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Afghan Local Police and Afghan National Security Forces members ascend a mountain pass in Paktika Province to conduct a presence patrol and hold a village security meeting. (DOD photo by Sgt. Jared Gehmann, U.S. Army)

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SIGAR's enabling legislation requires it to keep the Secretary of State and the Secretary of Defense fully informed about problems relating to the administration of reconstruction programs, and to submit a report to Congress on SIGAR's oversight work and on the status of the U.S. reconstruction effort no later than 30 days after the end of each fiscal quarter. Each quarter, SIGAR requests updates from other agencies on completed and ongoing oversight activities. This section compiles these updates. Publicly available copies of completed reports are posted at the agencies' respective websites.

The descriptions appear as submitted, with minor changes to maintain consistency with other sections of this report: acronyms and abbreviations in place of full names; standardized capitalization, hyphenation, punctuation, and preferred spellings; and third-person instead of first-person construction.

These agencies perform oversight activities in Afghanistan and provide results to SIGAR:

- Department of Defense Office of Inspector General (DOD OIG)
- Department of State Office of Inspector General (State OIG)
- Government Accountability Office (GAO)
- U.S. Army Audit Agency (USAAA)
- U.S. Agency for International Development Office of Inspector General (USAID OIG)

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COMPLETED OVERSIGHT ACTIVITIES

Table 4.1 lists the eight oversight projects related to reconstruction that participating agencies reported as completed this quarter.

TABLE 4.1

RECENTLY COMPLETED OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF DECEMBER 31, 2014			
Agency	Report Number	Date Issued	Project Title
DOD OIG	DODIG-2015-047	12/19/2014	Assessment of U.S. Government and Coalition Efforts to Develop Logistics Sustainment Capability of the Afghan National Army
State OIG	AUD-MERO-15-02	11/30/2014	Audit of Bureau of Narcotics and Law Enforcement Affairs Counter-Narcotics Assistance to Afghanistan
State OIG	AUD-MERO-15-03	11/30/2014	Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 10 Kabul Embassy Security Force
State OIG	AUD-MERO-15-14	11/30/2014	Audit of the Contract Closeout Process for Contracts Supporting the U.S. Mission in Afghanistan
GAO	GAO-15-114	11/21/2014	Defense Logistics: Greater Awareness of Recommendations and Improvements in Data Quality Needed to Resolve Container-Management Challenges
GAO	GAO-15-102	11/18/2014	Human Trafficking: Oversight of Contractors' Use of Foreign Workers in High-Risk Environments Needs to Be Strengthened
GAO	GAO-15-45	11/18/2014	Overseas Military Construction: Observations on U.S. Contractor Preference
USAID	F-306-15-001-S	10/30/2014	Review of USAID/Afghanistan's Financial Management Controls for Government-to-Government Assistance

Sources: DOD OIG, response to SIGAR data call, 12/22/2014; State OIG, response to SIGAR data call, 12/10/2014; GAO, response to SIGAR data call, 12/11/2014; USAAA, response to SIGAR data call 12/31/2014; USAID OIG, response to SIGAR data call, 12/8/2014.

U.S. Department of Defense Office of Inspector General

During this quarter, DOD OIG issued one report related to Afghanistan reconstruction.

Assessment of U.S. Government and Coalition Efforts to Develop the Logistics Sustainment Capability of the Afghan National Army

(Report No. DODIG-2015-047, Issued December 19, 2014)

DOD OIG found that while Afghan National Security Forces (ANSF) demonstrated the capability to conduct combat operations, the development of Afghan National Army (ANA) combat-support services lagged. The development of the ANA logistics system, especially by organizations above the corps level, remained a work in progress. DOD OIG observations identified issues requiring attention in four general areas:

- ANA development of a sustainable logistics planning capability. Specific issues were outdated and incomplete logistics policy and guidance; underdeveloped capability to forecast and generate logistic requirements; retention of trained mechanics; nascent contracting expertise; partial decentralization of logistics training; and inefficient use of information management systems.
- ANA equipment-disposal processes. Specific issues were implementation of turn-in and disposal of irreparable equipment; turn-in of useable excess equipment, parts, and other supplies; and planning for vehicle-fleet management.

