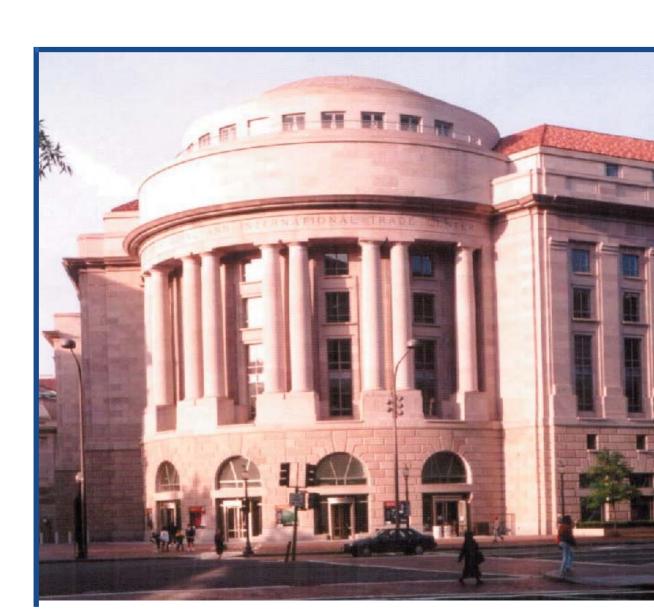# OFFICE OF INSPECTOR GENERAL

Annual Plan

2006

Statement of the Acting Inspector General

I am pleased to present the Office of Inspector General's (OIG) annual plan for fiscal year (FY) 2006. Our plan consolidates needed audit, investigative, and other activities into a single document that articulates our goals and objectives for our work in FY 2006 at the United States Agency for International Development (USAID), the African Development Foundation (ADF), and the Inter-American Foundation (IAF).

This annual plan is aligned with our current strategic plan for FY 2005 - FY 2010. Also included in the plan are "standards for success." Through a consultative process with USAID officials and others, the OIG developed standards for success for each strategic objective set forth in the OIG's strategic plan. The standards for success are drawn from authoritative sources such as Office of Management and Budget (OMB) circulars, legislation, the President's Management Agenda, and the State - USAID strategic plan.

We designed the standards for success to address major management challenges that we have identified at USAID. The standards for success are our approach to seeking agreement with USAID management on the solutions or goals for achieving success in each major management challenge area.

We have had extensive discussions with the USAID Administrator and USAID managers about the standards for success. We sought and received their concurrence on the major management challenges as well as on the standards for success so that we were working in unison toward the same goal: a more efficient and effective USAID. We also discussed the standards for success with officials from OMB and with congressional staff and received their comments.

Our overriding goal is to support management in the delivery of their programs. We do this through our audit and investigative activities and by advising management on program risks and the need for associated internal controls for promoting effective and efficient program delivery. In performing our duties, we work with the organizations' management and staff as well as with members of Congress and their staffs to understand their particular interests and to provide them with information that they can use in developing and administering the organizations' programs and activities.

We can do this because we have a professional and well-trained staff operating under the professional standards mandated by law and promulgated by the Comptroller General of the United States and the President's Council on Integrity and Efficiency. Under these standards, our operations are subject to an external peer review performed by another independent inspector general's office. The most recent review, completed in 2005, reported that applicable professional standards were met.

In addition, and most important, we can serve the organizations' management and Congress by providing them with timely recommendations, suggestions, and advice that they can rely on because of the independence that the Inspector General Act of 1978 provides. The Act creates an independent Inspector General by requiring the Inspector General to report both to the head of the respective organization and to Congress, keeping both fully informed on problems identified during the course of our work. We accomplish this task through our regular reporting processes, including our audit and investigation reports and our semiannual reports to Congress, and through frequent briefings to both organization management and members of Congress and their staffs.

Bruce N. Crandlemre
Acting Inspector General

U.S. Agency for International Development

Office of Inspector General

Annual Plan

Fiscal Year 2006

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Authority and Responsibility

The USAID Office of Inspector General (OIG) was established on December 16, 1980, by Public Law 96-533, which amended the Foreign Assistance Act of 1961. On December 29, 1981, the President signed the International Security and Development Cooperation Act of 1981, bringing the USAID Inspector General under the purview of the Inspector General Act of 1978. The OIG assumed audit and investigative oversight of the African Development Foundation (ADF) and the Inter-American Foundation (IAF) in 1999 in accordance with Public Law 106-113. Finally, on January 23, 2004, the USAID Inspector General was appointed as the Inspector General for the Millennium Challenge Corporation through Public Law 108-199. Our plan for work at the Millennium Challenge Corporation is provided in a separate document.

The Inspector General Act of 1978, as amended, authorizes the Inspector General to conduct and supervise audits and investigations. As a result of this work, the OIG (1) promotes economy, efficiency, and effectiveness and (2) detects and prevents fraud, waste, and abuse in the programs and operations. The Inspector General is responsible for keeping the head of the respective organization and Congress fully informed of the results of audits and investigations related to the organization's programs and operations, as well as the necessity for, and progress of, corrective actions.

Mission

The mission of the OIG is to contribute to and support integrity, efficiency, and effectiveness in all activities of USAID, ADF, and IAF.

Values

In accomplishing our mission, we are committed to the following:

Integrity. Strive to display character, decency, and honor in everything we do; work openly and fairly with our colleagues and partners; show respect for one another; maintain independence to ensure objectivity and impartiality; and accept responsibility for our actions.

Excellence. Strive to produce work that has distinction, merit, quality, and a positive effect; work efficiently with highly trained people who enjoy equal opportunities to excel; deliver products that are accurate, timely, complete, concise, and meaningful; and present work in a way that is most useful to those who are responsible for implementing the organization's goals and objectives.

Teamwork. Work with USAID, ADF, and IAF management to understand their program objectives; team with the three organizations, demonstrating and encouraging integrity and achieving excellence; understand the entire OIG program and its effect on the organizations' programs; help management find solutions to problems; and remember that our success is measured in part by the success of our colleagues and partners.

Strategic Goals and Objectives

On the basis of the overarching philosophy described in the mission and values statements, the OIG developed its strategic goals and objectives. They are driven by legislative mandates, USAID goals, the major challenges facing management, and the activities identified as having high risks of fraud, waste, and abuse. Each strategic goal has accompanying strategic objectives, performance measures, and annual objectives that describe what we expect to accomplish and the measurements we will use to determine if we are achieving our objectives.

Strategic Goal 1: **Keep the Administrator and Congress fully informed on the status of USAID's administration and operations and the need for and progress of corrective actions.**

Objective 1.1: Provide timely, high quality reports and briefings to the Administrator and Congress on the major challenges identified by audits and investigations.

The OIG plans to undertake the following specific activities to address objective 1.1.

1.1.1: Continuing refinement of the OIG semiannual report to Congress

The IG Act requires that the OIG provide Congress with written reports of its activities and accomplishments every six months. The OIG continually updates and refines its message in the semiannual report in tune with new OIG initiatives and USAID management challenges. For example, the semiannual report was revised to include information on the OIG's Standards for Success Accomplishment Report which describes USAID's progress toward achieving the standards for success and summarizes the results of OIG work during the fiscal year related to the standards for success. The OIG intends to prepare this Accomplishment Report annually on a fiscal year basis.

1.1.2: Periodic briefings for USAID officials

As a matter of routine, senior OIG officials participate in the USAID Administrator's weekly organization briefing sessions. At the meetings, senior OIG managers have taken advantage of the opportunity to bring matters of importance to the attention of USAID management in a time frame enabling those managers to take effective remedial action. Senior OIG officials also participate as observers on high-visibility USAID task forces, such as the Business Transformation Executive Committee (BTEC). In this observer capacity, OIG officials respond to questions in the OIG's areas of expertise and provide suggestions for consideration.

In addition, the OIG continually works to identify issue areas of priority importance, and it establishes a schedule of formal presentations to brief USAID managers on the status of internal controls and OIG activity in those areas.

1.1.3: Periodic briefings for congressional officials

The OIG continually works to identify issue areas of priority importance, and it also establishes a schedule of formal presentations to brief congressional members and staff on the status of internal controls and OIG activity in those areas.

1.1.4: Providing for timely reports and more efficient and more effective report distribution

The OIG continually assesses its planning information to help identify issues and areas of potential audit and investigative concern as expeditiously as possible. The OIG also continually reviews report distribution and dissemination procedures to bring its message more efficiently to its congressional, USAID, and public clients. Audit reports are placed on the Internet in a format complying with all Federal requirements. In addition, the OIG electronically distributes audit reports directly to congressional members and staffs.

Performance Measures for Objective 1

- Submit the Semiannual Report to Congress which meets the content requirements of the IG Act of 1978 and is submitted to the Administrator and the Congress within the timeframes specified in the IG Act.

- Brief the Administrator on significant OIG activities and significant issues affecting USAID programs and operations as well as the need for, and progress of, corrective actions.

- Brief key congressional staff on significant OIG activities and significant issues affecting USAID programs and operations as well as the need for, and progress of, corrective actions.

- Conduct audits and distribute audit reports in a timely manner. Issue draft audit reports within 30 days of the end of audit fieldwork and issue final audit reports within 30 days of receipt of management comments on draft audit reports.

- Conduct audits in accordance with Government Auditing Standards and the OIG Policy and Procedures Handbook for Audit.

- Achieve management decisions on audit recommendations within six months of the audit report issue date.

- Perform two follow-up audits that examine the effectiveness of corrective actions taken by USAID management.

Strategic Goal 2: Promote improvements in the way that USAID advances sustainable development and global interests.

Objective 2.1: Contribute to improvements in USAID's programs that advance the growth of democracy and good governance, including civil society, the rule of law, respect for human rights, and religious freedom.

The OIG plans to undertake the following activities to address objective 2.1.

2.1.1: Risk Assessment of USAID's Office of Transition Initiatives

In 1994, USAID created the Office of Transition Initiatives (OTI) to provide fast, flexible, short-term assistance to take advantage of windows of opportunity to build democracy and peace. OTI is intended to lay the foundations for long-term development by promoting reconciliation, jumpstarting economies and helping stable democracies take hold. In doing this, OTI has encouraged a culture of risk-taking, political

orientation[1], and swift response among its staff and partners. Quick responses by OTI are also facilitated by its separate "Transition Initiatives" budget account with special authorities that allow immediate spending where it is most needed. Finally, OTI uses a contracting mechanism that strives to preserve the principle of competition while allowing quick start-up in new countries and direct grants to small, indigenous organizations. This review will examine OTI's major programs and operations and will assess the risk posed therein.

2.1.2: Audit of USAID/Sudan Field Office's Transition Initiatives Funding

This audit will determine (1) guidance and directives that have been provided on the Transition Initiatives account, (2) actions taken by the Sudan Field Office to transition to the new Fragile States Strategy, (3) what the Sudan Field Office is doing to ensure the accountability of Transition Initiatives funding, and (4) what additional actions may be required to help ensure the accountability of Transition Initiatives funding. The audit will most likely take place in Nairobi, Kenya where the Sudan Field Office is currently located. (Although unlikely, the Sudan Field Office could relocate to Sudan prior to the start of this audit.) This audit will follow up on the OIG's Survey of the Sudan Field Office in FY 2005 (Audit Report No. 4-650-05-001-S) which identified numerous challenges and risks posed in trying to carry out development activities in southern Sudan. Those risks, coupled with a new USAID funding mechanism and Fragile States Strategy, potentially put significant amounts of funding at risk.

2.1.3: Audit of USAID Transition Initiatives in Iraq

Since April 2003, the USAID Office of Transition Initiatives (OTI) has supported critical activities that build and sustain Iraqi confidence in the development of a participatory, stable, and democratic Iraq. Activities are implemented by a primary partner through two contracts with a funding

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[1] While OTI avoids partisan involvement, it believes that broadening participation in social, political and economic decision-making is key to sustainable development.

level of approximately $305 million. The audit will determine if USAID/Iraq is achieving the objectives established for Iraq's Transition Initiative.

2.1.4: Audit of USAID/Iraq's Governance Activities

By supporting community development projects in impoverished communities and in cooperation with NGOs, the overall objective of the program is to enhance local governance in support of stability, effective social service delivery and increased citizen participation. In April 2003, USAID awarded a contract with an initial total estimated cost of approximately $168 million to procure and provide technical and other assistance to strengthen local administrations, civic institutions and processes in Iraq. In April 2005, a second contract for $90 million was awarded to consolidate gains made during the period of the first contract and to continue to work with the Iraqis to establish and strengthen the conditions, institutions, capacity, and legal and policy framework towards a coordinated democratic local governance system in Iraq. This audit will determine if USAID/Iraq is achieving the objectives established for its Local Governance Program.

2.1.5: Audit of USAID/Afghanistan's Alternative Livelihoods Program

This audit will determine whether USAID/Afghanistan's Alternative Livelihoods Program activities were on schedule to achieve planned outputs. Afghanistan is the world's largest producer of opium poppies, which are used to make heroin. The drug trade is a major concern of the Afghan and U.S. governments, and it poses a significant threat to the stability of Afghanistan. The purpose of the $415 million Alternative Livelihoods Program is to provide economic incentives to farmers to reject opium poppy production. This effort includes direct aid to farmers as well as payments to farmers for participating in public work programs such as building new farm-to-market roads and improving irrigation infrastructure. The program's activities will focus on priority provinces targeted under the Government of Afghanistan's counter-narcotics program.

2.1.6: Audit of USAID/Ukraine's Democracy Program—Local Self Governance Activity

USAID/Ukraine's Democracy program activities are intended to strengthen democratic institutions and transform the existing political-legal culture. The program supports efforts to create an entirely new Western-oriented legal system. The Community Partnerships for Local Government Training and Education Project provides public administration education and training to local governments in Ukraine in support of decentralization and citizen-based government. The guiding principles for the project include: promoting sustainable and replicable innovations in municipal administration; establishing mutually beneficial and sustainable relationships to promote improved local government practices; creating a network of progressive local governments supporting each other in their reform advancements; and developing a "critical mass" of individuals and institutions working for change in Ukraine. This audit will determine if USAID/Ukraine monitored its Democracy program – Local Self Governance activity to ensure that intended results were achieved.

Performance Measures for Objective 2.1

- Conduct five audits and one risk assessment on USAID's democracy and governance programs.

- Discuss USAID's democracy and governance programs with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these programs.

Objective 2.2: Contribute to improvements in USAID's programs for strengthening world economic growth, development, and stability while expanding opportunities for U.S. businesses and ensuring economic security for the nation.

The OIG plans to undertake the following activities to address objective 2.2.

2.2.1: Audit and Capping Report on USAID's Development Credit Authority (Multi-Country Audit)

The Development Credit Authority (DCA) is the legislative authority that permits USAID to issue partial guarantees to private lenders to achieve the economic development objectives contained in the Foreign Assistance Act of 1961. From its inception in FY 1999 through FY 2004, USAID has implemented 114 DCA projects with total credit made available amounting to $856 million, guaranteed portions of $335 million, and provided subsidy costs of nearly $28 million. USAID plans to expand the use of DCA in the coming years. This audit will determine whether USAID is properly managing its DCA so that intended results are achieved.

2.2.2: Audit of USAID/XX's Development Credit Authority Program (East/Southern Africa Mission TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.2.1 above.

2.2.3: Audit of USAID/Philippines Development Credit Authority Program

This audit is part of a multi-country audit. It will be centrally directed. See 2.2.1 above.

2.2.4: Audit of USAID/XX's Development Credit Authority Program (Europe and Eurasia Mission TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.2.1 above.

