

# SIGAR

**Special Inspector General for  
Afghanistan Reconstruction**

**SIGAR 17-09 Inspection Report**

## Salang Hospital: Unaddressed Construction Deficiencies, Along with Staffing and Equipment Shortages, Continue to Limit Patient Services



OCTOBER  
2016

# SIGAR

## Special Inspector General for Afghanistan Reconstruction

### WHAT SIGAR REVIEWED

On September 11, 2009, the Bagram Regional Contracting Center awarded a \$597,929 firm-fixed-price contract to Shafi Hakimi Construction Company, an Afghan company, to construct and furnish a 20-bed hospital in the Salang district of Parwan province. The contract required the company to build a hospital that included surgical and X-ray areas, a laboratory, and separate wards for men and women; install electrical, water, and septic systems; and construct a separate building with patient toilet facilities and a separate guard shack. The hospital was expected to serve the approximately 50,000 inhabitants of the Salang district and employ about 150 staff. U.S. Forces–Afghanistan (USFOR-A) transferred the hospital to Parwan’s governor on September 12, 2012, and it began accepting patients in January 2013.

SIGAR first inspected Salang hospital in November 2013 and reported its results in January 2014. SIGAR found that the hospital was poorly constructed, and the contractor did not meet all of the contract’s requirements. The hospital also had other construction deficiencies that raised health and safety concerns. Finally, SIGAR determined that USFOR-A’s ineffective oversight contributed to these construction deficiencies. Based on the inspection, SIGAR made four recommendations to USFOR-A to address the oversight shortfalls and assess the structural integrity of the hospital.

The objectives of this follow-up inspection were to assess whether (1) progress has been made in addressing the deficiencies we previously identified, and (2) the hospital is being used. SIGAR is not making any recommendations in this report.

SIGAR provided a draft of this report to the Department of Defense for comment. In its comments, the department, through the Office of the Assistant Secretary of Defense, acknowledged the Salang hospital project’s challenged history and stated that the Senior Contracting Official–Afghanistan implemented multiple initiatives after the completion of the project to help prevent similar problems with future projects.

October 2016

## Salang Hospital: Unaddressed Construction Deficiencies, Along with Staffing and Equipment Shortages, Continue to Limit Patient Services

### SIGAR 17-09 INSPECTION REPORT

#### WHAT SIGAR FOUND

SIGAR conducted follow-up site visits to Salang hospital in December 2015, June 2016, and August 2016, and found that none of the construction deficiencies identified in its January 2014 report had been corrected by the Afghan government. In response to a recommendation in SIGAR’s prior report, a U.S. Army Corps of Engineers support team conducted an inspection of the hospital to assess its resistance to seismic activity and reported on the results in April 2014. Although the team found that the entire facility was free of structural cracks and did not observe any structural defects, it could not determine the adequacy of the building’s resistance to seismic activity because the required contract documents were not available for analysis. As a result, no corrective action was taken to address the structural deficiency that could put the hospital at risk during an earthquake.

SIGAR also found that:

- The hospital still did not have a separate building with toilet facilities for patients, a separate guard shack, a water well, or a solar power system to generate electricity, all of which were required by the contract.
- Hospital staff continues to use a small generator to pump nonpotable, untreated water from the nearby river into a steel holding tank in the hospital’s attic. The staff uses this water to treat patients, thus increasing the risk of disease for those patients. For example, this water is being used to clean and bathe newborn babies.
- The water storage tank continues to leak water into the first and second floors, causing mold to form on the ceiling and walls in the corridors on the first and second floors, and various rooms, including the hospital waiting area and the maternity room.
- The stairway leading from the first to the second floor still lacks handrails, and the excessive slope of the wheelchair ramp has not been corrected, both of which create safety hazards for patients, staff, and visitors.

Ministry of Public Health (MoPH) officials told SIGAR that these deficiencies have not been corrected due to a lack of funding.

