



OIG

Office of Inspector General

U.S. Department of State • Broadcasting Board of Governors

AUD-MERO-17-49

Office of Audits

August 2017

Audit of the Conventional Weapons Destruction Program in Afghanistan, Iraq, and Lebanon

MIDDLE EAST REGION OPERATIONS



OIG HIGHLIGHTS

AUD-MERO-17-49

What OIG Audited

The United States has provided more than \$2.6 billion in Conventional Weapons Destruction (CWD) assistance since 1993 to help foreign governments destroy excess stockpiles of conventional arms, better secure the stockpiles they retain, and clear landmines and unexploded ordnance. The Department of State's (Department) Bureau of Political Military Affairs, Office of Weapons Removal and Abatement (PM/WRA) delivers CWD assistance through grants awarded to nongovernmental organizations, international organizations, the private sector, and government institutions, both in the United States and abroad.

The purpose of this audit was to determine whether PM/WRA is complying with Federal and Department guidance and its own policies and procedures in overseeing its CWD grants and cooperative agreements in Afghanistan, Iraq, and Lebanon and whether PM/WRA is collecting information that effectively measures progress toward the grants' objectives. The scope of this audit was all active PM/WRA grants in the three countries mentioned above, as of November 30, 2016.

What OIG Recommends

OIG made seven recommendations to strengthen PM/WRA's grant oversight and improve grant management. PM concurred with six recommendations. Of these, three are considered resolved pending further action and three are considered closed with no further action required. PM disagreed with one recommendation that involved obtaining, reviewing, and documenting reports prepared by the National Mine Action Centers. However, PM provided an acceptable alternative action to contract a third-party to monitor the activities of some implementing partners. OIG therefore considers this recommendation resolved pending further action. A synopsis of each response and OIG's reply follow each recommendation in the Results section of this report. PM's response to a draft of this report is reprinted in its entirety in Appendix B.

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OFFICE OF AUDITS

Middle East Region Operations

Audit of the Conventional Weapons Destruction Program in Afghanistan, Iraq, and Lebanon

What OIG Found

OIG found that PM/WRA was not fully complying with Federal and Department guidance and its own policies and procedures for overseeing grants in Afghanistan, Iraq, and Lebanon. Among the 31 grants reviewed for this audit, OIG identified the following deficiencies:

- Risk assessments and monitoring plans were not prepared for 16 percent of the grants.
- Annual risk assessment and monitoring plan reviews were not conducted for 75 percent of the grants for which they were required.
- Monitoring plans lacked a sufficient mitigation strategy for 36 percent of the grants considered "high-risk."
- Required reviews were not conducted for 67 percent of the performance progress reports and 99 percent of the Federal financial reports.

These deficiencies occurred because PM/WRA did not always follow monitoring requirements outlined in the Department's Federal Assistance Policy Directive, Grants Policy Directives, or its own policies and procedures. In addition, although prescribed by Department guidance, PM/WRA did not maintain documentation for all monitoring activities performed by third parties such as the Afghanistan, Iraq, and Lebanon National Mine Action Centers' quality control/assurance inspection reports or land clearance certifications.

OIG also found that PM/WRA did not develop expected outcomes or target levels of achievement to effectively measure performance of the CWD program. For example, 22 of the 31 grants (71 percent) had at least 1 objective without an expected performance outcome or target level of achievement. Full performance measures were not prepared for all objectives because PM/WRA did not enforce the use of its grant template that requires the development of expected outcomes or target levels of achievement. As a result, PM/WRA could not fully measure and report on the overall performance of its CWD programs.

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OBJECTIVE

The Office of Inspector General (OIG) conducted this audit to determine whether (1) the Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement (PM/WRA) is complying with Federal and Department guidance and its own policies and procedures in overseeing its Conventional Weapons Destruction (CWD) grants and cooperative agreements in Afghanistan, Iraq, and Lebanon and (2) PM/WRA is collecting information that effectively measures progress toward the grants' objectives.¹ The scope of this audit is the 31 PM/WRA grants that were active in the 3 countries mentioned above as of November 30, 2016 (see Appendix C for a list of these grants).

