

# SIGAR

**Special Inspector General for  
Afghanistan Reconstruction**

SIGAR Audit 14-83-AR

Department of State: Nearly 75 Percent of  
All SIGAR Audit and Inspection Report  
Recommendations Have Been  
Implemented



SIGAR Audit 14-83-AR/Recommendations to State

JULY  
2014

# SIGAR

## Special Inspector General for Afghanistan Reconstruction

### WHAT SIGAR REVIEWED

SIGAR initiated this audit to (1) identify and assess the status of SIGAR recommendations made to the Department of State (State) in all performance audits, financial audits, and inspections; and (2) review actions taken or planned by State to address any open recommendations.

To accomplish these objectives, SIGAR identified and examined all 111 recommendations made to State between SIGAR's inception in 2008 and March 31, 2014, and conducted analysis to determine the number of open, closed and implemented, and closed but not implemented recommendations.

SIGAR categorized each recommendation by broad sector, recommended action, and intended outcome. Finally, SIGAR examined documentation that State provided for each recommendation to determine any quantifiable financial benefit in the form of cost savings or recovered funds.

This audit report contains no new recommendations.

State commented that it is committed to strong oversight and the effective use of U.S. government funding, and stated that SIGAR's audits demonstrate the value of independent oversight, allowing State to recover \$6.6 million appropriated to the agency for reconstruction programs in Afghanistan.

---

JULY 2014

## DEPARTMENT OF STATE: NEARLY 75 PERCENT OF ALL SIGAR AUDIT AND INSPECTION REPORT RECOMMENDATIONS HAVE BEEN IMPLEMENTED

---

SIGAR AUDIT 14-83-AR

### WHAT SIGAR FOUND

SIGAR made 111 recommendations to the Department of State (State) from SIGAR's inception in January 2008 through March 2014, and 83 of those recommendations—nearly 75 percent—were implemented by State. Almost half of the implemented recommendations were designed to improve Afghan governance or promote rule of law and anti-corruption efforts. In addition, analysis showed that

- Almost two thirds of all recommendations were intended to achieve one of three outcomes: (1) improve State's award, oversight, and management of contracts or grants; (2) assist State to build and sustain the capacity of the Afghan government; or (3) ensure accountability over direct assistance funds.
- Almost half recommended that State, to achieve the intended outcomes, either (1) establish, improve, or follow existing procedures, policies, or other guidance; or (2) improve or implement a plan or strategy.

State's successful and timely implementation of these recommendations resulted in stronger protections against waste, fraud, and abuse in Afghanistan reconstruction activities. Two recommendations resulted in a total of \$103 million put to better use. For example, SIGAR reported that delays in the transfer of funds from the Department of Defense to State contributed to project delays and that these funds were about to expire. Based on SIGAR's recommendation, the transfer of funds was expedited. Four additional recommendations resulted in the recovery of more than \$6.6 million of unused funds and questioned costs. For example, SIGAR found that that an Afghan recipient of State funds did not use them as intended, but rather kept them for himself.

SIGAR closed 24 recommendations for several reasons:

- Thirteen recommendations were closed because SIGAR planned to conduct additional audit work that could supersede the recommendations.
- Four recommendations were closed because State's failure to take timely action rendered the recommendations moot. In SIGAR's view, if State had taken timely action, improvements could have been made conducting Afghan elections, addressing challenges faced by female voters, and supporting counterinsurgency efforts by promoting Afghan employment.
- Four recommendations were closed because, although State did not fully implement the recommendations, it took some actions towards addressing their intent.
- Two recommendations were closed because other agencies rather than State implemented the recommendations.
- One recommendation was closed because State did not concur with the recommendation and took no action.

Four of the 111 recommendations remain open. As of July 2014, three of these recommendations were open for 6 months and one recommendation for one year.



**SIGAR**

**Office of the Special Inspector General  
for Afghanistan Reconstruction**

July 17, 2014

The Honorable John F. Kerry  
Secretary of State

This report discusses the results of SIGAR's audit of the status of recommendations made to the Department of State (State) since SIGAR's inception in January 2008. Specifically, we (1) identified and assessed the status of SIGAR recommendations made to State in all performance audits, financial audits, and inspections; and (2) reviewed actions taken or planned by State to address any open recommendations. We found that 107 of 111 recommendations made to State are closed, and 83 of these recommendations were implemented. Two recommendations resulted in a total of \$103 million put to better use and four additional recommendations resulted in the recovery of more than \$6.6 million. For example, we identified that a lack of communication between agencies and delays in project execution resulted in funds at risk of expiring. Additionally, we found that an Afghan recipient of State assistance funds did not use them, but rather kept them for himself. As of July 2014, four recommendations remained open. We are not making any recommendations based on our findings at this time.

We received written comments on a draft of this report from State, which noted the department's commitment to strong oversight and effective use of government funding. According to State, SIGAR's audits helped the department recover \$6.6 million appropriated to the agency for reconstruction programs in Afghanistan. State also provided technical comments that we incorporated, as appropriate. State's comments are reproduced in appendix IV.

SIGAR conducted this work under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended; and in accordance with generally accepted government auditing standards.

John F. Sopko  
Special Inspector General  
for Afghanistan Reconstruction

# TABLE OF CONTENTS

Background.....	1
SIGAR Closed 107 of 111 Recommendations Made to State.....	2
Four SIGAR Recommendations Made to State Remain Open.....	7
Conclusion.....	8
Agency Comments.....	8
Appendix I - Scope and Methodology.....	9
Appendix II - All SIGAR Recommendations Made to the Department of State.....	10
Appendix III - Additional Tables.....	43
Appendix IV - Comments from the Department of State.....	46
Appendix V - Acknowledgments.....	47

## TABLES

---

Table 1 - All SIGAR Recommendations Made to State, by Report Type and Disposition.....	2
Table 2 - All SIGAR Recommendations Made to State, by Sector.....	3
Table 3 - All SIGAR Recommendations Made to State, by Recommended Action.....	43
Table 4 - All SIGAR Recommendations Made to State, by Intended Outcome.....	43
Table 5 - Recommendations Implemented by State, by Intended Outcome.....	44
Table 6 - Recommendations Not Implemented by State, by Intended Outcome.....	45
Table 7 - Open Recommendations Made to State, by Intended Outcome.....	45

## FIGURES

---

Figure 1 - All Recommendations Made to State, by Intended Outcome.....	3
Figure 2 - Recommendations Implemented by State, by Intended Outcome.....	4
Figure 3 - Recommendations Not Implemented by State, by Intended Outcome.....	5

## ABBREVIATIONS

---

State

U.S. Department of State

SIGAR is responsible for the independent and objective conduct and supervision of audits and investigations of reconstruction activities in Afghanistan, and is required to keep “the Secretary of State and the Secretary of Defense fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress on corrective action.”<sup>1</sup> We initiated this audit to (1) identify and assess the status of SIGAR recommendations made to the Department of State (State) in all performance audits, financial audits, and inspections; and (2) review actions taken or planned by State to address any open recommendations. To accomplish these objectives, we examined all recommendations made to State from SIGAR’s inception in January 2008 through March 2014, to determine the number of open and closed recommendations. We conducted additional analysis on each recommendation closed by SIGAR, including examining documentation provided by State and correspondence between SIGAR and State, to place each closed recommendation into one of two categories:

- Closed and implemented: A recommendation closed by SIGAR because State provided sufficient evidence that it addressed the intent of the recommendation.
- Closed but not implemented: A recommendation not implemented but considered closed by SIGAR because (1) SIGAR determined that based on information provided by State, a delay in implementation rendered the recommendation moot; or (2) SIGAR determined not to pursue the recommendation to closure for one of several reasons. For example, SIGAR may have decided to initiate new work on the recommendation topic.

Additionally, we reviewed all recommendations made to State and categorized each one by sector area, intended outcome, and recommended action. Finally, we examined documentation provided by State for each recommendation to determine any quantifiable financial benefit in the form of cost savings or recovered funds. We conducted our audit work in Washington, D.C., from February through May 2014, in accordance with generally accepted government auditing standards. Appendix I contains more information on our audit’s scope and methodology.

## BACKGROUND

---

The Office of Management and Budget Circular A-50 provides policies and procedures to agencies for resolving audit findings and taking corrective action on recommendations. Audit and inspection recommendation follow-up is a shared responsibility of agency management officials and auditors. Corrective action taken by agency management on resolved findings and recommendations is essential for improving the effectiveness and efficiency of government operations. Circular A-50 requires agencies to establish systems to ensure the prompt and proper resolution and implementation of monetary and non-monetary audit findings and recommendations.

SIGAR’s recommendation follow-up begins with SIGAR’s transmittal of the report and recommendations to State. The transmission includes a request that the agency provide documentation on the corrective actions taken and/or target dates for completing the corrective actions for each recommendation. State’s Office of the Deputy Chief Financial Officer, Office of Management Controls, acts as a liaison point of contact for recommendation tracking and follow-up and is the entity responsible for reporting implementing actions and progress on recommendations to SIGAR. Based on State’s response, we determine if the agency’s actions constitute sufficient corrective action and determine the implementation status for each recommendation of either “open” or “closed.”

---

<sup>1</sup> 5 USC App. 3 § 8G note.

## SIGAR CLOSED 107 OF 111 RECOMMENDATIONS MADE TO STATE

We identified 111 recommendations made to State between SIGAR’s inception in 2008 and March 31, 2014. Our audit found that SIGAR closed 107 recommendations (96 percent), with 83 recommendations closed and implemented and 24 closed but not implemented. Four recommendations made to State remain open. Table 1 shows the total number of reports and recommendations by report type—performance audit, financial audit, or inspection—as well as the status of each recommendation as open, closed–implemented, or closed–not implemented. Appendix II contains a list of all recommendations and their respective report number and issuance date, report title, status, sector, recommended action, and intended outcome.

**Table 1 - All SIGAR Recommendations Made to State, by Report Type and Disposition**

Report Type	Total Number of Recommendations	Open	Closed–Implemented	Closed–Not Implemented
Performance Audits (26 reports)	103	3	76	24
Financial Audits (2 reports)	7	1	6	0
Inspections (1 report)	1	0	1	0
<b>All Reports</b>	<b>111</b>	<b>4</b>	<b>83</b>	<b>24</b>

Source: SIGAR analysis

Our analysis of the 111 SIGAR recommendations to State also categorized each recommendation by sector area, intended outcome, and recommended action. Our analysis found:

- Fifty-four recommendations relate to sectors concerning Afghan governance or efforts to promote the rule of law and fight corruption.
- Sixty-nine recommendations were intended to achieve one of three outcomes (1) improve the award, oversight, and management of contracts, grants, or cooperative agreements; (2) build and sustain the capacity of the Afghan government; or (3) ensure accountability over direct assistance funds.
- Fifty-one recommendations recommended that State either (1) establish, improve, or follow existing procedures, policies, or other guidance; or (2) improve or implement a plan or strategy.

Table 2 and figure 1 depict the total number of recommendations categorized by the largest representative sector areas and intended outcomes, respectively.<sup>2</sup>

<sup>2</sup> Appendices II and III contain additional analytical breakdown of recommendations by sector, intended outcome, and recommended action.

**Table 2 - All SIGAR Recommendations Made to State, by Sector**

Sector Area	Number of Recommendations	Percent of Total Recommendations
Afghan governance	29	26.13%
Rule of law/anti-corruption	25	22.52%
Gender issues	9	8.11%
Infrastructure	9	8.11%
Revenue generation/financial sector	9	8.11%
Elections	7	6.31%
Agriculture	5	4.50%
Counter-narcotics	5	4.50%
Security	5	4.50%
Education	3	2.70%
Energy	2	1.80%
Cross-cutting: Contract award and management	8	7.21%
Cross-cutting: U.S. resource and information management	7	6.31%

Source: SIGAR analysis

Note: Twelve recommendations were classified under more than one sector area, and therefore the total number of recommendations depicted adds up to more than 111 and more than 100 percent.

