

SIGAR

**Special Inspector General
for Afghanistan Reconstruction**

Special Projects Policy and Procedures Manual



January
2016

FOREWARD

The National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181) established the Special Inspector General for Afghanistan Reconstruction (SIGAR) to provide independent and objective oversight relating to the programs and operations funded with amounts appropriated or made available for the reconstruction of Afghanistan. SIGAR operations are subject to professional standards, such as the *Quality Standards for Federal Offices of Inspector General*, which are overarching standards that guide the conduct of all OIG official duties, *Generally Accepted Government Auditing Standards* (GAGAS) for conducting audits, Council of the Inspectors General on Integrity and Efficiency (CIGIE) *Quality Standards for Inspection and Evaluation* for conducting inspections, and CIGIE *Quality Standards for Investigations* for conducting investigations.¹

SIGAR conducts special projects under authority of Public Law 110-181 and the Inspector General Act of 1978, as amended, and in accordance with the principles of integrity, objectivity, and independence in the CIGIE *Quality Standards for Federal Offices of Inspector General*, and the policies and procedures and described herein, SIGAR's *Special Projects Policy and Procedures Manual*. The CIGIE *Quality Standards for Federal Offices of Inspector General* were established to help Offices of Inspectors General fulfill their oversight roles and comply with statutory requirements and professional standards. The CIGIE quality standards incorporate by reference (section III) the existing professional standards for audit, investigation, and inspection and evaluation efforts. CIGIE, however, has not established specific professional standards for conducting special projects.

Special projects were initiated by the Special Inspector General of Afghanistan Reconstruction to quickly obtain information necessary to fulfill SIGAR's oversight mandates and to inform agency heads and Congress of emergent problems in their agencies' programs and operations. Special project reports and letters focus on providing timely, credible, and useful information to Congress and the American people, consistent with SIGAR's oversight duties.



John F. Sopko
Special Inspector General
for Afghanistan Reconstruction



Matthew Dove
Director, Special Projects (Acting)

¹GAGAS is commonly referred to as the Yellow Book. CIGIE *Quality Standards for Federal Offices of Inspector General* is commonly referred to as the Silver Book. CIGIE *Quality Standards for Inspection and Evaluation* is commonly referred to as the Blue Book.

ABOUT SPECIAL PROJECTS

Special project reports may be the result of an issue that arises during an ongoing audit, investigation, inspection, recommendation follow up, or any topic that needs to be completed or addressed quickly. The products are intended to inform the agency about an issue(s) requiring immediate attention, obtain information on a specific issue, and/or communicate the results of work stemming from information provided by SIGAR's investigators, inspectors, auditors, or a hotline inquiry/complaint.

The types of Special Project reports and letters include the following:

- *Reviews* – report the results of information garnered through targeted research on specific and/or narrow topics. Reviews are supported by sufficient, appropriate information with key facts, figures, and findings traceable to the source documentation. Reviews are written and published in a letter or report format.
- *Inquiry letters* – highlight an issue that requires the agency to produce answers in response. The letters generally request additional information and request confirmation of the facts presented in the letter.
- *Alerts* – point out an issue(s) that require immediate attention by an agency due to safety or other concerns. Timely issuance is critical to be of maximum use. Such communication alerts officials to matters needing immediate attention and allows them to promptly take corrective action.
- *Fact sheets* – informative products, written in a report format, for public release that provide information on a particular topic and do not contain findings, conclusions, and recommendations.
- *Follow-up letters* – based on responses received from an agency, SIGAR may send a follow-up letter(s) regarding a review report, inquiry or alert letter, or fact sheet.

All special project products are held for an embargo period (from 48 hours to 5 calendar days) before being posted to the SIGAR web site. The embargo period is intended to provide the agency with an opportunity to review the final product in advance of public distribution.

To carry out special project work with integrity, objectivity, and independence, the following procedures are followed. In addition, appendix A discusses the folder structure to be followed for organizing the data collected and analysis conducted; appendix B is a guide for conducting work for each type of special project report; and appendix C shows the forms to be used to document key steps in the process.

CHAPTER 1– PROJECT PLANNING

1.1 Initiate special project

Special projects are initiated and documented in the SPTRAXX system. SPTRAXX is an electronic system for tracking special projects.

1.2 Assign competent staff

Special Project Director or Deputy Director assigns a project leader and staff based on knowledge, skills, abilities, experience and other demonstrated capabilities.