BACKGROUND

Around the world, stockpiles of excess, poorly secured, or otherwise at-risk conventional weapons continue to be a threat to peace and prosperity. In the wrong hands, small arms and light weapons fuel political instability and violence, and uncleared landmines, cluster munition remnants, artillery shells, and mortars continue to kill and maim people long after conflicts have ended. To counter and eliminate these threats, the United States has provided more than \$2.6 billion in CWD assistance to more than 95 countries since 1993. The CWD program helps foreign governments destroy excess stockpiles of conventional arms, better secure the stockpiles they retain, and clear landmines and unexploded ordnance.

The Conventional Weapons Destruction Program

PM/WRA delivers CWD assistance through grants and cooperative agreements awarded to grantees. For example, PM/WRA's grants provide funding for surveys, landmine and unexploded ordnance clearance, and securing or destroying abandoned and stockpiled munitions. PM/WRA's grants are all awarded by a grants officer (GO) who is certified and appointed by the Bureau of Administration, Office of the Procurement Executive. The GO's responsibilities are to (1) coordinate with the requesting program office, applicants, and grantees to ensure adherence to applicable Federal regulations, rules, and policies; (2) interpret and apply the Department's assistance policies and procedures; (3) facilitate the ratification processes and procedures for unauthorized commitments; and (4) act as the point of contact for grant audits and address audit recommendations.

The GO is assisted by grants officer representatives (GOR) and grants technical monitors (GTM). The GO appoints GORs to oversee grants from award through closeout. The GOR ensures the Department exercises prudent management and oversight of the grant by monitoring and

¹ A grant is an assistance instrument used when the principal purpose is the transfer of money, property, or services to accomplish a public purpose of support or stimulation authorized by Federal statute and no substantial involvement will occur between the agency and the grantee during performance. A cooperative agreement is an assistance instrument that has the same principal purpose as a grant but, unlike a grant, substantial involvement between the agency and the recipient will occur during performance. Because this distinction is not significant for purposes of this audit, grants and cooperative agreements are referred to collectively as "grants" in this report.

evaluating the grantee's performance. Typical duties include communicating with the grantee, reviewing the grantee's reports to verify timely and adequate performance, and ensuring compliance with all the terms and conditions of the grant. GTMs coordinate and consult with the grantee on programmatic, scientific, and technical matters that may arise in the administration of the grant. Their duties also include evaluating the grantee's compliance with the grant's terms and conditions, assisting the grantee with identifying and resolving problems and concerns, visiting the grantee at the place of performance to assess progress in implementing the grant, and reviewing the grantee's performance progress and Federal financial reports.

Guidance on Monitoring and Measuring Effectiveness of Grants

At the time of our review, Department requirements for monitoring grants were specified in the Department's *Federal Assistance Policy Directive* (FAPD),² which applied to all grants issued by Department bureaus, offices, and posts. The directive went into effect on March 13, 2015, and set forth the Department's internal guidance, policies, and requirements for administering all Federal financial assistance grants. The Department's internal policies and requirements for grants issued before March 13, 2015, were contained in the Department's *Grant Policy Directives* (GPDs). The GPDs were incorporated in the FAPD but remain valid for grants awarded before March 13, 2015.

PM/WRA implemented a series of standard operating procedures (SOPs)—including *Risk Assessment and Monitoring Plan*, *Grants Officer Representative and Grants Technical Monitor Duties*, and *PM/WRA Grants File Required Documents*—to ensure that PM/WRA complies with Department requirements. These SOPs were created to address deficiencies identified in an OIG audit report released in June 2015.³

FAPD 1.10-B, *Federal Award File Folder* required the use of an official grant file for all Department Federal assistance actions. The official grant file is intended to ensure that the required documentation supporting the issuance and management of each grant is present and complete. Table 1 identifies some of the key supporting documentation that is required for the issuance and management of each grant.

² On May 20, 2017, the Department issued the Federal Assistance Directory, which supersedes the FAPD and incorporates relevant sections of the FAPD. This report, however, refers to the FAPD because it was in place for the time frame of our review.

³ *Audit of Department of State Oversight Responsibilities, Selection, and Training of Grants Officer Representatives*, (AUD-CG-15-33).