Finally, the hospital does not have sufficient funds to pay for fuel to operate the generator provided by the contractor. A hospital official told SIGAR the MoPH is now providing about 100 liters of diesel fuel a month to the hospital, but that is only enough to operate a separate, smaller generator during emergencies.

Although Salang hospital continues to provide health services, hospital personnel stated that they lack adequate staff, furniture, and equipment. During SIGAR’s December 2015 site visits, a hospital official stated that the hospital accepts patients 24 hours per day, 7 days a week. Hospital staff also stated that the hospital is now seeing about 100 patients a day, up from about 70 patients a day when SIGAR visited in November 2013. However, the number of hospital personnel has dropped from 25 during SIGAR’s prior visit to 19.

The MoPH has provided the hospital with only some basic furniture and the equipment for its operations. For example, a hospital official told SIGAR the hospital lacks computers, which makes completing reports a labor-intensive process. The hospital also lacks a nebulizer, which is used to treat respiratory diseases that are common in Salang. So, hospital staff must send patients to the Parwan hospital, a 2-hour drive roundtrip, to obtain treatment.



**SIGAR**

Office of the Special Inspector General  
for Afghanistan Reconstruction

October 26, 2016

The Honorable Ashton B. Carter  
Secretary of Defense

General Joseph L. Votel  
Commander, U.S. Central Command

General John W. Nicholson, Jr.  
Commander, U.S. Forces–Afghanistan and  
Commander, Resolute Support

This report discusses the results of SIGAR’s follow-up inspection of Salang hospital in Parwan province. U.S. Forces–Afghanistan (USFOR-A) funded the hospital’s construction in fiscal year 2009 through the Commander’s Emergency Response Program. We issued our first inspection report on January 29, 2014. In that report, we found that Salang hospital was poorly constructed and did not meet all of the contract’s requirements. We also noted that the lack of the contract-required water well, electrical system, patient toilet facilities, and guard shack presented problems for the hospital.

For this follow-up inspection, we conducted site visits in December 2015, June 2016, and August 2016, and found that Salang hospital was receiving more patients than when we completed our first inspection. However, we also found that the hospital’s operations were still hampered by the lack of a water well and clean water, a limited availability of electricity, and a lack of staff and equipment. As a result, Salang hospital has been limited in the services that it can provide to patients.

Because USFOR-A transferred Salang hospital, along with responsibility for its operation and maintenance, to the Afghan government in September 2012, we are not making any new recommendations in this report.

We provided a draft of this report to the Department of Defense (DOD) for comment. DOD, through the Office of the Assistant Secretary of Defense, provided written comments, which are reproduced in appendix II. In its comments, the office acknowledged the Salang hospital project’s challenged history and stated that those challenges were not resolved before the hospital was transferred to Parwan’s governor in 2012. The office also stated that the Senior Contracting Official–Afghanistan implemented multiple initiatives after the completion of the Salang hospital project to help prevent similar problems with future projects and provided technical comments, which we incorporated into this report, as appropriate. It also said it welcomes SIGAR’s continued oversight of DOD’s reconstruction efforts in Afghanistan.

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

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DOD	Department of Defense
MoPH	Ministry of Public Health
USACE	U.S. Army Corps of Engineers
USFOR-A	U.S. Forces-Afghanistan

On September 11, 2009, the Bagram Regional Contracting Center awarded a \$597,929 firm-fixed-price contract—number W91B4N-09-C-RP37—to Shafi Hakimi Construction Company, an Afghan company, to provide labor, materials, and equipment to construct and furnish a 20-bed hospital in the village of Bagh-e Madan, located in the Salang district of Parwan province.<sup>1</sup> The contract required the company to build the hospital, including surgical and X-ray areas, a pharmacy, a laboratory, separate wards for men and women, as well as areas for pediatric, dental, and mental health services. The contract also required the company to install electrical, water, and septic systems, and to construct a separate building with patient toilet facilities and a separate guard shack. The hospital was expected to serve the approximately 50,000 inhabitants of the Salang district and employ about 150 doctors, nurses, midwives, and other staff. U.S. Forces–Afghanistan (USFOR-A) transferred the newly constructed hospital to Parwan’s governor on September 12, 2012, and it began accepting patients in January 2013. Photo 1 shows the exterior of Salang hospital.

