

# 4 OTHER AGENCY OVERSIGHT



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A security-forces member conducts a perimeter sweep at Kandahar Air Field, August 2019.  
(U.S. Air Force photo by Staff Sgt. Keifer Bowes)

## 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 Afghanistan 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. The statute also instructs SIGAR to include, to the extent possible, relevant matters from the end of the quarter up to the submission date of its report.

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 on 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 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 seven oversight reports related to Afghanistan reconstruction that participating agencies completed this quarter. USAID OIG issued an additional seven financial audits this quarter.

TABLE 4.1

RECENTLY COMPLETED OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF SEPTEMBER 30, 2019			
Agency	Report Number	Date Issued	Report Title
DOD OIG	DODIG-2019-115	8/15/2019	Audit of the Planning for and Implementation of the Afghan Personnel and Pay System
DOD OIG	DODIG-2019-110	8/8/2019	Evaluation of U.S. and Coalition Efforts to Train, Advise, Assist, and Equip Afghan Tactical Air Coordinators, Air Liaison Officers, and Afghan Air Targeting Officers
State OIG	AUD-MERO-19-40	9/20/2019	Audit of the Execution of Security-Related Construction Projects at U.S. Embassy Kabul, Afghanistan
State OIG	AUD-MERO-19-33	9/20/2019	Audit of Cost Management of Embassy Air in Afghanistan and Iraq
State OIG	AUD-MERO-19-37	8/22/2019	Audit of the Bureau of Overseas Buildings Operations Commissioning of Diplomatic Housing at U.S. Embassy Kabul, Afghanistan
State OIG	ESP -19-04	7/26/2019	Evaluation of the Bureau of Diplomatic Security's Aegis Construction Contract at Camp Eggers
USAID OIG	FF1C0216	7/24/2019	Audit of USAID/Afghanistan's New Development Partnership

Source: DOD OIG, response to SIGAR data call, 9/18/2019; State OIG, response to SIGAR data call, 9/18/2019; GAO, response to SIGAR data call, 9/20/2019; USAID OIG, response to SIGAR data call, 9/17/2019; USAAA, response to SIGAR data call, 9/19/2019.

## U.S. Department of Defense Office of Inspector General

During this quarter, DOD OIG released two reports related to Afghanistan reconstruction.

### Audit of the Planning and Implementation of the Afghan Personnel and Pay System

DOD OIG determined that the Combined Security Transition Command-Afghanistan (CSTC-A) did not validate the accuracy of the personnel records for the Ministry of Defense (MOD) and the Ministry of Interior (MOI) personnel added to the Afghan Personnel and Pay System (APPS) and did not verify whether the contractor developed the system in accordance with contract requirements. As a result, CSTC-A paid \$26.2 million, as of December 2018, to the APPS software development contractor for a system that could not communicate directly with Afghan systems, required the same manually intensive human resource and payroll processes that the system was designed to streamline, and did not accomplish the stated objective of reducing the risk of inaccurate personnel records or fraudulent payments through the use of automated controls.

In addition, MOD and MOI were not using APPS to generate payroll data as of April 2019, even though CSTC-A officials stated that they would fund salaries based on APPS-generated payroll data when the system was designated fully operational for the MOD in July 2018 and MOI in November 2018. Furthermore, because APPS did not have an interface with the Afghan

biometric system and required manual input of the biometric identification number, there was no link between the two systems to validate the authenticity of the biometric number recorded in APPS. Therefore, DOD did not have definitive assurance that APPS personnel records were biometrically linked and DOD remained at risk of funding payroll for fraudulent personnel records.

## **Evaluation of U.S. Coalition Efforts to Train, Advise, Assist, and Equip Afghan Tactical Air Coordinators, Air Liaison Officers, and Afghan Air Targeting Officers**

DOD OIG determined that the U.S. and Coalition efforts to train, advise, assist, and equip Afghan Tactical Air Coordinators (ATAC), air liaison officers, and air targeting officers did not fully meet operational objectives for the ATACs to provide independent air-to-ground integration support to Afghan ground forces with minimal casualties and fratricide.

