



SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION

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Arnold Fields, Inspector General

August 6, 2010

The Honorable Hillary Rodham Clinton  
Secretary of State  
By Hand

The Honorable Robert M. Gates  
Secretary of Defense  
By Hand

Dear Secretary Clinton and Secretary Gates,

President Obama's announcement of a new strategy for Afghanistan on December 1, 2009, was a seminal event that intensified focus on oversight in Afghanistan and SIGAR's role in accomplishing that mission. On February 24, 2010, as part of my on-going efforts to create a strong new oversight agency, I requested a peer evaluation by the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to help accelerate SIGAR's progress. The CIGIE review, which covered SIGAR processes in place as of March 2010, has now been completed. We accepted all of CIGIE's recommendations and suggestions, which have been invaluable in helping us operate more efficiently and effectively. Many of CIGIE's recommendations and suggestions have already been implemented and more actions are planned. In fact, we expect to have addressed all of CIGIE's suggestions and recommendations by the end of September 2010. Our detailed response to the CIGIE draft report is attached. The final CIGIE report will be posted on the SIGAR website at [www.sigar.mil](http://www.sigar.mil) immediately after its release.

Since March 2010, we have:

- Hired additional, highly skilled investigators from the FBI and other key law enforcement agencies, averaging 26 years of federal law enforcement experience and possessing special expertise in financial fraud.
- Trained, qualified, and recertified all investigators in the use of firearms and deadly force in accordance with the Attorney General's Guidelines.
- Implemented refresher training of investigators, with the first session administered by the Federal Law Enforcement Training Center on August 3.
- Grew the audit staff to include professionals with forensic auditing skill sets, as well as proficiency in Dari and Pashtu, two widely spoken languages in Afghanistan.
- Established, as of April 2010, a quality assurance program to ensure compliance with all relevant professional audit standards.

SIGAR will have addressed a number of other CIGIE suggestions by September 30, 2010, including:

- Establishing a team to reach out systematically to stakeholders to help SIGAR set priorities and identify areas of high risk within reconstruction programs.

- Implementing fully a quality assurance program for the Investigations Directorate (by August 31, 2010).
- Finalizing and putting in place a risk-based model to guide management decisions. Installing key elements of an IT collaboration tool, which will increase the coordination between SIGAR audit staff in Washington, D.C., and in Kabul.

As background, let me point out that this is the first time CIGIE has ever been asked to produce a report on the overall operations of any Inspector General. The final report on SIGAR's overall operations acknowledges that the peer review was conducted far earlier than would be the norm and that the scope of the peer review was unprecedented. The final report also acknowledges that SIGAR is a young organization and that the peer review standards used are intended to be applied to more mature organizations. Nevertheless, SIGAR's audit division passed the peer review and is currently implementing the suggested improvements. Of the 88 Attorney General (AG) and CIGIE peer review standards, our investigations directorate was asked to address four AG and 6 CIGIE standards. As of this date, all of the AG standards have been met, as has one of the six CIGIE standards. The remaining five CIGIE standards will have been resolved by the end of September 2010.

In closing, I would like to note that I am especially proud of our team of more than 39 auditors and 24 investigators, who work in difficult and dangerous wartime conditions to protect our country's investments in Afghanistan. In addition to complying with the detailed requests of the 26 CIGIE staff responsible for conducting the review of our operations during the eleven week period, SIGAR continued to produce results. SIGAR produced 4 audits with 22 recommendations; started 2 audits; and began 23 investigations during the CIGIE review. Since the inception of SIGAR, we have advanced more than 106 criminal investigations relating to fraud and corruption and produced 22 audits with 67 recommendations for change. SIGAR's recommendations are producing positive results. As you may know, a recent SIGAR audit was the catalyst for changing the way the Department of Defense rates the capabilities of the Afghan National Security Forces, which are a key factor in the President's Afghanistan strategy. A further indication of the quality of SIGAR's work is that CIGIE has recently commended one of SIGAR's auditors with an outstanding achievement award, based on his audit of Afghanistan's High Office of Oversight (HOO)—a key anti-corruption institution.

As we continue to strengthen our capabilities, SIGAR remains committed to its mission of detecting waste, fraud, and abuse and providing the timely oversight needed to safeguard our country's considerable investment in building a secure and stable Afghanistan.

Very Respectfully,



Arnold Fields, Inspector General  
Special Inspector General for Afghanistan Reconstruction

Attachments: 1