

# SIGAR

**Special Inspector General for  
Afghanistan Reconstruction**

**SIGAR 14-5 Inspection Report**

Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained



OCTOBER  
2013

# SIGAR

## Special Inspector General for Afghanistan Reconstruction

### WHAT SIGAR REVIEWED

On March 4, 2008, the U.S. Army Corps of Engineers, (USACE) Afghanistan Engineer District-North (USACE-TAN) awarded a \$4.2 million firm fixed-price contract to Swiz Hewadwal Joint Venture to construct nine district police headquarters for the Afghan National Police (ANP), including \$708,331 for the Archi District Police Headquarters (ADPH) project. On March 12, 2009, USACE-TAN modified the contract to limit the Archi project to construction of force protection measures—perimeter walls, guard towers, main and secondary entry control points, a guard shack, and a guard house—which reduced the Archi project amount from \$708,331 to \$289,185. For this inspection, we assessed whether (1) construction had been completed in accordance with contract requirements and applicable construction standards, and (2) the facilities were being used as intended and maintained.

### WHAT SIGAR RECOMMENDS

SIGAR is recommending that the Deputy Commanding Generals of the NATO Training Mission-Afghanistan and the Combined Security Transition Command-Afghanistan (CSTC-A), in coordination with the Afghan Minister of Interior, determine why U.S. funds provided directly to the Ministry of Interior for operation and maintenance (O&M) of ANP facilities have not been used to maintain the ADPH. CSTC-A did not concur with this recommendation. It commented that the Afghan government faces difficult decisions when prioritizing needs that may exceed the available budget and, as a result, some projects or facilities may receive less funding than would be desired if the budget were unlimited. While SIGAR recognizes that allocation of an O&M budget must be prioritized, conditions identified during SIGAR's inspection, coupled with the reported requests from Afghan officials for O&M support, indicate that an investigation is warranted into why funds provided to the Ministry of Interior for O&M of ANP sites have apparently not been provided to ADPH.

---

October 2013

**Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained**

---

### SIGAR 14-5 Inspection Report

### WHAT SIGAR FOUND

The force protection measures at Archi District Police Headquarters (ADPH)—such as the perimeter walls and guard towers—built under the March 2008 contract between the U.S. Army Corps of Engineers (USACE) Afghanistan Engineer District-North and Swiz Hewadwal Joint Venture appeared well constructed. However, SIGAR was unable to determine whether they had been built in accordance with contract requirements and applicable construction standards, because USACE officials could not locate the project's essential construction files, including documents such as the contract's technical specifications and requirements. In addition, USACE and the Combined Security Transition Command-Afghanistan (CSTC-A) had conflicting information about the project's cost.

Additional buildings had been constructed on the site, including barracks, bathrooms, and water and septic systems. However, neither USACE nor Afghan officials knew who built these additional buildings, when they were built, or how much they cost. SIGAR found during its November 2012 inspection that these additional facilities were in a state of disrepair, with an estimated 40 Afghan National Police personnel living and working in facilities with extensive mold—which can cause serious health problems—growing on the interior walls and ceilings of the barracks and bathrooms. In addition, the bathrooms were virtually unusable because of missing sink faucets, showers in disrepair, and no running water. Also, the facility only had 3 hours of electricity per day, which was provided by a small back-up generator.

CSTC-A provided funds for a USACE contract for operation and maintenance (O&M) of the ADPH, including these additional buildings, from October 2011 to May 2012. In addition, the entire ADPH facility has been eligible since December 2012 for O&M from the Afghan Ministry of Interior, which receives funding directly from the U.S. government for O&M of ANP facilities throughout Afghanistan. However, an Afghan police official at the facility told SIGAR in August 2013 that repeated requests for maintenance had been ignored. Moreover, the problems found during SIGAR's November 2012 site inspection had worsened. For example, the facility's water well no longer worked, requiring water to be trucked to the site daily.



Health hazard with mold on barracks' ceiling and walls

Source: SIGAR, November 19, 2012.



**SIGAR**

Office of the Special Inspector General  
for Afghanistan Reconstruction

October 30, 2013

General Lloyd J. Austin III  
Commander, U.S. Central Command

General Joseph F. Dunford, Jr.  
Commander, U.S. Forces-Afghanistan, and  
Commander, International Security Assistance Force

Major General Dean J. Milner  
Deputy Commanding General, NATO Training Mission-Afghanistan/Operations

Major General Kevin R. Wendel  
Deputy Commanding General, Combined Security Transition Command-Afghanistan/  
Ministerial Advisory Group

Lieutenant General Thomas P. Bostick  
Commanding General and Chief of Engineers  
U.S. Army Corps of Engineers

This report discusses the results of SIGAR's inspection of the Archi District Police Headquarters (ADPH) facilities in Kunduz province, Afghanistan. During our inspection, we found that the ADPH facilities were in a state of disrepair, with an estimated 40 Afghan National Police personnel living and working in facilities with extensive mold—which can cause serious health problems—growing on the interior walls and ceilings of the barracks and bathrooms. This report recommends that the Deputy Commanding Generals of the NATO Training Mission-Afghanistan (NTM-A) and the Combined Security Transition Command-Afghanistan (CSTC-A), in coordination with the Afghan Minister of Interior, determine why U.S. funds provided directly to the Ministry of Interior for operation and maintenance (O&M) of ANP facilities have not been used to maintain the ADPH.

In commenting on a draft of this report, CSTC-A disagreed with this recommendation, stating that the Afghan government faces difficult decisions when prioritizing a list of needs that may exceed the available budget and, as a result, some projects or facilities may receive less funding than would be desired if the budget were unlimited. While we recognize that allocation of an O&M budget must be prioritized, the deplorable conditions we identified during our inspection, coupled with requests from Afghan officials at the site for O&M support, underscore the importance of implementing our recommendation.

SIGAR conducted this inspection under the authority of Public Law No. 110-181, as amended; the Inspector General Act of 1978, as amended; and in accordance with *Quality Standards for Inspection and Evaluation*, published by the Council of the Inspectors General on Integrity and Efficiency.

A handwritten signature in black ink, appearing to read 'J. F. Sopko', with a long horizontal flourish extending to the right.

