SIGAR OVERSIGHT
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Inspector General Sopko, center, talks with Brigadier General William D. Taylor, senior U.S. advisor to the Afghan Ministry of Defense, during an October 2019 inspection visit to a U.S.-funded renovation project at an Afghan National Army aircraft hangar. (SIGAR photo)
SIGAR OVERSIGHT ACTIVITIES

This quarter, SIGAR issued 14 products. SIGAR work to date has identified approximately $2.6 billion in savings for the U.S. taxpayer.

On September 19, 2019, SIGAR released its seventh Lessons Learned Program report, *Reintegration of Ex-Combatants: Lessons from the U.S. Experience in Afghanistan*. The report examines the five main post-2001 reintegration efforts in Afghanistan and assesses their effectiveness. Further, it examines several past local security agreements and whether they provided an opening for reintegration. The report found that none of the reintegration programs succeeded in enabling any significant number of ex-combatants to socially and economically rejoin civil society. Programs specifically targeting Taliban insurgents did not weaken the insurgency to any substantial degree or contribute meaningfully to parallel reconciliation efforts.

SIGAR issued two performance audit reports this quarter, reviewing USAID’s Power Transmission Expansion and Connectivity (PTEC) project, and the U.S. Army Corps of Engineers’ (USACE) Local National Quality Assurance Program. SIGAR also issued three inspection reports. They examined three USACE-funded projects: the $39.5 million Pul-e Alam power substation in the North East Power System (NEPS), the $6.9 million Afghan National Army garrison at South Kabul Afghanistan International Airport, and the $4.5 million Ghulam Khan road project in Khost Province.

SIGAR completed six financial audits of U.S.-funded contracts to rebuild Afghanistan. These financial audits covered a range of topics including the Department of State’s support of the Afghanistan Legal Education Project, USAID’s Strengthening Pharmaceutical Systems Program in Afghanistan, and the Department of State’s Demining and Munitions Clearance Projects in Afghanistan. These financial audits identified $498,840 in questioned costs as a result of internal-control deficiencies and noncompliance issues. To date, SIGAR’s financial audits have identified more than $428.5 million in questioned costs, interest, and other amounts payable to the U.S. government.

This quarter, SIGAR’s Office of Special Projects issued two reports. They reviewed the Afghan Children Read Program, and inspections of USAID-funded schools. The office also issued one inquiry letter on equipment acquisitions.

**COMPLETED PERFORMANCE AUDITS**

- Audit 19-57-AR: USAID’s Power Transmission Expansion and Connectivity Project: The Project is Behind Schedule, and Questions Remain about the Afghan Government’s Ability to Use and Maintain the New Power Infrastructure

**COMPLETED FINANCIAL AUDITS**

- Financial Audit 19-54-FA: Department of State’s Support of the Afghanistan Legal Education Project: Audit of Costs Incurred by the Board of Trustees of the Leland Stanford Junior University
- Financial Audit 20-02-FA: USAID’s Afghan Ministry of Women’s Affairs Organizational Restructuring and Empowerment Program: Audit of Costs Incurred by The Asia Foundation
- Financial Audit 20-04-FA: Department of State’s Demining and Munitions Clearance Projects in Afghanistan: Audit of Costs Incurred by the Demining Agency for Afghanistan

*Continued on the next page*
During the reporting period, SIGAR investigations resulted in six sentencings, 120 months’ prison time, 240 months’ supervised probation, and a combined total of $18.1 million in criminal forfeitures and restitutions. In addition, one criminal information and two indictments were obtained. SIGAR initiated nine new cases and closed 17, bringing the total number of ongoing investigations to 158.

This quarter, SIGAR’s suspension and debarment program referred two individuals for suspension or debarment based on evidence developed as part of investigations conducted by SIGAR in Afghanistan and the United States. These referrals bring the total number of individuals and companies referred by SIGAR since 2008 to 975, encompassing 535 individuals and 440 companies.

**AUDITS**

SIGAR conducts performance and financial audits of programs and projects connected to the reconstruction effort in Afghanistan. Since its last report to Congress, SIGAR has issued two performance audits and six financial audits. This quarter, SIGAR has 12 ongoing performance audits and 38 ongoing financial audits.

**Performance Audit Reports Issued**

SIGAR issued two performance audit reports this quarter. They reviewed USAID’s Power Transmission Expansion and Connectivity Project (PTEC), and the U.S. Army Corps of Engineers’ (USACE) Local National Quality Assurance Program. A list of completed and ongoing performance audits can be found in Appendix C of this quarterly report.

**Performance Audit 19-57-AR: USAID’s Power Transmission Expansion and Connectivity Project**

*The Project is Behind Schedule, and Questions Remain about the Afghan Government’s Ability to Use and Maintain the New Power Infrastructure*

USAID initiated its $861.7 million Power Transmission Expansion and Connectivity (PTEC) project in 2011 with the goal of expanding and improving Afghanistan’s power grid.

SIGAR assessed USAID’s implementation and oversight of the PTEC project from its inception in August 2011 through March 2019. The objectives of this audit were to determine the extent to which USAID (1) ensured that Da Afghanistan Breshna Sherkat (DABS), Afghanistan’s national power utility, achieved USAID’s intended deliverables for PTEC—such as transmission lines and substations built, and hardware and software installed—and met those deliverables on schedule; (2) measured PTEC’s progress in meeting USAID’s intended project purpose and goals; (3) provided oversight and accountability for the Afghan government’s commitments to USAID and
implementation of PTEC activities; and (4) assessed whether PTEC infrastructure would be necessary and sustainable.

SIGAR's first major finding was that PTEC activities are behind schedule, and that PTEC's commercialization activities that have ended did not achieve all of USAID's intended deliverables, as specified in its implementation letters with DABS.

SIGAR's second major finding was that of the 14 original indicators used to measure PTEC's progress toward achieving its project purpose and goals, USAID changed four and dropped eight without explanation; set baselines for only 10 of the original 14 indicators and set baseline targets for only eight; and did not validate the data it sourced from DABS for four of the six indicators it was still using as of 2018.

SIGAR's third major finding was that USAID continued to provide on-budget funding to DABS for construction and commercialization activities despite concerns about DABS's internal controls, management of public finances, and vulnerabilities to corruption. In addition, DABS and USAID
SIGAR OVERSIGHT ACTIVITIES

A solar power substation built through the Power Transmission and Connectivity Project. (SIGAR photo)

did not provide consistent oversight of the commercialization contractors, creating openings for waste, fraud, and abuse.

