

SIGAR

**Special Inspector General for
Afghanistan Reconstruction**

SIGAR 17-41 Inspection Report

Balkh University Women's Dormitories: Completion Is More than 2 Years Behind Schedule, and Construction and Design Deficiencies Need to Be Addressed



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2017



SIGAR

Office of the Special Inspector General
for Afghanistan Reconstruction

April 25, 2017

The Honorable Rex W. Tillerson
Secretary of State

The Honorable Hugo Llorens
Special Chargé d'Affaires for Afghanistan

This report discusses the results of SIGAR's inspection of the Balkh University women's dormitories located in Mazar-e Sharif, Balkh province. In September 2013, the Department of State's (State) Regional Procurement Support Office (RPSO) awarded a \$7.75 million contract to Abdulhai Gardezi Construction Firm (ACF) to construct two four-story dormitories, with a common cafeteria, for 800 female students by February 9, 2015. The U.S. Embassy in Kabul's Public Affairs Section (PAS) funded the contract.

We conducted site visits to the dormitories in December 2015, June 2016, and January 2017, and found that the dormitories had not been completed by their revised March 2016 completion date. We also learned that the project had experienced delays from the start. For example, ACF started building one dormitory in the wrong location, resulting in a contract modification to relocate the dormitory that increased the contract cost by \$131,488 and extended the completion date by 60 days. In response to a draft of this report, PAS told us that the dormitories are now scheduled to be completed on December 21, 2017, or more than 2 years past their original completion date.

We also identified four construction deficiencies, such as improperly constructed seismic building separations, resulting from ACF's failure to adhere to contract requirements, and two design deficiencies, specifically poorly designed bathroom windows and ceilings, and improperly designed stairway landing areas. Five of the six construction and design deficiencies could have health or safety implications. In addition, because the dorms are not complete, Balkh University has been housing students in the city, creating an unexpected expense for the university. Last, PAS and the Afghan Ministry of Higher Education (MOHE) have not made any plans to connect the dormitories and supporting facilities to Mazar-e Sharif's electrical power grid or determine which entity will fund this effort. Lack of power could further delay the dormitories' opening once construction is complete.

We recommend that the Secretary of State direct RPSO in Frankfurt, Germany, to, in coordination with PAS: (1) direct ACF to correct the identified construction deficiencies by (a) creating seismic building separations as required by the design drawings and in accordance with general engineering best practices, (b) adding floor drains to the boiler room, (c) repairing cracked walls and peeling paint, and eliminating mold, then repainting the walls, and (d) repairing stair risers in the cafeteria according to design specifications; (2) work with the MOHE to redesign the bathroom windows and ceilings, and stairway landing areas to meet the required building codes, and once these design changes have been made, direct ACF to make the changes; and (3) coordinate with the MOHE to determine and provide for the most effective method to fund and connect the women's dormitories and supporting facilities to the Mazar-e Sharif city power grid to provide electricity to the facilities.



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We provided a draft of this report to State for comment. State, through PAS, provided written comments, which are reproduced in appendix III. Our draft report included a fourth recommendation that the Secretary of State direct RPSO, in coordination with PAS, to modify the contract to extend the completion date of the dormitories to the current expected completion date. State concurred with all four recommendations in the draft report. The department noted that RPSO modified the contract to extend the completion date and gave us a copy of the contract modification. As a result, we closed that recommendation as implemented and removed it from this final report. For the three remaining recommendations, State noted that it took action to implement parts of them or was in the process of completing them. We will keep these recommendations open until we receive documentation verifying that all actions have been completed. State also provided technical comments, which we incorporated into this report, as appropriate.

SIGAR conducted this inspection under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended; and in accordance with the *Quality Standards for Inspection and Evaluation*, published by the Council of the Inspectors General on Integrity and Efficiency.