John F. Sopko  
Special Inspector General  
for Afghanistan Reconstruction

# TABLE OF CONTENTS

Background .....	2
Force Protection Measures Appeared Well-Constructed.....	3
Serious Maintenance Issues at Archi District Police Headquarters May Affect Personnel Health and Welfare....	4
Conclusion.....	7
Recommendation .....	8
Agency Comments .....	8
Appendix I - Scope and Methodology .....	10
Appendix II - Aerial View of the Archi District Police Headquarters.....	11
Appendix III - Comments from the Combined Security Transition Command-Afghanistan .....	12
Appendix IV - Comments from the U.S. Army Corps of Engineers.....	19
Appendix V - Acknowledgments .....	23

## FIGURES

---

Figure 1 - Map Showing Archi in Relation to the Cities of Kunduz and Kabul .....	1
----------------------------------------------------------------------------------	---

## PHOTOS

---

Photo 1 - Entry Point, Guard Tower, and Perimeter Wall at Archi District Police Headquarters .....	2
Photo 2 - Sinks without Faucets or Water, and Mold in Barracks and Bathroom Buildings .....	5
Photo 3 - Inoperable Main Generator Stored under a Tarp .....	6
Photo 4 - Small Back-Up Generator Used for Occasional Power .....	6
Photo 5 - Only Source of Water Is Hand-dipped from Plastic Day-Tank .....	6

## ABBREVIATIONS AND ACRONYMS

---

ADPH	Archi District Police Headquarters
ANA	Afghan National Army
ANP	Afghan National Police
ANSF	Afghan National Security Forces
CSTC-A	Combined Security Transition Command-Afghanistan
NTM-A	NATO Training Mission-Afghanistan
O&M	Operation and Maintenance
USACE-TAN	U.S. Army Corps of Engineers, Afghanistan Engineer District-North
WHO	World Health Organization

The Afghan National Security Forces (ANSF) are made up of the Afghan National Army (ANA) and the Afghan National Police (ANP). Currently, the ANP has about 500 facilities throughout Afghanistan, ranging from large provincial headquarters to smaller police district headquarters. One of these smaller police facilities, the Archi<sup>1</sup> District Police Headquarters (ADPH), is located near the village of Wazir Khan, Kunduz province, in a remote area of northern Afghanistan bordering Tajikistan (see figure 1). NATO Training Mission-Afghanistan (NTM-A)<sup>2</sup> oversees the operation and maintenance (O&M) associated with ANA and ANP facilities, and its Regional Command-North personnel visit facilities in Kunduz province to teach Afghans how to operate and maintain the facilities, including their heating and cooling, electrical, water, and sewage systems.

SIGAR inspectors accompanied NTM-A personnel during a visit to the ADPH in November 2012, and conducted an independent inspection of this ANP facility. For this inspection, we assessed (1) whether construction had been completed in accordance with contract requirements and applicable construction standards, and (2) whether the facilities were being used as intended and maintained.

We conducted our work in Kabul, Afghanistan; the U.S. Army Corps of Engineers (USACE) Kunduz Resident Office; and the ADPH from October 2012 through October 2013, in accordance with the *Quality Standards for Inspection and Evaluation*, published by the Council of the Inspectors General on Integrity and Efficiency. The engineering assessment was conducted by a professional engineer in accordance with the National Society of Professional Engineers' *Code of Ethics for Engineers*. Appendix I provides a more detailed discussion of our scope and methodology. Appendix II provides an aerial view of the ADPH facilities.

**Figure 1 - Map Showing Archi in Relation to the Cities of Kunduz and Kabul**



Source: SIGAR and Google.

<sup>1</sup> The term "Archi" is transliterated and spelled in various documents as Aachi, Arche, and variations of Dashte Archi, Dahst-i-Archi, Dasht-e Archi, Dashte Arche, and Dasht-e Arch, loosely translated as district or place of Archi. For consistency within this report, unless used in a quotation, we use the Archi spelling.

<sup>2</sup> NTM-A supports the International Security Assistance Force in overseeing training for the ANSF. Combined Security Transition Command-Afghanistan (CSTC-A) is the lead U.S. agency responsible for ANSF development, including organizing, training, and equipping of the ANSF. Because they have different responsibilities, such as NTM-A being responsible for the ANSF building program, and CSTC-A overseeing U.S. government funds provided to the ANSF, the specific acronym will be used as necessary throughout this report, to delineate NTM-A or CSTC-A responsibility.

## BACKGROUND

---

On March 4, 2008, the U.S. Army Corps of Engineers, Afghanistan Engineer District-North (USACE-TAN)<sup>3</sup> awarded a \$4.2 million firm fixed-price contract (W917PM-08-C-0026) to Swiz Hewadwal Joint Venture<sup>4</sup> to construct nine district police headquarters facilities for the ANP, including \$708,331 for ADPH facilities. The funding covered management, planning, adapting construction designs specifically to the site, materials, labor, equipment, de-mining activities, and the construction of buildings, vehicular access points, utilities, force protection measures, and site security.

On March 12, 2009, USACE-TAN modified the contract to limit construction at the Archi site to force protection measures, which were identified as the perimeter walls, guard towers, main and secondary entry control points, as well as a guard shack and guard house (see photo 1). Based on this modification, the amount of the contract allocated for construction of the ADPH facilities was reduced from \$708,331 to \$289,185. In response to a draft of this report, USACE and CSTC-A reported that the final payment to the contractor was further reduced to \$218,181.

To provide O&M support for ANSF facilities across Afghanistan, USACE awarded two maintenance contracts in July 2010 to ITT Exelis Systems Corporation, with a combined value of \$800 million—\$450 million for facilities supported by USACE-TAN and \$350 million for facilities supported by Afghanistan Engineer District-South. The O&M services to be provided under the contracts included building and structures maintenance; utility systems; and heating, ventilation, and air conditioning systems. As part of the contract, ITT Exelis Systems Corporation was also required to train Afghan workers on O&M skills, such as electrical, plumbing, and sewage treatment plant operation. An official from NTM-A/CSTC-A stated that maintenance of the ADPH had been covered under the USACE-TAN O&M contract from November 1, 2011, to May 1, 2012.

CSTC-A has also provided on-budget assistance to the Ministry of Interior to support ANP O&M activities.<sup>5</sup> The Ministry of Interior submits an O&M budget to CSTC-A for ANP facilities throughout Afghanistan. Once

---

**Photo 1 - Entry Point, Guard Tower, and Perimeter Wall at Archi District Police Headquarters**



Source: SIGAR, November 19, 2012.

---

---

<sup>3</sup> In 2009, the Afghanistan Engineer District was divided into two districts—North and South. The North District, where the ADPH is located, was referred to as USACE-TAN. In July 2013 both districts were combined into USACE-Transatlantic Afghanistan.

<sup>4</sup> This joint venture consisted of Swiz Hewadwal and Hewadwal Construction Company, an Afghan company. Subsequent to this contract, the joint venture was dissolved.

<sup>5</sup> Direct (also known as “on-budget”) assistance is funding provided directly to another government’s national budget to be used by that government. Unlike assistance provided through contractors and nongovernmental organizations operating on behalf of U.S. implementing agencies (also known as “off-budget assistance”), direct or on-budget assistance is designed

approved, the funds are provided to the Ministry of Interior through the Ministry of Finance. The Ministry of Interior's Facilities Maintenance Department works with the provincial chiefs of police to provide the funds needed for O&M contracts at the province and district level.

