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OFFICE OF INSPECTOR GENERAL

AUDIT OF USAID/HAITI'S MANAGEMENT OF P.L. 480 NON-EMERGENCY MONETIZATION PROGRAM

AUDIT REPORT NO. 9-521-06-010-P
SEPTEMBER 28, 2006

WASHINGTON, DC

Office of Inspector General

October 6, 2006

MEMORANDUM

TO: USAID/Haiti Mission Director, Paul Tuebner

FROM: IG/A/PA, Steven H. Bernstein /s/

SUBJECT: Audit USAID/Haiti's Management of P.L. 480 Non-Emergency Monetization Program (Audit Report No. 9-521-06-010-P)

This memorandum transmits our final report on the subject audit. In finalizing our report, we considered your comments to our draft report and have included your response in its entirety in Appendix II.

This report includes two recommendations that USAID/Haiti complete the 2007/2009 Strategic Plan and the associated Performance Management Plan and obtain the approval of the Latin America and Caribbean Bureau for the 2007/2009 Strategic Plan. We consider that a management decision has been reached to address our concerns regarding the completion of the Strategic Plan and the Performance Management Plan in Recommendation No. 1. We also consider that final action has been taken to address our concerns regarding Recommendation No. 2 to obtain Bureau approval for the Strategic Plan. Please coordinate final action on Recommendation No. 1 with the Bureau for Management's Office of the Chief Financial Officer, Audit, Performance and Compliance Division.

I want to express my sincere appreciation for the cooperation and courtesy extended to my staff during the audit.

CONTENTS

SUMMARY OF RESULTS

This audit, performed by the Performance Audits Division, is the pilot in a series of audits to be conducted by the Office of Inspector General. The objective of this audit was to determine whether USAID/Haiti's P.L. 480 Title II non-emergency monetization activities were achieving selected planned outputs (see page 2).

USAID's P.L. 480 Title II monetization activities involve the selling of agricultural commodities to obtain foreign currency for use in U.S. assistance programs. Most times, USAID missions use monetized funds to finance the operational costs of the direct distribution of food aid to targeted individuals or populations who are vulnerable to hunger and malnutrition. However, USAID missions may also use monetized funds to finance other development projects within their programs, e.g., health, infrastructure, and governance.

USAID/Haiti's P.L. 480 Title II non-emergency monetization activities are achieving selected planned outputs such as road rehabilitation and agricultural projects. Moreover, the Mission has used most of its monetized funds to finance the operational costs of the direct distribution of food aid under its P.L. 480 Title II food program (see page 3).

Another matter came to our attention during this audit that requires USAID/Haiti attention. Since the end of FY 2004, USAID/Haiti had not developed a current Strategic Plan or a Performance Management Plan (PMP) that would provide decision makers with timely and relevant information on day-to-day activities and subsequent results or on goal achievements. For example, although USAID/Haiti's P.L. 480 Title II non-emergency monetization activities were achieving selected planned outputs for its third-country monetization activities, these outputs were not a part of a mission-documented plan but were selected by an *ad hoc* committee composed of Mission personnel and a cooperating sponsor. Moreover, since USAID/Haiti did not document or publish its performance indicators in either a Strategic Plan or a PMP for FY 2005, USAID/Haiti could not report data on planned targets or resulting selected outputs for its strategic objective related to monetization. Without a current and completed Strategic Plan and PMP, the Mission is hampered from conclusively determining whether it met its goals and planned outputs. As of September 2006, USAID/Haiti developed its Strategic Plan that will incorporate final targets and indicators for the strategy period into a PMP when it is completed next year (see page 5).

Management comments are included in their entirety in Appendix II. USAID/Haiti concurred with both recommendations.