**Figure 1 - All Recommendations Made to State, by Intended Outcome**



Source: SIGAR analysis

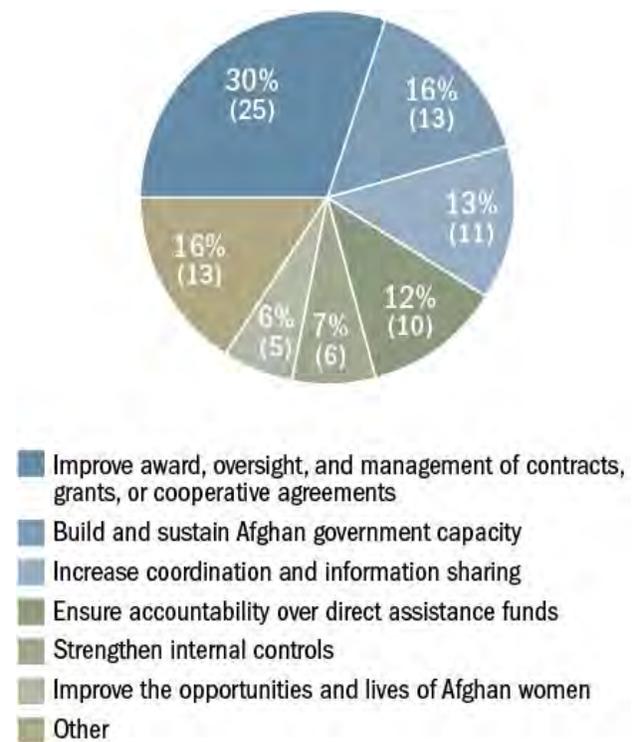
Notes: Percentages have been rounded. Numbers of recommendations are in parentheses.

## State Implemented 83 of 111 Recommendations Made by SIGAR, Resulting in Better Accountability of Funds Spent on Reconstruction in Afghanistan

Of the 111 recommendations made to State, 83 recommendations—or almost 75 percent—were implemented by State. Our analysis categorized the implemented recommendations by sector area, intended outcome, and recommended action:

- Forty-nine of the implemented recommendations were intended to achieve one of three outcomes: (1) improve the award, oversight, and management of contracts, grants, or cooperative agreements; (2) build and sustain the capacity of the Afghan government; or (3) increase coordination and information sharing. Figure 2 identifies the 83 recommendations implemented by State, categorized by intended outcome.
- Forty-one of the implemented recommendations relate to sectors concerning Afghan governance or efforts to promote the rule of law and fight corruption.
- Thirty-nine of the implemented recommendations suggested that State either (1) establish, improve, or follow existing procedures, policies, or other guidance; or (2) improve or implement a plan or strategy.

**Figure 2 - Recommendations Implemented by State, by Intended Outcome**



Source: SIGAR analysis.

Notes: Percentages have been rounded. Number of recommendations is in parenthesis.

The successful and timely implementation of these recommendations by State has resulted in stronger protections against waste, fraud, and abuse in reconstruction activities in Afghanistan, including:

### Recommendation to Develop a New Audit Policy for Foreign Recipients of Grants and Cooperative Agreements:

One recommendation implemented by State was made as part of an audit of the \$315.3 million in grants and cooperative agreements that State awarded for reconstruction activities in Afghanistan,<sup>3</sup> resulting in the establishment of a new policy requiring financial and/or program audits of awards made to foreign recipients.<sup>4</sup> According to State, the policy increases the likelihood that awarded funds will be properly accounted for and used for their intended purposes. The new policy applies to all of State's offices and posts that issue federal assistance awards—not just those operating in Afghanistan—and went into effect less than 5 months after we made the recommendation.

Recommendation Regarding a New Subcontractor Electronic Payment Policy: In response to another recommendation made as part of an audit of U.S. efforts to develop the Afghan financial sector and to assess

<sup>3</sup> SIGAR Audit 13-12, *Department of State's Assistance Awards for Afghanistan Reconstruction Activities Are Largely Unaudited*, July 8, 2013.

<sup>4</sup> The policy applies to any foreign recipient that expends \$500,000 or more in State awards in one year.

controls of U.S. funds flowing through the Afghan economy, State established a new policy requiring its contractors in Afghanistan to pay Afghan subcontractors through a bank capable of electronic funds transfers or a licensed hawalla dealer.<sup>5</sup> In our view, this new policy helps the Afghan and U.S. governments in tracking funds moving from person to person, thus decreasing their vulnerability to fraud or to diversion by insurgents.

## Twenty-four Recommendations Closed but Not Implemented Due to State Inaction, Non-Concurrence by State, or Other Actions not Related to State

Of the 111 recommendations made to State, 24 recommendations were closed but not implemented. Of these, we closed four recommendations because State failed to implement them in a timely manner and the recommendations were rendered moot, 19 recommendations were closed for reasons not directly related to State's actions, and one recommendation was closed because State did not concur with the recommendation. Figure 3 identifies the recommendations closed but not implemented by State by their intended outcomes.

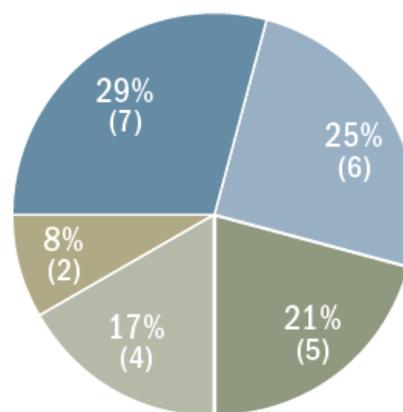
### State's Failure to Take Timely Action Rendered Four Recommendations Moot

We closed four recommendations because State's failure to take action in a timely manner rendered the recommendations moot.

Recommendations Regarding Afghan 2010 Election Capacity: We made two recommendations in a performance audit in September 2009 after the Afghan presidential elections in August 2009. The purpose of these recommendations was to help State build sustainable capacity in Afghanistan's electoral institutions in anticipation of the 2010 parliament and district council elections. However, SIGAR closed these recommendations after the 2010 elections passed without implementation by State.<sup>6</sup>

Recommendations Regarding Afghan First Initiative: We closed two recommendations made regarding the Afghan First Initiative, a program intended to support counterinsurgency initiatives by promoting Afghan employment, because State did not implement the recommendations before the program's authorization expired in September 2012, 8 months after the report's issuance.<sup>7</sup>

**Figure 3 - Recommendations Not Implemented by State, by Intended Outcome**



- Build and sustain Afghan government capacity
- Ensure accountability over direct assistance funds
- Increase coordination and information sharing
- Improve award, oversight, and management of contracts, grants, or cooperative agreements
- Improve the opportunities and lives of Afghan women

Source: SIGAR analysis

Notes: Percentages have been rounded. Number of recommendations is in parenthesis.

<sup>5</sup> SIGAR Audit 11-13, *Limited Interagency Coordination and Insufficient Controls over U.S. Funds in Afghanistan Hamper U.S. Efforts to Develop the Afghan Financial Sector and Safeguard U.S. Cash*, July 20, 2011. A hawalla dealer is an individual engaged in an informal money transfer system in the Middle East and South Asia.

<sup>6</sup> SIGAR Audit 09-06, *Strategy and Resources Needed to Sustain Afghan Electoral Capacity*, September 22, 2009.

<sup>7</sup> SIGAR Audit 12-06, *Afghan First Initiative Has Placed Work with Afghan Companies, but Is Affected by Inconsistent Contract Solicitation and Vetting, and Employment Data Is Limited*, January 31, 2012.

## Twenty Recommendations Closed for Other Reasons

We closed 20 recommendations for other reasons, including 19 recommendations that were not implemented for reasons not directly related to actions by State and one recommendation that was not implemented because State did not concur with the recommendation and took no action. Specifically:

- We closed 13 recommendations because we planned additional audit work on the subject of the recommendations.<sup>8</sup>
- We closed four recommendations because although State did not implement the recommendations, it took some actions towards addressing the general intent of the recommendations.<sup>9</sup> Because of a lack of funds at risk, we closed these recommendations and did not pursue further action.
- We closed two recommendations because although the recommendations were made jointly to multiple agencies, including State, other agencies took responsibility for implementing the recommendations.<sup>10</sup>
- We closed one recommendation because State did not concur with the recommendation and took no action.<sup>11</sup> In the joint recommendation made to the Secretaries of State and Defense, we recommended steps be instituted to record the serial numbers of cash disbursed to contractors and provide the data to U.S. law enforcement officials. In its comments, State responded that it does not provide sufficient amounts of cash payments to contractors to warrant additional financial controls.

## Recommendations Resulted in \$103 Million Put to Better Use and More Than \$6.6 Million Recovered

Two of our recommendations made to State in two performance audit reports resulted in \$103 million put to better use,<sup>12</sup> and four recommendations from four reports resulted in the recovery of more than \$6.6 million.<sup>13</sup> Our audit of the Afghanistan Infrastructure Fund projects identified that an ongoing delay in the transfer of \$101 million in funds from the Department of Defense to State contributed to delays in project execution and that the funds were at risk of expiring. Our recommendation that the transfer be expedited resulted in immediate action and the signing of a memorandum by State and other agencies to expedite the transfer of

---

<sup>8</sup> SIGAR Audit 09-03, *A Better Management Information System Is Needed to Promote Information Sharing, Effective Planning, and Coordination of Afghanistan Reconstruction Activities*, July 30, 2009; SIGAR Audit 10-15, *U.S. Reconstruction Efforts in Afghanistan Would Benefit from a Finalized Comprehensive U.S. Anti-Corruption Strategy*, August 5, 2010; SIGAR Audit 11-05, *Actions Needed to Mitigate Inconsistencies In and Lack of Safeguards over U.S. Salary Support to Afghan Government Employees and Technical Advisors*, October 29, 2010.

<sup>9</sup> SIGAR Audit 10-13, *Greater Coordination Needed in Meeting Congressional Directives to Address and Report on the Needs of Afghan Women and Girls*, July 30, 2010.

<sup>10</sup> SIGAR Audit 12-01, *Actions Needed to Better Assess and Coordinate Capacity-Building Efforts at the Ministry of Agriculture, Irrigation, and Livestock*, October 20, 2011; SIGAR Audit 12-12, *Fiscal Year 2011 Afghanistan Infrastructure Fund Projects Are behind Schedule and Lack Adequate Sustainment Plans*, July 30, 2012.

<sup>11</sup> SIGAR Audit 11-13, *Limited Interagency Coordination and Insufficient Controls over U.S. Funds in Afghanistan Hamper U.S. Efforts to Develop the Afghan Financial Sector and Safeguard U.S. Cash*, July 20, 2011.

<sup>12</sup> SIGAR Audit 09-04, *Actions Needed to Resolve Construction Delays at the Counter-Narcotics Justice Center*, August 27, 2009; SIGAR Audit 12-12.

<sup>13</sup> The majority of these funds were recovered and returned to the U.S. Treasury. However, \$2.82 million were direct assistance funds recovered from a contractor and returned to the Afghan government. SIGAR Audit 11-08, *Afghanistan's National Solidarity Program Has Reached Thousands of Afghan Communities, but Faces Challenges that Could Limit Outcomes*, March 22, 2011; SIGAR Audit 11-17, *The U.S. Civilian Uplift in Afghanistan Has Cost Nearly \$2 Billion, and State Should Continue to Strengthen Its Management and Oversight of the Funds Transferred to Other Agencies*, September 8, 2011; SIGAR Audit 12-13, *Selected Public Diplomacy Awards Mostly Achieved Objectives, but Embassy Can Take Steps to Enhance Grant Management and Oversight*, July 30, 2012; SIGAR Financial Audit 14-11-FA, *Department of State's Demining Activities in Afghanistan: Audit of Costs Incurred by Afghan Technical Consultants*, December 3, 2013.

the funds.<sup>14</sup> Additionally, our audit of the construction of the Counter-narcotics Justice Center identified \$1.4 million in funds that remained unused due to a lack of communications between agencies. Our recommendation that State's Bureau of International Narcotics and Law Enforcement amend the original scope of work to use the funds for utility upgrades resulted in the use of the remaining funds for the upgrades and an additional \$600,000 in estimated efficiency savings.<sup>15</sup>

Our audit of the costs for establishing and sustaining the number of U.S. civilian employees deployed to Afghanistan—also known as the “civilian uplift”—identified more than \$3.5 million in unutilized State transfers to the Department of Transportation and resulted in the return of the funds from the Department of Transportation to the U.S. Treasury.<sup>16</sup> Finally, our audit of Afghanistan's National Solidarity Program found that a hawalla dealer had not delivered about \$2.8 million in grants to its intended community, and instead had retained the funds.<sup>17</sup> We recommended that the U.S. Ambassador to Afghanistan urge the Afghan government to continue its efforts to recover those funds and either reprogram the funds or return the funds to the Afghanistan Reconstruction Trust Fund. In response, the U.S. Embassy in Kabul reported immediate action was taken—the Afghan Attorney General took the hawalla dealer into custody, and the National Solidarity Program hired legal counsel to help retrieve the stolen funds. Ultimately, the \$2.8 million was reimbursed to the Afghan government.

