

# SIGAR

**Special Inspector General for  
Afghanistan Reconstruction**

**SIGAR 21-28 Financial Audit**

## USAID's Support of the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster and Conflict Affected Populations in Afghanistan Program: Audit of Costs Incurred by Save the Children Federation Inc.

**In accordance with legal requirements, SIGAR has redacted certain information deemed  
proprietary or otherwise sensitive from this report.**



MARCH  
2021

# SIGAR

## Special Inspector General for Afghanistan Reconstruction

### WHAT THE AUDIT REVIEWED

On September 24, 2018, the U.S. Agency for International Development's Office of U.S. Foreign Disaster Assistance (USAID/OFDA) awarded Save the Children Federation Inc. (Save the Children) a one-year \$5 million grant for the "Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster and Conflict Affected Populations in Afghanistan" program. The program's objectives included reducing and mitigating disaster risks, and supporting returnees, internally displaced peoples, and vulnerable households through improved health care, hygiene, and other interventions. There were two no-cost modifications to the grant, which extended the period of performance through December 31, 2019.

SIGAR's financial audit, performed by Crowe LLP (Crowe), reviewed \$4,977,087 in costs charged to the grant from September 24, 2018, through December 31, 2019. The objectives of the audit were to (1) identify and report on material weaknesses or significant deficiencies in Save the Children's internal controls related to the grant; (2) identify and report on instances of material noncompliance with the terms of the grant and applicable laws and regulations, including any potential fraud or abuse; (3) determine and report on whether Save the Children has taken corrective action on prior findings and recommendations; and (4) express an opinion on the fair presentation of Save the Children's Special Purpose Financial Statement (SPFS). See Crowe's report for the precise audit objectives.

In contracting with an independent audit firm and drawing from the results of the audit, auditing standards require SIGAR to review the audit work performed. Accordingly, SIGAR oversaw the audit and reviewed its results. Our review disclosed no instances wherein Crowe did not comply, in all material respects, with U.S. generally accepted government auditing standards.

March 2021

USAID's Support of the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster and Conflict Affected Populations in Afghanistan Program: Audit of Costs Incurred by Save the Children Federation Inc.

SIGAR 21-28-FA

### WHAT SIGAR FOUND

Crowe identified two material weaknesses and two significant deficiencies in Save the Children's internal controls, and two instances of noncompliance with the terms of the grant. For example, Save the Children did not have procurement policies in place to ensure micro purchases were equitably distributed among qualified suppliers, as required by the Code of Federal Regulations. Additionally, after the grant ended, Save the Children's final inventory records did not indicate whether some assets had been disposed of, sold, or transferred to another program, as required by both the grant agreement and the Code of Federal Regulations.

Because of the internal control issues and instances of noncompliance, Crowe identified \$59,788 in unsupported questioned costs—costs not supported with adequate documentation or that do not have required prior approval. Crowe did not identify any ineligible costs—costs prohibited by the grant and applicable laws and regulations.

Category	Ineligible	Unsupported	Total Questioned Costs
Equipment	\$0	\$59,788	\$59,788
<b>Total Costs</b>	<b>\$0</b>	<b>\$59,788</b>	<b>\$59,788</b>

Crowe identified two prior audits that were relevant to Save the Children's grant. However, neither report included findings that were direct and material to Save the Children's SPFS.

Crowe issued a qualified opinion on Save the Children's SPFS, due to the potential material impact of questioned costs on the SPFS.

### WHAT SIGAR RECOMMENDS

Based on the results of the audit, SIGAR recommends that the responsible grant officer at USAID/OFDA:

- 1. Determine the allowability of and recover, as appropriate, \$59,788 in questioned costs identified in the report.**
- 2. Advise Save the Children to address the report's four internal control findings.**
- 3. Advise Save the Children to address the report's two noncompliance findings.**



**SIGAR**

Office of the Special Inspector General  
for Afghanistan Reconstruction

March 24, 2021

Ms. Gloria D. Steele  
Acting Administrator, U.S. Agency for International Development

Dr. Tina Dooley-Jones  
USAID Mission Director for Afghanistan

We contracted with Crowe LLP (Crowe) to audit the costs incurred by Save the Children Federation Inc. (Save the Children) under a grant from the U.S. Agency for International Development's Office of U.S. Foreign Disaster Assistance (USAID/OFDA) for the "Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster and Conflict Affected Populations in Afghanistan" program.<sup>1</sup> The program's objectives included reducing and mitigating disaster risks, and supporting returnees, internally displaced peoples, and vulnerable households through improved health care, hygiene, and other interventions. Crowe reviewed \$4,977,087 in costs charged to the grant from September 24, 2018, through December 31, 2019. Our contract with Crowe required that the audit be performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

Based on the results of the audit, SIGAR recommends that the responsible grant officer at USAID/OFDA:

- 1. Determine the allowability of and recover, as appropriate, \$59,788 in questioned costs identified in the report.**
- 2. Advise Save the Children to address the report's four internal control findings.**
- 3. Advise Save the Children to address the report's two noncompliance findings.**

The results of Crowe's audit are discussed in detail in the attached report. We reviewed the report and related documentation. Our review, as differentiated from an audit in accordance with U.S. generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on Save the Children's Special Purpose Financial Statement. We also express no opinion on the effectiveness of Save the Children's internal controls or compliance with the grant, laws, and regulations. Crowe is responsible for the attached auditor's report and the conclusions expressed in it. However, our review disclosed no instances in which Crowe did not comply, in all material respects, with generally accepted government auditing standards issued by the Comptroller General of the United States.

Please provide documentation related to corrective actions taken and/or target dates for completion for the recommendations to [sigar.pentagon.audits.mbx.recommendation-follow-up@mail.mil](mailto:sigar.pentagon.audits.mbx.recommendation-follow-up@mail.mil) within 60 days from the issue date of this report.

John F. Sopko  
Special Inspector General  
for Afghanistan Reconstruction

(F-189)

<sup>1</sup> The grant number is 720FDA18GR00328.



**Save the Children Federation, Inc.**

**Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to  
Disaster & Conflict Affected Population in Afghanistan**

**Special Purpose Financial Statement**

**For the Period September 24, 2018 through December 31, 2019**

**(With Independent Auditor's Report Thereon)**

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## TRANSMITTAL LETTER

February 24, 2021

To Save the Children Federation, Inc. Board of Trustees  
501 Kings Highway East, Suite 400  
Fairfield, CT 06825-3292

To the Office of the Special Inspector General for Afghanistan Reconstruction  
2530 Crystal Drive  
Arlington, Virginia 22202

We appreciate the opportunity to provide to you our report regarding the procedures that we have completed during the course of our audit of the special purpose financial statement applicable to Save the Children Federation, Inc. the United States Agency for International Development (USAID) grant number 720FDA18GR00328 funding the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Population in Afghanistan program for the period September 24, 2018, through December 31, 2019.

Within the pages that follow we have provided a brief summary of the work performed. Following the summary, we have incorporated our report on the Special Purpose Financial Statement, our report on internal control and our report on compliance. We do not express an opinion on the summary or any information preceding our reports.

When preparing our report, we considered comments, feedback, and interpretations of Save the Children Federation, Inc., USAID and the Office of the Special Inspector General for Afghanistan Reconstruction provided both in writing and orally throughout the audit planning and fieldwork phases. Management's final written responses have been incorporated as an appendix to this report.

Thank you for providing us the opportunity to work with you and to conduct the financial audit of Save the Children Federation, Inc.'s grant.

Sincerely,

A handwritten signature in black ink, appearing to read "Bert Nuehring".

Bert Nuehring, CPA  
Partner  
Crowe LLP

## Summary

### Background

On September 24, 2018, USAID/Washington, through its Office of U.S. Foreign Disaster Assistance, awarded a \$5,000,000 million grant (grant No. 720FDA18GR00328) to Save the Children Federation, Inc. (Save the Children) in support of the “Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Populations in Afghanistan” program. The total obligated amount of this grant was \$5,000,000 with a September 24, 2018, through September 23, 2019 period of performance. There were two (2) modifications made to the grant, which extended the period of performance to December 31, 2019. The modifications are summarized below.

Modification No.	Highlights
1	<ul style="list-style-type: none"> <li>Updated Section 1.2 of the grant to require Save the Children to notify the Agreement Officer’s Representative (AOR) in writing with the supporting reasons and revised period of performance at least 30 calendar days before the end of the period of performance should an extension to the period of performance be needed.</li> <li>Updated Section 1.5, Reporting, Monitoring, and Evaluation</li> <li>Updated Section 1.23, Post-Award Agreement Administration</li> <li>Updated Section 1.13, Special Provisions</li> <li>Updated Section 1.14, Standard Provisions</li> <li>Update Attachment 3 – Standard Provisions</li> </ul>
2	<ul style="list-style-type: none"> <li>Extended the period of the agreement to December 31, 2019.</li> </ul>

The program’s objective was to build capacity and resilience of communities, civil society and government authorities to reduce and mitigate disaster risks; enhance timely and effective responses to emergencies; support returnees, internally displaced peoples, and vulnerable households through the use of healthcare, hygiene, and livelihood-based interventions while aiming to increase access to integrated equality, gender sensitive and comprehensive primary health care, protection, economic recovery and rapid response services and emergency support for disaster affected people in the targeted provinces of Afghanistan. “Attachment 2 – Program Description” of the grant details the program’s seven main sectors of intervention as follows:

- (1) pre-positioning and subsequent distribution of emergency relief items;
- (2) provision of shelter repairing toolkits to support shelter settlements;
- (3) capacity building of civil society organizations and government stakeholders on child protection in emergencies and disaster risk reduction;
- (4) support returnees and internally-displaced persons (“IDP”) to restart their income generation activities;
- (5) improve resilience of returnees, IDPs and Nomad population to immediately respond to their needs;
- (6) provision of primary and reproductive health care services and psychological support to the IDPs, returnees and populations affected by natural disaster through mobile health teams; and
- (7) provision of hygiene kits to address the hygiene related health problems.