2.2.5: Audit of USAID/XX's Development Credit Authority Program (Latin America/ Caribbean Mission TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.2.1 above.

2.2.6: Survey and Pilot Audit of USAID's Management of P.L. 480 Non-Emergency Monetization Programs

This audit will serve as the survey and pilot audit for the multi-country audit discussed in 2.2.7 below.

2.2.7: Audit of USAID's Management of P.L. 480 Non-Emergency Monetization Programs (Multi-Country Audit)

USAID provides P.L. 480 Title II agricultural commodities for non-emergency development assistance through private voluntary organizations and cooperatives acting as cooperating sponsors. Cooperating sponsors may either distribute the commodities directly to recipients or sell the commodities to generate foreign currency to support a local development program, which is referred to as monetization. The use of monetization proceeds has grown dramatically, becoming a critical resource for cooperating sponsors to implement a variety of developmental activities. In addition, the use of third-country monetization, where commodities are sold in one country and the foreign currency generated is used in another country in the same region, is now permitted in both emergency and development programs. This effort will determine if USAID monitored the generation and use of P.L. 480 Title II food assistance monetized funds to ensure that intended outputs were achieved.

2.2.8: Audit of USAID/Senegal's Management of Cape Verde's P.L. 480 Title II Non-Emergency Monetization Program

This audit is part of a multi-country audit. It will be centrally directed. See 2.2.7 above.

2.2.9: Audit of USAID/XX's Management of the P.L. 480 Title II Non-Emergency Monetization Program (East/Southern Africa Mission TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.2.7 above.

2.2.10: Audit of USAID/XX's Management of the P.L. 480 Title II Non-Emergency Monetization Program (Latin America and Caribbean Mission TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.2.7 above.

2.2.11: Audit of USAID/Iraq's Agricultural Reconstruction and Development Program

In October 2003, USAID awarded a level of effort contract to promote the reconstruction and rehabilitation of the agriculture sector in Iraq. This contract has a base year and two one-year options with total estimated cost of approximately $107 million. The purpose of the program for Iraq is to expand agricultural productivity; rehabilitate the resource base; and restore the capacity of small and medium agro-enterprises to produce, process, and market agricultural goods and services. This audit will determine if USAID/Iraq's agricultural activities are achieving their intended results and if the impact of the activities on the daily lives of Iraqis is being accurately measured.

2.2.12: Audit of USAID/Iraq's Telecommunication Activities

Telecommunications represents one of the key services that the U. S. Government is interested in restoring as part of its reconstruction effort. In January 2005, USAID/Iraq approved a job order for $70 million for the design, procurement, installation, and testing of a nationwide fiber optic telecommunications network that will connect railroad, power and telecommunications facilities throughout Iraq. The overall objective of the project is to construct and turn over to the Iraqi government a functioning consolidated fiber optic network. This audit will determine whether USAID/ Iraq is achieving the intended results to rebuild and rehabilitate Iraq's telecommunication network under its telecommunication activities.

2.2.13: Audit of USAID/Jordan's Cash Transfer Program

USAID/Jordan's cash transfer program is a mechanism to reduce Jordan's external debt burden, and as a means to leverage difficult economic, health, education, water, and democracy and governance reforms. Cash transfers to the Government of Jordan are conditioned on policy reforms in the economic, water, and health and population sectors. In 2004, USAID assisted the Government of Jordan with $238 million to strengthen the legal and regulatory environment in the areas of water, health and population, and economic growth. In fiscal years 2005 and 2006, USAID/Jordan planned to disburse $120 million per year conditioned on economic, water, health, education, and governance policy reforms. USAID/Jordan requested this audit based on the size of the cash transfers and concerns over the monitoring of funds programmed for extra budgetary activities. Our audit will cover cash transfers made during fiscal years 2004 and 2005 and will determine whether USAID/Jordan ensured that the Government of Jordan met conditions precedent that were designed to achieve policy reform and the planned results under the cash transfer program.

2.2.14: Audit of USAID/Lebanon's Expanded Economic Opportunities Activities

USAID/Lebanon's Expanded Economic Opportunity Strategic Objective focuses on revitalizing Lebanon's economy and communities that suffer from social disruption and economic stagnation. Funding for economic growth activities totaled $19 million in 2004 and represented more than 50 percent of the Mission's development activities. The current program aims at rebuilding the lives of rural Lebanese by targeting three key productive growth-oriented sectors that compromise 35 percent of Lebanon's GDP - namely Agro-industry, Information and Communication Technology, and Tourism. Planned economic support funding for fiscal year 2005 totaled $22.7 million, of which $10.7 million was planned for increased agricultural productivity. Our audit will determine if USAID/ Lebanon's investment in Lebanon's Agro-industry increased agricultural productivity as planned.

2.2.15: Audit of USAID/Egypt's Assistance for Customs and Trade Facilitation Project

Under the Technical Assistance Customs and Trade Facilitation (ACTF) Project Grant Agreement signed in September 2002, USAID and the Government of Egypt (GOE) agreed to work together to achieve

enhanced trade through improved modernization of customs and facilitation of trade services in Egypt. Under this agreementt, USAID was to provide support to the GOE to implement its reform plan in the customs and trade facilitation areas. The ACTF activity was designed to target the customs and trade facilitation areas, including trade services, standards, inspection, export and import procedures, and port services. As of September 30, 2005, USAID/Cairo had obligated $30 million dollars for this activity. Our audit will determine if USAID/Egypt's investment in the ACTF is achieving the expected results towards reforming the customs and trade facilitation areas.

2.2.16: Audit of USAID/Egypt's Agricultural Export and Rural Incomes Project

The Agriculture Export and Rural Incomes Project is a four-year $57.3 million dollar project expected to be completed in fiscal year 2007. Its overall goal is to increase on-farm and agribusiness jobs that, in turn, would increase rural household incomes. It was designed to help tackle three key issues in Upper Egypt: high unemployment, low rural household incomes, and underdeveloped agricultural export potential. USAID/Egypt awarded two grants, one cooperative agreement, and one contract to implement the activities under this program. Our audit will determine if the project has increased the number of jobs for on-farm and agribusiness workers as planned and if the competitiveness of Egypt's horticultural and livestock sectors have been strengthened.

2.2.17: Audit of USAID/Azerbaijan's Economic Growth Program

Corruption exists in all levels of Azerbaijani government, including judicial bodies, ministries, and local government administrators. Azerbaijan ranks 124th out of 133 countries in the Transparency International 2003 Corruption Perception Index. Corruption is a significant deterrent to investment. In addition, nearly half the population live below the poverty line, earning less than $25 per capita per month. The USAID/Azerbaijan economic growth program is composed of eight activities including 1) enterprise development, 2) micro credit, 3) competitiveness of rural enterprises, 4) rural business development, 5) food quality, 6) policy support, 7) financial services sector support, and 8) program development and support. This audit will determine if USAID/Azerbaijan developed, monitored and evaluated its economic growth program to ensure that intended results were achieved.

2.2.18: Audit of USAID/Bosnia-Herzegovina's Economic Restructuring Program—Mobilizing Capital for Small and Medium Enterprises

Fighting in Bosnia-Herzegovina ended on October 11, 1995. Bosnia-Herzegovina is still struggling to overcome the political, economic and societal effects of the conflict. Bosnia-Herzegovina is in the beginning stages of transition to a market economy. Per capita income stands at about one-half the pre-war level, making Bosnia-Herzegovina one of the poorest countries in the region. The public sector dominates the economy, accounting for about two-thirds of the country's $5.0 billion gross domestic product. Political uncertainty, slow progress on privatization and the prevalence of organized crime and corruption deter both domestic and foreign investment.

USAID/Bosnia-Herzegovina's Mobilizing Capital for Small and Medium Enterprises (SME) activity is one of four activities under the Economic Restructuring Program. In FY 2004, USAID's obligation for Mobilizing Capital for SME was $3.0 million. The program intended to develop alternative sources of long-term financing for SME through introduction of primary mortgage and leasing markets. Improving and facilitating the process by which real estate or moveable properties are owned, bought and sold, leased, developed, financed, and transferred encourages private investment, generates jobs, and fosters economic growth. This audit will determine if USAID/Bosnia-Herzegovina monitored its Mobilizing Capital for Small and Medium Enterprise activity to ensure that intended results were achieved.

Performance Measures for Objective 2.2

- Conduct 11 audits on USAID's economic growth programs.

- Discuss USAID's economic growth programs with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these programs.

Objective 2.3: Contribute to improvements in USAID programs to improve health, education, environment, and other social and environmental conditions for the global population.

The OIG plans to undertake the following activities to address objective 2.3.

2.3.1: Survey and Pilot Audit of USAID's Progress in Implementing the President's Emergency Plan for AIDS Relief (PEPFAR)

This audit will serve as the survey and pilot audit for the multi-country audit discussed in 2.3.2 below.

2.3.2: Audit of USAID's Implementation of the President's Emergency Plan for AIDS Relief (PEPFAR)—Multi-Country Audit

In response to the HIV/AIDS crisis, the Administration is implementing the President's Emergency Plan for AIDS Relief (the Emergency Plan). The $15 billion program provides $9 billion in new funding to speed up prevention, treatment and care services in 15−focus countries[2]. The Plan also devotes $5 billion over five years to bilateral programs in more than 100 countries and increases the U.S. pledge to the Global Fund[3] by $1 billion

over five years. This assignment will consolidate the findings from a series of country-specific audits, performed in connection with this worldwide audit, and will result in a capping report that will determine whether USAID is making adequate progress toward planned outputs in its grants, cooperative agreements and contracts.

2.3.3: Audit of USAID/XX's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR (West/Central Africa Mission TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.3.2 above.

2.3.4: Audit of USAID/XX's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR (East/Southern Africa MissionsTBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.3.2 above.

2.3.5: Audit of USAID/Guyana's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR

This audit is part of a multi-country audit. It will be centrally directed. See 2.3.2 above.

2.3.6: Survey and Pilot Audit of USAID's Procurement and Distribution of Commodities for the President's Emergency Plan for AIDS Relief (PEPFAR)

In P.L. 108-25, Congress indicated that 55 percent of the $15 billion in President's Emergency Plan for AIDS Relief funding should be spent on the treatment of individuals with HIV/AIDS. USAID is responsible for procuring a substantial amount of commodities to further such treatment. This survey and pilot will determine USAID's role in procuring and distributing those commodities and will determine whether it has done so in an efficient and effective manner.

2.3.7: Follow-up of USAID's Implementation

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[2] The 15 focus countries are Botswana, Cote d'Ivoire, Ethiopia, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, and Zambia in Africa; Guyana and Haiti in the Caribbean; and Vietnam in Asia.

[3] The Global Fund is a public-private partnership that raises money to fight AIDS, tuberculosis and malaria.

of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Multi-Country Audit)

On February 3, 2003, the OIG issued Audit Report No. 9-000-03-004-P, entitled Audit of Selected USAID Operating Units' Monitoring of the Performance of Their HIV/AIDS Programs. This audit examined whether selected USAID operating units were (1) monitoring the performance of their HIV/AIDS programs in accordance with the ADS, (2) achieving intended results from their HIV/AIDS programs, and (3) meeting new reporting requirements. The report highlighted two areas that could be strengthened—the preparation of Program Monitoring Plans and the conduct of data quality assessments—and contained recommendations addressing those areas. This assignment will assess the adequacy of USAID's actions on those recommendations.

2.3.8: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (West/Central Africa Missions TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.3.7 above.

2.3.9: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (East/Southern Africa Missions TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.3.7 above.

2.3.10: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Asia and Near East Missions TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.3.7 above.

2.3.11: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Latin America and Caribbean Missions TBD)

This audit is part of a multi-country audit. It will be centrally directed. See 2.3.7 above.

2.3.12: Audit of USAID/Mali's Monitoring and Reporting of its Basic Education Program

Mali has one of the highest percentages of people living below the poverty line in the world. At the end of 1999, the Government of the Republic of Mali (GRM) with USAID support adopted an ambitious ten year plan called PRODEC to reform and decentralize primary education with one of its goals to achieve 95 percent gross enrollment (93 percent for girls) in primary schools by 2008. The Mission's new strategic plan for FY 2003 through FY 2012 includes a new strategic objective for a Basic Education program. This program will continue to support decentralization efforts, improvement in curricula, increased community and parent participation, and improvements in school-based teacher education. Funding for the program is expected to be about $62 million over ten years. This audit will determine whether USAID/Mali monitored and reported on its education program in accordance with requirements and if the program is on schedule to achieve planned results.

2.3.13: Audit of USAID/Democratic Republic of the Congo's Central African Regional Program for the Environment

The Central African Regional Program for the Environment is the principal vehicle for United States' participation in the Congo Basin Forest Partnership (CBFP), a U.S. Presidential Initiative and international partnership. Through September 30, 2004, $31 million had been obligated for the CARPE program with another $105 million expected

to be obligated through fiscal year 2011. CARPE is working to improve conservation and sustainable resource management across the Basin in over 65 million hectares in seven countries where only two USAID offices are present (Democratic Republic of the Congo and Rwanda). Activities in non-presence countries of the Congo Basin are coordinated by USAID in Kinshasa, but actual implementation relies upon the U.S. PVOs and their relationships to the governments and societies of these non-presence countries. Given the Program's staffing constraints and the management needs spanning several countries, it is a challenge to evenly address the political, management, administrative, and technical demands of the program. This audit will determine whether USAID/Democratic Republic of the Congo monitored and reported on the CARPE program in accordance with requirements and if the program is on schedule to achieve planned results.

2.3.14: Audit of USAID/West Africa Regional Program's Monitoring and Reporting of its Health Program

USAID/West African Regional Program (WARP), headquartered in Accra, Ghana, deals with West African development challenges that are most effectively addressed at a regional level. In the health sector, the region's porous borders and mobile population ensure that HIV/AIDS, other infectious diseases, malaria, and diarrhea diseases are shared burdens across the region. In fiscal year 2003, USAID/WARP completed activities under its 8-year Family Health and AIDS program and shifted its attention towards its new program to promote wider adoption of sustainable reproductive health, HIV/AIDS, and child survival policies and approaches in West Africa. Under the new program, USAID/WARP will have oversight of activities operating in 18 countries – 12 non-presence countries and 6 with bilateral health programs. By September 2004, almost $56 million had been obligated, with another $88 million expected to be obligated over the life of the program. The audit will determine whether USAID/WARP monitored and reported on the program in accordance with requirements and if the program is on schedule to achieve planned results.

2.3.15: Audit of USAID/Afghanistan's Rural Expansion of Afghanistan's Community-Based Healthcare Program

Afghanistan remains at or near the bottom of every socio-economic indicator used to measure human and economic progress. The country's overall human-misery index is among the highest in the world, and the health status of its people is among the lowest in the world. One of every four children dies before the age of five and the average maternity mortality rate is 1,600 maternal deaths for every 100,000 births. The country's health-care system lacks preventive care, treatment facilities and medicines, and adequately trained health-care workers. In response, USAID/Afghanistan established a strategic objective to reduce the mortality and morbidity of women and children. On May 2003, USAID/Afghanistan contracted to implement the $100 million Rural Expansion of Afghanistan's Community-Based Healthcare (REACH) program. Activities under the REACH program include constructing or renovating 400 health centers and 13 women's centers, awarding grants to implementing partners to deliver health services to 16.5 million people, training community health workers, and developing a national social-marketing program. This audit will determine whether USAID/Afghanistan's REACH program activities were on schedule to achieve planned outputs.