Based on our discussions with CSTC-A and a review of supporting documentation, about \$829.1 million has been provided in on-budget assistance to the Ministry of Interior from March 21, 2011, through December 20, 2013, for the operation, maintenance, and sustainment of ANP facilities. These funds have been provided as follows:

\$159.2 million for March 21, 2011 through March 19, 2012;

\$217.0 million for March 21, 2012 through December 20, 2012; and

\$452.9 million for December 21, 2012 through December 20, 2013.

## FORCE PROTECTION MEASURES APPEARED WELL-CONSTRUCTED

---

During our November 19, 2012, site inspection at the ADPH, we found that the perimeter walls, guard towers, main and secondary entry control points, as well as a guard shack and a guard house, appeared to be well-constructed. However, USACE-TAN officials were unable to locate the project's essential construction files, which prevented us from determining whether these force protection measures had been constructed in accordance with contract requirements and applicable construction standards. Documents that we would normally review, but that could not be located, included contract technical specifications and requirements, design documents, geotechnical reports, material testing reports, quality control and quality assurance reports, and transfer and acceptance documents. Unfortunately, this is not the first time that SIGAR auditors have encountered the problem of missing or incomplete construction files. We reported in April 2013, for example, that we were unable to fully assess the quality of construction or construction oversight at the Qala-I-Muslim Medical Clinic due to missing project design, construction, and oversight documents.<sup>6</sup>

In addition, USACE-TAN and CSTC-A had conflicting information regarding the project's cost. As noted above, USACE-TAN's contract modification in March 2009 limited the work at the ADPH to force protection measures and reduced the project cost for the site from \$708,331 to \$289,185. However, CSTC-A provided us with a project summary tracking sheet that showed the project was completed at a cost of \$734,292, an amount greater than the original project amount. The summary tracking sheet also showed that a final inspection was performed and the facilities were transferred to the Afghan government on May 15, 2011. However, due to the absence of the project's construction files, we could not determine exactly which facilities had been transferred to the Afghan government.<sup>7</sup>

---

to allow the Afghans more freedom to manage their own budget and to build their capacity for doing so. The on-budget funds are provided directly to the Afghan Ministry of Finance with the stated purpose to assist in the execution of Ministry of Interior programs.

<sup>6</sup> SIGAR Inspection 13-7, *Qala-I-Muslim Medical Clinic: Serving the Community Well, But Construction Quality Could Not Be Fully Assessed*, April 17, 2013.

<sup>7</sup> NTM-A provided us a copy of the DD Form 1354—the Department of Defense form used for the transfer and acceptance of military real property—dated January 25, 2011, transferring perimeter walls, guard towers, main and secondary entry control points, and guard shack and guard house from USACE to CSTC-A. However, neither USACE nor NTM-A could provide documentation showing that the facilities had been transferred to the Afghan government, or documentation concerning the other buildings located at the site.

## SERIOUS MAINTENANCE ISSUES AT ARCHI DISTRICT POLICE HEADQUARTERS MAY AFFECT PERSONNEL HEALTH AND WELFARE

---

In addition to the force protection measures constructed under USACE's contract with Swiz Hewadwal Joint Venture, the ADPH contains other facilities, including an administration building, barracks, bathrooms, water tower, water well, and septic system. Neither USACE-TAN nor Afghan officials could tell us who built these facilities or when they were built. NTM-A officials told us they believe the facilities were U.S.-built, but could not provide documentation to support their position. USACE-TAN officials stated that even if the facilities were U.S.-built, neither USACE-TAN nor its contractors built them. Our engineer estimated that the facilities were less than 10 years old.

We observed that these facilities were being used, but suffered from a significant lack of maintenance. SIGAR inspectors observed about 40 ANP personnel using the facilities, including living in the barracks. We noted a number of habitability issues. Most significantly, extensive mold was growing on the interior walls and ceilings of the barracks and bathroom facilities. According to the World Health Organization (WHO) and the U.S. Centers for Disease Control and Prevention, mold in dwellings can cause serious health problems.<sup>8</sup> In addition, the bathrooms were virtually unusable—faucets were torn out of the wall; the shower facilities were in disrepair; and there was no running water for the sinks, showers, or toilets (see photo 2).

---

<sup>8</sup> The World Health Organization (WHO) in its *WHO Guidelines for Indoor Air Quality*, published 2009, states that indoor air pollution, including dampness and mold, is a major cause of mortality worldwide; it negatively impacts respiratory symptoms, allergies and asthma, and the immune system. The Centers for Disease Control and Prevention, in its *Facts about Mold and Dampness*, also notes that mold in dwellings can cause serious health problems, particularly for immune-compromised people and people with chronic lung illnesses.

Photo 2 - Sinks without Faucets or Water, and Mold in Barracks and Bathroom Buildings



Source: SIGAR, November 19, 2012.

Electrical power for the ADPH facilities was supposed to be supplied by a large generator. However, ANP personnel at the site stated that the large generator had not been functional for the past 2 years because it needed repair. They added that even if the generator were repaired, they did not receive enough fuel to operate it. Instead, electrical power was being supplied by a small back-up generator, which ANP personnel said they purchased locally. They also told us that the small generator was only used about 3 hours per night to provide basic electricity needs or for emergency purposes (see photos 3 and 4).

---

**Photo 3 - Inoperable Large Generator Stored under a Tarp**



Source: SIGAR, November 19, 2012.

---

---

**Photo 4 - Small Back-Up Generator Used for Occasional Power**



Source: SIGAR, November 19, 2012.

---

ANP personnel on-site also stated that the facilities did not have running water due to the limited availability of electricity. At the time of our inspection, they were filling an on-site water tower from a well when electricity was available. However, because the small generator operated only about 3 hours a day, it did not allow enough water to be pumped from the well to the water tower to meet the facility's daily needs. As a result, the ANP personnel conserved water by connecting a garden hose to the water tower and filling a small plastic "day-tank," which served as the only source of water for the facilities. ANP personnel told us they hand-dipped water from the day-tank using pitchers or cans and used it for drinking, cooking, and hygiene purposes (see photo 5).

Operation of the sewage system was limited because the mechanical systems for the toilets were not working, and there was no running water. According to ANP personnel, flushing was performed by pouring pitchers of water taken from the day-tank into the toilets.

---

**Photo 5 - Only Source of Water Is Hand-dipped from Plastic Day-Tank**



Source: SIGAR, November 19, 2012.

---

CSTC-A funded a USACE contract for O&M of the ADPH and other Afghan facilities from October 2011 to May 2012. In addition, the entire ADPH facility has been eligible since December 2012 for O&M from the Afghan Ministry of Interior, which receives funding directly from the U.S. government for O&M of ANP facilities throughout Afghanistan. CSTC-A officials stated that O&M of the ADPH should have been included in this direct funding. However, they also indicated that, due to the process in place for direct assistance, they have no visibility over how the funds have been used by the Afghan Ministry of Interior to sustain specific ANSF sites. As a result, they could not provide us any information on how much funding has been specifically provided to support O&M of the Archi facility. In addition, ANP personnel at the site reported that they had not received O&M support from the U.S. or Afghan governments.