SIGAR’s fourth major finding was that USAID did not assess the necessity and sustainability of seven of 10 capital projects funded by PTEC—each valued at more than $5 million—despite being required to do so by Section 1273 of the National Defense Authorization Act for Fiscal Year 2013.

SIGAR made four recommendations to the USAID Administrator to improve USAID’s performance measurement, implementation, and oversight of PTEC: (1) update or implement, as required by USAID/Afghanistan Mission Order 201.05, PTEC multi-tiered monitoring plans to include three separate sources of data for each ongoing activity, or document in the plan why using three tiers is not possible; (2) condition the $128.8 million in on-budget assistance still obligated to DABS on its addressing USAID’s concerns about its internal controls, management of public finances, and vulnerabilities to corruption; (3) develop and submit to Congress, in compliance with the requirements of Section 1273 of the National Defense Authorization Act for Fiscal Year 2013, necessity and sustainability assessments covering the seven capital projects that USAID has yet to submit, and revise the assessments covering the three projects that did comply, but whose analyses may now be out of date; and (4) determine whether to deobligate funds for these capital projects based on the results of the new or revised assessments.
Performance Audit 19-60-AR: USACE’s Local National Quality Assurance Program

USACE Used Qualified Personnel to Monitor Construction in Afghanistan and Is Taking Steps to Improve Contractor Reporting

From September 2012 through July 2017, the U.S. Army Corps of Engineers (USACE) spent more than $90 million on a personal-services contract with Versar Inc. to help oversee USACE construction projects in Afghanistan. The contract required Versar to hire qualified local Afghan engineers and specialists, known as local national quality assurance (LNQA) employees, to perform oversight activities normally carried out by USACE employees.

SIGAR found that Versar met its personal-services contract requirements by hiring qualified LNQA personnel and submitting required documents and reports to USACE, including its quality-control plan. Additionally, USACE conducted required oversight of Versar’s performance. However, USACE did not have all required construction contractor quality-control documentation for each of the 16 projects SIGAR reviewed. SIGAR also found that USACE conducted oversight of Versar in accordance with Federal Acquisition Regulations and USACE requirements.

While SIGAR did not identify problems with the performance of Versar or the LNQAs, the audit did find that USACE’s construction contractors in Afghanistan did not fully comply with reporting requirements. USACE requires its construction contractors to use a three-phase inspection system. USACE’s construction quality-assurance guidance states that work will not proceed on a task nor will USACE make payments for work that it has not validated through its three-phase inspection system.

For the 16 construction projects SIGAR reviewed, SIGAR found that USACE did not have minutes for more than 80% of the preparatory and initial meetings required by its three-phase inspection system. As a result,
USACE could not confirm that (1) its contractors were conducting the preparatory and initial phases completely, (2) its LNWAs were attending the meetings, and (3) the contractors were prepared to begin or continue construction on the task. SIGAR determined that the documentation for the follow-up phase complied with USACE requirements. SIGAR has reported this lack of documentation to USACE twice since 2017; USACE agreed to address it in each case.

SIGAR made one recommendation to USACE. To determine whether USACE’s actions are improving contractors’ documentation of the three-phase inspection system and increasing USACE’s enforcement of construction contract requirements, the USACE Commanding General and Chief of Engineers should assess whether the actions USACE has taken since November 2018 have increased construction contractors’ documentation of their three-phase inspection system meetings, and determine if additional actions are needed to ensure that USACE complies with its own oversight requirements.

**Financial Audits**

SIGAR launched its financial-audit program in 2012, after Congress and the oversight community expressed concerns about oversight gaps and the growing backlog of incurred-cost audits for contracts and grants awarded in support of overseas contingency operations. SIGAR competitively selects independent accounting firms to conduct the financial audits and ensures that the audit work is performed in accordance with U.S. government auditing standards. Financial audits are coordinated with the federal inspector-general community to maximize financial-audit coverage and avoid duplication of effort.

SIGAR has 40 ongoing financial audits with over $922 million in audit-able costs, as shown in Table 2.1. A list of completed and ongoing financial audits can be found in Appendix C of this quarterly report.

This quarter, SIGAR completed six financial audits of U.S.-funded contracts to rebuild Afghanistan. These audits help provide the U.S. government and the American taxpayer reasonable assurance that the funds spent on these awards were used as intended. The audits question expenditures that cannot be substantiated or are potentially unallowable.

SIGAR issues each financial-audit report to the funding agency that made the award(s). The funding agency is responsible for making the final determination on questioned amounts identified in the report’s audit findings. Since the program’s inception, SIGAR’s financial audits have identified more than $428 million in questioned costs and $364,907 in unremitted interest on advanced federal funds or other revenue amounts payable to the government. As of September 30, 2019, funding agencies had disallowed more than $27 million in questioned amounts, which are thereby subject to collection. It takes time for funding agencies to carefully consider audit findings and

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<th>SIGAR’S FINANCIAL AUDIT COVERAGE ($ BILLIONS)</th>
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<tr>
<td>146 completed audits</td>
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<tr>
<td>40 ongoing audits</td>
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<td>Total</td>
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Note: Numbers have been rounded. Coverage includes auditable costs incurred by recipients of U.S.-funded Afghanistan reconstruction contracts, grants, and cooperative agreements.

Source: SIGAR Audits and Inspections Directorate.

**Questioned amounts:** the sum of potentially unallowable questioned costs and unremitted interest on advanced federal funds or other revenue amounts payable to the government.

**Questioned costs:** costs determined to be potentially unallowable. The two types of questioned costs are (1) ineligible costs (violation of a law, regulation, contract, grant, cooperative agreement, etc. or an unnecessary or unreasonable expenditure of funds); and (2) unsupported costs (those not supported by adequate documentation or proper approvals at the time of an audit).
recommendations. As a result, final disallowed-cost determinations remain to be made for several of SIGAR’s issued financial audits. SIGAR’s financial audits have also identified and communicated 485 compliance findings and 521 internal-control findings to the auditees and funding agencies.

Financial Audits Issued
This quarter, SIGAR completed six financial audits of U.S.-funded contracts to rebuild Afghanistan. These audits identified $498,840 in questioned costs because of internal-control deficiencies and noncompliance issues, such as incorrectly applied indirect cost rates and contractors not providing evidence of predeployment medical clearance before deploying to Afghanistan.