Table 1: Grant Monitoring and Oversight Guidance

Requirement	Applicable Guidance
Risk Assessment	FAPD 2.03-A, <i>Risk Management</i> , ^a required that all bureaus, offices, and posts conduct a risk assessment of all grants. GPD 57, <i>Risk Management</i> , required “all bureaus, offices and posts involved in the awarding of federal assistance take a proactive approach to detecting early warning signs of potentially (a) ‘high risk’ award recipients.” Further, PM/WRA’s <i>Risk Assessment and Monitoring Plan</i> SOP required risk assessments for all grants and the use of those risk assessments to draft monitoring plans.
Monitoring Plan and Risk Mitigation Strategy	FAPD 3.01-A, <i>Monitoring Plan</i> , ^b and GPD 42, <i>Monitoring Assistance Awards</i> , required the GOR, in consultation with the GO, to develop a monitoring plan appropriate for the program. It also stated the “plan must take into account the risk assessment involved in making the award to a particular recipient and the resources available to provide monitoring.” Additionally, FAPD 2.03-A stated, grants identified as “high risk” require a detailed monitoring plan. For those grants lasting more than a year, FAPD 3.01-A also requires that the GO and GOR annually review the monitoring plans to account for any new risks or changes in scope, schedule, or costs.
Performance Progress Reports and Federal Financial Reports	FAPD 3.01-B, <i>Financial Reporting</i> , ^c FAPD 3.01-C, <i>Monitoring and Reporting Program Performance</i> , and GPD 42 stated that grantees must submit performance progress reports and Federal financial reports as required in the grant’s terms and conditions. PM/WRA’s <i>Grants Officer Representative and Grants Technical Monitor Duties</i> SOP required grantees to use www.grantsolutions.gov ^d and the Payment Management System ^e to submit their quarterly performance progress and Federal financial reports. The <i>Grants File Required Documents</i> SOP stated that GORs and GTMs are responsible for reviewing these reports and documenting those reviews in www.grantsolutions.gov .

Source: OIG generated on the basis of an analysis of Department guidance and PM/WRA SOPs.

^a 2 CFR §200.205.

^b 2 CFR §200.328.

^c 2 CFR §200.327.

^d www.grantsolutions.gov is a comprehensive grants management system used by the Department that allows grantees to apply for, manage, and report on the use of U.S. Government funds for multiple programs.

^e The Payment Management System is used by PM/WRA to provide the bureau and grantees the tools to manage grant financial activities and disburse grant payments.

In addition to the grant file requirements, Chapter 2 Code of Federal Regulations (CFR), § 200.210 stated that, where appropriate, agencies can require the grantee to have “specific performance goals, indicators, milestones, or expected outcomes (such as outputs, or services performed ...) with an expected timeline for accomplishment.” “Reporting requirements must be clearly articulated such that, where appropriate, performance during the execution of the Federal award has a standard against which non-Federal entity performance can be measured.” The Department implemented § 200.210 through FAPD 3.01-A and GPD 42, which required monitoring plans to include the assessment of objectives of the grant and the outcomes that are expected. The Department’s *Performance Management Guidebook* further outlined a process for monitoring the achievement of program activities and analyzing performance to track progress toward planned results. It states that a bureau, program, or project should have specific, measurable, outcome-oriented objectives for the near- to mid-term; performance

indicators to measure progress toward achieving desired outcomes; and baseline data and performance targets for each indicator.

AUDIT RESULTS

Finding A: PM/WRA Was Not Monitoring Its Grants in Accordance With Department Guidance and Its Own Policies

OIG found that PM/WRA was not fully complying with Department guidance and its own policies and procedures for overseeing the 31 grants in Afghanistan, Iraq, and Lebanon. OIG found that not all those grants contained the following supporting documentation:

- Risk assessments and monitoring plans were not prepared for 5 of the 31 grants (16 percent).
- Of the 31 grants, 16 required an annual review of the risk assessments and monitoring plans. The GOR did not do so for 12 of the 16 grants (75 percent).
- Of the 31 grants, 28 were identified as “high-risk,” which requires PM/WRA to develop a risk mitigation strategy. PM/WRA did not do so for 10 of those grants (36 percent).
- Of the 31 grants, 28 were identified as “high-risk,” which requires PM/WRA to develop a monitoring plan with a strategy to mitigate the risks. PM/WRA did not do so for 10 of those grants (36 percent).
- For the 31 grants, the grantees were required to submit 134 performance progress reports and 134 Federal financial reports. OIG found no evidence of review for 90 of 134 (67 percent) of the performance progress reports and 133 out of 134 (99 percent) of the Federal financial reports.⁴