BACKGROUND

The United States Government continues to be a major provider of food assistance to developing countries around the world. Through Title II of the Agricultural Trade Development and Assistance Act of 1954, commonly known as Public Law (P.L.) 480, USAID's Office of Food for Peace (FFP) provides commodities to reduce the food insecurity in vulnerable populations. As a result, P.L. 480 Title II commodities represent the largest amount of U.S. Government resources committed to combating global food insecurity, providing over $6.5 billion of assistance since 2000.

P.L. 480 Title II provides agricultural commodities for both emergency and non-emergency development assistance. In FY 2005, FFP programmed 2.7 million metric tons of food assistance valued at $1.7 billion. Within the country of Haiti, USAID provided an estimated total of 103,000 metric tons of commodities valued at $37.7 million for both emergency and non-emergency activities. USAID/Haiti finances a portion of its Title II development assistance through an in-country monetization program and a third-country monetization program designed to generate funds to finance operational costs as well as USAID's development programs. Since FY 2005, the FFP monetization budget has represented as much as 67 percent of the total FFP budget at USAID/Haiti. Moreover, the FFP budget is USAID/Haiti's second largest program budget.

To accomplish its food aid goals, USAID/Haiti uses four private voluntary organizations and cooperatives—World Vision, CARE, Catholic Relief Services, and Save the Children—who act as cooperating sponsors to manage the P.L. 480 Title II Food Program. In their in-country direct distribution food aid programs, the cooperating sponsors distribute the commodities directly to targeted Haitian individuals and populations who are vulnerable to hunger and malnutrition. The funds generated from the sale of monetized commodities are then used to finance the operational costs of the direct distribution of food aid. In addition, the cooperating sponsors may use what is called a third-country monetization program designed to sell commodities in one country to generate funds to be used in another country in the same region for USAID development programs. USAID/Haiti has used proceeds generated from its third-country monetization program in Peru for the purpose of financing USAID/Haiti's Infrastructure Improvement Program.

AUDIT OBJECTIVE

As part of the fiscal year 2006 annual audit plan, the Office of Inspector General conducted this pilot audit as the first in a series of worldwide audits of USAID's management of its P.L. 480 Title II monetization program. The audit was designed to answer the following question:

- Are USAID/Haiti's P.L. 480 non-emergency monetization activities achieving selected planned outputs?

Appendix I contains a discussion of the audit's scope and methodology.

AUDIT FINDINGS

USAID/Haiti's P.L. 480 Title II non-emergency monetization activities are achieving selected planned outputs for its third country monetization activities. At USAID/Haiti, the Mission uses two types of monetization activities: (1) in-country monetization activities and (2) third-country monetization activities. The Mission has expended approximately $13.7 million for the operational costs for an in-country direct distribution food aid program and an additional $2.4 million to finance the Mission's Infrastructure Improvement Program. Although the Mission achieved selected outputs for its third-country monetization activities when it implemented infrastructure projects, its in-country monetization activities did not have any associated direct outputs since the funds generated were used primarily for operating costs. These operating costs included administrative expenses—such as internal transportation, handling, labor, storage, and warehousing—associated directly with the distribution of commodities. Accordingly, we express no opinion as to whether USAID/Haiti's in-country monetization activities are achieving planned outputs.[1]

Regulation 211 from Title 22 of the Code of Federal Regulations establishes the legal and regulatory requirements for implementing transfers of food commodities for use in disaster relief, economic development, and other assistance. This regulation requires USAID missions to perform, among other things, a Bellmon Analysis to determine whether monetization of a particular commodity would have an adverse impact upon local production or marketing in each country. The result of USAID/Haiti's Bellmon Analysis concluded that monetization of a maximum of 80,000 metric tons of wheat would not result in a substantial disincentive to, or interfere with, domestic production or marketing in Haiti. The result of USAID/Peru's Bellmon Analysis for FY 2005 concluded that third-country monetization from Haiti would not interfere with similar or substitute products sold in local markets of crude degummed soybean oil in Peru.

