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OTHER AGENCY OVERSIGHT CONTENTS

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Photo on previous page
The walled compounds and terraced fields of an Afghan town spread out to mountain foothills. (Regional Command-East photo)
OTHER AGENCY OVERSIGHT

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, 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 IG)
- 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)

COMPLETED OVERSIGHT ACTIVITIES

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

<table>
<thead>
<tr>
<th>Agency</th>
<th>Report Number</th>
<th>Date Issued</th>
<th>Project Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>USAID OIG</td>
<td>F-306-16-001-P</td>
<td>12/10/2015</td>
<td>Audit of USAID/Afghanistan’s Strategy for Monitoring and Evaluating Programs Throughout Afghanistan</td>
</tr>
</tbody>
</table>

Source: DOD IG, response to SIGAR data call, 12/21/2015; State OIG, response to SIGAR data call, 12/14/2015; GAO, response to SIGAR data call, 12/14/2015; USAAA, response to SIGAR data call, 11/24/2015; USAID OIG, response to SIGAR data call, 12/10/2015.
OTHER AGENCY OVERSIGHT

U.S. Department of Defense Office of Inspector General
During this quarter, DOD IG issued no reports related to Afghanistan reconstruction.

U.S. Department of State Office of Inspector General-Middle East Regional Operations
During this quarter, State OIG released no reports related to Afghanistan reconstruction.

Government Accountability Office
During this quarter, GAO issued one report related to Afghanistan reconstruction.

Defense Logistics: Marine Corps and Army Reset Liability Estimates
The Marine Corps and Army have each developed their own processes for producing reset liability estimates for the amount of funding that may be required by a service to reset—i.e., repair, recapitalize, and replace—equipment returning from operations, thereby returning the equipment to combat-ready condition. According to department officials, there is no DOD guidance for the services to use as they produce their reset liability estimates.

There are similarities in the services’ processes for estimating reset liability amounts, but also key differences. The services use the same definition of reset in preparing their estimates, which is defined in a January 2007 DOD memorandum, in part, as actions taken to restore units to a desired level of combat capability commensurate with the units’ future mission. However, the services apply that definition to different categories of equipment and calculate reset liability over different time periods. For example, the Marine Corps’ reset liability estimate includes ground equipment, while the Army estimate includes both ground and aviation equipment. Also, the Marine Corps’ reset liability estimate covers all fiscal years until reset is complete, while the Army estimate covers a two-year period (current fiscal year and next fiscal year) even though reset may not be completed within those two fiscal years.

Further, when producing their estimates, the Marine Corps and Army use similar cost factors, such as parts and labor. However, the services make different assumptions about the condition—worst case or historical average—of the returning equipment that they will reset. In making differing assumptions about condition, each service can differ on the estimated unit repair cost for a piece of equipment common to each service scheduled for reset in the same year. For example, in fiscal year 2014, both services projected an amount needed to repair each 155 millimeter towed howitzer returning from combat
and planned for reset. The Marine Corps estimated the unit repair cost to be $311,090, assuming the howitzer would return in worst-case condition. The Army estimated the unit repair cost to be $246,778 by applying historical information to produce its average estimated unit repair cost for the howitzer. Service-unique differences can yield varying reset costs and reset estimates for an item common to both services. Such process differences result in reset liability estimates that are not comparable.

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.

Audit of USAID/Afghanistan’s Strategy for Monitoring and Evaluating Programs Throughout Afghanistan
The audit reported five findings:
• Strategy lacked standards to measure effective, sufficient oversight;
• Database’s weaknesses made it less useful;
• Implementation support team did not analyze data or make recommendations;
• Mission did not establish annual monitoring plans; and
• Evaluations and recommendations were not recorded and tracked in database.

The audit found that although steps have been taken to implement the multi-tiered monitoring approach, it has not been fully implemented. In addition, (1) the mission lacked standards for measuring whether sufficient oversight was being provided; (2) Afghan Info was not functioning as intended; (3) the mission’s Implementation Support Team was not functioning as envisioned; (4) evaluation recommendations were not being tracked and implemented; and (5) technical offices were not ensuring that annual project monitoring plans were prepared as required.

The report included nine recommendations to address these issues.

ONGOING OVERSIGHT ACTIVITIES
As of December 31, 2015, the participating agencies reported 11 ongoing oversight activities related to reconstruction in Afghanistan. The activities reported are listed in Table 4.2 on the following page and described in the following sections by agency.
U.S. Department of Defense Office of Inspector General
DOD continues to face many challenges in executing its Overseas Contingency Operations (OCO). DOD IG has identified priorities based on those challenges and high risks. For fiscal year (FY) 2016, DOD IG will continue focus on the areas of monitoring and oversight of acquisition and contracting processes that support training, equipping, and sustaining Afghanistan’s security forces. DOD IG will also continue to review and assess the Department’s efforts to train and equip Afghan National Defense and Security Forces.

