



**SIGAR**

Office of the Special Inspector General  
for Afghanistan Reconstruction

November 21, 2014

The Honorable John F. Kerry  
Secretary of State

Dear Secretary Kerry:

I am writing to request information about the State Department's public diplomacy program in Afghanistan. Under this program during fiscal years 2007-2009, 177 grants were awarded at a value of approximately \$1.5 million. Yet one year later, beginning in fiscal year 2010 through fiscal year 2011, the numbers increased dramatically to 578 grants valuing \$111 million. In July 2012, my office issued an audit report that examined the public diplomacy grants and cooperative agreements awarded during fiscal years 2010-2011 by the U.S. Embassy Kabul's Public Affairs Section.<sup>1</sup> The SIGAR Special Projects Office is conducting a preliminary review of similar grants and cooperative agreements awarded during fiscal years 2012-2014.

SIGAR's 2012 audit examined 20 of the larger public diplomacy awards issued by PAS during fiscal years 2010-2011. This sample had a value of approximately \$57 million or about 38 percent of the total value of all public diplomacy awards during the two-year period. The audit concluded that recipients of 15 of the 20 awards had achieved or were likely to achieve their intended results, but the lack of documentation prevented SIGAR from determining whether PAS completed required pre-award activities, including assessments of risk, recipient capacity, use of sub-awards, and costs. SIGAR also found that documentation on the use of fair and open competition was absent for several of the awards. The audit report recommended steps to strengthen and improve oversight of the public diplomacy program, and the U.S. Embassy Kabul's response to SIGAR noted that five of the six recommendations had been accepted or were being implemented.

As recently as July 2014, the U.S. Government Accountability Office found that the State Department has continued to implement grant policies in an inconsistent manner; conducted inadequate risk analyses; and failed to properly adhere to internal documentation policies and procedures.<sup>2</sup> These gaps in management oversight raise concerns that grant monies are not being appropriately administered, used for their intended purpose, or used effectively.

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<sup>1</sup> SIGAR Audit 12-13, *Selected Public Diplomacy Awards Mostly Achieved Objectives but Embassy Can Take Steps to Enhance Grant Management and Oversight*, July 30, 2012.

<sup>2</sup> U.S. Government Accountability Office, *State Department: Implementation of Grants Policies Needs Better Oversight*, GAO-14-635. Washington, DC: Government Accountability Office, July 2014.

To assist our review, please provide the following information for U.S.-funded public diplomacy grants and cooperative agreements awarded by the U.S. Embassy Kabul's Public Affairs Section during fiscal years 2012-2014:

- Description of project;
- Funding source and award amount;
- Grantee organization and type;
- Grant and/or cooperative award number, and start and end date;
- Grants officer and grants officer representative;
- Description of intended outcome, actual outcome, and whether outcome was achieved within cost and schedule;
- Oversight requirements and description of how the State Department ensured the terms and conditions were met; and
- Sustainability plans, which are intended to ensure the benefits of a funded project continue on a long-term basis after grant funding has ended.

I am submitting this request pursuant to my authority under Public Law No. 110-81, as amended, and the Inspector General Act of 1978, as amended. Please provide the requested data by December 12, 2014.

Should you or your staff have any questions about this request, you may contact me directly or contact Jack Mitchell, Director of Special Projects, at [REDACTED] or [REDACTED].

Thank you in advance for your cooperation in this matter. I look forward to your response.

Sincerely,



John F. Sopko  
Special Inspector General  
for Afghanistan Reconstruction