1.3 Document independence

Staff assigned to each special project must be independent in mind and appearance so that opinions, findings, conclusions, judgments, and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Independence is documented using SIGAR Form SP-1 (see appendix C).

1.4 Communicate and coordinate

SIGAR is committed to maintaining constructive and continuing communication with agencies and major components within agencies. These communications will take several forms, including as facts and circumstances warrant, meetings between SIGAR's Inspector General or the Deputy Inspector General and the heads of agencies and members of Congress to discuss areas of mutual concern. Other forms of communication include periodic meetings with an agency's leadership and executives and specific communications with an agency pertaining to planned and ongoing work. The Special Project Directorate notifies agencies of all special projects through the SIGAR Engagement Tracker. The tracker lists all work being conducted by SIGAR, including performance audits, inspections, financial audits, lessons learned initiatives, and special projects, and discusses them via conference call on a biweekly basis. Exceptions may occur to notifying agencies of a special project due to the nature of the matter being addressed, particularly when it involves safety or security.

CHAPTER 2– CONDUCTING WORK

2.1 Obtain information and exercise professional judgment

Obtain information through interviews, data collection, analysis, research, physical inspection and any other means. Gather and report data in a fair, unbiased, and independent manner, consistent with the principles of integrity, objectivity, and independence in the *CIGIE Quality Standards for Federal Offices of Inspector General*. Statements should be supported by adequate documentation. Exercise professional judgment in selecting the type of work to be performed, defining the scope of work, choosing the methodology, determining the amount of information to gather, conducting the analysis, when applicable, and reporting the results of the work. Objectives, scope, and methodology should be documented in the “background” tab of the SPTRAXX system.

2.2 Document work performed

Data collected, interviews conducted, and analysis performed should be documented in a logical manner and be easily retrieved. Organize documentation so that an independent reviewer can understand what was reviewed from the documentation and reach similar judgments or conclusions based on the documentation. (See appendix A for the folder structure to document data collected, the analysis conducted, and the key steps in the product development process).

2.3 Develop product

Exercise due diligence, apply professional judgement, and observe the principles of integrity, objectivity, and independence in reaching conclusions based on the data collected and analysis conducted. The special project team meets with the Director and Deputy Director, Special Projects, to discuss the data gathered, potential conclusions, and documents the discussion using SIGAR Form SP-2 (See appendix C).

CHAPTER 3 – PROJECT REPORTING

3.1 Draft report

Prepare a draft report and ensure that each report includes a statement that describes the scope and methodology, and identifies the standards that were followed in conducting the work.

- Scope is a description of the work performed and description of any limitations relevant to the report.
- Methodology is a description of the nature and extent of procedures performed to gather information and any significant assumptions made in conducting the work.
- Standards followed: All special projects are subject to the professional standards and quality control procedures described herein, the *Special Projects Policy and Procedures Manual*. Each report should contain the statement that “We conducted this special project in [insert location(s)] from [insert month/year to month/year] in accordance with SIGAR’s quality control standards. These standards require that we carry out work with integrity, objectivity, and independence, and provide information that is factually accurate and reliable. For more information on the policies and procedures and quality control standards for conducting special project work, please see SIGAR’s website (www.SIGAR.mil).”
- Authorization: All special projects should state that “SIGAR performed this special project under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978 and the Inspector General Reform Act of 2008.”

3.2 Request agency comments

SIGAR seeks agency comments in advance for certain special project reports, such as reviews and fact sheets, to confirm that the key facts and information used to formulate SIGAR’s analyses and conclusions are logical, reasonable, and accurate. In these instances, SIGAR provides responsible parties with an opportunity to review and comment on a draft product before it is issued. For inquiry, alert, and follow-up letters, SIGAR may request comments in advance. Responsible parties may include agency officials and other directly affected parties that have responsibilities for the programs under review. The amount of time available for the agency to comment varies, but is typically 15 calendar days or less. SIGAR will grant an extension when such an extension will likely result in a more accurate product.