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**Photo 1 - Exterior of Salang Hospital**



Source: SIGAR, December 12, 2015

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We first inspected Salang hospital in November 2013, and reported our results in January 2014.<sup>2</sup> We found that Salang hospital was poorly constructed, and Shafi Hakimi Construction Company did not meet all of the contract’s requirements. For example, instead of the one-story structure that the contract required, the contractor constructed a two-story building with a corrugated metal roof. We found that the buildings were constructed of unreinforced brick, and there was a 3-inch gap and no concrete or reinforcing steel to provide a connection across the seismic joint, placing the hospital at risk of damage during an earthquake.<sup>3</sup>

In addition, the lack of the required water well, solar power system, electrical system, patient toilet facilities, and guard shack presented problems. For example, due to the lack of a water well, untreated river water had to be pumped to the hospital through a hose. Also, because the required solar power system had not been installed, the hospital’s doctors paid money out of their own pockets to the local village to obtain enough electricity to illuminate the patient examination rooms. Further, we found that there was insufficient electricity to operate the hospital’s heating system and provide some medical services that required electricity, such as X-rays. We also found that none of the rooms on the hospital’s second floor were being used because the rooms on the first floor were not fully utilized yet.

We found other construction deficiencies that raised health and safety concerns. For example, the hospital’s water tank, located in the attic, was leaking into the first and second floors, causing mold and mildew to grow on the ceiling and walls of the corridors. In addition, the interior stairway between the first and second floors did not have the required handrails, and the ramp for moving patients in wheelchairs between the two floors was more than five times the maximum slope permitted by International Building Code 1010.2.

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<sup>1</sup> The contract was implemented through the Department of Defense’s Commander’s Emergency Response Program, which provides unit commanders with funds to respond quickly to urgent humanitarian relief and reconstruction needs in Afghanistan.

<sup>2</sup> See SIGAR, *Salang Hospital: Lack of Water and Power Severely Limits Hospital Services, and Major Construction Deficiencies Raise Safety Concerns*, SIGAR 14-31-IP, January 29, 2014.

<sup>3</sup> Salang district is located in one of the most active seismic zones in Afghanistan, near the intersection of the Chaman, Hari Rud, and Central Badakhshan fault lines.

Finally, we found that USFOR-A's ineffective oversight contributed to these construction deficiencies, and the command accepted Salang hospital with these deficiencies and did not require Shafi Hakimi Construction Company to correct them before the warranty period expired.

We made two recommendations to USFOR-A in our January 2014 report to address the oversight shortfalls and assess the structural integrity of the hospital. Specifically, we recommended that the Commanding General, USFOR-A, direct the appropriate USFOR-A units to:

1. Identify the contracting officer(s) responsible for oversight of the Salang hospital construction activities and determine:
  - a. Why the hospital was not built according to contract specifications and acceptable construction standards;
  - b. Why required documents were not placed in the Combined Information Data Network Exchange database; and
  - c. What disciplinary action, if any, should be taken against the contracting officer(s) who failed to provide required oversight.
2. Perform a physical inspection of the building, including appropriate engineering tests and analyses, and, given its location in a high seismic activity zone, determine what corrections are required to ensure the structural integrity of the building.

Because USFOR-A did not provide official comments on a draft of our inspection report before its publication, we issued USFOR-A's comments and our response separately.<sup>4</sup> USFOR-A concurred with all but one of our recommendations.<sup>5</sup>

In response to our first recommendation, the Commander of the U.S. Central Command's Joint Theater Support Contracting Command initiated a 15-6 investigation.<sup>6</sup> After reviewing the findings, the Commander recommended that no disciplinary or punitive action be taken due to various extenuating circumstances, although numerous deficiencies were recognized. In addition, USFOR-A stated that at the time of the project, Commander's Emergency Response Program guidance did not require that documents be uploaded into the Combined Information Data Network Exchange. However, USFOR-A also stated that it subsequently located and uploaded project documents into the Combined Information Data Network Exchange.