Financial Audit 19-54-FA: Department of State’s Support of the Afghanistan Legal Education Project
Audit of Costs Incurred by the Board of Trustees of the Leland Stanford Junior University
On January 12, 2010, the Department of State, Bureau of International Narcotics and Law Enforcement Affairs awarded a two-year grant to the Board of Trustees of Leland Stanford Junior University (Stanford) totaling $1,269,575 in support of the Afghanistan Legal Education Project (ALEP). The grant’s objective was to develop and expand legal education programs in Afghanistan. State issued a second grant on September 11, 2012, awarding Stanford an additional $9,016,701 to extend its work on ALEP over a five-year period. Together these two grants totaled almost $10.3 million, and covered more than a seven-year period. State amended these two grants nine times, which reduced total funding from about $10.3 million to about $9.2 million, and extended the period of performance to December 31, 2017. SIGAR’s financial audit, performed by Conrad LLP, reviewed $7,325,489 charged to the two grants from January 15, 2010, through December 31, 2017. Conrad’s audit identified three significant deficiencies and two other deficiencies in Stanford’s internal controls, and four instances of noncompliance with the terms of the grants, applicable laws, and regulations. Conrad identified $289,693 in questioned costs charged to the contract related to these issues.

Financial Audit 19-52-FA: USAID’s Strengthening Pharmaceutical Systems Program In Afghanistan
Audit of Costs Incurred by Management Sciences for Health Inc.
On August 29, 2011, USAID awarded a cooperative agreement to Management Sciences for Health Inc. (MSH) to implement the Strengthening Pharmaceutical Systems program in Afghanistan. The agreement’s purpose was to improve the pharmaceutical industry’s regulatory functions, supply chain management, human resources, pharmaceutical
services, and information systems. The initial period of performance was from August 29, 2011, through August 27, 2015, with an estimated cost of $24,449,936. USAID modified the cooperative agreement 16 times, increasing the total estimated cost to $37,010,919 and extending the period of performance through December 28, 2017.

SIGAR's financial audit, performed by Conrad LLP, reviewed $7,790,072 in costs incurred by MSH for the period of July 1, 2016, through December 28, 2017. Conrad identified two significant deficiencies and three deficiencies in MSH's internal controls, and four instances of noncompliance with the terms of the cooperative agreement or applicable laws and regulations. Conrad identified $118,385 in questioned costs charged to the contract related to these issues.

Financial Audit 20-02-FA: USAID’s Afghan Ministry of Women’s Affairs Organizational Restructuring and Empowerment Program Audit of Costs Incurred by The Asia Foundation

On December 20, 2012, USAID awarded a $14.8 million cooperative agreement to The Asia Foundation (TAF) to support the Afghan Ministry of Women’s Affairs Organizational Restructuring and Empowerment program. The program’s goals were to strengthen the ministry’s ability to advocate on behalf of Afghan women, conduct outreach and public awareness campaigns, and provide technical assistance to other ministries. After four modifications, the agreement’s total funding decreased to $11.35 million, and the period of performance was extended from December 9, 2015, through December 19, 2016.

SIGAR's financial audit, performed by Williams, Adley & Company-DC LLP (Williams Adley), reviewed $2,535,384 in costs charged to the agreement from December 20, 2015, through December 19, 2016. Williams Adley identified one material weakness in TAF’s internal controls and one instance of noncompliance with the terms and conditions of the agreement. Williams Adley identified $35,539 in questioned costs charged to the cooperative agreement related to these issues.

Financial Audit 20-04-FA: Department of State’s Demining and Munitions Clearance Projects in Afghanistan Audit of Costs Incurred by the Demining Agency for Afghanistan

Between 2013 and 2017, the Department of State, Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement awarded nine grants worth a total of $9,843,000 to the Demining Agency for Afghanistan to support various demining and munitions clearance projects throughout Afghanistan. The period of performance of the grants spanned from March 15, 2013, through September 24, 2018. There were 29 modifications made to the grants, increasing the total approved budget to $17,010,146 and extending the period of performance for six of the nine grants.
SIGAR's financial audit, performed by Conrad LLP, reviewed $15,882,954 of costs incurred from March 15, 2013, through September 28, 2018. Conrad identified one deficiency, two significant deficiencies, and three instances of noncompliance with the terms of the task order and applicable laws and regulations. Conrad identified $19,194 in questioned costs charged to the contract related to these issues.

**Financial Audit 19-56-FA: USAID’s Support of the Grain Research and Innovation Project in Afghanistan**

*Audit of Costs Incurred by Michigan State University*

On March 11, 2013, USAID awarded Michigan State University (MSU) a five-year, $24.9 million cooperative agreement in support of MSU’s Global Center for Food System Innovation. USAID modified the cooperative agreement nine times, increasing the total funding to $34.5 million, and extending the period of performance to September 30, 2022. The focus of this audit is the ninth modification that set aside $19.5 million for the Grain Research and Innovation (GRAIN) project. GRAIN’s objective is to help build Afghan researchers’ abilities to conduct and manage research on wheat and cereals.

SIGAR’s financial audit, performed by Conrad, reviewed $1,370,438 charged to the cooperative agreement for the GRAIN project, from March 13, 2017, through March 12, 2018. Conrad identified two significant deficiencies in MSU’s internal controls, and two instances of noncompliance with the terms of the cooperative agreement, applicable laws, and regulations. Conrad identified $18,661 in questioned costs charged to the contract related to these issues.

**Financial Audit 20-01-FA: USAID’s Afghanistan Workforce Development Program**

*Audit of Costs Incurred by Creative Associates International Inc.*

On April 5, 2012, USAID awarded a cost-plus-fixed-fee contract to Creative Associates International Inc. (CAII) to support the Afghanistan Workforce Development program. The program’s goal was to increase employment opportunities and compensation for Afghan men and women through training, business development support, and job placement services. The original contract had a base period of 18 months and two option periods with an estimated cost of $22.7 million. USAID modified the contract 17 times, increasing the budget to $44.8 million and extending the completion date from April 4, 2015, to June 30, 2018.

SIGAR’s financial audit, performed by Williams, Adley & Company-DC LLP, reviewed $18.5 million in expenditures that CAII reported from October 1, 2015, through June 30, 2018. Williams Adley identified $16,368 in questioned costs charged to the contract relate to these issues.
During his latest trip to Afghanistan, October 12–20, Inspector General John F. Sopko met with more than 60 officials and other principals from the Afghan, U.S., and other Coalition-member governments, as well as SIGAR staff and members of private and nongovernmental organizations, to share views and concerns about the reconstruction effort and oversight issues.

At any given time, SIGAR maintains about 25 staff at Embassy Kabul and Bagram Air Field to support its audits, investigations, and inspections work, with additional staff working in-country on short-term assignments. Regular working visits by SIGAR senior leaders are a way to sharpen visibility into the agency’s field work and to maintain high-level relations with key stakeholders in the reconstruction mission.

