



USAID
FROM THE AMERICAN PEOPLE

**UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF INSPECTOR GENERAL
FOR THE
MILLENNIUM CHALLENGE CORPORATION**

**Annual Plan
2008**

Mission

The mission of Office of Inspector General (OIG) is to contribute to and support integrity, efficiency, and effectiveness in all activities of the organizations for which it has oversight responsibilities.

Values

In accomplishing our mission, OIG is committed to the following:

- Integrity
- Excellence
- Teamwork

Strategic Goals

- Reduce vulnerabilities in high-risk MCC programs
- Increase effectiveness of MCC programs in addressing strategic goals and priorities
- Help to ensure operational integrity in MCC management systems programs

CONTENTS

- Message from the Inspector General v
- Inspector General Authority, Responsibility and Challenges 1
- OIG Planned Activities for Fiscal Year 2008
 - Strategic Goal 1: Reduce vulnerabilities in high-risk MCC programs 3
 - Strategic Goal 2: Increase effectiveness of MCC programs in addressing strategic goals and priorities 7
 - Strategic Goal 3: Help to ensure operational integrity in MCC management systems 9
- Appendixes:
 - A - Planned OIG Activities by Goal 15
 - B - Planned OIG Activities by Organization 19

MESSAGE FROM THE INSPECTOR GENERAL

The mission of the Millennium Challenge Corporation (MCC) is to reduce global poverty through the promotion of sustainable, economic growth. In carrying out its mission, the corporation works with some of the poorest countries in the world, through agreements called “compacts,” to reinforce good governance, economic freedom, and investments in people. Countries with whom MCC has entered into compacts form entities, called Millennium Challenge Accounts, to implement the compacts.

From the beginning--MCC was created in January 2004--the corporation has focused primarily on establishing a sound corporate structure and system of governance. The Office of Inspector General (OIG) for the U.S. Agency for International Development, MCC's legislatively designated Inspector General, assisted the corporation in its early stages of development by conducting compliance audits.

Fiscal year 2008 (FY 2008) will be a transition year for MCC and OIG. As MCC developed, OIG gradually shifted its focus from compliance audits to conducting performance audits of activities carried out by the Millennium Challenge Accounts (MCAs). Now, MCC has compacts with 13 countries and major field activity is beginning. As a result, OIG will now focus its resources largely on performance oriented audits of MCA activities in the field.

Reorienting OIG's focus to auditing the execution of the compacts will be challenging. By law, funding for audit and investigative coverage of MCC programs and operations is limited. Executing the audit plan, and increasing our fraud awareness training for MCC and MCA staffs and contractors, will put OIG at or near its funding ceiling. With limited resources, OIG must focus on the most vulnerable MCC and MCA activities.

This FY 2008 audit plan is directly linked to three of OIG's strategic goals:

- Reduce vulnerabilities in high-risk MCC programs
- Increase effectiveness of MCC programs in addressing strategic goals and priorities
- Help to ensure operational integrity in MCC management systems programs

OIG will continue to work closely with MCC, as well as the MCAs, so that MCC can achieve success in the effective and prudent management of its programs and operations.

The results of this plan will be reported in future semiannual reports to the Congress.

Donald A. Gambatesa
Inspector General

IG AUTHORITY, RESPONSIBILITY AND CHALLENGES

Authority and Responsibility

Public Law 108-199 established the Millennium Challenge Corporation (MCC) as a United States Government-owned corporation responsible for the stewardship of the Millennium Challenge Account (MCA) to promote, support, and ensure accountability for the innovative foreign aid strategies it administers. The law also established the USAID Inspector General as the Inspector General for MCC. MCC focuses specifically on promoting sustainable economic growth that reduces poverty through investments in areas such as agriculture, education, private sector development, and capacity building.