(Continued)

## Work Performed

Crowe LLP (“Crowe”) was engaged by the Office of the Special Inspector General for Afghanistan Reconstruction (“SIGAR”) to conduct a closeout audit of Save the Children’s program.

The audit’s scope included activity within the period September 24, 2018, through December 31, 2019, inclusive of closeout procedures required to be completed within 90 days of the end of the period of performance. Within the period under audit, Save the Children reported \$4,977,087 in costs incurred.

## Objectives Defined by SIGAR

The following audit objectives were defined within the *Performance Work Statement for Financial Audits of Costs Incurred by Organizations Contracted by the U.S. Government for Reconstruction Activities in Afghanistan*:

### **Audit Objective 1 – Special Purpose Financial Statement**

Express an opinion on whether the Special Purpose Financial Statement (“SPFS”) for the grant presents fairly, in all material respects, revenues earned, costs incurred, items directly procured by the U.S. Government, and balance for the period audited in conformity with the terms of the grant and generally accepted accounting principles or other comprehensive basis of accounting.

### **Audit Objective 2 – Internal Controls**

Evaluate and obtain a sufficient understanding of Save the Children’s internal control related to the grant; assess control risk; and identify and report on significant deficiencies including material internal control weaknesses.

### **Audit Objective 3 – Compliance**

Perform tests to determine whether Save the Children complied, in all material respects, with the grant requirements and applicable laws and regulations, and identify and report on instances of material noncompliance with terms of the grant and applicable laws and regulations, including potential fraud or abuse that may have occurred.

### **Audit Objective 4 – Corrective Action on Prior Findings and Recommendations**

Determine and report on whether Save the Children has taken adequate corrective action to address findings and recommendations from previous engagements that could have a material effect on the SPFS or other financial data significant to the audit objectives.

## Scope

The scope of the audit included total reported costs incurred of \$4,977,087 during the period September 24, 2018, through December 31, 2019. The audit was limited to those matters and procedures pertinent to the grant that have a direct and material effect on the SPFS. The audit also included an evaluation of the presentation, content, and underlying records of the SPFS. Further, the audit included reviewing the financial records that support the SPFS to determine if there were material misstatements and if the SPFS was presented in the format required by SIGAR. In addition, the following areas were determined to be direct and material and, as a result, were included within the audit program for detailed evaluation:

- Allowable Costs and Activities;
- Cash Management;
- Equipment and Real Property Management;
- Procurement;
- Reporting; and
- Subrecipient Monitoring.

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(Continued)

## Methodology

To meet the aforementioned objectives, Crowe completed a series of tests and procedures to audit the SPFS, tested compliance and considered the auditee's internal controls over compliance and financial reporting and determined if adequate corrective action was taken in response to prior audit, assessment, and review comments, as applicable.

In order to answer Audit Objective 1, which pertains to Save the Children's SPFS, transactions were selected from the financial records underlying the SPFS and were tested to determine if the transactions were recorded accurately and were consistent with the terms and conditions of the award; were incurred within the period covered by the SPFS and in alignment with specified cutoff dates; were appropriately allocated to the grant if the cost benefited multiple objectives; and were adequately supported.

In order to address Audit Objective 2, which relates to Save the Children's internal controls, Crowe requested, and the auditee provided copies of policies and procedures to provide Crowe with an understanding of the system of internal control established by Save the Children during the period of performance. To the extent documented policies and procedures were unavailable, Crowe conducted interviews with management to obtain an understanding of the processes that were in place during the period of performance. The system of internal control is intended to provide reasonable assurance of achieving reliable financial reporting and compliance with applicable laws and regulations. Crowe corroborated internal controls identified by the auditee and conducted testing of select key controls to understand if they were implemented as designed.

Audit Objective 3 required that tests be performed to obtain an understanding of the auditee's compliance with requirements applicable to the grant. Crowe identified – through review and evaluation of the grant from USAID to Save the Children – the criteria against which to test the SPFS and supporting financial records and documentation. Using various sampling techniques, including, but not limited to, audit sampling guidance for compliance audits provided by the American Institute of Certified Public Accountants, Crowe selected transactions, cash draws, equipment items, procurements, and reports for testing. Supporting documentation was provided by the auditee and subsequently evaluated to assess Save the Children's compliance. Testing of indirect costs was limited to determining whether indirect costs were calculated and charged to the U.S. Government in accordance with the Negotiated Indirect Cost Rate Agreement issued by USAID. We also performed procedures to determine if adjustments to grant expenditures and amounts drawn that were based on preliminary or provisional rates were made, as required and applicable.

In addition, Crowe conducted closeout audit procedures. Such procedures included testing transactions to determine whether obligations were liquidated within 90 days of the end of the period of performance, final financial and performance reports were submitted to USAID timely and the reports were complete, and any cash draws in excess of actual costs incurred were returned timely to USAID.

Regarding Audit Objective 4, Crowe inquired of Save the Children, SIGAR, and USAID personnel participating in the audit entrance conference to understand whether there were prior audits, reviews, or assessments that were pertinent to the audit scope. Crowe also conducted an independent search of publicly available information to identify audit and review reports. As a result of the aforementioned efforts, we identified two prior reports – one of which contained findings and recommendations. In each instance, Crowe reviewed prior audit reports to ascertain whether findings may be direct and material to the audit objectives. Had Crowe identified instances where findings were direct and material to the audit objectives, Crowe would have identified and reviewed corrective actions taken in response to the findings and recommendations. Crowe would also have determined if such actions were adequate to address the internal control deficiencies or instances of non-compliance reported. Finally, Crowe would have reported its conclusions.

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(Continued)

## Summary of Results

Upon completion of Crowe's procedures, Crowe identified four findings because they met one or more of the following criteria: (1) significant deficiencies in internal control; (2) material weakness in internal control; (3) noncompliance with rules, laws, regulations, or terms and conditions of the grant; and/or (4) questioned costs resulting from identified instances of noncompliance.

Crowe issued a qualified opinion on the SPFS due to the potential impact of questioned costs on the SPFS.

Crowe also reported on both Save the Children's internal controls over financial reporting and compliance with the applicable laws, rules, regulations, and terms and conditions of the grant. Two material weaknesses in internal control, two significant deficiencies in internal control, and two instances of noncompliance were reported. In situations in which control and compliance findings pertained to the same matter, the findings were consolidated within a single finding.

In response to the identified instances of noncompliance, Crowe reported \$59,788 in questioned costs. SIGAR requires questioned costs to be classified as either "ineligible" or "unsupported." SIGAR defines ineligible costs as those that are explicitly questioned because they are unreasonable, prohibited by the audited grant or applicable laws and regulations, or that are unrelated to the award. Unsupported costs are those that are not supported with adequate documentation or did not have the required prior approvals or authorizations. The following summary is intended to present an overview of the audit results and is not intended to be a representation of the audit's results in their entirety. The summary includes \$59,788 in questioned costs reported by Crowe, all of which has been classified as unsupported.

Crowe also requested copies of prior audits, reviews, and evaluations pertinent to Save the Children's financial performance under the grant. Based on Crowe's communications with Save the Children, SIGAR, and USAID, we identified two such previous reports:

- The audit of Save the Children Federation, Inc. and Related Entities' Single Audit Report for the year ended December 31, 2018, which did not contain any audit findings; and
- Save the Children International's USAID Foreign Recipient Report for the period ended December 31, 2018, which contained findings that were not direct and material to the SPFS or audit objectives.

Based on the above, Crowe did not conduct additional follow-up procedures regarding the previous engagement findings.

### Schedule of Findings and Questioned Costs

Finding No.	Finding Name	Classification	Questioned Costs (USD)
2019-01	Inadequate Supporting Documentation Regarding Equipment and Supplies	Significant Deficiency and Noncompliance	\$ 484
2019-02	Incomplete Physical Inventory Documentation and Lack of Evidence of Submission	Material Weakness and Noncompliance	\$ 59,304
2019-03	Undocumented Micro-Purchase Procurement Procedures	Material Weakness	\$ 0
2019-04	Lack of Support for Suspension and Debarment Checks	Significant Deficiency	\$ 0
<b>Total Questioned Costs:</b>			<b>\$ 59,788</b>

(Continued)

## Summary of Management Comments

Crowe received responses from Save the Children's management to the five (5) findings included in the draft report. Management did not agree with Draft Report Finding 2019-01, "Inadequate Supporting Documentation Regarding Equipment and Supplies," due to management's having located additional supporting documentation. Save the Children provided the additional documentation, which resulted in a reduction in questioned costs from \$2,272 to \$484.