In May 2013, an NTM-A advisor to the Ministry of Interior stated that if we revisited ADPH, we would likely see an improvement in the quality of living conditions from what we found in November 2012. The advisor told us the process for getting money from the ministerial level to the provincial chiefs of police and down to the district level had improved. In lieu of revisiting the facility, which we could not do due to security constraints, we held telephone discussions in July and August 2013 with Afghan police officials responsible for the Archi facilities. The police official in charge of the site told us that the Archi facility still has not received any O&M support, despite repeated requests by ADPH police officers to the Provincial Chief of Police, as required under the current process for obtaining O&M. As a result, the deficiencies we found during our November 2012 inspection had not been corrected. Moreover, the officials we spoke with told us that conditions have worsened because the water well stopped working in May 2013, and despite requests to have it repaired, it had not been fixed. The officials noted that water was being trucked to the site daily but that it was insufficient for their needs.

We have previously reported on concerns with the operation, maintenance, and sustainment of ANSF facilities. For example, in October 2012, we reported that the Afghan government continued to face challenges—lack of sufficient number and quality of personnel, as well as undeveloped budgeting, procurement, and logistics systems—that would likely prohibit it from being capable of fully sustaining ANSF facilities after the transition in 2014.<sup>9</sup> The report also noted that the Ministry of Interior continued to rely on U.S. and coalition funding and support, thereby decreasing the likelihood that it could sustain ANP facilities in the long run. As a result, we concluded that U.S. funds invested in the construction and maintenance of ANSF facilities, particularly police facilities, were at risk of being wasted.

## CONCLUSION

---

Although the force protection measures—the perimeter wall, guard towers, entry control points, a guard shack, and a guard house—constructed under the 2008 USACE contract with Swiz Hewadwal Joint Venture appear well-constructed, we have serious concerns about the ADPH. Missing project documentation prevented us from determining whether contract requirements and construction standards were met. Moreover, it remains a mystery to U.S. and Afghan officials as to who built the other structures at the facility. Of most concern, however, are the deplorable conditions under which these facilities are being occupied and used. Extensive mold throughout the barracks and bathrooms, as well as the absence of electricity, heating and cooling systems, and running water for showers, sinks, and toilets indicate the facilities are not being maintained, despite requests from the officials posted at the site for O&M support. This lack of support raises concerns about the effectiveness of the O&M funds provided directly to the Afghan government, and raises broader concerns about the sustainability of other facilities the U.S. government has constructed in Afghanistan.

---

<sup>9</sup> SIGAR Audit 13-1, *Afghan National Security Forces Facilities: Concerns with Funding, Oversight, and Sustainability for Operation and Maintenance*, October 30, 2012.

## RECOMMENDATION

---

To ensure that ADPH facilities are properly maintained, and to help protect the U.S. government's investment in the facilities, we recommend that the Deputy Commanding Generals of NTM-A and CSTC-A, in coordination with the Minister of Interior,

1. **Determine why U.S. funds provided to the Ministry of Interior for O&M of ANP facilities since December 2012 have not been used to maintain the ADPH and what corrective actions will be taken to ensure direct funds to the Ministry of Interior for O&M are used as intended, and report back to SIGAR within 90 days.**

## AGENCY COMMENTS

---

CSTC-A and USACE provided written comments on a draft of this report, which we incorporated into the final report, as appropriate. Their comments, and our responses to CSTC-A and USACE, are reproduced in appendices III and IV, respectively.

Our draft report originally recommended that NTM-A/CSTC-A, in coordination with USACE, conduct an investigation to determine whether O&M funds were allocated to support the ADPH under the USACE-TAN O&M contracts. If funds were allocated, we recommended that the agencies determine why O&M was not performed and, if funds were not allocated, determine why the site was excluded.

- CSTC-A partially concurred with this recommendation and determined that the ADPH was covered under the USACE O&M contract. CSTC-A disagreed with the remainder of the recommendation, commenting that the recommendation presumed O&M had not been provided to ADPH. While the deplorable condition in which we found the site strongly suggests that O&M was not provided at the site during the period in which it was covered under the USACE-TAN contract, we agree that because the site had not been covered by the contract for 6 months when our site visit occurred, we cannot show conclusively that O&M was not provided under the USACE-TAN contract. Therefore, we have deleted this recommendation in the final report.
- USACE did not explicitly agree or disagree with the recommendation in the draft report, but noted that the ADPH had been under the USACE O&M contract from October 19, 2011 to May 1, 2012, at which time it was transferred to the ANP for O&M support.

Our draft report also recommended that NTM-A/CSTC-A, in coordination with USACE, ensure that necessary corrections were made to the Archi project's construction files to reflect accurate cost information. CSTC-A and USACE both concurred with this recommendation and commented that project files had been corrected to reflect the \$218, 181 amount listed on the DD Form 1354—the Department of Defense form used for the transfer and acceptance of military real property—dated January 25, 2011. We commend CSTC-A and USACE for prompt action to ensure the construction project files contain accurate information, and, as a result of the agencies taking corrective action, have deleted this recommendation from the final report.

With regard to our recommendation that NTM-A/CSTC-A, in coordination with the Afghan Minister of Interior, determine why U.S. funds provided for O&M of ANP facilities have not been used to support the ADPH, CSTC-A disagreed, noting that, “contrary to SIGAR’s recommendation, the goal is not to respond to an unfulfilled need or want by increasing the funding provided to the Afghans, but to instead help the Afghans make proper budgeting decisions that reflect prudent financial stewardship so that they can prioritize and address their own needs.” This statement seems to misinterpret our recommendation. We are not recommending that more funding be provided to the Afghan government. Rather, in light of the deplorable conditions in which we found the site and the repeated requests by officials at the site for support, we are recommending that a

determination be made as to why support has not been given to the ADPH. The answer to this question will likely help inform the important discussion of how the Afghan Ministry of Interior is using the funding it has been provided by the U.S. government for O&M of ANP facilities. Therefore, this recommendation remains, in our view, valid.

## APPENDIX I - SCOPE AND METHODOLOGY

---

This report provides the results of SIGAR's inspection of the Archi District Police Headquarters (ADPH), an Afghan National Police facility, near the town of Wazir Khan in Kunduz province. This inspection report is one in a series of inspections of U.S. Army Corps of Engineers construction projects in Afghanistan's northern provinces.

To determine whether construction had been completed in accordance with contract requirements and applicable construction standards, as well as whether the facilities were being used as intended and maintained, we:

- interviewed cognizant U.S. and Afghan officials involved in the construction project; and
- conducted a physical inspection and photographed the project site to observe the current status and quality of construction.