## FOUR SIGAR RECOMMENDATIONS MADE TO STATE REMAIN OPEN

---

Four recommendations remained open as of July 2014—three of these recommendations were open for 6 months and one recommendation for a year.<sup>18</sup> The following recommendations that we made to State remain open:

- SIGAR Financial Audit 13-11, *Department of State's Afghanistan Media Project: Audit of Incurred Costs by HUDA Development Organization Afghanistan*, issued on July 26, 2013, made three recommendations to the State Grants Officer for three grants funding the construction of five Afghan university media centers.<sup>19</sup> One recommendation identified more than \$2.4 million in questioned costs and recommended State determine the allowability of those costs and recover funds as appropriate. In its response, State acknowledged that more than \$860,000 of these funds are not allowable and expressed its intention to recover the funds. However, according to State, although it will pursue recovery of all funds due via the closeout process of each of the three grants, it is delaying action on this recommendation until the completion of an ongoing SIGAR investigation related to the financial audit.
- SIGAR Audit 14-26-AR, *Support for Afghanistan's Justice Sector: State Department Programs Need Better Management and Stronger Oversight*, issued on January 24, 2014, made four recommendations to the Secretary of State to strengthen U.S. government efforts to develop

---

<sup>14</sup> SIGAR Audit 12-12.

<sup>15</sup> SIGAR Audit 09-04.

<sup>16</sup> In 2009, President Obama announced a new, comprehensive U.S. strategy for Afghanistan aimed at disrupting, dismantling, and defeating al-Qaeda. A key element of the strategy is the expansion of civilian-led efforts to build Afghan governing capacity at all levels, improve the rule of law, and initiate sustainable economic growth. A significant increase or “uplift” in U.S. civilian employees deployed to Afghanistan supports this effort. See SIGAR Audit 11-17. Two additional audits issued recommendations to State that resulted in the return of funds to the U.S. Treasury. SIGAR Audit 12-13 recovered more than \$244,000 and SIGAR Financial Audit 14-11-FA recovered more than \$8,000.

<sup>17</sup> SIGAR Audit 11-08.

<sup>18</sup> SIGAR made three of these recommendations in one performance audit report, and one recommendation in a financial audit report.

<sup>19</sup> SIGAR Financial Audit 13-11, *Department of State's Afghanistan Media Project: Audit of Incurred Costs by HUDA Development Organization Afghanistan*, July 26, 2013.

Afghanistan's justice sector.<sup>20</sup> Three of the four recommendations remain open. We are awaiting additional documentation from State regarding implementation of these three recommendations.

## CONCLUSION

---

Although four recommendations still remain open, State successfully implemented almost 75 percent of all recommendations made by SIGAR since its inception in January 2008. Prompt and timely corrective action by State has resulted in myriad positive outcomes, including the implementation of two policies that assist in ensuring accountability of U.S. funds paid to foreign contractors and subcontractors; putting \$103 million to better use; and the recovery of more than \$6.6 million. State demonstrated that the timely closure of recommendations can improve the effectiveness and efficiency of State operations and ensure better accountability of U.S. funds spent on reconstruction activities in Afghanistan.

## AGENCY COMMENTS

---

We provided a draft of this report to State for its review and comment. In its written comments, State noted that it is committed to strong oversight and effective use of government funding.

State also provided technical comments, which we incorporated into the report as appropriate. State's written comments are reproduced in appendix IV.

---

<sup>20</sup> SIGAR Audit 14-26-AR, *Support for Afghanistan's Justice Sector: State Department Programs Need Better Management and Stronger Oversight*, January 24, 2014.

## APPENDIX I - SCOPE AND METHODOLOGY

---

We initiated this audit to conduct analysis of all recommendations made to State by SIGAR from our inception in January 2008 through March 2014. Specifically, we (1) identified and assessed the status of SIGAR recommendations made to State in all performance audits, financial audits, and inspections; and (2) reviewed actions taken or planned by State to address any open recommendations.

To identify and assess the status of recommendations made to State, we compiled a list of all recommendations issued by SIGAR that were directed, in whole or in part, to State, along with the number, type, and issue date for the report containing the recommendation. We conducted further analysis on each closed recommendation to classify it as either “closed and implemented” or “closed but not implemented” by examining internal SIGAR analysis and records, including correspondence with State officials, and documentation provided by State. We also met with State’s Office of the Deputy Chief Financial Officer, Office of Management Controls, to discuss State’s process for recommendation tracking and follow-up.

To further analyze the recommendations SIGAR made to State, we reviewed each report and recommendation and classified each recommendation by three topical categories: (1) the broad sector, (2) the recommended action to be taken by State, and (3) the intended outcome of successful implementation of the recommendation. Some reports focused on more than one sector area—we categorized some recommendations as focusing on an additional sector category to reflect this. Each recommendation was grouped into one recommended action or intended outcome category. To quantify funds recovered that were associated with a recommendation, we reviewed additional SIGAR documentation, including audit accomplishment reports.

To review the actions taken or planned by State to address any open recommendations, we compiled a list of all recommendations previously identified as open. We provided this list to State for its review, and subsequently interviewed officials from State’s Office of Management Controls about the status of the open recommendations and State’s efforts to implement the recommendations. We also reviewed documentation State provided regarding its actions and plans related to implementing the open recommendations. Two of the open recommendations made to State were issued jointly with State’s Office of Inspector General. Because State’s Office of Inspector General took the lead on following up on the recommendations, we relied on this office to determine the status of the two recommendations.

We did not use or rely on computer-processed data for purposes of the audit objectives. To assess internal controls, we reviewed State’s procedures for responding to tracking and resolving recommendations made by SIGAR. The results of our assessment are included in the body of this report.

We conducted our audit work in Washington, D.C., from February through June 2014 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit was performed by SIGAR under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended.

## APPENDIX II - ALL SIGAR RECOMMENDATIONS MADE TO THE DEPARTMENT OF STATE

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
Performance Audit 09-03 July 30, 2009	<i>A Better Management Information System Is Needed to Promote Information Sharing, Effective Planning, and Coordination of Afghanistan Reconstruction Activities</i>	<p>The development of an integrated management information system will require the participation and coordination of multiple agencies and commands. Therefore, we are addressing the three recommendations below to each of the key agencies and commands, so that they, together, will commit to developing an integrated information solution.</p> <ul style="list-style-type: none"> <li>• To provide a common operating picture of U.S. reconstruction programs and projects in Afghanistan, SIGAR recommends that the Secretary of State, Secretary of Defense, and the Acting Administrator of the U.S. Agency for International Development (in coordination with the U.S. Ambassador to Afghanistan and the Commanding General, U.S. Central Command) work together to jointly develop an integrated management information system, or comparable integrated information solution, for Afghanistan reconstruction activities.</li> <li>• SIGAR also recommends that the reconstruction stakeholders appoint an executive agent to coordinate the overall interagency development and implementation of an integrated management information system or comparable integrated information solution, including responsibilities for progress and issue resolution.</li> <li>• SIGAR recommends that the executive agent, once appointed, should work with stakeholder entities to,</li> </ul>	<p>Closed–Not Implemented<sup>b</sup></p> <p>Closed–Not Implemented<sup>b</sup></p> <p>Closed–Not</p>	<p>Cross-cutting: U.S. Resource and Information Management</p> <p>Cross-cutting: U.S. Resource and Information Management</p> <p>Cross-cutting: U.S. Resource</p>	<p>Establish or improve a database or information system</p> <p>Ensure appropriate personnel</p> <p>Establish, improve, or implement a</p>	<p>Increase coordination and information sharing</p> <p>Increase coordination and information sharing</p> <p>Increase coordination and</p>

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		at a minimum, determine interagency requirements for an integrated management information system or comparable integrated information solution that takes into account the various systems and methods currently used to collect reconstruction data; develop a plan to ensure that data integrity, consistency, accuracy, and completeness are taken into consideration in any system development; and identify funding and resource requirements to implement the development and sustainment of the system.	Implemented <sup>b</sup>	and Information Management	plan or strategy	information sharing
Audit 09-04 August 27, 2009	<i>Actions Needed to Resolve Construction Delays at the Counter-Narcotics Justice Center</i>	<p>To expedite the construction of the planned detention facilities at the Counter-Narcotics Justice Center in Kabul, Afghanistan and to utilize approximately \$1.4 million in remaining U.S. appropriations we recommend that the Department of State's Bureau of International Narcotics and Law Enforcement Affairs:</p> <ul style="list-style-type: none"> <li>Amend the original scope of work under interagency support agreement number 2078728M32 with the U.S. Army Corps of Engineers - Afghanistan Engineer District to include the utility upgrades for the Counter-Narcotics Justice Center in Kabul, Afghanistan, that remain under that agreement, or reprogram those funds to accomplish the same work through another mechanism.</li> </ul> <p>To expedite the construction of the planned detention facilities at the Counter-Narcotics Justice Center in Kabul, Afghanistan and to utilize approximately \$1.4 million in remaining U.S. appropriations we recommend that the Department of State's Bureau of International Narcotics and Law Enforcement Affairs:</p> <ul style="list-style-type: none"> <li>Modify the interagency support agreement number</li> </ul>	Closed-Implemented	Counter-narcotics; Rule of law/ anti-corruption	Modify contract language or other procurement action	Ensure construction of facilities are completed and used as intended
			Closed-	Counter-	Modify contract	Ensure

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		2078728M32 with the U.S. Army Corps of Engineers - Afghanistan Engineer District to increase the amount of funding to cover the costs of constructing the additional detention facility envisioned under the original second phase of construction for the Counter-Narcotics Justice Center in Kabul, Afghanistan, or alternatively use another mechanism.	Implemented	narcotics; Rule of law/ anti-corruption	language or other procurement action	construction of facilities are completed and used as intended
Audit 09-06 September 22, 2009	<i>Strategy and Resources Needed to Sustain Afghan Electoral Capacity</i>	<p>To help build sustainable capacity of Afghanistan's electoral institutions, we recommend that the U.S. Ambassador to Afghanistan, in consultation with the U.S. Agency for International Development:</p> <ul style="list-style-type: none"> <li>Assist the Government of the Islamic Republic of Afghanistan jointly develop, with the Independent Election Commission, United Nations, and other stakeholders, a detailed strategic plan for capacity development. This plan should include mutual expectations and benchmarks for developing sustainable institutional electoral capacity; a commensurate Afghan budget and human resource structure capable of sustaining the electoral processes; and training and professional development for the Independent Election Commission and the Electoral Complaints Commission, if integrated as a permanent presence into the election process.</li> </ul> <p>To ensure that capacity building and transfer of skills occur between technical advisors and Independent Election Commission staff, we recommend that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Urge the United Nations to hire a Capacity Development Advisor, or appoint an executive agent to coordinate an overall strategy for building and</li> </ul>	Closed-Not Implemented <sup>a</sup>	Elections	Establish, improve, or implement a plan or strategy	Build and sustain Afghan government capacity
			Closed-Not Implemented <sup>a</sup>	Elections	Ensure appropriate personnel	Build and sustain Afghan government