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- Coalition forces' advisor support to ANA logistic-system development. Specific issues were unity of effort among Coalition subordinate staffs; obtaining the required number of logistics advisors with the right experience and expertise; and planning for post-2014 continued contractor support.
- Coalition forces' initial issue of sufficient spare parts to generate authorized stockage and prescribed load lists for major pieces of ANA equipment at the ANA Central Supply Depot and Regional Logistic Support Centers.

U.S. Department of State Office of Inspector General-Middle East Regional Operations

During this quarter, State OIG issued three reports related to Afghanistan reconstruction.

Audit of Bureau of Narcotics and Law Enforcement Affairs Counter-Narcotics Assistance to Afghanistan

(Report No. AUD-MERO-15-02, Issued November 30, 2014)

A full description of this audit report can be found at <http://oig.state.gov/reports/audit>

Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 10 Kabul Embassy Security Force

(Report No. AUD-MERO-15-03, Issued November 30, 2014)

A full description of this audit report can be found at <http://oig.state.gov/reports/audit>

Audit of the Contract Closeout Process for Contracts Supporting the U.S. Mission in Afghanistan

(Report No. AUD-MERO-15-14, Issued November 30, 2014)

A full description of this audit report can be found at <http://oig.state.gov/reports/audit>

Government Accountability Office

During this quarter, GAO issued three reports related to Afghanistan reconstruction.

Defense Logistics: Greater Awareness of Recommendations and Improvements in Data Quality Needed to Resolve Container-Management Challenges

(Report No. GAO-15-114, Issued November 21, 2014)

Since the early years of operations in Afghanistan and Iraq, DOD efforts to improve container management in the U.S. Central Command (CENTCOM) area of responsibility have included either updating existing or developing new container-management policy and guidance. However, the department cannot provide reasonable assurance that all recommendations addressing container management in the CENTCOM area of responsibility have been incorporated in DOD's policy or guidance, as appropriate.

DOD officials incorporated some recommendations made by DOD audit agencies and other organizations aimed at improving container management into policy and guidance. For example, in August 2012 the commanders of CENTCOM and U.S. Transportation Command issued a joint memorandum outlining leadership's responsibility for container management in the CENTCOM area of responsibility that was a direct result of a 2012 Joint Logistics Board report that recommended corrective actions to enhance senior leaders' understanding of container management. However, DOD does not have a comprehensive list of the corrective actions that have been recommended over time. Without such a list, DOD cannot reasonably ensure that all of the recommendations have been incorporated into policy and guidance as appropriate. For example, of the 95 corrective actions that GAO identified from reports by DOD audit agencies and other organizations issued from 2003 through 2013, DOD officials could not provide information on steps taken to address 40 of the corrective actions.

Since 2012, DOD has taken steps to manage and reduce shipping-container detention fees incurred due to the untimely return of commercial carrier-owned shipping containers in Afghanistan, but its ability to manage and reduce these fees is limited by inaccurate and incomplete data. In August 2012, DOD established the requirement that within 15 days of a shipping container's arrival: (1) receipt of the container was to be recorded by the unit in-theater, (2) the container was to be unloaded, and (3) the responsible carrier was to be notified that its container was available for pickup. DOD also developed a set of tracking metrics to monitor progress in meeting this requirement. However, incomplete and inaccurate data about the location and number of containers accruing detention fees hindered DOD's ability to manage and reduce detention fees for containers in Afghanistan. For example, GAO analysis of DOD's container-management system data and carrier delivery data for each month in 2013 showed that DOD had not recorded in the container-management system about 16% of the carrier-owned containers delivered and received in Afghanistan.

DOD has identified factors, or procedural weaknesses, that may contribute to incomplete and inaccurate data; however, it has not assessed the

extent to which these weaknesses have contributed to data inaccuracies, determined the root causes of these weaknesses, or developed a corrective-action plan for correcting them. Without an assessment of the root causes and a corrective-action plan, it will be difficult for DOD to have complete and accurate data, which could limit its ability to manage and reduce detention fees for containers in Afghanistan and in future contingency operations.