In response to our second recommendation, USFOR-A requested that the U.S. Army Corps of Engineers (USACE) conduct the recommended building inspection. The USACE engineer assessment team conducted the inspection and reported on its results on April 23, 2014. The team found that the building was structurally sound and free of structural cracks and defects. However, the team found that critical design documentation was not available to assess the seismic resistance of the building. As a result, the team could not determine the adequacy of the building's resistance to seismic activity. To do so would have required specialized resources—personnel and equipment—to conduct additional testing, but those resources were not available in theater.

In its response to our report, USFOR-A Regional Command—East told us the command would advise and mentor the Parwan provincial government and the Salang district government in their efforts to employ local expertise to identify and repair the hospital's structural deficiencies.

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<sup>4</sup> See SIGAR, *Response and Agency Comments to Inspection of Salang Hospital*, SIGAR 14-31a-IP, February 26, 2014.

<sup>5</sup> Based on USFOR-A's comments, we revised our recommendation regarding the Combined Information Data Network Exchange. Instead, we recommended that the Commanding General, USFOR-A, identify the Commander's Emergency Response Program manager(s) and project purchasing officer responsible for Salang hospital and determine why required documents were not placed in the database.

<sup>6</sup> A 15-6 is an informal investigation that is subject to guidance under Army Regulation 15-6, *Procedures for Administrative Investigations and Boards of Officers*.

We closed the recommendations based on action USFOR-A took to address them. However, based on the response, along with the lack of some required facilities, the health and safety concerns we previously identified at Salang hospital, and our general concerns about the Afghan government's capacity to sustain U.S. investments in reconstruction, we initiated another inspection of the hospital.

For this follow-up inspection, we assessed whether (1) progress has been made in addressing the deficiencies we previously identified, and (2) the hospital is being used.

We conducted our work at Salang hospital in Parwan province and in Kabul, Afghanistan, from August 2015 through October 2016, 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 professional engineers in accordance with the National Society of Professional Engineers' *Code of Ethics for Engineers*. Appendix I contains a detailed discussion of our scope and methodology.

## CONSTRUCTION DEFICIENCIES AT SALANG HOSPITAL STILL HAVE NOT BEEN CORRECTED BY THE AFGHAN GOVERNMENT 2 YEARS AFTER SIGAR IDENTIFIED THEM

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We conducted follow-up site visits to Salang hospital on December 12 and 21, 2015, and found that none of the construction deficiencies we reported in January 2014 had been corrected by the Afghan government. These deficiencies mostly represent items that were not completed properly under the initial contract. Specifically, we found that:

1. As discussed, in response to our first report, a USACE team conducted an inspection of the hospital to assess its resistance to seismic activity. In its April 2014 report, the team determined that the building was structurally sound, but they could not assess the adequacy of the building's resistance to seismic activity. As a result, no corrective action was taken to address the structural deficiency that could put the hospital at risk during an earthquake.
2. The hospital still does not have a separate building with toilet facilities for patients, as required by the contract. As a result, patients and staff must share the limited toilet facilities located in the main hospital building.
3. The hospital still does not have a separate guard shack, which the contract required. Instead, the guards occupy a small room attached to the main hospital building. The room is not equipped with toilet facilities, a heating system, or fire extinguishers.
4. The hospital still has no water well, as required by the contract. As we found during our first inspection, the hospital continues to use a small generator to pump nonpotable, untreated water from the river nearby through a hose into a steel holding tank in the hospital attic. This water is being used to treat patients, which increases the risk of disease for those patients. For example, newborn babies are cleaned after birth and bathed in this untreated water. Photo 2 shows the hose that draws water from the river for use in the hospital.
5. The hospital still does not have a solar power system to generate electricity, as the contract required. As a result, the hospital has not been

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**Photo 2 - Water Hose Delivering Untreated River Water to the Hospital**



Source: SIGAR, December 21, 2015

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able to activate the water heating system and other systems. In addition, although the hospital has one of the two generators that the contract required, it does not have sufficient funds to pay for the fuel costs to operate the generator.