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		sustaining electoral capacity. The advisor or executive agent should, in coordination with the Independent Election Commission, United Nations, and other stakeholders, monitor all capacity building efforts, including evaluating performance and skills transfer, identifying skill gaps and professional development needs, and addressing sustainability and exit strategies.				capacity
Audit 09-07 September 30, 2009	<i>Documenting Detention Procedures Will Help Ensure Counter-Narcotics Justice Center Is Utilized As Intended</i>	To better ensure that the Counter-Narcotics Justice Center is utilized as intended, we recommend that the U.S. Ambassador to Afghanistan work with appropriate U.S. and Afghan officials to formalize and document procedures to ensure that the detention facilities at the Counter-Narcotics Justice Center are utilized on a priority basis with regard to mid- and high-value detainees. This could include a review as to whether the threshold for referring drug-related cases to the Central Narcotics Tribunal for adjudication is being effectively used and whether that threshold should be raised to help ensure that more detention cells at the Center are available for mid- and high-value detainees.	Closed– Implemented	Counter-narcotics; Rule of law/ anti-corruption	Establish, improve, or follow existing procedures, policies, or other guidance	Ensure construction of facilities are completed and used as intended
Audit 10-01 October 28, 2009	<i>Barriers to Greater Participation by Women in Afghan Elections</i>	To address the challenges that female candidates and voters face, SIGAR recommends that the U.S. Ambassador to Afghanistan urge the Independent Election Commission, in conjunction with the United Nations, to implement necessary corrective action, including: <ul style="list-style-type: none"> <li>Proactively recruit and train female Independent Election Commission staff and increase the number of female staff to better integrate the fundamental needs of women candidates and voters in the Independent Election Commission’s planning</li> </ul>	Closed– Implemented	Elections; Gender issues	Ensure appropriate personnel	Improve the opportunities and lives of Afghan women

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		process.				
		<ul style="list-style-type: none"> <li>Communicate to all Independent Election Commission staff the importance and criticality of following electoral law and procedures, including increased supervision over Independent Election Commission field staff, to eliminate proxy voting (e.g. men voting for women).</li> </ul>	Closed-Implemented	Elections; Gender issues	Establish, improve, or follow existing procedures, policies, or other guidance	Improve the opportunities and lives of Afghan women
		<ul style="list-style-type: none"> <li>Reprimand and/or publicly report violators of electoral infractions, particularly for proxy voting (men voting for women) and multiple registrations (men registering for women) to ensure fairness and credibility in the election process.</li> </ul>	Closed-Implemented	Elections; Gender issues	Establish, improve, or follow existing procedures, policies, or other guidance	Improve the opportunities and lives of Afghan women
		<ul style="list-style-type: none"> <li>Ensure registration and polling centers are located in secure, accessible locations, staffed by females, to allow women to register and vote free from intimidation.</li> </ul>	Closed-Implemented	Elections; Gender issues	Establish, improve, or follow existing procedures, policies, or other guidance	Improve the opportunities and lives of Afghan women
		<ul style="list-style-type: none"> <li>Raise awareness of the right of women to participate fully in the electoral process through broad civic education programs.</li> </ul>	Closed-Implemented	Elections; Gender issues	Establish, improve, or implement a plan or strategy	Improve the opportunities and lives of Afghan women
Audit 10-02 December 16, 2009	<i>Afghanistan's High Office of Oversight Needs Significantly Strengthened Authority, Independence, and Donor Support to Become an Effective Anti-Corruption Institution</i>	To help ensure the effective adoption and implementation of reform measures, SIGAR recommends that the U.S. Ambassador to Afghanistan, in consultation with the U.S. Agency for International Development, the High Office of Oversight, and international partners: <ul style="list-style-type: none"> <li>Determine conditions on which to base future assistance, including the enactment of mutually</li> </ul>	Closed-Implemented	Rule of law/ anti-	Establish, enhance, or implement	Ensure accountability

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>agreeable legislative reforms based on key principles to enhance the High Office of Oversight’s authority and independence, and the establishment by the High Office of Oversight of measureable performance benchmarks.</p> <p>To remedy an impairment of personal independence on the part of High Office of Oversight leadership, SIGAR recommends that the U.S. Ambassador to Afghanistan, through appropriate diplomatic channels including the Joint Coordination and Monitoring Board:</p> <ul style="list-style-type: none"> <li>Urge the High Office of Oversight Director General and Deputy Director General to either resign from their presidential advisory positions or, alternatively, resign from their High Office of Oversight positions.</li> </ul> <p>To provide leadership to the U.S. government assistance effort for the High Office of Oversight, SIGAR recommends that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Designate an agency or individual to oversee assistance to the High Office of Oversight, both in terms of institutional capacity building and legislative reform, in conjunction with international partners.</li> </ul> <p>To support the High Office of Oversight in meeting performance benchmarks, SIGAR recommends that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Ensure that the designated agency or individual oversee the appointment of high-level advisors, such as judges or anti-corruption specialists, to be embedded at the High Office of Oversight in order to provide sustained counsel, mentoring, and strategic advice to High Office of Oversight leadership.</li> </ul> <p>In order to improve coordination and avoid duplication of</p>		corruption	performance indicators or targets	over direct assistance funds
			Closed– Implemented	Rule of law/ anti-corruption	Ensure appropriate personnel	Build and sustain Afghan government capacity
			Closed– Implemented	Rule of law/ anti-corruption	Ensure appropriate personnel	Build and sustain Afghan government capacity
			Closed– Implemented	Rule of law/ anti-corruption	Ensure appropriate personnel	Build and sustain Afghan government capacity

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>effort and assistance to the High Office of Oversight among U.S. and international donors, SIGAR recommends that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Engage the international community to reinvigorate international donor coordination efforts, perhaps under the auspices of the United Nations Assistance Mission in Afghanistan.</li> </ul>	Closed-Implemented	Rule of law/ anti-corruption	Implement agreements and ensure coordination	Increase coordination and information sharing
Audit 10-03 December 18, 2009	<i>Actions Needed to Protect Afghanistan's Judicial Officials</i>	Six recommendations unclassified, but for official use only	Closed-Implemented (6)	Rule of law/ anti-corruption (6); Counter-narcotics (2)	Establish, improve, or follow existing procedures, policies, or other guidance (3); Ensure appropriate personnel (1); Conduct or improve current assessments or reviews (1); Implement agreements and ensure coordination (1)	Increase coordination and information sharing (4); Improve security of personnel or infrastructure (2)
Audit 10-08 April 9, 2010	<i>Afghanistan's Control and Audit Office Requires Operational and Budgetary Independence, Enhanced Authority, and Focused International Assistance to Effectively Prevent and Detect Corruption</i>	<p>To strengthen the Control and Audit Office's capability and capacity, SIGAR is making the following two recommendations:</p> <ul style="list-style-type: none"> <li>To help enable the Control and Audit Office to become an effective supreme auditing institution, SIGAR recommends that the U.S. Ambassador to Afghanistan urge the Afghan government to enact legislation providing the Control and Audit Office with sufficient independence and authority to fulfill its responsibilities in accordance with internationally</li> </ul>	Closed-Implemented	Rule of law/ anti-corruption	Establish, improve, or follow existing procedures, policies, or other guidance	Build and sustain Afghan government capacity

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>recognized audit standards.</p> <ul style="list-style-type: none"> <li>To help build the sustainable internal capacity of the Control and Audit Office, SIGAR recommends that the U.S. Ambassador to Afghanistan oversee the development and implementation of a capacity development plan for the Control and Audit Office, in cooperation with the Control and Audit Office and international stakeholders, as part of the U.S. government's Anti-Corruption Strategy for Afghanistan. In consideration of the issues concerning Control and Audit Office independence and authority, such a plan should include the identification of funding sources and donor responsibilities for capacity development and training; utilization of existing training possibilities within the U.S. government; and the appointment of expert audit mentors and advisors.</li> </ul>	Closed-Implemented	Rule of law/ anti-corruption	Establish, improve, or implement a plan or strategy	Build and sustain Afghan government capacity
Audit 10-13 July 30, 2010	<i>Greater Coordination Needed in Meeting Congressional Directives to Address and Report on the Needs of Afghan Women and Girls</i>	<p>Prior to developing the next report to Congress, which is due by September 30, 2010, SIGAR recommends that the Secretary of State, in consultation with the U.S. Agency for International Development Administrator:</p> <ul style="list-style-type: none"> <li>Develop consistent reporting requirements for all U.S. Agency for International Development and State programs and activities to provide data on female beneficiaries and measurable impacts of activities intended to address the needs of Afghan women and girls.</li> <li>Develop a coordinated approach to reporting on the use of earmarked funds that provides consistent information about each activity, identifies funding</li> </ul>	Closed-Not Implemented <sup>c</sup>	Gender issues	Establish or enhance reporting or reporting requirements	Increase coordination and information sharing
		<ul style="list-style-type: none"> <li>Develop a coordinated approach to reporting on the use of earmarked funds that provides consistent information about each activity, identifies funding</li> </ul>	Closed-Not Implemented <sup>c</sup>	Gender issues	Establish or enhance reporting or reporting	Increase coordination and information

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		sources, allocates earmarks at the start of each fiscal year's budgeting cycle, and provides the rationale for reporting activities and for determining the earmark attribution amounts.			requirements	sharing
		<ul style="list-style-type: none"> <li>Align activities to ensure consistency with the goals and benchmarks stated in the U.S.-supported Afghanistan's national strategies, particularly the National Action Plan for the Women of Afghanistan.</li> </ul>	Closed-Not Implemented <sup>c</sup>	Gender issues	Implement agreements and ensure coordination	Improve the opportunities and lives of Afghan women
		<ul style="list-style-type: none"> <li>Target funds to specifically address the organizations repeatedly specified in the legislation, including the Ministry of Women's Affairs, the Afghanistan Independent Human Rights Commission, and Afghan women-led non-governmental organizations and civil society organizations to ensure appropriated funds are used as directed by Congress and address the needs of Afghan women and girls.</li> </ul>	Closed-Not Implemented <sup>c</sup>	Gender issues	Establish, improve, or follow existing procedures, policies, or other guidance	Improve the opportunities and lives of Afghan women
Audit 10-15 August 5, 2010	<i>U.S. Reconstruction Efforts in Afghanistan Would Benefit from a Finalized Comprehensive U.S. Anti-Corruption Strategy</i>	To improve and direct U.S. anti-corruption efforts in Afghanistan and to help strengthen the capacity of Afghan government institutions to combat corruption and protect U.S. and other donor funds from waste, fraud, and abuse, SIGAR recommends that the U.S. Secretary of State: <ul style="list-style-type: none"> <li>Approve and implement the draft comprehensive U.S. anti-corruption strategy for reconstruction efforts in Afghanistan.</li> <li>Review key Afghan oversight institutions, particularly the internal audit departments of Afghan line ministries, to determine whether the United States should provide them more assistance to strengthen</li> </ul>	Closed-Implemented	Rule of law/ anti-corruption	Establish, improve, or implement a plan or strategy	Build and sustain Afghan government capacity
			Closed-Not Implemented <sup>b</sup>	Rule of law/ anti-corruption	Conduct or improve current assessments or	Build and sustain Afghan government

