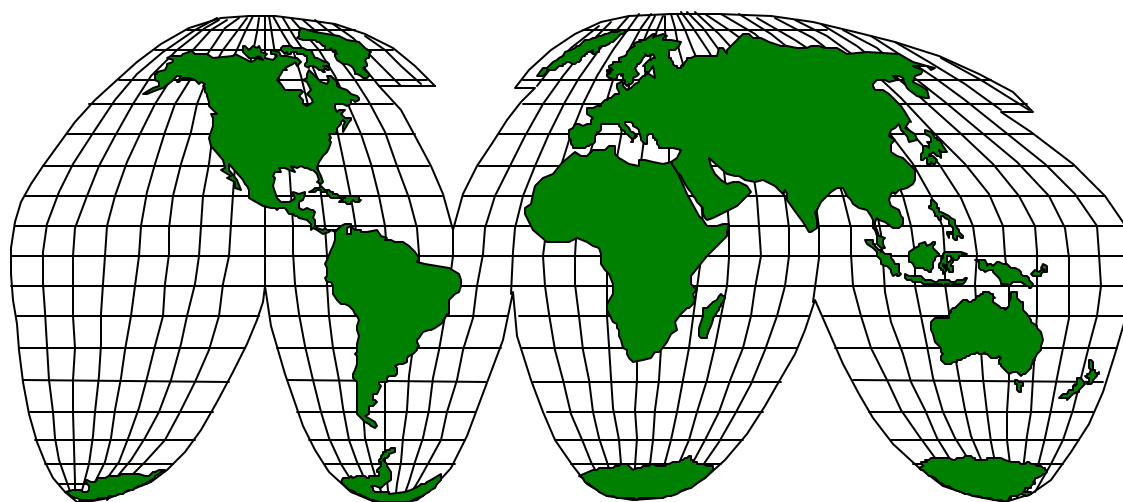


USAID

OFFICE OF INSPECTOR GENERAL ANNUAL PLAN

Fiscal Year 2001



U.S. Agency for International Development

FOREWORD

This Annual Plan for fiscal year 2001 describes the Office of Inspector General's (OIG's) plans for providing audit and investigative services within the U. S. Agency for International Development (USAID), African Development Foundation (ADF), and Inter-American Foundation (IAF).

The plan emphasizes the importance of collaboration between USAID, ADF, IAF, and OIG. We believe that our audit and investigative services are vital to the integrity, efficiency and effectiveness of each agency's programs and operations. Accordingly, this plan outlines our goals for fiscal year 2001 as they relate to those three objective areas—integrity, efficiency and effectiveness.

While this plan is comprehensive, it is flexible enough to deal with unexpected issues that will inevitably arise during the year.

In preparing this plan, we solicited suggestions from the Congress as well as agency managers and will continue to be as responsive as possible when either requires assistance from the OIG.

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

Annual Plan

Fiscal Year 2001



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OFFICE OF INSPECTOR GENERAL MISSION, GOALS AND PERFORMANCE MEASURES

The Office of Inspector General (OIG) has issued a strategic plan for fiscal years 2001-2005 that provides a broad framework for the next five years. Based on that framework, the following mission statement, goals, and performance measures reflect the OIG's direction for fiscal year 2001.

The mission of the OIG is to contribute to and support integrity, efficiency and effectiveness in all activities of the U.S. Agency for International Development, the African Development Foundation and the Inter-American Foundation.

In accomplishing this mission, the OIG will show commitment to:

Collaboration by working with USAID, ADF and IAF to promote social and economic development and helping management find solutions to problems.

Integrity by displaying character, decency, and honor in performing our work; acknowledging what works and what does not; showing mutual respect; and maintaining objectivity, independence, and impartiality.

Excellence by focusing on areas critical to management's success and, therefore, producing work that has distinction, merit, quality, and impact; working efficiently with highly trained people who enjoy equal opportunities to excel; delivering reliable, timely, complete, concise and meaningful products; and presenting our work in a way that is most useful to our clients.

Goals and Performance Measures

The goals of the OIG flow from our mission statement. For each goal articulated below, the accompanying performance measures describe what we expect to accomplish. These goals and related performance measures drive the specific work to accomplish in 2001 and for the duration of the OIG's current five-year plan.

Performance measures for goals are a means to assess the long-term OIG impact on the operations of USAID, ADF, and IAF. Measuring OIG impact is obviously a very difficult task, especially since we have no line authority over agency management. However, we must demonstrate whether we are carrying out our legislative mandate and our mission successfully in collaboration with agency management.

Historically, the OIG community has focused many of its performance measures on amounts of questioned costs, funds put to better use, or improved procedures. The following performance measures capture this focus and also show the progress of USAID, ADF and IAF in reaching positive goals that flow from our mission statement and the Inspector General Act.

Goal #1: The OIG will work in collaboration with agency management to contribute to and support **integrity** in all activities of USAID, ADF, and IAF.

Measures: The OIG and agency management contribute to and support integrity as demonstrated by the extent that USAID, ADF, and IAF:

- have complete and reliable financial systems, files, records, and available underlying supporting evidence;
- identify and resolve material control weaknesses in financial management practices;
- identify and resolve instances of noncompliance with applicable laws and regulations;
- identify funds owed to USAID, ADF and IAF, and ensure payment of debts owed by them;
- make measurable progress toward complete, reliable, and consistent financial reporting by these agencies and their external recipients;
- have employees and contractors with sufficient knowledge to identify possible integrity problems in the programs and operations of USAID, ADF and IAF;
- have employees and contractors who identify integrity problems on a timely basis and take steps to address them; and
- take appropriate action based on investigative and audit findings.

Goal #2: The OIG will work in collaboration with agency management to contribute to and support **efficiency** in all activities of USAID, ADF, and IAF.

Measures: The OIG and agency management contribute to and support efficiency as demonstrated by the extent that USAID, ADF, and IAF:

- link costs to results,
- have systems that completely, reliably, and consistently report costs and results,
- have demonstrated success in decreasing costs relative to results, and
- change strategies when results diminish relative to costs.

Goal #3: The OIG will work in collaboration with agency management to contribute to and support **effectiveness** in all activities of USAID, ADF, and IAF.

Measures: The OIG and agency management contribute to and support effectiveness as demonstrated by the extent that USAID, ADF, and IAF:

- have measurable performance targets;
- have adequate systems that report performance;
- achieve, or are on schedule to achieve, performance targets;
- change strategies when performance targets are not met; and
- make positive, systemic operational changes in the way they do business as a result of management reviews, as well as investigative and audit efforts.

Congressional Relations

The OIG considers the U.S. Congress to be one of its primary customers and the maintenance of effective working relations with Congress to be one of its primary goals. The OIG will, therefore, continue to reinforce its working relationship with the Congress. We will continually refine our procedures to ensure that interested members of Congress receive OIG work products in the most timely and effective manner possible. The OIG will maintain an ongoing dialogue with Congressional staffs to ensure that Congress is immediately informed of

ongoing OIG activity, and that the OIG is devoting adequate resources to areas of particular Congressional interest.

OFFICE OF INSPECTOR GENERAL AUTHORITY, RESPONSIBILITIES AND OPERATIONS

Public Law 96-533, which amended the Foreign Assistance Act of 1961, established the USAID Office of Inspector General (OIG) on December 16, 1980. On December 29, 1981, the President signed the International Security and Development Cooperation Act of 1981, bringing the USAID OIG under the provisions of the Inspector General Act of 1978, as amended.

The Inspector General Act of 1978 authorizes the OIG to conduct and supervise audits and investigations, to recommend policies to promote economy, efficiency and effectiveness, and to prevent and detect fraud and abuse in USAID programs and operations. The Inspector General is responsible for keeping the Administrator and the Congress fully informed about problems and deficiencies in USAID programs and operations, as well as the necessity for, and progress of, corrective actions.

On November 29, 1999, the consolidated Appropriations Act amended the Inspector General Act to include the following:

"...the Inspector General of the Agency for International Development...shall supervise, direct, and control audit and investigative activities relating to the programs and operations within the Inter-American Foundation and the African Development Foundation."

To carry out these legislated responsibilities, the OIG is divided into three primary units, each headed by an Assistant Inspector General (AIG): (1) Audit, (2) Investigations, and (3) Legal Counsel and Management.

Audit

The Assistant Inspector General for Audit (AIG/A) is responsible for conducting and supervising audit activities related to the programs and operations of USAID, ADF and IAF. Audit activities include both financial and performance audits.

a. What Is an Audit?

An audit used to be confined to an examination of records or accounts to check their accuracy. However, checking the accuracy of records is now only part of a complex process for improving our government's accountability to the public. The concept is summarized in the 1994 revision to Government Auditing Standards:

"Officials and employees who manage [government] programs need to render an account of their activities to the public. While not always specified by law, this accountability concept is inherent in the governing process of this nation.

Public officials, legislators, and citizens want and need to know whether government funds are handled properly and in compliance with laws and regulations. They also want and need to know whether government organizations, programs, and services are achieving their purposes and whether these organizations are operating economically and efficiently."

Audits add credibility to management's representations in financial and performance reports about the use of government funds, and they can help agency managers improve their performance. Just as the public relies on the managers of USAID, ADF and IAF to implement effective and efficient programs and operations, these agency managers and others must rely on the quality of OIG audit work. Accordingly, all audits conducted and supervised by the USAID OIG are required to follow the standards specified by the Comptroller General of the United States.

OIG/Audit carries out or supervises two types of audits:

1. *Financial audit*, which can be either a financial statement audit or a financial-related audit. The purpose of a financial statement audit is to add credibility to management's representations in financial statements. A

financial statement audit tests management's assertions and forms an opinion on the overall fairness of the statements in conformity with a comprehensive basis of accounting. financial-related audits include determining whether: (1) financial information is presented in accordance with established or stated criteria, (2) the entity has followed specific financial compliance requirements, or (3) the entity's controls over financial reporting and/or safeguarding assets are suitably designed and implemented to achieve desired control objectives. Such audits can include, *inter alia*, segments of controls and compliance with laws and regulations, and fraud allegations.