John F. Sopko
Special Inspector General
for Afghanistan Reconstruction

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ABBREVIATIONS

ACF	Abdulhai Gardezi Construction Firm
IBC	International Building Code
MOHE	Afghan Ministry of Higher Education
O&M	operation and maintenance
PAS	U.S. Embassy Kabul Public Affairs Section
RPSO	Regional Procurement Support Office
State	Department of State

On September 23, 2013, the Department of State's (State) Regional Procurement Support Office (RPSO) awarded a \$7.75 million firm-fixed-price contract—number SGE500-13-C-0055—to Abdulhai Gardezi Construction Firm (ACF), an Afghan firm, to construct women's dormitories at Balkh University in Mazar-e Sharif, Balkh province.¹ The U.S. Embassy in Kabul's Public Affairs Section (PAS) funded the contract.² The contract required ACF to construct two four-story dormitories to house up to 800 female students, with a cafeteria between them to serve both dormitories. In each dormitory, ACF was to construct 40 bathrooms and showers; 1 gym and fitness room; 2 50-person computer laboratories; 1 laundry room; 4 30-person classrooms; 1 common room; and a private suite with a bedroom, bathroom, office, and conference room for a dorm mother. In addition, the contract required ACF to build a barrier and a security wall around the two dormitories. Photo 1 shows the two dormitories under construction. The Afghan Ministry of Higher Education (MOHE) provided the design drawings used for the women's dormitories and supporting facilities. BCL Associates Ltd., located in Dhaka, Bangladesh, in association with Hi-Tech International Engineering, an Afghan engineering firm, developed the designs on the MOHE's behalf.

Photo 1 - Balkh University Women's Dormitories



Source: SIGAR, June 14, 2016

On January 5, 2014, more than 3 months after the award, ACF received the notice to proceed and was required to complete the dormitories by February 9, 2015. Since the contract was awarded in September 2013, it has been modified seven times, which increased the contract cost to \$8.23 million and extended the project completion date to March 28, 2016. Appendix I provides a list of the modifications and their impact on the cost and scheduled completion of the dormitories. The contract provides for a 1-year warranty period to begin when ACF transfers the dormitories to PAS.

RPSO designated a PAS official as the contracting officer's representative for the dormitory construction project. Due to security concerns, PAS officials told us they could not monitor the construction firsthand. Instead, they are working with a third-party Afghan monitoring and evaluation entity, Sayed Majidi Architecture and Design, that has engineering staff on-site to monitor construction.

On August 25, 2015, PAS entered into a \$1.07 million cooperative agreement—number SAF20015CA011—with Binazeer Construction Company, an Afghan firm, to provide operation and maintenance (O&M) for the women's dormitories being built at Herat and Balkh Universities.³ The Balkh University dormitories were allocated more than half of the total, or about \$573,600, for O&M. The agreement requires Binazeer Construction Company to procure labor, materials, and equipment to support O&M for 18 months once the dormitories' construction is complete. On September 11, 2016, PAS awarded a \$500,000 contract to Barikab Durani Logistic Services to procure, deliver, and install the required furnishings and equipment for the two women's dormitories at Balkh University.

¹ The contract had two components: the first consisted of \$3.85 million to construct one women's dormitory and cafeteria, and the second was a \$3.85 million option to construct a second women's dormitory. The option to construct the second women's dormitory was approved by RPSO on September 17, 2013.

² As part of its efforts to address gender issues, PAS seeks to support Afghan women's access to education and equal rights. It does this, in part, by funding this construction project to benefit women.

³ In October 2016, we reported on our inspection of the women's dormitory at Herat University, which U.S. Forces-Afghanistan funded through the Commander's Emergency Response Program. See SIGAR, *Herat University Women's Dormitory: Generally Well-Constructed, but Instances of Non-Compliance Should Be Addressed*, SIGAR 17-08-IP, October 25, 2016.

The objective for this inspection was to determine the extent to which the dormitories were completed in accordance with contract requirements and applicable construction standards.

We conducted our work at the Balkh University women's dormitories in Mazar-e Sharif, Balkh province, and in Kabul, Afghanistan, from August 2015 through April 2017 in accordance with the *Quality Standards for Inspection and Evaluation*, published by the Council of the Inspectors General on Integrity and Efficiency. The engineering assessment was conducted by our professional engineer in accordance with the National Society of Professional Engineer's *Code of Ethics for Engineers*. Appendix II contains a detailed discussion of our scope and methodology.