2.3.16: Audit of USAID/Afghanistan's Power Sector Activities Under the Rehabilitation of Economic Facilities and Services Program

A contractor has been implementing the Rehabilitation of Economic Facilities and Services (REFS)—USAID/Afghanistan's largest program— since September 1992. This $665 million contract is scheduled to end in December 2006. The purpose of the REFS program is to promote economic recovery and political stability in Afghanistan through various activities including the rehabilitation of infrastructure. The $33 million power sector portion of the REFS program includes $31 million for power and energy construction works and $2 million for related assessments and studies. The largest construction work, estimated at $18 million, involves installing

a third turbine and a new high-voltage transmission line at the Kajakai Dam facility. This audit will determine whether USAID/Afghanistan's power sector activities under the REFS program were on schedule to achieve planned outputs.

2.3.17: Audit of USAID/Yemen's Maternal and Child Health Service Activities

The USAID/Yemen program in the health sector is focused on increasing access to and use of reproductive, maternal and child health services in the five remote, tribal and underserved governorates of Amran, Shabwa, Al-Jawf, Saada, and Marib. This audit will determine if USAID/Yemen's investment in maternal and child health services is increasing access to and use of reproductive, maternal and child health services as planned.

2.3.18: Audit of USAID/Bolivia's Family Planning Program

Bolivia has one of the highest fertility rates in Latin America at 3.8 births per woman. With program funding in fiscal years 2005 and 2006 of approximately $6.4 million and $4.8 million, respectively, USAID planned to provide technical assistance to improve the quality and coverage of high-impact reproductive health and family planning services at the clinical and community level. Furthermore, USAID planned to support social marketing of contraceptives and activities that promote behavior change to reduce unintended pregnancy and improve reproductive behavior. The audit will determine if USAID was achieving the planned results in an efficient manner.

2.3.19: Audit of USAID/Guatemala's Family Planning Program

Guatemala has the highest fertility rate in Latin America at 4.4 births per woman. The program, with funding of $5.8 million for fiscal year 2005, is directed toward increasing the use of family planning and reducing the total fertility rate in Guatemala. Specifically, USAID planned to provide training and technical assistance for family planning services in 1,295 Ministry of Health facilities and in approximately 110 NGO health care providers

who also receive contraceptives. The program also supports civil society organizations in their efforts to promote women's health advocacy and help key Government of Guatemala institutions develop and implement improved policies for family planning and health. The audit will determine if USAID was achieving the intended results in an efficient manner.

Performance Measures for Objective 2.3

• Conduct 12 audits on USAID's health, education, environment, and other social and environmental programs.

• Discuss USAID's health, education, environment, and other social and environmental programs with USAID officials at the OIG annual planning conference and attend staff meetings in the Office of HIV/AIDS. Provide advice if appropriate to help USAID improve these programs.

Objective 2.4: Help USAID minimize the human costs of displacement, conflicts, and natural disasters.

The OIG plans to undertake the following activities to address objective 2.4.

2.4.1: Audit of USAID/Indonesia's Livelihood Assistance Activities Under its Tsunami Recovery and Reconstruction Program

On December 26, 2004, a magnitude 9.0 earthquake off the west coast of Northern Sumatra, Indonesia, spawned a massive tsunami that struck several countries throughout South and Southeast Asia, as well as Somalia, Tanzania, Kenya, and the Seychelles in East Africa. Whole communities, roads, and other infrastructure were obliterated. More than 200,000 people died and hundreds of thousands were displaced. Of the affected countries, Indonesia was hit hardest.

On May 11, 2005, President Bush signed the "Emergency Supplemental Appropriations Act

for Defense, the Global War on Terror, and Tsunami Relief, 2005" providing funding for a number of purposes including assisting victims of the December 2004 Tsunami. About $400 million of the Tsunami-related assistance going to USAID under the Act will be provided to Indonesian victims through USAID/Indonesia's Tsunami Recovery and Reconstruction Program. This program includes activities to provide livelihood assistance to Tsunami survivors so that they can once again provide for themselves and their families. Focusing on fisheries, agribusiness and trades industries, livelihood assistance activities will include micro-enterprise development, micro-credit, and vocational training. The activities will emphasize economic opportunities for women. This audit will determine whether USAID/Indonesia's livelihood assistance activities were on schedule to achieve their planned outputs and objectives.

2.4.2: Audit of USAID/Indonesia's Banda Aceh-Lam No Road Reconstruction Activities Under its Tsunami Recovery and Reconstruction Program

About $400 million of the Tsunami-related assistance going to USAID under the Act cited in 2.4.1 above will be provided to Indonesian victims through USAID/Indonesia's Tsunami Recovery and Reconstruction Program. This program includes about $200 million to reconstruct up to 240 kilometers of road and 110 bridges between Banda Aceh and Meulaboh that were destroyed by the earthquake and Tsunami. Reconstruction will begin with the repair of approximately 10 kilometers of road and the reconstruction of four crossings and bridges. This work, estimated at $15 million, will allow the reopening of an 80-kilometer stretch of the Banda Aceh-Meulaboh road from Banda Aceh to Lam No. This audit will determine whether USAID/Indonesia's Banda Aceh-Lam No road reconstruction activities were on schedule to be completed as planned and within cost estimates.

2.4.3: Audit of USAID/Indonesia's Tsunami Recovery and Reconstruction Program Activities Implemented by Development Alternatives, Inc.

Under this program, USAID/Indonesia will increase an existing contract with Development Alternatives Inc. (DAI) by $14 million so that DAI can implement Tsunami-related activities in the areas of livelihoods, transition support, and rebuilding small-scale infrastructure including schools, clinics, and municipal buildings. This audit will determine whether (1) the Tsunami-related activities being implemented by DAI were on schedule to be completed as planned, and (2) USAID/Indonesia monitored the Tsunami-related activities implemented by DAI in accordance with USAID policies and procedures.

2.4.4: Audit of USAID/Sri Lanka's Large Scale Infrastructure Rebuilding Activities Under its Tsunami Recovery and Reconstruction Program

About $134 million of the Tsunami-related assistance going to USAID under the Act cited in 2.4.1 above will be provided to Sri Lankan victims through USAID/Sri Lanka's Tsunami Recovery and Reconstruction Program. Under the program, USAID/Sri Lanka plans to use $35 million to reconstruct large-scale infrastructure including a major bridge, access roads, water and sanitation facilities, three harbors, and fourteen vocational and technical schools. The audit will determine whether USAID/Sri Lanka's large-scale infrastructure rebuilding activities were on schedule to be completed as planned and within cost estimates.

Performance Measures for Objective 2.4

- Conduct four audits on USAID's humanitarian assistance programs.

- Discuss USAID's humanitarian assistance programs with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these programs.

Strategic Goal 3: Help USAID achieve management and organizational excellence.

Objective 3.1: Contribute to the development of a workforce whose number, skills, and deployment meet USAID needs; strategies for succession planning and leadership continuity; and strategies that integrate workforce planning into USAID's budget and strategic plans.

The OIG plans to undertake the following activities to address objective 3.1.

3.1.1: Audit of USAID's Implementation of its Human Capital Strategy

USAID's Human Capital Strategic Plan, which was issued in August 2004 in response to the President's Management Agenda (PMA), addresses both USAID's particular needs and the requirements of the PMA. USAID's next step, implementation of this plan, is crucial to USAID's future success. This audit will determine if USAID is implementing its human capital strategy as planned and will identify areas where USAID could strengthen its implementation.

3.1.2: Audit of USAID's System for Assessing the Impact of its Programs for Improving Employee Performance

USAID's Human Capital Strategic Plan makes establishing a high-performing workforce its first strategic objective. This strategic objective (SO) places an emphasis on leadership, identifying new leaders, leadership training, and an improved performance culture. USAID plans to achieve this SO through leadership development, employee training and certification programs, systems that support and reward performance and the recruiting of a high-quality workforce. This audit will determine if USAID has an effective system for assessing the impact of its programs for improving employee performance, and, if

not, will identify steps that the Agency can take to enhance its programs to improve employee performance.

3.1.3: Audit of USAID/Iraq Staffing

One of the major factors that contribute to the successful achievement of a mission's program goals is its workforce. Based on approval levels obtained from the U.S. Embassy in Baghdad, USAID/Iraq is authorized 278 employees in 5 categories, i.e., US direct hires (USDH), direct hires under agreement with other US government agencies, US Personal Services Contractors (USPSC), Third Country Nationals (TCN), and Foreign Service Nationals (FSN). However, actual employees in-country are often filling slots in categories other than the category they are in. For example, of the six TCN working for the Mission in Iraq, only one is filling a TCN slot per the staffing pattern. The other five are filling positions designated for USPSC and FSN employees. Additionally, 15 institutional contractor employees are filling positions for USPSC employees. This audit will determine the adherence to the USAID/Washington allocated and approved staffing levels. It will also cover the review of the Mission's compliance with the established guidelines regarding organization levels and structures. Furthermore, it will include the review of USAID/Iraq's procedures for creating, announcing, and selecting candidates for job openings.

Performance Measures for Objective 3.1

- Conduct three audits for FY 2006 on USAID's human capital programs.

- Discuss USAID's human capital programs with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these programs.

Objective 3.2: Contribute to improvements in USAID's processes for planning, monitoring, and reporting on program activities and integrating performance information into budget decision-making.

The OIG plans to undertake the following activities to address objective 3.2.

3.2.1: Review of Management's Discussion and Analysis Section in USAID's Fiscal Year 2006 Consolidated Financial Statements

The Government Management and Reform Act (GMRA) of 1994 requires the annual preparation and audit of organization-wide financial statements (now called the Performance and Accountability Report—PAR) for certain departments and agencies of the Federal government. According to OMB Bulletin No. 01-09, "Form and Content of USAID Financial Statements," agencies are required to prepare a section in the PAR titled "Management's Discussion and Analysis" (MD&A). This section is a brief narrative overview that describes the reporting entity and its mission, activities, program and financial results, and financial condition. This review will focus on understanding and reporting on the internal controls related to the performance information included in the MD&A and determining if it has been prepared in accordance with OMB guidance.

3.2.2: Survey and Audit of USAID's Strategic Planning Process

The USAID Administrator approved changes to USAID's program planning policies and the manner in which USAID and its operating units conduct strategic planning, monitoring and reporting. The need to reform USAID's strategic planning process has been driven by several interrelated factors. USAID is under pressure to respond to shifting priorities, ranging from changing Congressional interests, to the war on terrorism, to humanitarian crises, such as the current Darfur emergency. As a result, strategies and plans often take too much time to prepare and

approve, and may be overtaken by events before they are implemented. Additionally, USAID has often found that it has difficulty representing the Agency, its programs and its contribution to foreign policy in a coherent, understandable and compelling way. This survey and pilot will determine whether USAID is making progress in the implementation of its new strategic planning process.

3.2.3: Audit of USAID's Performance–Based Budget

The President's Management Agenda emphasizes that scarce Federal resources should be allocated to programs and managers that deliver results. Accordingly, the latest OMB budget guidance required that agencies prepare a performance-based budget. This guidance requires, among other things, that USAID integrate its annual performance plan and report into the performance budget. Moreover, the performance ratings, effectiveness measures and planned actions to address vulnerabilities identified in USAID's Program Assessment Rating Tool must also be included in the performance budget submitted to OMB and the Congress. This audit will determine whether USAID has integrated performance information into its budget decision-making in accordance with the President's Management Agenda.

3.2.4: Audit of USAID/Regional Economic Development Services Office for East and Southern Africa's Performance Monitoring of the East and Central Africa Global Competitiveness Hub

The East and Central Africa Global Competitiveness Hub in Nairobi, Kenya, along with similar organizations in Ghana and Botswana, is part of a Presidential initiative to improve African trade competitiveness and capacity. Specifically, the objectives of this program are to (1) enhance the competitiveness of African products and services; (2) expand the role that trade can play in African poverty

reduction strategies; (3) promote U.S.-African business linkages; (4) improve the delivery of public services supporting trade; (5) build African capacity for trade policy formulation and implementation; and (6) strengthen the enabling environment for business. This audit will help determine the extent to which the program for east and central Africa is achieving these objectives.

3.2.5: Audit of USAID/West Bank and Gaza's Monitoring Through Geographic Information System Technologies

Due to long-standing security restrictions, U.S.-citizen USAID staff are not able to visit either the West Bank or Gaza geographic areas to directly monitor program progress. To help counter this limitation, the Geographical Information System (GIS), a web based systems tool, was developed by the West Bank and Gaza Mission. It is accessible from the Mission's intranet for approved users. Engineers use the system to record project site visits. The development of a Geographical Information System to track implementation progress input directly by subcontractors, grantees, and foreign service national staff has been a success, according to the Mission Director. The Asia and Near East Bureau is also exploring the possibility of using GIS to obtain reports from contractors. The audit of the GIS will determine if USAID/West Bank and Gaza is capturing reliable information within the Geographic Information System to use for monitoring the timeliness and quality of outputs of implementing partners.

3.2.6: Audit of USAID/Afghanistan's Performance Monitoring over its Reconstruction Activities

Since September 2002, USAID/Afghanistan has mostly used one contractor to carry out large-scale infrastructure reconstruction in Afghanistan. Now, however, USAID/Afghanistan plans to award other contracts to reconstruct infrastructure such as roads, irrigation systems, power generation systems, water and sanitation systems,

and health and local government facilities. USAID/Afghanistan anticipates awarding these contracts by September 2005, and it estimates that overall funding will reach $3 billion over the lives of the contracts. The purpose of these reconstruction activities is to promote economic recovery and political stability in Afghanistan. However, numerous factors could adversely affect the progress of reconstruction—principally the security situation in that country. Additionally, USAID/Afghanistan will now need to monitor several contractors instead of one primary contractor as had been the case in the past. Consequently, this audit will determine whether USAID/Afghanistan implemented and monitored its reconstruction activities in accordance with USAID policies and procedures.

Performance Measures for Objective 3.2

- Conduct six audits on USAID's strategic planning and reporting processes.

- Discuss USAID's strategic planning and reporting processes with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these programs.

Objective 3.3: Contribute to improvements in USAID's processes for awarding and administering acquisition and assistance instruments.

The OIG plans to undertake the following activities to address objective 3.3.

3.3.1: Audit of USAID's Procurement Evaluation Program

Executive Orders 12352 and 12931 concerning Federal Procurement Reform require that every U.S. Government Agency develop a system for evaluating the Agency's contracting system against approved criteria and stated goals. In

response to these Executive Orders, USAID's Office of Acquisition and Assistance performs procurement system reviews in Washington and overseas for ensuring accurate reporting of system compliance and integrity. USAID has established 29 performance criteria to carry out its procurement system review for contracts as well as grants and cooperative agreements. This audit will assess USAID's progress in developing this procurement system review and will determine if the procurement evaluation program is effective.

3.3.2: Survey and Pilot Audit of USAID's Implementation of Branding

USAID is leading a campaign to ensure U.S. taxpayers get credit for the billions of dollars spent on overseas assistance. USAID has developed a new standard brand identity that clearly communicates that aid is from the American people. This brand identity will be used consistently on everything from publications to project plaques, food bags to folders, and business cards to banners. This audit will determine whether USAID has successfully implemented its branding program.