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		their ability to combat corruption in Afghanistan and provide accountability over U.S. reconstruction funds channeled through the Afghan government.			reviews	capacity
Audit 11-01 October 26, 2010	<i>Weaknesses in Reporting and Coordination of Development Assistance and Lack of Provincial Capacity Pose Risks to U.S. Strategy in Nangarhar Province</i>	<p>To help ensure that Nangarhar’s provincial directorates develop the capacity required to implement, absorb, and execute additional development funds and implement development projects—as outlined in the government of Afghanistan’s Sub-National Governance Policy—SIGAR recommends that the U.S. Ambassador to Afghanistan, in coordination with the Nangarhar Provincial Reconstruction Team and U.S. Forces-Afghanistan:</p> <ul style="list-style-type: none"> <li>• Work with the Ministry of Finance and other ministries to develop a cohesive, interagency strategy focused on developing Nangarhar province’s capacity in budget formulation and execution, planning and project development, management and oversight, and operations and maintenance.</li> </ul> <p>To ensure that the government of Afghanistan and U.S. personnel are aware of provincial-level U.S. development activities, priorities, and expenditures across Afghanistan, and to ensure that the Afghanistan government is able to develop an accurate picture of provincial-level expenditures for inclusion in the external budget, SIGAR recommends that the U.S. Ambassador to Afghanistan, in coordination with U.S. Forces-Afghanistan and the Afghan government:</p> <ul style="list-style-type: none"> <li>• Develop a strategy and methodology to formally report provincial-level project and expenditure data—at the appropriate level of detail—to the government of Afghanistan and provincially based Afghan and U.S. officials; this may require provincial-level expenditure reporting from implementing partners.</li> </ul>	Closed-Implemented	Afghan governance	Establish, improve, or implement a plan or strategy	Build and sustain Afghan government capacity
			Closed-Implemented	Afghan governance	Establish, improve, or implement a plan or strategy	Increase coordination and information sharing

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<ul style="list-style-type: none"> <li>Coordinate with U.S. Forces-Afghanistan, the United Nations Assistance Mission in Afghanistan, and other stakeholders to assist Nangarhar's line directors and technical working groups in developing meaningful, comprehensive sectoral development plans that can lead to sustainable economic improvement.</li> </ul>	Closed-Implemented	Afghan governance	Establish, improve, or implement a plan or strategy	Ensure accountability over direct assistance funds
		<ul style="list-style-type: none"> <li>Advance and implement a development assistance plan for Nangarhar in a manner that increasingly transfers development management to the provincial government institutions, including line ministers, and the technical working groups/Provincial Development Committee process. This includes encouraging and/or requiring implementing partners to formally involve provincial officials in development projects and programs.</li> </ul>	Closed-Implemented	Afghan governance	Establish, improve, or implement a plan or strategy	Ensure accountability over direct assistance funds
Audit 11-02 October 26, 2010	<i>U.S. Civilian Uplift in Afghanistan Is Progressing but Some Key Issues Merit Further Examination as Implementation Continues</i>	<p>To ensure that the interagency evaluation of the civilian uplift is comprehensive, SIGAR recommends that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Include the following items as part of the interagency review: training, required guidance for working in the field, and standardized models for civilian-military integration.</li> </ul> <p>To formally monitor civilians' effectiveness in the field and identify shortfalls and necessary corrective actions, SIGAR recommends that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Develop a mechanism for collecting, analyzing, and applying lessons learned and best practices, to include the design and implementation of a series of comprehensive field surveys.</li> </ul>	Closed-Implemented	Cross-cutting: U.S. Resource and Information Management	Conduct or improve current assessments or reviews	Ensure proper planning and management of resources
		<ul style="list-style-type: none"> <li>Develop a mechanism for collecting, analyzing, and applying lessons learned and best practices, to include the design and implementation of a series of comprehensive field surveys.</li> </ul>	Closed-Implemented	Cross-cutting: U.S. Resource and Information	Establish, enhance, or implement performance indicators or	Ensure proper planning and management of resources

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
				Management	targets	
Audit 11-05 October 29, 2010	<i>Actions Needed to Mitigate Inconsistencies in and Lack of Safeguards over U.S. Salary Support to Afghan Government Employees and Technical Advisors</i>	<p>To mitigate the negative effects of donor salary support on long-term sustainability and capacity development, SIGAR recommends that the U.S. Ambassador coordinate with other international donors and the Afghan government through formal coordination mechanisms to collectively:</p> <ul style="list-style-type: none"> <li>• Establish principles, including reporting requirements, to guide how and under what conditions donors may provide salary support in a way that facilitates a transition to Afghan responsibility.</li> <li>• Define key terms such as salary support, salary supplement, technical advisor, and other related terms to facilitate information sharing and improve transparency over donor salary support.</li> <li>• Develop and utilize a standardized salary scale that is more closely aligned with Afghan government-approved scales for salaries and salary supplements.</li> </ul> <p>To ensure U.S. salary support is strategically targeted toward prioritized needs and goals and is consistently applied across U.S. agencies, SIGAR recommends that the U.S. Ambassador:</p> <ul style="list-style-type: none"> <li>• Designate a representative to serve as a focal point for requests for salary support and monitor salary support provided by U.S. agencies.</li> </ul>	<p>Closed-Not Implemented<sup>b</sup></p> <p>Closed-Not Implemented<sup>b</sup></p> <p>Closed-Not Implemented<sup>b</sup></p> <p>Closed-Implemented</p>	<p>Afghan governance</p> <p>Afghan governance</p> <p>Afghan governance</p> <p>Afghan governance</p>	<p>Establish or enhance reporting or reporting requirements</p> <p>Establish, improve, or follow existing procedures, policies, or other guidance</p> <p>Establish, improve, or follow existing procedures, policies, or other guidance</p> <p>Ensure appropriate personnel</p>	<p>Build and sustain Afghan government capacity</p> <p>Build and sustain Afghan government capacity</p> <p>Build and sustain Afghan government capacity</p> <p>Ensure accountability over direct assistance funds</p>

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<ul style="list-style-type: none"> <li>Issue guidance that includes priorities, coordination mechanisms, and standardized salary ranges.</li> </ul>	Closed–Not Implemented <sup>b</sup>	Afghan governance	Establish, improve, or follow existing procedures, policies, or other guidance	Ensure accountability over direct assistance funds
		<ul style="list-style-type: none"> <li>Identify the full extent of existing and planned U.S. salary support and determine whether that support is in line with this guidance and U.S. strategic goals and objectives.</li> </ul> <p>To enhance safeguards and improve accountability over U.S. funding for salary support, SIGAR recommends that the U.S. Ambassador:</p>	Closed–Not Implemented <sup>b</sup>	Afghan governance	Conduct or improve current assessments or reviews	Ensure accountability over direct assistance funds
		<ul style="list-style-type: none"> <li>Require verification that positions funded by U.S. agencies are on the tashkil or are planned to be transferred onto the tashkil.</li> </ul>	Closed–Not Implemented <sup>b</sup>	Afghan governance	Establish, improve, or follow existing procedures, policies, or other guidance	Ensure accountability over direct assistance funds
		<ul style="list-style-type: none"> <li>Conduct a risk assessment of the Afghan government payroll and human resources systems and procedures used to disburse salary support in order to determine weaknesses in the systems and institute conditions or requirements to mitigate those risks.</li> </ul>	Closed–Not Implemented <sup>b</sup>	Afghan governance	Conduct or improve current assessments or reviews	Ensure accountability over direct assistance funds
		<ul style="list-style-type: none"> <li>Work with the Ministry of Finance, in conjunction with other donors, to develop a mechanism to detect when employees receive multiple salary payments.</li> </ul>	Closed–Not Implemented <sup>b</sup>	Afghan governance	Establish, improve, or follow existing procedures, policies, or other guidance	Ensure accountability over direct assistance funds
		<ul style="list-style-type: none"> <li>Require that recipients of U.S. salary support be paid electronically, if appropriate financial controls exist.</li> </ul>	Closed–Not Implemented <sup>b</sup>	Afghan governance	Establish, improve, or follow existing	Ensure accountability

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
					procedures, policies, or other guidance	over direct assistance funds
Audit 11-08 March 22, 2011	<i>Afghanistan's National Solidarity Program Has Reached Thousands of Afghan Communities, but Faces Challenges that Could Limit Outcomes</i>	<p>To ensure that about \$2.8 million of National Solidarity Program funds retained by a hawalla dealer in Paktika province, and \$84,648 in unearned transfer fees paid to the same hawalla dealer, are used for their intended purposes, we recommend that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Urge the Afghan government to continue its efforts to recover those funds from the hawalla dealer and either reprogram the recovered funds for National Solidarity Program activities or return the funds to the Afghanistan Reconstruction Trust Fund.</li> </ul> <p>To improve internal controls associated with monitoring and accounting for donor funds and help mitigate the potential effects of future challenges to the National Solidarity Program identified in this report, SIGAR recommends that the U.S. Ambassador to Afghanistan encourage the National Solidarity Program, the Ministry of Rural Rehabilitation and Development, and the World Bank to:</p> <ul style="list-style-type: none"> <li>Strengthen the existing monitoring system within the program and improve the quality of the internal monitoring reports to measure progress toward established performance indicators to show improvements in local governance and linkages over time between local communities and the Afghan government as a result of National Solidarity Program activities.</li> </ul> <ul style="list-style-type: none"> <li>Seek final determination by the Afghan government</li> </ul>	Closed-Implemented	Afghan governance	Recover or ensure appropriate use of funds	Ensure accountability over direct assistance funds
			Closed-Implemented	Afghan governance	Establish or enhance reporting or reporting requirements	Strengthen internal controls
			Closed-	Afghan	Establish, improve,	Strengthen

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		as to whether community development councils established by the National Solidarity Program should become village councils.	Implemented	governance	or follow existing procedures, policies, or other guidance	internal controls
		<ul style="list-style-type: none"> <li>Continue to improve the block grant transfer system to ensure that community development councils continue to receive and have access to funds in a timely and consistent manner - particularly during the seasons in which they implement approved projects.</li> </ul>	Closed-Implemented	Afghan governance	Establish, improve, or follow existing procedures, policies, or other guidance	Strengthen internal controls
		<ul style="list-style-type: none"> <li>Strengthen and streamline the system for paying facilitating partners in accordance with National Solidarity Program contractual obligations.</li> </ul>	Closed-Implemented	Afghan governance	Establish, improve, or follow existing procedures, policies, or other guidance	Strengthen internal controls
		<ul style="list-style-type: none"> <li>Closely monitor and evaluate National Solidarity Program activities in insecure areas to determine whether the greater flexibility in applying internal controls results in losses of National Solidarity Program funds or the failure to achieve program objectives.</li> </ul>	Closed-Implemented	Afghan governance	Conduct or improve current assessments or reviews	Strengthen internal controls
Audit 11-10 April 25, 2011	<i>Despite Improvements in MoI's Personnel Systems, Additional Actions Are Needed to Completely Verify ANP Payroll Costs and Workforce Strength</i>	To improve the United Nations Development Programme's monitoring and oversight of U.S. and other international donations contributed into the Law and Order Trust Fund for Afghanistan, as well as address the United Nations Development Programme management fee we recommend that the U.S. Ambassador to Afghanistan: <ul style="list-style-type: none"> <li>Require that the U.S. representative on the Law and Order Trust Fund for Afghanistan Steering Committee follow up with United Nations Development</li> </ul>	Closed-Implemented	Security	Recover or ensure appropriate use of	Ensure accountability over direct

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		Programme to ensure that an opinion is rendered on the available international donations in the Law and Order Trust Fund for Afghanistan at the end of each audit period, and request that the U.S. Mission at the United Nations help to negotiate and ensure that the United Nations Development Programme management fee of three percent for the Law and Order Trust Fund for Afghanistan Phase VI is approved.			funds	assistance funds
Audit 11-12 July 19, 2011	<i>U.S. Agencies Have Provided Training and Support to Afghanistan's Major Crimes Task Force, but Reporting and Reimbursement Issues Need to be Addressed</i>	<p>To improve accountability over U.S. assistance to the Major Crimes Task Force, we recommend that the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs:</p> <ul style="list-style-type: none"> <li>• Provide an accounting, as required by the Memorandum of Agreement between the Office of the Secretary of Defense and the Bureau of International Narcotics and Law Enforcement Affairs, of the \$6.2 million already transferred to the Bureau of International Narcotics and Law Enforcement Affairs to cover operations and maintenance costs for the Major Crimes Task Force Camp Falcon facility.</li> </ul> <p>To ensure that the U.S. government is reimbursed, as appropriate, for some of the costs of assistance to the Major Crimes Task Force, we recommend that the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs, in consultation with the Commanding General of Combined Security Transition Command-Afghanistan:</p> <ul style="list-style-type: none"> <li>• Develop and implement a system to bill, collect, and appropriately use such funds received from non-U.S. international personnel receiving services at the Major Crimes Task Force Camp Falcon facility.</li> </ul>	Closed- Implemented	Rule of law/ anti- corruption	Recover or ensure appropriate use of funds	Ensure accountability over direct assistance funds
			Closed- Implemented	Rule of law/ anti- corruption	Recover or ensure appropriate use of funds	Ensure accountability over direct assistance funds