Sopko met with U.S. Ambassador to Afghanistan John Bass and the commanders of U.S. Forces-Afghanistan, the NATO Resolute Support Mission, and the Combined Security Transition Command-Afghanistan. He also met with ambassadors and heads of mission from 16 donor nations at an event hosted by the Czech ambassador. Topics of discussion there included SIGAR’s 2019 High-Risk List of threats to reconstruction programs, especially regarding obstacles to promoting women’s rights and to continuing effective oversight, and SIGAR’s ongoing examination of U.S.-supported international trust funds involved in various reconstruction initiatives in Afghanistan.

Sopko’s visit included meetings with Afghan President Ashraf Ghani, Chief Executive Abdullah Abdullah, the ministers of defense and interior, and other Afghan ministers and presidential appointees. He also attended a session of the National Procurement Commission, a body created and chaired by President...
Ghani to centralize decisions on high-value government contracting. SIGAR has a regular observer presence at Commission meetings by invitation of President Ghani.

Sopko also inspected a $2.9 million project of the U.S. Train, Advise, Assist Command-Air, managed by the U.S. Army Corps of Engineers, to rebuild and renovate an Afghan National Army hangar and other facilities that had been damaged by a previous Taliban attack. He was accompanied by the Acting Afghan Minister of Defense and other Afghan and U.S. officials on this inspection, and discussed reconstruction and security developments with them.

Sopko also examined multiple construction deficiencies identified by SIGAR staff and suggested that the Corps of Engineers require its contractors to correct the deficiencies while the project is still under warranty to avoid additional costs to the U.S. or Afghan governments. Prior SIGAR oversight work has documented a number of projects in which U.S. officials did not conduct timely inspections, signed off on un inspected or faulty work, or did not seek corrections until after contractor warranties had expired, relieving the contractors of financial responsibility for repairs or rework.

While Sopko was at the hangar, a U.S. contractor employee came forward to alert him to a problem. The employee had read about some of SIGAR’s previous discoveries of defective or counterfeit fire extinguishers at several reconstruction projects, and told Sopko that the new hangar had received fire extinguishers falsely represented as being made by the established Alabama manufacturer Amerex Corporation. SIGAR welcomes such information, and maintains email and phone hotlines to help people report concerns about waste, fraud, and abuse. SIGAR will analyze the provision of fire extinguishers and other aspects of the TAAC-Air hangar project as part of its inspection there.

Missing, defective, or counterfeit fire extinguishers and fire doors are not only matters of contract performance and fraud, but can have lethal consequences in case of a fire. Unfortunately, they are recurring problems in Afghanistan. A SIGAR inspection report earlier this year found counterfeit extinguishers and unrated fire doors at the Marshal Fahim National Defense University. Inspections in 2018 found counterfeit extinguishers and fire-door issues at the Zarang Border Crossing Point. In 2017, a SIGAR inspection detected counterfeit extinguishers and unlabeled or falsely labeled fire doors at the Kabul Military Training Center. A 2016 inspection of the new women’s dormitory at Herat University found all 39 fire extinguishers there lacked a date-of-manufacture stamp, and 30 of them had the same serial number. The full reports are posted at www.sigar.mil.

Sopko also participated in an anticorruption task force meeting co-chaired by ambassadors from the UK and the European Union. In attendance were ambassadors from several other donor nations, including France, Germany, Spain, and Sweden. Sopko discussed SIGAR’s second congressionally mandated review of Afghan government progress against corruption, as well as other ongoing SIGAR work.
INSPECTIONS

Inspection Reports Issued
This quarter, SIGAR issued three inspection reports that examined three USACE-funded projects: the $39.5 million Pul-e Alam power substation in the North East Power System (NEPS), the $6.9 million Afghan National Army garrison at South Kabul Afghanistan International Airport, and the $4.5 million Ghulam Khan Road Project in Khost Province. A list of completed and ongoing inspections can be found in Appendix C of this quarterly report.

Inspection Report 19-50-IP: Afghanistan’s North East Power System Phase I
Construction Deficiencies, Contractor Noncompliance, and Poor Oversight Resulted in a System that May Not Operate Safely or At Planned Levels

The North East Power System (NEPS) is intended to expand the high-voltage power system in Afghanistan. NEPS Phase I (NEPS I), is expected to provide electricity to about 30,000 Afghans in Kabul and Logar Provinces. In August 2014, USACE awarded a $39.5 million firm-fixed-price contract to Assist Consultants Incorporated (ACI) to design and construct a new power substation at Pul-e Alam, 247 transmission towers, and 44 miles of 220 kV power transmission lines from the Arghandi substation to the new Pul-e Alam substation. U.S. Forces-Afghanistan transferred the transmission towers and lines, and the Pul-e Alam substation to the Afghan government in January and August 2018, respectively, at which point the government assumed full responsibility for operating and maintaining the system. The one-year warranty for the transmission towers and lines expired in January 2019, while the warranty for the substation expired in August 2019.

SIGAR found that ACI had completed the transmission towers and lines and built the Pul-e Alam substation. However, SIGAR found four instances of contract noncompliance, which increase safety risks for Afghans living along the transmission route and working at the Pul-e Alam substation. SIGAR also found that USACE conducted poor oversight of the NEPS I project. USACE did not document these construction deficiencies or confirm that ACI corrected them during its three-phase inspection process, which was intended to ensure that contractors comply with contract requirements. USACE also did not provide evidence to show that NEPS I has been tested at its maximum power capacity as the contract required. As a result, it is not known whether there are defects in the system or if it will function safely and as intended.

SIGAR made four recommendations to USACE. To protect the U.S. taxpayers’ investment in NEPS I, and enhance safety for Afghans living near NEPS I, the USACE Commanding General and Chief of Engineers should: (1) work with the Afghan Ministry of Energy and Water (MEW) to ensure
that the Afghan government has developed plans to determine ownership of undocumented land along the NEPS I transmission line, obtain the legal right to access all land required for the operation and maintenance of the NEPS I transmission line, and address dangers posed by transmission lines running near residences and other structures; (2) work with the MEW to issue notices to residents living along the NEPS I transmission line route, informing them of the safety hazards associated with living within the clear zone along the transmission lines, and include guidance about how to deal with emergencies involving the lines that could occur; (3) work with the MEW to examine all of the transmission towers to ensure that the concrete and soil compaction were completed in accordance with the contract and develop corrective actions for the ministry to consider taking if a tower foundation is noncompliant; and (4) direct ACI to replace the noncompliant fire doors or seek reimbursement from ACI for any price difference, before the warranty expired in August 2019.