6. The water storage tank located in the hospital's attic lacks overflow pipes. As a result, the tank continues to leak water into the first and second floors, This has caused mold to form on the ceiling and walls in the corridors on the first and second floors, the second-floor bathrooms, the hospital waiting area, the nurses' room, and the maternity room. Photo 3 shows mold growing on the wall in the first-floor corridor. We found that the concentration of mold has gotten worse since we first inspected the hospital in November 2013.
7. The stairway leading from the first to the second floor still lacks handrails, and the excessive slope of the wheelchair ramp that we identified during our November 2013 inspection has not been corrected. Both of these deficiencies create safety hazards for patients, staff, and visitors. Photo 4 shows that the stairway lacks handrails and the slope of the wheelchair ramp still is excessive.

According to Ministry of Public Health (MoPH) officials, the construction deficiencies have not been corrected and correcting them depends on the availability of funding. With regard to the hospital's water, a MoPH advisor told us that the ministry might drill a well in the future, but he stated that there is no current plan to do so. With regard to the hospital's electricity, during our June 5, 2016, site visit, a hospital official told us that the MoPH is now providing about 100 liters of diesel fuel a month to operate a small generator during emergencies, which include powering the X-ray machine.

## **SALANG HOSPITAL IS PROVIDING MEDICAL SERVICES TO AN INCREASING NUMBER OF PATIENTS, BUT SHORTAGES IN STAFFING AND EQUIPMENT LIMIT ITS ABILITY TO PROVIDE COMPLETE PATIENT SERVICES**

Although Salang hospital continues to provide health services, hospital personnel stated that they lack adequate staff, furniture, and equipment. During our December 12, 2015, site visit, a hospital official told us that the hospital accepts patients 24 hours a day, 7 days a week. Hospital staff also told us that Salang hospital is now seeing about 100 patients a day, up from about 70 patients a day when we conducted our November 2013 inspection. Also, during our August 22, 2016, site visit, we found that hospital personnel are now using the hospital's second floor.

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**Photo 3 - Mold on the First-Floor Corridor Wall**



Source: SIGAR, December 12, 2015

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**Photo 4 - The Stairway Lacks Handrails, and the Wheelchair Ramp's Slope Remains Excessive**



Source: SIGAR, December 12, 2015

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Salang hospital continues to employ far less than the originally planned 150 staff members. At the time of our November 2013 inspection, 25 hospital personnel were employed. During our June 2016 inspection, we found that the number of hospital personnel had dropped to 19. These 19 consisted of 3 physicians, including 1 surgeon; 4 nurses; 1 nursing manager; 1 administrator; 2 workers in the vaccination room; 4 maintenance workers; 1 X-ray technician; 1 dental technician; 1 laboratory assistant; and 1 ambulance driver. Although there has been a decrease in staff, the hospital now has a surgeon who, according to a different hospital official, has enabled the staff to perform surgeries for some patients, such as traffic accident victims. A senior MoPH official stated that the ministry would like to increase the hospital's staffing, but it is difficult to find enough qualified people who are willing to work, even with salary incentives and the fact that the hospital is considered better than most others in Afghanistan.

Another hospital official told us that the MoPH regularly provides medicine to the hospital, but the ministry does not allocate additional funds or staff for operation and maintenance above the current operations level. Furthermore, because USFOR-A Regional Command-East ceased to exist after December 2014, no one was available to advise and mentor the Parwan provincial government and the Salang district government in their efforts to employ local expertise to identify and repair the hospital's structural deficiencies.