2. *Performance audit*, which is an objective and systematic examination of evidence to provide an independent assessment of the performance of a government organization, program, activity, or function, in order to provide information to improve public accountability and facilitate decision-making by parties with responsibility to oversee or initiate corrective action.

b. Audit Strategies and Priorities

OIG/Audit plans to carry out financial and performance audits to assist USAID, ADF and IAF in maintaining and improving their integrity, efficiency and effectiveness, and help keep the Congress, the public and other concerned parties informed about the programs and operations of these agencies. We expect these efforts to be self-initiated and responsive to Legislative and Executive Branch expressions of interest.

Since much of OIG/Audit's work is directly tied to legislative requirements applicable to USAID, ADF and IAF, OIG/Audit will focus audit activity upon agency efforts to implement the requirements of the:

- Federal Managers' Financial Integrity Act of 1982;
- Chief Financial Officers Act of 1990;
- Government Performance and Results Act of 1993;
- Government Management Reform Act of 1994;
- Single Audit Act, as amended in 1996, and USAID's extension of the Act's principles to the overseas environment;
- Federal Financial Management Improvement Act of 1996;
- Clinger-Cohen Act of 1996; and

- Government Information Security Act of 1999.

In addition to audit activities designed to help USAID, ADF and IAF meet legislative requirements, OIG/Audit will focus audit activity in areas that are considered high-risk. These areas include, among others:

- new programs in countries viewed as relatively more vulnerable to corruption;
- new programs in countries where USAID lacks the human capital to provide close oversight;
- procurement;
- disaster assistance; and
- Public Law 480, Title II, food programs.

As well, non-Federal auditors will provide significant audit activity, under our general oversight, to contribute to and support the financial integrity of contractors, non-governmental organizations, and other institutions that receive USAID funding.

Specific activities designed to advance this strategy are detailed elsewhere in this Plan. While each of these activities is integral to the Plan's successful implementation, OIG/Audit retains the flexibility to modify the Plan as necessary throughout the year to meet changing circumstances.

c. Audit Objectives, Scope, and Methodology

Objectives define the purpose of an audit and can be thought of as questions that the auditors are trying to answer. They determine the type of audit to conduct and are key to a successful audit. Scope is the boundary of the audit and addresses such things as the period and the number of locations to cover. Methodology relates to the data gathering and analytical methods that auditors use to answer the questions posed in the objectives.

d. Staffing

OIG/Audit operates with 126 full-time positions, 78 of which are located in its Washington, D. C. headquarters, while 48 are located overseas. Regional Inspectors General offices are located in San Salvador, El Salvador; Dakar, Senegal; Pretoria, South Africa; Cairo, Egypt; Budapest, Hungary; and Manila, Philippines.

e. Audit Universe

According to USAID's Congressional Presentation for fiscal year 2001, USAID expects to obligate about \$7.5 billion for USAID-provided assistance (see table below).

**FISCAL YEAR 2000 OPERATING YEAR BUDGET
(ACTUAL APPROPRIATION) FOR MAJOR USAID PROGRAMS
(\$000)**

USAID Account	FY 1999 Appropriated Level	FY 2000 Appropriated Level	FY 2001 Budget Request
Development Assistance	1,194,000	1,191,008	948,822
Child Survival and Disease Programs	595,000	614,866	659,250
Development Fund for Africa	[452,487]	[448,830]	532,928
International Disaster Assistance	388,000	202,014	220,000
Credit Programs	8,446	8,490	8,000
USAID Operating Expenses	502,792	540,960	520,000
Inspector General Operating Expenses	27,117	24,950	27,000
Foreign Service Disability and Retirement	[44,552]	[43,837]	[44,489]
Economic Support Fund and International Fund for Ireland	2,594,100	2,792,187	2,313,000
Plan Columbia	0	[127,500]	[90,000]
Central American/Caribbean Disaster Recovery Fund	613,500	0	0
Assistance to the Independent States	847,000	835,812	830,000
Support for Eastern Europe and the Baltics	550,000	532,970	610,000
Kosovo/Southeast Europe Initiative	0	195,000	0
Public Law 480 Food For Peace Title II	986,200	800,000	837,000
Public Law 480 Food For Peace Title III	25,000	0	0

USAID Total:

8,331,155

7,738,257

7,506,000

The ADF and IAF have requested funding of \$16 and \$20 million respectively for Fiscal Year 2001.

**Fiscal Year 2000 Operating Budget For
African Development Foundation and Inter-American Foundation
(\$000)**

	<u>Fiscal Year 1999</u>	<u>Fiscal Year 2000</u>	<u>Fiscal Year 2001 Request</u>
African Development Foundation	11,000	14,400	16,000
Inter-American Foundation	20,000	5,000	20,000
Total	31,000	19,400	36,000

Investigations

The Assistant Inspector General for Investigations (AIG/I) is responsible for the execution of criminal, civil and administrative investigative activities relating to the programs and operations of the United States Agency for International Development (USAID), the African Development Foundation (ADF) and the Inter-American Foundation (IAF).

a. What is the OIG Investigative Role?

OIG/Investigations investigates allegations of violations of Federal criminal and civil statutes, and rules or regulations related to the programs and operations of USAID, ADF and IAF.

OIG/Investigations performs the following functions:

(1) Investigates criminal and civil matters involving fraud, waste, and abuse in agency programs and operations by contractors, suppliers, grantees, recipients and employees. The results of inquiries, which disclose evidence of criminal wrongdoing or civil violations, are referred to the Department of Justice for adjudication. The investigative results are also referred to agency management for appropriate action.

(2) Investigates complaints against agency contractors, suppliers, grantees, recipients or employees of serious administrative irregularities and other conduct prejudicial to the United States Government. Inquiries, which disclose violations of Federal or agency rules or regulations, are referred to agency management for appropriate action.

(3) Conducts inquiries and develops information requested by senior agency management or Congress to fulfill their oversight responsibilities. When such inquiries develop information of criminal wrongdoing, they are referred to the Department of Justice. When they develop information of administrative or regulatory violations, they are referred to agency management as well as to the requesting organization for any action they deem appropriate.

(4) Exercises investigative oversight of the ADF and the IAF.

(5) Maintains the OIG Hotline, which covers USAID, ADF and IAF.

b. Staffing

OIG/Investigations is organized into four components: a Headquarters unit, a Special Investigations Division, a Domestic Program Integrity Division, and an Overseas Program Integrity Division. The Headquarters component is staffed by: the Assistant Inspector General for Investigations; the Deputy Assistant Inspector General for Investigations; a Criminal Research and Statistics Branch, consisting of three professional personnel, which will oversee the Global investigative program; and a support staff. The Special Investigations Division investigates allegations of criminal and administrative misconduct by agency employees. The Domestic and Overseas Program Integrity Divisions investigate allegations of criminal, civil and administrative violations within USAID programs and operations.

The Special Investigations Division and the Domestic Program Integrity Division are located in Washington, DC. The Overseas Program Integrity Division is headed by a Special Agent-in-Charge, who is stationed in Budapest, Hungary, and supervises the investigative operations of OIG Agents posted in Budapest, Cairo, Dakar, Manila, Pretoria and San Salvador.

For fiscal year 2001, the investigative staff will consist of 32 full-time positions. Of these, 26 will be criminal investigators (17 in the United States and 9 overseas) who will be available to conduct criminal investigations and/or inquiries of serious employee misconduct.

c. Focus

OIG/Investigations' plans for fiscal year 2001 are derived from continuing discussions with USAID management; coordination with auditors; input from investigative staff; review of caseload statistics; and an analysis of USAID high dollar activities and programs. OIG/Investigations will maintain the flexibility to respond when and where serious situations may unexpectedly arise; however, our investigative efforts will concentrate on anti-corruption initiatives; fraud in connection with contracts, grants, and cooperative agreements; and employee misconduct.

d. Investigative Activities

OIG/Investigations discharges its responsibilities through two types of activities—reactive and proactive.

Reactive Activities

Reactive investigations involve responding to allegations of fraud, waste or abuse in USAID, ADF and IAF programs and operations. Cases are initiated as a result of a complaint or allegation from a number of sources, including the OIG

Hotline, agency employees, contractors, the public, audit referrals, members of Congress, Congressional staff, and information received from other agencies. Many of these investigations involve contract and procurement matters, which are complex in nature, entail worldwide coverage of investigative leads, and require protracted and substantial expenditures of resources.

Proactive Activities

OIG/Investigations' proactive initiatives focus on identifying agency programs that may be vulnerable to fraud. Proactive activities are broader-based and systemic in nature. If specific companies or individuals are identified as possibly engaging in questionable activities, separate cases are initiated.

The focus of OIG/Investigations' activities in fiscal year 2001 will continue to be anti-corruption initiatives and agency programs involving major procurement of products and services. OIG/Investigations will gather and analyze information from agency program and contracting officials, auditors, Federal agencies, and contractor personnel. OIG/Investigations efforts will be routinely coordinated with OIG/Audit and agency procurement officials.

In addition, OIG/Investigations will continue to provide information to USAID Mission Directors and agency employees on fraud awareness and the role of the OIG.

e. Inspector General Hotline

The OIG maintains a toll-free Hotline (1-800-230-6539 or 202-712-1023), a postal mailbox (P.O. Box 657, Washington, D.C. 20044-0657), and an electronic mailbox (IG HOTLINE@IG.I@AIDW). The Office of Investigations will ensure that the Hotline number and mailing address are widely circulated in agency publications. Any of these avenues can be used to lodge a complaint with OIG/Investigations or to report alleged acts of waste, fraud, or abuse involving ADF, IAF or USAID programs and personnel. Callers to the OIG Hotline may choose to remain anonymous or may request that OIG/Investigations keep their identities confidential.

Legal Counsel and Management

The Legal Counsel and the Assistant Inspector General for Management (AIG/M) provide advice and assistance to the Inspector General and the other Assistant Inspectors General on legal, administrative, financial, and personnel matters. AIG/M is directly responsible for personnel, budgetary, contracting, logistical, information resource management, and administrative coordination for the OIG's Washington, D.C. headquarters and overseas regional offices.