Specifically, Train, Advise, Assist, Command-Air (TAAC-Air) did not meet its objective to develop ATACs capable of coordinating airdrop operations with Afghan Air Force pilots to resupply Afghan National Defense and Security Forces (ANDSF) ground units. This occurred because TAAC-Air ATAC advisors made a decision not to train ATACs on coordinating airdrops, although airdrop training was in the training curriculum. Additionally, TAAC-Air did not have a detailed training curriculum for Afghan air liaison officers. This occurred because TAAC-Air did not provide adequate oversight of the contracted advisors to verify that the contracted advisors developed a detailed curriculum for training Afghan air liaison officers. Furthermore, TAAC-Air and NATO Special Operations Component Command-Afghanistan (NSOCC-A) advisors did not track the operational effectiveness of deployed ATACs and targeting officers. This occurred because TAAC-Air operations and intelligence sections collected operational data on Afghan Air Force airstrikes, but did not disseminate that data to TAAC-Air and NSOCC-A air-to-ground integration advisors. Furthermore, NSOCC-A did not have a plan with objectives and milestones to develop ATACs and targeting officers within Afghan Special Security Forces units.

The inability to coordinate airdrop operations increases the risk that ANDSF units operating in areas without airfields or helicopter-landing zones will not receive critical supplies. Additionally, the lack of a detailed training curriculum for air liaison officers increases the risk that the ANDSF will have unqualified air liaison officers, which could result in an increase in unsuccessful air-to-ground missions, as well as an increased risk of civilian casualties and fratricide. Further, without tracking operational effectiveness data, neither TAAC-Air nor NSOCC-A advisors could measure progress or adjust training and advising efforts to meet operational objectives.

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

During this quarter, State OIG completed four reports related to Afghanistan reconstruction.

### **Audit of the Execution of Security-Related Construction Projects at U.S. Embassy Kabul, Afghanistan**

State OIG conducted this audit to determine whether the Bureau of Overseas Buildings Operations (OBO) and the Bureau of Diplomatic Security (DS) had addressed previously identified limitations in executing security-related construction projects at Embassy Kabul. Building on reports issued earlier by State OIG and the Government Accountability Office, State OIG selected six security-related construction projects executed between 2013 and 2018, three managed by OBO and three managed by DS.

State OIG found that despite having taken steps to respond to the needs of high-threat posts, OBO continues to face challenges in expediting physical security projects in Kabul. Specifically, State OIG found that physical security projects managed by OBO faced long timelines caused by multiple levels of review and approval. State OIG found that the Regional Security Officer (RSO), acting under the authority of DS, has managed some security-related construction projects in Kabul, in part because of the need to complete physical security upgrades quickly. However, State OIG found that despite successes with relatively simple security projects, the RSO lacks construction expertise leading to some projects facing deficiencies. Moreover, State had not developed standardized designs for temporary physical security structures in conflict environments, contributing to long project timelines for some projects. Finally, State OIG found that the State Department has been inconsistent in its approach to planning for the development of the Embassy Kabul compound and surrounding properties since 2010. The need for a comprehensive master plan for the compound and surrounding properties is underscored by the significant cost, complexity, and size of a facility with major construction efforts on multiple properties occurring in a dynamic and dangerous environment.

State OIG made 13 recommendations intended to address the deficiencies identified in State's approach to executing physical security upgrades in Kabul. Six recommendations were directed to OBO, three to Embassy Kabul, two to DS, and two to the Bureau of the Comptroller and Global Financial Services. On the basis of the responses received from Department of State bureaus and the embassy to which the recommendations were directed, State OIG considered five recommendations unresolved and eight recommendations resolved pending further action at the time the report was issued.

## **Audit of Cost Management of Embassy Air in Afghanistan and Iraq**

The State Department's Embassy Air program was established in 2009 to provide aviation support to Embassies Kabul, Afghanistan, and Baghdad, Iraq. Since 2012 in Afghanistan and 2011 in Iraq, Embassy Air operations have been funded via the Aviation Working Capital Fund, which is overseen by the Aviation Governing Board. For FY 2019, the estimated costs of Embassy Air services totaled approximately \$321.7 million, almost \$170 million in Afghanistan and \$152 million in Iraq. State OIG conducted this audit to determine the extent to which Embassy Air services were managed to effectively support embassy operations.

State OIG found that despite having the authority to operate the Aviation Working Capital Fund on either a reimbursable or non-reimbursable basis, the Aviation Governing Board incrementally increased Embassy Air ticket fees with the goal of covering a larger percentage of operational costs via ticket fee collections. The Aviation Governing Board's decision to raise prices caused ridership to decline. To avoid paying the higher prices, some passengers who were able to do so used other means of transportation such as military air or commercial aviation, causing Embassy Air services to become significantly underused. Moreover, the higher cost of ticket fees harmed embassy operations: some officials stated that their bureaus couldn't afford ticket fees and that, as a result, they were unable to conduct site visits of projects and programs under their purview. Finally, State OIG found that the frequency of Embassy Air flights and the number of aircraft in-country were not routinely adjusted to align with demand. Until this is done, State will continue to pay for significant costs associated with Embassy Air operations that are underused in addition to paying the costs associated with alternative modes of transportation.