These deficiencies occurred because PM/WRA did not always follow monitoring requirements outlined in the Department’s Federal Assistance Policy Directive, Grants Policy Directives, or its own policies and procedures. In addition, although prescribed by Department guidance, PM/WRA did not maintain documentation of all third-party monitoring activities, such as the Afghanistan, Iraq, and Lebanon National Mine Action Centers’ quality control/assurance inspection reports or land clearance certifications.

PM/WRA Did Not Maintain All Supporting Documentation in Its Grant Files

PM/WRA is required to maintain an official grant file for all Department Federal assistance actions. The grant file contains required documentation supporting the issuance and management of each grant and provides the Department with a standardized, user-friendly system to keep track of assistance activities. The official grant file must include supporting

⁴ The grantees were required to submit performance progress reports and Federal financial reports for the quarters between April 1, 2013, and September 30, 2016. Not all grants required the same number of reports because of varying start dates of the grants.

documentation such as risk assessments, monitoring plans, a mitigation strategy, performance progress reports, and financial reports. According to the GO and GORs, the official grant file for PM/WRA is www.grantsolutions.gov.⁵

Risk Assessments and Monitoring Plans Were Not Prepared For All Grants

FAPD 2.03-A requires “that all Bureaus, offices, and posts involved in the awarding of [grants] take a proactive approach to detecting early warning signs of potential risks and mitigating the probability of impact.” To accomplish this, the FAPD requires risk assessment and a monitoring plan that uses the results of the risk assessment and identifies a mitigation strategy that aligns with program or country risks.

OIG found that GOs and GORs did not prepare risk assessments or monitoring plans for 5 of the 31 grants (16 percent) reviewed. OIG previously reported the lack of monitoring plans in grants administered by PM/WRA in a June 2015 audit report.⁶ In that report, OIG identified multiple instances where GORs had not created required monitoring plans. To address the deficiencies identified and the corresponding recommendation offered, PM/WRA drafted an SOP requiring risk assessments and monitoring plans for grants, thus closing the recommendation. However, PM/WRA did not apply these requirements to five grants awarded before the SOP went into effect on January 12, 2015, because it failed to enforce Department guidance and its own policy and procedures. OIG concludes that PM/WRA should have developed risk assessments and monitoring plans for these five grants, which have a total value of more than \$15.3 million, for two primary reasons. First, all five grants have received additional funding and were currently active as of November 30, 2016. Second, regardless of when the PM/WRA SOP went into effect, applicable Department policy, namely GPD 42 and GPD 57, required both a risk assessment and monitoring plan. When risk assessments and monitoring plans are not prepared, underperforming grants and activities may go undetected and Federal assistance funds may be wasted or misused. Table 2 shows the five grants that did not have a risk assessment or monitoring plan.

⁵ www.grantsolutions.gov provides PM/WRA the ability to manage and monitor grants through their full cycle. PM/WRA’s GOs, GORs, and GTMs are responsible for managing and monitoring pre- and post-award documentation, copies of grantee deliverables, and supporting documentation through this [site](#).

⁶ *Audit of Department of State Oversight Responsibilities, Selection, and Training of Grants Officer Representatives*, (AUD-CG-15-33).

Table 2: Active PM/WRA's Grants with No Risk Assessment or Monitoring Plan as of November 30, 2016

Grant Number	Country	Start Date of Grant	Dollar Value (Millions)
S-PMWRA-13-GR-1010	Afghanistan	4/1/2013	\$3.00
S-PMWRA-13-GR-1011	Afghanistan	4/1/2013	\$2.98
S-PMWRA-13-GR-1024	Afghanistan	5/1/2013	\$3.00
S-PMWRA-14-CA-1019	Afghanistan	3/1/2014	\$5.07
S-PMWRA-15-GR-1014	Afghanistan	1/1/2015	\$1.26
Totals:		5	\$15.31

Source: OIG generated on the basis of an analysis of data provided by PM/WRA officials and corroborated with information obtained from www.grantsolutions.gov.