OFFICE OF INSPECTOR GENERAL STAFFING

The OIG is authorized 196 full-time, direct hire positions, as shown below:

Organizational Unit	Total Positions	Washington	Overseas
Inspector General	6	6	-
AIG/Audit	126	78	48
AIG/Investigations	32	23	9
Legal Counsel and Management	32	32	-
Totals	196	139	57

WORKING WITH AGENCY MANAGEMENT TO CONTRIBUTE TO AND SUPPORT INTEGRITY IN ALL ACTIVITIES OF USAID, ADF, AND IAF

The OIG will work in collaboration with agency management to help ensure that USAID, ADF, and IAF:

- have complete and reliable financial systems, files, records, and available underlying supporting evidence;
- identify and resolve material control weaknesses in financial management practices;
- identify and resolve instances of noncompliance with applicable laws and regulations;
- identify funds owed to USAID, ADF and IAF, and ensure payment of debts owed by them;
- make measurable progress toward complete, reliable, and consistent financial reporting;
- have employees and contractors with sufficient knowledge to identify possible integrity problems in the programs and operations of USAID, ADF and IAF;
- have employees and contractors who identify integrity problems on a timely basis and take steps to address them; and
- take appropriate action based on investigative and audit findings.

(A) Audit Activities

OIG/Audit will work with agency management to help ensure that USAID, ADF and IAF maintain adequate accountability over their resources while developing and implementing reliable and comprehensive management and accounting information systems. During this fiscal year, OIG/Audit plans to do this by auditing, examining, and otherwise providing critical review of USAID's implementation of the:

- Federal Managers' Financial Integrity Act of 1982;
- Government Management Reform Act of 1994;
- Federal Financial Management Improvement Act of 1996;
- Clinger-Cohen Act of 1996;

- Single Audit Act, as amended in 1996, and USAID's extension of the Act's requirements to the overseas environment; and
- Government Information Security Act of 1999.

OIG/Audit plans to achieve this result through the following activities.

1. Audits of the Agency Financial Statements, Related Controls and Related Compliance for Fiscal Year 2001.

The Government Management Reform Act requires Executive Branch agencies to submit audited financial statements each year covering all agency accounts and associated activities. These financial statements must be prepared in accordance with generally accepted accounting principles. The corresponding audit must comply with Government Auditing Standards, and the supplemental scope and procedures established by the Office of Management and Budget.

OIG/Audit will audit the financial statements of USAID, ADF and IAF under the auspices of the Government Management Reform Act. Audit activity depends upon agency management's timely provision of auditable statements. Audit testing will take place in Washington, D.C. and at selected locations overseas.

2. Audit of USAID's Advances and Related Controls

In support of the OIG's audit of USAID's financial statements, we will audit USAID's advances and related controls to determine whether USAID has implemented adequate controls to permit complete, reliable and consistent reporting of its advances in the financial statements at fiscal year-end. During our prior audit of USAID's advances and related controls, we reported deficiencies that hindered USAID's ability to reliably report advances at fiscal year-end. Our audit report included four recommendations that focused on improving accounting for advances, strengthening related controls, and complying with applicable laws and regulations. During the audit of USAID's advances and related controls for fiscal year 2001, we will follow up on these recommendations.

3. Audit of USAID's "Fund Balance With the U.S. Treasury" and Related Controls

In support of the OIG's audit of USAID's financial statements, we will audit USAID's fund balance with the United States Treasury and provide USAID with the results of our detailed audit-work regarding this material line item reported on the Balance Sheet. We will determine whether USAID has implemented adequate controls to permit complete, reliable and consistent

reporting of the Fund Balance with the U.S. Treasury in the financial statements at fiscal year-end. In our prior audits, we reported several problems that hindered USAID's ability to reliably report its Fund Balance with the U.S. Treasury at the fiscal year-end. While USAID had improved in this area, we identified several continuing problems that hindered USAID's ability to reconcile differences with the fund balance account. We plan to follow-up on the corrective actions taken in response to these findings.

4. Audit of USAID's Credit Receivables and Related Controls

In support of the OIG's audit of USAID's financial statements, we will audit USAID's credit receivables and related controls.

In July 1988, USAID successfully completed the outsourcing of its credit portfolio management to a commercial bank. We determined that USAID adequately addressed all the credit program related recommendations in our 1998 report on USAID's financial statements.

The primary focus of our prior audits has been the Direct Loan Program. However, our fiscal year 2001 audit of USAID's credit receivables will include the other loan programs administered by USAID. We will determine whether all USAID credit receivable balances are properly calculated and reported to permit the preparation of complete, reliable and consistent financial statements at fiscal year-end.

5. Audit of USAID's Accrued Expenditures, Accounts Payable, and Related Controls

In support of the OIG's audit of USAID's financial statements, we will audit USAID's accrued expenditures, accounts payable and related controls. During our prior audit of USAID's accounts payable, we identified several problems that hindered USAID's ability to reliably calculate and report accrued expenditures and accounts payable at the fiscal year-end. To assist the financial statements, the OIG provided detailed information regarding the questionable accrued expenditures and accounts payable. In addition, the OIG made recommendations to strengthen the controls used to calculate and record accrued expenditures for USAID/Washington. We will conduct an additional audit to determine whether USAID has implemented a methodology to properly calculate and report accrued expenditures and accounts payables to permit the preparation of complete, reliable and consistent financial statements at fiscal year-end.

6. Audit of USAID's Withholdings and Contributions for Retirement, Health Benefits, and Life Insurance

We will perform the procedures specified in the Office of Management and Budget Bulletin, "Audit Requirements for

Federal Financial Statements" to determine whether the retirement, health, and life insurance withholding/contributions and supplemental semiannual "Headcount Report" submitted to the Office of Personnel Management were reliable. We will report the results of our audit to the Chief Financial Officer and the Associate Director for Retirement and Insurance at the Office of Personnel Management.

7. Audit of Controls Over Compensation to Major USAID Contractors and of the Accounting for Salaries in Excess of the FS-01 Level

Direct labor represents a significant portion of USAID's expenditures on cost-type contracts. Of particular concern, audits made by the Defense Contract Audit Agency have questioned salaries paid above the FS-01 level. However, invariably the Contracting Officer's management decision was that he/she had determined that the excess costs were never billed to USAID. This audit will examine this issue as well as to see what is really happening with the compensation systems of large USAID contractors with respect to the allowability of compensation costs. We will gain an understanding of the compensation system's controls and related risks for selected USAID contractors, and the adequacy of those systems for government contracts.

8. Audit of Costs Charged to USAID Cost-Type Contracts and Grants for Consultant and Professional Services Provided to Major USAID Recipients

The Federal Acquisition Regulation 31.205-33 defines consultants as "persons who are members of a particular profession or possess a special skill and who are not officers or employees of the contractor." USAID cost-type contracts and grants typically use the services of consultants to a significant extent.

This audit may include consultant costs charged direct to contracts and those charged through indirect pools such as overhead and general and administrative expenses. The audit will be based on a sample of two or three major USAID recipients or those with past problems in this area. We will gain an understanding of the controls over consultant costs for selected contractors, and the adequacy of those controls for government contracts. Additionally, we will determine the nature, extent, and allowability of consultant costs charged to USAID contracts.

9. Audit of USAID's Efforts to Migrate Financial Management Information

USAID is implementing the core accounting component of a new integrated financial management system to replace the previous

one. Because USAID's integrated system will include information from the prior system, USAID needs to convert and migrate data from existing systems to the new core financial management system. Our objective will be to answer the question:

Did USAID adequately ensure the completeness, accuracy, and validity of the converted and migrated data to the new integrated financial management system?

The audit will be performed in Washington and at selected USAID missions overseas.

10. Audit of USAID's Efforts to Implement an Effective (model) Computer Security Program in Accordance with Computer Security Act Requirements

As required by the Computer Security Act of 1987 and the Office of Management and Budget Circular A-130, federal agencies must identify and protect computer systems containing "sensitive" information and establish a minimum set of controls for a computer system security program. The OIG reported, in September 1997, that USAID had not implemented a security program that meets the requirements of the Computer Security Act or Circular A-130.

Since then, USAID has made significant progress toward improving its ability to protect its computer systems. For example, USAID has appointed an Information Systems Security Officer, developed and conducted risk assessments at four missions, and performed security evaluations and certifications of its New Management System. In addition, USAID has developed a Model Information System Security Program, which provides a framework for identifying and disseminating to other government agencies a complete set of "best practices" for implementing an effective computer security program. Although USAID has made these improvements, much work remains to be done. Our audit objectives will be to answer the questions:

What progress has USAID made in fostering government-wide implementation of its "model security program"?

To what extent has USAID implemented best practices that meet the requirements of the Computer Security Act of 1987 and OMB Circular A-130?

The audit will be conducted in Washington, D.C. and at selected locations overseas.

11. Audit of USAID's Financial System's Modernization Plan

The Federal Financial Management Improvement Act of 1996 requires that each agency implement and maintain financial

management systems that comply with Federal requirements for financial management systems, including Office of Management and Budget Circular A-127. This Circular requires agencies to implement a single, integrated financial management system, which is a unified set of financial systems and the financial portions of mixed systems (systems that support both financial and non-financial activities). USAID's goal is to implement an integrated financial management system in accordance with Circular A-127 by fiscal year 2002. To attain this goal, USAID established the Office of Financial System Integration to plan for and acquire USAID's financial and mixed financial systems. This Office, under the direction of the Chief Financial Officer and Chief Information Officer, is preparing an overall plan to modernize its legacy systems, which is a component of USAID's integrated financial system. This audit will answer the question:

Has USAID adequately planned for the implementation of an integrated financial management system that meets the requirements of the Federal Financial Management Improvement Act?

12. Audit of USAID's Information Systems' General Computer Controls

General computer controls are the structure, policies, and procedures that apply to all or a large segment of an entity's information systems and help ensure their proper operation. The primary objectives of general controls are to safeguard data, protect computer application programs and system software from unauthorized access, and ensure continued computer operations in case of unexpected interruptions.