State OIG made three recommendations to the Aviation Governing Board intended to help ensure ticket fees, flight schedules, and Embassy Air aviation assets in Afghanistan and Iraq are routinely reviewed and adjusted to provide effective support to embassy operations. The Under Secretary for Management, responding on behalf of the Aviation Governing Board, concurred with all three recommendations and State OIG considered all three recommendations resolved pending further action at the time the report was issued.

## **Audit of the Bureau of Overseas Buildings Operations Commissioning of Diplomatic Housing at U.S. Embassy Kabul, Afghanistan**

State OIG conducted this audit to determine whether (1) the Department's Bureau of Overseas Buildings Operations (OBO) commissioning of Staff Diplomatic Apartments (SDA) buildings 2 and 3 was done in accordance with all applicable policies and procedures, (2) documentation associated

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with the commissioning process was maintained in accordance with State requirements, and (3) Integrated System Tests for both buildings were conducted in accordance with State guidance.

State OIG found that OBO adhered to its policies and procedures in commissioning SDA-2 and SDA-3 because of the latitude it has in deciding when building can be declared substantially complete. This latitude allowed OBO to accede the U.S. Ambassador to Afghanistan's January 2019 request that OBO expedite occupancy because of security threats. As a result, substantial completion was declared and occupancy allowed even though commissioning of eight of 22 building systems was not complete. Occupying buildings before commissioning is complete increases the risk that deficiencies in building construction and system may not be identified before warranties expire. Regarding commissioning documentation, State OIG found that most, but not all, requirements were fulfilled; the contracting officer's representative acted outside of his authority and instructed the contractor that delivery of some documents was not required. Finally, State OIG found that Integrated System Tests, the purpose of which is to verify that building systems function reliably after a power outage, were not conducted for these buildings because the broader construction contract for Embassy Kabul was awarded in 2010, before OBO made such tests mandatory for all construction contracts starting in 2015.

State OIG made five recommendations to OBO to improve the commissioning process and to strengthen contract administration. OBO concurred with all five recommendations and State OIG considered all five recommendations resolved pending further action at the time the report was issued.

## **Evaluation of the Bureau of Diplomatic Security's Aegis Construction Contract at Camp Eggers, Afghanistan**

In response to a referral from the Deputy Secretary of State, State OIG evaluated whether the Department complied with relevant guidelines for the construction project at Camp Eggers. Specifically, State OIG examined how Aegis Defense Services, LLC, was selected for the construction of Camp Eggers; why State continued using Aegis after noncompliance concerns were identified shortly after the project was awarded; and what State received after spending \$103.2 million on construction at Camp Eggers under this contract.

State Department construction projects are typically managed by the Bureau of Overseas Buildings Operations (OBO), but in this instance, the project was awarded on September 30, 2014, using a task order to an existing security contract with Aegis managed by the Bureau of Diplomatic Security (DS). When the project began, DS estimated that the project would be completed by March 2016, but delays began almost immediately and persisted throughout. Although the Bureau of Administration's Office of Acquisitions Management (AQM) was responsible for administering the

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contract, AQM failed to take meaningful corrective action against Aegis even as Aegis missed milestones and disregarded contract requirements. In January 2017, State terminated the project for convenience after very little work had been accomplished. State OIG found that concerns about urgency frequently dominate decision-making to the exclusion of other considerations and that State did not effectively use what leverage it had, leading to expenditures of \$103.2 million without any discernible benefit.

State OIG made three recommendations to State to ensure that the construction clause in the contract is used appropriately, to ensure remedies for inadequate contractor performance, and to review the decision to expend \$103.2 million on the Camp Eggers construction project. State did not concur with the first two recommendations but did agree with the third recommendation. At the time the report was issued, two recommendations were unresolved and one recommendation was considered resolved pending further action.

## **Government Accountability Office**

GAO completed no reports related to Afghanistan reconstruction this quarter.

## **U.S. Army Audit Agency**

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

## **U.S. Agency for International Development Office of the Inspector General**

USAID OIG issued one performance audit report and seven financial audit reports related to Afghanistan reconstruction this quarter.

## **Audit of USAID/Afghanistan's New Development Partnership**

USAID OIG conducted this audit to determine if USAID/Afghanistan had adopted internal policies and procedures to adequately verify the achievement of New Development Partnership indicators contained in the July 25, 2015, NDP results framework. It further reviewed whether USAID/Afghanistan adequately verified the achievement of completed indicators under the New Development Partnership for any payments made to date.