**Inspection Report 19-53-IP: Afghan National Army Garrison at South Kabul Afghanistan International Airport**

**New Construction and Upgrades Generally Met Contract Requirements, but Safety Hazard and Maintenance Issues Exist**

On December 25, 2014, USACE awarded a $6.9 million firm-fixed-price contract to Assist Consultants Inc. (ACI), an Afghan company, to complete the design work, build new facilities, and upgrade some existing utility infrastructure at the ANA garrison. The new facilities included a well house, wastewater treatment plant, and pump house; the upgraded infrastructure included the garrison’s water-distribution system, generator, and two water storage tanks. The contract also required ACI to upgrade existing sewer lines, transformers, underground and overhead electric lines, lift station, and well houses.

SIGAR found that the construction and upgrades generally met contract requirements. However, SIGAR identified one construction deficiency that resulted from ACI’s noncompliance with contract requirements: ACI installed three sewer manholes at elevated heights in the road instead of in the sidewalks. Rising almost eight inches above the road surface, these manholes are a safety hazard because they could damage vehicles driving over them. SIGAR also found that ACI installed control panels that complied with the contract, but had unauthorized “Underwriters Laboratories” markings on the product labels. USACE did not discover the deficiencies prior to approving the completed work. SIGAR found that the support facilities and utility infrastructure upgrades ACI constructed at the ANA garrison are being used, but maintenance issues exist. The Afghan Ministry of Defense (MOD) and IDS International Government Services (IDS), a U.S. company, work together to maintain the facilities and upgrades, but a booster pump, mixer pump, and storage tank’s water-level gauge were not
functioning. In addition, another booster pump is leaking water, an electrical transformer is leaking oil, and some tree branches are touching utility poles and transmission lines, which could cause a fire.

SIGAR made one recommendation to Combined Security Transition Command-Afghanistan (CSTC-A). SIGAR recommended that the Commander of CSTC-A notify the MOD of the six maintenance issues at the garrison—the nonfunctioning booster pump, mixer pump in well house No. 101, and water-level gauge on water storage tank no. 100A; the leaking booster pump and electrical transformer; and the trees surrounding the electrical poles and transmission lines—so the MOD can direct IDS to fix them.

**Inspection Report 19-55-IP: Afghanistan’s Ghulam Khan Road Project**

**Construction of the Road Generally Met Contract Requirements, but Deficiencies Have Created Safety Hazards for Users**

In September 2015, USACE awarded a $4.5 million firm-fixed-price contract to Batoor Design and Construction Incorporated (BDCI), an Afghan company, to design and construct a 4.3-mile paved asphalt road from Gurbuz District to Khost City in Khost Province. The contract also required BDCI to construct 21 culverts under the roadway, a 13.1-foot-wide, one-lane bridge, and a 4.9-foot-wide sidewalk on both sides of the bridge. The project was completed in July 2017, and the construction warranty expired in July 2018.

SIGAR found that BDCI generally built the Ghulam Khan road and bridge according to contract requirements and technical specifications. However, SIGAR identified five construction deficiencies, four of which involved the bridge spanning the Kaitu River. Specifically, the bridge’s concrete support beams had honeycombing, and BDCI did not build the bridge’s stone foundation barriers, retaining walls, and protective railings to required heights. Three of these deficiencies could impact the bridge’s structural integrity. In addition, BDCI did not construct protective walls around two of the 21 road culverts. All five deficiencies create safety hazards for motorists, pedestrians, and cyclists using the road and bridge. The deficiencies resulted from BDCI’s noncompliance with contract requirements and technical specifications, and USACE’s inadequate oversight during the construction and the final and warranty inspections.

SIGAR found that motorists were using the Ghulam Khan road and bridge, and that pedestrians and bicyclists were using the sidewalks along the bridge. However, five of the road’s 21 culverts were not being maintained. Poor maintenance of these culverts may lead to their deterioration over time, which could shorten the road’s useful life and create a safety hazard.

SIGAR made one recommendation to U.S. Forces-Afghanistan (USFOR-A): The Commander of USFOR-A should notify the Afghan
Ministry of Public Works of the deficiencies and maintenance issues with the road and bridge—specifically, support beams with honeycombing; shorter-than-required stone barriers, protective retaining walls and railings; missing protective walls around culverts; and broken stone masonry and uncleared debris around culverts—so the ministry can take action to correct them.

**Status of SIGAR Recommendations**

The Inspector General Act of 1978, as amended, requires SIGAR to report on the status of its recommendations. This quarter, SIGAR closed five recommendations contained in 13 performance audit, inspection, and financial audit reports.

From 2009 through September 2019, SIGAR issued 352 audits, alert letters, and inspection reports, and made 1,005 recommendations to recover funds, improve agency oversight, and increase program effectiveness.

SIGAR has closed 865 of these recommendations, about 86%. Closing a recommendation generally indicates SIGAR’s assessment that the audited agency has either implemented the recommendation or has otherwise appropriately addressed the issue. In some cases where the agency has failed to act, SIGAR will close the recommendation as “Not Implemented”; this quarter, SIGAR closed seven recommendations in this manner. In some cases, these unimplemented recommendations will be the subject of follow-up audit or inspection work.

SIGAR is also required to report on any significant recommendations from prior reports on which corrective action has not been completed. This quarter, SIGAR continued to monitor agency actions on 140 open recommendations. Of these recommendations, 72 have been open more than 12 months; these remain open because the agency involved has not yet produced a corrective-action plan that SIGAR believes would resolve the identified problem, or has otherwise failed to appropriately respond to the recommendation(s).

For a complete list of open recommendations see www.sigar.mil.

**SPECIAL PROJECTS**

SIGAR’s Office of Special Projects was created to quickly obtain and access information necessary to fulfill SIGAR’s oversight mandates; examine emerging issues; and deliver prompt, actionable reports to federal agencies and the Congress. Special Projects reports and letters focus on providing timely, credible, and useful information to Congress and the public. The directorate comprises a team of analysts supported by investigators, lawyers, subject-matter experts, and other specialists who can quickly and jointly apply their expertise to emerging problems and questions. The
SIGAR OVERSIGHT ACTIVITIES

team conducts a variety of assessments, producing reports on all facets of Afghanistan reconstruction.

This quarter, SIGAR's Office of Special Projects issued two review reports. They reviewed the Afghan Children Read Program, and inspections of USAID-funded schools. The office also issued one inquiry letter on equipment acquisitions. A list of completed Special Projects can be found in Appendix C of this quarterly report.

