Inspector General disagrees
- Significant revisions of management decisions
- Significant findings from contract audit reports
- Noncompliance with the Federal Financial Management Improvement Act of 1996

**Performance Audits Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
MCC  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Economy and Efficiency				
A-MCC-16-001-P	10/26/15	Audit of the Millennium Challenge Corporation's Fiscal Year 2015 Compliance with the Federal Information Security Management Act of 2002, As Amended		

**Financial Statement Audits Conducted by Independent Public Accountants  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
MCC  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Programs and Operations				
M-000-16-001-C	11/13/15	Audit of Millennium Challenge Corporation's Financial Statements, Internal Controls, and Compliance for the Fiscal Years Ending September 30, 2015, and 2014		

**Financial Audits**  
**(Including Audits Conducted by Independent Public Accountants)**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That**  
**Funds Be Put to Better Use**  
**MCC**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
<b>MCA Audit and Reviews</b>				
M-000-16-001-N	10/15/15	Audit of Millennium Challenge Corporation (MCC) Resources Managed by Millennium Challenge Account–Moldova Under the Compact Agreement Between MCC and the Government of Moldova from April 1, 2014, to March 31, 2015		
M-655-16-002-N	12/3/15	Audit of Millennium Challenge Corporation (MCC) Resources Managed by Millennium Challenge Account-Cabo Verde II Under the Compact Agreement Between MCC and the Cabo Verdean Government From April 1, 2014, to March 31, 2015.		

**Nonaudits (Quality Control Reviews) Conducted by OIG**  
**Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That**  
**Funds Be Put to Better Use**  
**MCC**  
**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
<b>Quality Control Reviews (QCR)</b>				
M-612-16-001-Q	1/13/16	Quality Control Review on PricewaterhouseCooper’s Audit of Millennium Challenge Corporation Resources Management By Millennium Challenge Account-Malawi for the Period From April 1, 2014, through September 31, 2014		



**Reports with Questioned and Unsupported Costs  
MCC  
October 1, 2015–March 31, 2016**

Reports	Number of Audit Reports	Questioned Costs (\$)	Unsupported Costs (\$)
A. For which no management decision had been made as of October 1, 2015	2	33,583	24,611
B. Add: Reports issued October 1, 2015–March 31, 2016			
Subtotal	2	33,583	24,611
C. Less: Reports with a management decision made October 1, 2015–March 31, 2016	2	33,583	24,611
Value of recommendations disallowed by Agency officials		33,583	24,611
Value of recommendations allowed by Agency officials			
D. For which no management decision had been made as of March 31, 2016			

**Significant Recommendations Described Previously Without Final Action  
MCC  
October 1, 2015–March 31, 2016**

Report Number	Report Title	Date of Report	Rec. No.	Management Decision Date	Final Action Target Date
M-000-13-005-P	Audit of the Millennium Challenge Corporation's Fiscal Year 2013 Compliance with the Federal Information Security Management Act of 2002	9/20/13	14	9/20/13	9/30/16
M-000-14-003-S	Review of the Millennium Challenge Account Employee Compensation	7/16/14	1	4/30/14	7/1/16
			3	4/30/14	7/1/16
			5	4/30/14	12/31/16

# SIGNIFICANT FINDINGS AND TABLES: UNITED STATES AFRICAN DEVELOPMENT FOUNDATION

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

## Two Staff Members of USADF Technical Partner Terminated for Misconduct and Lack of Project Oversight

An OIG investigation substantiated allegations of fraud and abuse involving Audit Expertise Comptable et Conseil (AE2C), a technical partner with USADF. OIG found that a project development manager and a financial officer employed by AE2C had engaged in various fraudulent schemes involving USADF program funds. In one scheme, a well-digging contractor was overpaid for work performed and the two employees conspired to fraudulently reclaim the difference. OIG found that the same contractor built water wells that were poorly constructed and did not yield any water during the dry season. As a result of the investigation, AE2C terminated the two employees in November 2015.

## Assessment of the United States African Development Foundation's Fiscal Year 2014 Government Charge Card Programs

Report No. 0-ADF-16-003-S

Under the Government Charge Card Abuse Prevention Act of 2012 (referred to as the Charge Card Act), Public Law 112-194, USAID's OIG is required to conduct periodic risk assessments of the USADF's purchase card, travel card, centrally billed account, and convenience check programs to analyze the risks of illegal, improper, or erroneous purchases and payments. From the results of the risk assessment, OIG must then determine the scope, frequency, and number of periodic audits or reviews of Government charge card programs. In addition, the Charge Card Act requires OIGs to conduct periodic audits or reviews of their respective agencies' travel programs with more than \$10 million in travel card spending.