Management disagreed with Draft Report Finding 2019-02, "Final Liquidation of Costs Incurred," due to management's having located additional supporting documentation. Crowe reviewed the documentation and noted it satisfied the applicable requirements. The finding was, therefore, removed.

Management agreed with Draft Report Finding 2019-03, "Incomplete Physical Inventory Documentation and Lack of Evidence of Submission." This finding appears in the final report as finding 2019-02.

Management disagreed with Draft Report Finding 2019-04, "Undocumented Micro-Purchase Procurement Procedures." Save the Children disagreed because the country office adheres to the SCI Global Procurement Manual which management asserts they do not have the authority to change. This finding has been renumbered 2019-03 within the final report.

Management agreed with Draft Report Finding 2019-05, "Lack of Support for Suspension and Debarment Checks," but disagreed with the recommendation to retain evidence of System for Award Management ("SAM") searches. Management disagreed because: 1) the suspension and debarment search process is managed by a separate Save the Children entity (the SCI Center Office) that must authorize a change in procedure; and 2) the SCI Center Office utilizes a separate system to perform searches such that retention of searches in SAM may not be feasible. This finding has been renumbered 2019-04 within the final report.

## Reference to Appendices

The auditor's reports are supplemented by three appendices, **Appendix A**, which contains management's responses to the audit findings; **Appendix B**, which contains the auditor's rebuttal; and **Appendix C**, which contains an excerpt from the final inventory provided by management as part of the grant closeout.

## INDEPENDENT AUDITOR'S REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENT

To Save the Children Federation, Inc. Board of Trustees  
501 Kings Highway East, Suite 400  
Fairfield, CT 06825-3292

To the Office of the Special Inspector General for Afghanistan Reconstruction  
2530 Crystal Drive  
Arlington, Virginia 22202

**Report on the Special Purpose Financial Statement**

We have audited the Special Purpose Financial Statement (the "Statement") of Save the Children Federation, Inc. ("Save the Children"), and related notes to the Statement, with respect to the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Population in Afghanistan program funded by United States Agency for Internal Development ("USAID") grant No. 720FDA18GR00328 for the period September 24, 2018, through December 31, 2019.

***Management's Responsibility for the Special Purpose Financial Statement***

Management is responsible for the preparation and fair presentation of the Statement in accordance with the requirements specified by the Office of the Special Inspector General for Afghanistan Reconstruction ("SIGAR") and the terms and conditions of grant number 720FDA18GR00328. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a Statement that is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

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(Continued)

### ***Basis for Qualified Opinion***

We identified \$59,788 in questioned costs resulting from noncompliance with the terms and conditions of the grant. When extrapolated to the population of costs incurred as reported on the Special Purpose Financial Statement, we identified a potential material impact of the noncompliance on the Statement.

### ***Qualified Opinion***

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, the Statement referred to above presents fairly, in all material respects, the revenues earned, costs incurred, and balance for the indicated period in accordance with the requirements established by the Office of the Special Inspector General for Afghanistan Reconstruction.

### ***Basis of Presentation and Accounting***

We draw attention to Notes 1, 2, 4, 5, and 6 to the Statement, which describe the basis of presentation and accounting. The Statement is prepared in a format required by SIGAR and presents those amounts as permitted under the terms of USAID Grant No. 720FDA18GR00328, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the financial reporting provisions of the grant referred to above. Our opinion is not modified with respect to this matter.

### ***Restriction on Use***

This report is intended for the information of Save the Children, the United States Agency for International Development, and SIGAR. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

### **Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our reports dated January 28, 2021, on our consideration of Save the Children's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Save the Children's internal control over financial reporting and compliance.

*Crowe LLP*  
Crowe LLP

January 28, 2021  
Washington, D.C.

Save the Children Federation, Inc.  
SPECIAL PURPOSE FINANCIAL STATEMENT  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

			<u>Questioned Costs</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Ineligible</u>	<u>Unsupported</u>	<u>Notes</u>
<b>Revenues</b>					
Agreement Number 720FDA18GR00328	\$ 5,000,000	\$ 4,976,753			4
<b>Total Revenue</b>	<u>\$ 5,000,000</u>	<u>\$ 4,976,753</u>			
<b>Costs Incurred</b>					
Direct Labor	\$ 1,508,334	\$ 1,318,311			5
Fringe Benefits	\$ 196,766	\$ 215,697			
Allowances	\$ -	\$ 172			
Travel and Per Diem	\$ 75,431	\$ 88,023			
Equipment	\$ 62,546	\$ 64,010		\$ 59,788	A, B
Other Direct Costs	\$ 246,402	\$ 166,372			
Program Costs	\$ 2,090,461	\$ 2,304,444			
Indirect Costs	\$ 820,058	\$ 820,058			
<b>Total Costs Incurred</b>	<u>\$ 5,000,000</u>	<u>\$ 4,977,087</u>			
<b>Balance</b>		<u>\$ (334)</u>		<u>\$ 59,788</u>	6

\* Note: Budget amounts approved by USAID do not sum to the total USAID-approved \$5 million budget due to rounding.

The accompanying notes to the Special Purpose Financial Statement are an integral part of this Statement.

Save the Children Federation, Inc.  
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

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**Note 1. Basis of Presentation**

The accompanying Special Purpose Financial Statement (the "Statement") includes costs incurred under Grant No. 720FDA18GR000328 for the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Population in Afghanistan, for the period September 24, 2018 to December 31, 2019. Because the Statement presents only a selected portion of the operations of Save the Children Federation, Inc. ("Save the Children"), it is not intended to and does not present the financial position, changes in net assets, or cash flows of Save the Children. The information in this Statement is presented in accordance with the requirements specified by the Office of the Special Inspector General for Afghanistan Reconstruction ("SIGAR") and is specific to the aforementioned federal grant. Therefore, some amounts presented in this Statement may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note 2. Basis of Accounting**

Revenues and expenditures reported on the Statement are reported on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP"). Expenditures are recognized following the cost principles contained in 2 CFR 200, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3. Foreign Currency Translation Method**

For purposes of preparing the Statement, translations from local currency to United States dollars were not required.

**Note 4. Revenues**

Revenues on the Statement represent the amount of funds to which Save the Children Federation is entitled to receive from the U.S. Agency for International Development ("USAID") for allowable, eligible costs incurred under the grant during the period of performance.

**Note 5. Costs Incurred by Budget Category**

The budget categories presented, and associated amounts reflect the budget line items presented within the budget approved by USAID on June 24, 2019. The revised budget presents authorized amounts by cost element, which differs from the presentation of budgeted amounts by objective appearing within the grant agreement. The overall budgeted amount of \$5 million was not modified as a result of the revision.

**Note 6. Balance**

The balance presented on the Statement represents the difference between revenues earned and costs incurred such that an amount greater than \$0 would reflect that revenues have been earned that exceed the costs incurred or charged to the grant and an amount less than \$0 would indicate that costs have been incurred, but are pending additional evaluation before a final determination of allowability and amount of revenue earned may be made. As of December 31, 2019, Save the Children Federation Inc. received \$4,976,753 and reported total expenditures of \$4,977,087. Therefore, leaving a receivable balance of \$334.

**Note 7. Currency**

All amounts presented are shown in U.S. dollars.

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(Continued)

Save the Children Federation, Inc.  
NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENT  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

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**Note 8. Program Status**

The Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Population in Afghanistan program is complete. The period of performance for the award is scheduled to conclude on December 31, 2019 as noted in modification number P002 dated September 19, 2019.

**Note 9. Subsequent Events**

Management has performed an analysis of the activities and transactions subsequent to the September 24, 2018 to December 31, 2019, period covered by the Statement. Management has performed their analysis through January 28, 2021.

Save the Children Federation, Inc.  
Notes to the Questioned Costs Presented on the Special Purpose Financial  
Grant No. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

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- A. Finding 2019-01 questioned \$484 due to Save the Children's not having provided adequate documentation to support the existence, condition, and use of seven assets included in the audit sample.
- B. Finding 2019-02 questioned \$59,304 as a result of Save the Children's final inventory reporting items as not having been disposed of as of the end of the period of performance.

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Notes to the Questioned Costs are prepared by the auditor for purposes of this report. Management takes no responsibility for the notes to the questioned costs.

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL

To Save the Children Federation, Inc. Board of Trustees  
501 Kings Highway East, Suite 400  
Fairfield, CT 06825-3292

To the Office of the Special Inspector General for Afghanistan Reconstruction  
2530 Crystal Drive  
Arlington, Virginia 22202

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Special Purpose Financial Statement (the "Statement") of Save the Children Federation, Inc. ("Save the Children"), and related notes to the Statement, with respect to the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Population in Afghanistan program funded by grant No. 720FDA18GR00328 for the period September 24, 2018, through, December 31, 2019. We have issued our report thereon dated January 28, 2021, within which we have qualified our opinion.