With respect to furniture and equipment, in 2008, the Department of Public Health in Parwan province developed a list of equipment needed for a 20-bed hospital providing comprehensive health and infant delivery services in the province. The list included an ultrasound machine, two oxygen machines, two surgery tables, two incubators, two fetal stethoscopes, one defibrillator, and two X-ray film developers. However, the original scope of work for Salang hospital did not specify what furniture or equipment the contractor should provide. As a result, Salang hospital only has some basic furniture and the equipment that the MoPH provided.

According to Salang hospital officials, the facility lacks adequate furniture. Staff meetings must be held on the floor due to the lack of a conference room table and chairs. There are also no computers for completing reports and effectively communicating medical information to other health facilities. Currently, all reports are hand-written, a labor-intensive process that the officials say takes staff away from other functions, such as caring for patients.

According to senior officials from the Department of Public Health and the Salang hospital, the hospital also needs more equipment in order to expand its capabilities. For example, the hospital lacks physiotherapy equipment, which we found costs \$2,500 and is used for treating patients with orthopedic problems and other physical impairments. As a result, patients must drive to the Parwan hospital, which is 1 hour each way, for physical therapy. The hospital also lacks a nebulizer, tourniquet, and cardiac monitor in the emergency room. We found that these items together cost about \$1,500. Respiratory diseases, such as pneumonia, are common in the Salang district. Due to the lack of a nebulizer, hospital staff must send patients with respiratory diseases to the Parwan hospital.

## CONCLUSION

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In the 3 years between our initial inspection and this follow-up inspection of Salang hospital, the Afghan government has not addressed any of the health and safety concerns related to the building's lack of structural integrity, limited access to electricity and clean water, and its poorly constructed stairway and wheelchair ramp. The construction deficiencies that still exist, such as the lack of a water well and solar panels to provide electricity, along with a shortage of staff and equipment, have limited the services the hospital can provide to patients. Had USFOR-A ensured that the contractor had completed the hospital properly in accordance with the contract prior to paying the contractor and transferring the building to the Afghan government, the burden of correcting these deficiencies would not be the responsibility of the Afghan government, which has limited capacity and financial resources to do so. Nonetheless, Salang hospital is open and receiving more patients now, albeit with fewer staff, than when we conducted our first inspection. However, due to its shortcomings, Salang hospital cannot provide all of the services it was initially expected to. As a result, it must refer patients

to other hospitals in the province. Because Salang hospital has been transferred to the Afghan government, which now has responsibility for its operation and maintenance, we are not making any new recommendations.

## AGENCY COMMENTS

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We provided a draft of this report to the Department of Defense (DOD) for comment. DOD, through the Office of the Assistant Secretary of Defense, provided written comments, which are reproduced in appendix II. Additionally, the Office of the Assistant Secretary of Defense provided technical comments, which we incorporated into this report, as appropriate.

In its comments, the Office of the Assistant Secretary of Defense stated that it was providing the response to a draft of this report because the DOD organizations responsible for the Salang hospital project no longer exist.<sup>7</sup> Its comments cite the hospital's challenged history and acknowledged that those challenges were not resolved before the hospital was transferred to the Afghan government in 2012.

The Office of the Assistant Secretary of Defense also stated that the Senior Contracting Official–Afghanistan implemented multiple initiatives after the completion of the Salang hospital project to help prevent similar problems with future projects. Some of the initiatives included appointing a Commander's Emergency Response Program Coordinator to conduct quarterly reviews of each regional contracting command's program, conducting monthly construction "deep dives" to assess the status of construction projects, and adding construction representatives to the contracting command staff to assist contracting officer's representatives with construction oversight. In addition, USFOR-A updated the *Money as a Weapon System-Afghanistan* standard operating procedures for the Commander's Emergency Response Program to add more definitive guidance for program users. The Office of the Assistant Secretary of Defense added that it welcomes SIGAR's continued oversight of the department's ongoing efforts in Afghanistan.

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<sup>7</sup> Those organizations include the Parwan Civil-Military Support Team, which initiated the project; a USFOR-A task force that inspected the hospital after its completion in 2013; Regional Command–East, which provided a response to our first inspection report in January 2014; and the Combined Joint Theater Support Contracting Command, which later investigated the project.