In 1998 and 1999, our audits reported that USAID did not have effective general controls over financial systems that operate on the mainframe, client-server and UNIX computer environments. In response to our recommendations, USAID's management had taken some actions to improve its general controls over its financial management systems. Since then, however, USAID started implementing a new financial management system that required changes to the supporting computer environments.

To minimize risks to USAID's sensitive and critical financial systems, the general controls over the new computer systems will need to be evaluated. This audit will answer the question:

Do USAID's information systems contain adequate general computer controls to provide assurance that financial information reported is complete and reliable?

The audit will be conducted in Washington, D.C. and at selected locations overseas.

13. Audits of USAID's Implementation of an Integrated Financial Management System in Washington and Selected Missions

USAID is implementing an integrated financial management system utilizing Commercial-Off-The-Shelf software. This integrated system is expected to comply with the Federal Financial Management Improvement Act of 1996 and the Information Technology Management Reform Act of 1996. The new system is being implemented in several phases. Phase I will focus on implementing the core financial system at USAID/Washington, and is scheduled for completion by October 1, 2000. Phase II is the pilot implementation of the core accounting system at two overseas missions (Egypt and El Salvador), scheduled for completion by April 1, 2001. Subsequently, the new system will be deployed to other missions. These audits will answer the questions:

Does the new core financial system in Washington, Cairo and San Salvador meet USAID's functional and performance requirements?

Has USAID adequately planned for the implementation of a core financial system at the remaining missions?

The audit will be conducted in Washington, D.C. and at selected locations overseas.

14. Audit of USAID's "Information Technology Capital Planning and Investment Process" Under the Clinger-Cohen Act

The Clinger-Cohen Act of 1996 requires that each Government agency establish a Chief Information Officer position and vests the procurement authority of the General Services Administration in each agency. The Act's purpose is to improve the productivity, efficiency and effectiveness of federal programs through the improved acquisition, use and disposal of information technology resources. It creates incentives to break information technology acquisitions into smaller, more manageable pieces. It also mandates that agencies manage their information technology as a capital investment and implement a process to maximize the value, assess and manage risks involved in information technology investments, and monitor progress in terms of costs, system capabilities, timeliness, and quality. This audit will answer the question:

To what extent does USAID's process to select, monitor, and evaluate capital information technology investments meet legislative and Office of Management and Budget requirements?

15. Audit of Controls Over Dial-up Access to USAID's Computer

Systems

The U.S. General Accounting Office has stated that access controls to computer systems should provide reasonable assurance that computer resources are protected against unauthorized modification, disclosure, loss, or impairment. Inadequate access controls diminish the reliability of computerized data and increase the risk of destruction or inappropriate disclosure of data.

USAID's information systems allow dial-up or remote access to users. This means that these individuals can use a modem to access and use the system from a remote location, such as their home or a field office. Because such access can significantly increase the risk of unauthorized access, stringent controls should be required for dial-up computer access to protect sensitive data and other computer system resources from unauthorized external intrusions. This audit will answer the following questions:

Do USAID's policies and procedures provide adequate guidance for authorized users to properly safeguard resources accessed from unsecured sites?

Has USAID implemented adequate controls when using dial-up connections to reasonably ensure that its information resources are protected from unauthorized or improper remote access?

16. Audit of USAID's Controls Over Its Overseas Communications Network

USAID relies on "Very Small Aperture Terminal" satellite connections to collect, process, and disseminate agency data to and from overseas missions. This technology allows a user to provide telecommunication services where terrestrial transmissions are not readily attainable or reliable. The technology enables USAID to establish an effective and reliable Wide Area Network, which is the venue for its telecommunication systems with its overseas missions. Specifically, the satellite image data from the overseas missions are sent through USAID's telecommunication systems to the New Management System, and then the New Management System processes the data. Threats and risk to critical data accessed and transmitted through satellite connections have increased over the years. Therefore, a primary security issue is to ensure that access to and use of the satellite technology are appropriate and that sensitive data are secure. This audit will answer the question:

Does USAID have effective controls to secure transmission of critical data to and from its overseas Missions using the "Very Small Aperture Terminal" technology?

17. Audit of the Vulnerability of USAID's Paper Personnel Records

The Paperwork Reduction Act establishes a broad mandate for agencies to perform their information resources management activities in an efficient, effective and economical manner. The Act requires the Director of the Office of Management and Budget to develop and implement uniform and consistent information resources management policies. The Director of the Office of Personnel Management, consistent with guidelines from the Director of the Office of Management and Budget, develops and maintains government-wide standards and procedures to ensure the privacy and security of civilian personnel information and records. At USAID, it is important that sensitive personnel records are adequately protected from loss or destruction. However, USAID officials have expressed concern that USAID's personnel records are vulnerable because only one paper copy of some critical records exists. This audit will answer the question:

Are USAID's personnel and payroll records protected in accordance with Paperwork Reduction Act and Office of Management and Budget requirements?

18. Quick Response Audits

Quick response auditing is an emerging concept designed to deliver more timely audit results for client-requested engagements where a problem is known or suspected and the objectives and scope are limited. These audits are performance audits where time is of the essence and extensive details are not necessary. We plan to continue to provide these kinds of audits in response to:

Congressional requests;

allegations of waste, abuse, and mismanagement; and

other requests for information or analysis.

19. Consultations and Analyses to Foster Improvements in USAID's Program for Implementation of the Federal Managers' Financial Integrity Act

Our Information Technology and Special Audits (ITSA) Division will work with USAID management to identify improvements and best practices for USAID's processes for implementing this Act.

20. Audit of USAID's Controls Over Credit Card Transactions for Small Purchases

USAID uses credit cards for small purchases. This practice was instituted to reduce costs associated with older purchase

order systems. USAID has established policies to govern the use of credit card purchases and made major changes in use of credit cards for the small purchases in 1999.

Because of the risks associated with credit card use, the OIG will examine controls over the use of the cards (proper fund commitment, purchase approval procedures, card issuance and retrieval processes, etc.). We will determine whether USAID has appropriate controls to monitor the use of government credit card for small purchases and whether USAID is meeting performance standards for efficient use of this acquisition method.

21. Oversight of Audits Performed by Independent Public Accountants Under Office of Management and Budget Circular A-133

USAID relies on non-federal audits to validate the integrity of foreign and domestic grantees responsible for implementing USAID-financed activities. Awards subject to audit under the Office of Management and Budget Circular A-133 and the recipient-contracted audit program represent approximately 45 percent of all funds awarded by USAID. For domestic organizations, a Circular A-133 audit is required of a nonprofit organization that receives at least \$300,000 in federal awards.

We will: (1) assess the quality of audit reports that identify findings affecting USAID grant programs; (2) provide technical guidance, as necessary, to grantees and auditors involved in the Circular A-133 audit process; and (3) facilitate an improved flow of information to the OIG (especially to Regional Inspectors General), USAID, other federal and non-federal officials involved in the non-federal audit process.

22. Oversight of Services Provided by the Defense Contract Audit Agency

USAID contracts with the Defense Contract Audit Agency to validate the integrity of for-profit contractors and grantees responsible for implementing USAID-financed activities. USAID awards subject to audit by this external audit agency represent approximately 40 percent of all funds awarded by USAID. The oversight program for these audits conducted by Defense Contract Audit Agency ensures that: (1) program or OIG funds are committed for the services of the Defense Contract Audit Agency requested by USAID officials; (2) USAID officials receive all U.S.-based contractor audits; (3) USAID program officials are informed of their individual responsibility to resolve findings affecting USAID awards, and (4) the audit reports contain the necessary information required by USAID program officials.

We will: (1) arrange funding, in collaboration with USAID

management, for audit and review work requested by agency officials; (2) provide technical guidance, as necessary, to Defense Contract Audit Agency, OIG and agency officials involved in the audit oversight process, and (3) facilitate an improved flow of information to the OIG (especially to Regional Inspectors General for Audit), USAID, other federal, and non-federal officials involved in the oversight process for services provided by the Defense Contract Audit Agency.

23. Quality Control Reviews of Audits Performed by Independent Public Accountants of USAID's Enterprise Funds

USAID relies on non-federal auditors to audit the operations of USAID's Enterprise Funds. The OIG's quality control review program for the Enterprise Fund ensures that these audits are properly conducted in accordance with the requirements of government auditing standards and grant provisions. We will review audits covering significant dollar amounts, based on referrals, and based on specific risk factors. Particular attention will be paid to the investment valuation at the balance sheet level. We will also ensure that the independence of the non-federal auditors has not been compromised, in appearance or fact.

24. Survey of USAID-financed Assistance in East-Timor

USAID has provided \$60 million in funding to East Timor after its vote for independence in August 1999. Currently, East Timor is under the authority of the United Nations Transitional Administration in East-Timor. The assistance to East Timor is among the largest emergency assistance efforts now being carried out in the region. It is also being carried out in a country that lacks a USAID mission and in an environment of considerable political instability.

We will determine what quantities of aid have been provided and for what purposes, and whether USAID resources are being used in East Timor in accordance with United States laws and regulations.

25. Audit of USAID/Liberia's Compliance with the Brooke Amendment and Sections 617 and 620Q of the Foreign Assistance Act of 1961

Section 620Q of the Foreign Assistance Act and the Brooke Amendment prohibit the provision of foreign assistance to any country which is in default for six months or more on the principal or interest on any loans made by the United States. Section 617 of the Act requires USAID mission to prepare and submit a "wind up plan" for approval by the Assistant Administrator of the Bureau, which describes all USAID-funded activities, and recommends which activities should be

continued or discontinued, under the authorities stated in Sections 620Q and the Brooke Amendment.

Liberia has been in violation of 620Q and Brooke Amendment since December 31, 1988, and July 1, 1989, respectively. Although recent Foreign Assistance Appropriations Acts contained statutory waivers of the Brooke and 620Q sanctions for Liberia, the fiscal year 2000 Appropriations Act does not include such a waiver. Thus, Liberia became subject to the Brook and 620Q sanctions on November 29, 1999.