**Internal Control over Financial Reporting**

Save the Children's management is responsible for establishing and maintaining effective internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that the assets are safeguarded against loss from unauthorized use or disposition; transactions are executed in accordance with management's authorization and in accordance with the terms of the grant; and transactions are recorded properly to permit the preparation of the Statement in conformity with the basis of accounting and presentation described in Notes 1, 2, 4, 5, and 6 to the Statement. Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the Statement for the period September 24, 2018, through December 31, 2019, we considered Save the Children's internal controls to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Statement, but not for the purpose of expressing an opinion on the effectiveness of Save the Children's internal control. Accordingly, we do not express an opinion on the effectiveness of Save the Children's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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(Continued)

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as Findings 2019-02 and 2019-03 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as Findings 2019-01 and 2019-04 to be significant deficiencies.

### **Save the Children's Response to the Findings**

Save the Children's response to the findings identified in our audit are described in Appendix A to our report. Save the Children's response to the findings was not subject to the auditing procedures applied in the audit of the Statement and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

### **Restriction on Use**

This report is intended for the information of Save the Children, the United States Agency for International Development, and the Office of the Special Inspector General for Afghanistan Reconstruction. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

  
Crowe LLP

January 28, 2021  
Washington, D.C.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

To Save the Children Federation, Inc. Board of Trustees  
501 Kings Highway East, Suite 400  
Fairfield, CT 06825-3292

To the Office of the Special Inspector General for Afghanistan Reconstruction  
2530 Crystal Drive  
Arlington, Virginia 22202

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Special Purpose Financial Statement (the "Statement") of Save the Children Federation, Inc. ("Save the Children"), and related notes to the Statement, with respect to the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Population in Afghanistan program funded by grant No. 720FDA18GR00328 for the period September 24, 2018, through December 31, 2019. We have issued our report thereon dated January 28, 2021, within which we have qualified our opinion.

**Management's Responsibility for Compliance**

Compliance with Federal rules, laws, regulations, and the terms and conditions applicable to the grant is the responsibility of the management of Save the Children.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Statement is free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as Findings 2019-01 and 2019-02.

**Save the Children's Response to the Findings**

Save the Children's response to the findings identified in our audit are described in Appendix A to our report. Save the Children's response to the findings was not subject to the auditing procedures applied in the audit of the Statement and, accordingly, we express no opinion on it.

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(Continued)

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's compliance. Accordingly, this communication is not suitable for any other purpose.

## **Restriction on Use**

This report is intended for the information of Save the Children, the United States Agency for International Development, and the Office of the Special Inspector General for Afghanistan Reconstruction. Financial information in this report may be privileged. The restrictions of 18 U.S.C. 1905 should be considered before any information is released to the public.

*Crowe LLP*  
Crowe LLP

January 28, 2021  
Washington, D.C.

Save the Children Federation, Inc.  
Section I: Schedule of Findings and Questioned Costs  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

**FINDING 2019-01: Inadequate Supporting Documentation Regarding Equipment and Supplies**

Significant Deficiency in Internal Control and Noncompliance

**Condition:** Save the Children reported 169 equipment and supplies items within the inventory listing provided for audit. We selected 34 items totaling of the 169 items for testing of compliance with government property requirements. During our procedures to verify asset existence, condition, and use for grant purposes, we noted the following:

1. For one property item, Save the Children did not provide evidence of existence; and
2. For two property items, Save the Children provided a photograph of the item, but the item's serial number and/or asset tag number did not agree to the information presented in the inventory listing;

The acquisition costs of the items are in question as and are summarized in the following table.

Condition Reference #	Asset Sequential Serial Number	Purchase Date	Description	Asset Label ID	Acquisition Cost
2	7060	1/28/2019	Mobile Telephone Set	AFG-TEL-7060	\$ 23
1	7087	3/14/2019	Mobile Phone	AFG-TEL-7087	\$ 410
2	7094	2/21/2019	Mobile Phone	AFG-TEL-7094	\$ 51
<b>Total</b>					<b>\$ 484</b>

**Criteria:** "Section F, "Asset Register" of Save the Children's *Inventory and Asset Management Manual* requires that the Country Office maintain an asset register which records all capital and non-capital assets owned and/or managed by Save the Children. Assets must be tagged with a unique asset number, which is referenced in the register. Additionally, the finance team is responsible for reviewing the asset register on a monthly basis to ensure it is fully up to date (including incorporation of changes made at the provincial office level) and both asset register and finance general ledger correspond with each other. This should include updates for acquisitions/disposals, but also changes in other details such as location of the asset, person to whom the asset is assigned or significant changes in the asset's value.

Section L, "Asset Disposal/Transfer" of Save the Children's *Inventory and Asset Management Manual* requires that all supporting documentation is be retained for audit purposes (e.g. proof of sale, invoice for disposal costs, donation documentation, agreement with members, etc.)

Pursuant to 2 CFR Part 200.405(a), *Allocable costs*, "A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

- (1) Is incurred specifically for the Federal award;
- (2) Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and
- (3) Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart."

**Questioned Costs:** \$484 in unsupported costs

(Continued)

Save the Children Federation, Inc.  
Section I: Schedule of Findings and Questioned Costs  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

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**Effect:** In the absence of adequate evidence of existence, one cannot conclude the items purchased are being used for the authorized program purposes and benefit the grant through the period of performance. As a result, the Government may have paid for assets under the award that are currently being used for unauthorized purposes or are no longer benefitting the program.

**Cause:** Save the Children did not implement a process to retain adequate records to support the current existence and use of property items subsequent to the end of the period of performance.

**Recommendation:** We recommend that Save the Children:

1. Either provide evidence of existence, condition, and current use or otherwise reimburse USAID \$484;
2. Implement procedures to retain adequate records to support the current existence and use of property items subsequent to the end of the period of performance; and
3. Retrain personnel regarding ongoing maintenance of property records in the asset register to ensure property records are kept up to date.

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(Continued)

**FINDING 2019-02: Incomplete Physical Inventory Documentation and Lack of Evidence of Submission**

Material Weakness in Internal Control and Noncompliance

**Condition:** We requested and obtained a copy of the final physical inventory completed by Save the Children as required by Section 1.5(c)(1)(C) of the grant agreement. During our review of the inventory provided, we noted the inventory file indicated the document included data as of July 2020, which is more than 90 days from the estimated completion date of the program which was December 31, 2019. In addition, we identified approximately \$39,000 in items classified within Save the Children’s general ledger as equipment with transaction dates after July 2020. Therefore, the inventory was considered incomplete, and we asked that Save the Children provide us an updated and complete inventory document.

During our review of the updated inventory document provided by Save the Children, we noted the following matters:

- One property item did not have a recorded date for a physical check (asset 7458).
- Two assets and twenty-one general program equipment items in the inventory did not have purchase prices recorded in United States Dollars so as to permit a full reconciliation to the award’s financial records.
- 77 of 78 assets are denoted as not disposed of and the award period of performance has elapsed. Accordingly, the assets should have been disposed of, sold, or otherwise transferred for use on other federal programs subject to USAID’s disposition instructions. The total acquisition cost of the 77 items is \$58,404, which is in question.
- 29 of 74 General Program Equipment items (considered supplies due to reported values less than \$5,000 per unit) were denoted with a condition of “new” within the physical inventory and are not denoted as having been disposed of, sold, or otherwise transferred to other federal programs. The total acquisition cost of the 29 items is \$490, which is in question.
- One asset with an acquisition cost of \$410 was lost and, therefore, is not being used for the award. The \$410 is in question.

Save the Children indicated the assets not shown as disposed of are being used for the follow-on award. As a result of our audit, Save the Children provided an updated inventory to USAID.

Last, evidence of the final physical inventory’s submission to the Award Results Tracking (ART) website was not provided.

**Criteria:** In accordance with Section 1.5(c)(1)(C) of the grant agreement, Save the Children “shall submit one copy of a final inventory report to the AOR through ART, listing all real property and equipment acquired with USAID funds provided under this Agreement or received from USAID for use under this Agreement. This report shall be submitted not later than 90 days from the estimated completion date of this Agreement.”

Pursuant to 2 CFR Part 200.313(c)(1), *Equipment*, states: “Use. (1) Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

- (i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then

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(Continued)

Save the Children Federation, Inc.  
Section I: Schedule of Findings and Questioned Costs  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

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(ii) Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.”

2 CFR Part 200.313(d), states in part: “*Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

- (1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
- (2) A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years...”

2 CFR Part 200.314(a), *Supplies*, states: “(a) Title to supplies will vest in the non-Federal entity upon acquisition. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. The amount of compensation must be computed in the same manner as for equipment. See §200.313 Equipment, paragraph (e)(2) for the calculation methodology.”

Section L, “Asset Disposal/Transfer” of Save the Children’s *Inventory and Asset Management Manual*, requires that “between the end date of a project and the due date of the final report SCI needs to draw up a plan for settlement of assets. This needs to be compiled in consultation with the relevant member(s) (i.e. those funding the assets) and be compliant with any relevant donor requirements.

Section I, “Asset Acquisition” of Save the Children’s *Inventory and Asset Management Manual*, requires the asset register to be “reviewed on a monthly basis to ensure that all acquisitions in-month have been accurately recorded.”