DOD uses DOD or commercial-carrier shipping containers to transport supplies worldwide. Container management has been a long-standing challenge. DOD has paid detention fees of about \$823 million from 2003 through 2012 for retaining containers longer than allowed, primarily due to operations within CENTCOM, including Afghanistan, where fees continue to accrue. GAO was asked to review DOD's efforts to address container-management challenges and the accumulation of detention fees.

This report assesses the extent to which (1) DOD policy and guidance incorporate recommendations addressing container-management challenges in CENTCOM's area of responsibility, and (2) DOD has managed and reduced detention fees for containers in Afghanistan since 2012. GAO reviewed prior audit reports to identify container-management recommendations; analyzed data such as container type and ownership from 2010 through 2013; and interviewed DOD officials.

GAO recommends that DOD (1) develop a list of recommendations and incorporate them into policy and guidance and (2) identify root causes for procedural weaknesses that contribute to inaccurate, incomplete container data and develop and implement a corrective plan. DOD concurred with the first recommendation and partially concurred with the second because it partially disagreed to whom GAO directed the recommendation. GAO concurred and modified the recommendation.

Human Trafficking: Oversight of Contractors' Use of Foreign Workers in High-Risk Environments Needs to Be Strengthened

(Report No. GAO-15-102, Issued November 18, 2014)

Current policies and guidance governing the payment of recruitment fees by foreign workers on certain U.S. government contracts do not provide clear instructions to agencies or contractors regarding the components or amounts of permissible fees related to recruitment. GAO found that some foreign workers—individuals who are not citizens of the United States or the host country—had reported paying for their jobs. Such recruitment fees can lead to various abuses related to TIP, such as debt bondage. For example, on the contract employing the largest number of foreign workers in its sample, GAO found that more than 1,900 foreign workers reported paying fees for their jobs, including to recruitment agencies used by a subcontractor.

According to the subcontractor, these fees were likely paid to a recruiter who assisted foreign workers with transportation to and housing in Dubai

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before they were hired to work on the contract in Afghanistan. Some DOD contracting officials GAO interviewed said that such fees may be reasonable. DOD, State, and USAID have developed policy and guidance for certain contracts addressing recruitment fees in different ways. However, these agencies do not specify what components or amounts of recruitment fees are considered permissible, limiting the ability of contracting officers and contractors to implement agency policy and guidance.

GAO found that agency monitoring, called for by federal acquisition regulations and agency guidance, did not always include processes to specifically monitor contractor efforts to combat TIP. For seven of the 11 contracts in GAO's sample, DOD and State had specific monitoring processes to combat TIP. On the four remaining contracts, agencies did not specifically monitor for TIP, but rather focused on contractor-provided goods and services, such as building construction. In addition, some DOD and State contracting officials said they were unaware of relevant acquisitions policy and guidance for combating TIP and did not clearly understand their monitoring responsibilities.

Both DOD and State have developed additional training to help make contracting officials more aware of their monitoring responsibilities to combat TIP. Without specific efforts to monitor for TIP, agencies' ability to implement the zero-tolerance policy and detect concerns about TIP is limited.

Since the 1990s, there have been allegations of abuse of foreign workers on U.S. government contracts overseas, including allegations of TIP. In 2002, the United States adopted a zero-tolerance policy on TIP regarding U.S. government employees and contractors abroad and in 2007 began requiring the inclusion of this policy in all contracts. Such policy is important because the government relies on contractors that employ foreign workers in countries where, according to State, they may be vulnerable to abuse.

GAO was mandated to report on the use of foreign workers. This report examines (1) policies and guidance governing the recruitment of foreign workers and the fees these workers may pay to secure work on U.S. government contracts overseas and (2) agencies' monitoring of contractor efforts to combat TIP. GAO reviewed a nongeneralizable sample of 11 contracts awarded by DOD, State, and USAID, comprising nearly one-third of all reported foreign workers on contracts awarded by these agencies at the end of fiscal year (FY) 2013. GAO interviewed agency officials and contractors about labor practices and oversight activities on these contracts.

GAO recommends that agencies (1) develop a more precise definition of recruitment fees and (2) ensure that contract monitoring specifically includes TIP. DOD concurred with the first recommendation, while State and USAID noted that forthcoming regulations would prohibit all recruitment fees. Agencies concurred with the second recommendation.

