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A member of the U.S. 455th Expeditionary Security Forces Squadron exits an old bunker at Bagram Airfield, Afghanistan, after a security check. (U.S. Air Force photo by Senior Airman Justyn M. Freeman)

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SIGAR’s enabling legislation requires it to keep the Secretary of State and the Secretary of Defense fully informed about problems relating to the administration of reconstruction programs, and to submit a report to Congress on SIGAR’s oversight work and on the status of the U.S. reconstruction effort no later than 30 days after the end of each fiscal quarter. Each quarter, SIGAR requests updates from other agencies on completed and ongoing oversight activities. This section compiles these updates. Publicly available copies of completed reports are posted on the agencies’ respective websites.

The descriptions appear as submitted, with minor changes to maintain consistency with other sections of this report: acronyms and abbreviations in place of full names; standardized capitalization, punctuation, and preferred spellings; and third-person instead of first-person construction.

These agencies perform oversight activities in Afghanistan and provide results to SIGAR:

- Department of Defense Office of Inspector General (DOD IG)
- Department of State Office of Inspector General (State OIG)
- Government Accountability Office (GAO)
- U.S. Army Audit Agency (USAAA)
- U.S. Agency for International Development Office of Inspector General (USAID OIG)

COMPLETED OVERSIGHT ACTIVITIES

Table 4.1 lists the five oversight projects related to reconstruction that participating agencies reported as completed this quarter.

TABLE 4.1

RECENTLY COMPLETED OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF SEPTEMBER 30, 2016			
Agency	Report Number	Date Issued	Project Title
DOD IG	DODIG-2016-140	9/29/2016	Assessment of U.S. and Coalition Efforts to Train, Advise, and Assist Afghan National Army Special Operations Force (ANASOF)
DOD IG	DODIG-2016-131	8/30/2016	Designation of Contracting Officer's Representatives and Oversight Framework Could Be Improved for Contracts In Afghanistan

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TABLE 4.1 (CONTINUED)

RECENTLY COMPLETED OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF SEPTEMBER 30, 2016			
Agency	Report Number	Date Issued	Project Title
State OIG	AUD-MERO-16-49	9/20/2016	Additional Actions Are Needed To Fully Comply With Section 846 of the National Defense Authorization Act for Fiscal Year 2013 Concerning Critical Environment Contracting
GAO	GAO-16-406	9/8/2016	Defense Infrastructure: Actions Needed to Enhance Oversight of Construction Projects Supporting Military Contingency Operations
GAO	GAO-16-781	6/28/2016	Waste Management: DOD Has Generally Addressed Legislative Requirements on the Use of Burn Pits But Needs to Fully Assess Health Effects

Source: DOD IG, response to SIGAR data calls, 9/23/2016 and 10/18/2016; State OIG, response to SIGAR data call, 9/28/2016; GAO, response to SIGAR data call, 10/3/2016; USAID OIG, response to SIGAR data call, 9/14/2016; USAAA, response to SIGAR data call, 10/4/2016.

U.S. Department of Defense Office of Inspector General

During this quarter, DOD IG released one report related to Afghanistan reconstruction.

Assessment of U.S. and Coalition Efforts to Train, Advise, and Assist Afghan National Army Special Operations Force (ANASOF)

The results of this audit are classified.

Designation of Contracting Officer’s Representatives and Oversight Framework Could Be Improved for Contracts in Afghanistan

The DOD OIG determined that contracting officer’s representatives appointed after the release of DOD Instruction 5000.72 were not designated in accordance with the instruction. In addition, some contracts did not have quality-assurance surveillance plans, did not define responsibilities for in-country representatives, or had a contracting officer’s representative who was assigned to multiple contracts and may not have been able to perform all oversight responsibilities. Without a strong oversight framework, the contracting activities had limited assurance that the contractors were meeting the performance standards required by the contracts.

U.S. Department of State Office of Inspector General-Middle East Regional Operations

During this quarter, State OIG released one report related to Afghanistan reconstruction.