## **ONGOING OVERSIGHT ACTIVITIES**

As of September 30, 2019, the participating agencies reported 15 ongoing oversight activities related to reconstruction in Afghanistan. These activities are listed in Table 4.2 and described in the following sections by agency.

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TABLE 4.2

ONGOING OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF SEPTEMBER 30, 2019			
Agency	Project Number	Date Initiated	Project Title
DOD OIG	D2019-DEVOPD-0192.000	8/26/2019	Evaluation of DOD Processes to Counter Radio Controlled Improvised Explosive Devices
DOD OIG	D2019-D000RJ-0175.000	6/24/2019	Audit of the Core Inventory Management System Implementation
DOD OIG	D2019-DISPA2-0051.000	2/6/2019	Evaluation of U.S. Central Command Kinetic Targeting Processes and Reporting Procedures
DOD OIG	D2019-D000RH-0082.000	1/22/2019	Audit of the Army Contracting Command-Afghanistan's Policies and Procedures for Contingency Contracting Risks
DOD OIG	D2019-DISPA5-0101.000	1/16/2019	Evaluation of Military Services Counterintelligence Workforce Capability Development
DOD OIG	D2019-DISPA5-0015.000	1/7/2019	Evaluation of Force Protection Screening, Vetting, and Biometric Operations in Afghanistan
DOD OIG	D2018-D000RG-0170.000	6/25/2018	Audit of the National Maintenance Strategy Contract in Afghanistan
State OIG	19AUD078	9/3/2019	Audit of the Approach Used to Adjust the Size and Composition of Missions Afghanistan and Iraq
State OIG	19AUD047	6/25/2019	Audit of Global Engagement Center's Execution of its Mandate to Coordinate Federal Government Efforts to Counter Disinformation and Propaganda Designed to Undermine the United States
GAO	103066	10/29/2018	Advise and Assist Mission in Afghanistan
GAO	103076	10/1/2018	Afghanistan Reconstruction Projects—Waste, Fraud, and Abuse
GAO	102793	6/18/2018	Afghanistan Security Forces Fund
USAAA	OIRO347/OFS0232	8/21/2018	Reach-Back Contracting Support and Expeditionary Contracting Material Weakness
USAID OIG	881F0119	9/30/2019	Audit of USAID/Afghanistan's Risk Management and Project Prioritization
USAID OIG	8F1C0217	5/11/2016	Follow-Up Audit of USAID's Multi-Tiered Monitoring Strategy in Afghanistan

Source: DOD OIG, response to SIGAR data call, 9/18/2019; State OIG, response to SIGAR data call, 9/18/2019; GAO, response to SIGAR data call, 9/20/2019; USAID OIG, response to SIGAR data call, 9/17/2019; USAAA, response to SIGAR data call, 9/19/2019.

## U.S. Department of Defense Office of Inspector General

DOD OIG has seven ongoing projects this quarter that relate to reconstruction or security operations in Afghanistan.

### Evaluation of DOD Processes to Counter Radio Controlled Improvised Explosive Devices

The evaluation objectives are For Official Use Only.

### Audit of the Core Inventory Management System Implementation

DOD OIG is determining whether DOD's implementation of the Core Inventory Management System improved weapons and vehicle accountability.

## **Evaluation of U.S. Central Command Kinetic Targeting Processes and Reporting Procedures**

DOD OIG is evaluating CENTCOM's target development and prosecution processes, as well as post-strike collateral damage and civilian casualty assessment activities.

## **Audit of the Army Contracting Command-Afghanistan's Policies and Procedures for Contingency Contracting Risks**

DOD OIG is determining whether the Army Contracting Command-Afghanistan's award and administration of contracts mitigate contingency contracting risks, such as nonperformance and improper payments specific to Afghanistan.

## **Evaluation of DOD Counterintelligence Workforce Capability Development**

The objectives for this evaluation are marked For Official Use Only.

## **Evaluation of Operation Freedom's Sentinel Screening, Vetting, and Biometric Operations in Afghanistan**

DOD OIG is determining whether U.S. Forces-Afghanistan have developed and implemented screening, vetting, and biometric processes for force protection in Afghanistan.

## **Audit of the National Maintenance Strategy Contract in Afghanistan**

DOD OIG is determining if the Army developed the National Maintenance Strategy-Ground Vehicle Systems contract requirements to meet user needs to maintain and sustain the Afghan National Defense and Security Forces' vehicles.