Section F, “Asset Register” of Save the Children’s *Inventory and Asset Management Manual* requires that country offices “carry out an annual inventory check to ensure that all assets are accounted for, in the stated locations and in full working condition. This should be documented and submitted to the center as a part of the year-end process. An independent inventory count of all assets should be undertaken at least annually.”

**Questioned Costs:** \$59,304 in unsupported costs

**Effect:** Items procured under the grant may currently be in use for other programmatic or non-Federal purposes thus resulting in unauthorized use of the assets.

**Cause:** The auditee’s responsible personnel did not have a complete understanding of requirements pertaining to transferring equipment and property on grants that have been closed-out and, as a result, did obtain USAID’s approval to transfer assets and equipment to a follow-on grant. Save The Children was unable to locate evidence of submission of the final physical inventory.

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(Continued)

Save the Children Federation, Inc.  
Section I: Schedule of Findings and Questioned Costs  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

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**Recommendation:** We recommend that Save the Children:

1. Conduct an additional analysis of the equipment and property items purchased under grant agreement 720FDA18GR000328 to identify which items in total, have been transferred and are in use for the follow-on award;
2. Obtain USAID's approval for the transfer of those items being used on the follow-on award, for alternative uses, or otherwise reimburse USAID \$59,304; and
3. Provide training to personnel regarding closeout requirements applicable to equipment, property, and supplies, including inventory requirements.

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(Continued)

**FINDING 2019-03: Undocumented Micro-Purchase Procurement Procedures**

Material Weakness in Internal Control

**Condition:** Save the Children’s procurement procedures established a micro-purchase threshold of \$100 for normal procurements and \$1,000 for emergency procurements. For such procurements, Save the Children may procure goods or services from a single vendor without implementing competitive procedures. Per review of the procurement procedures and discussion with management, Save the Children does not have a documented policy or procedure to ensure the equitable distribution of micro-purchases and to ensure that micro-purchases provided to a single vendor do not exceed the micro-purchase threshold in the aggregate as required by 2 CFR Part 200.320.

**Criteria:** Pursuant to 2 CFR Part 200.303(a), *Internal controls*, Save the Children is required to “establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award...”

2 CFR Part 200.320(a), *Methods of procurement to be followed*, states: “Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold...To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.”

Section 3, “Procurement” of Save the Children’s *Country Supply Chain Manual* as approved on March 6, 2018, establishes a micro-purchase threshold of \$100 for normal procurements and \$1,000 for emergency procurements.

**Questioned Costs:** None

**Effect:** The absence of a formal policy or procedure pertaining to micro-purchases increases the likelihood that Save the Children will distribute micro-purchases to vendors in an unequitable manner or purchase goods and services through micro-purchase processes that exceed the threshold is increased.

**Cause:** Save the Children’s procurement policies and procedures do not address the equitable distribution of micro-purchases.

**Recommendation:** We recommend that Save the Children develop, document, and implement a policy or procedure regarding the equitable distribution of micro-purchases, monitoring the aggregation of micro-purchases relative to the limits established in Federal regulation, and provide training to staff regarding the implementation of the policy.

**FINDING 2019-04: Lack of Support for Suspension and Debarment Checks**

Significant Deficiency in Internal Control

**Condition:** Crowe selected 10 of 63 procurements exceeding the competitive bidding threshold and subject to suspension and debarment regulations. Save the Children did not provide evidence demonstrating the organization conducted suspension or debarment checks of the 10 vendors selected through procurement procedures. During Crowe's independent search of the System for Award Management ("SAM"), the government database used to identify suspended and debarred parties, none of the vendors were identified as being suspended or debarred.

**Criteria:** Pursuant to Standard Provision entitled "Debarment, Suspension, and Other Responsibility Matters", Save the Children "agrees that, unless authorized by the AO, it will not knowingly enter into any subawards or contracts under this award with a person or entity that has an active exclusion on the System for Award Management."

In accordance with 2 CFR 200.213, *Suspension and Debarment*, Save the Children is "subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities."

2 CFR Part 200.333, *Retention requirements for records*, states, "Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or passthrough entity in the case of a subrecipient."

**Questioned Costs:** None

**Effect:** In absence of documented suspension and debarment checks, Save the Children is at risk of procuring goods from potentially suspended or debarred entities. Procuring goods and services from suspended or debarred parties without prior federal approval may result in incurred costs being considered ineligible.

**Cause:** Save the Children's procurement policies and procedures do not require evidence of suspension and debarment searches to be retained. In addition, Save the Children's procurement policies and procedures do not specifically require that a suspension and debarment check be conducted using SAM for potential vendors in accordance with federal regulations.

**Recommendation:** We recommend that Save the Children revise its procurement policy and procedures to require that suspension and debarment searches be documented and retained for all procurements prior to issuance of an award.

Save the Children Federation, Inc.  
SECTION II: SUMMARY SCHEDULE OF PRIOR AUDIT, REVIEW, AND ASSESSMENT FINDINGS  
GRANT NO. 720FDA18GR000328  
For the Period September 24, 2018, through December 31, 2019

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Crowe reviewed two prior audit reports. One of the reports contained findings and recommendations. We assessed the findings to ascertain whether the matters may be direct and material to the Special Purpose Financial Statement or other financial information significant to the audit objectives. In addition, we reviewed the prior auditor's comments regarding the status of prior audit findings. During our review of the audit findings, we noted there were no findings that were direct and material to the Building a Culture of Resilience and Saving Lives through Integrated Emergency Response to Disaster & Conflict Affected Population in Afghanistan program.

The reports reviewed by Crowe are listed below:

1. Audit of Save the Children Federation, Inc. and Related Entities Consolidated Financial Statements December 31, 2018. The audit was conducted to comply with the requirements of Subpart F of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the Uniform Guidance)*. Consistent with the requirements of the Uniform Guidance, Save the Children was responsible for engaging its auditor.
2. Audit of Save the Children International Fund Accountability Statement December 31, 2018. The audit was commissioned by Save the Children International and Save the Children Federation to report on Save the Children's international USAID-funded awards.

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## Appendix A: Views of Responsible Officials

Save the Children provided written responses to the findings contained within the draft audit report. The responses are included verbatim, below, and on the following page.

### **Finding 2019-01: Inadequate Supporting Documentation Regarding Equipment and Supplies Response:**

1. 2019-01(a) - *For three property items, Save the Children did not provide evidence of the existence:* Two of the three items are mobile phones that were lost and stolen. The lost phone was missing after the program implementation period, while the other was stolen during the implementation period. SC has submitted asset loss and theft reports for both items, and retroactively notified the donor per Crowe's recommendation. All pieces of evidence have been submitted to the auditors, in advance to the preparation of the draft audit report. For the other item, logistical and security challenges prevented Save the Children from submitting photo evidence during the field visit stage of this audit. However, photos have been submitted to Crowe as of December 21, 2020.

2. 2019-01(b) - *For four property items, Save the Children provided a photograph of the item, but the item's serial number and/or asset tag number did not agree to the information presented in the inventory listing:* Save the Children has submitted the correct photo evidence for the four property items to Crowe as of December 21, 2020, and notes the error in properly writing the asset identification number for Samples 11 and 19.

3. 2019-01(c) - *For one item, the asset tag number and/or serial number included on the photograph was not visible:* Save the Children has submitted the correct photo evidence for the four property items to Crowe as of December 21, 2020.

### **Finding 2019-02: Final Liquidation of Costs Incurred Response:**

1. 2019-02 (a) - *Save the Children did not maintain adequate documentation to permit the auditee's staff to recalculate the allocation of costs charged to the grant:* Save the Children has submitted the correct supporting documentation, which indicates the rent adjustment. Crowe confirmed documentation agrees with sample data on December 21, 2020.

### **2019-03: Incomplete Physical Inventory Documentation and Lack of Evidence and Submission Response:**

Save the Children agrees with the findings and has taken the following corrective actions.

SC has retroactively submitted a revised inventory list to the Bureau of Humanitarian Assistance, both in email and via the donor's Award Results Tracking System. Through this submission, all dates of the physical checks for all assets have been included; the US dollar equivalent of assets including GPE are reflected; and all assets and used supplies have been transferred to the follow-on project, grant number 720FDA19GR000236.

With regards to the Condition note, "During our review of the inventory provided, we noted the inventory file indicated the document included data as of July 2020, which is more than 90 days from the estimated completion date of the program which was December 31, 2019": Save the Children recognizes this comment, however notes that the delay was due to SCI Afghanistan staff having to work from home in early 2020 due to Covid-19 restrictions. Arrangements were made to facilitate the count in July 2020.

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(Continued)

With regards to the Condition note, *“In addition, we identified approximately \$39,000 in items classified within Save the Children’s general ledger as equipment with transaction dates after July 2020. Therefore, the inventory was considered incomplete, and we asked that Save the Children provide us an updated and complete inventory document”*: In addition to submitting the revised inventory report, as noted above, Save the Children also confirms that there were no asset purchases made for this program in 2020, and that the date of “July 2020”, refers to the internal physical verification exercise completed by SCI Afghanistan, not the purchase date.