MCC is focused on one specific long-term foreign policy mission—to reduce poverty through sustainable economic growth. The selection of countries is determined by the following established criteria: rule justly, invest in people, and encourage economic freedom. Compact recipients designate an implementing agency, called the Accountable Entity,¹ to manage in-country activities. The country is responsible for fiscal accountability and performance results that reduce poverty. MCC has established a set of strategic goals in a working document for the period fiscal years 2006–2011.²

Working closely with MCC, countries that receive assistance are responsible for identifying the greatest barriers to their own development, ensuring civil society participation, and developing an MCA program. MCA participation requires a strong commitment from the host government. Each MCA country will enter into a public compact with MCC that includes a multiyear plan for achieving development objectives and identifies the responsibilities of each partner in achieving those objectives. This

strategy of relying on the host country for design and implementation of the program is very different from the traditional foreign assistance model of the donor designing and implementing the program.

Challenges for FY 2008

MCC's innovative approach is not without risk. Risk factors create challenges for the Office of Inspector General (OIG) and MCC, and this plan is intended to address the risks inherent in MCC's new programs and operations.

MCC anticipates a considerable increase in program and financial activity as signed compacts are implemented. As of August 2007, MCC has signed 13 compact agreements and identified 12 additional countries as eligible to receive future Compact grants. Subject to the FY 2008 funding level, MCC could have compacts with more than 20 countries by the end of FY 2008.³ MCC anticipates it will receive less funding from Congress for FY 2008 than requested. MCC anticipates that based on the expected shortfall in expected funding, some proposals will not be signed. The average size of a new compact has reached \$400–\$500 million.

OIG's financial audit program contributes to the overall financial integrity of MCC program. For FY 2008, OIG is building on its past results. OIG's financial audit program will continue to stress the legislatively required audits, which have a very large impact on MCC operations in the assurances that they provide. In the field, there will be a significant increase in the impact of the financial audit program as countries with compacts increase program funding disbursements. The impact of these audits is twofold: they provide some assurance that MCC funds are

1. MCC refers to individual accountable entities by combining "Millennium Challenge Account" (MCA) and the country's name, for example, "MCA-Madagascar."

2. As of March 2007, MCC has not issued a final strategic plan. MCC has shared an internal working document that it plans to release later in the calendar year that covers FY 2006–2011.

3. Testimony of the Chief Executive Officer of MCC, Ambassador John Danilovich before the House of Representatives, Appropriations Committee, Subcommittee on State, Foreign Operations, and Related Programs, March 13, 2007.

indeed reaching the intended projects, and they provide reasonable assurance that the recipients are properly accounting for the U.S. taxpayer dollars.

OIG's Performance Audit program will identify results and impacts that MCC-funded activity is having across a range of activities. The independence of OIG in reviewing MCC performance is an assurance of unbiased information regarding the results of MCC's activities. The plan presents specific audits for FY 2008 that reflect the implementation of MCC's programs. For FY 2008, performance auditing will be largely focused on the field operations of the compact countries. MCC will have substantial program resources invested in the field, and OIG plans to direct substantial efforts reviewing program operations and results.

Strategic Goal I: Reduce vulnerabilities in high-risk MCC programs

Fraud Awareness and Prevention Outreach

OIG will promote awareness of fraud and/or cost principles by providing training that alerts individuals to fraudulent schemes and practices. OIG will continue developing and distributing fraud-awareness literature, audiovisual aids, and other material. In furtherance of these fraud-prevention efforts, OIG will offer advice and support to MCC and their partners on antifraud strategies through briefings, meetings, conferences, and other fora.

Beginning in the first quarter of FY 2008, OIG will conduct site visits in the following locales: Armenia/Georgia; Honduras/Nicaragua; Benin/Cape Verde; Ghana/Mali; Madagascar/Vanuatu; and El Salvador. The purpose of these site visits is to provide fraud awareness training and establish liaison with local law enforcement and prosecutor's offices. Establishing these relationships is critical to OIG efforts to combat potential fraud committed against MCC programs by creating awareness of and thereby reducing vulnerabilities in contracts and disbursements of funds.