## **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 the Approach Used to Adjust the Size and Composition of Missions Afghanistan and Iraq**

The audit will examine the procedures used by the State Department in adjusting the size and compositions of U.S. embassies in Afghanistan and Iraq.

## **Audit of Global Engagement Center’s Execution of its Mandate to Coordinate Federal Government Efforts to Counter Disinformation and Propaganda Designed to Undermine the United States**

This is an audit of the Global Engagement Center’s execution of its mission to coordinate U.S. government efforts to counter disinformation and propaganda against the United States in a number of countries, including Afghanistan.

## **Government Accountability Office**

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

## **Advise and Assist Mission in Afghanistan**

In August 2017, the President announced a new South Asia strategy that was accompanied by an increase of U.S. and North Atlantic Treaty Organization (NATO) troops in Afghanistan to support renewed efforts to advise and assist Afghan forces in the NATO Resolute Support Mission. As part of the increase, the U.S. Army deployed a Security Force Assistance Brigade (SFAB), a new unit created in October 2016 to advise and assist foreign military forces, including the Afghan National Defense and Security Forces (ANDSF). Development of ANDSF has been a central element of successive U.S. strategies in Afghanistan.

GAO will review the extent to which DOD, in conjunction with NATO, has defined advisor team missions, goals, and objectives, and the extent to which advisors were trained and equipped for their specific missions in Afghanistan. GAO will also review the ability of the Army’s Security Force Assistance Brigade to meet current and future advisor requirements in Afghanistan and elsewhere; what adjustments, if any, are being made to the manning, training and equipping, and deployment of the second and third SFABs; and any other issues the Comptroller General determines appropriate with respect to the advise and assist mission in Afghanistan.

## **Afghanistan Reconstruction Projects – Waste, Fraud, and Abuse**

The U.S. government has funded numerous reconstruction projects in Afghanistan since September 2001. Costs for U.S. military, diplomatic, and reconstruction and relief operations have exceeded \$500 billion, and GAO has issued about 90 reports focused in whole or in part on Afghanistan since that time. GAO received a request to review past work assessing reconstruction efforts in Afghanistan and identify the dollar value of any waste, fraud, or abuse uncovered during the course of those reviews.

GAO will review prior work conducted on reconstruction efforts in Afghanistan that identified waste, fraud, and abuse, and will assess the

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overall dollar amount of waste, fraud, and abuse uncovered through these efforts.

## **Afghanistan Security Forces Fund**

The Afghanistan Security Forces Fund (ASFF) was created for DOD to provide assistance to the security forces of Afghanistan to include the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation and construction, and funding. The Senate Appropriations Committee has expressed concerns about the costs of training contracts awarded under ASFF, citing recent reports from both SIGAR and other auditing agencies that found deficiencies that resulted in tens of millions of dollars potentially lost to fraud, waste, and abuse.

GAO will review DOD's ASFF Training Contracts to include researchable questions on the budgets, funding sources, and transactions for all ASFF Training Contracts during FY 2017–2019 and the extent to which DOD has processes and procedures to ensure that ASFF training contracts' pricing and costs are reasonable.

## **U.S. Army Audit Agency**

This quarter the USAAA has one ongoing report related to Afghanistan reconstruction.

## **Reach-Back Contracting Support and Expeditionary Contracting Material Weakness**

The USAAA is currently working on preparing a draft report addressing reach-back support related to expeditionary contracting within the U.S. Army's Expedition Contracting Command (ECC).

The objectives of this audit are to determine whether the Army has an effective plan, procedures, and organizational structure in place to directly provide contracting support during contingency/expeditionary operations. No work on this audit was done in Afghanistan, but the results could have an impact because ECC provides reach-back support related to contracting in Afghanistan.

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

This quarter, USAID OIG has two ongoing reports related to Afghanistan reconstruction.

## **Audit of USAID/Afghanistan's Risk Management and Project Prioritization**

The objectives of this audit are to determine to what extent USAID/Afghanistan has a risk-management process in place to identify and mitigate risks in the face of potential staff and program reductions that could impact

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its development programs; how programs recommended for reduction or elimination were determined; and what impact recommended changes would have on USAID/Afghanistan's current and future programs and related risk management.

## **Follow-Up Audit of USAID's Multi-Tiered Monitoring Strategy in Afghanistan**

The objectives of this audit are to determine the extent to which USAID has used its multi-tiered monitoring strategy in Afghanistan to manage projects and to serve as the basis for informed decision-making. The entrance conference was held August 9, 2017.

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