CONSTRUCTION OF THE WOMEN'S DORMITORIES IS BEHIND SCHEDULE, AND THEY HAVE CONSTRUCTION AND DESIGN DEFICIENCIES

We conducted on-site inspections of the Balkh University women's dormitories in December 2015, June 2016, and January 2017. In June 2016, we found that the dormitories had not been completed by the March 28, 2016, revised completion date, and the project had experienced delays throughout the construction performance period. We also found four construction deficiencies, such as improperly constructed seismic building separations, resulting from ACF's failure to adhere to contract requirements, and two design deficiencies. Five out of the six construction and design deficiencies have health or safety implications. Furthermore, ACF and PAS told us that no plans had been made to connect the dormitories and their supporting facilities to Mazar-e Sharif's electrical power grid, and it was not clear who would fund this effort. A Balkh University official said the university asked the MOHE to arrange for the dormitories to be connected to the grid, which would require infrastructure improvements, such as installing power poles, distribution cables, and transformers. During our January 2017 site visit, we found that the dormitories were still incomplete and had not been connected to the local power grid, and all construction activity had stopped.

Dormitories' Construction Is Currently More than 2 Years Behind the Original Schedule

The Balkh University women's dormitories originally were scheduled to be completed in February 2015, but contract modifications extended the completion date to March 28, 2016. During our June 2016 site visit, we found that the dormitories were still incomplete, mainly because of ACF's slow progress and delays related to its request for equitable adjustment, design changes, and delays due to weather conditions.⁴ Regarding the slow construction progress, ACF progress reports showed that construction progressed only about 3 percent from December 2015 to August 2016.⁵

In addition, Sayed Majidi Architecture and Design's September 2015 monitoring and evaluation report raised concerns that little to no progress on the construction had been made, noting the percentage of completed construction and the percentage of the contract cost that ACF reported being paid.⁶ As of December 2016, ACF had billed for about \$7.6 million, or 92 percent, of the \$8.23 million modified contract amount, and State had

⁴ A request for equitable adjustment is a request from the contractor in response to a change in the contract ordered by the government (see Federal Acquisition Regulation Part 52.243-1(b)—“Changes—Fixed-Price” and 52.243-7(e)—“Notification of Changes: Equitable Adjustments”). An equitable adjustment may lead to an adjustment in the price, delivery schedule, or other provisions of the contract. Generally, the government and the contractor must take time to negotiate the terms of the equitable adjustment, which will then be memorialized in the form of a supplemental agreement (see Federal Acquisition Regulation 43.204).

⁵ ACF reported no change in the construction progress from May to August 2016. It stayed at 93.4 percent during this time.

⁶ PAS awarded a contract to Sayed Majidi Architecture and Design to provide an independent assessment of the actual completed works at the Balkh construction site. The first monitoring and evaluation report provided was dated November 2014.

paid ACF \$6.6 million of the \$7.6 million billed, or 80 percent of the modified contract amount, withholding the rest as retainage. However, PAS's monitoring and evaluation contractor reported that only 67 percent of construction was completed as of September 2016.

In January 2017, PAS officials told us the new scheduled completion date for the women's dormitories is June 2017. However, we found that RPSO had not modified the contract to reflect this new date or assessed any liquidated damages for ACF's failure to complete the dormitories on time.⁷ According to a PAS official, ACF submitted a request for equitable adjustment in March 2016. The contracting officer's representative recommended assessing liquidated damages, but the contracting officer disagreed because he thought ACF's claims might have merit. In December 2016, PAS officials told us the request for equitable adjustment was being finalized and the completion date for the women's dormitories would be extended to a date yet to be agreed upon. As of January 2017, the request for equitable adjustment had not been approved and no payments have been made since December 2015.⁸