However, our inspection was limited because U.S. Army Corps of Engineers, Afghanistan Engineer District-North officials could not locate construction project files. Due to the absence of these files, we were not able to review all contract documents, design submittals, and geotechnical reports in order to understand project requirements and contract administration. As a result, we were not able to determine fully whether the construction was completed in accordance with contract requirements and applicable construction standards.

We conducted this inspection in Kabul, Afghanistan; at the U.S. Army Corps of Engineers Kunduz Resident Office; and the ADPH facilities from October 2012 through October 2013, in accordance with the *Quality Standards for Inspection and Evaluation*, published by the Council of the Inspectors General on Integrity and Efficiency. The engineering assessment was conducted by professional engineers in accordance with the National Society of Professional Engineers *Code of Ethics for Engineers*. We did not rely on computer-processed data in conducting this inspection. However, we considered the impact of compliance with laws and fraud risk.

We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our inspection objectives. We conducted this inspection under the authority of Public Law No. 110-181, as amended; and the Inspector General Act of 1978, as amended.

APPENDIX II - AERIAL VIEW OF THE ARCHI DISTRICT POLICE HEADQUARTERS

---



## APPENDIX III - COMMENTS FROM THE COMBINED SECURITY TRANSITION COMMAND-AFGHANISTAN



REPLY TO  
ATTENTION OF

CSTC-A

HEADQUARTERS  
COMBINED SECURITY TRANSITION COMMAND - AFGHANISTAN  
MINISTERIAL ADVISORY GROUP  
KABUL, AFGHANISTAN  
APO AE 09356

10 OCT 2013

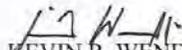
MEMORANDUM THRU United States Forces - Afghanistan (CJIG), APO AE 09356  
United States Central Command (CCIG), MacDill AFB, FL 33621

FOR Special Inspector General for Afghanistan Reconstruction, 2530 Crystal Drive, Arlington, VA 22202

SUBJECT: CSTC-A MAG Draft Response to SIGAR Inspection Report: "Archi District Police  
Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities  
Are Not Being Sustained" (SIGAR Inspection Report I-006B).

REFERENCE: Draft Report, dated OCT 2013, Special Inspector General for Afghanistan Reconstruction.

1. The purpose of this memorandum is to provide draft responses on the SIGAR Inspection Report.
2. CSTC-A non-concurs with SIGAR's presumptions and recommendations regarding the operations and maintenance of facilities at the Archi District Police Headquarters. CSTC-A appreciates SIGAR's concerns regarding health and facility maintenance issues; however, CSTC-A does not know who constructed or provided the facilities (i.e., administrative building, barracks, well or generator) identified in the SIGAR report. CSTC-A has already conducted an investigation and found that CSTC-A provided funds for an O&M contract; however, CSTC-A notes that SIGAR inaccurately presumes O&M was not performed. The O&M contract expired, and the Afghans assumed responsibility for O&M, 6 months before the SIGAR site visit in November 2012. In the report, SIGAR noted that the [USACE-provided facilities] "appeared to be well-constructed," and did not note any maintenance issues with these facilities.
3. CSTC-A concurs with SIGAR's recommendation to update the construction project files to reflect accurate cost information. CSTC-A has already implemented this action.
4. Please see the enclosed response for additional details.
5. Point of contact for this action is CPT Matthew E. French at [REDACTED] or via e-mail at [REDACTED]

  
KEVIN R. WENDEL  
Major General, US Army  
Commanding General

Enclosure:  
CSTC-A MAG Draft Report Response

### CSTC-A MAG INSPECTION REPORT RESPONSE

"Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained"  
(SIGAR Inspection Report I-006B)

1. The purpose of this memorandum is to provide responses to SIGAR's draft report.
2. The Combined Security Transition Command – Afghanistan (CSTC-A) acknowledges with appreciation SIGAR's concerns regarding the Afghan National Police (ANP) that prompted SIGAR's November 2012 inspection of the Archi District Police Headquarters. CSTC-A notes, however, that the facilities that were identified with health and/or maintenance issues (e.g., the barracks, administration facility, generator, and well) were not built or provided by USACE-TAN, and these facilities appear to be pre-existing. CSTC-A does not know who constructed those pre-existing facilities.
3. CSTC-A provided operation and maintenance (O&M) support for the Archi facility as part of a Coalition funded O&M bridging contract, to include O&M of the barracks, administrative building, well and a generator, though this generator was not the inoperable generator discussed in the SIGAR report.<sup>1</sup> More importantly, the SIGAR inspection occurred many months after the Coalition funded O&M support was discontinued. Of note, it appears that the CSTC-A mission was successful regarding the force protection structures built by USACE, in that the Afghans appeared to have provided all necessary sustainment and maintenance for that infrastructure, evidenced by a lack of derogatory comments by SIGAR as to those structures. With these facts in mind, CSTC-A will next address SIGAR's recommendations.
4. Recommendation 1:  
The Commander, Combined Security Transition Command-Afghanistan, in coordination with the Commanding General, USACE, conduct an investigation to determine whether operations and maintenance funds were allocated to support the Archi District Police Headquarters under the USACE-TAN operations and maintenance contracts and a) if funds were allocated, determine why operations and maintenance of the facility was not performed; or b) if funds were not allocated for the site, determine why the site was excluded from sustainment; and report back to SIGAR within 90 days.
  - a. CSTC-A reviewed the draft report and has the following comments:
  - b. CSTC-A concurs with SIGAR's recommendation only to the extent that it recommends that CSTC-A determine whether funds were allocated to support the Archi facility under a Coalition funded O&M bridging contract. CSTC-A disagrees with the remainder of SIGAR's recommendation and SIGAR's presumption that if coalition operations and maintenance funds were allocated to support the infrastructure at the Archi District Police Headquarters, then the operations and maintenance was not performed.
  - c. USACE did not construct or provide the administrative building, barracks, well or generator discussed in the SIGAR report. As such, those pre-existing facilities should not have been included on the Coalition funded O&M bridging contract. CSTC-A has conducted an investigation to

<sup>1</sup> The O&M contract included servicing of a generator identified as Chinese model number ZH1125WPD and serial number 26112715001. The "main generator" discussed in the SIGAR report appears to be a different make and model manufactured in Germany. As discussed later in this report, that generator appears untouched from its position resting on pallets since early 2011, at which time it was not connected to an electrical system. For purposes of addressing whether O&M should have been performed on the main generator, it would have been helpful for the SIGAR investigators to have documented the make and model of the main generator, its hours, and whether there were any signs that the generator had ever been connected to an electrical system.

SIGAR  
comment 1

SIGAR  
comment 2

### CSTC-A MAG INSPECTION REPORT RESPONSE

"Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained"  
(SIGAR Inspection Report I-006B)

determine whether operations and maintenance funds were allocated to support the Archi District Police Headquarters under the USACE-TAN operations and maintenance contracts. CSTC-A found that an O&M bridging contract was in place for the force protection measures provided by USACE, as well as for pre-existing facilities comprising an administration building, barracks, a well and a generator. The generator that was covered under the bridging contract is different than the inoperable generator that is discussed in the SIGAR report.