The objective of this risk assessment was to determine the level of risk of illegal, improper, or erroneous purchases and payments in USADF's Government charge card programs. OIG assessed the level as low for several reasons. OIG did not identify any large fluctuations in the dollar amount of transactions, number of transactions, or number of cardholders from FYs 2013 to 2014, which could have indicated higher risk areas.

In addition, OIG did not find any ineffective or missing controls related to policies and procedures management has implemented to issue charge cards, monitor spending, and comply with the reporting requirements of the Charge Card Act. The assessment noted one instance of noncompliance with applicable laws and regulations. USADF had not submitted a charge card management plan to OMB for

FY 2013. We notified USADF management, who submitted the FY 2014 plan to OMB in accordance with the OMB requirements.

Finally, OIG found no open recommendations or any recommendations closed in FY 2014 that were related to Government charge card programs, and data on the amount of funds spent in FY 2013 showed that USADF did not exceed the \$10 million threshold that would trigger an automatic OIG review or audit of the travel card program.

OIG made no recommendations.

### **Audit of the U.S. African Development Foundation's Financial Statements for Fiscal Years 2015 and 2014**

Report No. 0-ADF-16-002-C

Under OIG's oversight, a nonfederal audit firm performed an audit of the USADF's financial statements for the FYs that ended September 30, 2015, and 2014. The independent auditor expressed an unmodified opinion on IAF's financial statements. The audit firm found no instances of material weakness or significant deficiency in internal control over financial reporting and no instances of noncompliance with selected provisions of applicable laws and regulations. OIG reviewed the audit report and found it to be in accordance with applicable standards. OIG made no recommendations.

### **Audit of the U.S. African Development Foundation's Fiscal Year 2015 Compliance With the Federal Information Security Management Act of 2002, as Amended**

Report No. A-ADF-16-002-P

FISMA requires agencies to develop, document, and implement an information security program to protect their information and information systems, including those provided or managed by another agency, contractor, or source. The act also requires agencies to have an annual assessment of their information systems. OIG contracted with CliftonLarsonAllen LLP to conduct the audit.

The auditors concluded that USADF had not fully implemented its information security program. As a result, USADF's operations and assets may be at risk of unauthorized access, misuse, and disruption.

OIG made 12 recommendations that were intended to assist USADF in strengthening its information security programs, and USADF made management decisions on all recommendations.

## Tables

The tables on the following page provide information required by the Inspector General Act of 1978, as amended, and other congressional requirements. OIG has no information to report in this period in the areas listed below:

- Incidents in which OIG was refused assistance or information
- Interference with OIG independence
- Reports with questioned and unsupported costs
- Reports with recommendations that funds be put to better use
- Reports issued for comment but not responded to within 60 days
- Reports over 6 months old with no management decision
- Significant management decisions with which the Inspector General disagrees
- Significant recommendations described previously without final action
- Significant revisions of management decisions
- Significant findings from contract audit reports
- Noncompliance with the Federal Financial Management Improvement Act of 1996

**Performance Audits (Including Audits Conducted by Independent Public Accountants)  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use**

**USADF**

**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Economy and Efficiency				
A-ADF-16-002-P	11/13/15	Audit of the U.S. African Development Foundation's Fiscal Year 2015 Compliance With the Federal Information Security Management Act of 2002, as Amended		

**Financial Statement Audits Conducted by Independent Public Accountants  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use**

**USADF**

**October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Programs and Operations				
0-ADF-16-002-C	11/16/15	Audit of the U.S. African Development Foundation's Financial Statements for Fiscal Years 2015 and 2014		

**Nonaudits (Surveys, Assessments, and Reviews) Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
USADF  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Other				
0-ADF-16-003-S	12/24/15	Assessment of the United States African Development Foundation's Fiscal Year 2014 Government Charge Card Programs		



# SIGNIFICANT FINDINGS AND TABLES: INTER-AMERICAN FOUNDATION

IAF is an independent U.S. Government agency created to provide development assistance in Latin America and the Caribbean. IAF provides grant support for creative ideas for self-help received from grassroots groups and NGOs, while encouraging partnerships among community organizations, businesses, and local governments that are working to improve the quality of life for poor people and strengthen democratic practices.