During our site visits to the dormitories, we learned that there were construction delays from the outset. For example, due to the State contracting officer's approval for ACF to start work before receiving approved site coordinates, ACF started constructing one of the dormitory buildings in the wrong location. In December 2013, ACF provided PAS with the coordinates designating where the two dormitory buildings would be constructed. PAS approved the coordinates on January 6, 2014, 1 day after RPSO issued the notice to proceed. When ACF received Balkh University's location plan in March 2014, the contractor discovered that it was building one of the dormitories in the wrong location. PAS officials issued a stop work order until ACF could meet with the MOHE and the two firms that created the design drawings to identify the correct building location. In April 2014, PAS officials instructed ACF to resume construction and approved ACF's proposal to make an equitable adjustment to the contract for ACF to relocate the dormitory to the correct location as indicated in the design drawings. RPSO also modified the contract to relocate the dormitory, which increased the cost by \$131,488 and extended the completion date by 60 days to April 10, 2015.

Another example of construction delays resulted from an entry gatehouse, trash rack, and water well house not being included on the design drawings for the contract. As a result, in September 2014, RPSO modified the contract to include those and other items, which increased the contract cost by \$352,540 and extended the project completion date by an additional 60 days to June 9, 2015. Another delay resulted from changes in the roof design. In its November 2015 monthly progress report, ACF noted that some of the materials required for the roof trusses were not readily available in Afghanistan. ACF proposed a design and material change for the roof, but PAS rejected the request because it did not comply with the original design. However, in December 2015, RPSO approved a modification to incorporate changes in the design of roof truss and bracing systems. This change did not affect the contract amount but did add 110 days to the completion schedule, extending the completion date to March 28, 2016.

The contract did not include a requirement to connect the dormitories and their supporting facilities to Mazar-e Sharif's electric power grid. A Balkh University official said the university asked the MOHE to arrange for the dormitories to be connected to the grid. In February 2016, the MOHE submitted a proposal to PAS that included design drawings for connecting the dormitories to the local power grid. However, as of January 2017, PAS and the MOHE are still coordinating to identify the best way to connect the women's dormitories and supporting facilities to Mazar-e Sharif's electrical power grid and determine which entity will fund this effort.

⁷ Liquidated damages are charges assessed against the contractor to compensate the government for probable damages that it may reasonably expect to suffer because contract delivery or performance is delinquent.

⁸ In its comments on a draft of this report, dated April 19, 2017, State noted that the request for equitable adjustment was approved, and RPSO modified the contract on March 28, 2017. The project completion date was extended another 633 days to December 21, 2017, and the cost increased by \$154,241.

Delays in Completing Construction Created Additional Expenses for Balkh University

The women's dormitories at Balkh University are still not complete, and, as a result, are not being used. A Balkh University official told us the delays in completing the two women's dormitories affected the university's ability to accommodate the 800 female students who were scheduled to live in them. According to another university official, because the dormitories are incomplete, approximately 450 female students have been living off-campus in rented housing paid for by Balkh University, while another 400 to 450 female students have been given stipends to find their own housing near the university. If the dormitories were complete, the university would be able to house 800 of those approximately 900 female students on-campus, which would save the university approximately \$16,000 a month.⁹ This official said the university enrolled more female students from other provinces based on the belief that the dormitories would be available to house them.

Instances of Noncompliance with Contract Requirements Pose Potential Risks to the Health and Safety of Dormitory Occupants

During our site visits, we identified four deficiencies where ACF did not comply with contract requirements or technical specifications. Three of the deficiencies, such as the improperly constructed stairs, pose potential health or safety risks for dormitory occupants and visitors. We found that ACF:

- **Constructed seismic building separations improperly.** According to the design drawings, the two dormitory buildings were to be constructed with a cafeteria between them that would serve both dormitories. The design drawings required all three buildings to be structurally independent of each other, from the ground to the roof, to minimize damage during an earthquake. Based on our site visit, we determined that ACF did not construct the three buildings independent of each other. Instead, the balconies of the two dormitory buildings and the walls of the cafeteria are one continuous concrete pour, with no separation between them (see photo 2). We found that the contractor chipped away the concrete to create separations where the dormitory balconies and cafeteria facility intersect (see photo 3).
- **Did not install floor drains in the boiler room.** The contract required ACF to perform all work in accordance with industry standards, including the International Mechanical Code. According to that code, boiler rooms should be equipped with either a floor drain or an approved alternative for the disposal of liquid waste. During our December 2015 site visit, we found that the boiler room did not have a floor drain or alternative liquid disposal method. Without a floor drain, the boilers may become submerged and malfunction if the room floods. Water may also damage electrical or other systems. This could result in costly repairs and affect the life of the boilers.

Photo 2 - Cafeteria Improperly Connected to Dormitory Buildings



Source: SIGAR, June 14, 2016

⁹ The university's chancellor told us it costs the university about \$20 per month per student, or about \$16,000 per month for 800 female students, to obtain off-campus housing in rented accommodations or give the students a stipend to use for housing.

- Did not properly finish some interior walls.** The contract's technical specifications required the dormitories' interior walls to have smooth surfaces before painting. During our December 2015 site visit, we found interior walls that ACF painted without properly finishing them first. These walls had cracked plaster, peeling paint, and mold, which not only affect the dormitories' aesthetics, but can also affect the residents' health. During our June 2016 site visit, we found that some of the walls had been repainted but not repaired, while other walls still had cracked plaster, peeling paint, and mold. If the walls remain in this condition, the university will routinely incur maintenance costs to repair and repaint them, and residents will be exposed to the health risks from the mold.
- Constructed the stair risers improperly.** According to the design drawings, risers for the dormitories' stairs should each be 15 centimeters high.¹⁰ During our site visits, we found that the risers for the first and last steps in the staircase leading from one of the dormitories to the cafeteria were 5 and 20 centimeters high, respectively. Photo 4 shows the first step, which we measured at 5 centimeters. The uneven steps create a safety hazard and could cause someone to fall, and could be a serious problem in the event of an emergency evacuation.

Photo 3 - Chipped Concrete Between Dormitory Building and Cafeteria Facility



Source: SIGAR, June 15, 2016

Photo 4 - Uneven Stair Risers



Source: SIGAR, December 6, 2015

Design Deficiencies Have Potential Health and Safety Risks

During our site visits, we identified two design deficiencies that pose potential health or safety risks for the dormitory residents. Specifically, we found:

- Poorly designed bathroom windows and ceilings.** The design drawings required the bathroom windows to be installed directly below the ceiling beams, and for acoustical ceilings—also called drop or suspended ceilings—to be installed in the bathrooms. During our December 2015 site visit, we found that the acoustical ceilings were installed according to the design drawings but blocked the windows and did not allow natural light to enter or enough space to open the windows to get natural ventilation. The lack of natural light and ventilation may cause mold to build up in the bathrooms and create health problems for residents.
- Improperly designed stairway landings.** The contract required the dormitories to be constructed in accordance with the 2006 International Building Code (IBC).¹¹ According to the IBC, the width of the stairway landings must be larger than the width of the stairways, and the width of the stairway landings should not be less than 122 centimeters. The design drawings required the width of the

¹⁰ Individual steps are made up of two parts. The vertical part is called the riser and the horizontal part is called the tread.

¹¹ See "Stairway Landings," IBC, Section 1009.4, 2006.

stairways to be 187 centimeters and the width of the stairway landings to be 115 centimeters. Although we found that the stairways and the landings were constructed according to the design drawings, they violated the IBC. The stairway landings were not only less than the minimum 122 centimeters, they also were narrower than the stairways. This increases the risk of injury for students and visitors should they face an emergency evacuation.

CONCLUSION

The women's dormitories at Balkh University are still incomplete more than 2 years after their originally scheduled completion date. Contract extensions, ACF's noncompliance with contract requirements, and deficiencies in the MOHE's design drawings have contributed to the construction delays. In its comments on a draft of this report, PAS indicated that the dormitories are now scheduled to be completed by December 2017 and that construction has resumed. However, Balkh University will continue to pay about \$16,000 per month to house 800 female students off-campus and will continue to incur these expenses until the dormitories are complete and the students can move in.