- d. The Coalition funded O&M bridging contract for the Archi facility includes an anomaly. Specifically, in addition to the O&M of the force protection measures provided by USACE, the bridging contract also included O&M of pre-existing facilities. CSTC-A's O&M contracts are typically limited to those structures constructed by USACE and do not include pre-existing facilities. It appears that the inclusion of those pre-existing structures may have been related to determining the required O&M by examining the scope of the original contract rather than the modified contract that had been de-scoped by 59%. As discussed below, CSTC-A modified one of its databases to help prevent such oversights in the future.
- e. Regardless of whether the pre-existing facilities should have been included in the bridging contract, CSTC-A disagrees with SIGAR's presumption that operations and maintenance of the Archi facility were not performed. CSTC-A has no record that the Archi site experienced any irregular maintenance or problems under the bridging contract, let alone any record or any reports of mold or of an inoperable generator. CSTC-A recognizes that if there were such problems, then USACE would have been the point of contact for the personnel at Archi, and CSTC-A understands that USACE also has no record of concerns or events that precluded Archi from receiving the regular O&M services and that USACE therefore has no reason to conclude that Archi DHQ location did not receive the regularly scheduled maintenance. In short, there is no indication that the O&M support at Archi was not performed during the contract period.
- f. A site visit was conducted in early 2011 to document the Afghan Nation Police (ANP) capital assets at the Archi location. This visit was performed after the construction of the force protection measures was completed and a copy of the corresponding report is attached as Annex A. In addition to the force protection measures, this report shows a generator resting on pallets and unconnected to any electrical system. Additionally, the generator included a number of labels in German.<sup>2</sup> This is the same generator that SIGAR identified as the inoperable main generator, and the pictures show it to still be resting on pallets. A different generator was covered under the bridging contract, and it would have been helpful in preparing this response to have had information regarding the operable generator that the SIGAR inspectors witnessed during their site visit.
- g. The Afghans are able to properly operate and maintain the facilities provided by USACE. After SIGAR's site visit in November of 2012 (six months after the bridging contract expired), SIGAR expressly concluded "the perimeter walls, guard towers, main and secondary entry control points, as well as a guard shack and guard house, appeared to be well-constructed." The SIGAR report does not indicate that there were any construction or maintenance issues with these force protection measures, indicating that the Afghans were properly trained on the correct operations and maintenance skills to maintain those facilities, demonstrating a successful transition of facilities maintenance responsibility.

<sup>2</sup> CSTC-A notes that there was a German base in Kunduz. CSTC-A takes no position on whether the German government may have been involved with the construction of the barracks and administration building at Archi.

SIGAR  
comment 2

**CSTC-A MAG INSPECTION REPORT RESPONSE**

**“Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained”  
(SIGAR Inspection Report I-006B)**

- h. In sum, there are no reports or records suggesting that the USACE facilities at Archi did not receive proper maintenance under the Coalition funded O&M bridging contract. When SIGAR visited the site six months after the expiration of this operations and maintenance contract, it found that these force protection measures were well-constructed, and there were no indications that these measures had any operations or maintenance issues. CSTC-A inadvertently extended the services under its O&M contract to include pre-existing barracks and an administration building. Approximately six months after that contract expired, SIGAR inspected the site and noted health and sustainment issues to infrastructure that USACE did not construct and that CSTC-A should not have been responsible for under the O&M contract.<sup>3</sup> CSTC-A has modified one of its databases in a manner that should avoid future oversights of this nature.

5. Recommendation 2:

The Commander, Combined Security Transition Command-Afghanistan, in coordination with the Commanding General, USACE, ensure that the necessary corrections are made to the NTM-A/CSTC-A and USACE construction project files to reflect accurate cost information.

- a. CSTC-A reviewed the draft report and has the following comments:
- b. CSTC-A concurs with SIGAR’s recommendation. CSTC-A maintains a number of databases, and one database that contained information regarding the contract costs of the construction at Archi did not reflect the current information. Specifically, that database listed the contract construction cost as \$734,292 rather than the modified contract amount of \$218,181, as reflected on the DD Form 1354. This database has been modified to auto-populate the current contract cost using information from other databases to reflect accurate cost information for ongoing and future projects. CSTC-A believes that these corrections to the CSTC-A database have addressed the issue that caused the program to not reflect the most up-to-date contract information.

6. Recommendation 3:

The Commander, Combined Security Transition Command-Afghanistan, in coordination with the Minister of Interior, determine why U.S. funds provided for operation and maintenance of the Archi District Police Headquarters have not been used to support the facility and, as quickly as possible, provide necessary funding to improve living conditions at the site.

- a. CSTC-A reviewed the draft report and has the following comments:
- b. CSTC-A disagrees with the conclusion that U.S. funds were not provided to Archi. As discussed above, Coalition funds for operation and maintenance of the Archi facility were provided under an O&M bridging contract and that support was provided to the Archi facility.
- c. Under the current system in Afghanistan, like the system in the United States, an O&M budget is prepared that prioritizes the needs of the facilities. Like in the United States, the Afghans may face

<sup>3</sup> CSTC-A has observed that mold can grow quickly in unventilated facilities in Afghanistan and has taken measures to increase natural ventilation in newly-built facilities. Though it is unfortunate that the barracks have mold growth, under the local conditions such mold growth does not necessarily reflect a long-term lapse in maintenance. Likewise, the removal of the faucets (and the wall fixtures, which were not discussed in the SIGAR report) could have occurred at any time after the conclusion of the O&M service contract. It is not CSTC-A’s normal procedure to replace items that were intentionally removed from pre-existing structures.

SIGAR  
comment 3

SIGAR  
comment 4

SIGAR  
comment 5

**CSTC-A MAG INSPECTION REPORT RESPONSE**

**“Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained”  
(SIGAR Inspection Report I-006B)**

difficult decisions when prioritizing a list of needs that may exceed the available budget. As a result, there are some projects or facilities that receive less funding than would be desired if the budget were unlimited. The CSTC-A ministerial advisors have been helping the Afghans through this process by leading them through a series of questions: What do they have?; What do they need?; and What can they afford? Having to work through this difficult process is an important step for the Afghans to learn to be self sufficient and to not put discretionary “wants” in front of required “needs.” Contrary to SIGAR’s recommendation, the goal is not to respond to an unfulfilled need or want by increasing the funding provided to the Afghans, but to instead help the Afghans to make proper budgeting decisions that reflect prudent financial stewardship so that they can prioritize and address their own needs.