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
Audit 11-13 July 20, 2011	<i>Limited Interagency Coordination and Insufficient Controls over U.S. Funds in Afghanistan Hamper U.S. Efforts to Develop the Afghan Financial Sector and Safeguard U.S. Cash</i>	To help leverage available resources and expertise and avoid duplication of agency efforts on financial sector issues, the U.S. Ambassador to Afghanistan should instruct the members of the Financial Sector Working Group to:				
		<ul style="list-style-type: none"> <li>Develop an interagency strategy to coordinate efforts to work with Afghan banks to increase their Electronic Funds Transfer, internal processes, and transaction accountability capabilities.</li> </ul>	Closed–Implemented	Revenue generation/ financial sector	Establish, improve, or implement a plan or strategy	Increase coordination and information sharing
		To strengthen oversight over the flow of U.S. funds through the Afghan economy and to support overall U.S. reconstruction goals in Afghanistan, the Secretary of State and the Secretary of Defense should instruct their contracting and financial authorities to:				
		<ul style="list-style-type: none"> <li>Institute steps to record the serial numbers of cash disbursed to contractors and provide these data to U.S. law enforcement officials (including the Afghan Threat Finance Cell), as well as the Financial Transactions and Reports Analysis Center of Afghanistan or another appropriate Afghan source.</li> </ul>	Closed–Not Implemented <sup>e</sup>	Revenue generation/ financial sector	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
	<ul style="list-style-type: none"> <li>Develop a plan to ensure that Afghan banks that provide payments to recipients of U.S. Electronic Funds Transfer payments record the serial numbers of cash paid to these recipients by using bulk currency counters and that these data are reported to U.S. law enforcement officials (including the Afghan Threat Finance Cell), as well as the Financial Transactions and Reports Analysis Center of Afghanistan or another appropriate Afghan source.</li> </ul>	Closed–Implemented	Revenue generation/ financial sector	Establish, improve, or implement a plan or strategy	Improve award, oversight, and management of contracts, grants, or cooperative agreements	
	<ul style="list-style-type: none"> <li>Insert a standard clause into U.S. contracts, grants,</li> </ul>	Closed–	Revenue	Modify contract	Improve award,	

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		and cooperative agreements with entities operating in Afghanistan requiring that these contractors pay their subcontractors through either an Electronic Funds Transfer-capable bank or a licensed hawalla, where possible. Alternatively, if a determination is made that such a clause would not be feasible under existing regulations, submit a formal proposal to Congress with legislative language allowing the inclusion of such a clause.	Implemented	generation/ financial sector	language or other procurement action	oversight, and management of contracts, grants, or cooperative agreements
Audit 11-14 July 22, 2011	<i>The World Bank and the Afghan Government Have Established Mechanisms to Monitor and Account for Funds Contributed to the Afghanistan Reconstruction Trust Fund, but Some Limitations and Challenges Should Be Addressed</i>	<p>To strengthen and enhance oversight of Afghanistan Reconstruction Trust Fund funds, we recommend that the U.S. Ambassador to Afghanistan, in coordination with other Afghanistan Reconstruction Trust Fund donors, urge the World Bank to:</p> <ul style="list-style-type: none"> <li>• Include explicit language in the new Recurrent Cost Window monitoring agent's contract and terms of reference to require the agent to make necessary arrangements to conduct site visits in both Kabul and the provinces, on a sample basis, to verify the eligibility of the Afghan government's operating expenditures.</li> <li>• Enhance reporting to all donors on development project results and outcomes by regularly including this information in its quarterly reports to donors or by systematically distributing supervision mission reports to all Afghanistan Reconstruction Trust Fund donors.</li> </ul> <p>To ensure that Afghan ministries further develop and sustain the staff expertise needed to manage and account for development funding, including Afghanistan Reconstruction Trust Fund funds, we recommend that the U.S. Ambassador to Afghanistan, in coordination</p>	Closed- Implemented	Afghan governance	Modify contract language or other procurement action	Ensure accountability over direct assistance funds
			Closed- Implemented	Afghan governance	Establish or enhance reporting or reporting requirements	Ensure accountability over direct assistance funds

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		with the World Bank and other donors:				
		<ul style="list-style-type: none"> <li>Assist the Afghan government with capacity building efforts, such as developing plans to completely transition to Afghan civil service staff and completing pay and grade reform, which would enhance the Afghan government's ability to attract and retain qualified staff.</li> </ul>	Closed-Implemented	Afghan governance	Establish, improve, or implement a plan or strategy	Build and sustain Afghan government capacity
Audit 11-17 September 8, 2011	<i>The U.S. Civilian Uplift in Afghanistan Has Cost Nearly \$2 Billion, and State Should Continue to Strengthen Its Management and Oversight of the Funds Transferred to Other Agencies</i>	To improve the management and planning of the U.S. civilian uplift in Afghanistan, we are making two recommendations to State's Assistant Secretary for South and Central Asian Affairs to: <ul style="list-style-type: none"> <li>Implement formal agreements, such as memoranda of understanding, with all agencies that receive State transfers to fund their uplift personnel to ensure funds are used for their intended purposes. These agreements should clearly detail the approved uses of funds and provide for the monitoring and oversight of the expenditure of funds.</li> <li>Ensure that the Department of Transportation returns the \$3.5 million in funds that were unused to State or the U.S. Treasury.</li> </ul>	Closed-Implemented	Cross-cutting: U.S. Resource and Information Management	Implement agreements and ensure coordination	Increase coordination and information sharing
		<ul style="list-style-type: none"> <li>Ensure that the Department of Transportation returns the \$3.5 million in funds that were unused to State or the U.S. Treasury.</li> </ul>	Closed-Implemented	Cross-cutting: U.S. Resource and Information Management	Recover or ensure appropriate use of funds	Ensure proper planning and management of resources
Audit 12-01 October 20, 2011	<i>Actions Needed to Better Assess and Coordinate Capacity-Building Efforts at the Ministry of Agriculture, Irrigation, and Livestock</i>	To improve the integration and coordination of U.S. capacity-building efforts, we recommend the U.S. Ambassador to Afghanistan, in coordination with the Ministry of Agriculture, Irrigation, and Livestock: <ul style="list-style-type: none"> <li>Develop a Ministry of Agriculture, Irrigation, and Livestock capacity-building implementation plan to provide guidance for programs with the Ministry of</li> </ul>	Closed-Implemented	Agriculture	Establish, improve, or implement a plan or strategy	Build and sustain Afghan government

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>Agriculture, Irrigation, and Livestock and the Directorate of Agriculture, Irrigation, and Livestock capacity-building components that defines and articulates an end state for Ministry of Agriculture, Irrigation, and Livestock capacity building, identifies core competencies and their standards, and establishes priorities and critical milestones. This plan should include regular progress reporting.</p> <p>To more closely integrate Agribusiness Development Team capacity-building activities with those of civilian agencies, we recommend the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>• Improve coordination and integration mechanisms with Agribusiness Development Teams by disseminating information and guidance to Agribusiness Development Teams through a designated military liaison to implement U.S. Ministry of Agriculture, Irrigation, and Livestock capacity-building activities in a coordinated civilian-military manner. The dissemination of this information and guidance should be done formally and systematically.</li> </ul> <p>To more accurately and consistently measure civilian-military progress made in building Ministry of Agriculture, Irrigation, and Livestock's capacity in Kabul and in the provinces, we recommend that the U.S. Ambassador to Afghanistan, in conjunction with the U.S. Agency for International Development Mission Director, U.S. Department of Agriculture, the Office of Interagency Provincial Affairs, and the International Security Assistance Force Joint Command:</p> <ul style="list-style-type: none"> <li>• Establish common indicators and standard definitions for assessing capacity-building efforts throughout the</li> </ul>	Closed-Implemented	Agriculture	Implement agreements and ensure coordination	<p>capacity</p> <p>Build and sustain Afghan government capacity</p>
		<ul style="list-style-type: none"> <li>• Establish common indicators and standard definitions for assessing capacity-building efforts throughout the</li> </ul>	Closed-Implemented	Agriculture	Establish, enhance, or implement	Build and sustain Afghan

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		Ministry of Agriculture, Irrigation, and Livestock and direct U.S. agencies to collect and report on those indicators to the U.S. Embassy.			performance indicators or targets	government capacity
		<ul style="list-style-type: none"> <li>Establish performance baselines and targets for all performance indicators in the Agriculture Campaign Assessment and the Mission Performance Management Plan.</li> </ul>	Closed–Not Implemented <sup>d</sup>	Agriculture	Establish, enhance, or implement performance indicators or targets	Build and sustain Afghan government capacity
		<ul style="list-style-type: none"> <li>Include capacity-building activities from U.S. Department of Agriculture agricultural advisors, Agribusiness Development Teams, and relevant U.S. Agency for International Development programs in the Agriculture Campaign Assessment.</li> </ul>	Closed–Implemented	Agriculture	Conduct or improve current assessments or reviews	Build and sustain Afghan government capacity
Audit 12-06 January 31, 2012	<i>Afghan First Initiative Has Placed Work with Afghan Companies, but Is Affected by Inconsistent Contract Solicitation and Vetting, and Employment Data Is Limited</i>	To help broaden the base of participating Afghan companies, and ensure that only qualified companies receive Afghan First Initiative awards, SIGAR recommends that the Commander U.S. Forces-Afghanistan and the U.S. Ambassador to Afghanistan, in coordination with U.S. Central Command Joint Theater Support Contracting Command, U.S. Army Corps of Engineers, and the U.S. Agency for International Development Mission Director: <ul style="list-style-type: none"> <li>Promote the use of a designated website, such as AfghanFirst.org, as an information portal for linking sources of U.S. procurement information in one location.</li> <li>Develop guidelines to encourage U.S. contracting authorities to adopt a more systematic approach to</li> </ul>	Closed–Not Implemented <sup>a</sup>	Cross-cutting: Contract Award and Management	Modify contract language or other procurement action	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed–Implemented	Cross-cutting: Contract	Establish, improve, or follow existing	Improve award, oversight, and

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>considering all available and relevant vetting sources to assess Afghan ownership, sufficiency of resources, and past performance.</p> <ul style="list-style-type: none"> <li>Immediately require U.S. contracting authorities to verify whether current Afghan First Initiative award recipients are Afghan-owned and have current licenses to operate in Afghanistan.</li> </ul> <p>To help assess whether Afghan First Initiative awards are generating Afghan employment opportunities, SIGAR recommends that the Commander U.S. Forces-Afghanistan and the U.S. Ambassador to Afghanistan, in coordination with U.S. Central Command Joint Theater Support Contracting Command, U.S. Army Corps of Engineers, and the U.S. Agency for International Development Mission Director:</p> <ul style="list-style-type: none"> <li>Develop guidelines that define employment generation; delineate the employment data needed, including collection and verification standards; and develop an assessment process to measure Afghan employment levels resulting from Afghan First Initiative procurement activities.</li> </ul>		Award and Management	procedures, policies, or other guidance	management of contracts, grants, or cooperative agreements
			Closed-Implemented	Cross-cutting: Contract Award and Management	Modify contract language or other procurement action	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed-Not Implemented <sup>a</sup>	Cross-cutting: Contract Award and Management	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
Audit 12-12 July 30, 2012	<i>Fiscal Year 2011 Afghanistan Infrastructure Fund Projects Are behind Schedule and Lack Adequate Sustainment Plans</i>	To improve Congress's capacity for effective oversight and enhance joint decision making for large-scale, interdependent infrastructure projects that effect sector-wide goals, SIGAR recommends that the U.S. Ambassador to Afghanistan and the U.S. Agency for International Development Mission Director, in coordination with the Commander U.S. Forces-				