Overseas Military Construction: Observations on U.S. Contractor Preference

(Report No. GAO-15-45, Issued November 18, 2014)

GAO found that DOD did not apply the U.S. contractor preference in accordance with the current statute from October 2010 through May 2014. The FY 2014 Consolidated Appropriations Act directs that military construction contracts valued over \$1 million and located in countries bordering the Arabian Sea, U.S. territories in the Pacific, and the Kwajalein Atoll, be awarded to a U.S. contractor unless their price is 20% higher than the price from a competing non-U.S. contractor with an equally responsive and responsible bid. However, DOD incorrectly applied the preference to countries bordering the Arabian Gulf, which is geographically distinct from the Arabian Sea.

DOD officials were unaware the statute changed the preference from “Arabian Gulf” to “Arabian Sea” in 2002 and therefore had not updated DOD’s acquisition guidance. DOD’s application, however, included the geographic area in which the majority of military construction in the Arabian Sea and Arabian Gulf locations took place from October 2010 through May 2014. GAO also found that due to other factors that are also considered, such as a contractor’s experience, the preference potentially affected only two of the 35 award decisions for military construction contracts since FY 2011. DOD updated its guidance during GAO’s review, but it could become outdated again if a congressional bill becomes effective, as the bill would change the locations subject to the preference in FY 2015.

GAO also found that DOD and State Department officials identified potential benefits and problems with expanding the statute to include all of the countries within the CENTCOM area of responsibility. For example, according to the officials, one potential benefit of contracting with U.S. firms would be greater familiarity with U.S. contracting and construction procedures. However, these officials also told GAO the 20 countries in the CENTCOM area vary widely in their local capacities, economies, and strategic concerns. Therefore, an expansion may run counter to specific U.S. policy goals in certain locations.

Since the 1980s, Congress has mandated a preference for U.S. contractors for military construction contracts in certain overseas countries. In the Joint Explanatory Statement of the Consolidated Appropriations Act for FY 2014, Congress mandated that GAO examine the potential benefits and problems of expanding this preference to the countries that make up the CENTCOM area of responsibility.

This report (1) examines the extent to which DOD has awarded military construction projects in accordance with the U.S. contractor preference and (2) describes DOD and State Department officials’ views on the potential benefits and problems with expanding the U.S. contractor preference to include all countries within CENTCOM.

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To examine the extent to which DOD awarded contracts in accordance with the U.S. contractor preference, GAO analyzed information concerning the contracts awarded from October 2010 to May 2014 subject to the preference to determine whether DOD applied the preference and whether the preference affected the contract award. To identify the potential benefits and problems with expanding the preference, GAO interviewed officials with knowledge of this issue.

GAO is not making recommendations in this report. DOD and State Department reviewed the draft of the report but did not provide any comments.

U.S. Army Audit Agency

The USAAA completed no audits related to Afghanistan reconstruction this quarter.

U.S. Agency for International Development Office of Inspector General

This quarter, USAID OIG issued one audit related to reconstruction activities.

Review of USAID/Afghanistan's Financial Management Controls for Government-to-Government Assistance

(Report No. F-306-15-001-S, Issued October 30, 2014)

Review Objective:

Are financial management controls associated with USAID/Afghanistan's government to government assistance designed and operating effectively?

OIG concluded that USAID/Afghanistan had improved its implementation of financial management controls over time; however, some weaknesses in design and effectiveness persisted. These issues related to financial audits that were not performed, an ineffective control that was intended to mitigate risks in the Afghan procurement system, poorly defined expectations of the Afghan Government, some accounting transactions were recorded late, and mission staff who were unclear of their responsibilities.

The report included nine recommendations to address these issues.

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ONGOING OVERSIGHT ACTIVITIES

As of December 31, 2014, the participating agencies reported 19 ongoing oversight activities related to reconstruction in Afghanistan. The activities reported are listed in Table 4.2 and described in the following sections by agency.