3.3.3: Audit of the Effectiveness of USAID/South Africa's Contractor Performance Evaluation and Closeout Programs

This audit will review USAID/South Africa's compliance with USAID policies and procedures as they relate to contractor performance evaluation and award closeout programs. Audit coverage of these programs should determine whether the Mission has complied with requirements for evaluating and reporting contractor performance, and closing out awards. The majority of USAID's work is performed by contractors or other implementing partners working under contracts, grants, and cooperative agreements. USAID/South Africa makes a large number of such awards each year, many of which require annual performance evaluations. Because of the number of awards made, as well as the growing responsibilities of Mission personnel, USAID's policy of evaluating

and reporting on contractors' performance is sometimes overlooked. In addition, USAID/South Africa has had significant problems closing out awards in a timely manner. For example, Mission officials estimate that there may be more than 2,000 awards that have expired since 1987 that have not been closed out. This audit will help contribute to improvements in these programs

3.3.4: Follow-up of USAID's Implementation of Recommendation Nos. 1 and 2 from the Audit of USAID/Regional Center for Southern Africa's Contractor Performance Evaluation Program, Audit Report No. 4-690-05-002-P

This follow-up audit will determine whether the Mission has taken corrective actions with regard to the two audit recommendations included in the "Audit of USAID/Regional Center for Southern Africa's Contractor Performance Evaluation Program, Audit Report No. 4-690-05-002-P." We will review final action documentation and verify whether all required corrective actions have been implemented

3.3.5: Audit of USAID/Jordan's Monitoring of Host Country Contracting for Water Activities

Jordan is one of the ten most water-deprived countries in the world. Lack of water will be one of the most serious challenges to Jordan's future economic growth. Jordan's political stability and economic prospects depend heavily on Jordan's ability to manage its scarce water resources. The problem has two dimensions—total supply and management of the resources available in an integrated manner. To this end, the Government of Jordan and USAID/Jordan have aggressively implemented various water projects. USAID/Jordan has funded numerous host country water sector contracts from 2001 through 2005. Almost all of these construction contracts, roughly estimated at over $500 million, were awarded to one firm. Our audit will determine if USAID/Jordan monitored host country contracts in the water sector according to the requirements of Automated Directives System 305 which

addresses USAID approvals required with host country contracting. In addition, our testing will assess relevant Mission controls.

3.3.6: Audit of the Completeness of USAID/Mexico's Work Plan Deliverables

Since the signing of the North American Free Trade Agreement (NAFTA) in 1994, Mexico has become the third largest trading partner of the United States. With fiscal year 2005 funding of about $29 million, USAID's program works with Mexico to address shared development problems in such areas as environmental protection, alternative energy and ecotourism, improving public administration, transparency and accountability, broadening microfinance and remittance utilization, and preventing infectious diseases. The audit will determine if USAID ensured that its implementers completed deliverables as outlined in their annual work plans.

Performance Measures for Objective 3.3

- Conduct six audits on USAID's processes for awarding and administering acquisition and assistance instruments.

- Discuss USAID's processes for awarding and administering acquisition and assistance instruments with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these programs.

Objective 3.4: Assist USAID in improving its financial systems that contribute to preparation of reliable and useful information that managers can use to manage USAID.

The OIG plans to undertake the following activities to address objective 3.4.

3.4.1: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements (Multi-Country Audit)

The Government Management Reform Act requires OIGs to conduct audits of Federal agency consolidated financial statements. The OIG will conduct the audit of USAID's FY 2006 consolidated financial statements. Our objective is to determine whether USAID's principal financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles and OMB Guidance. We will obtain an understanding of USAID's internal control structure and perform tests of compliance with laws and regulations that could have a direct and material effect on the Principal Statements and Required Supplementary Information.

Regional Inspectors General in Baghdad, Cairo, Dakar, Frankfurt, Manila, Pretoria, and San Salvador will participate in this audit at locations within their respective regions. In addition, OIG-contracted auditors will perform the audit at several other missions.

3.4.2: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Liberia

This audit is part of the multi-country audit of USAID's FY 2006 consolidated financial statements led by the OIG's Financial Audits Division in Washington. See 3.4.1 above.

3.4.3: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Zambia

This audit is part of the multi-country audit of USAID's FY 2006 consolidated financial statements led by the OIG's Financial Audits Division in Washington. See 3.4.1 above.

3.4.4: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Iraq

This audit is part of the multi-country audit of USAID's FY 2006 consolidated financial statements led by the OIG's Financial Audits Division in Washington. See 3.4.1 above.

3.4.5: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/ West Bank & Gaza

This audit is part of the multi-country audit of USAID's FY 2006 consolidated financial statements led by the OIG's Financial Audits Division in Washington. See 3.4.1 above.

3.4.6: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/ Pakistan

This audit is part of the multi-country audit of USAID's FY 2006 consolidated financial statements led by the OIG's Financial Audits Division in Washington. See 3.4.1 above.

3.4.7: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/ Kosovo

This audit is part of the multi-country audit of USAID's FY 2006 consolidated financial statements led by the OIG's Financial Audits Division in Washington. See 3.4.1 above.

3.4.8: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/ Haiti

This audit is part of the multi-country audit of USAID's FY 2006 consolidated financial statements led by the OIG's Financial Audits Division in Washington. See 3.4.1 above.

3.4.9: Audit of USAID's Compliance with the Federal Financial Management Improvement Act of 1996—Fiscal Year 2006

The Federal Financial Management Improvement Act of 1996 (FFMIA), Public Law 104-208, Title VIII (31 U.S.C. 3512), was intended to advance Federal financial management by ensuring that Federal financial management systems can and do provide reliable, consistent disclosure of financial data, and that they do so on a basis that is uniform across the Federal government from year to year consistently using professionally-accepted accounting standards. It is intended to provide the basis for ongoing use of reliable financial information in program management and in oversight by the President, the Congress and the public. FFMIA, among other things, requires that the Agency's Inspector General report on USAID's compliance with FFMIA as part of the annual financial statement audit process.

OIG audits show that although USAID has made significant strides to overcome the longstanding FFMIA noncompliance conditions, its financial management systems still do not substantially comply with system requirements under FFMIA. The remaining reportable conditions are: (1) Phoenix, USAID's new core financial management system, is not fully deployed to all overseas missions; (2) funds control issues remain in USAID's financial management system in Washington; and (3) USAID's legacy financial systems at overseas missions that have not yet been replaced by Phoenix, do not comply with the U.S. Government Standard General Ledger at the transaction level. This audit will focus on USAID's progress toward becoming substantially compliant.

3.4.10: Audit of USAID's Post Implementation Review of the Phoenix Overseas Deployment Project (Multi-Country Audit)

In December 2000, Phoenix (the Agency's financial management system) was rolled out at USAID headquarters in Washington, DC. With a goal of deploying Phoenix at all missions that have a controller, in August 2004, Phoenix was piloted at missions in Peru, Egypt, Ghana, Columbia and Nigeria. Subsequently, in February 2005, Phoenix was rolled out to the eight controller missions in the Latin and Caribbean region: Bolivia,

Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Jamaica, and Nicaragua. USAID plans to deploy Phoenix to the Europe and Eurasia, Asia and Near East, Africa North, and Africa South regions in July 2005, November 2005, March 2006 and April 2006, respectively. This audit will determine if Phoenix functions as planned and that benefits are derived.

3.4.11: Audit of USAID/Senegal's Post Implementation Review of the Phoenix Overseas Deployment Project

This audit is part of a multi-country audit. It will be centrally directed. See 3.4.10 above.

3.4.12: Audit of USAID/South Africa's Post Implementation Review of the Phoenix Overseas Deployment Project

This audit is part of a multi-country audit. It will be centrally directed. See 3.4.10 above.

3.4.13: Audit of USAID/West Bank & Gaza's Post Implementation Review of the Phoenix Overseas Deployment Project

This audit is part of a multi-country audit. It will be centrally directed. See 3.4.10 above.

3.4.14: Audit of USAID/Philippines' Post Implementation Review of the Phoenix Overseas Deployment Project

This audit is part of a multi-country audit. It will be centrally directed. See 3.4.10 above.

3.4.15: Audit of USAID/Regional Support Center Budapest's Post Implementation Review of the Phoenix Overseas Deployment Project

This audit is part of a multi-country audit. It will be centrally directed. See 3.4.10 above.

3.4.16: Audit of USAID/Jamaica's Post Implementation Review of the Phoenix Overseas Deployment Project

This audit is part of a multi-country audit. It will be centrally directed. See 3.4.10 above.

Performance Measures for Objective 3.4:

- Conduct three audits on USAID's financial management systems.

- Discuss USAID's financial management systems with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these systems.

Objective 3.5: Assist USAID in ensuring the proper accountability of funds provided to contractors, grantees, and host governments.

The OIG plans to undertake the following activities to address objective 3.5.

3.5.1: Audit of USAID/Uganda's Control Over Prime Recipient Monitoring of Subrecipients

Missions are moving more and more to the use of umbrella agreements with U.S. organizations (pass-through entities) who then provide funding to foreign subrecipients to implement the mission's programs. The benefit of removing significant administrative responsibilities from the missions is understandable, however, ensuring that the U.S. prime recipients are effectively monitoring their foreign subrecipients is much more problematic. USAID uses OMB Circular A-133 annual audit results as a primary tool in ensuring a U.S. prime recipient's compliance with the requirement to monitor the funds passed through to their subrecipients. The audit requirement for subrecipients contained in A-133 is not applicable to foreign subrecipients. The U.S. prime recipient's only requirement is to monitor its foreign subrecipients. Due to the significant increase in funding for HIV/AIDS

programs and the increased use of umbrella agreements with U.S. organizations who will then provide funding to foreign subrecipients to implement these programs, there is significant risk that required monitoring by the prime U.S. recipients will not be sufficient to ensure program objectives are achieved and USAID funds will be used in accordance with laws, regulations and agreement terms. The audit will determine if sufficient monitoring of foreign subrecipients by prime U.S. recipients is taking place to ensure USAID assets are being safeguarded and programmatic objectives are being achieved.

3.5.2: West Bank and Gaza Agency-Contracted Audit Coordination

On May 8, 2003, the House International Relations Committee passed its version of the Foreign Relations Authorization Act for fiscal years 2004 and 2005. Section 1346 of the Act, titled "West Bank and Gaza Program", requires the USAID Administrator to ensure that independent audits of all contractors and grantees, and significant subcontractors and subgrantees, are conducted at least annually. Of the Economic Support Funds available for West Bank and Gaza, the Committee authorized up to $1 million for use by the USAID Office of Inspector General for audits, inspections, and other activities. Audit objectives for these audits and inspections will vary depending on the assignment. Generally, financial audits focus on costs incurred, and performance audits focus on reported results.

3.5.3: Information Status Reports of Financial Audits of USAID/West Bank and Gaza Activities

The USAID/West Bank and Gaza Mission has funded activities that have engendered intense congressional interest. The Consolidated Appropriations Resolution of 2003, the Consolidated Appropriations Act of 2004, and the Consolidated Appropriations Act of 2005 required that independent audits of all contractors and grantees, and significant subcontractors and

sub-grantees, under the West Bank and Gaza Program, are conducted at least on an annual basis. In this regard, the OIG has initiated over 80 financial audits and issued over 40 final reports. It is expected that an additional 40 audits will be procured during FY 2005. The OIG will issue two status reports that summarize the status and results of the first 90 and 120 issued financial audit reports, respectively, according to key variables including amount audited, questioned costs, and internal control deficiencies.

3.5.4: Oversight of (1) Office of Management and Budget (OMB) Circular A-133 audit program, (2) services provided to USAID by the Defense Contract Audit Agency (DCAA), (3) Enterprise Fund audit program, (4) audits contracted by USAID, and (5) audits contracted by overseas contractors and grantee recipients

Under the terms of OMB Circular A-133, the Support for Eastern European Democracy Act, Federal Acquisition Regulation, and the terms of grant and cooperative agreements, annual audits are required and conducted in accordance with generally accepted government auditing standards. USAID relies on non-Federal auditors to audit the operations of nonprofit grantees and USAID Enterprise Funds, and on Federal auditors to audit the operations of its for-profit contractors.

We conduct oversight activities to ensure that:

- Non-Federal auditors have adequately assessed allowability of USAID awards expended.

- Federal audits meet USAID's needs.

- Bills are reviewed before being paid to Federal auditors.

- Adequate internal control assessments have been made.

- Non-Federal auditors are familiar with the compliance auditing requirements of the

Enterprise Fund programs.

- The independence of the non-Federal auditors has not been compromised, in appearance or fact.

Our objectives are to ensure that non-Federal auditors are independent, familiar with the compliance auditing requirements of USAID's programs, and have adequately assessed the allowability of USAID funds expended. Additional objectives include determining the adequacy of the internal controls of audited entities.

3.5.5: Quality-control reviews of audits performed by independent public accounting firms under OMB Circular A-133, Enterprise Fund, and USAID- and recipient-contracted audit programs

We conduct quality-control reviews to ensure that non-Federal auditors are independent, are familiar with the compliance auditing requirements of USAID's programs, and have adequately assessed internal controls as well as the allowability of USAID award expenditures.

Performance Measures for Objective 3.5

- Conduct three audits on USAID's systems for maintaining accountability over funds provided to contractors, grantees, and host governments.

- Conduct desk reviews on 522 financial audit reports and transmit the reports to USAID.

- Conduct quality control reviews of 47 financial audit reports prepared by non-Federal auditors.

Objective 3.6: Promote improvements in the creation of systems and information technology (IT) infrastructures that are able to leverage capital investments, provide blueprints for IT solutions, and share data and information within USAID and with its customers.

The OIG does not plan to undertake audits to address objective 3.6 during FY 2006.

Performance Measures for Objective 3.6

- No audits planned for FY 2006.

- Discuss USAID's information technology systems with USAID officials at the OIG annual planning conference, Phoenix monitoring meetings, and meetings on USAID's new procurement system. Also, monitor the activities of the Business Transformation Executive Committee Subcommittees for Business Systems Modernization, Enterprise Architecture, and Capital Planning and Investment Control. Provide advice if appropriate to help USAID improve these systems.

Objective 3.7: Contribute to the development, promotion, and monitoring of security awareness and processes for protecting USAID's critical information systems from loss, misuse, and unauthorized access or modification.

The OIG plans to undertake the following activities to address objective 3.7.

3.7.1: Audit of USAID's Compliance with the Provisions of Federal Information Security Management Act for Fiscal Year 2006

The Federal Information Security Management Act of 2002 (FISMA), Public Law 107 347, requires each agency to develop, document, and implement an agency-wide information security program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source. This audit will contribute to the protection of data, computer equipment, and resources from unauthorized access, modification, and destruction. Specifically, it will determine whether USAID's

information system security program meets the requirements of the Federal Information Security Management Act of 2002.

3.7.2: Audit of USAID/Washington's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006 (Multi-Country Audit)

USAID, like other government agencies, places extensive reliance on information systems to process data for the financial statements. Consequently, it is critical that USAID maintains controls over these systems. The Government Accountability Office in its Federal Information Systems Control Audit Manual identifies six general controls that an entity can use to ensure the proper operation of an entity's information systems. Two of the six general controls are logical access and contingency planning controls. Logical access controls prevent or detect unauthorized access to sensitive files. Contingency planning controls ensure service continuity and should address an entire range of potential disruptions. If controls are inadequate, even relatively minor interruptions can result in lost or incorrectly processed data, which can cause financial losses, expensive recovery efforts, and inaccurate or incomplete financial or management information. This audit will support the OIG's annual audit of USAID's financial statements.

3.7.3: Audit of USAID/Ghana's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

This audit will have the same scope and objectives as the audit described in 3.7.2 above. The audit will support the OIG's annual audit of USAID's financial statements.