**Finding 2019-04: Undocumented Micro-Purchase Procurement Procedures Response:**

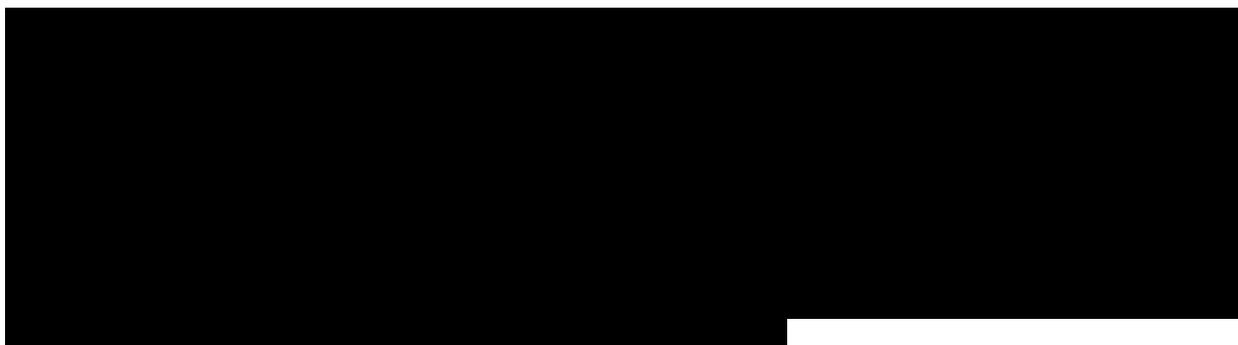
1. 2019-04 (a) - *Save the Children’s procurement policies and procedures do not address the equitable distribution of micro-purchases*: Save the Children International (SCI), Afghanistan Country Office works in accordance with and follows SCI Global Procurement Manual, where in the said Manual there is no stipulation on equitable distribution of micro-purchases. As a Country Office, SCI Afghanistan has no authority to revise the Global Procurement Manual, or can it implement different procedures or practices in deviation of global standard procedures as detailed in the SCI Global Procurement Manual.

Apart from not having authority to practice differently, it is also unfair and impractical if an office or organization must change its global policy because of specific regulation of a respected donor while at the same time the organization also works with various donors that may have different policies and regulations. It is a common approach that an organization developing its procedures and regulations to the highest standard possible that can meet expectation from different donors, and at the same time address the practical challenges on the ground.

Recognizing the challenges explained above, SCI Afghanistan Country Office does not agree with recommendation unless such recommendation is adopted by SCI Center Office, reflected accordingly in Global Procurement Manual, and implement it globally across different Save the Children Offices.

**Finding 2019-05: Lack of Support for Suspension and Debarment Checks Response:**

Save the Children agrees with the findings and will identify opportunities to maintain evidence for these searches in the future. Additionally, however, SC disagrees with the recommendation to revise the SCI Afghanistan Procurement Policy, as these processes are managed by the Save the Children International, Center Office in London, UK. Therefore, requires SCI Center to initiate any revision requirements before they are acted on by the Afghanistan Country Office. Moreover, additional clarity to the current process is outlined below for further consideration.



## Appendix B: Auditor's Rebuttal

Crowe LLP ("Crowe" or "we" or "us") has reviewed the management of Save the Children's ("Save the Children" or "the auditee") responses to the draft report audit findings provided to Crowe on January 28, 2021. In consideration of those views, Crowe has included the following rebuttal to certain matters presented by the auditee. Crowe incorporates a rebuttal in those instances where management disagrees with the facts presented within the condition, does not concur with Crowe's recommendation, or provides additional documentation for review. In those instances where management either agrees with the finding or does not disagree with the facts in the finding, as presented, no rebuttal is provided.

### **Draft Report Finding 2019-01: Inadequate Supporting Documentation Regarding Equipment and Supplies**

We reviewed management's response and noted that Save the Children agreed with the recommendations. Regarding the sample items in question, Save the Children provided additional documentation to support the sample items 1, 6, 8, 16, 23, and 25. We considered the additional documentation to be sufficient and have cleared the components of the finding pertaining to sample items 1, 6, 8, 16, 23, and 25. However, the stolen mobile phone remains in question because it is no longer being used for federal purposes, and the two items with incorrect serial numbers remain in question as well. Therefore, questioned costs were reduced from \$2,272 to \$484. No further revisions were considered necessary or appropriate.

### **Draft Report Finding 2019-02: Save the Children did not maintain adequate documentation to permit the auditee's staff to recalculate the allocation of costs charged to the grant**

Save the Children submitted adequate documentation to support the cost of the rent adjustment that was in question. Crowe has removed the finding.

### **Draft Report Finding 2019-04: Save the Children Does Not Have Micro-Purchase Procurement Procedures for Equitable Distribution**

Management disagreed with the finding because they adhere to the SCI Global Procurement Manual, which management asserts they do not have the authority to change. Save the Children also indicated that it is not, in their assessment, appropriate to revise global policy to align with the United States Government's requirement as the USG is a single donor in Save the Children's portfolio. While we understand Save the Children's concern, we note that the organization accepted USG funding and, therefore, is required to comply with USG regulations. Accordingly, the recommendations made to help promote compliance with the provisions of 2 CFR Part 200.320 remain unchanged.

### **Draft Report Finding 2019-05: Lack of Support for Suspension and Debarment Checks**

Management agreed with the finding, but disagreed with the recommendation to retain evidence of suspension and debarment searches performed in the System for Award Management (SAM) due to Save the Children's use of a different system to conduct searches. Crowe understands different systems or software may be utilized to conduct suspension and debarment searches. Therefore, the recommendation has been revised. No further revisions to the finding are considered necessary or appropriate.

## Appendix C: Final Grant Inventory

Included herein is an excerpt of Save the Children's final grant inventory. Note that, due to space limitations, certain columns have been omitted.