In-Country Activities Generated Funds for Operational Expenses - To achieve the objective of in-country monetization activities, the cooperating sponsors entered into an agreement with a local wheat mill company to purchase bulk wheat. Under this arrangement, the sponsors, acting as a consortium led by the cooperating sponsor, World Vision, periodically requested wheat commodities through USAID/Haiti. USAID/Haiti would approve requests for the commodities, which included an estimated sales price based upon the expected market price of wheat at the time the commodity was expected to be shipped from the United States. When the cooperating sponsors sold the wheat commodity to the mill, the resulting proceeds were used to pay for operating costs incurred by the sponsors' direct distribution food aid program.

Table I in Appendix III provides information on the operating costs for each of the

[1] USAID/Haiti's in-country monetization program's intended outputs included measures such as the number of beneficiaries receiving food aid from the Mission's P.L. 480 non-monetization, direct distribution program. The scope of this particular worldwide audit is focused upon monetization activities. USAID's P.L. 480 non-monetization, direct distribution programs were the subject of a recent USAID/OIG worldwide audit conducted in 2004. See USAID/OIG Audit Report Number 9-000-04-002-P dated March 31, 2004 (http://www.usaid.gov/oig/public/fy04rpts/9-000-04-002-p.pdf). See the Scope section (Page 10) of this report for more details on the audit scope.

cooperating sponsors for the fiscal year ended September 30, 2005.

Third-Country Activities Achieved Selected Planned Outputs - Although the Mission's cooperating sponsors generated the majority of monetized program funds through in-country activities, the Mission also achieved selected planned outputs from its third-country monetization activities, which generated funds valued at $2.9 million during FY 2005. Operating out of Peru, one of USAID/Haiti's cooperating sponsors generated funds from the sales of commodities using an agreement designed to sell commodities in Peru and use the proceeds to finance projects within Haiti.

Outputs, as defined by USAID's Automated Directives System (ADS) 200.6, represent "a tangible, immediate, and intended product or consequence of an activity within USAID's control. Examples of outputs include people fed, personnel trained, better technologies developed, and new construction." Such selected outputs for USAID/Haiti's monetization activities would include the use of funds to finance a specific project or program which results in a completed project that achieved its intended outcomes, such as a rehabilitated roadway or an established system for erosion control for agriculture.

Of USAID/Haiti's four cooperating sponsors in the P.L. 480 Title II Program, Catholic Relief Services (CRS) of Haiti was the only cooperating sponsor that participated in the third-country monetization activities. CRS generated funds using an agreement with CARE of Peru, under which CARE of Peru sold approximately 5,200 metric tons of crude degummed soybean oil to qualified buyers during FY 2005. CRS of Haiti used the generated funds to finance its Infrastructure Improvement Program.

Photo of an Office of Inspector General auditor at an irrigation project in Les Cayes, Haiti in May 2006. The project was financed through a third-country monetization program with funds generated in Peru.

During the fiscal year ending September 30, 2005, USAID/Haiti managed six Infrastructure Improvement Program projects which cost $2.4 million. The projects were small ones in which infrastructure improvements focused on community participation to increase project sustainability. CRS created these projects to rehabilitate secondary and tertiary roads, bridges, markets, irrigation canals, and parks and to establish systems for potable water, erosion control, and watershed management. The monetized funds financed six 6-month projects valued at approximately $400,000 each. The first project commenced in June 2005 and the last project ended in February 2006. According to Mission records and through our audit procedures (which included on-site inspections), all of the USAID/Haiti projects were completed as scheduled. These projects were:

- The rehabilitation of 47.5 kilometers of rural roads in the Northwest Department;
- The hydro-agricultural arrangement of the Jean-Rabel Perimeter;
- The improvement of 5.5 kilometers of rural roads in Dessalines communes;
- The rehabilitation of irrigation and drainage infrastructures of 617 hectares in the villages of Chantal and Charlette, southern Haiti;
- The rehabilitation of 10 kilometers of road linking Arniquet-Chateau-Lazarre and Duclair and 2 kilometers of irrigation canal in Foscave-Guilleme; and,
- The production of potable water catchments and watershed management of AnseRouge/North-West of Artibonite.