3.7.4: Audit of USAID/Zambia's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

This audit will have the same scope and objectives as the audit described in 3.7.2 above. The audit will support the OIG's annual audit of USAID's financial statements.

3.7.5: Audit of USAID/Iraq's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

This audit will have the same scope and objectives as the audit described in 3.7.2 above. The audit will support the OIG's annual audit of USAID's financial statements.

3.7.6: Audit of USAID/West Bank and Gaza's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

This audit will have the same scope and objectives as the audit described in 3.7.2 above. The audit will support the OIG's annual audit of USAID's financial statements.

3.7.7: Audit of USAID/Pakistan's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

This audit will have the same scope and objectives as the audit described in 3.7.2 above. The audit will support the OIG's annual audit of USAID's financial statements.

3.7.8: Audit of USAID/Kosovo's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

This audit will have the same scope and objectives as the audit described in 3.7.2 above. The audit will support the OIG's annual audit of USAID's financial statements.

3.7.9: Audit of USAID/Haiti's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

This audit will have the same scope and objectives as the audit described in 3.7.2 above. The audit will support the OIG's annual audit of USAID's financial statements.

3.7.10: Audit of USAID Missions' Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2007

As one of six categories of general controls in GAO's Federal Information System Controls Audit Manual (FISMA), access controls limit or detect access to computer resources, such as data files, application programs, and computer–related facilities and equipment. In effect, they prevent unauthorized modification, loss, and disclosure of an entity's computer resources and help to ensure the reliability of computerized data. Contingency planning controls ensure service continuity and should address an entire range of potential disruptions. These may include relatively minor interruptions, such as temporary power failures, as well as major disasters, such as fires or natural disasters that would require reestablishing operations at a remote location, and may also include errors, such as writing over a file. This audit will determine whether USAID missions protected their data files from unauthorized access, modification, and destruction. This audit is part of a worldwide audit effort to determine whether USAID complies with the Federal laws and regulations related to general controls over its financial management and general support systems for fiscal year 2007.

3.7.11: Audit of USAID's Implementation of Privacy Requirements for Automated Systems

The Privacy Act of 1974 defines the rights and responsibilities for the acquisition, disclosure, and use of personal information. The Act requires,

among other things, that agencies:

- Publish notices describing all systems of records.

- Make reasonable efforts to maintain accurate, relevant, timely and complete records about individuals

- Manage those records in a way to ensure fairness to individuals in agency programs.

In addition, the E-Government Act of 2002, among other things, requires Federal agencies to conduct privacy impact assessments and submit them to OMB. Privacy impact assessments are required for all new or significantly altered information technology investments that administer information in identifiable form from or about members of the public. The focus of the audit is to review USAID privacy plan and implementation reports to assess the Agency's status in implementing the requirements.

Performance Measures for Objective 3.7

- Conduct four audits on the security of USAID's information systems.

- Discuss the security of USAID's information systems with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these systems.

Strategic Goal 4: Promote better management of significant and unplanned matters.

Objective 4.1: Contribute to better management of USAID activities that address significant, often unplanned, conditions or engender intense congressional interest.

The OIG does not plan to undertake audits to address objective 4.1 during FY 2006.

Performance Measures for Objective 4

- No audits planned for FY 2006.

- Discuss USAID activities that address significant, often unplanned, conditions or engender intense congressional interest with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice if appropriate to help USAID improve these systems.

Strategic Goal 5: Preserve and protect USAID program and employee integrity.

Objective 5.1: Investigate allegations of fraud, waste, and abuse in the programs and operations of USAID.

The OIG plans to undertake the following activities to address objective 5.1.

5.1.1: Investigate allegations of fraud, waste and abuse in USAID programs and operations

The OIG will investigate all allegations of fraud, waste, and abuse received from USAID personnel, audit staff, contractors, grantees, the Hotline, or other sources. The OIG will refer actions to USAID for administrative action, as considered appropriate. The OIG will refer investigative findings to the Department of Justice for criminal and/or civil action, as warranted.

5.1.2: Prioritize cases involving major fraud

OIG will continue to prioritize program integrity cases involving major fraud in the programs and operations of USAID, ADF, and IAF. Major fraud investigations are the investigations involving large dollar losses by USAID, ADF, and IAF.

5.1.3: Track and report the results of OIG/ Investigations

OIG will report the number of referrals and allegations received, the number of investigations conducted, and the number of criminal, civil, and administrative actions taken. The OIG will brief the appropriate members of Congress and the Executive Branch on all major investigations and their outcomes.

Performance Measures for Objective 5.1

- Track and report the number of allegations investigated by the OIG.

- Track and report the number of criminal, civil, and administrative actions resulting from investigations.

Objective 5.2: Prevent fraud, waste, and abuse in USAID programs.

The OIG plans to undertake the following activities to address objective 5.2.

5.2.1: Fraud Awareness/Cost Principles Briefings to Contractors, Grantees, Supreme Audit Institutions, and Non-governmental Organizations

The OIG will promote awareness of fraud and/or cost principles by providing training to USAID employees, contractors, grantees, and others to alert them to fraudulent schemes and practices. The OIG will continue to develop and distribute fraud awareness literature, audiovisual aids, and other material to USAID and its partners. In furtherance of these fraud-prevention efforts, the OIG will offer advice and support to USAID and its partners on antifraud strategies through briefings, meetings, conferences and other forums.

5.2.2: Audit of USAID/Afghanistan's Cashiering Operations

To reduce the risk of fraud or misuse, numerous policies and procedures have been developed for

handling cash at USAID missions. Compliance with this guidance is essential to ensure that cash is used for authorized purposes. The objective of this audit is to determine whether USAID/ Afghanistan cashiers properly accounted for their respective imprest (cash) funds. This audit is particularly important at USAID/Afghanistan because it operates in a cash environment due to the lack of a local banking system. This audit will provide assurance that imprest funds were properly controlled to reduce the likelihood of fraud or misuse in cashiering operations.

5.2.3: Audit of USAID/Indonesia's Cashiering Operations

To reduce the risk of fraud or misuse, numerous policies and procedures have been developed for handling cash at USAID missions. Compliance with this guidance is essential to ensure that cash is used for authorized purposes. The objective of this audit is to determine whether USAID/ Indonesia cashiers properly accounted for their respective imprest (cash) funds. This audit will provide assurance that imprest funds were properly controlled to reduce the likelihood of fraud or misuse in cashiering operations.

5.2.4: Audit of USAID/Lebanon's Cashiering Operations

To reduce the risk of fraud or misuse, numerous policies and procedures have been developed for handling cash at USAID missions. Compliance with this guidance is essential to ensure that cash is used for authorized purposes. The objective of this audit is to determine whether USAID/ Lebanon cashiers properly accounted for their respective imprest (cash) funds. This audit will provide assurance that imprest funds were properly controlled to reduce the likelihood of fraud or misuse in cashiering operations. This audit will help ensure that the cash funds are managed properly.

5.2.5: Audit of USAID/West Bank and Gaza's

Cashiering Operations

To reduce the risk of fraud or misuse, numerous policies and procedures have been developed for handling cash at USAID missions. Compliance with this guidance is essential to ensure that cash is used for authorized purposes. The objective of this audit is to determine whether USAID/West Bank and Gaza cashiers properly accounted for their respective imprest (cash) funds. This audit will provide assurance that imprest funds were properly controlled to reduce the likelihood of fraud or misuse in cashiering operations. This audit will help ensure that the cash funds are managed properly.

5.2.6: Recommend systemic improvements

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

5.2.9: Promote the Hotline

The OIG will continue to promote the Hotline as a tool for reporting fraud, waste, and abuse in fraud awareness presentations and other forums. The OIG believes that the Hotline serves both as an effective medium for receiving allegations and as an active deterrent against fraud.

Performance Measures for Objective 5.2

- Conduct fraud awareness training sessions, briefings, or presentations.

- Record the number of participants in fraud awareness training, identifying their program areas.

- Promote the OIG Hotline through OIG publications, Internet publications, and Agency-wide exposure.

- Conduct four audits on preventing fraud, waste, and abuse in USAID programs and operations.

- Discuss the prevention of fraud, waste, and abuse in USAID programs and operations with USAID officials at the OIG annual planning conference and at other times as issues arise. Provide advice, if appropriate to help USAID improve these programs and operations.

- Make recommendations for systemic improvements if weaknesses in USAID programs or operations are detected.

- Make referrals, as appropriate, to the Department of Justice for criminal/civil action and/or to USAID for administrative action.

- Track and report the number of criminal, civil, administrative actions resulting from employee integrity investigations.

Objective 5.3: Preserve USAID employee integrity by investigating and concluding investigations of employee integrity efficiently and expeditiously.

The OIG plans to undertake the following activities to address objective 5.3.

5.3.1: Investigate allegations of USAID personnel misconduct

The OIG will investigate all allegations of personnel misconduct received from USAID personnel, contractors, grantees, the Hotline, and other sources. Evidence of wrongdoing by any employee will be reported to the appropriate U.S. Attorney for criminal/civil prosecution and/or to USAID for administrative action.

5.3.2: Conduct and conclude investigations of employee integrity efficiently and expeditiously

The OIG recognizes the effect that employee investigations have on USAID programs and operations; accordingly, the OIG will complete employee integrity investigations within 120 days of receipt of an allegation.

Performance Measures for Objective 5.3

- Complete all employee integrity investigations referred to the OIG within 120 days of receipt of the allegation.

General Strategy for ADF and IAF

The African Development Foundation (ADF) began field operations in 1984 and provides grants directly to community groups in Africa. Its budget in FY 2005 was approximately $19 million. The Inter-American Foundation (IAF) was established in 1969. With a budget of about $18 million in FY 2005, it provides development grants directly to local organizations in Latin America and the Caribbean. Both foundations are U.S. Government corporations. The OIG assumed audit and investigative oversight of the Foundations in 1999.

The cornerstone of the OIG's strategy for maintaining effective oversight of foundation operations lies in the OIG's annual audit of each foundation's organization-wide financial statements. The audits will help to identify areas for more in-depth audits and investigations as circumstances warrant. The OIG also will review the Foundations' implementation of their financial audit program over their grantees.

Performance audits also will play an integral role in maintaining accountability at ADF and IAF. Further, the OIG has disseminated information to the Foundations and has conducted employee briefings on the OIG Hotline. Foundation employees and others can contact the OIG Hotline or OIG investigators to report their accountability concerns. Finally, the OIG will, at all times, remain responsive to congressional concerns about the Foundations' operations.

Audit of the African Development Foundation's Fiscal Year 2006 Consolidated Financial Statements (Multi-Country Audit)

The Government Management Reform Act requires OIGs to conduct audits of Federal agency consolidated financial statements. An independent audit firm contracting with the OIG will conduct the audit of the Africa Development Foundation's (ADF) FY 2006 consolidated financial statements. The objective of the audit is to determine whether

ADF's principal financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles and OMB Guidance. The auditors will obtain an understanding of ADF's internal control structure and perform tests of compliance with laws and regulations that could have a direct and material effect on the Principal Statements and Required Supplementary Information.

Audit of the African Development Foundation's Compliance with the Provisions of the Federal Information Security Management Act for Fiscal Year 2006

The Federal Information Security Management Act of 2002 (FISMA), Public Law 107 347, requires each agency to develop, document, and implement an agency-wide information security program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source. This audit will contribute to the protection of data, computer equipment, and resources from unauthorized access, modification, and destruction. Specifically, it will determine whether ADF's information system security program meets the requirements of the Federal Information Security Management Act of 2002.

Audit of the Inter-American Development Foundation's Fiscal Year 2006 Consolidated Financial Statements (Multi-Country Audit)

The Government Management Reform Act requires OIGs to conduct audits of Federal agency consolidated financial statements. An independent audit firm contracting with the OIG will conduct the audit of Inter-American Development Foundation's (IAF) FY 2006 consolidated financial statements. The objective of the audit is to determine whether IAF's principal financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles

and OMB Guidance. The auditors will obtain an understanding of IAF's internal control structure and perform tests of compliance with laws and regulations that could have a direct and material effect on the Principal Statements and Required Supplementary Information.

Audit of the Inter-American Development Foundation's Compliance with the Provisions of the Federal Information Security Management Act for Fiscal Year 2006

The Federal Information Security Management Act of 2002 (FISMA), Public Law 107 347, requires each agency to develop, document, and implement an agency-wide information security program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source. This audit will contribute to the protection of data, computer equipment, and resources from unauthorized access, modification, and destruction. Specifically, it will determine whether IAF's information system security program meets the requirements of the Federal Information Security Management Act of 2002.

Audit of the Inter-American Development Foundation's Implementation of the Government Performance Results Act

The Inter-American Foundation (IAF) currently provides grants under 200 projects in 23 countries. To address some of the management challenges identified earlier by the OIG and the Government Accountability Office, the IAF has implemented a number of initiatives, including several focusing on improving the Foundation's performance monitoring and efforts to document results. For example, the IAF formalized its process for reporting consolidated grant performance results and is now focusing greater attention on assessing the appropriateness of its existing performance indicators. This audit will determine whether IAF's strategic planning, annual planning and performance reporting meets the requirements of the Government Performance and Results Act and enable the Foundation to measure its performance by comparing planned and actual results.

Consultations

An important element in carrying out our audit and investigative work is our collaboration with other organizations. We consult with them to consider the work they have performed, seek opportunities for joint work, and obtain additional information that will affect our planning.

Government Accountability Office

The IG Act requires coordination with the Government Accountability Office (GAO) to prevent duplication and ensure effective coordination and cooperation. The OIG has assigned a liaison to serve as the principal contact with GAO. The liaison is responsible for keeping the OIG advised on GAO's relevant audit work and reports, which are used for OIG planning. Consultation and coordination are undertaken in planning annual audits.

Defense Contract Audit Agency

The Defense Contract Audit Agency (DCAA) performs audits, reviews, and preaward surveys as requested by USAID. The OIG works with DCAA and USAID to ensure that the work meets USAID's needs.

State Department

The State Department and USAID have issued a joint strategic plan for Fiscal Years 2004-2009. The OIG strategic plan is aligned with the joint State-USAID strategic plan. USAID OIG staff meet with State Department OIG staff to discuss planning and coordination issues and other matters of mutual interest in the foreign affairs environment.

Other Agencies

Several other Federal agencies have interests and activities in the foreign affairs community. For example, the Department of Agriculture obtains food commodities for USAID's P.L. 480 food distribution programs and manages USAID's payroll activities. The Department of Health and Human Services, the Federal Emergency Management Agency, the Environmental Protection Agency, and others, including the Department of State, receive funds through USAID to help manage foreign assistance and disaster assistance activities. Under the President's Emergency Plan for AIDS (Acute Immunodeficiency Syndrome) Reduction, the Department of State plays an overall coordinating role and USAID, the Department of Health and Human Services, the Department of Defense, the Department of Commerce, and the Department of Labor help implement prevention, treatment, and palliative care activities. We coordinate with each Agency's OIG in planning and carrying out our annual audits and investigations. The USAID OIG also coordinates with other OIGs through the President's Council for Integrity and Efficiency (PCIE) and plays a leadership role in the PCIE Audit Committee.

Customers and Stakeholders

Understanding the views of our customers and ensuring that the views are addressed in conducting our work is vital to the overall success of OIG operations. Traditionally, we have worked with both USAID officials and Congress in developing our strategic and annual plans.