Additional Actions Are Needed To Fully Comply With Section 846 of the National Defense Authorization Act for Fiscal Year 2013 Concerning Critical Environment Contracting

State OIG reviewed the Department’s risk assessments for Afghanistan and Iraq and nine risk mitigation plans to determine whether all high-risk areas identified had corresponding mitigating actions as required by Section 846 of the National Defense Authorization Act for Fiscal Year 2013. State OIG

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found that the Department of State's Critical Environment Contracting Analytics Staff (CECAS) and the stakeholders conducted comprehensive risk assessments for the two countries and identified high-risk areas that met Section 846 requirements. In total, the assessments identified 32 high-risk areas for Afghanistan and 52 high-risk areas for Iraq.

However, State OIG's review of the risk-mitigation plans found that CECAS and the stakeholders did not always develop mitigating actions for each high-risk area identified, as required by Section 846. Specifically, OIG could not identify mitigating actions for 14 of the 32 high-risk areas in Afghanistan and for 32 of the 52 high-risk areas in Iraq.

State OIG made two recommendations to the Bureau of Administration, Office of Logistics, to address the deficiencies identified by the audit, both of which are considered resolved.

Government Accountability Office

During this quarter, GAO issued two products related to Afghanistan reconstruction.

Defense Infrastructure: Actions Needed to Enhance Oversight of Construction Projects Supporting Military Contingency Operations

Since contingency operations began in Iraq and Afghanistan, the Department of Defense (DOD) has not tracked the universe and cost of all U.S. Central Command (CENTCOM) contingency construction projects supporting operations there. According to senior DOD officials, DOD is not required to track all contingency construction projects separately from all other DOD projects, but DOD has been able to generate specific data on MILCON-funded contingency construction projects when requested.

Senior DOD officials stated that they were unaware of the magnitude of their use of O&M funds because DOD has not tracked the universe and cost of O&M-funded unspecified minor military-construction projects in support of contingency operations. GAO identified O&M-funded construction costs for fiscal years 2009–2012 of at least \$944 million for 2,202 of these projects in Afghanistan, costs that are significant compared with the \$3.9 billion DOD reported as enacted for MILCON-funded projects there in the same period. DOD has routinely used O&M funding to more quickly meet requirements because the MILCON review process can take up to 2 years. However, DOD's use of O&M funding has posed risks. For example:

Financial risk: In 2010, DOD identified needed concrete shelters at Bagram Airfield, Afghanistan, staying below the O&M maximum by dividing a single requirement into separate projects. DOD reported in 2015 that it should have used MILCON funds for the shelters, determining that the obligations incurred had exceeded the statutory maximum for O&M-funded unspecified minor military construction projects, resulting in an Antideficiency Act violation.

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Duplication risk: In 2015, officials at a base in the CENTCOM area of responsibility decided to use O&M funding for temporary facilities for a squadron while in the same year requesting MILCON funding for a permanent facility for the same squadron, which could result in providing the same service to the same beneficiaries.

For MILCON-funded contingency construction projects, DOD has guidance for determining the appropriate level of construction, or building standard, based on the facility's life-expectancy requirements, but as of July 2015 had not documented the rationale for such determinations for 11 of the 39 projects in fiscal years 2011–2015 that cost over \$40 million each. Further, for eight of the 11 projects, senior DOD officials could not confirm what level of construction the projects represented based on DOD standards aimed at helping to match investments with requirements. Senior DOD officials acknowledged that an absence of such documentation could lead to DOD constructing facilities in excess of requirements because of the resulting lack of communication with those who design and construct the facilities.

DOD has not developed a formal process for reevaluating ongoing contingency construction projects when missions change. According to CENTCOM documentation, beginning in November 2011 DOD undertook five rounds of reviews of planned and ongoing projects in Afghanistan anticipating a change in the mission. However, without a requirement for such reviews, DOD risks constructing facilities that may not be needed to support U.S. forces in the CENTCOM area of responsibility and in future contingencies worldwide.

GAO made six recommendations, including that DOD track the universe and cost of O&M-funded projects (DOD did not concur), review construction projects to ensure funds were properly used (DOD did not concur), examine approaches to shorten project approval times (DOD partially concurred), document level-of-construction determinations (DOD partially concurred), and require project reviews when missions change (DOD partially concurred). GAO maintains that its recommendations are valid.