3.3 Assure quality control

Quality controls ensure that special project reports provide information that is impartial, credible, and reliable, consistent with the principles of integrity, objectivity, and independence in the *CIGIE Quality Standards for Federal Offices of Inspector General*. All special project reports are subject to a key quality control method, including independent review. The independent review and resolution of comments made by the independent

CHAPTER 3 – PROJECT REPORTING

reviewer should be documented using SIGAR Form SP-3 (see appendix C). An independent reviewer is assigned² to check that the report (at draft and final) and/or letter is accurate and fact-based. The Inspector General or Deputy Inspector General must approve any exceptions to the fact checking requirement. (Referencing of audit reports is considered a best practice for ensuring statements of fact, figures, and dates are correctly reported).³

3.4 Evaluate and incorporate agency comments

SIGAR evaluates and incorporates agency comments for certain special project reports, such as reviews and fact sheets. When SIGAR receives agency comments, either orally or in writing, SIGAR considers their substance, revises the draft report as appropriate, and indicates in the issued report whether the agency agreed or disagreed with SIGAR’s findings, conclusions, and recommendations. To the extent possible, SIGAR will seek to resolve conflicting views. Such modifications may include correcting factual errors, including additional information if sufficiently reliable, and changing conclusions, as applicable. If the agency’s position is unresolved, SIGAR will identify the disagreement in the final report and state its position. When provided, the official agency comments will be included in the final report.

3.5 Approve final report

Special Projects Director, Special Projects Deputy Director, Office of General Counsel, and Deputy Inspector General will review and approve special projects prior to issuance. Approval is documented in the SPTRAXX system at the “clearance” tab.

²An independent reviewer is independent of the team conducting the work. The independent reviewer will be assigned from SIGAR’s Quality Control Directorate for review reports and fact sheets.

³Supplemental Guidance, *Government Auditing Standards*, GAO-12-331G, page 212, states that referencing is a quality control method to help audit organizations prepare accurate audit reports. Specifically, referencing is a process which an experienced auditor who is independent of the audit checks that statements of fact, figures, and dates are correctly reported, that the findings are adequately supported by the evidence in the audit documentation, and that the conclusions and recommendations flow logically from the evidence.

APPENDIX A – FOLDER STRUCTURE TO DOCUMENT KEY STEPS IN PROCESS

I. Quality Control Folder

A. Plan Project

- A1. Assign Competent Staff (list staff and responsibilities)
- A2. Certify Independence (Form SP-1)
- A3. Document objectives, scope, and methodology in SPTRAXX (background tab)

B. Conduct Work

- B1. Collect data and organize in Information Folder (link to “Data Collected and Analysis” folder)
- B2. Document product development discussion (Form SP-2)

C. Develop Report

- C1. Independent review of draft report (Form SP-3)
- C2. Evaluate and incorporate agency comments
- C3. Independent review of final report (From SP-3)
- C3. Approval of final report documented in SPTRAXX in “clearance” tab

II. Data Collected and Analysis Folder

A. Administrative

B. Background

D. Data

I. Interviews

P. Photos

APPENDIX B – GUIDE FOR CONDUCTING SPECIAL PROJECTS

Table 1 - Guide for Conducting Special Project Reports

	Tasks to be Conducted	Review	Inquiry Letter	Alert	Fact Sheet	Follow-Up Letter
Project Planning						
1.1	Initiate project and document objectives, scope, and methodology in SPTRAXX system	X	X	X	X	X
1.2	Establish team with appropriate knowledge, skills, and abilities. Assign competent staff	X	X	X	X	X
1.3	Certify independence (Form SP-1)	X	X	X	X	X
1.4	Notify and communicate with other agencies (Engagement Tracker) in bi-weekly meetings	X	X	X	X	X
Conducting Work						
2.1	Obtain information through interviews, document collection, analysis, research, physical inspection, and other appropriate means	X	X	X	X	X
2.2	Organize data gathered and analysis conducted using folder structure (see appendix B)	X	X	X	X	X
2.3	Develop and document message agreement at a meeting with Director and Deputy Director (Form SP-2)	X	X	X	X	X
Reporting						
3.1	Draft report or letter based on decisions reached in product development meeting and include scope and methodology and standards used in report	X	X	X	X	X
3.2	Request agency comments	X			X	X
3.3	Assure quality control - independent reviewer checks statements of fact, figures, and dates of draft and final product (Form SP-3)	X	X	X	X	X
3.4	Evaluate and incorporate agency comments	X			X	X
3.5	Product is approved for public release by IG, DIG, and GC	X	X	X	X	X

APPENDIX C – SPECIAL PROJECT FORMS

Special Project Form SP-1

Independence Declaration



Special Inspector General for
Afghanistan Reconstruction

Special Project Title:	Code:

I certify that I am independent of mind and in appearance and apply the conceptual framework to identify, evaluate, and apply safeguards to address threats to independence.		
Printed Name:	Title:	
Signature:		Date:

Independence comprises:

Independence of Mind is the state of mind that permits the performance of this review without being affected by influences that compromise professional judgment, thereby allowing an individual to act with integrity and exercise objectivity and professional skepticism.