## Audit of Inter-American Foundation Activities in Brazil and El Salvador

Report No. I-IAF-16-002-P

OIG audited six Inter-American Foundation grants in Brazil and El Salvador, with a combined value of \$2.3 million. These grants covered a range of activities, including social development, environmental conservation, income-generating activities, and support for legal promoters<sup>1</sup> in Brazil.

OIG sought to determine whether selected grantees were on track to improve environmental conservation and social development; increase employment, income, and food security; and meet their shared objective to improve the self-esteem and attitude of program beneficiaries.

Four of the six selected grantees were generally on track, including those whose programs were intended to support social development and environmental conservation in Brazil and to improve food security, economic opportunities, and quality of life for young families in El Salvador.

In general, all grantees selected produced positive intangible results. During site visits, project beneficiaries spoke positively about the support they received and talked about how IAF funding had improved their lives. For example, multiple beneficiaries of the Geledés project said the training they received gave them a better understanding of their legal rights as well as a sense of belonging. Their comments reflect what we observed throughout visits in Brazil and El Salvador and illustrate that for the selected grantees, IAF's support has directly led to improvements in self-esteem in the targeted communities.

However, OIG noted some areas for improvement. OIG cited sustainability as a concern with some programs in El Salvador, as IAF was contributing the majority of resources to projects. OIG also noted problems with a lack of documentation of results and grantee compliance, as well as the fact that some IAF policies did not comply with federal requirements (e.g., those dealing with accounting for salary expense, internal controls, and compliance terms for subgrantees).

---

<sup>1</sup>Legal promoters educate marginalized communities about their legal rights, increase awareness of health and domestic violence issues, and improve capacity to pursue legal action.



Moreover, IAF did not report certain matters to USAID OIG. IAF did not have a clear policy requiring appropriate reporting of crimes (including fraud), waste, and abuse.

OIG made five recommendations to address the above concerns, and IAF has made management decisions on all of them.

## Assessment of the Inter-American Foundation's Fiscal Year 2014 Government Charge Card Programs

Report No. 0-IAF-16-002-S

Under the Government Charge Card Abuse Prevention Act of 2012 (referred to as the Charge Card Act), Public Law 112-194, USAID's OIG is required to conduct periodic risk assessments of IAF's purchase card, travel card, centrally billed account, and convenience check programs to analyze the risks of illegal, improper, or erroneous purchases and payments. Based on the results of the risk assessment, the OIG must then determine the scope, frequency, and number of periodic audits or reviews of Government charge card programs. In addition, the Charge Card Act requires OIGs to conduct periodic audits or reviews of their respective agencies' travel programs with more than \$10 million in travel card spending.

The objective of this risk assessment was to determine the level of risk of illegal, improper, or erroneous purchases and payments in IAF's Government charge card programs. OIG assessed the level of risk as low for several reasons. OIG noted large fluctuations in the number and amount of convenience checks and in the centrally billed account processed from fiscal year 2013 to fiscal year 2014, which could indicate higher risk areas. According to the Chief Operating Officer, IAF is working toward eliminating all convenience check transactions. In addition, she said that IAF did not use the centrally billed account until the end of FY 2013, which is why the amounts fluctuated in that account from FY 2013 to FY 2014.

In addition, OIG did not find any ineffective or missing controls related to the policies and procedures management has implemented to issue charge cards, monitor spending, and comply with the reporting requirements of the Charge Card Act. The assessment noted one instance of noncompliance with applicable laws and regulations. IAF did not submit a charge card management plan to OMB for FY 2013. We notified IAF management, and they submitted a FY 2014 plan to OMB. We found that it was submitted in accordance with OMB requirements.

Finally, OIG found no open recommendations or any recommendations closed in FY 2014 that were related to Government charge card programs, and data on the amount of funds spent in FY 2013 showed that IAF did not exceed the \$10 million threshold that would trigger an automatic OIG review or audit of the travel card program.

OIG made no recommendations.

## Audit of the Inter-American Foundation's Financial Statements for Fiscal Years 2015 and 2014

### Report No. 0-IAF-16-003-C

Under OIG's oversight, a nonfederal audit firm performed an audit of IAF's financial statements for the FYs that ended September 30, 2015, and 2014. The independent auditor expressed an unmodified opinion on IAF's financial statements. The report contains no material weaknesses or significant deficiencies in IAF's internal control over financial reporting and no instances of noncompliance with selected provisions of applicable laws and regulations. OIG reviewed the audit report and found it to be in accordance with applicable standards. OIG made no recommendations.