TABLE 4.2

ONGOING OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF DECEMBER 31, 2014			
Agency	Project Number	Date Initiated	Project Title
DOD OIG	D2015-D000AU-0099.000	12/9/2014	Contingency Contracting: A Framework for Reform - 2015 Update
DOD OIG	D2015-D000FL-0026.000	10/24/2014	Examination of DOD Execution of Afghanistan National Army Trust Fund Donations to the Afghanistan Security Forces Fund
DOD OIG	D2014-D000JB-0219.000	9/4/2014	Audit of Government of Islamic Republic of Afghanistan's Internal Controls for Asset Accountability
DOD OIG	D2014-D000JB-0213.000	8/14/2014	Audit of the Government of Islamic Republic of Afghanistan's Controls Over Contracting
DOD OIG	D2014-D00SPO-0129.001	7/2/2014	Assessment of the Sufficiency of the Afghan National Security Forces' Policies, Processes, and Procedures for the Management and Accountability of Ammunition, Explosives, and Fuel
DOD OIG	D2014-D000RE-0141.000	4/7/2014	Summary Report on Military Construction Projects in Afghanistan and Iraq
DOD OIG	D2014-D00SPO-0129.000	3/6/2014	Assessment of U.S. and Coalition Efforts to Develop the Logistics and Maintenance Sustainment of the Afghan National Police
DOD OIG	D2013-D00SPO-0181.000	6/13/2013	Assessment of U.S. Government Efforts to Transition Security Cooperation and Assistance Activities Supporting the Government of the Islamic Republic of Afghanistan from Department of Defense Authority to Department of State Authority
DOS OIG	14AUD034	2/11/2014	Audit of Department of State Selection, Positioning, Training, and Oversight Responsibilities of Grants Officer Representatives
GAO	351991	11/21/2014	Military Construction in a Contingency Environment
GAO	121248	9/17/2014	Items Privately Developed for Use by the Department of Defense
GAO	321034	7/23/2014	Construction Efforts at the U.S. Embassy in Kabul Part II
GAO	351951	7/16/2014	Army and Marine's Extended Equipment Reset Liability Costs and Requirements
GAO	351952	7/16/2014	Efforts to Protect Sites, Bases, and Convoys in Afghanistan and Any Effects on Mission
GAO	321031	7/9/2014	Securing Diplomatic Residences and Other Soft Targets Overseas
GAO	121228	6/25/2014	Justification of Pass Through Contracts
GAO	351917	4/11/2014	Systems Used to Track Contractors in Contingency Operations
GAO	100003	2/13/2014	Mitigating Threats to Locally Employed Staff
USAID OIG	FF101014	8/26/2014	Audit of USAID/Afghanistan's Strategy for Monitoring and Evaluating Its Programs Throughout Afghanistan

Sources: DOD OIG, response to SIGAR data call, 12/22/2014; State OIG, response to SIGAR data call, 12/10/2014; GAO, response to SIGAR data call, 12/11/2014; USAAA, response to SIGAR data call 12/31/2014; USAID OIG, response to SIGAR data call, 12/8/2014.

U.S. Department of Defense Office of Inspector General

The Department of Defense continues to face many challenges in executing its Overseas Contingency Operations (OCO). DOD OIG has identified priorities based on those challenges and high-risks. For FY 2015, DOD OIG oversight focuses on the areas of monitoring and oversight of acquisition and contracting processes that support training, equipping, and sustaining Afghanistan Security Forces. DOD OIG will also continue to review and assess the Department's efforts to train and equip the ANSF.

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DOD OIG led the Southwest Asia Joint Planning Group, which assists in coordinating and deconflicting federal and DOD OCO related oversight activities. DOD OIG, working with the SIGAR as well as fellow Inspectors General and Defense oversight-community members, have finalized the FY 2015 strategic oversight plan for the oversight community working in Afghanistan and issued the FY 2015 Comprehensive Oversight Plan for Southwest Asia in October 2014. A key theme in the FY 2015 plan development is the force restructuring/drawdown of operations in Afghanistan.

DOD OIG's ongoing OEF related oversight addresses accountability of property; improper payments; contract administration and management including construction projects; transition planning; logistical distribution within Afghanistan; and acquisition planning and controls over funding for Afghan Security Forces.

Contingency Contracting: A Framework for Reform-2015 Update

(Project No. D2015-D000AU-0099.000, Initiated December 9, 2014)

DOD OIG is providing DOD field commanders and contract managers with information on contracting issues related to contingency operations that the DOD Inspector General identified and reported on from April 1, 2012, through December 31, 2014. DOD OIG will issue a summary report for information and use.