At two of the six Infrastructure Improvement Program projects, CRS' sub-grantees had not placed permanent USAID markings on a road or an irrigation canal that had been improved using USAID funds. Because the projects were financed through monetization, USAID guidance does not require the cooperating sponsor to permanently mark a project. Consequently, neither the U.S. Government nor the American people are receiving proper credit for the provision of the monetization resources. As a proactive measure, USAID/Haiti and its sub-grantees plan to place permanent markings, at a minimal cost, at these two projects and at future projects, as well. Moreover, USAID's Office of General Counsel has explained that the P.L. 480 Title II Federal regulations and USAID guidance requirements are currently under revision and, when finalized within a few months, will require permanent markings. Since these revisions are not finalized, we are not making a recommendation at this time.

This audit produced no findings with respect to USAID/Haiti's P.L. 480 Title II monetization activities or with respect to its Food for Peace office. The audit did, however, have a general finding with respect to the Mission's program office, as explained in the next section.

Other Matters

Summary: USAID's Automated Directive System 203.3.4.6 and 201.3.4 require operating units to update their Performance Management Plans (PMP) regularly with new performance information as programs develop and evolve, as part of an annual portfolio review process, and have in place an approved Strategic Plan before obligating program funds for their Strategic Objectives. However, USAID/Haiti had not updated its Strategic Plan and PMP since fiscal year 2004. According to Mission officials, these documents were not updated, completed, and approved because of staffing shortages, a natural disaster, and political instability within the operating environment. Consequently, USAID and Mission decision makers lacked a performance measurement tool designed to provide information to help objectively assess the Mission's progress in meeting its Strategic Objective(s).

Another matter came to our attention during this audit that requires USAID/Haiti attention. Since the end of FY 2004, USAID/Haiti had not developed a current Strategic Plan or a Performance Management Plan (PMP) that would provide decision makers with timely and relevant information on day-to-day activities and subsequent results or on goal achievements. For example, although USAID/Haiti's P.L. 480 Title II non-emergency monetization activities were achieving selected planned outputs for its third-country monetization activities, those outputs were not a part of a mission-documented plan but were selected by *ad hoc* committee composed of Mission personnel and a cooperating sponsor. Moreover, since USAID/Haiti did not document or publish its performance indicators in either a Strategic Plan or a PMP for FY 2005, USAID/Haiti could not report data on planned targets or resulting selected outputs for its strategic objective related to monetization. Without a current and completed Strategic Plan and PMP, the Mission is hampered from conclusively determining whether it met its goals and planned outputs.

As of September 2006, USAID/Haiti finalized its Country Strategy for 2007-2009. The strategy includes three Strategic Objectives (SOs)—two of which include P.L. 480 activities. Mission officials plan to include illustrative indicators and current standard program component indicators in planning documents that will be used to support the SOs. In turn, final targets and indicators for the strategy period will be folded into the PMP when the PMP is completed some time next year.

According to USAID's Automated Directives System (ADS) section 201.3.4, each operating unit must have an approved Strategic Plan in place before obligating program funds for its Strategic Objectives. The operating unit's approved Strategic Plans represent an Agency-wide commitment to a set of Strategic Objectives and Intermediate Results to be accomplished by an operating unit.

Also, ADS section 203.3.3 states that operating units must prepare a complete PMP for each Strategic Objective within one year of approval of the objective. A Strategic Objective constitutes the basic unit for achieving results and reporting progress. Moreover, a Strategic Objective is one of the most significant elements of a Strategic Plan, which holds missions accountable for achieving programmatic goals for long-term sustainability. Consequently, the Mission's PMP exists as a guide to indicate how management intends to achieve the objectives listed in the Strategic Plan.