Independence in Appearance is the absence of circumstances that would cause a reasonable and informed third party, having knowledge of the relevant information, to reasonably conclude that the integrity, objectivity, or professional skepticism of an organization or member of the special projects team had been compromised.

Conceptual Framework assists staff in maintaining both independence of mind and in appearance so that their opinions, findings, conclusions, judgments, and recommendations will be impartial and viewed as impartial by reasonable and informed third parties.

Application of Conceptual Framework assists the organization and individual staff members to (a) identify threats to independence, (b) evaluate the significance of the threats identified, both individually and in the aggregate, and (c) apply safeguards as necessary to eliminate the threats or reduce them to an acceptable level.

Threats to Independence are circumstances that could impair independence. Broad categories of threats to identify and evaluate include (a) self-interest threat that financial or other interest will inappropriately influence a staff member's judgment; (b) self-review threat related to nonaudit services; (c) bias threat resulting from political, ideological, social, or other convictions; (d) familiarity threat from a relationship with management or personnel of the agency; (e) undue influence threat related to external influences or pressures; (f) management participation threat that results from a staff member taking on the role of management or otherwise performing management functions on behalf of the entity undergoing a review, and (g) structural threat due to an organization's placement within a government entity or in combination with the structure of the government entity being reviewed.

Safeguards are controls designed to eliminate or acceptably mitigate threats to independence. Under the conceptual framework, the staff member applies safeguards to address the specific facts and circumstances under which threats to independence exist. **When the team determines that a significant threat to independence exists, the Special Projects Director should consult with GC, or designee, to determine appropriate safeguards to take, which include, but not limited to (a) replacing the impaired staff member with a non-impaired staff member, (b) informing those charged with governance of the entity the nature of the assignment; (c) involving another organization to perform or re-perform part of the work; (d) having a professional staff member who was not a member of the team review the work performed.**

SIGAR Form SP-1
(January 2016)

APPENDIX C – SPECIAL PROJECT FORMS

Special Project Form SP-2

RECORD OF MEETING TO DISCUSS PRODUCT DEVELOPMENT



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Afghanistan Reconstruction

<p>PROJECT TITLE:</p> <p>PROJECT CODE:</p> <p>PREPARER/DATE:</p> <p>REVIEWER /DATE:</p> <p>PURPOSE: To document a meeting between the special project team and the Director and Deputy Director, Special Projects, to discuss the information and data gathered and any potential conclusions, and determine product type (review, fact sheet, alert, inquiry letter, or follow-up).</p>

BRIEFING DOCUMENT

Link to document used during discussion.

SUMMARY OF DISCUSSION

State the issues discussed and the agreements reached.

PRODUCT DEVELOPMENT APPROVAL (SIGNATURES)			
Management	Date	Special Project Team Members	Date
Director, Special Projects			
Deputy Director, Special Projects			

SIGAR Form SP-2 (1/16)

Special Project Form SP-3 (page 1)

INDEPENDENT REVIEW OF
SPECIAL PROJECT REPORTS



Special Inspector General for
Afghanistan Reconstruction

Special Project Review of: Report title:	Assignment Code: Report number:
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Independent Reviewer's Statement of Independence

I certify that I am independent of mind and in appearance.	
_____	_____
Independent Reviewer	Date

Draft Report - Independent Reviewer's Certification of Completion

I reviewed the draft report for support and accuracy of all statements of fact presented and provided comments to the AIC. I have reviewed actions taken and am satisfied that issues were resolved, unless noted. Exceptions (if applicable) are listed below:	
_____	_____
Independent Reviewer	Date

Draft Report - Project Leader Review and Certification

I reviewed all comments made by the independent reviewer and have taken corrective action and revised the draft report accordingly.	
_____	_____
Project Leader	Date

APPENDIX C – SPECIAL PROJECT FORMS

Special Project Form SP-3 (page 2)

**INDEPENDENT REVIEW OF
SPECIAL PROJECT REPORTS**



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Final Report – Independent Reviewer’s Certificate of Completion

I reviewed the final report for support and accuracy of statements of fact added to or changed from the draft report.	
_____	_____
Independent Reviewer	Date

Final Report – Project Leader Review and Certification

I reviewed the comments made by the independent reviewer and have taken corrective action and revised the final report accordingly.	
_____	_____
Project Leader	Date