Waste Management: DOD Has Generally Addressed Legislative Requirements on the Use of Burn Pits But Needs to Fully Assess Health Effects

In assessing the Department of Defense's (DOD) March 2016 report to Congress on the use of burn pits, GAO found that it generally addressed the requirements in section 313 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015. To complete this report, DOD tasked the military services, the Joint Staff, and the overseas combatant commands to provide information on the requirements in the mandate, including policies and procedures related to the disposal of covered waste (including certain types of hazardous waste,

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medical waste, and items such as tires, treated wood, and batteries) in burn pits during contingency operations.

GAO found that DOD's report fully addressed four of the seven reporting requirements and partially addressed the remaining three. For example, the report addressed who is responsible for ensuring compliance with the legislative requirements, but partially addressed whether the waste categories are appropriately and clearly distinguished in surveys and assessments.

Although DOD established guidance to meet applicable legislative requirements through the issuance of DOD Instruction 4715.19, U.S. Central Command is the only overseas geographic combatant command that has established complementary policies and procedures for implementing this guidance. The instruction applies to all the combatant commands, but it does not specify how combatant commanders will ensure compliance with requirements in the instruction.

Officials from the other geographic combatant commands stated that their commands have not developed similar policies and procedures because they do not utilize burn pits and there is an absence of current contingency operations in their respective areas of responsibility. Nonetheless, while most of the overseas geographic commands may not currently be involved in contingency operations within their areas of responsibility, waste disposal would likely be required if such operations arise in the future, and the use of burn pits would be one option for disposing of waste. Establishing policies and procedures would better position these commands to implement DOD's instruction.

The effects of exposing individuals to burn-pit emissions are not well understood, and DOD has not fully assessed these health risks. DOD officials stated that there are short-term effects from being exposed to toxins from the burning of waste. However, the officials also stated that DOD does not have enough data to confirm whether direct exposure to burn pits causes long-term health issues. Although DOD and the Department of Veterans Affairs have commissioned studies to enhance their understanding of burn pit emissions, the current lack of data on emissions specific to burn pits and related individual exposures limits efforts to characterize potential long-term health impacts on servicemembers and other base personnel.

A 2011 report by the Institute of Medicine outlined the data needed for assessing exposures and potential related health risks, and the Department of Veterans Affairs has established a registry to collect some information. However, DOD has not undertaken data-gathering and research efforts to specifically examine this relationship to fully understand any associated health risks.

GAO made three recommendations to include establishing policies and procedures and ensuring research specifically examines the relationship between direct burn-pit exposure and long-term health issues. DOD concurred with the first recommendation and partially concurred with the second, citing research

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it has or has plans to conduct. GAO agrees this research contributes to general understanding, but continues to believe more specific research is needed.

U.S. Army Audit Agency

The USAAA completed no audits related to Afghanistan reconstruction this quarter.

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

This quarter, USAID completed no audits related to Afghanistan reconstruction.

ONGOING OVERSIGHT ACTIVITIES

As of September 30, 2016, the participating agencies reported 15 ongoing oversight activities related to reconstruction in Afghanistan. The activities reported are listed in Table 4.2 and described in the following sections by agency.