## APPENDIX I - SCOPE AND METHODOLOGY

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This report provides the results of SIGAR's follow-up inspection of the Salang hospital in Parwan province. To determine whether progress has been made in addressing the deficiencies we previously identified and whether the hospital is being used, we:

- reviewed our previous findings and agency action on our recommendations;
- interviewed Salang hospital staff and senior Ministry of Public Health officials; and
- conducted site inspections on December 12 and 21, 2015, June 5, 2016, and August 22, 2016.

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 Salang hospital on December 12 and 21, 2015, June 5, 2016, and August 22, 2016, to follow up on the findings in our January 2014 inspection report, and evaluate the hospital's improvements, if any, and sustainment since the issuance of that report.<sup>8</sup> We developed a standardized engineering evaluation checklist covering items required by the contract and design/specification documents for the hospital. 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 and relevant standards, regulations, laws, and codes for quality and accuracy. In addition, as part of our monitoring and quality control process, we:

- met 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;
- referred any potential fraud or illegal acts to SIGAR's Investigations Directorate, as appropriate;
- 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 their work resulted in impartial, credible, and reliable information.

We conducted our work at Salang hospital in Parwan province and in Kabul, Afghanistan, from August 2015 through October 2016. 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 believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our inspection objectives. We conducted this inspection under the authority of Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended.

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<sup>8</sup> See SIGAR, *Salang Hospital: Lack of Water and Power Severely Limits Hospital Services, and Major Construction Deficiencies Raise Safety Concerns*, SIGAR 14-31-IP, January 29, 2014.

## APPENDIX II - COMMENTS FROM THE DEPARTMENT OF DEFENSE

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ASIAN AND PACIFIC  
SECURITY AFFAIRS

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE  
2700 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-2700

The Honorable John Sopko  
Special Inspector General for Afghanistan Reconstruction  
1550 Crystal Drive, 9<sup>th</sup> Floor  
Arlington, VA 22202

Dear Mr. Sopko:

Thank you for the opportunity to review the Special Inspector General for Afghanistan Reconstruction (SIGAR) draft inspection report, "Salang Hospital: Unaddressed Construction Deficiencies, Along with Staffing and Equipment Shortages, Continue to Limit Patient Services."

The Department of Defense (DoD) organizations involved with the Salang Hospital project, which was requested by the Parwan Ministry of Health in 2009 and transferred to Afghanistan's Ministry of Public Health (MoPH) in 2012, no longer exist. These include the Parwan Civil-Military Support Team that initiated the project, the U.S. Forces-Afghanistan (USFOR-A) task force that inspected it after completion in 2013, Regional Command-East (RC-E), which provided a response to SIGAR's original inspection report in January 2014, and the Combined Joint Theater Support Contracting Command (C-JTSCC) that later investigated the project. Current USFOR-A personnel were not involved with the project or with SIGAR's earlier report. For these reasons, my staff has reviewed the available project documentation, SIGAR's January 2014 report on the project, including RC-E's response, and SIGAR's latest draft inspection report to prepare this response.

As the draft report summarizes, the project experienced a number of challenges that were not resolved before it was transferred to the MoPH in 2012. Historical documents indicate that USFOR-A made attempts to address deficiencies before the project was transferred, including withholding funds from the contractor to ensure certain repairs were made. In its response to SIGAR's previous report, RC-E stated that the Parwan Provincial Government was responsible for enforcing warranty issues and should have enforced shortcomings directly with the contractor following acceptance of the facility in 2012. It is not known if Parwan officials attempted to address warranty issues with the contractor or whether the contractor was responsive. Records show that USFOR-A personnel were frustrated with the contractor and recommended that USFOR-A not use the contractor again.