Examination of DOD Execution of Afghanistan National Army Trust Fund Donations to the Afghanistan Security Forces Fund

(Project No. D2015-D000FL-0026.000, Initiated October 24, 2014)

The Deputy Comptroller (Program/Budget), Office of the Under Secretary of Defense (Comptroller), requested this examination. The Deputy Comptroller asserted that the receipts and expenditures, as of June 30, 2014, for projects fully funded from the North Atlantic Treaty Organization (NATO) ANA Trust Fund contributions and received into the Afghanistan Security Forces Fund in FY 2013 or earlier were fairly presented in all material respects. DOD OIG is to determine whether the Deputy Comptroller fairly presented the receipts and expenditures from the NATO ANA Trust Fund contributions. In addition, DOD OIG will review internal controls over financial reporting and compliance with laws and regulations as it relates to DOD OIG's engagement objective. DOD OIG's responsibility is to express an opinion based on its examination.

Audit of Government of Islamic Republic of Afghanistan's Internal Controls for Asset Accountability

(Project No. D2014-D000JB-0219.000, Initiated September 4, 2014)

The DOD OIG is conducting this audit in response to a statutory requirement. DOD OIG is determining whether the Combined Security Transition Command-Afghanistan (CSTC-A) and the GIROA Ministries of Defense and

Interior have controls in place to effectively manage asset accountability for vehicles and buildings. Specifically, DOD OIG will evaluate the adequacy of the policies and procedures for verifying the existence of the donated assets, forecasting of maintenance and replacement operations requirements, and identifying requirements for asset replenishment.

Audit of the Government of Islamic Republic of Afghanistan's Controls Over Contracting

(Project No. D2014-D000JB-0213.000, Initiated August 14, 2014).

The DOD OIG is conducting this audit in response to a statutory requirement. DOD OIG is determining whether CSTC-A and the GIROA Ministries of Defense and Interior have established effective controls over contract-management processes.

Assessment of the Sufficiency of the Afghan National Security Forces' Policies, Processes, and Procedures for the Management and Accountability of Ammunition, Explosives, and Fuel

(Project No. D2014-D00SPO-0129.001, Initiated July 2, 2014).

For this Command requested follow-on review, the DOD OIG is assessing the sufficiency of Afghan National Security Forces policies and procedures for the management and accountability of fuel (Class III Bulk) and conventional military ammunition and explosives (Class V). Specifically DOD OIG will review:

- the ISAF Security Assistance Office relationship with the Ministries of Defense and Interior regarding regulations and procedures for the procurement, receipt, accountability, and consumption of ammunition and fuel
- ANSF compliance with published accountability procedures and internal controls for ammunition, explosives, and fuel at national and regional commands
- ANSF ammunition, explosives, and fuel distribution and accountability systems for significant gaps and vulnerabilities
- ANSF storage facilities for ammunition, explosives, and fuel for security gaps and vulnerabilities

Summary Report on Military Construction Projects in Afghanistan and Iraq

(Project No. D000RE-041.000, Initiated April 7, 2014)

DOD OIG is summarizing systematic problems specific to military construction projects in Afghanistan and Iraq identified in audit reports issued by the DOD Office of Inspector General, Army Audit Agency, and Air Force Audit Agency.

Assessment of U.S. and Coalition Efforts to Develop the Logistics and Maintenance Sustainment of the Afghan National Police

(Project No. D2014-D00SPO-0129.000, Initiated March 6, 2014)

DOD OIG is assessing the planning and execution of ANP logistics, supply, and maintenance systems developed and implemented by U.S. and Coalition forces in Afghanistan. Specifically, DOD OIG plans to evaluate:

- whether U.S. and Coalition goals, objectives, plans, guidance, and resources are sufficient to effectively develop, manage, and transition logistics, supply, and maintenance systems to the ANP in 2014
- U.S. and Coalition plans to transition ANP logistics and maintenance processes to Afghan lead and to mitigate the impact of delays in supply transition
- whether U.S. and Coalition plans and resources will effectively support ANP logistics, supply, and maintenance systems sustainment and continued development beyond 2014