TABLE 4.2

ONGOING OVERSIGHT ACTIVITIES OF OTHER U.S. AGENCIES, AS OF SEPTEMBER 30, 2016			
Agency	Project Number	Date Initiated	Project Title
DOD IG	D2016-DISPA2-0195.000	8/11/2016	Evaluation of Airborne ISR Allocation Process Supporting Counterterrorism Operations in Afghanistan
DOD IG	D2016-D000JB-0172.000	7/26/2016	Audit of Controls Over Afghanistan Ministry of Defense Fuel Contracts
DOD IG	D2016-D00SPO-0153.000	5/17/2016	Assessment of U.S./Coalition Efforts to Enable the Afghan Ministry of Defense to Develop its Oversight and Internal Control Capability
DOD IG	D2016-D000JB-0150.000	5/5/2016	Audit of Reliability of Navy Financial Data Reported for Operation Freedom's Sentinel
DOD IG	D2016-D000JB-0089.000	3/9/2016	Audit of the Government of Islamic Republic of Afghanistan's Controls Over U.S. Direct Assistance Funded Contracts
DOD IG	D2016-D00OPT-0030.000	10/16/2015	Summary Report on Inspections of DOD Facilities and Military Housing
State OIG	16AUD072	7/1/2016	Audit of the Antiterrorism Assistance Program in Countries Under the Department of State Bureaus of Near Eastern Affairs (NEA) and South and Central Asian Affairs (SCA)
State OIG	16AUD074	6/1/2016	Audit of Counter Narcotics and Police Reform Program Compliance Follow-up in Pakistan and Afghanistan
State OIG	16AUD044	10/1/2015	Audit of Embassy Kabul Construction and Commissioning
GAO	101053	8/1/2016	Afghan Defense and Security Forces' Equipment and Capability
GAO	100993	7/14/2016	OIG Oversight of US Government's Efforts in Afghanistan
GAO	100914	6/6/2016	DOD Deployed Biometrics and Forensics
GAO	100431	1/21/2016	DOD Use of Overseas Contingency Operations (OCO) Funds
USAID OIG	FF1C0216	5/11/2016	Audit of USAID/Afghanistan's New Development Partnership
USAID OIG	FF1C0116	1/19/2016	Audit of USAID/Afghanistan's Use of the Afghanistan Reconstruction Trust Fund

Source: DOD IG, response to SIGAR data calls, 9/23/2016 and 10/18/2016; State OIG, response to SIGAR data calls, 9/28/2016 and 10/18/2016; GAO, response to SIGAR data call, 10/3/2016; USAID OIG, response to SIGAR data call, 9/14/2016; USAAA, response to SIGAR data call, 10/4/2016.

U.S. Department of Defense Office of Inspector General

The Department of Defense continues to face many challenges in executing its Overseas Contingency Operations (OCO). The Department of Defense Office of Inspector General (DOD OIG) has identified priorities based on those challenges and high risks. DOD OIG oversight focuses on the areas of monitoring and oversight of acquisition and contracting processes that support training, equipping, and sustaining Afghanistan Security Forces (ASF). The DOD OIG will also continue to review and assess the Department's efforts to train and equip Afghan National Security Forces.

The DOD OIG-led Southwest Asia Joint Planning Group assists in the coordination and deconfliction of federal and DOD OCO-related oversight activities. The DOD OIG, working with the SIGAR as well as fellow Inspectors General and Defense oversight community members, has issued the FY 2016 Comprehensive Oversight Plan for Overseas Contingency Operations (COP-OCO), formerly known as the Comprehensive Oversight Plan for Southwest Asia. The COP-OCO includes the Joint Strategic Oversight Plans (JSOP) for Operation Inherent Resolve and Afghanistan. The Afghanistan JSOP includes Operation Freedom's Sentinel (OFS), as well as reconstruction and humanitarian assistance programs and activities that are separate from OFS.

DOD IG has six ongoing projects this quarter that relate to reconstruction or security operations in Afghanistan.

Evaluation of Airborne ISR Allocation Process Supporting Counterterrorism Operations in Afghanistan

(Project No. D2016-DISPA2-0195.000, Initiated August 11, 2016)

The DOD OIG is determining whether US Forces-Afghanistan's airborne Intelligence, Surveillance, and Reconnaissance (ISR) allocation process effectively supports U.S. counterterrorism operations.

Audit of Controls Over Afghanistan Ministry of Defense Fuel Contracts

(Project No. D2016-D000JB-0172.000), Initiated July 26, 2016)

This project is part of a series of audits related to Afghanistan contract oversight. The DOD OIG is determining whether the Combined Security Transition Command-Afghanistan and the Afghanistan Ministry of Defense have established effective controls for oversight of Ministry of Defense fuel contracts.