Review 19-59-SP: Afghanistan Children Read Program
Books Distributed Were Received and Used But Problems Existed With Printing, Distribution, and Warehousing

This report was conducted in response to a Ministry of Education Vulnerability to Corruption Assessment completed in October 2017 by the Joint Anti-Corruption Monitoring & Evaluation Committee (MEC). The MEC report identified numerous concerns with the printing and distribution of textbooks procured through USAID’s Afghan Children Read (ACR) program. ACR entailed the printing, distribution, and warehousing of hundreds of thousands of student textbooks/workbooks and teacher guide/assessment books, which collectively are referred to as Teaching and Learning Material (TLM), for students in grades 1–3.

SIGAR visited 77 schools in four provinces that the program targeted initially to determine whether the TLMs were printed and delivered to the schools and were being used for their intended purposes. These inspections found that the books ordered and shipped were received by the schools and that school officials found them very useful and incorporated them into their curriculum. However, SIGAR found deficiencies in the quality of these books, such as loose or blank pages, misspellings, and low-quality paper. Principals and teachers at one quarter of the schools inspected stated that the books were no longer in usable condition.

SIGAR also identified distribution problems. At the five warehouses where ACR TLMs were being stored, over 150,000 textbooks had been in storage for up to two years. Four of the five warehouse managers also stated that they had no plans to distribute any of these books in the near future.

SIGAR made three recommendations to USAID: (1) assess the printing contractor's compliance with contract specifications; (2) inspect the storage facilities for an accurate accounting of the books and to determine if the storage facilities are adequate to both safeguard and maintain the books in good condition; and (3) develop a plan with the Ministry of Education to determine how best to utilize the books in storage. USAID agreed with the recommendations and stated that they will share the report with their implementing partner and request that they: (1) provide USAID with a current status report and milestone plan with proposed actions within 10 business days from receipt of the final SIGAR report; and (2) fully
resolve SIGAR recommendations within three months from receipt of the final report.

**Review 20-03-SP: Summary of School Inspections in Afghanistan**

**Observations from Site Visits at 171 Afghan Schools Funded by USAID**

This report summarizes findings from SIGAR site visits to USAID-funded schools across 10 provinces in Afghanistan. Between 2003 and 2013, USAID built or rehabilitated 566 schools across all 34 Afghan provinces.

The lack of resources to sustain this large investment, along with the harsh climate and continued insurgency have resulted in significant deterioration of the U.S. investment and may hinder the achievement of education goals. SIGAR visited 171 schools in 10 provinces throughout Afghanistan and issued 10 reports and four alert letters addressing the condition of those schools. These reports found that while 168 of the 171 schools (98.25%) were open and in generally usable condition, some of the schools had structural issues that could pose risks to the schools’ students and staff.

In four instances, SIGAR issued alert letters to notify USAID of unsafe conditions at specific schools that required immediate attention to ensure the safety of the teachers and children. Additionally, SIGAR inspections found that many of the schools had structural deficiencies (e.g., showed signs of settlement or deterioration, cracks or large holes in their roofs, and damaged or removed windows and doors) that could potentially impact...
safety and the delivery of education. Finally, SIGAR observed that only 86 of 171 (approximately 50%) schools had enough tables and chairs for students, and 61 of the 171 schools (approximately 36%) did not have signage showing that USAID built or rehabilitated the schools, as required by the Foreign Assistance Act of 1961.

Inquiry Letter 19-51-SP: Acquisition & Disposal of High Mobility Multipurpose Wheeled Vehicles

In response to a congressional request to investigate allegations of questionable requirements decisions at CSTC-A, SIGAR inquired about CSTC-A's rationale to replace, rather than repair, the M1114 High Mobility Multipurpose Wheeled Vehicle (HMMWV) with the M1151A1 variant, and about its choice of Gunner Protection Kits for the new vehicles.

SIGAR specifically asked if CSTC-A directed the vehicle maintenance contractor to discontinue maintenance on the M1114 and whether it was based on a cost-benefit analysis. The letter also inquired about the type of gunner protection kit they were installing on the M1151A1 HMMWVs and whether it included overhead protection and the gunner elevation kit. Finally, the letter requested that CSTC-A explain how HMMWV replacement requirements were determined.

DOD responded that CSTC-A developed a vehicle strategy that resulted in pure-fleeting, in which the entire force uses the same equipment, with the goal of reducing costs due to streamlined logistics and maintenance. They said no formal cost-benefit analysis was done because the decision to cease maintenance on M1114s was based on the belief that a pure fleet of M1151s and M1152s would reduce costs due to streamlined logistics and maintenance. In response to the questions related to the type of gunner protection kits on the 1151A1s and whether they intended to equip the Afghans with the latest version that included overhead protection and the elevation kit, DOD stated that they were installing the “Frag Kit 5” and had no plans to upgrade. DOD explained that the “Frag Kit 7”—which includes the overhead protection and elevation kit—must be installed/retrofitted to reinforce the HMMWV roof, with other supplements needed to handle the additional weight. In response to the question on how replacement requirements are determined, DOD stated that CSTC-A’s strategy developed in 2015 to replace HMMWVs every 7.5 years was simply too expensive to sustain and that they currently use the 2010 U.S. Army Tactical Wheeled Vehicle Strategy, which directs planning and programming for HMMWV sustainment expectancy at 20 years.
LESSONS LEARNED

SIGAR’s Lessons Learned Program was created to identify lessons and make recommendations to Congress and executive agencies on ways to improve current and future reconstruction efforts. To date, the program has issued seven reports. Four reports are currently in development on: U.S. government support to elections; monitoring and evaluation of reconstruction contracting; efforts to advance and empower women and girls; and a report on police and corrections.

Issued lessons-learned reports and their companion interactive versions are posted on SIGAR’s website, www.sigar.mil.


On September 19, SIGAR issued its seventh Lessons Learned Program report, Reintegration of Ex-Combatants: Lessons from the U.S. Experience in Afghanistan. The report examines the five main post-2001 reintegration efforts in Afghanistan and assesses their effectiveness. Further, it examines several past local security agreements and whether they provided an opening for reintegration. The report also examines opportunities and constraints for reintegration efforts now and in the future, includes case studies of reintegration in Colombia and Somalia, and reviews the broader literature.

The report identifies lessons to inform U.S. policies and actions regarding the reintegration of ex-combatants. These lessons are relevant for Afghanistan, where the United States will likely remain engaged in the coming years, and for reintegration efforts in other conflict-affected countries. The report also provides recommendations to the Congress and executive branch agencies for improving such efforts, as well as matters for consideration for the Afghan government.