OIG will continue its proactive activities to identify vulnerabilities in multimillion-dollar and high-risk MCC programs involving U.S. contractors and grantees, which could lead to criminal, civil or administrative actions.

OIG will make recommendations for systemic improvements if weaknesses are uncovered in MCC programs or operations, and will work with MCC to correct the problems.

Audits of the Millennium Challenge Corporation's Programs in Five Compact Countries: Cape Verde, Georgia, Ghana, Honduras, and Nicaragua

Program Summary:

Audits of the following five MCC programs will be conducted:

- **Cape Verde:** On July 4, 2005, MCC signed a \$110 million, five-year Compact with the Government of Cape Verde that entered into force in October 2005. The program supports economic activity in agriculture and watershed management, infrastructure rehabilitation, and private sector led growth.
- **Georgia:** On September 12, 2005, MCC signed a \$295.3 million, five-year Compact with the Government of Georgia that entered into force on April 7, 2006. The program supports road rehabilitation, energy sector rehabilitation, agribusiness development, regional infrastructure improvements, and the regional development fund of Georgia.
- **Ghana:** On August 1, 2006, MCC signed a \$547 million, five-year Compact with the Government of Ghana that entered into force on February 16, 2007. The program supports development activities in agriculture, transportation, and rural service sectors that include education, water, sanitation, and electrical power projects.
- **Honduras:** On June 13, 2005, MCC signed a \$215 million, five-year Compact with the Government of Honduras that entered into force on September 29, 2005. The program supports development activities in the transportation and rural development sectors.

- Nicaragua: On July 14, 2005, MCC signed a \$175 million, five-year compact with the government of Nicaragua that entered into force on May 26, 2006. The program supports transportation development projects, property regularization and rural business development.

Audit Objectives:

The audits will determine whether (1) MCC had reasonable assurance that the Compact recipients established proper milestones and targets for its MCC-funded programs; (2) Compact recipients are achieving performance milestones and targets; and (3) MCC is providing its stakeholders (i.e., the local government, the U.S. Congress, the farming industry and non-governmental organizations in the program zones, and other stakeholders identified during the audit) with complete and accurate information on the progress of the program's results.

Verifying management, monitoring, and evaluation will assist MCC's efforts to assess performance. OIG will be able to identify weaknesses that may exist in the recipient data-gathering systems and in MCC's data-verification processes. Assessing progress toward achieving intended outputs will identify potential problem areas while MCC can still help these Compact recipients shift resources to overcome them, enhancing the ultimate success of the program and contributing to the economy, efficiency, and effectiveness of MCC.

Oversight of Contracted Financial Audits of the Millennium Challenge Corporation's Program Implementing Entities – Fund Accountability Statement Audits and Covered Provider Audits

Requirement:

OIG conducts reviews of audits performed by third parties under the Contracted Audit Program. Under the terms of MCC's Compact agreements during initial Compact implementation, semiannual audits are required of MCA Accountable Entities. These audits are required in accordance with U.S. Government Auditing Standards and MCA Accountable Entities will engage nonfederal auditors to perform these audits. OIG will perform approximately 8 quality control

reviews of the supporting audit documentation at the field offices of the contract audit firms that performed selected financial audits.

Reviews of financial audit reports will be performed in compliance with the OIG Guidelines for Financial Audits Contracted by MCA issued by OIG/MCC. Reviews of the reports that are submitted by the audit firms will be conducted on approximately 30 Accountable Entities and 15 Covered Providers.

Review Objective:

The objective of the OIG review is to establish reasonable assurance that standards are met for the audit work including the independence of nonfederal auditors and whether nonfederal auditors accurately assessed expenditures, internal controls, and compliance with the agreement terms.

Audit of the Millennium Challenge Corporation's Monitoring of the Country's Procurement Process

Program Summary:

Most of the projects implemented by MCC Compacts with 14 countries are performed by companies that either the MCA-country procures or MCC procures. To select companies, MCC must follow U.S. Government procurement laws and regulations, such as the Federal Acquisition Regulation. However, MCC requires compact countries to follow the World Bank Procurement Guidelines, which MCC has modified to fit its organization. Although the World Bank procurement guidelines are the most widely used in overseas countries, not all countries have prior experience in using World Bank procurement procedures.