This audit will determine whether USAID/Liberia complied with and implemented selected criteria of the Brooke Amendment and Sections 617 and 620Q of the Foreign Assistance Act of 1961.

26. Survey of USAID-financed Assistance to Nigeria

Last year, after fifteen years of a corrupt military dictatorship, Nigeria inaugurated a democratically elected president and national, state and local representatives. For fiscal year 2001, the USAID/Nigeria budget request totals \$80 million, the largest in Africa. In addition, 600 percent growth is expected in the staffing level of USAID/Nigeria, with much of this staff having limited experience in managing USAID activities. The accounting station is USAID/Ghana, which has not accepted responsibility for the accuracy or validity of accounting data for USAID/Nigeria. The Mission has five different planned activities: governance, agriculture, education, health and energy.

The large increase in budget and staff, the absence of a financial management office in Nigeria, and the country's reputation as the second most corrupt country in the world all indicate that the development activities are in an environment of high risk. To determine the level of risk of these activities, we will conduct a survey. We will assess individually the level of risk (low, medium or high) for the implementing institutions, funding amounts, implementing arrangements and the nature of the activities. The survey will identify areas of vulnerability and provide recommendations to improve the accountability of the Mission's activities and compliance with USAID management controls.

27. Audit of USAID's Compliance with Military Coup Related Program Suspension Requirements of Section 508 and Other Related Sections of the Foreign Operations Appropriation Acts—Cote d'Ivoire

Sections 508 and 522 of the Foreign Operations Appropriation Act concern the suspension of foreign assistance to those countries in which a military coup has taken place. In December 1999, the military in Cote d'Ivoire overthrew the civilian government. USAID and the Department of State are reviewing the situation in light of the above foreign

assistance legislation. Following the coup in December 1999, USAID/Washington sent a cable to USAID/Cote d'Ivoire announcing the suspension of foreign assistance in that country.

Although no new budget requests have been made for Cote d'Ivoire, many issues exist regarding the status of current obligations, the maintenance of implementing organizations within the country, continuing disbursements, and the identification and status of regional programs within the country.

This audit will determine whether USAID complied with selected sections of recent legislation, which address the suspension of assistance to countries whose governments have recently come to power through a military coup.

28. Survey of USAID-financed Assistance to West Bank and Gaza, Jordan and Lebanon

Between fiscal years 1998 and 2000, program fund appropriations to USAID missions in West Bank and Gaza, and Jordan increased from \$110.5 to \$684.5 million, of which \$450 million are for implementation of the Wye Accord. Also, USAID/Lebanon received an estimated \$15 million in program funds for fiscal year 2000 but has not been audited recently, probably due to security considerations.

The OIG has decided to conduct risk surveys at missions that received a large influx of funds or where regional OIG managers otherwise believe a risk assessment is warranted. We will survey these three USAID missions to determine their key controls for protecting program resources, and whether they follow USAID policy and procedures in managing significant risk areas.

29. Audit of the Bosnian Reconstruction Finance Facility Program Financed by USAID/Bosnia-Herzegovina

In May 1996, USAID authorized a five-year, \$278 million Bosnian Reconstruction Finance Facility program. These funds were to be used for financial support of post-war reconstruction and economic revitalization, as well as for increasing employment of the general population, refugees and demobilized soldiers.

This audit is a follow up on our concurrent audit of the Bosnian Reconstruction Finance Facility Program, which will determine whether USAID/Bosnia-Herzegovina and the implementing contractors implemented the necessary corrective actions to address findings and recommendations reported during the previous concurrent audit.

30. Audit of USAID's Recipient Audit Universe

Regular financial audits of USAID contracts and grants throughout the world are a primary means of helping managers to provide effective accountability over USAID's expenditures.

These audits provide Agency management reasonable assurance that transactions are properly recorded and accounted for; laws, regulations and the provisions of contract or grant agreements are complied with; and funds, property and other assets are used for intended purposes.

USAID missions are required to maintain an audit inventory data base and arrange for audits of non - U. S. grantees and contractors spending a minimum level of USAID funds during each fiscal year. The OIG will audit various missions worldwide to verify whether mission audit universes are accurate and whether the audits are being done in a timely manner.

31. Development of Supreme Audit Institutions

We will continue to assess the capabilities of Supreme Audit Institutions, and provide training to them in USAID financial requirements and U. S. Government Auditing Standards. Once these institutions are trained in these requirements and standards, they can be used as a resource to conduct audits of USAID funds provided to government ministries. Thus, these organizations become a front-line resource in helping to ensure accountability and transparency over USAID and other public funds.

USAID missions have worked with us in providing much needed equipment and sometimes longer-term technical assistance to these Supreme Audit Institutions. Our approach is to first meet with the respective USAID missions and discuss plans for joint assistance to the institutions on a continuing basis. Next, we meet with the institutions to discuss their needs and interests, and we then conduct an assessment of their capabilities. We then tailor a training course to address their needs and enter into a Memorandum of Understanding as to how they will audit USAID funds. In fiscal year 2001, we plan to work with Supreme Audit Institutions in various countries throughout the world.

32. Financial Audits of Non-U.S. Based Organizations

The OIG will continue to implement its large financial audit program of non-U.S. based organizations in fiscal year 2001. We expect to desk review hundreds of financial audits that are contracted by recipients receiving USAID funds. USAID recipients are required to have yearly audits done when a minimum of USAID funds are spent, and such audits ensure that USAID funds are used for intended purposes. We will supplement this by providing oversight over financial audits contracted by USAID missions. The OIG will also perform

selected Quality Control Reviews of work done by non-federal auditors.

In addition, in conjunction with USAID, the OIG provides periodic seminars to USAID partners to raise awareness of USAID audit and other financial requirements.

(B) Investigative Activities

OIG/Investigations will continue to work with agency management to contribute to and support integrity through the following measures:

1. Stressing Anti-Corruption Issues

A high-risk environment is expected to exist in the 2001-2005 time frame, and our objective will be to develop and implement effective methodologies for identifying, preventing, and eliminating corruption in all agency programs. Our strategy will consist of six elements:

Survey the environment. We will assess historical corruption in host countries and identify local criminals that may pose a threat to agency programs. We will also focus on U.S. and local Nongovernmental Organizations and Private Voluntary Organizations with a history of non-conformance to agency regulations and U.S. law. Finally, we will concentrate on agency programs that have been susceptible to fraud, waste, and abuse in the past.

Establish a close working relationship with USAID, ADF and IAF. We will work closely with agency management, Nongovernmental Organizations, Private Voluntary Organizations and host governments, and strive to promote cooperation and collaboration with the agencies.

Emphasize a team approach. We will encourage the timely submission of referrals and work toward the early solution of problems. Through collaboration with USAID, ADF and IAF, we will develop methods of strengthening programs when weaknesses are identified.

Educate employees and partners. We will train employees and partners in anti-corruption issues to ensure that each is aware of his/her responsibilities when confronted with corruption or upon obtaining knowledge of such practices.

Enforce the Foreign Corrupt Practices Act Aggressively. This Act prohibits a U.S. firm or agent of the firm from making a "Corrupt" payment to a Foreign Official for the purpose of procuring or retaining business. OIG

investigators work closely with the Department of Justice in investigating violations of the Act and use the Act as a tool in fighting corruption in agency programs.

Offer recommendations for Systemic Improvement. We will recommend systemic improvements if a weakness is uncovered in agency programs or operations and work with the agency to correct the problem.

2. Continuing Our Efforts on Program Integrity Issues

OIG/Investigations will continue to provide fraud awareness presentations to agency employees and partners. This effort is one of our proactive measures of working with agency employees and partners in identifying fraud, waste and abuse in agency programs. As part of this effort, we are distributing an OIG/Investigations Fraud Indicators Handbook.

The Handbook is a reference to assist agency employees and partners in identifying trends that may lead to program fraud.

3. Focusing on USAID Programs in the Balkans, Central America and South Africa

We will target areas with high levels of disaster relief funding as both OIG and USAID officials agree that such areas are at a high risk for fraud through diversion and other means. We will employ our six-point strategy of surveying the environment, working closely with the agency, emphasizing a team approach, educating employees and partners, aggressively enforcing the Foreign Corrupt Practices Act, and offering recommendations for systemic change as a means of combating fraud.

4. Preventing Employee Misconduct

OIG/Investigations plans proactive measures to reduce employee misconduct. Accordingly, we will provide presentations to USAID, ADF and IAF, which will focus on the various types of employee misconduct investigations and highlight those situations, circumstances and actions that have lead to allegations of misconduct. We believe that such an approach will assist employees in avoiding potential problems.

5. Concentrating on Employee Integrity Issues

In fiscal year 2000, OIG/Investigations established a Special Investigations Division, which concentrates exclusively on employee integrity issues. This new division provides complete investigative reports to either the Department of Justice or agency management within a target time frame of 90 days. The Division conducts and supervises impartial investigations so that all involved parties are guaranteed a

thorough, professional and expeditious resolution of allegations.

6. Continuing to Promote the OIG Hotline

OIG/Investigations will continue to promote the OIG hotline through meetings, presentations, conferences and other forums and disseminate information on the Hotline through various media.

WORKING WITH AGENCY MANAGEMENT TO CONTRIBUTE TO AND SUPPORT EFFICIENCY IN ALL ACTIVITIES OF USAID, ADF, AND IAF.

The OIG will work in collaboration with agency management to help ensure that USAID, ADF, and IAF:

- link costs to results,
- have systems that completely, reliably, and consistently report costs and results,
- have demonstrated success in decreasing costs relative to results, and
- change strategies when results diminish relative to costs.

(A) Audit Activities

OIG/Audit will work with USAID management to help ensure that USAID is efficiently managing increasingly scarce resources. During this fiscal year, OIG/Audit plans to achieve this result through the following activities.