Although USFOR-A made attempts to complete the project successfully, C-JTSCC later found in its AR 15-6 investigation that poor communication among multiple parties and



insufficient oversight by contracting officers also contributed to project deficiencies. The report also noted that the high demand, dynamic operating environment in Afghanistan at the time contributed to the challenges the project experienced.

According to C-JTSCC's report, the Senior Contracting Official-Afghanistan implemented multiple initiatives after the completion of the project to help prevent similar problems in the future. These initiatives included appointing a Commander's Emergency Response Program (CERP) Coordinator to conduct quarterly reviews of each Regional Contracting Command's CERP program, conducting monthly construction "deep dives" to assess the status of construction projects, adding Construction Representatives to the C-JTSCC staff to assist Contracting Officer Representatives (CORs) with construction oversight, requiring refresher training for CORs every 90 to 120 days, and issuing COR report cards to identify poor COR performance early. In addition, USFOR-A updated the Money as a Weapon System-Afghanistan CERP Standard Operating Procedures to add more definitive guidance for CERP users.

In April 2014, a U.S. Army Corps of Engineers Forward Engineer Support Team (FEST) with RC-E inspected the building. The FEST team reported that in its then-current condition, the structural integrity of the building was sufficient for its intended use. However, as SIGAR noted in the draft audit, the FEST team did not have the documentation needed to determine conclusively if the building was constructed to meet seismic standards. Consistent with previous inspections by both RC-E and SIGAR, the FEST team documented multiple deficiencies that needed repair.

In its response to SIGAR's 2014 report, RC-E indicated it would advise and mentor the Parwan Provincial Government and the Salang District Government in their efforts to employ indigenous expertise to repair these deficiencies, but U.S. forces drew down rapidly in 2014, and RC-E ceased to exist after December 2014.

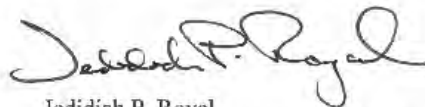
We are encouraged that SIGAR's draft report indicates that the hospital is accepting patients 24 hours per day, 7 days a week, that the number of patients has increased to approximately 100 per day, and that hospital personnel are now using the building's second floor. We further welcome the positive news that the MoPH regularly provides the hospital with medicine, that the hospital now has a surgeon who can perform surgeries for some patients, and that the hospital is considered better than most Afghan hospitals. We hope the MoPH will continue to improve its support for the hospital as originally intended.

DoD welcomes SIGAR's continued oversight of our ongoing efforts in Afghanistan, which include our participation in the NATO-led Resolute Support mission to train, advise, and assist the Afghan National Defense and Security Forces and our continuing efforts to defeat the remnants of core al Qaeda and disrupt other extremist groups to ensure Afghanistan does not again become a safe haven for terrorist groups to plan and execute attacks against the United States, U.S. persons overseas, or our allies and partners. SIGAR's oversight of these ongoing activities and identifying future opportunities for improved funds execution is more useful to

DoD than revisiting historical projects completed during DoD's prior combat mission that concluded in December 2014.

Thank you for your continued commitment to the success of the mission in Afghanistan.

Sincerely,



Jedidiah P. Royal  
Deputy Assistant Secretary of Defense (Acting)  
Afghanistan, Pakistan, and Central Asia

Enclosure:  
Technical comments

## APPENDIX III - ACKNOWLEDGMENTS

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## SIGAR's Mission

The mission of the Special Inspector General for Afghanistan Reconstruction (SIGAR) is to enhance oversight of programs for the reconstruction of Afghanistan by conducting independent and objective audits, inspections, and investigations on the use of taxpayer dollars and related funds. SIGAR works to provide accurate and balanced information, evaluations, analysis, and recommendations to help the U.S. Congress, U.S. agencies, and other decision-makers to make informed oversight, policy, and funding decisions to:

- improve effectiveness of the overall reconstruction strategy and its component programs;
- improve management and accountability over funds administered by U.S. and Afghan agencies and their contractors;
- improve contracting and contract management processes;
- prevent fraud, waste, and abuse; and
- advance U.S. interests in reconstructing Afghanistan.

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