Several contributing factors prevented USAID/Haiti from updating the Strategic Plan and Performance Management Plan in a timely manner. The Mission endured a staffing shortage that was further exacerbated by frequent evacuations during 2004 and 2005. These evacuations had durations of 5 to 13 months; the last occurred on May 27, 2005, and lasted more than 6 months. Earlier, in February 2005, USAID's Bureau for Latin

America and the Caribbean (LAC) performed a Mission assessment that confirmed the management challenges associated with understaffing in the Mission's Program Office. Additionally, officials within USAID's Bureau for Policy and Program Coordination and LAC acknowledged that, because of the political instability in Haiti at various times, USAID/Haiti had to suspend its programs and switch into a crisis mode. During these periods, the Mission's portfolio was changing constantly to focus on ensuring minimal governance in the country and to maintain a minimum level of sanitation. As a result, the Mission developed short-term objectives to respond to the immediate needs of the Haitian people, such as providing fuel daily to maintain electricity in the Haitian capital of Port–au-Prince and conducting recovery efforts due to devastation caused by tropical storm Jeanne, which ravaged the country in 2004.

Although the Mission faced daily challenges of a rapidly changing nature, USAID/Haiti was required to change its Strategic Objective focus—a change dictated by both political and emergency situations. In spite of the challenges and the hazardous work environment, the Mission did not cease operation and continued to report on the short-term objectives to USAID/Washington on a daily basis. As the political environment stabilized and the country recovered from the storm, the Mission made notable accomplishments to refocus its Strategic Objectives.

Since the PMP was developed to systematically provide decision makers with information on the results to be achieved for a proposed level of resources, it reinforces the connections between the long-term strategic goals outlined in the Strategic Plan and the day-to-day activities of program managers and staff. Further, the PMP provides a basis for a mission to compare actual results with performance objectives. In this regard, the performance indicators and performance results should be readily available to assist decision makers with critical, verifiable, and valid information. Furthermore, it is imperative that USAID/Haiti complete a PMP, as required, as part of its Strategic Plan given that (1) the Food for Peace monetization budget is a substantial portion of the Mission's total budget (as USAID/Haiti's second largest program budget) and (2) FFP-related indicators are incorporated in various Mission Strategic Objectives in programs that are cross-cutting and that, as such, cannot be distinctively differentiated for any objective evaluation. Moreover, inasmuch as USAID's Administrator has announced plans to use missions' performance plans, among other things, to help formulate the Agency's budget for the upcoming fiscal year, the importance of updating a mission's PMP is amplified. Without an updated Strategic Plan and Performance Management Plan to track, assess, and report progress toward established program indicators or Strategic Objectives, USAID/Haiti has not been able to provide valid and objective information for management decision making.

To improve its processes and operations, the Mission has hired additional staff and has prepared a draft Strategic Plan for fiscal years 2007-2009, which is currently circulating for internal review. According to Mission officials, after the Strategic Plan is approved, USAID/Haiti plans to update its PMP with revised indicators for the Strategic Objectives. With this in mind, we are making the following two recommendations:

Recommendation No. 1: We recommend that USAID/Haiti complete the 2007/2009 Strategic Plan and the associated Performance Management Plan.

Recommendation No. 2: We recommend that USAID/Haiti obtain the approval of the Latin America and Caribbean Bureau for the 2007/2009 Strategic Plan.

EVALUATION OF MANAGEMENT COMMENTS

In its response to our draft audit report, USAID/Haiti concurred with both recommendations and described actions taken and planned to address Recommendation Nos. 1 and 2.

For Recommendation No. 1, USAID/Haiti has completed the 2007/2009 Strategic Plan. The Mission plans to complete the Performance Management Plan by August 2007. As a result of these actions, a management decision has been reached for Recommendation No. 1.

In response to Recommendation No. 2, USAID/Haiti obtained the approval of the Latin America and Caribbean Bureau for the 2007/2009 Strategic Plan. As a result, final action has been taken for Recommendation No. 2.