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		Afghanistan:				
		<ul style="list-style-type: none"> <li>Define and identify all infrastructure projects that compose the Afghanistan Infrastructure Program, including projects funded by the Afghanistan Infrastructure Fund and the Economic Support Fund and include this information in required congressional reports as part of the Afghanistan Infrastructure Program. This notification should illustrate the interrelationship of infrastructure projects.</li> </ul>	Closed-Implemented	Infrastructure	Establish or enhance reporting or reporting requirements	Increase coordination and information sharing
		<p>To enhance coordination and oversight between the U.S. Department of Defense (U.S. Forces-Afghanistan and U.S. Army Corps of Engineers), State, and the U.S. Agency for International Development, SIGAR recommends that the Commander U.S. Forces-Afghanistan, the U.S. Ambassador to Afghanistan, and the U.S. Agency for International Development Mission Director:</p>				
		<ul style="list-style-type: none"> <li>Define the roles and responsibilities for lead and secondary agencies for the implementation and oversight of Afghanistan Infrastructure Program projects.</li> </ul>	Closed-Implemented	Infrastructure	Implement agreements and ensure coordination	Increase coordination and information sharing
		<ul style="list-style-type: none"> <li>Develop a shared or web-based database, or include Afghanistan Infrastructure Program projects into an existing shared or web-based database, to monitor project implementation and track progress. (Similar consideration should be given to all development/infrastructure projects, as recommended previously by SIGAR and the Government Accountability Office.)</li> </ul>	Closed-Implemented	Infrastructure	Establish or improve a database or information system	Increase coordination and information sharing
		<p>To help ensure the successful and timely development of Afghanistan's power sector, which relies on</p>				

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>interdependent projects implemented by different U.S. government agencies and international donors, SIGAR recommends that the Commander U.S. Forces-Afghanistan, the U.S. Ambassador to Afghanistan, and the U.S. Agency for International Development Mission Director—in close coordination with key stakeholders including the Afghan government and the Asian Development Bank:</p> <ul style="list-style-type: none"> <li>• Develop a project execution schedule of U.S.-funded interrelated infrastructure projects to determine and communicate the “critical path” to stakeholders and implementers, and incorporate the schedule into the master plan for Afghanistan’s energy sector being developed by the Asian Development Bank.</li> </ul> <p>To help ensure the successful and timely development of Afghanistan’s power sector, which relies on interdependent projects implemented by different U.S. government agencies and international donors, and to ensure that \$101 million of fiscal year 2011 Afghanistan Infrastructure Fund funds do not expire, SIGAR recommends that the Secretary of Defense and the Secretary of State:</p> <ul style="list-style-type: none"> <li>• Expedite the transfer of \$101 million of fiscal year 2011 Afghanistan Infrastructure Fund funds from the U.S. Department of Defense to State—and ultimately to the U.S. Agency for International Development—for the implementation of the Northeast Power System project from Dast-i-Barchi to Ghazni.</li> </ul> <p>To help ensure Afghanistan Infrastructure Program projects achieve counterinsurgency goals, SIGAR recommends that the Commander U.S. Forces-</p>	Closed-Implemented	Infrastructure; Energy	Establish, improve, or implement a plan or strategy	Ensure development of Afghanistan's power sector
		<p>To help ensure Afghanistan Infrastructure Program projects achieve counterinsurgency goals, SIGAR recommends that the Commander U.S. Forces-</p>	Closed-Implemented	Infrastructure; Energy	Recover or ensure appropriate use of funds	Ensure development of Afghanistan's power sector

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		Afghanistan, the U.S. Ambassador to Afghanistan, and the U.S. Agency for International Development Mission Director:				
		<ul style="list-style-type: none"> <li>Clearly indicate the amount of time that infrastructure projects will take to achieve counterinsurgency benefits identified in congressional notifications required by Afghanistan Infrastructure Program authorizing legislation.</li> </ul>	Closed-Implemented	Infrastructure	Establish or enhance reporting or reporting requirements	Ensure projects achieve counterinsurgency goals
		<ul style="list-style-type: none"> <li>Revise Afghanistan Infrastructure Program guidance and project selection criteria to ensure that Afghanistan Infrastructure Program projects have the support of the affected population.</li> </ul>	Closed-Implemented	Infrastructure	Establish, improve, or follow existing procedures, policies, or other guidance	Ensure projects achieve counterinsurgency goals
		To help ensure Afghanistan Infrastructure Program projects are sustained and viable upon completion, SIGAR recommends that the Commander U.S. Forces-Afghanistan, the U.S. Ambassador to Afghanistan, and the U.S. Agency for International Development Mission Director:				
		<ul style="list-style-type: none"> <li>Develop a comprehensive sustainment plan for each Afghanistan Infrastructure Program project that, at a minimum, includes (a) a realistic estimate of costs necessary to sustain the project, the planned source of such funding, and an assessment of the reliability of the planned source; (b) evidence that estimated sustainment costs have been provided to the Afghan government and that the Afghan government has committed to sustain the project; and (c) a joint assessment of the capacity of the Afghan government entity responsible for sustaining the project. The sustainment plans should be included in required</li> </ul>	Closed-Implemented	Infrastructure	Establish, improve, or implement a plan or strategy	Ensure sustainability of reconstruction projects

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>congressional notifications.</p> <p>To help ensure the timely completion of congressional notifications and reports for Afghanistan Infrastructure Program projects, as well as the timely receipt of appropriated funds, SIGAR recommends that the Secretary of Defense and the Secretary of State:</p> <ul style="list-style-type: none"> <li>Clarify and formalize the requirements and format for Afghanistan Infrastructure Program notification and reporting packages and the approval process, including expected timeframes, for providing notifications and reports to Congress.</li> </ul>	Closed–Not Implemented <sup>d</sup>	Infrastructure	Establish or enhance reporting or reporting requirements	Improve award, oversight, and management of contracts, grants, or cooperative agreements
Audit 12-13 July 30, 2012	<i>Selected Public Diplomacy Awards Mostly Achieved Objectives, but Embassy Can Take Steps to Enhance Grant Management and Oversight</i>	<p>To provide better oversight of funds provided to award recipients for public diplomacy programs in Afghanistan and to provide for greater assurance of achieving award results, we recommend that the U.S. Ambassador to Afghanistan:</p> <ul style="list-style-type: none"> <li>Take steps to ensure that Public Affairs Section documents pre-award assessments and selection procedures for public diplomacy grants in accordance with State’s Grants Policy Directives.</li> <li>Take steps to ensure timely close-out of completed public diplomacy awards.</li> <li>Recover and de-obligate \$253,432 in cash advances</li> </ul>	Closed–Implemented	Afghan governance	Modify contract language or other procurement action	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed–Implemented	Afghan governance	Modify contract language or other procurement action	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed–	Afghan	Recover or ensure	Improve award,

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		made under a public diplomacy grant that was subsequently terminated.	Implemented	governance	appropriate use of funds	oversight, and management of contracts, grants, or cooperative agreements
		<ul style="list-style-type: none"> <li>Re-solicit the contract for financial audits of public diplomacy awards and, if necessary, coordinate with other organizations that have awarded audit contracts in Afghanistan.</li> </ul>	Closed-Implemented	Afghan governance	Modify contract language or other procurement action	Improve award, oversight, and management of contracts, grants, or cooperative agreements
		<ul style="list-style-type: none"> <li>Review the progress of two awards (university media centers and university internet access) facing difficulties in achieving intended results to determine whether to continue, modify, or terminate the awards.</li> </ul>	Closed-Implemented	Afghan governance	Conduct or improve current assessments or reviews	Improve award, oversight, and management of contracts, grants, or cooperative agreements
		<ul style="list-style-type: none"> <li>Determine sustainability requirements and develop sustainability plans for 14 grants awarded in fiscal years 2010 and 2011 totaling \$32 million and requiring resources for staffing, operations, or maintenance after the award period ends.</li> </ul>	Closed-Implemented	Afghan governance	Establish, improve, or implement a plan or strategy	Improve award, oversight, and management of contracts, grants, or cooperative agreements
Audit 13-08 May 14, 2013	<i>Taxes: Afghan Government Has Levied Nearly a Billion Dollars in Business Taxes on Contractors Supporting U.S. Government Efforts in Afghanistan</i>	<p>To help ensure that contractors working with U.S. government agencies receive fair tax treatment, we recommend that the Secretary of State:</p> <ul style="list-style-type: none"> <li>Develop a consistent, unified position on what the U.S. government deems appropriate taxation of contractors supporting U.S. government efforts in Afghanistan; incorporate clear and complete</li> </ul>	Closed-Implemented	Revenue generation/ financial sector	Establish, improve, or implement a plan or strategy	Improve award, oversight, and management of contracts, grants,

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<p>language concerning this position into future bilateral agreements with the Afghan government; communicate this position to all contractors; and ensure that any taxes levied by the Afghan government are accurately reported to Congress.</p> <p>To ensure that taxes were not reimbursed inappropriately the Department of State Office of Procurement Executive and the U.S. Agency for International Development Office of Acquisition and Assistance should:</p> <ul style="list-style-type: none"> <li>• Determine if taxes reimbursed by the Bureau of International Narcotics and Law Enforcement Affairs and the U.S. Agency for International Development were legitimate and recover any inappropriately reimbursed taxes.</li> </ul>	Closed– Implemented	Revenue generation/ financial sector	Recover or ensure appropriate use of funds	or cooperative agreements
		<p>To help ensure that contractors gain tax-exempt status and prevent inappropriate reimbursement of taxes, we recommend that the Department of State Office of Procurement Executive; the U.S. Agency for International Development Office of Acquisition and Assistance; the Commander U.S. Army Corps of Engineers; and the Commander U.S. Central Command Joint Theater Support Contracting Command:</p> <ul style="list-style-type: none"> <li>• Develop procedures to help contractors obtain appropriate documentation of tax-exempt status with the Afghan government.</li> </ul>	Closed– Implemented	Revenue generation/ financial sector	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
		<ul style="list-style-type: none"> <li>• Issue guidance and training to contracting officers on</li> </ul>	Closed–	Revenue	Establish, improve,	Improve award,

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		how to properly identify taxes in contracts and invoices.	Implemented	generation/financial sector	or follow existing procedures, policies, or other guidance	oversight, and management of contracts, grants, or cooperative agreements
		<ul style="list-style-type: none"> <li>Ensure through guidance and training that contractors are reimbursed only for eligible tax payments.</li> </ul>	Closed-Implemented	Revenue generation/financial sector	Recover or ensure appropriate use of funds	Improve award, oversight, and management of contracts, grants, or cooperative agreements
Audit 13-12 July 8, 2013	<i>Department of State's Assistance Awards for Afghanistan Reconstruction Activities Are Largely Unaudited</i>	To strengthen accountability over State-funded assistance awards provided to U.S. non-profit organizations, U.S. for-profit companies, foreign organizations, and public international organizations for Afghanistan reconstruction, we recommend the U.S. Secretary of State: <ul style="list-style-type: none"> <li>Establish a policy requiring audits of assistance awards to foreign organizations receiving State-funded assistance on an annual basis using a risk-based approach.</li> <li>Clarify guidance to recipient organizations receiving State-funded assistance awards to specify which standard terms and conditions apply—domestic or overseas—based on whether the recipient organization is U.S.-or foreign-based.</li> <li>Develop a system to identify and prioritize awards to</li> </ul>	Closed-Implemented	Cross-cutting: Contract Award and Management	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed-Implemented	Cross-cutting: Contract Award and Management	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed-	Cross-cutting:	Establish, improve,	Improve award,