We also identified six construction and design deficiencies, five of which have safety implications for students and visitors who may use the buildings. If not addressed, these deficiencies could expose occupants to increased safety risks or result in increased maintenance costs for the university. Furthermore, neither PAS nor the MOHE has made plans to connect the dormitories and their supporting facilities to the Mazar-e Sharif electrical power grid, and it is unclear who will fund this effort. Lack of power could prevent the dormitories from being occupied once complete.

RECOMMENDATIONS

To protect the U.S. taxpayers' investment in the Balkh University women's dormitories and to ensure that the dormitories are completed and all deficiencies addressed so that female students can move into them, SIGAR recommends that the Secretary of State direct RPSO in Frankfurt, Germany, to, in coordination with PAS:

1. **Direct ACF to correct the identified construction deficiencies by:**
 - a. **Creating seismic building separations as required by the design drawings and in accordance with general engineering best practices;**
 - b. **Adding floor drains to the boiler room;**
 - c. **Repairing cracked walls and peeling paint, and eliminating mold, then repainting the walls; and**
 - d. **Repairing stair risers at the cafeteria according to design specifications.**
2. **Work with the MOHE to redesign the bathroom windows and ceilings, and stairway landing areas to meet the required building codes, and once these design changes have been made, direct ACF to make the changes.**
3. **Coordinate with the MOHE to determine and provide for the most effective method to fund and connect the women's dormitories and supporting facilities to the Mazar-e Sharif city power grid to provide electricity to the facilities.**

AGENCY COMMENTS

We provided a draft of this report to State for comment. State, through PAS, provided written comments on the draft report, which are reproduced in appendix III. State also provided technical comments, which we incorporated into this report, as appropriate.

In the draft, we made four recommendations for the Secretary of State to direct RPSO in Frankfurt, Germany, in coordination with PAS, to take the following actions and report the results back to SIGAR:

1. Modify the contract to extend the completion date of the dormitories to the current expected completion date.
2. Direct ACF to correct the identified construction deficiencies by:
 - a. Creating seismic building separations as required by the design drawings and in accordance with general engineering best practices;
 - b. Adding floor drains to the boiler room;
 - c. Repairing cracked walls and peeling paint, and eliminating mold, then repainting the walls; and
 - d. Repairing stair risers at the cafeteria according to design specifications.
3. Work with the MOHE to redesign the bathroom windows and ceilings, and stairway landing areas to meet the required building codes, and once these design changes have been made, direct ACF to make the changes.
4. Coordinate with the MOHE to determine and provide for the most effective method to fund and connect the women's dormitories and supporting facilities to the Mazar-e Sharif city power grid to provide electricity to the facilities.

In its comments, State concurred with all four of our recommendations and noted that most of the recommendations were in the process of being completed or had already been implemented.

Specifically, State concurred with the first recommendation in our draft report and confirmed that RPSO modified the contract on March 27, 2017, after ACF's request for equitable adjustment was resolved and approved. The department also gave us a copy of the modification. State noted that the modification extended the project completion date to December 21, 2017, and that work on the dormitories had resumed. Based on State's response and the contract modification, we closed this recommendation as implemented and removed it from this final report.

State concurred with the second recommendation in our draft report—now recommendation 1—noting that the seismic joints have been installed in the buildings. State added that PAS sent a corrective action punch list to ACF on April 10, 2017, directing the contractor to correct the other deficiencies regarding the floor drains, walls, and stair risers, and report on the corrections with geo-tagged photos. This recommendation will remain open until we receive the results of ACF's corrective actions, including its report, and verify that the deficiencies have been corrected.

State concurred with the third recommendation in our draft report—now recommendation 2—and agreed that the bathroom windows and ceilings, and stairway landings need to be redesigned. State noted that it would work with the MOHE to make the design changes needed to meet the required building codes and then direct ACF to make the changes. This recommendation will remain open until the bathroom windows and ceilings, and stairway landings have been corrected, and we verify the results.