Risk Assessments and Monitoring Plans Were Not Always Kept Current

If a grant has a period of performance longer than 1 year, FAPD 2.03-A and 3.01-A required the GO and GOR to review the risks and the monitoring plan at least annually to account for any new risks or changes in scope, schedule, or costs.

Of the 31 grants OIG reviewed, 16 had a period of performance longer than 1 year. However, PM/WRA did not conduct annual reviews of the risk assessments and monitoring plans for 12 of those 16 grants (75 percent). PM/WRA's *Risk Assessment and Monitoring Plan* SOP only requires that risk assessments be conducted and monitoring plans be prepared before a new grant is issued. However, the SOP was never updated to include the annual review required by FAPD 2.03-A and 3.01-A. Again, this is due, in part, to PM/WRA not enforcing Department guidance. According to the GO, as of April 10, 2017, PM/WRA has included the annual review requirement in the SOP but has not retroactively applied the requirement to all active grants. When risk assessments and monitoring plans are not kept current, any new risks associated with the grants—such as changes in scope, schedule, or costs—may go unaddressed. Table 3 identifies the 12 grants that did not have annual reviews of their risk assessment and monitoring plan.

Table 3: Active Grants that Did Not Have Annual Reviews of Their Risk Assessment and Monitoring Plan as of November 30, 2016

Grant Number ^a	Country	Date of Grant	Dollar Value (Millions)
S-PMWRA-13-GR-1010	Afghanistan	4/1/2013	\$3.00
S-PMWRA-13-GR-1011	Afghanistan	4/1/2013	\$2.98
S-PMWRA-13-GR-1024	Afghanistan	5/1/2013	\$3.00
S-PMWRA-14-CA-1019	Afghanistan	3/1/2014	\$5.07
S-PMWRA-15-GR-1014	Afghanistan	1/1/2015	\$1.26
S-PMWRA-15-GR-1060	Afghanistan	9/2/2015	\$1.99
S-PMWRA-15-GR-1064	Afghanistan	8/18/2015	\$1.83
S-PMWRA-15-GR-1079	Iraq	10/1/2015	\$3.52
S-PMWRA-15-GR-1017	Lebanon	1/28/2015	\$3.00
S-PMWRA-15-GR-1019	Lebanon	2/4/2015	\$1.62
S-PMWRA-15-GR-1032	Lebanon	3/23/2015	\$0.45
S-PMWRA-15-GR-1106	Lebanon	3/21/2016	\$0.37
Totals:		12	\$28.09

Source: OIG generated on the basis of an analysis of data provided by PM/WRA officials and corroborated with information obtained from www.grantsolutions.gov.

^a Grants S-PMWRA-13-GR-1010, S-PMWRA-13-GR-1011, S-PMWRA-13-GR-1024, S-PMWRA-14-CA-1019, and S-PMWRA-15-GR-1014 were also listed in Table 2 because the grants did not contain an initial risk assessment or monitoring plan.

Grants Did Not Contain a Mitigation Strategy For All High Risks

FAPD 2.03-A states that “Bureaus, offices, and posts must incorporate risk identification into award planning and risk mitigation into monitoring plans.” To accomplish this, the Department has established a risk-based management framework based on guidance from the Office of Management and Budget. The framework requires that bureaus, offices, and posts “determine approaches to possible risk(s) and [establish] strategies to mitigate those risks.”

Of the 31 grants, 28 were designated as high-risk and required a mitigation plan.⁷ Of the 28, all 18 Afghanistan grants were designated as programmatic “high-risk” and had a corresponding risk mitigation strategy to offset the risks. Specifically, grantees coordinate closely with the Embassy Kabul officials and receive varied and specific project visits from a third-party monitoring contractor.⁸ The third-party contractor reports to PM/WRA on a weekly basis and also provides “real-time” incident reports “for emergent incidents involving any loss of life, limb or equipment.” However, the remaining 10 grants did not have a risk mitigation strategy for the risks identified. Specifically,

- All eight grants in Iraq were assessed as “high-risk” because PM/WRA could not provide sufficient oversight. Because of security issues, GORs could not conduct site visits to ensure the grantees were fulfilling the grants’ terms and conditions. Therefore, PM/WRA awarded a grant to a third-party to provide technical support to the grantees. However,

⁷ The other three grants did not have any identified risks.