## Tables

The tables on the following page provide information required by the Inspector General Act of 1978, as amended, and other congressional requirements. OIG has no information to report in this period in the areas listed below:

- Incidents in which OIG was refused assistance or information
- Interference with OIG independence
- Reports with questioned and unsupported costs
- Reports with recommendations that funds be put to better use
- Reports issued for comment but not responded to within 60 days
- Reports over 6 months old with no management decision
- Significant management decisions with which the Inspector General disagrees
- Significant recommendations described previously without final action
- Significant revisions of management decisions
- Significant findings from contract audit reports
- Noncompliance with the Federal Financial Management Improvement Act of 1996

**Performance Audits Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
IAF  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Economy and Efficiency				
I-IAF-16-002-P	11/9/15	Audit of Inter-American Foundation Activities in Brazil and El Salvador		

**Financial Statement Audits Conducted by Independent Public Accountants  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
IAF  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Programs and Operations				
0-IAF-16-003-C	11/17/15	Audit of Inter-American Foundation's Financial Statements for Fiscal Years 2015 and 2014		

**Nonaudits (Surveys, Assessments, and Reviews) Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations That  
Funds Be Put to Better Use  
IAF  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Other				
0-IAF-16-002-S	12/24/15	Assessment of the Inter-American Foundation's Fiscal Year 2014 Government Charge Card Programs		

# SIGNIFICANT FINDINGS: OVERSEAS PRIVATE INVESTMENT CORPORATION

OPIC is an independent U.S. Government corporation that mobilizes private capital to achieve social and economic development in developing countries while advancing U.S. foreign policy. It works with the private sector to help U.S. businesses gain footholds in emerging markets by promoting increased revenues, jobs, and growth opportunities at home and abroad. Operating in more than 160 countries, OPIC provides financing, guarantees, political risk insurance, and support for private equity investment funds.

OIG provides some oversight of OPIC under 22 U.S.C. 2199(e). In addition, Senate Report 114-79, which accompanied the Department of State, Foreign Operations, and Related Programs Appropriations Bill for 2016, directed OPIC to (1) enter into an agreement with USAID OIG, (2) allocate funding to support a mutually agreed-upon oversight plan, and (3) reimburse OIG for costs related to oversight and audit functions. This language was later endorsed in the Explanatory Statement accompanying the Consolidated Appropriations Act, 2016.

## Assessment of the Overseas Private Investment Corporation's Fiscal Year 2014 Government Charge Card Programs

Report No. 0-OPC-16-004-S

Under the Government Charge Card Abuse Prevention Act of 2012 (referred to as the Charge Card Act), Public Law 112-194, USAID's OIG is required to conduct periodic risk assessments of OPIC's purchase card, travel card, centrally billed account, and convenience check programs to analyze the risks of illegal, improper, or erroneous purchases and payments. Based on the results of the risk assessment, OIG must then determine the scope, frequency, and number of periodic audits or reviews of Government charge card programs. In addition, the Charge Card Act requires OIGs to conduct periodic audits or reviews of travel programs of their respective agencies' travel programs with more than \$10 million in travel card spending.

The objective of this risk assessment was to determine the level of risk of illegal, improper, or erroneous purchases and payments in OPIC's Government charge card programs. OIG assessed the level as low for several reasons. OIG did not identify any large fluctuations in the dollar amount of transactions, number of transactions, or number of cardholders from FYs 2013 to 2014, which could have indicated higher risk areas.

In addition, OIG did not find any ineffective or missing controls related to policies and procedures management has implemented to issue charge cards, monitor spending, and comply with the reporting requirements of the Charge Card Act. The assessment noted one instance of noncompliance with

applicable laws and regulations. OPIC had not submitted a charge card management plan to OMB for FY 2013. We notified OPIC management, who submitted the FY 2014 plan to OMB in accordance with the OMB requirements.

Finally, OIG found no open recommendations or any recommendations closed in FY 2014 that were related to Government charge card programs, and data on the amount of funds spent in FY 2013 showed that OPIC did not exceed the \$10 million threshold that would trigger an automatic OIG review or audit of the travel card program. OIG made no recommendations.