Assessment of U.S./Coalition Efforts to Enable the Afghan Ministry of Defense to Develop its Oversight and Internal Control Capability

(Project No. D2016-D00SP0-0153.000, Initiated May 17, 2016)

DOD IG is determining whether U.S. Government and Coalition Train-Advise-Assist efforts will enable the Afghan Ministry of Defense (MOD) and

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subordinate organizations to develop a Transparency, Accountability and Oversight capability that helps the MOD to run efficient and effective operations, report reliable information about its operations, and comply with applicable laws and regulations.

Audit of Reliability of Navy Financial Data Reported for Operation Freedom's Sentinel

(Project No. D2016-D000JB-0150.000, Initiated May 5, 2016)

DOD is determining whether the Navy has adequate accountability of DOD funds supporting Operation Freedom's Sentinel by determining the accuracy of obligations and disbursements, as reported in the Cost of War report, for select Navy appropriations.

Audit of the Government of Islamic Republic of Afghanistan's Controls Over U.S. Direct Assistance Funded Contracts

(Project No. D2016-D000JB-0089.000, Initiated March 9, 2016)

DOD is determining whether the Combined Security Transition Command-Afghanistan and the Government of Islamic Republic of Afghanistan's Ministries of Defense and Interior have established and implemented effective controls over the contract management process.

Summary Report on Inspections of DOD Facilities and Military Housing

(Project No. D2016-D000PT-0030.000, Initiated October 16, 2015)

This project will collectively evaluate the results of the previous DOD IG inspections of buildings and housing facilities in Afghanistan, Japan, Korea, and regions of the continental United States, as well as the ongoing facility inspection in Jordan. DOD IG is performing additional analysis based on these reports to identify any potential broader findings and recommendations related to electrical system safety, fire protection systems, environmental health and safety, etc. Specifically, DOD IG will evaluate common deficiencies and systemic issues found throughout DOD facilities during the previous inspections. DOD IG will also evaluate DOD policy regarding health and safety standards and requirements for DOD-occupied facilities world-wide.

U.S. Department of State Office of Inspector General-Middle East Regional Operations

State OIG has three ongoing projects this quarter related to Afghanistan reconstruction.

Audit of the Antiterrorism Assistance Program in Countries Under the Department of State Bureaus of Near Eastern Affairs (NEA) and South and Central Asian Affairs (SCA)

(Project No. 16AUD072, Initiated July 1, 2016)

Audit to determine the extent to which the Bureaus of Diplomatic Security (DS) and Counterterrorism (CT) have (1) Developed specific, measureable, and outcome-oriented goals and objectives; (2) Developed and implemented an evaluation process to assess host country performance; and (3) Established letters of agreement with host countries for sustaining the Antiterrorism Assistance (ATA) programs. The audit will also assess DS and CT's contract monitoring and oversight, and invoice review processes.

Audit of Counter Narcotics and Police Reform Program Compliance Follow-up in Pakistan and Afghanistan

(Project No. 16AUD074, Initiated June 1, 2016)

Audit to determine whether INL has: (1) complied with prior OIG recommendations to (a) implement performance measurement plans for its programs in Pakistan and Afghanistan, (b) monitor progress towards its program goals, and (c) fund its programs appropriately; and (2) applied the recommendations to its programs in other countries.

Audit of Embassy Kabul Construction and Commissioning

(Project No. 16AUD044, Initiated October 1, 2015)

Audit to determine whether the Bureau of Overseas Building Operations followed Department policies and guidance governing the affirmation of substantial completion and final acceptance of construction projects at U.S. Embassy Kabul.

Government Accountability Office

GAO has four ongoing projects this quarter related to Afghanistan reconstruction.

Afghan Defense and Security Forces' Equipment and Capability

(Project No. 101053, Initiated August 1, 2016)

H. Rpt. 114-537 (passed the House 5/18/16) to Accompany H.R.4909 National Defense Authorization Act of FY 2017 (Division A-Department of Defense Authorizations-Title XII-Matters Related to Foreign Nations-Assistance to the Afghan National Defense and Security Forces.) directs GAO to review major weapon systems and equipment provided to the Afghan National Defense and Security Forces (ANDSF) in light of the deteriorating security situation. The mandate calls for GAO to (1) Outline all major weapon systems and equipment procured for the ANDSF, consistent with the program of record; (2) summarize how such weapon systems and equipment support the overall strategy for the ANDSF; (3) describe the current capability and

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capacity of the ANDSF to operate and sustain such weapon systems and equipment; and (4) identify gaps in ANDSF capability given the evolving security situation and overall strategy.