1. Audit of USAID Efforts to Implement Recommendations of the 1997 Workforce Planning Task Force

In June 1997, USAID established a Workforce Planning Task Force to develop a process that will guide workforce planning over a five-year period. The major impetus for establishing the Task Force was a predicted reduction of the Foreign Service component to less than 45 percent of the U.S. direct hire workforce by the year 2002. This reduction would cause a significant reduction in USAID's overseas presence and was feared could lead to an inability to accomplish USAID's mission. The Task Force devised a workforce plan with recommendations for workforce realignment, flexibility, and professional development. We will determine if USAID took appropriate action on these recommendations.

2. Audit of USAID's Staff Training

Changes in the method, objective, and technical orientation of USAID's programs, together with staff reductions and only recently-lifted hiring restrictions, have resulted in less-experienced people managing a more complex development program. USAID's human resource capabilities have been reduced to the point that serious questions exist as to whether USAID staff has appropriate skills to manage and monitor effectively

USAID's development assistance programs. In response, USAID has developed new training courses that stress management, procurement, operations and technical skills. In addition, USAID has developed the framework for a new leadership and program operations course. Through these courses, USAID planned to target certain key personnel categories in its efforts to address its human resource capabilities. Accordingly, USAID was conducting training in strategic planning, activity implementation, performance monitoring and evaluation, and acquisitions and assistance planning and administration. The audit will determine if USAID is providing employees with sufficient training to carry out their responsibilities.

3. Audit of USAID's Efforts to Enhance Human Capital Within the Office of Financial Management

The Human Resources Committee of the U.S Chief Financial Officers Council and the Joint Financial Management Improvement Program have undertaken efforts to improve the recruitment, training, retention, and performance of Federal financial management personnel. Since 1995, they have centered on a well-defined set of core competencies for these personnel. The core competency document articulates the knowledge, skills, and abilities that are appropriate to help individuals become successful in their jobs.

We will determine how well USAID's Office of Financial Management has recruited and maintained staff to address principles issued by the Chief Financial Officers Council and Joint Financial Management Improvement Program.

4. Survey of the Inter-American Foundation and African Development Foundation

In November 1999, the USAID OIG was assigned audit responsibility for the Inter-American Foundation and the African Development Foundation. Both foundations promote participatory and sustainable self-help development by awarding grants directly to local groups. The USAID OIG has not audited these foundations, and must obtain an understanding of the policies and procedures for key foundation activities (i.e., award process, oversight mechanisms, overlap with USAID programs, etc.). We are preparing a strategic plan to identify areas for audit over the coming years.

5. Audit of Interagency Agreements

USAID obtains the assistance and services of other U.S. government agencies having a competence in fields related to development through the use of interagency agreements. These services are obtained on a reimbursable basis. Prior audits of interagency agreements have found that justifications for

the use of such agreements were not always prepared, that closure of such agreements was slow, and that monitoring and accountability provisions were not always clear. USAID has a large number of such agreements with the Department of State.

We are therefore planning an audit of interagency agreements between USAID and the Department of State in coordination with its Office of Inspector General.

6. Survey of the Office of Transition Initiatives under USAID's Bureau of Humanitarian Response

In 1994, USAID created the Office of Transitional Initiatives to promote peaceful, democratic change in conflict-prone countries of strategic and humanitarian concern to the United States. That Office possesses special programming flexibility. It gets staff on the ground quickly to deal with fleeting transitional opportunities, has no set responses, and enjoys special funding mechanisms to deal with a wide variety of problem conditions. In September 1998, it created a special rapid funding mechanism, known as Support Which Implements Fast Transitions, which is now used in Nigeria, Philippines, and Indonesia. The Office of Transitional Initiatives has also been involved in Sri Lanka. Its appropriations level has risen to over \$55 million worldwide.

We plan to review the universe of funds expended under this activity and visit sites where implementation has already begun. Our objectives will be to see if (1) Office of Transitional Initiatives' funds have been obligated and expended in accordance with United States laws, regulations and guidance; (2) effective internal controls and monitoring systems have been put in place to ensure compliance with agency policies and procedures; and (3) the Office's activities have been effective in the South and Southeast Asia region.

7. Survey of USAID-financed Assistance to the Ukraine

Over the past three years, the Ukraine has received over \$588 million in USAID assistance. Moreover, an additional \$171 million has been requested for fiscal year 2001. Due to competing priorities and limited staff resources, USAID/Ukraine's activities have not been the focus of any OIG performance audits during the past three years. As a result, we have little insight into USAID's program and the associated risks. This survey will help us focus future audit work in the Ukraine.

8. Audit of USAID/Ukraine's Activity Monitoring System

Over the past three years, the Ukraine has received over \$588 million in USAID assistance. Moreover, an additional \$171 million has been requested for fiscal year 2001. We will gain an understanding of how USAID/Ukraine monitors the activities

those funds support and will test those monitoring procedures. Consequently, this audit will enhance the efficacy and efficiency of USAID/Ukraine's activity monitoring system, which-in turn-will allow Mission management to make better informed decisions.

9. Audit of USAID-financed Assistance to Serbia

Over the past three years, Serbia has received over \$53 million in USAID assistance. Moreover, an additional \$41 million has been requested for fiscal year 2001. However, because of the recent conflict, there is neither a USAID mission nor an American Embassy in Serbia. USAID-financed assistance to Serbia programs are currently operating out of Budapest, Hungary. Due to competing priorities and limited staff resources, neither USAID's activities in Serbia nor the related operating expenses have been the focus of any OIG performance audits during the past three years. The planned audit will enhance the efficacy and efficiency of USAID's system for monitoring activities in Serbia and will also confirm the propriety of select USAID/Serbia operating expenditures-both of which will assist USAID officials in making better informed decisions.

10. Audit of USAID/Russia's Activity Monitoring System

Over the past three years, Russia has received over \$469 million in USAID assistance. Moreover, an additional \$162 million has been requested for fiscal year 2001. We will gain an understanding of how the Mission monitors the activities those funds support and will test those monitoring procedures. Consequently, this audit will enhance the efficacy and efficiency of USAID/Russia's activity monitoring system, which-in turn-will allow Mission management to make better informed decisions.

11. Survey of USAID/Morocco's Controls Over Shared Administrative Support Costs

Foreign affairs agencies have experienced significant reductions in their budgets in recent years. In response to these reductions, the Department of State developed the International Cooperative Administrative Support Services Program. This Program is a way for the Department of State to share the costs of U.S. embassy services with other Federal agencies that use those services.

The purpose of this survey is to determine how USAID/Morocco verifies and controls its costs incurred through this program and to develop an audit proposal for a joint audit (USAID/OIG and State/OIG) of the Program's costs at selected overseas locations. The survey will identify areas of exposure and provide recommendations to improve the Mission's ability to manage and possibly reduce shared administrative expenses.

The survey may also identify ideas and actions, which can benefit other missions in reducing their shared administrative costs.

12. Survey of USAID's Procurement Activities, Including Contracting, and Contract and Grant Management

The General Accounting Office has identified procurement as one of the top risk areas in the Federal Government. Further, a September 1993 report by the Vice President on creating a Government that works better contained several recommendations for improving the Federal procurement system. We will survey USAID's procurement activities to determine what actions USAID has taken to improve its procurement system, as well as whether procurement issues exist that should be audited on an agency-wide basis.

(B) Investigative Activities

OIG/Investigations will continue to work with agency management to contribute to and support efficiency through the following measures

1. Improving Internal Administrative and Investigative Processes

OIG/Investigations will continually analyze its processes to improve its organizational efficiency. OIG/Investigations will also change or establish directives based on external guidance, which govern investigations and best practices within the Federal Law Enforcement and Inspector General communities.

2. Offering Recommendations for Systemic Improvements

OIG/Investigations will, as the result of a reactive or proactive investigation, offer recommendations for systemic improvement if weaknesses are uncovered. OIG/Investigations will provide specific examples of the systemic weakness and provide recommendations to agency management in furtherance of effective operations.

WORKING WITH AGENCY MANAGEMENT TO CONTRIBUTE TO AND SUPPORT EFFECTIVENESS IN ALL ACTIVITIES OF USAID, ADF, AND IAF

The OIG will work in collaboration with agency management to help ensure that USAID, ADF, and IAF:

- have measurable performance targets;
- have adequate systems that report performance;
- achieve, or are on schedule to achieve, performance targets;
- change strategies when performance targets are not met; and
- make positive, systemic operational changes in the way they do business as a result of management reviews, as well as investigative and audit efforts.

(A) Audit Activities

OIG/Audit will work with USAID management to help ensure that USAID moves to effectively implement its development strategies and restructure itself to meet future contingencies. During this fiscal year, OIG/Audit plans to do this by auditing, examining, and otherwise providing critical review of USAID's:

- implementation of the performance reporting requirements of the Chief Financial Officers Act of 1990,
- implementation of the Government Performance and Results Act of 1993, and
- progress implementing selected USAID programs.

OIG/Audit plans to achieve this result through the following USAID-wide and locally focused activities.

1. Audit of USAID's Strategic Plan

The Government Performance and Results Act of 1993 places new management expectations and requirements on federal agencies by creating a framework for more effective planning, budgeting, program evaluation and fiscal accountability. One of the key requirements of the Act is the preparation of a five-year strategic plan. The strategic plan is the

cornerstone of an agency's performance measurement system. The plan includes a comprehensive mission statement, a set of outcome-related strategic goals, a description of how the agency intends to achieve those goals, and is to be updated every three years. USAID's first plan was submitted to Congress in September 1997, and the next revision is due September 2000. We will determine if this revised Strategic Plan meets the requirements of the Results Act and if it is responsive to recommendations made by the OIG and the General Accounting Office for improvements in results reporting.

2. Audit of USAID's Annual Performance Plan and Annual Performance Report

The Government Performance and Results Act of 1993 places new management expectations and requirements on Federal agencies. Two main requirements of the Act are the preparation of an annual performance plan and an annual performance report. The annual performance plan must cover each program activity set forth in the agency's budget, be consistent with the agency's strategic plan, establish quantifiable performance goals, and define the level of performance to be achieved during the fiscal year. The annual performance report must be submitted to the President and the Congress by March 31 of each year, and cover the previous fiscal year. It must assess the agency's performance vis-à-vis goals established for that year, analyze progress towards strategic goals, and explain deviations from the goals and how impediments will be overcome. We will review USAID's progress in preparing these two principal documents required under the Results Act.