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		U.S. nonprofit organizations to determine whether State should (a) request that awards be audited as major programs by the organization's Office of Management and Budget Circular A-133 auditors, or (b) contract for award-specific financial audits of those awards.	Implemented	Contract Award and Management	or follow existing procedures, policies, or other guidance	oversight, and management of contracts, grants, or cooperative agreements
		<ul style="list-style-type: none"> <li>Revise State guidance to ensure that audit requirements for State-funded assistance awards made to U.S. for-profit companies are clear and consistent.</li> </ul>	Closed-Implemented	Cross-cutting: Contract Award and Management	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
Audit 14-26-AR January 24, 2014	<i>Support for Afghanistan's Justice Sector: State Department Programs Need Better Management and Stronger Oversight</i>	<p>To strengthen U.S. government efforts to develop Afghanistan's justice sector, we recommend that the Secretary of State:</p> <ul style="list-style-type: none"> <li>Include in future Justice Sector Support Program and/or successor program contracts, specific, detailed explanations of the requirements to which the contractor will be held accountable, as well as baseline data and target indicators to be used for program and contract evaluation.</li> <li>Expedite completion of PAE Incorporated's evaluation of the Justice Sector Support Program's Regional Justice Sector Training component and ensure it is shared with International Development Law Organization immediately upon its completion so that oversight can be provided in a timely, effective manner, and that the lessons learned identified in this evaluation are used in the design and implementation of the Justice Training Transition Program.</li> </ul>	Open	Rule of law/ anti-corruption	Establish, enhance, or implement performance indicators or targets	Build and sustain Afghan government capacity
		<ul style="list-style-type: none"> <li>Expedite completion of PAE Incorporated's evaluation of the Justice Sector Support Program's Regional Justice Sector Training component and ensure it is shared with International Development Law Organization immediately upon its completion so that oversight can be provided in a timely, effective manner, and that the lessons learned identified in this evaluation are used in the design and implementation of the Justice Training Transition Program.</li> </ul>	Closed-Implemented	Rule of law/ anti-corruption	Conduct or improve current assessments or reviews	Build and sustain Afghan government capacity

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		<ul style="list-style-type: none"> <li>Renegotiate the Bureau of International Narcotics and Law Enforcement Affairs' letter of agreement with International Development Law Organization to include provisions that would secure the right of the U.S. government to audit and inspect all International Development Law Organization records related to how U.S. taxpayer funds are being spent on the Justice Training Transition Program, and obtain any information necessary to evaluate the performance and effectiveness of International Development Law Organization's implementation of the Justice Training Transition Program.</li> </ul>	Open	Rule of law/ anti-corruption	Modify contract language or other procurement action	Build and sustain Afghan government capacity
		<ul style="list-style-type: none"> <li>In cooperation with other U.S. agencies managing rule of law programs in Afghanistan, finalize the updates to the 2009 U.S. Government Rule of Law Strategy within 3 months, so that timely decisions can be made to guide the development and coordination of current and future justice sector programs in Afghanistan.</li> </ul>	Open	Rule of law/ anti-corruption	Establish, improve, or implement a plan or strategy	Build and sustain Afghan government capacity
Financial Audit 13-11 July 26, 2013	<i>Department of State's Afghanistan Media Project: Audit of Incurred Costs by HUDA Development Organization Afghanistan</i>	Given the results of the audit, SIGAR recommends that the Grants Officer: <ul style="list-style-type: none"> <li>Determine the allowability of and recover, as appropriate, \$2,405,102 in questioned costs (\$173,469 ineligible and \$2,231,633 unsupported) identified in the report.</li> <li>Advise HUDA Development Organization Afghanistan to address the 15 internal control findings identified in the report.</li> </ul>	Open	Education	Recover or ensure appropriate use of funds	Improve award, oversight, and management of contracts, grants, or cooperative agreements
		<ul style="list-style-type: none"> <li>Advise HUDA Development Organization Afghanistan to address the 15 internal control findings identified in the report.</li> </ul>	Closed- Implemented	Education	Establish, improve, or follow existing procedures,	Strengthen internal controls

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
					policies, or other guidance	
		<ul style="list-style-type: none"> <li>Advise HUDA Development Organization Afghanistan to address the six compliance findings identified in the report.</li> </ul>	Closed-Implemented	Education	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
Financial Audit 14-11-FA December 3, 2013	<i>Department of State's Demining Activities in Afghanistan: Audit of Costs Incurred by Afghan Technical Consultants</i>	Given the results of the audit, SIGAR recommends that the Grants Officer: <ul style="list-style-type: none"> <li>Determine the allowability of and recover, as appropriate, \$202,854 in questioned costs identified in the report.</li> <li>Recover, as appropriate, the estimated \$8,762 in interest revenue earned from advances provided.</li> <li>Advise Afghan Technical Consultants to address the six internal control findings identified in the report.</li> <li>Advise Afghan Technical Consultants to address the</li> </ul>	Closed-Implemented	Security	Recover or ensure appropriate use of funds	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed-Implemented	Security	Recover or ensure appropriate use of funds	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed-Implemented	Security	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements
			Closed-		Establish, improve,	Improve award,

Report Number and Issue Date	Report Title	Recommendation Text	Status	Sector(s)	Recommended Action	Intended Outcome
		five compliance findings identified in the report.	Implemented	Security	or follow existing procedures, policies, or other guidance	oversight, and management of contracts, grants, or cooperative agreements
Inspection 14-07 October 25, 2013	<i>Justice Center in Parwan Courthouse: Poor Oversight Contributed to Failed Project</i>	To ensure that additional U.S. taxpayer dollars are not wasted, we recommend that the Commander, U.S. Central Command, and the U.S. Secretary of State identify the reasons for poor oversight of the Justice Center in Parwan courthouse construction contract and establish processes to ensure such problems do not reoccur.	Closed-Implemented	Rule of law/anti-corruption	Establish, improve, or follow existing procedures, policies, or other guidance	Improve award, oversight, and management of contracts, grants, or cooperative agreements

Source: SIGAR analysis

Notes: <sup>a</sup> Recommendation closed because State failed to implement it in a timely manner and the recommendation was rendered moot.

<sup>b</sup> Recommendation closed because we planned additional audit work on the subject of the recommendation.

<sup>c</sup> Recommendation closed because although State did not implement the recommendation, it took some actions towards addressing the general intent of the recommendation.

<sup>d</sup> Recommendation closed because although the recommendation was made to multiple agencies, including State, other agencies took responsibility for implementing the recommendation.

<sup>e</sup> Recommendation closed because State did not concur with the recommendation and took no action.

## APPENDIX III - ADDITIONAL TABLES

The following tables provide additional information regarding our analysis of recommendations made to the Department of State (State). Tables 3 and 4 list the number of recommendations made to State per recommended action and intended outcome, respectively. Tables 5, 6, and 7 list the number of recommendations per intended outcome category for those recommendations that were implemented by State, for those recommendations that were not implemented by State, and for those recommendations that remain open, respectively.

**Table 3 - All SIGAR Recommendations Made to State, by Recommended Action**

Recommended Action	Number of Recommendations	Percent of Total Recommendations
Establish, improve, or follow existing procedures, policies, or other guidance	33	29.73%
Establish, improve, or implement a plan or strategy	18	16.22%
Recover or ensure appropriate use of funds	12	10.81%
Modify contract language or other procurement action	10	9.01%
Conduct or improve current assessments or reviews	9	8.11%
Ensure appropriate personnel	8	7.21%
Establish or enhance reporting or reporting requirements	8	7.21%
Implement agreements and ensure coordination	6	5.41%
Establish, enhance, or implement performance indicators or targets	5	4.50%
Establish or improve a database or information system	2	1.80%
<b>Totals</b>	<b>111</b>	<b>100.00%</b>

Source: SIGAR analysis

Note: Percentages may not total to 100 percent due to rounding.

**Table 4 - All SIGAR Recommendations Made to State, by Intended Outcome**

Intended Outcome	Number of Recommendations	Percent of Total Recommendations
Improve award, oversight, and management of contracts, grants, or cooperative agreements	30	27.03%
Build and sustain Afghan government capacity	23	20.72%
Ensure accountability over direct assistance funds	16	14.41%

Increase coordination and information sharing	16	14.41%
Improve the opportunities and lives of Afghan women	7	6.31%
Strengthen internal controls	6	5.41%
Ensure construction of facilities are completed and used as intended	3	2.70%
Ensure proper planning and management of resources	3	2.70%
Ensure development of Afghanistan's power sector	2	1.80%
Ensure projects achieve counter-insurgency goals	2	1.80%
Improve security of personnel or infrastructure	2	1.80%
Ensure sustainability of reconstruction projects	1	0.90%
<b>Totals</b>	<b>111</b>	<b>100.00%</b>

Source: SIGAR analysis

Note: Percentages may not total to 100 percent due to rounding.

**Table 5 - Recommendations Implemented by State, by Intended Outcome**

Intended Outcome	Number of Recommendations	Percent of All Implemented Recommendations	Percent of Total Recommendations
Improve award, oversight, and management of contracts, grants, or cooperative agreements	25	30.12%	22.52%
Build and sustain Afghan government capacity	13	15.66%	11.71%
Increase coordination and information sharing	11	13.25%	9.91%
Ensure accountability over direct assistance funds	10	12.05%	9.01%
Strengthen internal controls	6	7.23%	5.41%
Improve the opportunities and lives of Afghan women	5	6.02%	4.50%
Ensure construction of facilities are completed and used as intended	3	3.61%	2.70%
Ensure proper planning and management of resources	3	3.61%	2.70%
Ensure development of Afghanistan's power sector	2	2.41%	1.80%
Ensure projects achieve counter-insurgency goals	2	2.41%	1.80%

Improve security of personnel or infrastructure	2	2.41%	1.80%
Ensure sustainability of reconstruction projects	1	1.20%	0.90%
<b>Totals</b>	<b>83</b>	<b>100.00%</b>	<b>74.77%</b>

Source: SIGAR analysis

Note: Percentages may not total to 100 percent or to 74.77 percent due to rounding.

**Table 6 - Recommendations Not Implemented by State, by Intended Outcome**

Intended Outcome	Number of Recommendations	Percent of All Not Implemented Recommendations	Percent of Total Recommendations
Build and sustain Afghan government capacity	7	29.17%	6.31%
Ensure accountability over direct assistance funds	6	25.00%	5.41%
Increase coordination and information sharing	5	20.83%	4.50%
Improve award, oversight, and management of contracts, grants, or cooperative agreements	4	16.67%	3.60%
Improve the opportunities and lives of Afghan women	2	8.33%	1.80%
<b>Totals</b>	<b>24</b>	<b>100.00%</b>	<b>21.62%</b>

Source: SIGAR analysis

Note: Percentages may not total to 100 percent or to 21.62 percent due to rounding.

**Table 7 - Open Recommendations Made to State, by Intended Outcome**

Intended Outcome	Number of Recommendations	Percent of All Open Recommendations	Percent of Total Recommendations
Build and sustain Afghan government capacity	3	75.00%	2.70%
Improve award, oversight, and management of contracts, grants, or cooperative agreements	1	25.00%	0.90%
<b>Totals</b>	<b>4</b>	<b>100.00%</b>	<b>3.60%</b>

Source: SIGAR analysis

Note: Percentages may not total to 100 percent or to 3.60 percent due to rounding.

## APPENDIX IV - COMMENTS FROM THE DEPARTMENT OF STATE

---



United States Department of State

Washington, D.C. 20520

July 14, 2014

John F. Sopko  
Special Inspector General for Afghanistan Reconstruction (SIGAR)  
2530 Crystal Drive  
Arlington, VA 22202

SUBJECT: SIGAR Audit of SIGAR Recommendations to the Department of State, dated June 10, 2014

Dear Mr. Sopko:

The Department of State is committed to strong oversight and effective use of U.S. government funding. As demonstrated by the findings of this report, the Department has made every effort to implement SIGAR's recommendations, where appropriate and possible. The Department was particularly pleased to discern that it and the Department of Defense had unilaterally addressed a finding prior to receiving the recommendations in Audit 12-12. As this report demonstrates, of \$4.4 billion appropriated for State assistance in Afghanistan, SIGAR's audits helped the Department to recover or reallocate \$6.6 million, demonstrating again the value of independent oversight.

The Department looks forward to continued cooperation with SIGAR.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jarrett Blanc".

Jarrett Blanc  
Deputy Special Representative  
for Afghanistan and Pakistan

## APPENDIX V - ACKNOWLEDGMENTS

---

Tara Chapman, Senior Program Analyst

Daniel Tessler, Program Analyst

This audit report was conducted under  
project code SIGAR-093A.

## 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: 318-237-3912 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