The DOD IG-led Southwest Asia Joint Planning Group assists in coordinating and deconflicting federal and DOD OCO-related oversight activities. DOD IG, working with the SIGAR as well as fellow Inspectors General and Defense oversight-community members, have issued the FY 2016 Comprehensive Oversight Plan for Overseas Contingency Operations (COP–OCO), formerly known as the Comprehensive Oversight Plan for Southwest Asia. The COP–OCO includes the Joint Strategic Oversight Plans (JSOP) for Operation Inherent Resolve in Afghanistan. The Afghanistan JSOP includes Operation Freedom’s Sentinel (OFS), as well as reconstruction and humanitarian assistance programs and activities that are separate from OFS.

Assessment of U.S./Coalition Efforts to Train, Advise, Assist, and Equip the Afghan National Army Special Operations Forces (Project No. D2016-D005PO-0054.000, Initiated November 25, 2015)
DOD IG is determining whether U.S. government and Coalition goals, objectives, plans, and resources to train the Afghan National Army Special Operations Forces are sufficient, operative, and relevant.

### Table 4.2

<table>
<thead>
<tr>
<th>Agency</th>
<th>Project Number</th>
<th>Date Initiated</th>
<th>Project Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>DOD IG</td>
<td>D2016-D005PO-0054.000</td>
<td>11/25/2015</td>
<td>Assessment of U.S./Coalition Efforts to Train, Advise, Assist, and Equip the Afghan National Army Special Operations Forces</td>
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<tr>
<td>DOD IG</td>
<td>D2016-D000PT-003.000</td>
<td>10/16/2015</td>
<td>Summary Report on Inspections of DOD Facilities and Military Housing</td>
</tr>
<tr>
<td>DOD IG</td>
<td>D2015-D000JB-0239.000</td>
<td>8/14/2015</td>
<td>Audit of Contract Oversight in Afghanistan</td>
</tr>
<tr>
<td>DOD IG</td>
<td>D2015-D000JB-0174.000</td>
<td>4/20/2015</td>
<td>Audit of Controls over Afghanistan Ministry of Interior Fuels Contracts</td>
</tr>
<tr>
<td>State OIG</td>
<td>16AUD051</td>
<td>12/22/2015</td>
<td>Audit of Department of State Compliance with Critical Environment Contracting Requirements</td>
</tr>
<tr>
<td>State OIG</td>
<td>15AUD063</td>
<td>4/29/2015</td>
<td>Audit of the Embassy Kabul Operations and Maintenance Contract</td>
</tr>
<tr>
<td>GAO</td>
<td>291279</td>
<td>5/6/2015</td>
<td>Effectiveness of Hyperbaric Oxygen Therapy to Treat Traumatic Brain Injuries (TBI) and Post-Traumatic Stress Disorder (PTSD)</td>
</tr>
<tr>
<td>GAO</td>
<td>321059</td>
<td>2/5/2015</td>
<td>Afghan Special Immigrant Visa Program</td>
</tr>
<tr>
<td>GAO</td>
<td>351991</td>
<td>11/21/2014</td>
<td>Military Construction in a Contingency Environment</td>
</tr>
<tr>
<td>USAID OIG</td>
<td>FF100315</td>
<td>3/31/2015</td>
<td>Audit of USAID/Afghanistan’s Assistance in Building Afghanistan by Developing Enterprises Program</td>
</tr>
</tbody>
</table>

Source: DOD IG, response to SIGAR data call, 12/21/2015; State OIG, response to SIGAR data call, 12/14/2015; GAO, response to SIGAR data call, 12/14/2015; USAAC, response to SIGAR data call, 11/24/2015; USAID OIG, response to SIGAR data call, 12/10/2015.
Summary Report on Inspections of DOD Facilities and Military Housing
(Project No. D2016-D000PT-0003.000, Initiated October 16, 2016)
This project will collectively evaluate the results of the previous DOD IG inspections of buildings and housing facilities in Afghanistan, Japan, Korea, and regions of the continental United States, as well as the ongoing facility inspection in Jordan. DOD IG is performing additional analysis based on these reports to identify any potential broader findings and recommendations related to electrical system safety, fire protection systems, environmental health and safety, etc. Specifically, DOD IG will evaluate common deficiencies and systemic issues found throughout DOD facilities during the previous inspections. DOD IG will also evaluate DOD policy regarding health and safety standards and requirements for DOD-occupied facilities world-wide.