3. Concurrent Audits of Disaster Assistance Activities

The OIG believes that concurrent audits of selected disaster assistance activities will add value by helping USAID's Bureau for Humanitarian Response/Office of Foreign Disaster Assistance provide real time oversight of contractors providing assistance. Similar concurrent audits by the OIG at the Federal Emergency Management Agency identified opportunities to improve the efficiency and effectiveness of the response, and prevented and detected waste and abuse. The OIG will work with the Office of Foreign Disaster Assistance to develop and test a concurrent audit approach that will maximize the value of audit/evaluation services without adversely affecting ongoing disaster assistance operations.

4. Audit of USAID-financed Activities for AIDS Prevention and Care under the IMPACT Cooperative Agreement

In September 1997, USAID awarded a \$148.7 million five-year cooperative agreement for the Implementing AIDS Prevention and Care Project. This Project is designed to help countries expand and improve HIV/AIDS prevention and care. The Project supports USAID in its efforts to achieve the strategic

objective of "increased use of improved, effective and sustainable responses to reduce HIV transmission and to mitigate the impact of the HIV/AIDS pandemic." The project is to help USAID maximize its HIV/AIDS resources by designing state-of-the-art prevention and care programs that promote best practices, implement cost-effective approaches, leverage resources from both the public and private sectors, and strengthen monitoring and evaluation. Typically, USAID missions "buy into" this cooperative agreement to obtain assistance in developing and implementing HIV/AIDS activities in the field. We will determine if USAID has adequate oversight and control over these "field support" activities for AIDS prevention and care which are developed and implemented under the IMPACT Cooperative Agreement.

5. Audit of USAID/Honduras-financed Credit Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

The Emergency Supplemental Appropriations Act, approved in May 1999, provided \$291 million to finance reconstruction activities in Honduras in response to Hurricane Mitch. USAID/Honduras has allocated \$35 million of these funds to provide capital and credit to small, medium, and micro-producers due to the loss of crops and productive infrastructure.

The audit will determine: (1) whether USAID/Honduras, along with its implementing institutions, have established plans and targets to implement these credit activities; (2) which activities have begun; and (3) if the planned targets have been achieved. The audit will also determine if the Mission has established an effective monitoring system to measure the achievement of the planned objectives.

6. Audit of USAID/Honduras-financed Housing Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

Of the funding provided through the Emergency Supplemental Appropriations Act, USAID/Honduras has also allocated \$18 million to a housing program. These funds are intended to construct temporary and permanent housing.

The audit will determine: (1) whether USAID/Honduras, along with its implementing institutions, have established plans and targets to implement these credit activities; (2) which activities have begun; and (3) if the planned targets have been achieved. The audit will also determine if the Mission has established an effective monitoring system to measure the achievement of the planned objectives.

7. Audit of USAID/Nicaragua-financed Water and Sanitation Activities Under the Central America and the Caribbean

Emergency Disaster Recovery Fund

The Emergency Supplemental Appropriations Act also provides funding for a reconstruction program in Nicaragua that includes a \$9.5 million segment for water and sanitation activities in response to Hurricane Mitch. These funds are intended to increase the water supply and sanitation for up to 100,000 people in the areas affected by the hurricane.

The audit will determine: (1) whether USAID/Nicaragua, along with its implementing institutions, have established plans and targets to implement these water and sanitation activities; (2) which activities have begun; and (3) if the planned targets have been achieved. The audit will also determine if the Mission has established an effective monitoring system to measure the achievement of the planned objectives.

8. Audit of USAID/Haiti-financed Disaster Reconstruction Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

As part of its reconstruction program in response to Hurricane Georges, USAID will provide \$8.4 million in assistance through a cooperative agreement to the Pan American Development Foundation for disaster reconstruction activities. The Foundation will subgrant a portion of these funds to local private voluntary organizations. These funds are intended to provide seeds to farmers, rehabilitate irrigation systems, repair roads and schools and to protect against further disasters through watershed management.

The audit will determine: (1) whether USAID/Haiti, along with its implementing institutions, have established plans and targets to implement these water and sanitation activities; (2) which activities have begun; and (3) if the planned targets have been achieved. The audit will also determine if the Mission has established an effective monitoring system to measure the achievement of the planned objectives.

9. Audit of USAID/Guatemala-financed Agricultural Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

In response to Hurricane Mitch, USAID will provide \$14.2 million in assistance through three cooperative agreements to private voluntary organizations and a local non-governmental organization. One organization will perform activities in reforestation and natural resources management. Another organization will rehabilitate small irrigation systems. The local organization will focus its efforts on the recovery of coffee production through the replanting of coffee trees.

The audit will determine: (1) whether USAID/Guatemala, along with its implementing institutions, have established plans and

targets to implement these activities; (2) which activities have begun; and (3) if the planned targets have been achieved. The audit will also determine if the Mission has established an effective monitoring system to measure the achievement of the planned objectives.

10. Audit of Data Quality for USAID/Panama's Strategic Objective on Canal Watershed Management

The Government Performance and Results Act of 1993 was enacted to, among other things, help Federal managers improve service delivery, by requiring that they plan for meeting program objectives and by providing them with information about program results and service quality. To obtain information about program results, USAID developed a reporting system called the Results Review and Resource Request. This system produces the primary performance report that the operating units send to their respective bureaus and, thus, senior USAID management must rely on for decision-making purposes.

We will determine whether USAID/Panama assessed the data quality for the performance indicators for the strategic objective on the Panama Canal watershed management.

11. Audit of USAID/Colombia-financed Alternative Development Activities Under the "Plan Colombia" Supplemental Appropriation

The "Plan Colombia" Supplemental Appropriations Act, approved in July 2000, provides \$228 million for an anti-drug program. Of this amount, \$64.5 million will be used for alternative development programs. These programs include the eradication of coca grown by small farmers, and assistance to local governments and communities.

The audit will determine: (1) whether USAID/Colombia, along with its implementing institutions, have established plans and targets to implement these alternative development activities; (2) which activities have begun; and (3) if the planned targets have been achieved.

12. Follow-up on Recommendation No. 1 from Audit Report No. 1-523-99-001-P entitled "Quality of Results Reported in USAID/Mexico's Results Review and Resource (R4) Report Prepared in 1997"

The Government Performance and Results Act of 1993 was enacted to, among other things, help Federal managers improve service delivery, by requiring that they plan for meeting program objectives and by providing them with information about program results and service quality. To obtain information about program results, USAID developed a reporting system called the Results Review and Resource Request. This system produces the primary performance report that the operating

units send to their respective bureaus and, thus, senior USAID management must rely on for decision-making purposes.

In the previous audit report, we identified many examples of unsupported and inaccurately reported results. Therefore, this audit will determine whether USAID/Mexico has corrected the problems to ensure that (1) performance indicators are objective and clearly defined, and (2) performance data are supported, accurate, complete and validated.

13. Audit of USAID's Placement of a Regional Office in Cambodia

USAID's Bureau for Asia and the Near East has decided to move its regional responsibilities from the Philippines to Cambodia. USAID/Cambodia has management responsibility for the Bureau's non-presence country programs in Laos, Vietnam, Thailand and Burma that, in the aggregate, total about \$14.2 million in fiscal year 2000. The decision to establish a regional office in Cambodia was made relatively quickly, and did not seem to be warranted by such usual factors as location, transportation, and staffing capabilities. Furthermore, physical security at the new location is a known problem. Therefore, we plan to review this decision and pass the lessons learned on to other regions that might be considering similar solutions to the problems of monitoring non-presence countries.

We plan to review the justification for deciding to establish Cambodia as a regional office and transfer the regional authorities from Manila to Phnom Pehn, and determine (1) how much it will cost to establish a regional office in Cambodia; (2) the status of correcting physical security weaknesses; and (3) the status of available Foreign Nationals to work at the regional office.

14. Survey of USAID-financed Assistance to the South Asia Regional Initiative

The South Asian Regional Initiative is the Bureau for Asia and the Near East's largest regional activity, with over \$30 million in funds scheduled for obligation in fiscal year 2001.

It consists of the South Asia Regional Initiative Energy Project with \$24,293,000 planned and the South Asia Regional Initiative Women's and Child's Equity Project for \$6,300,000.

We plan a survey of this activity to find out (1) how USAID funds are being expended under the South Asian Regional Initiative; (2) how effectively USAID monitors the funds provided under this initiative and (3) what progress is being made under these projects, and how effectively USAID will be measuring this progress. Based on the survey, we will decide if an audit should be included in the OIG's audit plan for fiscal year 2002.

15. Risk Assessments and/or Survey of Assistance to Kazakhstan

Over the past three years, Kazakhstan has received over \$124 million in USAID assistance. Moreover, an additional \$48 million has been requested for fiscal year 2001. Due to competing priorities and limited staff resources, USAID/Kazakhstan's activities have not been the focus of any OIG performance audits during the past three years. As a result, we have little insight into USAID's program and the associated risks. This survey will help us focus future audit work in Kazakhstan.

16. Risk Assessments and/or Survey of Assistance to Kyrgystan

Over the past three years, Kyrgystan has received over \$86 million in USAID assistance. Moreover, an additional \$37 million has been requested for fiscal year 2001. Due to competing priorities and limited staff resources, USAID/Kyrgystan's activities have not been the focus of any OIG performance audits during the past three years. As a result, we have little insight into USAID's program and the associated risks. This survey will help us focus future audit work in Kyrgystan.

17. Survey of Public Law 480 Title II Activities Administered by USAID

The Agricultural Trade Development and Assistance Act of 1954 (more commonly referred to as Public Law 480), as amended, is the statutory authority for the Food for Peace Programs. The intent of the legislation is to promote food security in the developing world through humanitarian and developmental uses of food assistance. Food security may be achieved through specific policy reforms and equitable and sustainable development activities. The Act assigns responsibility for Public Law 480 Title II assistance programs to USAID.