Assessment of U.S. Government Efforts to Transition Security Cooperation and Assistance Activities Supporting the Government of the Islamic Republic of Afghanistan from Department of Defense Authority to Department of State Authority

(Project No. 2013-D00SPO-0181.000, Initiated June 13, 2013)

DOD OIG is assessing plans and activities that have been accomplished or implemented thus far to transfer the security cooperation and assistance activities in Afghanistan from DOD to State Department authority, and to make recommendations to facilitate or improve the transition of these functions to the State Department in accordance with existing security-cooperation guidance and security-assistance regulations that may pertain. Specific objectives are to determine whether:

- U.S. government goals, objectives, plans, and guidance are sufficient, issued, and operative for the transition of CSTC-A security assistance activities in Afghanistan from DOD authority to a security-cooperation organization under Department of State authority
- ongoing efforts by U.S. forces to provide security assistance to GIROA are adversely impacted by the implementation of drawdown plans for U.S. Forces-Afghanistan (USFOR-A) and the transition of International Security Assistance Force (ISAF) and ISAF Joint Command (JIC) to a command organization under NATO authority

U.S. Department of State Office of Inspector General-Middle East Regional Operations

State OIG has one ongoing project this quarter related to Afghanistan reconstruction.

Audit of Department of State Selection, Positioning, Training, and Oversight Responsibilities of Grants Officer Representatives

(Project No. 14AUD034, Initiated February 11, 2014)

Objective: To determine the extent to which the Department's grant officer representatives are selected, positioned, and trained to successfully perform their assigned grants-administration and oversight responsibilities.

Government Accountability Office

GAO has nine ongoing projects this quarter related to Afghanistan reconstruction.

Military Construction in a Contingency Environment

(Project No. 351991, Initiated November 21, 2014)

The audit will examine: (1) The processes DOD officials used to make decisions about military construction in Iraq and Afghanistan, to include procedures for determining whether a structure should be permanent or temporary; (2) The costs associated with decisions made about military construction in Iraq and Afghanistan, to include the sources of funding; (3) Any lessons the Department has learned about military construction during contingency operations based on the experiences of Iraq and Afghanistan; and (4) Any other issues related to the military construction in a contingency environment that may come to light during the course of the audit.

Items Privately Developed for Use by the Department of Defense

(Project No. 121248, Initiated September 17, 2014)

The FY 2011 National Defense Authorization Act authorized a pilot program under which DOD could acquire items developed by nontraditional defense contractors using streamlined acquisition processes. DOD was to implement the program and annually submit a report to the Congress with information on each contract awarded under the pilot program. Key questions: (1) How has the pilot program been implemented by DOD? (2) To what extent has the pilot program enabled DOD to acquire items that would not otherwise be available to the department? (3) To what extent has the pilot program assisted DOD in meeting urgent operational needs? (4) How has DOD ensured that items acquired under the pilot program have fair and reasonable prices?

Construction Efforts at the U.S. Embassy in Kabul Part II

(Project No. 321034, initiated July 23, 2014)

Since 2009 the State Department has awarded two contracts totaling about \$700 million to construct additional housing and office facilities at the U.S. embassy in Kabul, Afghanistan. State has since terminated the first contract and expanded the scope, value, and timing of the second. Key questions: (1) What progress has State made in constructing new U.S. embassy facilities in Kabul since 2009, and what factors have contributed to any scope, cost, or schedule changes? (2) To what extent does the present expansion match projected needs?

Army and Marine's Extended Equipment Reset Liability Costs and Requirements

(Project No. 351951, Initiated July 23, 2014)

As equipment is returned from Afghanistan, the Army and Marine Corps are facing a multiyear and multibillion dollar effort to return this equipment to combat-ready condition, known as reset. Congressional defense committees are concerned about how much this will cost—the reset liability—and asked GAO to investigate and report. Objectives: (1) The extent to which the Army and Marine Corps are using a consistent definition of reset in estimating their reset liabilities. (2) The types and costs included in the Army and Marine Corps reset liability estimates. (3) An analysis of any assumptions used in developing the Army and Marine Corps estimates, to include the planned sources of funding. (4) Any other issues GAO determines appropriate.