- d. At page 3 of the SIGAR report, it states: “Based on our discussions with CSTC-A and a review of supporting documentation, about \$829.1 million has been provided in on-budget assistance to the Ministry of Interior from March 21, 2011 through December 20, 2013, for the operation, maintenance, and sustainment of ANP facilities, which should have included the Archi facility.” As discussed below, SIGAR’s consideration of the total amount of on-budget assistance taken as a whole does not reflect an understanding of the sustainment funding system.
- e. First, it should be noted that sustainment funds are not just limited to O&M. The budget expenditures for Mol Facilities include: Food non-salary (DFAC services), Engineering & Designs, Transportation/Freight/Handling, Construction Equipment-Repair, Generators-Repair, Agriculture Equipment-Repair, Water Supply/Canals-Repair, Electricity, Water, Municipal Service, Office Equipment and Supplies, Purchase - Agriculture Tools & Materials, Rent Buildings Machinery Equipment, Improvement to Buildings, Improvement to Roads, Acquisition of other Structures, and Water Supply and Canal Equipment. O&M expenditures were just a small fraction, approximately 6.2%, of expended sustainment Sub Activity Group (SAG) items in Solar Year 1391.
- f. Second, the O&M portion of the Sustainment SAG is to cover the entire nation of Afghanistan, not just the Kunduz province or even the northern region. On page 1 of the SIGAR report, it is recognized that “the ANP has about 500 facilities throughout Afghanistan ranging from large corps headquarters to smaller police district headquarters,”<sup>4</sup> and the Archi District headquarters (DHQ) is one of the smaller facilities. Based on size alone, it would be expected that the Archi DHQ would receive less O&M funding than many of the other ANP facilities.
- g. Third, the O&M funds are used in two manners: direct O&M performance by organic maintenance staff in the Kabul or provincial areas and by O&M contracts. O&M contracts vary in scope, but for the Archi DHQ would most likely have been a province-wide O&M contract. This province-wide O&M contract would have been initiated in December of 2012, which is after the SIGAR inspection occurred.
- h. Fourth, if a maintenance issue is beyond the in-house capacity of a DHQ, such as the Archi site, the procedure is for the DHQ to prepare a maintenance request that would typically be evaluated and potentially responded to by the Provincial headquarters (PHQ) maintenance staff. If the maintenance issue is beyond the capabilities of the PHQ maintenance staff, the maintenance request would then be submitted for work pursuant to the provincial O&M contract. This process requires initiation at the point of need, and the processes can be rather lengthy.

<sup>4</sup> Despite SIGAR’s assertions, CSTC-A notes that the ANP do not have corps.

SIGAR  
comment 5

SIGAR  
comment 6

SIGAR  
comment 7

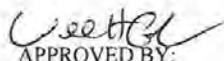
SIGAR  
comment 8

SIGAR  
comment 9

**CSTC-A MAG INSPECTION REPORT RESPONSE**

**"Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained"**  
(SIGAR Inspection Report I-006B)

- i. For at least these reasons, an analysis of how much money from Afghanistan's 1391 O&M budget should have been allocated to the Archi facility would not have been as simple and straightforward as the SIGAR report suggests.
- j. In conclusion, CSTC-A has been working with the MoI to advise on, and improve, the GIRoA budgeting system. Despite SIGAR's recommendation, the solution is not to simply increase the amount of funds provided to GIRoA, but is instead to help the Afghans become self-sufficient by leading them through a series of questions: What do they have?; What do they need?; and What can they afford? By working through this process, as the Afghans have been doing, they have been making progress toward self-sufficiency through proper budgeting and prudent financial stewardship.

  
APPROVED BY:  
William H. Graham  
COL, CSTC-A ENG  
Director

PREPARED BY:   
Regis C. Worley  
LCDR, CSTC-A ENG  
Operations & Integration Branch Chief,  
DSN [REDACTED]

## SIGAR's Response to Comments from the Combined Security Transition Command–Afghanistan

1. We acknowledge that CSTC-A does not know who constructed certain portions of the Archi District Police Headquarters (ADPH) (i.e., administrative building, barracks, well or generator). However, as CSTC-A notes in its comments, operation and maintenance (O&M) of the barracks, administrative building, well and a generator, was part of the USACE O&M contract and, therefore, should have received O&M support.
2. While the deplorable condition in which we found the site strongly suggests that O&M was not provided at the site during the period in which it was covered under the USACE-TAN contract, we agree that because the site had not been covered under the contract for 6 months when our site visit occurred, we cannot show conclusively that O&M was not provided under the USACE-TAN contract. Therefore, we have deleted this recommendation in the final report.
3. We commend CSTC-A for prompt action to resolve this recommendation and, as a result, have deleted it from our final report.
4. CSTC-A is misinterpreting the recommendation. This recommendation does not address the O&M bridging contract. Instead, the recommendation addresses funds provided on-budget through the Ministry of Interior. We have revised the recommendation to provide additional clarity.
5. We strongly agree with CSTC-A that the solution is not simply to increase the funds provided to the Afghans, but to help the Afghans become self-sufficient through proper budgeting and prudent financial stewardship by reconciling needs and wants with available funding. However, to suggest that our recommendation is to increase the amount of funds provided to the Afghan government misinterprets its intent. The deplorable conditions we encountered at the ADPH—conditions that Afghan officials told us remain to this day—continue to raise concerns about the effectiveness of O&M funds provided directly to the Afghan government. Therefore, our recommendation to determine why U.S. funds provided to the Ministry of Interior for O&M of the ADPH have not been used to maintain the facility and what corrective actions will be taken to ensure direct funds to the Ministry of the Interior for O&M are used as intended remains valid.
6. The referenced statement is accurate. The numbers used were provided to us in commitment letters issued by CSTC-A to the Afghan government for the years indicated.
7. We agree that not all of the \$829.1 million provided for direct assistance to the Ministry of Interior from March 21, 2011 through December 20, 2013, for the operation, maintenance, and sustainment of ANP facilities was available for facility maintenance. Our report notes that, in addition to O&M, it was also to be used for sustainment. Nevertheless, our point that significant funding is available for the operation, maintenance, and sustainment of ANP facilities remains valid.
8. We agree that the ADPH, as a smaller ANP facility, should not expect to receive the same level of O&M support as larger facilities. However, the deplorable conditions we identified, in addition to the repeated requests by ADPH officials for O&M support, reinforce that some investigation as to why the facility has received no O&M support is warranted.
9. We have revised the report to cite large provincial headquarters in lieu of large corps headquarters.

APPENDIX IV - COMMENTS FROM THE U.S. ARMY CORPS OF ENGINEERS



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
UNITED STATES ARMY CORPS OF ENGINEERS  
TRANSATLANTIC DIVISION  
255 FORT COLLIER ROAD  
WINCHESTER, VIRGINIA 22603-5776

17 OCT 2013

Internal Review

Ms. Elizabeth A. Field  
Special Inspector General for Afghanistan Reconstruction  
Assistant Inspector General for Audits and Inspections  
1550 Crystal Drive, Suite 900  
Arlington, Virginia 22202

Dear Ms. Field:

Enclosed are U.S. Army Corps of Engineers Transatlantic Division comments concerning Draft SIGAR Inspection Report, "Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained" (SIGAR Inspection Code I-006B).