SCOPE AND METHODOLOGY

Scope

The Performance Audits Division of the Office of Inspector General (OIG) conducted this audit of USAID/Haiti's P.L. 480 Title II Non-Emergency Monetization Activities in accordance with generally accepted government auditing standards. This audit was the first in a planned series of audits to be conducted by the OIG and was designed to answer the following question: Are USAID/Haiti's P.L. 480 Title II non-emergency monetization activities achieving selected planned outputs?

In planning and performing the audit, we obtained an understanding of the management controls related to the documentation, accurate and timely recording of transactions and events, and supervision of USAID/Haiti's non-emergency monetization program activities for management of funds.

The selected planned outputs audited and tested was the entire universe of programs financed through the Mission's monetization activities valued at $2.4 million. The Mission financed six Infrastructure Improvement Programs with monetization proceeds of $2.9 million. Program activities commenced during the FY 2005 and were completed during the FY 2006. We excluded the Mission's non-monetization, direct distribution program from the scope of the audit because the direct distribution of commodities (i.e., transportation, storage and labor expenses) was associated with the movement of food aid, and not specific monetization activities.

We conducted the fieldwork for this audit from May 2, 2006, to June 29, 2006, at USAID/Haiti, the offices of cooperating sponsors World Vision and Catholic Relief Services, field sites in the regions of Les Cayes, Les Moulins D'Haiti, and the Bureau de Gestion, the Haitian Government Office responsible for commodity importation.

Methodology

To answer the audit objective, we conducted interviews with USAID/Haiti and USAID/Washington staff, and cooperating sponsor representatives from World Vision and Catholic Relief Services (CRS) to determine the roles and responsibilities for managing various aspects of both the in-country and third-country monetization process in Haiti. We also reviewed the relevant U. S. laws governing the P.L. 480 Title II Program as well as applicable USAID policies and procedures in the Automated Directives System (ADS). Additionally, audit staff reviewed USAID/Haiti and World Vision documentation on the Bellmon Analysis for Haiti and Peru to determine if any significant adverse impact occurred as a result of the Mission's wheat and degummed soybean oil monetization programs, and Regulation 211 from Title 22 of the Code of Federal Regulations regarding both the aforementioned Bellmon Analysis and publicity requirements for projects financed through monetization. The team also reviewed ADS 320 regarding USAID's logo and branding requirements for projects.

The audit team reviewed USAID/Haiti's Strategic Plans, Annual Reports, and Performance Management Plan to determine performance indicators, program intended and targeted outputs, and milestones achieved during the audit period. Moreover, we reviewed the Mission's management assessment report and the Federal Manager's Financial Integrity Act Reports for the fiscal years of 2004 and 2005 to determine whether the Mission had taken corrective actions for identified weaknesses.

To gain an understanding of the third-country monetization program as it operates in Haiti, we conducted interviews with staff from USAID/Haiti's Food for Peace Office and CRS. We reviewed source documentation from CARE/Peru on bills of lading, sales of the commodities, and distribution of generated funds to CRS in Haiti. Additionally, we reviewed documentation provided by CRS on all six rehabilitation contracts, work progression reports, and project finalization reports, as well as conducted site visits at two infrastructure rehabilitation projects. During the site visits, we interviewed CRS sub-grantees and local Haitian beneficiaries, and observed completed projects. For those remaining four projects that were not visited, we examined supporting documentation, such as field visit reports, and final distribution of generated funds to determine that the documents existed and were complete.

The selected outputs tested included the entire universe of six Infrastructure Improvement Programs financed through USAID/Haiti's monetization activities that were identified in the Development Activity Proposals written by the cooperating sponsors and approved by the Mission. These programs included road rehabilitation and irrigation system replacement. We measured whether these programs had been completed successfully and timely by examining project engineers' completion reports and conducting site visits.