To facilitate exchanges between OIG staff and the customers for our work, the OIG held a week-long planning conference. The conference was designed to involve participation from all the units within the OIG and gave representatives from both headquarters and field offices an opportunity to meet and discuss issues that affect audits and investigations. Professional staff from key

Hill appropriations and authorizing committees participated, as did officials from GAO. Management officials from USAID bureaus discussed their programs and vulnerabilities and where the OIG already is of assistance or could be in the future. The discussions have helped us to focus our limited resources on issues of greatest USAID, congressional, and taxpayer concern.

Factors Affecting OIG Audit and Investigative Activities

The OIG faces several factors, some of which are beyond its control that could affect its ability to achieve its goals and objectives. For example, the OIG has no implementation authority and only makes recommendations to USAID on the basis of audit and investigative findings. USAID is not obligated to accept any of the OIG's recommendations. The OIG's recommendations, along with USAID's responses, are included in OIG audit reports and summarized in the semiannual report to Congress. In addition, other factors discussed below, both internal and external to USAID, also affect the OIG's ability to accomplish its work.

USAID's Internal Environment

USAID's management challenges have been documented by the OIG in audit reports and by the GAO in its report entitled "Major Management Challenges and Program Risks: U.S. Agency for International Development" (GAO-03-111, January 2003).

USAID has made progress on these challenges in that computer security is no longer a material weakness and the OIG also reported an unqualified opinion on the Agency's fiscal year 2004 financial statements for the second year in a row. However, USAID still does not have timely, accurate, and reliable performance data and integrated information management systems. USAID continues to have problems developing reporting systems that meet the requirements of

the Government Performance and Results Act of 1993, and the financial accounting system does not fully meet government standards.

USAID has undertaken a major effort to improve and restructure its human capital management. For example, in August 2004, USAID issued its first comprehensive Human Capital Strategic Plan, which covered fiscal years 2004 to 2008. Recognizing the effort, OMB and the Office of Personnel Management have consistently given USAID's progress a satisfactory rating. Nevertheless, as of June 30, 2005, the Office of Management and Budget (OMB) gave USAID a mixed result rating for its overall status in the area of human capital management. Therefore, more remains to be done. Most importantly, USAID needs to continue efforts to implement its workforce planning and analysis initiative and implement strategies to close or eliminate mission-critical skill gaps.

These internal USAID factors pose significant challenges in our audit and investigative work. Because of the inability to rely on USAID's information systems, for example, our auditors must increase the amount of testing required for our audits, thereby increasing the cost and time required for them.

USAID's External Environment

USAID operates in more than 100 countries. The working environment is complex, given the differences in language, law, and standards of accountability. Besides the inherent difficulties in operating in an overseas environment, USAID is faced with implementing programs in countries susceptible to corruption.

In carrying out its audits and investigations, OIG staff must be aware of these vulnerabilities and factor the high-risk environment into designing audit and investigative strategies.

Standards for Success

The OIG developed standards for success for each of the objectives set forth in the OIG's strategic and annual plan. These standards for success are drawn from such sources as OMB circulars, legislation (GPRA, GMRA, FFMIA, etc.), the State-USAID Strategic Plan, USAID policy documents and notices, and USAID priorities. The standards were developed to articulate what USAID needs to do to accomplish its mission and address the major challenges it faces. If the OIG can help USAID achieve the standards for success (listed in Appendix A), the OIG will thereby have accomplished its objectives.

One key to making the standards for success meaningful is for USAID to "buy into them." The OIG considered it essential that the Agency and the OIG agree that the standards are relevant and attainable. To accomplish the necessary buy-in, we met with the Administrator and Deputy Administrator as well as with the Assistant and Deputy Assistant Administrators, Office Directors, and other USAID individuals identified as having an interest in meeting the standards. As a result of those meetings, USAID and the OIG are in substantial agreement that the standards for success, as presented in this annual plan, are relevant to USAID's success and are attainable by USAID. The audits and investigative activities planned for FY 2006 are designed to assist USAID in attaining the standards for success

The OIG's strategic goals, objectives, as well as the standards for success and a multiyear plan for addressing them, are presented in Appendix A. Included as Appendix B is the list of planned audit activities for FY 2006, organized by geographic bureau within USAID, followed by Appendix C, audit activities for ADF and IAF.

APPENDIX A
STANDARDS FOR SUCCESS
AND
MULTIYEAR PLAN OF OIG ACTIVITIES

Strategic Goal 1: Keep the Administrator and Congress fully informed on the status of USAID's administration and operations and the need for and progress of corrective actions.

Objective: Provide timely, high quality reports and briefings to the Administrator and Congress on the major challenges identified by audits and investigations.

Provide prompt notification to the Administrator and Congress on issues of significant importance impacting USAID operations in accordance with the Inspector General Act of 1978.

Strategic Goal 2: Promote improvements in the way that USAID advances sustainable development and global interests.

Objective 2.1: Contribute to improvements in USAID's programs that advance the growth of democracy and good governance, including civil society, the rule of law, respect for human rights, and religious freedom.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
2.1.1: USAID, with the Department of State (DOS), advances the growth of democracy by pressing for democratic reform based on rule of law; acting as a leading human rights defender; working with other countries that share U.S. values; promoting freedom of religion and conscience worldwide; providing assistance focused on governance; and encouraging the development of appropriate infrastructures and institutions.	Risk Assessment of the Office of Transition Initiatives	IG/A	06
	Audit of USAID/Sudan Field Office's Transition Initiatives	IG/A	06
	Audit of USAID Transition Initiatives in Iraq	IG/A	06
	Audit of USAID/Iraq's Local Governance Activities	IG/A	06
	Audit of USAID/Afghanistan's Alternative Livelihoods Program	IG/A	06
[State-USAID Strategic Plan]	Audit of USAID/Ukraine's Democracy Program—Local Self Governance Activity	IG/A	06
	Audit of USAID's Rule of Law Activities	IG/A	08

Strategic Goal 2: Promote improvements in the way that USAID advances sustainable development and global interests.

Objective 2.2: Contribute to improvements in USAID's programs for strengthening world economic growth, development, and stability while expanding opportunities for U.S. businesses and ensuring economic security for the nation.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
2.2.1: USAID, with DOS, strengthens world economic growth, development, and stability by promoting growth, open markets, and economic development (i.e. through economic policy reforms that tie assistance to performance and accountability); assisting conflict resolution, crisis management, and failing states; harnessing private sector transaction flows; promoting agricultural development; and expanding opportunities for U.S. businesses.	Worldwide Audit and Capping Report on USAID's Development Credit Authority Program	IG/A	06
	Audit of USAID/XX's Development Credit Authority Program (East/Southern Africa Mission TBD)	IG/A	06
	Audit of USAID/Philippines' Development Credit Authority Program	IG/A	06
[State-USAID Strategic Plan]	Audit of USAID/XX's Development Credit Authority Program (Europe and Eurasia Mission TBD)	IG/A	06
	Audit of USAID/XX's Development Credit Authority Program (Latin America and Caribbean Mission TBD)	IG/A	06
	Audit of USAID/Iraq's Telecommunication Activities	IG/A	06
	Audit of USAID/Jordan's Cash Transfer Program	IG/A	06
	Audit of USAID/Lebanon's Expanded Economic Opportunities Activities	IG/A	06
	Audit of USAID/Egypt's Assistance for Customs and Trade Facilitation Project	IG/A	06

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
	Audit of USAID/Azerbaijan's Economic Growth Program	IG/A	06
	Audit of USAID/Bosnia-Herzegovina's Economic Restructuring Program—Mobilizing Capital for Small and Medium Enterprises	IG/A	06
2.2.2: DOS and USAID work with the Treasury Department and other Federal agencies, international financial institutions, and friendly governments to minimize financial disruptions, to improve functioning of energy markets for producing and consuming countries, and to prevent the illegal use of communication technologies. [State-USAID Strategic Plan]			
2.2.3: USAID, with DOS, coordinates with the Millennium Challenge Corporation (MCC) to implement the Millennium Challenge Account (MCA) by providing assistance to threshold countries to improve their performance eligibility criteria. [State-USAID Strategic Plan]			
2.2.4: USAID, with DOS, ensures that private financial flows, such as those sponsored by the Global Development Alliance, contribute to economic prosperity and security by developing business models and generating public-private partnerships to mobilize private sector flows in support of public resources and objectives. [State-USAID Strategic Plan]			

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
2.2.5: USAID, with DOS, promotes agricultural development and food security through supporting technological improvements, enhancing the role of women, strengthening local, regional, and global markets for agricultural products, supporting PL 480 food programs, and gaining acceptance of biotech products while maintaining food safety standards. [State-USAID Strategic Plan]	Survey and Pilot Audit of USAID's Management of P.L. 480 Title II Non-Emergency Monetization Programs	IG/A	06
	Worldwide Audit of USAID's Management of P.L. 480 Title II Non-Emergency Monetization Programs	IG/A	06
	Audit of USAID/Senegal's Management of Cape Verde's P.L. 480 Title II Non-Emergency Monetization Program	IG/A	06
	Audit of USAID/XX's Management of P.L. 480 Title II Non-Emergency Monetization Program (East/Southern Africa Mission TBD)	IG/A	06
	Audit of USAID/XX's Management of P.L. 480 Title II Non-Emergency Monetization Program (Latin America and Caribbean Mission TBD)	IG/A	06
	Audit of USAID/Iraq's Agricultural Reconstruction and Development Program	IG/A	06
	Audit of USAID/Egypt's Agricultural Export and Rural Incomes Project	IG/A	06
	Audit of USAID's Management of P.L. 480 Title II Emergency Assistance Programs	IG/A	07
	Audit of USAID's Procurement of Freight Services under P.L. 480 Title II Program	IG/A	09

Strategic Goal 2: Promote improvements in the way that USAID advances sustainable development and global interests.

Objective 2.3: Contribute to improvements in USAID programs to improve health, education, environment, and other social and environmental conditions for the global population.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
2.3.1: USAID and DOS combat the spread of HIV/AIDS by a balanced, integrated approach that includes prevention, treatment, and care – raising awareness, addressing mother-to-child transmission of HIV, and advocating sexual behavior that reinforces abstinence, faithfulness, and responsible use of condoms. [State-USAID Strategic Plan]	Survey and Pilot Audit of USAID's Progress in Implementing the President's Emergency Plan for AIDS Relief (PEPFAR)	IG/A	06
	Worldwide Audit of USAID's Progress in Implementing the President's Emergency Plan for AIDS Relief–PEPFAR (Multi-Country Audit)	IG/A	06
	Audit of USAID/XX's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR (West/Central Africa Mission TBD)	IG/A	06
	Audit of USAID/XX's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR (East/Southern Africa Missions TBD)	IG/A	06
	Audit of USAID/Guyana's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR	IG/A	06

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
	Survey and Pilot Audit of USAID's Procurement and Distribution of Commodities for the President's Emergency Plan for AIDS Relief—PEPFAR	IG/A	06
	Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/ AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Multi-Country Audit)	IG/A	06
	Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/ AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (East/Southern Africa Missions TBD)	IG/A	06
	Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/ AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Asia and Near East Missions TBD)	IG/A	06

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
	Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Latin America and Caribbean Missions TBD)	IG/A	06
	Worldwide Audit of USAID's Procurement and Distribution of Commodities for the President's Emergency Plan for AIDS Relief—PEPFAR (Multi-Country Audit)	IG/A	07
2.3.2: USAID and DOS contribute to the reduction of infectious diseases by supporting bilateral treatment and prevention programs and international programs, including those of the World Health Organization and the Global Fund to Fight AIDS, Tuberculosis, and Malaria. [State-USAID Strategic Plan]			
2.3.3: USAID and DOS contribute to the reduction of infant and child mortality through direct health interventions and by enhancing a country's capacity to develop and manage its health care sector. [State-USAID Strategic Plan]	Audit of USAID/West Africa Regional Program's Monitoring and Reporting of its Health Program	IG/A	06
	Audit of USAID/Afghanistan's Rural Expansion of Afghanistan's Community-Based Healthcare Program	IG/A	06
	Audit of USAID's Child Survival Activities	IG/A	11

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
2.3.4: USAID, with DOS, supports reproductive and maternal health by increasing access to and use of quality care, including encouragement of abstinence, fidelity, voluntary family planning, competent delivery assistance, avoidance of unintended pregnancies, and local institutional capacity building. [State-USAID Strategic Plan]	Audit of USAID/Yemen's Maternal and Child Health Services Program Audit of USAID/Bolivia's Family Planning Program Audit of USAID/Guatemala's Family Planning Program	IG/A IG/A IG/A	06 06 06
2.3.5: USAID and DOS work toward the UN Millennium Declaration of universal primary education by encouraging countries to improve education policies, institutions, and practices, especially reducing barriers for girls, and by working with donor partners to implement commitments made at international conferences. [State-USAID Strategic Plan]	Audit of USAID/Mali's Monitoring and Reporting of its Basic Education Program Audit of USAID's Basic Education Activities	IG/A IG/A	06 08
2.3.6: USAID and DOS promote sustainable natural resource management and environmental conservation by increasing capacity to protect the oceans and environment; building partnerships to deliver water, energy, and sound resource management; and advancing international environmental cooperation that supports trade and economic growth. [State-USAID Strategic Plan]	Audit of USAID/Democratic Republic of the Congo's Central African Regional Program for the Environment Audit of USAID/Afghanistan's Power Sector Activities Under the Rehabilitation of Economic Facilities and Services Program	IG/A IG/A	06 06

Strategic Goal 2: Promote improvements in the way that USAID advances sustainable development and global interests.