SIGAR’s findings highlight the difficulty of reintegrating ex-combatants during an active insurgency in a fragile state. In Afghanistan, the report found that the absence of a comprehensive political settlement or peace agreement was a key factor in the failure of prior reintegration programs targeting Taliban fighters. Other important factors were insecurity and threats facing program participants, a weak economy offering few legal economic opportunities, and limited government capacity to implement a program. None of the reintegration programs succeeded in enabling any significant number of ex-combatants to socially and economically rejoin civil society. Programs specifically targeting Taliban insurgents did not weaken the insurgency to any substantial degree or contribute meaningfully to parallel reconciliation efforts.
During the reporting period, SIGAR’s criminal investigations resulted in six sentencings, 120 months’ prison time, 240 months’ supervised probation, and a combined total of $18.1 million in criminal forfeitures and restitutions. In addition, one criminal information and two indictments were obtained. SIGAR initiated nine new cases and closed 17, bringing the total number of ongoing investigations to 158.

To date, SIGAR investigations have resulted in a cumulative total of 137 criminal convictions. Criminal fines, restitutions, forfeitures, civil settlements, and U.S. government cost savings and recoveries total nearly $1.6 billion.

**Former Owner of Marble Mining Company Sentenced for Scheme to Defraud U.S. Government Agency, Leading to Default on a $15.8 Million Loan**

On September 19, 2019, Adam Doost was sentenced to 54 months’ imprisonment, 36 months’ supervised probation, and 250 hours’ community service. He was ordered to forfeit $8,940,742 and pay $8,940,742 in restitution. After a seven-day trial in September 2018, the former owner of a now-defunct marble mining company in Afghanistan was found guilty for his role in defrauding the Overseas Private Investment Corporation (OPIC), a U.S. government agency, and defaulting on a $15.8 million loan.

While working at his company, Equity Capital Mining LLC, Doost and his brother obtained a $15.8 million loan from OPIC for the development, maintenance, and operation of a marble mine in Afghanistan. The loan proceeds were paid directly by OPIC to the alleged vendors for their services, as reported to OPIC by Doost or his consultant.

Doost was required to deal with these companies in arms-length transactions or, to the extent any transactions were other than arms-length, he was required to report to OPIC any affiliation he had with a vendor. Doost informed OPIC that he had no affiliation with any of the vendors with whom he dealt, when in fact he had financial relationships with several of them. His business partner was listed on bank accounts for a number of the vendors. Significant amounts of the funds received from OPIC were transferred to Doost’s associates, or to pay his debts.

Doost and his brother failed to repay any of the principal on the OPIC loan, paid only a limited amount of interest, and ultimately defaulted on the loan.

SIGAR and the FBI investigated the case.

**Former U.S. Army Soldier Sentenced for Unlawful Possession of Illegal Firearms**

On September 27, 2019, in the Eastern District of North Carolina, former U.S. Army Special Forces member Joseph Russell Graff was sentenced to
52 months’ imprisonment, followed by three years’ supervised probation. In lieu of a restitution, the judge accepted a forfeiture of $150,000 from the proceeds of the sale of a house he had purchased with questionable funds. The sentence was based on his plea to one count of unlawful possession of an illegal firearm. This was count 30 of a previously reported 33-count indictment filed against Graff.

Graff smuggled illegally obtained weapons from Afghanistan during his 2012–2013 military deployment. In addition, while in the process of decommissioning the Special Forces compound within a forward operating base, Graff allowed U.S. military equipment to be stolen and sold on the black market. He smuggled his illegal proceeds, estimated at $350,000, inside his personal belongings and transferred the money to various U.S. banks to avoid bank reporting requirements. Graff used the money for a down payment on a home, an in-ground pool, and vehicles.

The investigation was conducted by SIGAR, the FBI, DCIS, and U.S. Army CID.

**Former CEO of Two U.S. Government Contractors Sentenced for Falsifying Government Documents**

On September 16, 2019, in the Middle District of Florida, James O’Brien was sentenced to six months’ imprisonment, four months’ home confinement and three years’ supervised release. On June 18, 2019, O’Brien pleaded guilty to making false statements to increase his companies’ competitiveness.

From 2013 to 2015, O’Brien was CEO of Tamerlane Global Services and Artemis Global, which were awarded a logistics contract issued by the U.S. Transportation Command (TRANSCOM) in Afghanistan. Deployed contractors must have letters of authorization (LOAs) issued by the government agency responsible for the deployment. The LOAs serve as the contractors’ authorization to be deployed, and set forth the U.S. government-provided benefits that contractors may utilize at no cost while deployed. LOAs authorizing government benefits are known as “provisioned LOAs,” and are factored into the cost of a contract. TRANSCOM issued deploying Tamerlane and Artemis employees with unprovisioned LOAs. O’Brien then altered the unprovisioned LOAs, including his own, to make them appear as though they were provisioned. He provided the altered LOAs to his employees who used them to utilize government provided benefits in Afghanistan at no cost to the company.

SIGAR conducted the investigation.

**U.S. Government Contractor Sentenced for Involvement in Fraudulent Scheme**

On September 30, 2019, in the District of South Carolina, former U.S. government contractor Antonio Jones was sentenced for one count of making
false statements. He was ordered to serve 60 months’ probation, 450 hours’ community service, and pay $20,000 in criminal fines.

To help an individual secure a lucrative job handling hazardous material (HAZMAT) in Afghanistan, Jones created and used a fake Department of Transportation HAZMAT training certificate. A South Carolina-based contractor accepted the fake HAZMAT certificate as proof that Jones’ client had attended a training course prescribed by federal regulation when in fact the client had not. Jones and a co-conspirator purported to offer job-placement services to individuals seeking employment in Afghanistan and elsewhere. They created fake training certificates and false resumes to make their clients appear more qualified than they actually were, and used the false documents to apply for jobs on their clients’ behalf.

SIGAR, the FBI, Defense Criminal Investigative Service (DCIS), and the U.S. Army Criminal Investigation Division (CID) investigated this case.

U.S. Military Member Sentenced for Involvement in Embezzlement Scheme
On July 9, 2019, in the Eastern District of North Carolina, U.S. Army Sergeant First Class (SFC) Cleo Autry was sentenced to three years’ federal probation, and ordered to pay $40,000 in restitution and a forfeiture of $40,000. Although the federal sentencing guidelines called for a higher sentence for Autry’s criminal activities, a downward departure from the guidelines was agreed to due to his prior cooperation and testimony of a co-conspirator.

SFC Autry, SFC Deric Harper, and SFC Jeffrey Cook were deployed with the U.S. Army 3rd Special Forces Group under the Combined Joint Special Operations Task Force at FOB Jalalabad in Afghanistan. During their deployment, they conspired to embezzle funds from the Commander’s Emergency Response Program (CERP) and from funds used by Special Forces Groups to support counterterrorism operations. Over time, they stole cash, purchased a substantial number of $1,000 money orders, and sent the funds to their spouses, to electronic bank accounts, or to various vendors.