Asset SCI Details				Formula		Formula		Purchase Data				Finance Data			Formula		Physical Asset Checks		
Asset Sequential Serial Number (Always Complete)	Country (Always Complete)	Issuing Office	Office where the Asset is located	Assigned to (enter name, or select 'Not Allocated' if not arrived / allocated as yet)	Asset Description	Primary Serial Number	Asset Label ID	Finance Agency Asset ID	Purchase Date (DDMMYYYY)	POORN Number	Purchase Price	Purchase Currency	Purchase Price in USD (From Agency or from Finance)	Capital or Non-Capital Asset	Source of Funds (\$ digit) (Not required for Capital Assets)	Award End Date (Not required for Capital Assets)	Current Asset (not disposed or donated)	Date of Last Physical Check	Condition when Checked
6569	Afghanistan					SM-660072H0SG	AFG-TEL-6569	BPBLK1464	10/25/2018	0 441 - 0945	15200	AFN	200.82	Non Capital	14005418	23-Sep-19	Yes	25-Oct-18	Good Condition
6584	Afghanistan					R2BK9L172TK	AFG-TEL-6584	BPKBL 11105	11/14/2018	PO 705 GRN 795	20100	AFN	265.45	Non Capital	14005418	23-Sep-19	Yes	14-Nov-18	Good Condition
6578	Afghanistan					PF1JDUK6W	AFG-CMP-6578	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6579	Afghanistan					PF1F2509	AFG-CMP-6579	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6560	Afghanistan					PF1E5W9G	AFG-CMP-6560	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6561	Afghanistan					PF1F8P2J	AFG-CMP-6561	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6562	Afghanistan					PF1F1L0Z	AFG-CMP-6562	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6563	Afghanistan					PF1F8P2J	AFG-CMP-6563	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	16-Jul-19	Good Condition
6564	Afghanistan					PF1F954E	AFG-CMP-6564	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6565	Afghanistan					PF1F27WF	AFG-CMP-6565	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6566	Afghanistan					PF1F927K	AFG-CMP-6566	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6567	Afghanistan					PF1F955K	AFG-CMP-6567	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	17-Jan-19	Good Condition
6568	Afghanistan					PF1F1MNL	AFG-CMP-6568	ACKBL-0522	11/20/2018	PO 1319 GRN 1029	1186.9792	USD	1186.98	Non Capital	14005418	23-Sep-19	Yes	23-Jun-19	Good Condition
6590	Afghanistan					SS107-1007738	AFG-IT-6590	BP KBL 11236	11/28/2018	PO 763 GRN 833	43000	AFN	555.56	Non Capital	14005418	23-Sep-19	Yes	28-Nov-18	Good Condition
6591	Afghanistan					2166432-000585	AFG-IT-6591	BP KBL 11281	11/28/2018	PO 763 GRN 840	3340	AFN	44,179,2745	Non Capital	14005418	23-Sep-19	Yes	29-Nov-18	Good Condition
6592	Afghanistan					1321060770045	AFG-IT-6592	BP KBL 11281	11/28/2018	PO 763 GRN 840	13200	AFN	174,600,726	Non Capital	14005418	23-Sep-19	Yes	29-Nov-18	Good Condition
6593	Afghanistan					R2BK9L10M66P	AFG-TEL-6593	BP KBL 11217	12/1/2018	PO 782 GRN 1014	20500	AFN	271.16	Non Capital	14005418	23-Sep-19	Yes	9-Dec-18	Good Condition
6595	Afghanistan					B0BKCRNL798E	AFG-ELB-6595	BP KBL 11213	12/9/2018	PO 782 GRN 1018	11300	AFN	678.37	Non Capital	14005418	23-Sep-19	Yes	10-Dec-18	Good Condition
7030	Afghanistan					EV1UB089KH	AFG-TEL-7030	CPFRYS150	12/13/2018	2060	1600	AFN	21.25	Non Capital	14005418	23-Sep-19	Yes	19-Feb-19	Good Condition
7031	Afghanistan					EV1UB089KH	AFG-TEL-7031	CPFRYS150	12/13/2018	2060	1600	AFN	21.25	Non Capital	14005418	23-Sep-19	Yes	19-Feb-19	Good Condition
7032	Afghanistan					EV1KAD1A0P	AFG-TEL-7032	CPFRYS150	12/13/2018	2060	1600	AFN	21.25	Non Capital	14005418	23-Sep-19	Yes	18-Feb-19	Good Condition
7033	Afghanistan					EV1G80CKTG	AFG-TEL-7033	CPFRYS150	12/13/2018	2060	1600	AFN	21.25	Non Capital	14005418	23-Sep-19	Yes	18-Feb-19	Good Condition
7034	Afghanistan					EV1UB089KH	AFG-TEL-7034	CPFRYS150	12/13/2018	2060	1600	AFN	21.25	Non Capital	14005418	23-Sep-19	Yes	19-Feb-19	Good Condition
6519	Afghanistan					USACMVFY	AFG-IT-6519	CPKBL-10953	12/18/2018	GRN 1023	7200	AFN	95.24	Non Capital	14005418	23-Sep-19	Yes	18-Dec-18	Good Condition
6521	Afghanistan					AFG-TEL-6521	BP KBL 11246	12/18/2018	GRN 1026	3500	AFN	50.26	Non Capital	14005418	23-Sep-19	Yes	20-Dec-18	Good Condition	
7056	Afghanistan					F4BLBK30H	AFG-IT-7056	BPBLK1590	1/18/2019	PO 0061 GRN 0011	29500	AFN	393.09	Non Capital	14005418	23-Sep-19	Yes	11-Mar-19	Good Condition
7058	Afghanistan					K2HS9HNG	AFG-TEL-7058	CP JVZ-4158	1/21/2019	GRN 022	1530	AFN	20.45	Non Capital	14005418	23-Sep-19	Yes	8-Apr-19	Good Condition
7051	Afghanistan					AFG-IT-7051	BPGRP2052	1/23/2019	PO-ANG-SRP-2019-0051	20400	AFN	271.83	Non Capital	14005418	23-Sep-19	Yes	10-May-19	Good Condition	
7002	Afghanistan					CN338862BP	AFG-IT-7002	BP KBL 11478	1/27/2019	PO 52 GRN 1042	41950	AFN	563.80	Non Capital	14005418	23-Sep-19	Yes	5-Feb-19	Good Condition
7055	Afghanistan					N/A	AFG-GEN-7055	CPBLK2872	1/28/2019	PO 0071 GRN 0037	20000	AFN	266.50	Non Capital	14005418	23-Sep-19	Yes	11-Mar-19	Good Condition
7058	Afghanistan					EV1UB089KH	AFG-TEL-7058	CPBLK2873	1/28/2019	GRN 0030	1750	AFN	23.32	Non Capital	14005418	23-Sep-19	Yes	11-Mar-19	Good Condition
7059	Afghanistan					EV1UB089KH	AFG-TEL-7059	CPBLK2873	1/28/2019	GRN 0030	1750	AFN	23.32	Non Capital	14005418	23-Sep-19	Yes	11-Mar-19	Good Condition
7060	Afghanistan					EV1UB089KH	AFG-TEL-7060	CPBLK2873	1/28/2019	GRN 0030	1750	AFN	23.32	Non Capital	14005418	23-Sep-19	Yes	11-Mar-19	Good Condition
7065	Afghanistan					BPBK00350H	AFG-TEL-7065	BPBLK1614	2/6/2019	PO- 27 GRN-0091	20400	AFN	275.12	Non Capital	14005418	23-Sep-19	Yes	7-Apr-19	Good Condition
7028	Afghanistan					N/A	AFG-TEL-7028	BP KBL 11473	2/7/2019	GRN 1057	3700	AFN	49.73	Non Capital	14005418	23-Sep-19	Yes	12-Feb-19	Good Condition
7029	Afghanistan					N/A	AFG-TEL-7029	BP KBL 11473	2/7/2019	GRN 1057	3700	AFN	49.73	Non Capital	14005418	23-Sep-19	Yes	2-Feb-20	Good Condition
7036	Afghanistan					AFG-TEL-7036	CP KBL 11312	2/19/2019	GRN 1087	3300	AFN	51.07	Non Capital	14005418	23-Sep-19	Yes	27-Feb-19	Good Condition	
7039	Afghanistan					AFG-TEL-7039	BP KBL 11514	2/20/2019	PO 162 GRN 1088	35000	AFN	469.65	Non Capital	14005418	23-Sep-19	Yes	27-Feb-19	Good Condition	
7064	Afghanistan					A00028074	AFG-TEL-7064	CPKDK2781	2/21/2019	GRN 107	3300	AFN	50.87	Non Capital	14005418	23-Sep-19	Yes	8-Mar-19	Good Condition
7046	Afghanistan					AFG-TEL-7046	CP KBL 11400	3/4/2019	GRN 1123	3500	AFN	50.99	Non Capital	14005418	23-Sep-19	Yes	5-Mar-19	Good Condition	
7087	Afghanistan					BS3835HOG2	AFG-TEL-7087	BP KBL 11582	3/14/2019	PO 261 GRN 1151	30900	AFN	409.87	Non Capital	14005418	23-Sep-19	Yes	14-Mar-19	Good Condition
7116	Afghanistan					BS27280	AFG-IT-7116	BPBLK1864	3/20/2019	GRN 0 113	31700	AFN	420.48	Non Capital	14005418	23-Sep-19	Yes	21-Mar-19	Good Condition
7102	Afghanistan					BS24857	AFG-IT-7102	BP KBL 11697	4/10/2019	PO 366 GRN 1166	39430	AFN	509.26	Non Capital	14005418	23-Sep-19	Yes	12-Mar-19	Good Condition
7112	Afghanistan					R2BK9L17X1H	AFG-TEL-7112	CPKBL 11730	4/14/2019	PO 374 GRN 1171	20700	AFN	268.30	Non Capital	14005418	23-Sep-19	Yes	17-Apr-19	Good Condition
7188	Afghanistan					PHBL13W5HY	AFG-IT-7188	BPBLK1721	4/24/2019	GRN- 0174 P-040148	29500	AFN	390.52	Non Capital	14005418	23-Sep-19	Yes	2-Jun-19	Good Condition
7137	Afghanistan					PH11464391116050543	AFG-ELB-7137	BPGRP2187	5/2/2019	PO-ANG-SRP-2019-242	70000	AFN	759.42	Non Capital	14005418	23-Sep-19	Yes	13-May-19	Good Condition
7138	Afghanistan					04589424500477	AFG-ELB-7138	BPGRP2187	5/2/2019	PO-ANG-SRP-2019-242	14900	AFN	219.21	Non Capital	14005418	23-Sep-19	Yes	15-May-19	Good Condition