The contracting/procurement area is highly susceptible to fraud, waste and abuse. MCC is still a relatively new organization, which has not fully tested its modified procurement guidelines and is implementing compact programs in countries with varying degrees of accountability standards. Therefore, it is extremely important that MCC's monitoring process is effective in verifying that its compact countries are complying with MCC's procurement requirements.

OIG will conduct audits of the procurement process used by selected Compact Recipients to include:

- Armenia. On March 27, 2006, MCC signed a \$235.7 million compact with the Government of Armenia that entered into force on September 29, 2006. The program supports rural road rehabilitation, infrastructure development and irrigation improvements.
- Benin: On February 22, 2006, MCC signed a \$307.3 million compact with the Government of Benin that entered into force on October 6, 2006. The program supports land tenure activities, judicial reform, financial services improvements and port infrastructure development projects.
- Vanuatu: On March 2, 2006, MCC signed a \$65.7 million compact with the Government of Vanuatu that entered into force on April 28, 2006. The program supports transportation infrastructure development activities and institutional strengthening of Vanuatu's Public Works Department.

Audit Objective:

OIG will audit this activity to evaluate MCC's monitoring process and, as appropriate, make recommendations to MCC to correct any noted contracting/procurement monitoring problems with the objective of making sure that MCC is effectively monitoring its MCA countries' adherence to MCC's procurement requirements. The audit will address MCC's monitoring of the MCA Entity procurement procedures to establish reasonable assurance of compliance.

Strategic Goal 2: Increase effectiveness of MCC programs in addressing strategic goals and priorities

Audit of the Millennium Challenge Corporation's Management of the Threshold Program

Program Summary:

MCC's Threshold Program is directed toward selected countries that have not yet qualified for compact assistance but have demonstrated a significant commitment to meeting the eligibility criteria. Application to the program is via a concept paper that explains how a country intends to address identified weaknesses. If MCC approves the concept paper, it will request a Threshold Country Plan. The Threshold Country Plan establishes a program schedule, the means to measure progress, financing requirements, and other related considerations. The Millennium Challenge Act of 2003 requires MCC to (1) coordinate with USAID and (2) permits assistance to candidate countries be provided through USAID. MCC has agreements with USAID to implement the Threshold Program. While USAID and MCC jointly manage the Threshold funding program, USAID is the primary agency overseeing its implementation.

From FY 2004 through FY 2006, MCC selected 18 countries that would qualify for assistance under the Threshold Program. Including the 7 percent administrative fee charged by USAID, MCC has approved \$39 million in FY 2004, \$120 million for FY 2005, and \$160 million in FY 2006 in support of this program.

Audit Objective:

The objective of the audit is to determine whether: (1) MCC managed its Threshold Program Agreements to verify that intended results were achieved, and (2) Threshold Program reports provide stakeholders with complete and accurate information on the progress of the program and the results achieved.

The audit will review MCC's policies and procedures for implementing the Threshold Program, including assessing how MCC monitors and manages USAID's⁴

efforts to select implementing partners, monitor outputs, and adjust performance. Auditors will test whether anticipated progress towards those intended results is being achieved, and for completed projects, whether intended results were achieved.

Evaluating the effectiveness of MCC's coordination and management of USAID's efforts is critical for certifying that funds shared between these two organizations are properly managed by MCC at a time when the relationship and essential internal controls may not be well defined.

Audit of the Millennium Challenge Corporation's Use of Purchase Cards

Program Summary:

Purchase cards are credit cards used by the U.S. Government to buy goods and services. However, given the nature and increasing use of purchase cards, it is important for agencies to have adequate internal controls in place to help prevent improper use of purchase cards.

OIG will review MCC's purchase card policies to make sure they comply with government-wide standards. A sample of the purchase card transactions made during the previous 12 months will be reviewed to determine if the purchases were properly approved, ordered, received, and recorded.