## Tables

The tables on the following pages provide information required by the Inspector General Act of 1978, as amended, and other congressional requirements. OIG has no information to report in this period in the areas listed below:

- Incidents in which OIG was refused assistance or information
- Interference with OIG independence
- Performance audits with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- Financial audits with associated questioned costs, unsupported costs, or recommendations that funds be put to better use
- Reports with questioned and unsupported costs
- Reports with recommendations that funds be put to better use
- Reports issued for comment but not responded to within 60 days
- Significant recommendations described previously without final action
- Significant revisions of management decisions
- Significant findings from contract audits
- Reports with questioned or unsupported costs
- Reports with recommendations that funds be put to better use
- Noncompliance with the Federal Financial Management Improvement Act of 1996

**Nonaudits (Surveys, Assessments, and Reviews) Conducted by OIG  
Associated Questioned Costs, Unsupported Costs, and Value of Recommendations  
That Funds Be Put to Better Use  
OPIC  
October 1, 2015–March 31, 2016**

Report Number	Date of Report	Report Title	Amt. of Findings (\$000)	Type of Findings
Other				
0-OPC-16-004-S	12/24/15	Assessment of the Overseas Private Investment Corporation's Fiscal Year 2014 Government Charge Card		

**Reports Over 6 Months Old With No Management Decision  
OPIC  
as of March 31, 2016**

Report Number	Auditee	Issue Date	Status
8-OPC-15-002-P	Overseas Private Investment Corporation (OPIC)	9/15/15	Recommendation 3: We asked OPIC to adopt a policy of free and fair competition under specific circumstances described in the report. In response, OPIC agreed to clarify its existing policies. After issuing its formal response, OPIC forwarded an e-mail dated August 21, 2015, to OIG. In the e-mail, the corporation's general counsel shared OPIC's response to Recommendation 3 with OPIC vice presidents and asked them to update their respective department policies as needed. However, because the e-mail did not set a date by which this process would be completed, we did not acknowledge a management decision. <sup>1</sup>

<sup>1</sup> On April 12, 2016, OPIC provided information to RIG/Frankfurt allowing acknowledgement of a management decision regarding this item.

**Significant Management Decisions With Which The Inspector General Disagrees  
OPIC  
October 1, 2015–March 31, 2016**

Report Number	Auditee	Issue Date	Rec. No.	Management Decision Date	Reason for Disagreement
8-OPC-15-002-P	Overseas Private Investment Corporation (OPIC)	9/15/15	2	9/15/15	OIG recommended that the Overseas Private Investment Corporation amend its policy of declining to support any project that poses significant hazards to public health and safety or the environment unless OPIC obtains evidence confirming such hazards have been mitigated. Although we acknowledge that OPIC made a management decision on this recommendation, we disagree with it. A policy to “endeavor” to obtain proof that risks have been mitigated is not likely to ensure that OPIC can, in fact, obtain proof. We made this recommendation because, despite OPIC’s statement in its management comments that its “current policies ensure that projects will not pose significant hazards to public health, safety, or the environment,” our audit’s results did not provide assurance that this is accurate.







# PEER REVIEWS

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203) requires federal inspectors general to report on results of peer reviews in their semiannual reports.

## **Audit**

USAID OIG is currently undergoing a peer review. The final report is expected by June 30, 2016.

## **Investigations**

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

As a result of the review, NRC OIG made three recommendations. Two of the recommendations have been resolved. The third recommendation was that the Criminal Investigations Manual should be reviewed and revised to update obsolete positions, practices, and procedures. The manual is expected to be completed in October 2016.



# COMMON ABBREVIATIONS

BU	funds recommended to be put to better use
DCAA	Defense Contract Audit Agency
DoD	Department of Defense
DOJ	Department of Justice
DOS	Department of State
FBI	Federal Bureau of Investigation
FISMA	Federal Information Security Management Act of 2002
FY	fiscal year
GAGAS	generally accepted government auditing standards
HHS	Department of Health and Human Services
IAF	Inter-American Foundation
MCC	Millennium Challenge Corporation
NGO	nongovernmental organization
OFDA	Office of U.S. Foreign Disaster Assistance
OIG	Office of Inspector General
OPIC	Overseas Private Investment Corporation
OMB	Office of Management and Budget
PMI	President’s Malaria Initiative
QC	questioned costs
SIGAR	Special Inspector General for Afghanistan Reconstruction
UN	unsupported costs
USADF	U.S. African Development Foundation
USAID	U.S. Agency for International Development

**United States Agency for International Development**

**Office of Inspector General**

**1300 Pennsylvania Avenue, NW**

**Room 6.6.D**

**Washington, D.C. 20523**