OIG Oversight of US Government's Efforts in Afghanistan (Project No. 100993, Initiated July 14, 2016)

GAO is to review the authorities and activities of the OIGs at the Department of State, DOD, USAID, and the Special IG for Afghanistan Reconstruction regarding oversight of the expenditures of U.S. funds in Afghanistan since January 1, 2015. The engagement team will review enabling legislation and directive guidance that outlines the oversight mandate of each IG and identify any overlap or gaps in the oversight among the mandates of each IG. We will also describe the oversight activities and primary areas of focus of each IG and review other matters the engagement team deems relevant.

DOD Deployed Biometrics and Forensics (Project No. 100914, Initiated June 6, 2016)

DOD relies on expeditionary biometric and forensic capabilities to identify, target, and disrupt terrorists and enemy combatants globally. For example, in support of operations in Iraq and Afghanistan, DOD trained service members to collect biometric data on persons of interest to identify enemy combatants, and deployed forensic laboratories to analyze evidence collected from the battlefield to aid in the capture and prosecution of enemy combatants. DOD initially established and funded its deployable biometric and forensic capabilities using Overseas Contingency Operations funding, and is now transitioning these capabilities to its base budget to support enduring mission requirements.

To what extent has DOD: (1) Developed a process for determining and validating its future deployable biometrics and forensics requirements? (2) Taken actions to ensure that its deployable biometrics and forensics capabilities—including materiel solutions, trained personnel, and funding—are available to meet validated requirements? (3) Taken actions to address prior GAO recommendations regarding its biometrics and forensics capabilities since 2011?

DOD Use of Overseas Contingency Operations (OCO) Funds (Project No. 351991, Initiated January 21, 2016)

Since September 2001, DOD has received more than \$1.5 trillion designated as Overseas Contingency Operations (OCO), Global War on Terror (GWOT), or as emergency funding for the wars in Iraq and Afghanistan, as well as other activities like disaster relief and evacuation efforts. In FY 2015, Congress appropriated \$64 billion in OCO-designated funds as DOD continues to draw down troops in Afghanistan. Despite a significant reduction

in the number of troops deployed to Afghanistan, OCO-designated funding remains proportionally high. In fact, the cost per deployed troop supported by OCO-designated funding has grown from roughly \$1 million per troop in FY 2013 to \$4 Million per troop in FY 2015.

GAO has reported on the need for DOD to improve the reliability of its OCO cost reporting and to become more disciplined in its approach to developing OCO budgets, including moving long-term enduring costs funded by OCO-designated appropriations into the base defense budget to better account for the true costs of its operations and plan for future budget needs. Spending these funds for activities unrelated to war operations hides the true cost of government and inhibits the Congress's ability to knowledgeably set funding levels for government programs.

U.S. Army Audit Agency

This quarter the USAAA has no ongoing audits related to Afghanistan reconstruction.

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

This quarter USAID OIG has two ongoing audits related to reconstruction initiatives.

Audit of USAID/Afghanistan's New Development Partnership (Project No. FF1C0216, Initiated May 11, 2016)

Audit Objectives: Has USAID/Afghanistan adopted internal policies and procedures to adequately verify the achievement of New Development Partnership indicators contained in the July 25, 2015 NDP results framework; and, has USAID/Afghanistan adequately verified the achievement of completed indicators under the New Development Partnership for any payments made to date?

Audit of USAID/Afghanistan's Use of the Afghanistan Reconstruction Trust Fund

(Project No. FF1C0116, Initiated January 20, 2016)

Audit Objective: Has USAID/Afghanistan adopted effective and consistent practices to provide reasonable assurance that activities implemented through the Afghanistan Reconstruction Trust Fund contribute to achieving USAID's objectives in Afghanistan?