Objective 2.4: Help USAID minimize the human costs of displacement, conflicts and natural disasters.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
2.4.1: USAID and DOS minimize the human cost of displacement and conflict by providing, on a non-political basis, equipment and support for transition to development that protects lives, alleviates suffering, and restores capacity for self-reliance; upholding international standards concerning exploitation, especially for women and children; and promoting durable solutions for displaced persons. [State-USAID Strategic Plan]	Audit of USAID/Indonesia's Livelihood Assistance Activities Under its Tsunami Recovery and Reconstruction Program	IG/A	06
	Audit of USAID/Indonesia's Banda Aceh-Lam No Road Activities Under its Tsunami Recovery and Reconstruction Program	IG/A	06
	Audit of USAID/Indonesia's Tsunami Recovery and Reconstruction Program Implemented by Development Alternatives Inc.	IG/A	06
	Audit of USAID/Sri Lanka's Large Scale Infrastructure Rebuilding Activities Under its Tsunami Recovery and Reconstruction Program	IG/A	06
	Audit of USAID's Emergency Response Efforts	IG/A	10
2.4.2: USAID and DOS improve disaster prevention and response capabilities by enhancing early warning systems, mitigating potential disaster effects, building response capabilities, involving local women, promoting accountable governance and coordinating international donor response. [State-USAID Strategic Plan]			

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3.1: Contribute to the development of a workforce whose number, skills, and deployment meet USAID needs; strategies for succession planning and leadership continuity; and strategies that integrate workforce planning into USAID's budget and strategic plans.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.1.1: No skill gaps exist in mission-critical positions. [OMB Management Initiative USAID-Performance Goal 2.1, OPM Scorecard/ Strategic Competency Goal]			
3.1.2: Human capital strategy is consistent with OPM's "Human Capital Score-card." [President's Management Agenda, OMB Management Initiative OPM Scorecard]	Audit of USAID's Implementation of its Human Capital Strategy	IG/A	06
3.1.3: Human capital strategy is integrated into the budget and strategic plans. [OMB-Management Initiative OPM Scorecard/Strategic Alignment Goal]	Audit of USAID's Incorporation of Human Capital Strategy into the Budget and Planning Process	IG/A	07
3.1.4: USAID strategically uses existing personnel flexibilities, tools, and technology. [OMB-Management Initiative OPM Scorecard]	Audit of USAID's Use of Existing Personnel Flexibilities	IG/A	08

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.1.5: USAID implements effective succession plans. [OMB-Management Initiative OPM Scorecard/Leadership Goal]	Audit of USAID's Succession Planning for Top Leadership and Management Positions	IG/A	09
3.1.6: USAID sustains a high-performing workforce that is continually improving in productivity. [OMB-Management Initiative OPM Scorecard/Leadership Goal and Performance Culture Goals]	Audit of USAID's System for Assessing the Impact of its Program for Improving Employee Performance	IG/A	06
3.1.7: Human capital strategy complies with standards for internal accountability systems to ensure effective merit-based human resource management. [OMB-Management Initiative Executive Order 13197]	Audit of USAID/Iraq Staffing Audit of USAID's Human Capital Strategy for Compliance with Standards for Internal Accountability Systems	IG/A IG/A	07 10
3.1.8: USAID employs competitive sourcing practices to ensure that the best possible service and products are procured at the best possible price, regardless of the source. [President' Management Agenda, State-USAID Strategic Plan]			
3.1.9: USAID ensures the security of its employees and implementing partners. [State-USAID Strategic Plan]	Audit of USAID's Office of Security	IG/A	09

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3.2: Contribute to improvements in USAID's processes for planning, monitoring, and reporting on program activities and integrating performance information into budget decision-making.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.2.1: USAID has a process of strategic planning, performance monitoring and evaluation, and results reporting that includes the following: 1. In conjunction with the Department of State, an updated and revised strategic plan every three years setting out a course of action and accomplishments covering a period of at least five years. 2. An annual performance budget that sets annual goals with measurable target levels of performance. 3. An annual performance and accountability report that compares actual performance with annual goals. [GPRA, OMB Circular A-11]	Audit of USAID's Strategic Planning Process	IG/A	06
	Audit of USAID/REDSO/ESA's Performance Monitoring of the East and Central Africa Global Competitiveness Hub	IG/A	06
	Audit of USAID/West Bank and Gaza's Monitoring Through Geographic Information System Technologies	IG/A	06
	Audit of USAID/Afghanistan's Performance Monitoring Over Its Reconstruction Activities	IG/A	06
3.2.2: "Management's Discussion and Analysis," a part of USAID's annual Performance and Accountability Report, contains meaningful performance information addressing the extent to which programs are achieving their intended objectives. [OMB Bulletin Nos. 01-09, Statement of Federal Financial Accounting Standards No. 15]	Review of Management's Discussion and Analysis Section in USAID's Fiscal Year 2006 Consolidated Financial Statements	IG/A	06 and Annual

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.2.3: USAID systematically applies performance data to budget decisions and can demonstrate how program results inform budget decisions. Budget processes are efficient and enhance operational efficiency. [President's Management Agenda]	Audit of USAID's Performance-Based Budget	IG/A	06
3.2.4: USAID can adequately monitor and report on activities not covered by a country strategy. [USAID priority]			
3.2.5: USAID has a performance measurement process that verifies and validates the reliability of data in the annual reports of individual operating units. [GPRA, USAID Notice dated 12/5/01]			
3.2.6: USAID provides quick, reliable, and economic program and administrative services to USAID/Washington offices and field missions. [USAID priority]			
3.2.7: USAID coordinates with the State Department on the consolidation of State-USAID performance reporting, financial management, information technology, and other support services. [State-USAID Strategic Plan]			

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3.3: Contribute to improvements in USAID's processes for awarding and administering acquisition and assistance instruments.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.3.1: Cognizant Technical Officers are effective participants in the procurement process. [OFPP Best Practice, USAID-Performance Goal 3.2.1]	Survey and Pilot Audit of USAID's Implementation of Branding Audit of the Completeness of USAID/Mexico's Work Plan Deliverables	IG/A IG/A	06 06
3.3.2: USAID's management of service contracts improves USAID operations and programs. [OFPP Policy Letter 93-1]	Audit of USAID's Service Contracts	IG/A	07
3.3.3: USAID follows procedures for using performance-based contracting where applicable to achieve or exceed OMB targeted goals. [OFPP Policy Letter 91-2, USAID Performance Goal 3.1.2]			
3.3.4: USAID ensures consistent application of acquisition and assistance policies and procedures. [OFPP]	Audit of USAID/Jordan's Monitoring of Host Country Contracting for Water Activities Audit of USAID's Solicitation and Award Process	IG/A IG/A	06 08
3.3.5: USAID ensures increased competitiveness and access to procurement opportunities for U.S. small businesses. [OFPP]			

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.3.6: USAID adopts practices that enable it to manage its procurement workload efficiently. [USAID Performance Goal 3.1.1]	Survey and Pilot Audit of USAID's Implementation of Branding	IG/A	06
	Audit of the Completeness of USAID/Mexico's Work Plan Deliverables	IG/A	06
3.3.7: USAID's internal evaluations of its contracting systems are sufficient and complete to ensure accurate reporting of system compliance and integrity. [OFPP]	Audit of USAID's Procurement Evaluation Program	IG/A	06
	Audit of the Effectiveness of USAID/South Africa's Contractor Performance Evaluation and Award Closeout Programs	IG/A	06
	Follow-up of USAID's Implementation of Recommendation Nos. 1 and 2 from the Audit of USAID/Regional Center for Southern Africa's Contractor Performance Evaluation Program, Audit Report No. 4-690-05-002-P	IG/A	06
3.3.8: USAID identifies and implements applications for on-line procurement. [President's Management Agenda, OFPP, USAID Performance Goal 3.1.1]			

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3.4: Assist USAID in improving its financial systems that contribute to preparation of reliable and useful information that managers can use to manage USAID.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.4.1: USAID has financial management systems that substantially meet Federal financial management system requirements and applicable accounting standards. They include a financial management system that does the following: --Complies with the Joint Financial Management Improvement Program. --Processes transactions in accordance with the Standard General Ledger. --Complies with Federal accounting standards. [President's Management Agenda, Government Management Reform Act of 1994, Federal Financial Management Improvement Act of 1996]	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements (Multi-country Audit)	IG/A	Annual
	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements—USAID/Liberia	IG/A	06
	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements—USAID/Zambia	IG/A	06
	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements—USAID/Iraq	IG/A	06
	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements—USAID/West Bank and Gaza	IG/A	06
	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements—USAID/Pakistan	IG/A	06
	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements—USAID/Kosovo	IG/A	06
	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements—USAID/Haiti	IG/A	06

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
	Audit of USAID's Compliance with the Federal Financial Management Improvement Act of 1996—Fiscal Year 2006	IG/A	Annual
	Audit of USAID's Post Implementation Review of the Phoenix Overseas Deployment Project (Multi-country Audit)	IG/A	06
	Audit of USAID/Senegal's Post Implementation Review of the Phoenix Overseas Deployment Project	IG/A	06
	Audit of USAID/South Africa's Post Implementation Review of the Phoenix Overseas Deployment Project	IG/A	06
	Audit of USAID/West Bank and Gaza's Post Implementation Review of the Phoenix Overseas Deployment Project	IG/A	06
	Audit of USAID/Philippines' Post Implementation Review of the Phoenix Overseas Deployment Project	IG/A	06
	Audit of USAID/Regional Support Center Budapest's Post Implementation Review of the Phoenix Overseas Deployment Project	IG/A	06

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
	Audit of USAID/Jamaica's Post Implementation Review of the Phoenix Overseas Deployment Project	IG/A	06
	Audit of USAID's Annual Report Database System	IG/A	08
	Audit of USAID's Controls Over the Accuracy of its Use of Spreadsheets to Support its Financial Statements	IG/A	09
3.4.2: USAID provides accurate and timely interim financial information. [OMB Bulletin 01-09]	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements	IG/A	06
3.4.3: USAID has integrated financial and performance management system supporting day-to-day operations for both Washington and Overseas Accounting Stations. [President's Management Agenda]	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements	IG/A	06
3.4.4: USAID accurately posts all finan-cial transactions on a timely schedule. [Government Management Reform Act of 1994]	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements	IG/A	06
3.4.5: USAID performs timely reconcili-ation of financial data. [GAO Internal Control Guidance]	Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements	IG/A	06

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3.5: Assist USAID in ensuring proper accountability of funds provided to contractors, grantees, and host governments.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.5.1: Maintain accountability for funds provided to U.S. and non-U.S. grantees and enterprise funds through monitoring activities such as field visits, meetings, and review of progress reports; through review of payment requests submitted to USAID; and through financial reviews and evaluations. [OMB Circular No. A-133, Single Audit Act, Federal Acquisition Regulations, ADS 591, and Support for Eastern European Democracy Act of 1989]			
3.5.2: USAID obtains contractor, grantee, and host country audits that meet standards and provide assurance that financial information is reliable. [OMB Circular No. A-133, Single Audit Act, Federal Acquisition Regulations, ADS 591, and Support for Eastern European Democracy Act of 1989]	Oversight of OMB Circular A-133 Audit Program	IG/A	Annual
	Oversight of Services Provided to USAID by the Defense Contract Audit Agency	IG/A	Annual
	Oversight of Audits Contracted by USAID	IG/A	Annual
	Oversight of Audits Contracted by Overseas Grantee Recipients	IG/A	Annual
	Quality Control Reviews of Audits Performed by Independent Public Accounting Firms under OMB Circular A-133, Enterprise Fund, and USAID and Recipient-Contracted Audit Programs	IG/A	06

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3.5: Assist USAID in ensuring proper accountability of funds provided to contractors, grantees, and host governments.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
	Audit of USAID/Uganda's Control Over Prime Recipient Monitoring of Sub-recipients	IG/A	06
	West Bank and Gaza Agency-Contracted Audit Coordination	IG/A	06
	Information Status Report of Financial Audits of USAID/West Bank and Gaza Activities	IG/A	06

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3.6: Promote improvements in the creation of systems and information technology (IT) infrastructures that are able to leverage capital investments, provide blueprints for IT solutions, and share data and information within USAID and with its customers.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3.6.1: USAID attains full compliance with Clinger-Cohen Act of 1996. For example, the Act requires but is not limited to the following: --Capital planning and investment control. --Performance-based and results-based management of information resources.	Audit of USAID's Project Planning/ Acquisition for the Joint Acquisitions & Assistance Management System	IG/A	07
	Audit of USAID's Deployment of its Joint Acquisitions & Assistance Management System	IG/A	07

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
--Assignment of responsibilities within USAID for managing IT. [Clinger-Cohen Act of 1996]	Audit of USAID's Project Planning/Acquisition for its Executive Information System	IG/A	07
	Audit of USAID's Deployment of its Executive Information System	IG/A	08
	Audit of USAID's Policies, Standards, and Guidelines for Management of IT Projects	IG/A	08 & 10
	Audit of USAID's Post Implementation Review Deployment of the Joint Acquisitions & Assistance Management System	IG/A	08
	Audit of USAID's Performance Measures for IT Initiatives	IG/A	08
	Audit of USAID's Information Architecture Strategy	IG/A	09
	Audit of USAID's IRM Human Resources Practices	IG/A	09
	Audit of IRM's Contractor Performance Monitoring and Review	IG/A	09
3.6.2: USAID's major system investments comply with OMB Circular A-11 (Exhibit 53, Form 300). For example, the circular requires but is not limited to the following: --Submitting to OMB, for all major system investments, a business case that complies with the circular's provision.	Audit of USAID's Approach for Developing its Business Cases Audit of USAID's Approach for Allocating IT Funds	IG/A IG/A	09 10

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Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
--Planning, budgeting, and acquisition of capital assets. (For example, IT investment should include the basis for selection of investment; principles of financing; and strategies for strengthening accountability for achieving project cost, schedule, and performance goals. [OMB Circular A-11, Exhibit 53, Form 300]			
3.6.3: On average, all major IT projects operate within 90 percent of Form 300 cost, schedule, and performance targets. [OMB Circular A-11, Exhibit 53, Form 300]			
3.6.4: E-government and Government Paperwork Elimination Act (GPEA) implementation must show department-wide progress or participation in multi-agency initiative in the following areas: --Citizen one-stop service delivery integrated through www.firstgov.gov, cross-agency call centers, and offices or service centers.	Audit of USAID's E-Gov Initiatives	IG/A	07

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
--Minimizing the burden on business by reusing data previously collected or using ebXML or other open standards to receive transmissions. --Obtaining productivity improvements by implementing customer-relationship management, supply chain management, enterprise resource management, or knowledge-management best practices. [President's Management Agenda]			

Strategic Goal 3: USAID achieves management and organizational excellence.

Objective 3. 7: Contribute to the development, promotion, and monitoring of security awareness and processes for protecting USAID's critical information systems from loss, misuse, and unauthorized access or modification.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
3. 7.1: The security of USAID's information systems fully complies with Federal requirements, specifically the Federal Information Security Management Act of 2002. The Act's provisions include: 1. Annual agency reviews 2. Annual Inspector General or independent evaluations 3. Annual OMB reports to Congress that summarize	Audit of USAID's Compliance with the Provisions of the Federal Information Security Management Act for Fiscal Year 2006	IG/A	Annual
	Audit of USAID Missions' Access and Contingency Controls Over the Phoenix Financial Management System And General Support Systems for Fiscal Year 2007	IG/A	Annual

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
the Inspector General and agency reports 4. Annual agency performance plan that describes time periods for implementing the agency-wide security program 5. Agency incorporation of security practices throughout the life cycle of all systems The Act also requires agencies to do the following: 1. Develop policy and procedures that are based on a continuous risk management cycle. 2. Implement controls that assess information security risk. 3. Continually monitor and evaluate policy and control effectiveness. The Computer Security Act of 1987. For example, the Act requires but is not limited to the following: 1. Identification of sensitive systems. 2. Security plans and privacy for Federal computer systems and Federal computer system security training. OMB Circular A-130, Appendix III: The Circular requires but is not limited to establishing an	Audit of USAID Missions' Access and Contingency Controls Over the Phoenix Financial Management System And General Support Systems for Fiscal Year 2007	IG/A	06
	Audit of USAID/Washington's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006 (Multi-Country Audit)	IG/A	06
	Audit of USAID/Ghana's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006	IG/A	06
	Audit of USAID/Zambia's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006	IG/A	06
	Audit of USAID/Iraq's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006	IG/A	06

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
automated information security program and management structure that includes controls for access (passwords, intrusion detection, antivirus software, and system protection devices), application software development, system software (operating systems and related utilities), segregation of duties, and contingency planning.	Audit of USAID/West Bank and Gaza's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006	IG/A	06
	Audit of USAID/Pakistan's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006	IG/A	06
	Audit of USAID/Kosovo's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006	IG/A	06
	Audit of USAID/Haiti's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006	IG/A	06
	Audit of USAID's Implementation of Privacy Requirements for Automated Systems	IG/A	06
	Audit of USAID Plans for Implementing Homeland Security Presidential Directive-12	IG/A	07

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
	Audit of USAID Progress in Implementing Homeland Security Presidential Directive-12 (Phase I)	IG/A	07
	Audit of USAID Progress in Implementing Federal Information Processing-199	IG/A	07
	Audit of Phoenix Application Controls	IG/A	07
	Audit of USAID Progress in Implementing Homeland Security Presidential Directive-12 (Phase II)	IG/A	08
	Audit of USAID AIDNET and Testing	IG/A	08
	Audit of USAID's Windows 2003 Operating Systems	IG/A	08
	Audit of USAID's Controls Over the Oracle Database	IG/A	09
	Audit of USAID's Process for Upgrading Phoenix to the Next Version	IG/A	10

Strategic Goal 4: Promote better management of significant and unplanned matters.