Audit Objective:

The objective of the audit is to determine whether MCC established controls and properly managed the use of its purchase cards.

It is important to verify that MCC has established adequate internal controls to help prevent improper use of purchase cards and thus to protect the Government from waste, fraud, and abuse.

4. In addition to USAID, the audit may also look at other U.S. agencies, such as the Department of Justice, that could be selected by MCC to help implement a program.

Strategic Goal 3: Help to ensure operational integrity in MCC management systems programs

Integrity Enhancement

OIG will continue to prioritize program integrity investigations involving high risk and major fraud in MCC programs and operations. Major fraud and high risk investigations are potential investigations involving large dollar losses by MCC.

OIG will investigate allegations of employee misconduct received from MCC employees, contractors, grantees, the hotline, and other sources.

OIG will refer investigative results to the Department of Justice and MCC for criminal, civil or administrative action.

Audit of the Millennium Challenge Corporation's Progress in Meeting the Requirements of the Government Performance and Results Act

Program Summary:

The Government Performance and Results Act of 1993 (GPRA) established minimum standards for planning, budgeting, program evaluation, and fiscal accountability of federally funded programs. The intent of the act is to improve public confidence in Federal agencies' performance by holding agencies accountable for achieving program results, and to improve congressional decisionmaking by clarifying and stating program performance goals, measures, and costs. As a Government corporation, MCC is considered a Federal agency under Section 105, Title 5 of the U.S. Code and is therefore obligated to meet the requirements of the GPRA as follows:

Strategic Plans – MCC must develop a 5-year strategic plan with a comprehensive mission statement, a set of outcome-related strategic goals, and a description of how MCC intends to achieve those goals.

Annual Performance Plans – MCC must have an annual performance plan covering each program activity set forth in its budget. The annual plan must be consistent with MCC's strategic plan, establish

quantifiable performance goals, define the level of performance to be achieved during the fiscal year, and describe the operational processes and resources required to meet the performance goals.

Annual Performance Reports – By March 31 of each year, Federal agencies are required to issue to the President and the Congress a performance report for the previous fiscal year. This report assesses performance in relation to the goals established for that year, analyzes progress toward strategic goals, and explains deviations from the goals and how impediments will be overcome in the future.

Audit Objective:

The objective of this audit is to determine whether MCC complied with these requirements of the GPRA.

The audit will bring to MCC's attention, early in its developmental process, any deficiencies related to GPRA that could become challenges if not addressed. OIG adds value by providing an assessment of MCC's efforts based on independence and experience.

Audit of the Millennium Challenge Corporation's FY 2007 Financial Statements

Program Summary:

In accordance with the Government Corporation Control Act, 31 U.S.C. Section 9101, MCC is required to have its consolidated financial statements audited by OIG or an independent external auditor. OIG will contract with an independent external auditor to audit MCC's FY 2007 financial statements.

Audit Objective:

The objective of the audit is to determine whether MCC's principal financial statements present fairly in all material respects the financial condition of MCC and whether the financial statements conform to generally accepted accounting principles.

The external auditors will perform tests of MCC's internal controls structure and compliance with laws

and regulations that could have a material effect on the principal financial statements. OIG will supervise the audit work, brief MCC on the audit findings, and provide recommendations to MCC for correcting identified weaknesses. The outcome will provide stakeholders with an evaluation of the integrity of the accounting systems used by MCC.

Audit of the Millennium Challenge Corporation’s Compliance With the Provisions of the Federal Information Security Management Act for FY 2008

Program Summary:

The Federal Information Security Management Act of 2002 (FISMA), Public Law 107-347, requires each agency to develop, document, and implement an agencywide information security program.

Audit Objective:

The objective of the audit is to determine whether MCC’s information system security program meets FISMA requirements for program management and information security controls.

The audit is designed to comply with the requirements of FISMA and to test areas of repeated weakness in MCC management of its information security. The audit will enhance the protection of data files, computer equipment, and resources from unauthorized activity.