⁸ PM/WRA contracted with Sterling International to monitor and oversee its grants in Afghanistan.

PM/WRA did not develop monitoring plans identifying a strategy to mitigate the risk. A possible mitigation strategy might have been to have the GORs obtain quality control/assurance inspection documentation from the Iraqi Kurdistan Mine Action Agency, Regional Mine Action Center or the Director for Mine Action of Iraq, certifying that the land had been properly cleared of hazards and returned to the local citizens.

- Two of the five Lebanon grants were identified as high-risk because PM/WRA supposedly had concerns regarding the grantees' capabilities, experience, budget, and finances. According to the GO, the high-risk designation of these grants was actually a typographical error and should not have been assigned. Nevertheless, obtaining evidence of the Lebanon Mine Action Center's monitoring and inspections might allay concerns about the grantees' capabilities.

Table 4 lists the grants that did not have a mitigation strategy for the risks identified.

Table 4: High-Risk Grants That Lacked a Mitigation Strategy

Grant Number	Country	Dollar Value (Millions)
S-PMWRA-15-GR-1077	Iraq	\$6.00
S-PMWRA-15-GR-1079	Iraq	\$3.52
S-PMWRA-15-GR-1086	Iraq	\$2.67
S-PMWRA-15-GR-1088	Iraq	\$4.13
S-PMWRA-16-GR-1066	Iraq	\$0.05
S-PMWRA-16-GR-1067	Iraq	\$2.50
S-PMWRA-16-GR-1068	Iraq	\$1.59
S-PMWRA-16-GR-1026	Iraq	\$0.55
S-PMWRA-15-GR-1106	Lebanon	\$0.37
S-PMWRA-15-GR-1107	Lebanon	\$1.97
Totals:	10	\$23.35

Source: OIG generated on the basis of CWD data obtained from PM/WRA officials and corroborated with information obtained from www.grantsolutions.gov.

PM/WRA did not develop a mitigation strategy for risks because the GO and GOR were not enforcing Department and its own guidance requiring monitoring plans that are intended to identify actions that will mitigate risks to acceptable levels.⁹ Although the GO responsible for the grants stated that PM/WRA monitors its grants by communicating with the grantees, these actions were neither outlined nor documented in the monitoring plans for the grants. Without a strategy to mitigate risks to the extent possible, PM/WRA may not achieve its intended outcomes and assistance funds could be wasted.

⁹ During the audit, the GO began to update monitoring plans to include additional oversight mechanisms such as semi-annual country site visits by the GOR and GTM.

PM/WRA Did Not Always Review the Progress and Financial Reports Used to Support the Grants

FAPD 3.01-B and 3.01-C and GPD 42 required grantees to submit performance progress and Federal financial reports as specified in the grants' terms and conditions. To comply with these provisions, PM/WRA requires grantees to submit performance progress reports to the Department database www.grantsolutions.gov and Federal financial reports to the Payment Management System. PM/WRA's *Grants File Required Documents* SOP further states that either the GOR or the GTM is responsible for reviewing these documents within 1 month of the reporting deadline and documenting the review in the grant files.

OIG found that, for the 31 grants, the grantees were required to submit 134 performance progress reports and 134 Federal financial reports for the quarters between April 1, 2013, and September 30, 2016. Of these, OIG found no evidence that 90 of 134 (67 percent) performance progress reports and 133 of 134 (99 percent) Federal financial reports were reviewed as required. Additionally, three performance progress reports and one Federal financial report were missing from the grant files.

The GO, the GORs, and the GTMs acknowledged that not all performance progress and Federal financial reports indicated a review, in part, because the requirement to document such reviews was not incorporated in a PM/WRA SOP until January 2015. Thus, they believed that reports submitted before January 2015 did not require documented reviews. Nevertheless, these officials were not enforcing Department guidance. Specifically, Department guidance, GPD 42,¹⁰ which was in effect before January 2015, states "[f]iles should indicate that reports have been reviewed and the results of these reviews should be shared with [grantees] as appropriate."