Efforts to Protect Sites, Bases, and Convoys in Afghanistan and Any Effects on Mission

(Project No. 351952, Initiated July 16, 2014)

In Afghanistan, convoy security for DOD logistics contractors, perimeter security at certain DOD bases, and site security for USAID implementing partners was provided by the Afghan Public Protection Force (APPF), a state-owned enterprise of the Afghan government. In February 2014, the Afghan government decided that the APPF would be disbanded. Key questions: To what extent, if any: (1) is the decision to disband the APPF affecting DOD drawdown? (2) is DOD utilizing the APPF for the protection of personnel?

Securing Diplomatic Residences and Other Soft Targets Overseas

(Project No. 321031, initiated July 9, 2014)

U.S. personnel posted in diplomatic facilities overseas continue to face threats to their safety and security, including numerous attacks in high-risk locations in recent years. In particular, residences, recreational facilities, and schools used by these personnel and their families may be attractive

“soft targets.” Key questions: (1) How does State manage threats and risks to residences and other soft targets under chief-of-mission authority overseas? (2) To what extent do State’s security standards for residences and other soft targets address the threats and risks faced by such facilities? (3) To what extent do State’s policies and procedures address security vulnerabilities, if any, at residences and other soft targets?

Justification of Pass Through Contracts

(Project No. 121228, initiated June 25, 2014)

The Federal Acquisition Regulation requires prime contractors to notify the government if they intend to subcontract more than 70% of the total cost of work in their proposals and explain the added value they provide in its proposed contracting arrangement. Section 802 of the National Defense Authorization Act for FY 2013 directed DOD, State, and USAID to issue policies requiring contracting officers to consider alternative contracting arrangements when notified of such levels of subcontracting and document the basis for their decision. Question: To what extent have these agencies implemented required policy changes?

Systems Used to Track Contractors in Contingency Environments

(Project No. 351917, Initiated April 11, 2014)

In FY 2013, Congress mandated DOD, State Department, and USAID to issue guidance about data collection on contract support for future contingencies involving combat operations outside of the U.S. Key questions: (1) What systems, if any, do the agencies use to manage contractors and the resources needed to sustain each system? (2) To what extent are systems interoperable, use compatible data standards, and meet legislative requirements? (3) To what extent do the systems provide personnel in contingency areas the necessary data to manage contractors? (4) What steps, if any, are the agencies taking to ensure that these systems maximize their ability to manage contractors?

Mitigating Threats to Locally Employed Staff

(Project No. 100003, Initiated February 13, 2014)

U.S. agencies employ more than 44,000 locally employed staff (LES)—Foreign Service nationals and U.S. citizens—at over 270 posts worldwide. LES are a key element of the U.S. presence at these posts, often performing a range of programmatic, security, monitoring, maintenance, and other duties. However, due to their association with the United States, LES can be subject to harassment, intimidation, and death threats. Threats to LES are particularly acute at posts in countries with active terrorist networks and violent extremist groups, such as Afghanistan, Iraq, Pakistan, and Yemen. Such threats can potentially hamper U.S. efforts to recruit and retain LES.

OTHER AGENCY OVERSIGHT

GAO was asked to review U.S. government efforts to monitor, share information about, and mitigate threats to LES serving at high-threat posts. Key questions: (1) What is the nature and extent of the threat that terrorist networks and other violent extremist groups pose to LES, including the number of threats and attacks? (2) To what extent have U.S. agencies established mechanisms to collect and disseminate information about threats to LES in an effective and timely manner? (3) What steps, if any, have U.S. agencies taken to mitigate threats to LES at high-threat posts and what barriers, if any, exist to mitigating such threats? (4) How have these threats and attacks affected the recruitment and retention of LES at high threat posts?

U.S. Army Audit Agency

This quarter the USAAA has no ongoing audits related to Afghanistan reconstruction.

U.S. Agency for International Development Office of Inspector General

This quarter USAID OIG has one ongoing audit related to reconstruction initiatives.

Audit of USAID/Afghanistan's Strategy for Monitoring and Evaluating Its Programs Throughout Afghanistan

(Project No. FF101014, Initiated August 26, 2014)

Audit Objective:

- Does USAID/Afghanistan's monitoring and evaluation strategy provide effective coverage over USAID's program activities in Afghanistan?

OTHER AGENCY OVERSIGHT