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Category	COH		Asset Data		Fiscal Data			Physical Asset Checks				Comments	Asset ID	SOF	GRN/PO Number	Date of Purchase	Voucher Number	USD Price From Finance Agresso	
	Office where the Asset is located	Assigned To (room or person)	Asset Description	Quantity (p.p. or shares)	Unit	Estimated Unit Value	Current	Total Estimated Value (Qty x Unit Value)	Date of Last Physical Check	Physical check by (Name)	Condition when Checked								
FUR			AC		7500		AFR	7500	12-Nov-18	UFM	Good Condition	SC 1 008321	84007418	GRN 820	18-Nov-18				
FUR			Set		15000		AFR	15000	8-Dec-18	UFM	Good Condition	SC 1 008323	84007418	PO 778 GRN	8-Dec-18				
COH			AC		5120		AFR	12480	8-Jul-19	Nisar Ahmad	Good Condition	SC 7 00550	84007418	GRN 1111	9-May-19	CFVDB2912	181.85		
HWE			PC		2500		AFR	2500	2-Dec-18	Nisar Ahmad	Good Condition	SC 7 00561	84007418	43824	7-Apr-19	CFRDR3038	104.79		
COH			PC		5350		AFR	5350			Good Condition	SC 8 200753	84007418	GRN 486	20-Dec-18	CPBLK2542			
FUR			AC		7500		AFR	7500	10-Feb-19	Hasibullah	Good Condition	SC 2 01082	84007418	1	9-Mar-19				
HWE			PC		13000		AFR	13000			Good	SC 3 000704	84007418	GRN 549	17-Dec-18	CPDRP4702			
			PC									SC 3 00089					CP-HGR-4262		
COH					2500		AFR	2500	9-Jul-18	Nisar Khan	New		84007418	GRN 176	7-Jul-18				
COH			PC		1000		AFR	1000	8-Nov-18	New purchase	New	HWE 388	SC 18 000951	84007418	GRN-AV22018-198	8-Nov-18			
MISC			AC		3400		AFR	13700	11-Apr-19	Michael Amin	Good	SC 18 000900	84007418	64	11-Apr-19				
MISC			AC		6000		AFR	6000	3-Apr-19	Ismael	Good Condition	SC 1022 1083	84007418	GRN 2084	18-Feb-19	CF42C-3831	83.94		
FUR			AC		8000		AFR	8000	12-Feb-18	UFM	New	SC 1 03130	84007418	PO 132 GRN 1065	10-Feb-18				
COH			PC		3800		AFR	3800	12-Jul-19	UFM	New	SC 1 03420	84007418	PO 688 GRN 1262	11-Jul-19	BP KBL 12086	116.75		
COH			PC		3800		AFR	3800	27-Jul-18	UFM	New	SC 1 03423	84007418	PO 688 GRN 1262	11-Jul-18	BP KBL 12086	116.75		
COH			Stand		3400		AFR	3400	28-Jul-19	UFM	New	SC 1 03428	84007418	PO 704 GRN 104	28-Jul-19	BP KBL 13127	42.89		
COH			Stand		3400		AFR	3400	28-Jul-19	UFM	New	SC 1 03429	84007418	PO 704 GRN 104	28-Jul-19	BP KBL 13127	42.89		
COH			Stand		3400		AFR	3400	28-Jul-19	UFM	New	SC 1 03430	84007418	PO 704 GRN 104	28-Jul-19	BP KBL 13127	42.89		
COH			Stand		3400		AFR	3400	28-Jul-19	UFM	New	SC 1 03431	84007418	PO 704 GRN 104	28-Jul-19	BP KBL 13127	42.89		
COH			Stand		3400		AFR	3400	28-Jul-19	UFM	New	SC 1 03432	84007418	PO 704 GRN 104	28-Jul-19	BP KBL 13127	42.89		
COH			Stand		3400		AFR	3400	28-Jul-19	UFM	New	SC 1 03433	84007418	PO 704 GRN 104	28-Jul-19	BP KBL 13127	42.89		
MISC			Stand		1700		AFR	1700	22-Apr-19	S 1 785000	Good	SC 3 000927	84007418	GRN-SPP-2018-054	15-Mar-19	CFRPM4676			
MISC			Stand		1700		AFR	1700	22-Apr-19	S 1 785000	Good	SC 3 000928	84007418	GRN-SPP-2018-054	15-Mar-19	CFRPM4676			
MISC			Stand		1700		AFR	1700	22-Apr-19	S 1 785000	Good	SC 3 000929	84007418	GRN-SPP-2018-054	15-Mar-19	CFRPM4676			
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000910	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000911	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000912	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000913	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000914	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000915	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000916	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		2928		AFR	2928	27-May-19	S 1 785000	Good	SC 3 000917	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		3000		AFR	3000	27-May-19	S 1 785000	Good	SC 3 000918	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		3000		AFR	3000	27-May-19	S 1 785000	Good	SC 3 000919	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		3000		AFR	3000	27-May-19	S 1 785000	Good	SC 3 000920	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		3000		AFR	3000	27-May-19	S 1 785000	Good	SC 3 000921	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		3000		AFR	3000	27-May-19	S 1 785000	Good	SC 3 000922	84007418	PO-AFD-GRP-2018-237	21-May-19				
COH			AC		4400		AFR	4400	26-Apr-19	S 1 785000	Good	SC 3 000923	84007418	GRN-SPP-2018-745	20-Apr-19	BPDRP2362	76.37		
COH			AC		4400		AFR	4400	26-Apr-19	S 1 785000	Good	SC 3 000924	84007418	GRN-SPP-2018-745	20-Apr-19	BPDRP2362	76.37		
FUR			AC		3300		AFR	3300	18-Sep-19	Sherif	New	SC 3 000918	84007418	GRN-SPP-2018-745	18-Sep-19				
FUR			AC		3300		AFR	3300	18-Sep-19	Sherif	New	SC 3 000929	84007418	GRN-SPP-2018-745	18-Sep-19				
FUR			AC		3300		AFR	3300	23-Sep-19	Sherif	New	SC 3 000930	84007418	GRN-SPP-2018-745	23-Sep-19				
FUR			AC		3300		AFR	3300	23-Sep-19	Sherif	New	SC 3 000931	84007418	GRN-SPP-2018-745	23-Sep-19				
FUR			AC		2300		AFR	2300	23-Sep-19	Sherif	New	SC 3 000932	84007418	GRN-SPP-2018-745	23-Sep-19				
FUR			AC		2300		AFR	2300	23-Sep-19	Sherif	New	SC 3 000933	84007418	GRN-SPP-2018-745	23-Sep-19				
FUR			AC		2300		AFR	2300	23-Sep-19	Sherif	New	SC 3 000934	84007418	GRN-SPP-2018-745	23-Sep-19				
FUR			AC		2300		AFR	2300	23-Sep-19	Sherif	New	SC 3 000935	84007418	GRN-SPP-2018-745	23-Sep-19				
FUR			Stand		11000		AFR	11000	10-Feb-19	S 1 785000	New	SC 3 000943	84007418	GRN-SPP-2018-0018	10-Feb-19				
COH			AC		8450		AFR	8450	11-Feb-19	S 1 785000	New	SC 3 000944	84007418	GRN-SPP-2018-0018	11-Feb-19				

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MDC		David	1700		AFN	1700	23-Apr-19	S. Yaboo	Good Condition	DC 3 000546	84005418	GRN-OPP-2019-0104	15-Mar-19	CP2KFA276
MDC		David	1700		AFN	1700	23-Apr-19	S. Yaboo	Good Condition	DC 3 000547	84005418	GRN-OPP-2019-0104	15-Mar-19	CP2KFA276
CON		PC	2926		AFN	2926	27-May-19	S. Yaboo	Good Condition	DC 3 000548	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	2926		AFN	2926	27-May-19	S. Yaboo	Good Condition	DC 3 000549	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	2926		AFN	2926	27-May-19	S. Yaboo	Good Condition	DC 3 000550	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	2926		AFN	2926	27-May-19	S. Yaboo	Good Condition	DC 3 000551	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	2926		AFN	2926	27-May-19	S. Yaboo	Good Condition	DC 3 000552	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	2926		AFN	2926	27-May-19	S. Yaboo	Good Condition	DC 3 000553	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	2926		AFN	3000	27-May-19	S. Yaboo	Good Condition	DC 3 000554	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	2926		AFN	3000	27-May-19	S. Yaboo	Good Condition	DC 3 000555	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	3000		AFN	3000	27-May-19	S. Yaboo	Good Condition	DC 3 000556	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	3000		AFN	3000	27-May-19	S. Yaboo	Good Condition	DC 3 000557	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	3000		AFN	3000	27-May-19	S. Yaboo	Good Condition	DC 3 000558	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	3000		AFN	3000	27-May-19	S. Yaboo	Good Condition	DC 3 000559	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	3000		AFN	3000	27-May-19	S. Yaboo	Good Condition	DC 3 000560	84005418	PO-AFG-ORP-2019-237	21-May-19	
CON		PC	4400		AFN	4400	26-Aug-19	S. Yaboo	Good Condition	DC 3 000561	84005418	GRN-ORP-2019-545	20-Aug-19	
CON		PC	4400		AFN	4400	26-Aug-19	S. Yaboo	Good Condition	DC 3 000562	84005418	GRN-ORP-2019-545	20-Aug-19	
FUR		PH	8300		AFN	8300	23-Sep-19	Saved	New	DC 3 000566	84005418	GRN-OPP-2019-628	23-Sep-19	
FUR		PH	8300		AFN	8300	23-Sep-19	Saved	New	DC 3 000567	84005418	GRN-OPP-2019-628	23-Sep-19	
FUR		PH	8300		AFN	8300	23-Sep-19	Saved	New	DC 3 000568	84005418	GRN-OPP-2019-628	23-Sep-19	
FUR		PH	8300		AFN	8300	23-Sep-19	Saved	New	DC 3 000569	84005418	GRN-OPP-2019-628	23-Sep-19	
FUR		PH	2900		AFN	2900	23-Sep-19	Saved	New	DC 3 000570	84005418	GRN-OPP-2019-628	23-Sep-19	
FUR		PH	2900		AFN	2900	23-Sep-19	Saved	New	DC 3 000771	84005418	GRN-OPP-2019-628	23-Sep-19	
FUR		PH	2900		AFN	2900	23-Sep-19	Saved	New	DC 3 000772	84005418	GRN-OPP-2019-628	23-Sep-19	
FUR		PH	2900		AFN	2900	23-Sep-19	Saved	New	DC 3 000773	84005418	GRN-OPP-2019-628	23-Sep-19	

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## 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 publicly 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:

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- Phone Afghanistan: +93 (0) 700-10-7300
- Phone DSN Afghanistan: 318-237-3912 ext. 7303
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## Public Affairs

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