Objective 4.1: Contribute to better management of USAID activities that address significant, often unplanned, conditions or engender intense congressional interest.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
4.1.1: USAID achieves effective and efficient delivery of desired results in executing significant and often unforeseen activities. [Implicit in OMB October 30, 2001 Memorandum and the President's Management Agenda]			

Strategic Goal 5: Preserve and protect USAID program and employee integrity.

Objective 5.1: Investigate allegations of fraud, waste, and abuse in USAID's programs and operations.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
5.1.1: USAID maintains the highest possible level of program integrity.	Investigate allegations of fraud, waste, and abuse in USAID programs and operations.	IG/I	Ongoing
	Make appropriate referrals for criminal, civil, or administrative actions.	IG/I	Ongoing
5.1.2: USAID reduces fraud in major programs and contracts.	Prioritize program integrity cases involving major fraud	IG/I	Ongoing
	Track and report the number of allegations investigated and the number of criminal, civil, and administrative actions resulting from investigations.	IG/I	Ongoing

Strategic Goal 5: Preserve and protect USAID program and employee integrity.

Objective 5.2: Prevent fraud, waste, and abuse in USAID programs.

Standards for Success	Planned OIG Services	Performing Organization	Planned Fiscal Year
5.2.1: USAID proactively prevents fraud in its programs and operations.	Conduct fraud awareness/cost principles training sessions, briefings, and presentations to alert employees, contractors, and grantees to fraud schemes and fraudulent practices	IG/I IG/A	Annual
	Promote the OIG Hotline to increase awareness of tools for reporting fraud, waste, and abuse.	IG/I	Annual
	Conduct proactive initiatives to identify vulnerabilities in multi-million dollar USAID programs involving U.S. contractors and grantees which could lead to criminal activity or civil or administrative violations.	IG/I	06
5.2.2: USAID corrects identified systemic problems.	Recommend systemic improvements if weaknesses are detected in USAID programs or operations and work with USAID to correct problems.	IG/I	Annual and As Needed
	Audit of USAID/Afghanistan's Cashiering Operations	IG/A	06
	Audit of USAID/Indonesia's Cashiering Operations	IG/A	06

Strategic Goal 5: Preserve and protect USAID program and employee integrity.			
Objective 5.2: Prevent fraud, waste, and abuse in USAID programs.			
Standards for Success	**Planned OIG Services**	**Performing Organization**	**Planned Fiscal Year**
	Audit of USAID/Lebanon's Cashiering Operations	IG/A	06
	Audit of USAID/West Bank and Gaza's Cashiering Operations	IG/A	06
5.2.3: USAID is able to identify potential threats and vulnerabilities of programs and operations before major problems develop.			
5.2.4: USAID employees, contractors, grantees, and others are aware of procedures for reporting fraud, waste, and abuse.	Promote the Hotline as a tool for reporting fraud, waste, and abuse in fraud awareness presentations and other forums.	IG/I IG/A	As Needed

Strategic Goal 5: Preserve and protect USAID program and employee integrity.			
Objective 5.3: Preserve USAID employee integrity by investigating and concluding investigations of employee integrity efficiently and expeditiously.			
Standards for Success	**Planned OIG Services**	**Performing Organization**	**Planned Fiscal Year**
5.3.1: USAID maintains the highest possible level of personnel integrity.	Investigate allegations of personnel misconduct received from USAID personnel, contractors, grantees, IG/A, the Hotline, and other sources. Make appropriate referrals for criminal, civil or administrative actions.	IG/I	Ongoing
5.3.2: USAID has an expeditious process for resolving personnel integrity issues.	Complete employee integrity investigations within 120 days of receipt of the allegation.	IG/I	Ongoing

APPENDIX B

AUDIT ACTIVITIES BY BUREAU

AUDIT ACTIVITIES OF USAID OFFICE OF INSPECTOR GENERAL FOR FISCAL YEAR 2006

Following is a list of planned OIG audit activities for fiscal year 2006 for USAID. The number assigned to each audit activity corresponds to the number in the main body of this annual plan. The first two digits of each number correspond to the strategic objective within the OIG strategic plan. The first section, "USAID-General," includes work done by OIG Washington-based audit units and certain activities performed by all audit units, i.e., fraud awareness activities and follow-up on audit recommendations that have received Final Action.

USAID-GENERAL

2.1.1   Risk Assessment of USAID'S Office of Transition Initiatives

2.2.1: Worldwide Audit and Capping Report on USAID's Development Credit Authority (Multi-Country Audit)

2.2.6:   Survey and Pilot Audit of USAID's Management of P.L. Non-Emergency Monetization Programs

2.2.7: Worldwide Audit of USAID's Management of P.L. Non-Emergency Monetization Programs (Multi-Country Audit)

2.3.1:   Survey and Pilot Audit of USAID's Progress in Implementing the President's Emergency Plan for AIDS Relief (PEPFAR)

2.3.2:   Audit of USAID's Implementation of the President's Emergency Plan for AIDS Relief—PEPFAR (Multi-Country Audit)

2.3.6:   Survey and Pilot Audit of USAID's Procurement and Distribution of Commodities for the President's Emergency Plan for AIDS Relief (PEPFAR)

2.3.7:   Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Multi-Country Audit)

3.1.1: Audit of USAID's Implementation of its Human Capital Strategy

3.1.2: Audit of USAID's System for Assessing the Impact of Its Programs for Improving Employee Performance

3.2.1: Review of Management's Discussion and Analysis Section in USAID's Fiscal Year 2006 Consolidated Financial Statements

3.2.2: Survey and Audit of USAID's Strategic Planning Process

3.2.3: Audit of USAID's Performance-Based Budget

3.3.1:   Audit of USAID's Procurement Evaluation Program

3.3.2: Survey and Pilot Audit of USAID's Implementation of Branding

3.4.1: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements (Multi-Country Audit)

3.4.9: Audit of USAID's Compliance with the Federal Financial Management Improvement Act of 1996--Fiscal Year 2006

3.4.10: Audit of USAID's Post Implementation Review of the Phoenix Overseas Deployment Project (Multi-Country Audit)

3.5.4: Oversight of (1) Office of Management and Budget (OMB) Circular A-133 audit program, (2) services provided to USAID by the Defense Contract Audit Agency (DCAA), (3) Enterprise Fund audit program, (4) audits contracted by USAID, and (5) audits contracted by overseas contractors and grantee recipients

3.5.5: Quality-control reviews of audits performed by independent public accounting firms under OMB Circular A-133, Enterprise Fund, and USAID- and recipient-contracted audit programs

3.7.1: Audit of USAID's Compliance with the Provisions of the Federal Information Security Management Act for Fiscal Year 2006

3.7.2: Audit of USAID/Washington's Access and Contingency Planning Controls over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006 (Multi-Country Audit)

 3.7.10: Audit of USAID Missions' Access and Contingency Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2007

3.7.11: Audit of USAID's Implementation of Privacy Requirements for Automated Systems

5.2.1: Fraud Awareness/Cost Principles Briefings to Contractors, Grantees, Supreme Audit Institutions, and Non-governmental Organizations

BUREAU FOR AFRICA

2.1.2: Audit of USAID/Sudan Field Office's Transition Initiatives Funding

2.2.2: Audit of USAID/XX's Development Credit Authority Program (East/Southern Africa Mission TBD)

2.2.8: Audit of USAID/Senegal's Management of Cape Verde's P.L. 480 Title II Non-Emergency Monetization Program

2.2.9: Audit of USAID/XX's Management of the P.L. 480 Title II Non-Emergency Monetization Program (East/Southern Africa Mission TBD)

2.3.3: Audit of USAID/XX's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR (West.Central Africa Mission TBD)

2.3.4: Audit of USAID/XX's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR (East/Southern Africa Missions TBD)

2.3.8: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (West/Central Africa Missions TBD)

2.3.9: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (East/Southern Africa Missions TBD)

2.3.12: Audit of USAID/Mali's Monitoring and Reporting of its Basic Education Program

2.3.13: Audit of USAID/Democratic Republic of the Congo's Central African Regional Program for the Environment

2.3.14: Audit of USAID/West Africa Regional Program's Monitoring and Reporting of its Health Program

3.2.4: Audit of USAID/Regional Economic Development Services Office for East and Southern Africa's Performance Monitoring of the East and Central Africa Global Competitiveness Hub

3.3.3: Audit of the Effectiveness of USAID/South Africa's Contractor Performance Evaluation and Closeout Programs

3.3.4: Follow-up of USAID's Implementation of Recommendation Nos. 1 and 2 from the Audit of USAID/Regional Center for Southern Africa's Contractor Performance Evaluation Program, Audit Report No. 4-690-05-002-P

3.4.2: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Liberia

3.4.3: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Zambia

3.4.11: Audit of USAID/Senegal's Post Implementation Review of the Phoenix Overseas Deployment Project

3.4.12: Audit of USAID/South Africa's Post Implementation Review of the Phoenix Overseas Deployment Project

3.5.1: Audit of USAID/Uganda's Control Over Prime Recipient Monitoring of Subrecipients

3.7.3: Audit of USAID/Ghana's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

3.7.4: Audit of USAID/Zambia's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

BUREAU FOR ASIA AND THE NEAR EAST

2.1.3: Audit of USAID Transition Initiatives in Iraq

2.1.4: Audit of USAID/Iraq's Local Governance Activities

2.1.5: Audit of USAID/Afghanistan's Alternative Livelihoods Program

2.2.3: Audit of USAID/Philippines Development Credit Authority Program

2.2.11: Audit of USAID/Iraq's Agricultural and Reconstruction and Development Program

2.2.12: Audit of USAID/Iraq's Telecommunication Activities

2.2.13: Audit of USAID/Jordan's Cash Transfer Program

2.2.14: Audit of USAID/Lebanon's Expanded Economic Opportunities Activities

2.2.15: Audit of USAID/Egypt's Assistance for Customs and Trade Facilitation Project

2.2.16: Audit of USAID/Egypt's Agricultural Export and Rural Incomes Project

2.3.10: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Asia and Near East Missions TBD)

2.3.15: Audit of USAID/Afghanistan's Rural Expansion of Afghanistan's Community-Based Healthcare Program

2.3.16: Audit of USAID/Afghanistan's Power Sector Activities Under the Rehabilitation of Economic Facilities and Services Program

2.3.17: Audit of USAID/Yemen's Maternal and Child Health Service Activities

2.4.1: Audit of USAID/Indonesia's Livelihood Assistance Activities Under its Tsunami Recovery and Reconstruction Program

2.4.2: Audit of USAID/Indonesia's Banda Aceh-Lam No Road Reconstruction Activities Under its Tsunami Recovery and Reconstruction Program

2.4.3: Audit of USAID/Indonesia's Tsunami Recovery and Reconstruction Program Activities Implemented by Development Alternatives, Inc.

2.4.4: Audit of USAID/Sri Lanka's Large Scale Infrastructure Rebuilding Activities Under its Tsunami Recovery and Reconstruction Program

3.1.3: Audit of USAID/Iraq Staffing

3.2.5: Audit of USAID/West Bank and Gaza's Monitoring Through Geographic Information System Technologies

3.2.6: Audit of USAID/Afghanistan's Performance Monitoring Over Its Reconstruction Activities

3.3.5: Audit of USAID/Jordan's Monitoring of Host Country Contracting for Water Activities

3.4.4: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Iraq

3.4.5: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/West Bank & Gaza

3.4.6: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Pakistan

3.4.13: Audit of USAID/West Bank & Gaza's Post Implementation Review of the Phoenix Overseas Deployment Project

3.4.14: Audit of USAID/Philippines' Post Implementation Review of the Phoenix Overseas Deployment Project

3.5.2: West Bank and Gaza Agency-Contracted Audit Coordination

3.5.3: Information Status Report of Financial Audits of USAID/West Bank and Gaza Activities

3.7.5: Audit of USAID/Iraq's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

3.7.6: Audit of USAID/West Bank and Gaza's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

3.7.7: Audit of USAID/Pakistan's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal

5.2.2: Audit of USAID/Afghanistan's Cashiering Operations

5.2.3: Audit of USAID/Indonesia's Cashiering Operations

5.2.4: Audit of USAID/Lebanon's Cashiering Operations

5.2.5: Audit of USAID/West Bank and Gaza's Cashiering Operations

BUREAU FOR EUROPE AND EURASIA

2.1.6: Audit of USAID/Ukraine's Democracy Program—Local Self Governance Activity

2.2.4: Audit of USAID/XX's Development Credit Authority Program (Europe and Eurasia Mission TBD)

2.2.17: Audit of USAID/Azerbaijan's Economic Growth Program

2.2.18: USAID/Bosnia-Herzegovina's Economic Restructuring Program—Mobilizing Capital for Small and Medium Enterprises

3.4.7: Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Kosovo

3.4.15: Audit of USAID/Regional Support Center Budapest's Post Implementation Review of the Phoenix Overseas Deployment Project

3.7.8: Audit of USAID/Kosovo's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

BUREAU FOR LATIN AMERICA AND THE CARIBBEAN

2.2.5: Audit of USAID/XX's Development Credit Authority Program (Latin America/Caribbean Mission TBD)

2.2.10: Audit of USAID/XX's Management of the P.L. 480 Title II Non-Emergency Monetization Program (Latin America and Caribbean Mission TBD)

2.3.5: Audit of USAID/Guyana's Progress in Implementing the President's Emergency Plan for AIDS Relief—PEPFAR

2.3.11: Follow-up of USAID's Implementation of Recommendations Included in the Audit of Selected Operating Units Monitoring of their HIV/AIDS Program, Audit Report No. 9-000-03-004-P, dated February 3, 2003 (Latin America and Caribbean Missions TBD)

2.3.18: Audit of USAID/Bolivia's Family Planning Program

2.3.19: Audit of USAID/Guatemala's Family Planning Program

3.3.6:   Audit of the Completeness of USAID/Mexico's Work Plan Deliverables

3.4.8:   Audit of USAID's Fiscal Year 2006 Consolidated Financial Statements--USAID/Haiti

3.4.16: Audit of USAID/Jamaica's Post Implementation Review of the Phoenix Overseas Deployment Project

3.7.9: Audit of USAID/Haiti's Access and Contingency Planning Controls Over the Phoenix Financial Management System and General Support Systems for Fiscal Year 2006

APPENDIX C
AFRICAN DEVELOPMENT FOUNDATION
INTER-AMERICAN FOUNDATION

AFRICAN DEVELOPMENT FOUNDATION

Audit of the African Development Foundation's Fiscal Year 2006 Consolidated Financial Statements (Multi-Country Audit)

Audit of African Development Foundation's Compliance with the Provisions of the Federal Information Security Management Act for Fiscal Year 2006

INTER-AMERICAN FOUNDATION

Audit of the Inter-American Development Foundation's Fiscal Year 2006 Consolidated Financial Statements (Multi-Country Audit)

Audit of the Inter-American Development Foundation's Compliance with the Provisions of the Federal Information Security Management Act for Fiscal Year 2006

Audit of the Inter-American Development Foundation's Implementation of the Government Performance and Results Act

U.S. Agency for International Development
Office of Inspector General
1300 Pennsylvania Avenue, N.W.
Room 6.6D
Washington, DC 20523