The materiality threshold for this audit was such that, if 90 percent of the selected outputs achieved at least 90 percent of the intended output level, the audit objective would be answered positively; if 80 to 89 percent of the selected outputs achieved 90 percent of the intended output level, the audit objective would be answered positively but with a qualification; if less then 80 percent of the selected outputs achieved 90 percent of the intended output level, the audit objective would be answered negatively.

MANAGEMENT COMMENTS

MEMORANDUM

Date: August 30, 2006

Reply to: Lawrence Hardy II, USAID/Haiti Acting Mission Director /s/

Subject: Comments on the IG Draft Audit Report No. 9-000-06-XXX-P

To: Steven H. Bernstein IG/A/PA USAID/IG/Washington

This memorandum constitutes USAID/Haiti's response to the Inspector General (IG) Draft Audit Report of USAID/Haiti's Management of P.L. 480 Non-Emergency Monetization Program (Report No. 9-000-06-XXX-P) dated August 8, 2006.

General Comments:

USAID/Haiti appreciates the time and effort of your staff in carrying out the performance audit of the Management of P.L. 480 Non-Emergency Monetization program. The Mission concurs with the recommendations.

Recommendation No. 1: We recommend that USAID/Haiti complete the 2007/2009 Strategic Plan and the associated Performance Management Plan.

Action Taken: The Mission has completed the 2007/2009 Strategic Plan as scheduled. The plan was approved by USAID/Washington on August 2, 2006. As per ADS, the Mission has a year from the date of the strategy approval to complete the Performance Management Plan.

Recommendation No. 2: We recommend that USAID/Haiti obtain the approval of the Latin America and Caribbean Bureau for the 2007/2009 Strategic Plan.

Action Taken: The Mission has already obtained the approval of the Latin America and Caribbean Bureau as stated above.

Given the above actions, please consider recommendations No. 1 and No. 2 resolved upon issuance of the final audit report.

In closing, USAID/Haiti would again like to express its appreciation for the manner in which the audit was conducted.

Table I – Summary of USAID/Haiti's P.L. 480 Title II Cooperating Sponsors' Expenditures in Support of Direct Distribution Activities for the Fiscal Year Ended September 30, 2005, in U.S. Dollars*

Expense Description	World Vision	CARE	Catholic Relief Services	Save the Children	Totals
Personnel	2,834,293	2,118,679	1,529,970	328,505	6,811,447
Consultants	46,494	(12,256)			34,238
Travel/Per Diem	930,281	147,851	125,056	33,094	1,236,282
Training	57,727	71,996	183,450	37,518	350,691
Office Operations				22,572	22,572
Supplies	151,807			50,840	202,647
Equipment	6,693		7,144		13,837
Procurements		46,706			46,706
Contractual			63,561		63,561
Occupancy	133,633				133,633
Vehicle Fuel and Maintenance		108,097			108,097
Internal Transportation, Storage and Handling		6,950			6,950
Other Direct Costs	155,535	219,904	748,314	112,015	1,235,768
Associated Development Projects			160,045		160,045
Commodity Management			288,521		288,521
Currency (Gain)/Loss			253,530**		253,530
Indirect Costs	870,042	212,030	747,644	139,752	1,969,468
HAS (Save the Children sub-grantee)				449,993	449,993
MARCH (Save the Children sub-grantee)				317,009	317,009
Total Expenses	**5,186,505**	**2,919,957**	**4,107,235**	**1,491,298**	**13,704,995**

* Unaudited data; table illustrates values of direct distribution activities in which no planned outputs are associated.

** CRS was the only cooperating sponsor to implement third-country monetization activities in Peru. According to a USAID/Haiti official, the loss indicated resulted from the conversion of currency at the time the funds were transferred.

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U.S. Agency for International Development
Office of Inspector General
1300 Pennsylvania Ave, NW
Washington, DC 20523
Tel: (202) 712-1150
Fax: (202) 216-3047
www.usaid.gov/oig