Audit of Contract Oversight in Afghanistan
(Project No. D2015-D000JB-0239.000, Initiated August 14, 2015)
DOD IG is determining whether contracting officer’s representatives were properly appointed and trained, and were able to effectively perform their oversight responsibilities for contracts in Afghanistan.

Audit of Controls Over Afghanistan Ministry of Interior Fuels Contracts
(Project No. D2015-D000JB-0174.000, Initiated April 20, 2015)
DOD IG is continuing its series of audits related to Afghanistan contract oversight. In this specific audit, DOD IG will determine whether the Combined Security Transition Command-Afghanistan (CSTC-A) and the Ministry of Interior (MOI) have established effective controls for oversight of MOI fuel contracts.

U.S. Department of State Office of Inspector General-Middle East Regional Operations
State OIG has two ongoing projects this quarter related to Afghanistan reconstruction.

Audit of Department of State Compliance with Critical Environment Contracting Requirements
(Project No. 16AUD051, Initiated December 22, 2015)
The primary objective of this audit is to determine whether the Critical Environment Contracting Analytics Staff has conducted risk assessments and developed risk mitigation plans for operational and political risks associated with contractor performance in Iraq and Afghanistan.
Audit of the Embassy Kabul Operations and Maintenance Contract  
(Project No. 15AUD063, Initiated April 29, 2015)

Pacific Architects and Engineers Government Services Inc. (PAE) operates and maintains the utility systems for the U.S. embassy compound and Camp Sullivan in Kabul, Afghanistan. (Camp Sullivan is located by Kabul International Airport and provides the living quarters for the embassy’s security force.) PAE provides support services 24 hours a day, 365 days a year, for electrical generation and distribution, heating and ventilation, water-supply purification and distribution, fire protection, sewage and wastewater treatment, elevator maintenance, and fuel storage and distribution for generators and vehicles. PAE also provides unscheduled services to embassy offices and living quarters, and escort services for subcontractors and other individuals without security clearances who work at secure sites on the embassy compound.

This audit will be the first in a series of audits on the PAE operations and maintenance contract. An audit of the PAE operations and maintenance contract will address risk areas related to department management and oversight of contractor performance, an area identified by OIG as a management and performance challenge. (See Fiscal Year 2014 Agency Financial Report, United States Department of State; pp. 118 – 120; 11/2014.) The first audit will focus on risk areas in the fuel-storage and distribution system and possibly offer the opportunity for monetary benefits. Future audits will focus on other services provided by PAE.

Government Accountability Office

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

Maintenance of Hesco Security Barrier in Afghanistan  
(Project No. 321071, Initiated May 27, 2015)

In 2014, a foreign construction worker employed by a Department of State (State) contractor in Kabul, Afghanistan, was killed when a wall of Hesco security barriers at a U.S. facility toppled and crushed him. These security barriers are collapsible wire-mesh containers lined with heavy-duty fabric and filled with dirt, sand, or gravel. The death of a worker at a State construction site required a mishap investigation report. Question: (1) How has State responded to this incident?

Effectiveness of Hyperbaric Oxygen Therapy to Treat Traumatic Brain Injuries (TBI) and Post-Traumatic Stress Disorder (PTSD)  
(Project No. 291279, Initiated May 6, 2015)

Traumatic brain injuries and post-traumatic stress disorder are the signature wounds suffered in the conflicts in Iraq and Afghanistan. Question: (1) What has published research concluded about the effectiveness of
hyperbaric oxygen therapy in the treatment of traumatic brain injury and posttraumatic stress disorder?

**Afghan Special Immigrant Visa Program**  
(Project No. 321059, Initiated February 5, 2015)  
The Afghanistan Special Immigrant Visa (SIV) program provides visas to Afghan nationals and their families who are under threat because of their work for State and USAID, or other U.S. agencies. A high rate of applications for the Afghan SIV program, coupled with short tours by State and USAID U.S. personnel in Afghanistan, could diminish the U.S. government’s institutional knowledge, local relationships, and cultural understanding in that country. Key Questions: (1) How has State and USAID’s workforce in Afghanistan been affected by the departure of SIV recipients? (2) To what extent, if any, have State and USAID developed plans to mitigate the departure of Afghan SIV recipients? (3) What actions, if any, have State and USAID taken to mitigate the departure of Afghan SIV recipients?

**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 military construction in a contingency environment that may come to light during the course of the audit.

**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 Assistance in Building Afghanistan by Developing Enterprises Program**  
(Project No. FF100315, Initiated March 31, 2015)  
Audit Objective:  
• Is USAID/Afghanistan’s Assistance in Building Afghanistan by Developing Enterprises Program increasing private-sector investment, creating new jobs, and improving the business environment as planned?