State concurred with the fourth recommendation in our draft report—now recommendation 3—and noted that PAS has already received a proposal from the MOHE to connect the dormitories and other facilities to the power grid. State indicated that, in coordination with its engineering technical advisors and the MOHE, PAS is

preparing a statement of work and working with RPSO to draft the design specifications. State added that it would fund some or all of the work, pending availability of funds. This recommendation will remain open until State provides us with documentation showing that the dormitories and other facilities are connected to the power grid.

We commend State for immediately taking action to correct the deficiencies at the Balk University women's dormitories and will continue to monitor the results through our recommendation follow-up process.

APPENDIX I - MODIFICATIONS TO THE BALKH UNIVERSITY WOMEN'S DORMITORIES CONTRACT AND THEIR IMPACT ON CONTRACT COST AND SCHEDULED COMPLETION

The Department of State's (State) Regional Procurement Support Office awarded a \$7.75 million firm-fixed-price contract—number SGE500-13-C-0055—to Abdulhai Gardezi Construction Firm to construct two women's dormitories and a cafeteria at Balkh University in Mazar-e Sharif, Balkh province. The U.S. Embassy in Kabul's Public Affairs Section (PAS) funded the contract. Initially, the dormitories were scheduled to be completed in 400 days, or by February 9, 2015. Since the contract was awarded on September 23, 2013, State has modified it seven times, increasing the contract cost to \$8.23 million and extending the project completion date to March 28, 2016. Table 1 lists the seven modifications and the impact each one had on the contract's cost and completion schedule.

Table 1 - Modifications to Contract No. SGE500-13-C-0055 and Their Impact on Contract Cost and Completion Schedule

Modification Number	Description	Cost Increase (Decrease)	Project Extension	Completion Date
001	Relocation of dormitory	\$131,488	60 days	April 10, 2015
002	Add boundary wall, gate, trash rack, septic tank, and water well house	\$352,540	60 days	June 9, 2015
003	Change the PAS contracting officer's representative	\$0	0 days	June 9, 2015
004	Remove septic tank and add additional trash rack, gate house, and gate house water facilities	(\$3,200)	0 days	June 9, 2015
005	Change the PAS contracting officer's representative	\$0	0 days	June 9, 2015
006	No-cost extension for weather and U.S. government delays	\$0	183 days	December 9, 2015
007	No-cost extension for roof design changes	\$0	110 days	March 28, 2016
Totals		\$480,828	413 days	

Source: SIGAR analysis of contract number SGE500-13-C-0055, modifications 001 through 007

APPENDIX II - SCOPE AND METHODOLOGY

This report provides the results of SIGAR's inspection of the Balkh University women's dormitories in Mazar-e Sharif, Afghanistan. To determine the extent to which the dormitories were completed in accordance with contract requirements and technical specifications, we:

- reviewed contract documents, technical specifications, and other relevant project documentation;
- conducted an engineering evaluation of mechanical, electrical, and water and sewage systems, including tests of the concrete used for facility infrastructure;
- interviewed Balkh University officials concerning the project's construction; and
- conducted site visits from December 6 through 9, 2015; on June 14 and 15, 2016; and on January 31, 2017.

Initially, our second objective was to determine the extent to which the dormitories were being used and maintained. However, we eliminated that objective after determining that the dormitories were still under construction and unoccupied.

We did not rely on computer-processed data in conducting this inspection. However, we considered the impact of compliance with laws and fraud risk.

In December 2014, SIGAR entered into a cooperative agreement with Afghan civil society partners. Under this agreement, our Afghan partners conduct specific inspections, evaluations, and other analyses. In this regard, Afghan inspectors and an engineer inspected the Balkh University women's dormitories in December 2015, June 2016, and January 2017. We developed a standardized engineering evaluation checklist covering items required by the contract and design/specification documents for the women's dormitories. Our checklist required our partners to analyze the contract documents, scope of work, technical specifications, and design drawings.