Audit of the Millennium Challenge Corporation’s Management of Interagency Agreements

Program Summary:

Interagency agreements (the transfer of funds for the performance of a special service) offer the benefits of improved efficiency and timeliness in the procurement process. MCC has entered into agreements to execute various program and administrative operations with the U.S. Army Corps of Engineers; the U.S. Agency for International Development; and the departments of the Treasury, Interior, and Agriculture. The use of these types of agreements can also pose

risks. Ultimately, they create a more complex procurement environment requiring clearly documented accountability.

Audit Objective:

The objective of the audit is to determine whether MCC (1) established adequate management controls for deciding on the use of interagency agreements, and (2) properly monitored and managed interagency agreements to verify that the agreements achieved their intended results.

The audit will determine if MCC established management controls on the use of interagency agreements and if it properly monitored and managed the agreements. The General Accountability Office (GAO) identified management of interagency agreements as a governmentwide high-risk area.⁵ Because MCC is a relatively new agency, the risks are significant. Moreover, because of the limitations placed on MCC’s total staffing levels, MCC will likely remain heavily dependent on interagency agreements for the foreseeable future. Identifying potential areas of concern regarding MCC’s management of interagency agreements will help determine if such services are established and managed in an efficient and effective manner.

Audit of the Millennium Challenge Corporation’s Internal Controls for Preventing Transactions With Individuals and Organizations Associated With Terrorism

Program Summary:

Executive Order 13224⁶ sets forth procedures to disrupt the financial-support network used by terrorists and terrorist organizations. Order 13224 created a list (periodically revised) that identifies individuals and entities associated with terrorists. The order gives the U.S. Government the authority to block the assets of foreign individuals and entities on that list that commit or pose a significant risk of committing acts of terrorism. The order also prohibits all transactions with and provision of support for these individuals and entities.

5. GAO High-Risk Series, Update, January 2007, Report No. GAO-07-310, page 77.

6. Executive Order 13224, Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, dated of September 23, 2001.

To date, the U.S. Government has not issued clarifications explaining how to comply with the rule, making it difficult to meet the terms of the Executive order with absolute certainty. However, in September 2006, the Treasury Department's Office of Foreign Asset Control issued "Treasury Department Antiterrorist Financing Guidelines: Voluntary Best Practices for U.S.-based Charities," which serves as an industry standard for U.S. charities, many of which work in international development.

Audit Objective:

The objective of the audit is to determine whether MCC established adequate internal controls to prevent contracts from being awarded to individuals and entities that support terrorist activities.

As MCC expands operations, particularly in countries such as Indonesia and Yemen, it increases the risks that Federal funds could be awarded to individuals or organizations connected with international terrorism. Some programs are implemented by nationals who are responsible for selecting and managing contractors who are unfamiliar with U.S. antiterrorism requirements. In these cases, MCC must be able to provide reasonable assurance that the procurement systems used to implement the compacts comply with Executive Order 13224.

Two Follow-up Audits of Recommendations from Two Previous Audits

Program Summary:

OMB Circular A-50, "Audit Followup," requires followup on past audit recommendations. OIG will perform two audits to assess whether MCC management's responses to audit recommendations were effective in correcting identified problems.

Audit Objective:

The objective of the audit is to address whether management decisions for recommendations tested were implemented and are working to resolve the findings of the initial recommendations.

The value of the audit function rests on the actions of management. The audits will determine whether MCC management has implemented corrective actions and whether the desired outcomes have been achieved.

APPENDIX A:

OIG AUDIT ACTIVITIES BY STRATEGIC GOAL

PLANNED OIG ACTIVITIES BY STRATEGIC GOAL
October 1, 2007 – September 30, 2008

Following is a table of planned OIG audit activities by strategic goal for MCC during fiscal year 2008.