In West and Central Africa, USAID maintains a regional food for peace office in Bamako, Mali that has responsibility for monitoring the program, which is located in several non-presence countries, one of which is Burkina Faso.

This survey will determine whether USAID and its cooperating sponsors complied with selected arrival accounting, inland distribution, storage and monetization regulations and guidelines. The survey will focus primarily on cooperating sponsors involved in the food program in Burkina Faso. However, our survey will also include interviewing personnel at the Regional Food for Peace Office in Bamako, Mali, as well as USAID/Mali personnel involved in the food for peace program

for Mali and other countries that receive services from USAID/Mali.

18. Audit of USAID/Morocco's Accountability for Local Costs of U.S.-Based Grantees and Contractors

The U.S. Government provides assistance to developing countries through a variety of mechanisms, including nonprofit organizations and contractors based in the United States. Many of these organizations have offices in Africa. While the costs incurred by these local offices are subject to the same rigorous regulations applied to U.S. costs, these local costs are not normally the focus of in-country financial audits. This approach poses significant risk to Africa mission management in general, and USAID/Morocco in particular, because expenditures which are material to the missions' country program may be considered immaterial, and therefore not audited, when measured against the total expenditures of a large U.S.-based grantee or contractor.

This audit will determine whether existing controls used by USAID/Morocco to monitor the local costs of U.S.-based grantees and contractors are adequate to ensure that these costs are allowable, allocable and reasonable.

19. Audit of USAID-Financed Democracy Activities in Indonesia

In May 1998, the resignation of Indonesia's President dramatically changed the Indonesian political landscape. Since then, the country's political climate shifted from what was essentially a dictatorship to the recently held general elections, which international observers concluded were free of material tampering and corruption. During this period of change, USAID/Indonesia's democracy program evolved to a major effort working with 30 to 40 newly established grantees on election monitoring. As of March 31, 1999, the Mission's democracy program had obligations and disbursements of approximately \$38 million and \$10 million, respectively.

We will examine how USAID plans to support democracy in Indonesia, how it has applied its funds and what progress has been made towards the intended results.

20. Fraud Awareness Briefings

The OIG operates a fraud awareness program to help make sure that those who directly manage USAID funds have the knowledge they need to prevent fraud and report situations that may be indicative of fraud to the OIG. The OIG provides briefings and familiarization training to USAID partners and staff to acquaint them with:

- The role of the OIG in USAID.

- The causes and costs of fraud and corruption.
- Common fraud indicators.
- Tangible, practical steps that USAID staff and partners can take to prevent fraud.

More detailed instruction on detecting fraud is included in OIG training provided to Supreme Audit Institutions and public accounting firms involved in auditing USAID activities.

(B) Investigative Activities

OIG/Investigations will strive to work with agency management to contribute to and support effectiveness through the following measures:

1. Developing Relationships which Encourage the Exchange of Information

Employees, contractors and grantees are more able and willing to share information regarding fraud, waste, and abuse in agency programs when they understand their reporting rights and obligations. Specifically, what they should report, the ease with which they may report, and the assurance that protection and confidentiality may be provided in certain situations. OIG/Investigations will continue its efforts to educate agency employees regarding what to report, and make the ease of reporting (800 - Hot Line, OIG Mailbox, Email Hot Line) better understood.

2. Providing Federal Prosecutors, USAID, ADF and IAF Officials, and Others Who Have to Take Action on the Basis of Our Investigations with the Best, Most Timely and Most Accurate Information Available.

To achieve this goal, we will:

- promptly evaluate incoming information and allegations;
- help customers resolve issues which we will not investigate; and
- discuss with customers early in the investigative process any special needs or requirements they may have to facilitate appropriate action, define issues, and focus investigative effort.

3. Publicizing the OIG/Investigations Blanket Deputation Program

OIG/Investigations' Special Agents are Federal law enforcement officers, who are authorized and qualified to carry firearms, execute search warrants and make arrests. OIG/Investigations will communicate the legal and professional status of its agents to USAID, ADF and IAF through presentations, meetings and other means.

4. Conducting Fraud Awareness Briefings

OIG/Investigations will provide support and advice to USAID, ADF and IAF on fraud awareness and aggressive law enforcement strategies through meetings, presentations, conferences and other forums.

APPENDIX
AUDIT PLAN SUMMARY

The following lists the OIG's audits and audit-related activities planned for fiscal year 2001:

USAID-General

Audit of USAID's "Information Technology Capital Planning and Investment Process" under the Clinger-Cohen Act

Audits of USAID's Implementation of an Integrated Financial Management System in Washington and Selected Missions

Audits of USAID'S Information Systems' General Computer Controls

Audits of USAID's Efforts to Implement an Effective (model) Computer Security Program in Accordance with Computer Security Act Requirements

Audit of USAID's Controls Over Its Overseas Communications Network

Audit of USAID's Financial System's Modernization Plan

Audit of Controls Over Dial-up Access to USAID's Computer Systems

Audit of USAID's Efforts to Migrate Financial Management Information

Concurrent Audits of Disaster Assistance Activities

Audit of USAID's Efforts to Implement Recommendations of the 1997 Workforce Planning Task Force

Audit of Agency Financial Statements, Related Controls and Related Compliance for Fiscal Year 2001

Audit of USAID's Advances and Related Controls

Audit of USAID's "Fund Balance with the U.S. Treasury" and Related Controls

Audit of USAID's Credit Receivables and Related Controls

Audit of USAID's Accrued Expenditures, Accounts Payable and Related Controls

Audit of USAID's Withholdings and Contributions for Retirement, Health Benefits and Life Insurance

Audit of USAID's Efforts to Enhance Human Capital Within the Office of Financial Management

Audit of Controls Over Compensation to Major USAID Contractors and of the Accounting for Salaries in Excess of the FS-01 Level

Audit of Costs Charged to USAID Cost-Type Contracts and Grants for Consultant and Professional Services Provided to Major USAID Recipients

Audit of USAID's Staff Training

Audit of USAID's Annual Performance Plan and Annual Performance Report

Audit of USAID's Controls over Credit Card Transactions for Small Purchases

Audit of USAID-Financed Activities for AIDS Prevention and Care Under the IMPACT Cooperative Agreement

Audit of USAID's Recipient Audit Universe

Quick Response Audits to Address: (1) Congressional Requests; (2) Allegations of Waste, Abuse, and Mismanagement; and (3) Other Requests

Audit of the Vulnerability of USAID's Paper Personnel Records

Survey of the Inter-American Foundation (Carry-over from fiscal year 2000)

Survey of the African Development Foundation (Carry-over from fiscal year 2000)

Survey of the Office of Transition Initiatives under USAID's Bureau for Humanitarian Response

Audit of Interagency Agreements

Audit of USAID's Strategic Plan

Survey of Public Law 480 Title II Activities Administered by USAID

Survey of USAID's Procurement Activities, Including Contracting, and Contract and Grant Management

Fraud Awareness Briefings to Contractors, Grantees and Non-governmental Organizations

Quality Control Reviews of Audits Performed by Independent Public Accountants of USAID's Enterprise Funds

Oversight of Audits Performed by Independent Public Accountants Under Office of Management and Budget Circular A-133

Oversight of Audits Contracted by USAID

Coordination and Review of Audits Made by Independent Public Accounting Firms for Grantee Recipients of USAID Funding Overseas

Oversight of Services Provided by the Defense Contract Audit Agency

Consultations and Analyses to Foster Improvements in USAID's Program for Implementation of the Federal Managers' Financial Integrity Act

Development of Supreme Audit Institutions

Special General Activities

Joint Audit and Related Activities with Offices of Inspector General from Other Federal Departments and Agencies

BUREAU FOR LATIN AMERICA AND THE CARIBBEAN

Audit of USAID/Colombia-financed Alternative Development Activities Under the "Plan Colombia" Supplemental Appropriation

Audit of USAID/Guatemala-financed Agricultural Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

Audit of USAID/Haiti-financed Disaster Reconstruction Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

Audit of USAID/Honduras-financed Credit Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

Audit of USAID/Honduras-financed Housing Activities Under the Caribbean Emergency Disaster Recovery Fund

Follow-up on Recommendation No. 1 from Audit Report No. 1-523-99-001-P Entitled "Quality of Results Reported in USAID/Mexico's Results Review and Resource (R4) Report Prepared in 1997"

Audit of USAID/Nicaragua-financed Water and Sanitation Activities Under the Central America and the Caribbean Emergency Disaster Recovery Fund

Audit of Data Quality for USAID/Panama's Strategic Objective on Canal Watershed Management

BUREAU FOR EUROPE AND EURASIA

Audit of the Bosnian Reconstruction Finance Facility Program Financed by USAID/Bosnia-Herzegovina

Survey of USAID-financed Assistance to Kazakhstan

Survey of USAID-financed Assistance to Kyrgyzstan

Audits of USAID-financed Assistance to Serbia

Survey of USAID-financed Assistance to Ukraine

Audit of USAID/Ukraine's Activity Monitoring System

Audit of USAID/Russia's Activity Monitoring System

BUREAU FOR AFRICA

Audit of USAID's Compliance with Military Coup-related Program Suspension Requirements of Section 508 and Other Related Sections of the Foreign Operations Appropriation Acts -- Cote d'Ivoire

Audit of USAID/Liberia's compliance with the Brooke Amendment and Sections 617 and 620Q of the Foreign Assistance Act of 1961

Survey of USAID-financed assistance to Nigeria

Survey of USAID/Morocco's Controls Over Shared Administrative Support Costs

Audit of USAID/Morocco's Accountability for Local Costs of U.S.-Based Grantees and Contractors

BUREAU FOR ASIA AND NEAR EAST

Audit of USAID's Placement of a Regional Office in Cambodia

Audit of USAID-financed Democracy Activities in Indonesia

Survey of USAID-financed Assistance to East-Timor

Survey of USAID-financed Assistance to Jordan

Survey of USAID-financed Assistance to Lebanon

Survey of USAID-financed assistance to West Bank and Gaza

Survey of USAID-financed Assistance to the South Asia Regional Initiative

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