Suspensions and Debarments
This quarter, SIGAR’s suspension and debarment program referred two individuals for suspension or debarment—actions taken by U.S. agencies to exclude companies or individuals from receiving federal contracts or assistance because of misconduct—based on evidence developed as part of investigations conducted by SIGAR in Afghanistan and the United States. These referrals bring the total number of individuals and companies referred by SIGAR since 2008 to 975, encompassing 535 individuals and 440 companies to date.
As of September 30, 2019, SIGAR’s efforts to utilize suspension and debarment to address fraud, corruption and poor performance in Afghanistan have resulted in a total of 141 suspensions and 563 finalized debarments/special entity designations of individuals and companies engaged in U.S.-funded reconstruction projects. An additional 26 individuals and companies have entered into administrative compliance agreements with the U.S. government in lieu of exclusion from contracting since the initiation of the program. During the fourth quarter of FY 2019, SIGAR’s referrals resulted in two finalized debarments. Three individuals and one additional company are currently in proposed debarment status, awaiting final adjudication of a debarment decision by agency suspension and debarment officials.

Suspensions and debarments are an important tool for ensuring that agencies award contracts only to responsible entities. SIGAR’s program addresses three challenges posed by U.S. policy and the contingency contracting environment in Afghanistan: the need to act quickly, the limited U.S. jurisdiction over Afghan nationals and Afghan companies, and the vetting challenges inherent in the use of multiple tiers of subcontractors. SIGAR continues to look for ways to enhance the government’s responses to these challenges through the innovative use of information resources and investigative assets both in Afghanistan and the United States.

SIGAR makes referrals for suspensions and debarments based on completed investigations that SIGAR conducts or participates in. In most cases, SIGAR’s referrals occur in the absence of acceptance of an allegation for criminal prosecution or remedial action by a contracting office and are therefore the primary remedy to address contractor misconduct.

In making referrals to agencies, SIGAR provides the basis for a suspension or debarment decision by the agency as well as all of the supporting documentation needed for an agency to defend that decision should it be challenged by the contractor at issue. Based on the evolving nature of the contracting environment in Afghanistan and the available evidence of contractor misconduct and/or poor performance, on occasion SIGAR has found it necessary to refer individuals or companies on multiple occasions for consideration by agency suspension and debarment officials.

**OTHER SIGAR OVERSIGHT ACTIVITIES**


Experience in Afghanistan. Inspector General Sopko was the keynote speaker at the event and discussed how the report examines post-2001 reintegration efforts in Afghanistan, and the opportunities and constraints for reintegration now and in the future. He outlined some of the key lessons identified in the report, as well as recommendations to the U.S. Congress and executive branch for how the United States can best advance reintegration goals.

Following the Inspector General’s remarks, USIP hosted a panel discussion to discuss the report and related reintegration issues. Participants included Kate Bateman, SIGAR’s Project Lead for Reintegration; Erica Gaston, Non-Resident Fellow at the Global Public Policy Institute; Timor Sharan, Deputy Minister for Policy and Technical Affairs at the Independent Directorate of Local Governance in Afghanistan; and Johnny Walsh, Senior Expert at USIP.

Deputy Inspector General Aloise Discusses Lessons Learned in Police Training from Afghanistan at NATO Event

On October 8, 2019, Deputy Inspector General Gene Aloise spoke at the NATO Stability Policing Centre of Excellence in Vicenza, Italy, at the NATO Stability Policing Lessons Learned Conference and Workshop entitled “Assessment of Spoiler Threats: A Shared Requirement.” Deputy Inspector General Aloise’s remarks focused on the findings from SIGAR’s lessons learned reports on the training of the Afghan National Police (ANP) and how the ANP’s training has been impaired by both endemic corruption and a lack of coordination amongst, and within, NATO partners, including the United States. Conference attendees included representatives from the UN Department of Peace Operations, the European Union Civilian Conduct Planning Capability, NATO Headquarters Supreme Allied Command Transformation Office, NATO Supreme Headquarters Allied Powers Europe, the African Union Peace Support Operations Division, and other notable civilian and military officials.

Deputy Inspector General Aloise Speaks at 11th International Conference of Ombuds Institutions for the Armed Forces

Deputy Inspector General Aloise planned to speak at the 11th Annual Conference of Ombuds Institutions for the Armed Forces, in Sarajevo, Bosnia and Herzegovina, on October 28, 2019. The conference, cosponsored by the Geneva Centre for Security Sector Governance and the Parliamentary Military Commissioner of Bosnia and Herzegovina, this year focused on “Building Resilient and Sustainable Ombuds Institutions,” specifically how ombuds institutions can develop stronger internal capacities so that they are able to withstand threats and adapt to changing and challenging environments, including how ombuds institutions can avoid politicization and attacks against their impartiality and independence,
without compromising their mandate. Deputy Inspector General Aloise’s planned remarks focused on SIGAR’s need to be flexible and adaptable in order to provide effective oversight in an active combat zone, as well as how SIGAR protects its independence from various government and nongovernmental stakeholders. The conference was supported by the German Federal Foreign Office, the Office of the Norwegian Parliamentary Ombudsman for the Armed Forces, and the Ministry of Defense of the Netherlands.

**SIGAR BUDGET**
SIGAR is funded through September 30, 2020, under the Consolidated Appropriations Act, 2019, H.J. Res. 31, which provides the agency full funding based on the FY 2019 amount of $54.9 million. The budget supports SIGAR’s oversight activities and products by funding SIGAR’s Audits and Inspections, Investigations, Management and Support, and Research and Analysis Directorates, as well as its Office of Special Projects and the Lessons Learned Program.

**SIGAR STAFF**
SIGAR’s staff count remained steady since the last report to Congress, with 182 employees on board at the end of the quarter: 18 SIGAR employees were at the U.S. Embassy Kabul and one was at Bagram Airfield. SIGAR employed five Afghan nationals in its Kabul office to support the Investigations and Audits Directorates. In addition, SIGAR supplements its resident staff with personnel assigned to short-term temporary duty in Afghanistan. This quarter, SIGAR had eight employees on temporary duty in Afghanistan for a total of 100 days.
“Right now, it’s our judgment that the Afghans need support to deal with the level of violence that is associated with the insurgency today. If an agreement happens in the future, if the security environment changes, then obviously our posture may adjust.”

—Chairman of the Joint Chiefs of Staff
General Joseph Dunford

Source: Then-Chairman of the Joint Chiefs of Staff General Joseph Dunford, Department of Defense Press Briefing, 8/28/2019.