PROGRAM / AUDIT TITLE
Strategic Goal 1: Reduce vulnerabilities in high-risk MCC programs
Fraud Prevention and Awareness Outreach
Audits of Millennium Challenge Corporation's Programs in Five Compact Countries: Cape Verde, Georgia, Ghana, Honduras, and Nicaragua
Oversight of Contracted Financial Audits of Millennium Challenge Corporation's Program Implementing Entities—Fund Accountability Statement Audits and Covered Provider Audits
Audit of Millennium Challenge Corporation's Monitoring of the Country's Procurement Process
Strategic Goal 2: Increase effectiveness of MCC programs in addressing strategic goals and priorities
Audit of Millennium Challenge Corporation's Management of the Threshold Program
Audit of Millennium Challenge Corporation's Use of Purchase Cards
Strategic Goal 3: Help to ensure operational integrity in MCC management systems programs
Integrity Enhancement
Audit of the Millennium Challenge Corporation's Progress in Meeting the Requirements of the Government Performance and Results Act
Audit of Millennium Challenge Corporation's FY 2007 Financial Statements
Audit of Millennium Challenge Corporation's Compliance With the Provisions of the Federal Information Security Management Act for FY 2008
Audit of Millennium Challenge Corporation's Management of Its Interagency Agreements
Audit of the Millennium Challenge Corporation's Internal Controls for Preventing Transactions With Individuals and Organizations Associated With Terrorism
Two Follow-up Audits of Recommendations From Two Previous Audits

APPENDIX B:

OIG AUDIT ACTIVITIES BY ORGANIZATION

PLANNED OIG ACTIVITIES BY ORGANIZATION
October 1, 2007 – September 30, 2008

Following is a table of planned OIG audit activities by organization for MCC during fiscal year 2008.

ORGANIZATION	PROGRAM / AUDIT TITLE
MCC	Fraud Awareness and Prevention Outreach
	Integrity Enhancement
Accountability and Operations	Audits of the Millennium Challenge Corporation's Programs in Five Compact Countries: Cape Verde, Georgia, Ghana, Honduras, and Nicaragua
	Audit of the Millennium Challenge Corporation's Monitoring of the Country's Procurement Process
	Audit of the Millennium Challenge Corporation's Internal Controls for Preventing Transactions With Individuals and Organizations Associated With Terrorism
	Follow-up of Two Audit Recommendation From a Previous Audit
Administration and Finance	Oversight of Contracted Financial Audits of the Millennium Challenge Corporation's Program Implementing Entities—Fund Accountability Statement Audits and Covered Provider Audits
	Audit of the Millennium Challenge Corporation's Management of Threshold Program
	Audit of the Millennium Challenge Corporation's Use of Purchase Cards
	Audit of the Millennium Challenge Corporation's Progress in Meeting the Requirements of the Government Performance and Results Act
	Audit of Millennium Challenge Corporation's FY 2007 Financial Statements
	Audit of Millennium Challenge Corporation's Compliance With the Provisions of the Federal Information Security Management Act for FY 2008
	Audit of the Millennium Challenge Corporation's Management of Its Interagency Agreements
	Follow-up of Two Audit Recommendations From Two Previous Audits



USAID
FROM THE AMERICAN PEOPLE

Inspector General **HOTLINE**

OIG's Hotline makes it easy to report allegations of fraud, waste, abuse, mismanagement, or misconduct in programs and operations of USAID, USADF, IAF, and MCC. Employees, contractors, program participants, and the general public may report allegations directly by e-mail, telephone, or mail to:

Phone 1-202-712-1023
1-800-230-6539

E-mail ig.hotline@usaid.gov

Mail USAID OIG HOTLINE
P.O. Box 657
Washington, DC 20044-0657



**U.S. Agency for International Development
Office of Inspector General
for the
Millennium Challenge Corporation
1300 Pennsylvania Avenue, NW
Room 6.6D
Washington, DC 20523**

www.usaid.gov/oig

The OIG Annual Plan for MCC is available on the Internet at
www.usaid.gov/oig/public/mcc/mcc_ann_report.htm