My point of contact for these comments is Mr. Mike Hatchett, Chief Internal Review, telephone [REDACTED], or e-mail [REDACTED].

A handwritten signature in black ink, appearing to read "Vincent V. Quarles".

Vincent V. Quarles  
Colonel, U. S. Army  
Deputy Commander

Enclosure

**USACE Response to SIGAR Draft Inspection Report, "Archi District Police Headquarters: Extensive Mold, Lack of Running Water, and Inoperable Electrical Systems Show Facilities Are Not Being Sustained" (SIGAR inspection code I-006B)**

In response to the SIGAR Draft Report findings and recommendations the following comments are provided:

**Audit Recommendations:**

To better document the costs of U.S. reconstruction efforts in Afghanistan, we recommend that the Deputy Commanding Generals of NTM-A and CSTC-A, in coordination with the Commanding General, USACE,

1. Conduct an investigation to determine whether operations and maintenance funds were allocated to support the Archi District Police Headquarters under the USACE-TAN operations and maintenance contracts and a) if funds were allocated, determine why operations and maintenance of the facility were not performed; or b) if funds were not allocated for the site, determine why the site was excluded from sustainment; and report back to SIGAR within 90 days.

**USACE Response:** Our review disclosed operations and maintenance (O&M) funds were allocated by USACE to perform O&M on the Archi District Police Headquarters (ANP) from project completion until directed by CSTC-A to transfer the project to the ANP. The Archi District Police Headquarters was originally included within the scope of the TAN O&M contract, beginning on 19 October 2011. The facilities were removed by a modification to the contract on 1 May 2012 (Task Order 0003, modification 14) per the direction from our customer, NTM-A (CSTC-A), which then transferred the facilities to the ANP to provide future O&M. The SIGAR inspection of the facilities began in November 2012; over six months after the ANP became responsible for the operation and maintenance of the facilities. The USACE O&M contract is now administered by the USACE Middle East District, or TAM; the TAM Contracting Officer reports that there is no record of concerns or events that precluded the Archi location from receiving regular O&M services per the contract's performance work statement prior to 1 May 2012 (when the facilities were deleted from the O&M contract density list). The Contracting Officer also reports that regularly scheduled work was performed without disruption during the period of the contract O&M services, until transfer to the ANP.

2: Ensure that the necessary corrections are made to the NTM-A/CSTC-A and USACE construction project files to reflect accurate cost information.

**USACE Response:** Corrections have been made. The discrepancy between USACE and NTM-A/CSTC-A has been reconciled to a cost of \$218,181, which is the cost shown on the USACE DD 1354 property transfer document dated 25 January 2011, when the property was transferred from USACE TAN to CSTC-A. CSTC-A explained to USACE that the variance in its reported cost of \$734,292, found during the audit, was caused by an oversight that did not fully capture a modification which reduced the contract value (cost) to \$218,181. The cost are now the same for

SIGAR  
comment 1

SIGAR  
comment 2

USACE and CSTC-A. These reconciled records do not indicate a project cost of \$289,185, as stated in SIGAR's draft report.

To ensure that Archi District Police Headquarters facilities are properly maintained, and to help protect the U.S. government's investment in the facilities, we also recommend that the Deputy Commanding Generals of NTM-A and CSTC-A, in coordination with the Minister of Interior:

3. Determine why U.S. funds provided for operation and maintenance of the Archi District Police Headquarters have not been used to support the facility and, as quickly as possible, provide necessary funding to improve living conditions at the site.

**USACE Response:** USACE is unable to respond to this recommendation. The review and determination as to why U.S. funds provided for O&M of the ANP Headquarters, after transfer from USACE O&M, have not been used to support the facility should appropriately be answered by NTM-A CSTC-A. Any funding to improve living conditions at the site would also come from NTM-A CSTC-A.

SIGAR  
comment 3

## SIGAR's Response to Comments from the U.S. Army Corps of Engineers

1. SIGAR appreciates efforts by the Combined Security Transition Command-Afghanistan (CSTC-A) and the U.S. Army Corps of Engineers (USACE) to determine whether the Archi District Police Headquarters (ADPH) had been under the USACE operation and maintenance (O&M) contract. As noted earlier in this report, SIGAR has deleted this recommendation from the final report.
2. We commend USACE for taking prompt action to resolve this recommendation and, as a result, have deleted it from our final report.
3. We agree that USACE is not involved in the direct on-budget assistance that the U.S. provides to the Afghan government. Therefore, we have revised this recommendation to direct it only to the NATO Training Mission-Afghanistan and CSTC-A.

## APPENDIX V - ACKNOWLEDGMENTS

---

Scott Harmon, Senior Inspections Manager

Crawford "Les" Thompson, Senior Inspections Manager

Brian M. Flynn, Senior Audit Manager

Milton Naumann, Senior Auditor

Warren Anthony, Senior Auditor

Lee Dillingham, Professional Engineer

This inspection report was conducted  
under project code SIGAR-I-006B.

## SIGAR's Mission

The mission of the Special Inspector General for Afghanistan Reconstruction (SIGAR) is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

- improve effectiveness of the overall reconstruction strategy and its component programs;
- improve management and accountability over funds administered by U.S. and Afghan agencies and their contractors;
- improve contracting and contract management processes;
- prevent fraud, waste, and abuse; and
- advance U.S. interests in reconstructing Afghanistan.

## Obtaining Copies of SIGAR Reports and Testimonies

To obtain copies of SIGAR documents at no cost, go to SIGAR's Web site ([www.sigar.mil](http://www.sigar.mil)). SIGAR posts all publically released reports, testimonies, and correspondence on its Web site.

## To Report Fraud, Waste, and Abuse in Afghanistan Reconstruction Programs

To help prevent fraud, waste, and abuse by reporting allegations of fraud, waste, abuse, mismanagement, and reprisal, contact SIGAR's hotline:

Web: [www.sigar.mil/fraud](http://www.sigar.mil/fraud)  
Email: [sigar.pentagon.inv.mbx.hotline@mail.mil](mailto:sigar.pentagon.inv.mbx.hotline@mail.mil)  
Phone Afghanistan: +93 (0) 700-10-7300  
Phone DSN Afghanistan 318-3912 ext. 7303  
Phone International: +1-866-329-8893  
Phone DSN International: 312-664-0378  
U.S. fax: +1-703-601-4065

## Public Affairs

Public Affairs Officer

Phone: 703-545-5974  
Email: [sigar.pentagon.ccr.mbx.public-affairs@mail.mil](mailto:sigar.pentagon.ccr.mbx.public-affairs@mail.mil)  
Mail: SIGAR Public Affairs  
2530 Crystal Drive  
Arlington, VA 22202