We compared the information our Afghan civil society partners provided to accepted engineering practices, relevant standards, regulations, laws, and codes for quality and accuracy. In addition, as part of our monitoring and quality control process, we:

- communicated regularly with the Afghan engineer to ensure that the approach and planning for the inspection were consistent with the objectives of our inspection and the terms of our cooperative agreement;
- attended periodic meetings with our partners, and conducted our normal entrance and exit conferences with agency officials;
- discussed significant inspection issues with them;
- monitored our partners' progress in meeting milestones and revised contract delivery dates as needed; and
- conducted oversight of them in accordance with SIGAR's policies and procedures to ensure that their work resulted in impartial, credible, and reliable information.

We conducted our work at the Balkh University women's dormitories in Mazar-e Sharif, Balkh province, and in Kabul, Afghanistan, from August 2015 through April 2017. This work was conducted in accordance with the *Quality Standards for Inspection and Evaluation*, published by the Council of the Inspectors General on Integrity and Efficiency. The engineering assessment was conducted by our professional engineer in accordance with the National Society of Professional Engineers' *Code of Ethics for Engineers*. We conducted this inspection under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended.



Embassy of the United States of America

Kabul, Afghanistan

April 19, 2017

Mr. John F. Sopko
Special Inspector for Afghanistan Reconstruction
1550 Crystal Drive, 9th Floor
Arlington, VA 22202

Dear Mr. Sopko:

The U.S. Embassy-Kabul Public Affairs Section (PAS) would like to thank the Special Inspector General for Afghanistan Reconstruction (SIGAR) for providing the opportunity to review and comment on the Draft Audit Report on the Balkh University Women's Dormitories. PAS welcomes the recommendations from SIGAR on this important PAS effort to support women in higher education. We are proud to report that most of the key recommendations have already been implemented or are in the process of being finalized. We would also like to use this medium to address some inaccurate information and characterizations in the draft for your consideration (see Annex 1).

On SIGAR Recommendations:

Recommendation 1: Modify the contract to extend the completion date of the dormitories to the current expected completion date.

PAS Response: We concur with this recommendation and confirm that a contract modification has extended the completion date of the project to December 21, 2017.

Recommendation 2: Direct Abdulhai Gardezi Construction Firm (ACF) to correct the identified construction deficiencies by (a) creating seismic building separations as required by the design drawings and in accordance with general engineering best practices; (b) adding floor drains to the boiler room; (c) repairing cracked walls and peeling paint, and eliminating mold, then, repainting the walls; and (d) repairing stair risers in the cafeteria according to design specifications.

PAS Response: We concur with this recommendation. We confirm that the Seismic joints are already installed in the buildings. Further, PAS sent a Corrective Action Punch List to ACF on April 10, 2017, to correct the additional defects and report corrections with geo-tagged photos.

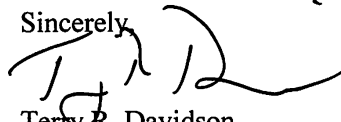
Recommendation 3: Work with the Ministry of Higher Education (MOHE) to redesign the bathroom windows and ceilings, and stairway landing areas to meet the required building codes, and once these design changes have been made, direct ACF to make the change.

PAS Response: We concur in the need for the redesign of the bathroom windows and ceilings and the stairway landings. We will work with the MOHE to make the necessary design changes to meet the required building codes and direct ACF to make the changes.

Recommendation 4: Coordinate with the MOHE to determine and provide for the most effective method to fund and connect the women's dormitories and supporting facilities to the Mazar-e Sharif city power grid to provide electricity to the facilities.

PAS Response: We concur with this recommendation. PAS has already received a proposal from the MOHE for connection to the power grid. We are currently preparing the statement of work in coordination with MOHE and our engineering technical advisors. We are also drafting the design specifications and working with RPSO. We expect to fund some or all of this work, pending availability of funding.

Sincerely,



Terry R. Davidson
Public Affairs Officer
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APPENDIX V - ACKNOWLEDGEMENTS

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