According to a PM/WRA official, PM/WRA conducts an internal review of a sample of its grant files every quarter to determine whether the GORs have completed their reviews of the performance progress and Federal financial reports. If the reports have not been reviewed, the GO is to ask the GORs to review them as soon as possible. This has resulted in an increase in the percentage of performance progress reports reviewed. For example, OIG reviewed all performance progress reports for the grants submitted in 2016 and found that 32 of 67 (48 percent) performance progress reports had documented reviews, whereas prior to 2016, only 12 of 67 (18 percent) had documented reviews.

However, OIG did not find a similar increase in the percentage of Federal financial reports reviewed for the same timeframe. Specifically, OIG found no evidence of review for 133 out of 134 (99 percent) Federal financial reports. The GO agreed and told OIG that the PM/WRA SOP has since been updated to require GORs to review both performance progress reports and Federal financial reports in www.grantsolutions.gov. According to the GO, reviewing performance progress reports and Federal financial reports in www.grantsolutions.gov will streamline the review process and make quarterly reviews easier in the future. Complying with

¹⁰ Effective September 2, 2010.

the Department directive¹¹ to document reviews of the performance progress and Federal financial reports is important because, otherwise, PM/WRA has little assurance that the grants are achieving their intended purposes and that Federal funds are being spent in accordance with grant terms and conditions.

In addition, although prescribed by Department guidance, PM/WRA did not maintain documentation of all third-party monitoring activities, such as the Afghanistan, Iraq, and Lebanon National Mine Action Centers' quality control/assurance inspection reports or land clearance certifications. According to PM/WRA officials, these centers are responsible for maintaining a minefield database and identifying demining priorities, ensuring grantees are accredited for mine removal, ensuring that the grantees' SOPs are in compliance with International Mine Action Standards,¹² and conducting quality control/assurance inspections of cleared land and certifying that the land can be returned to the local population. Obtaining, reviewing, and documenting a review of the reports prepared by these independent centers will benefit PM/WRA's efforts in overseeing the grantees and help ensure the grants' terms and conditions are being followed.

Recommendation 1: OIG recommends the Bureau of Political-Military Affairs conduct risk assessments and develop monitoring plans for the five grants identified in Table 2.

Management Response: PM concurred with this recommendation, stating that it has developed risk assessments and monitoring plans for the five grants identified in Table 2 and uploaded them to the grant files in www.grantsolutions.gov. PM provided OIG with copies of the completed risk assessments and monitoring plans.

OIG Reply: On the basis of PM's actions and the documentation provided, OIG considers this recommendation closed and no further action is necessary. OIG reviewed the documentation provided and verified that PM has completed risk assessments and monitoring plans for the five grants identified in Table 2. This action meets the intent of the recommendation.

Recommendation 2: OIG recommends the Bureau of Political-Military Affairs conduct annual reviews of all risk assessments and monitoring plans for the twelve grants identified in Table 3 and update the plans as necessary.

Management Response: PM concurred with this recommendation, stating that all risk assessments and monitoring plans for the 12 grants identified in Table 3 have been updated. PM provided OIG with copies of the updated risk assessments and monitoring plans.

OIG Reply: On the basis of PM's actions and the documentation provided, OIG considers this recommendation closed and no further action is necessary. OIG reviewed the documentation

¹¹ See FAPD 3.01-B and 3.01-C; and GDP-42.

¹² International Mine Action Standards are the standards in force for all United Nation mine action operations and have been designed through a progressive series of consultative activities involving a broad spectrum of mine action stakeholders. International Mine Action Standards are *available at* <http://www.mineactionstandards.org>.

provided and verified that the risk assessments and monitoring plans for the 12 grants identified in Table 3 have been updated. This action meets the intent of the recommendation.

Recommendation 3: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to enforce the annual review and update of risk assessments and monitoring plans, as required by the Federal Assistance Directive.

Management Response: PM concurred with this recommendation, stating that it has revised its SOP to require GORs to update risk assessments and monitoring plans each year for grants with a period of performance greater than 12 months. PM noted that it will ensure risk assessments and monitoring plans are updated annually by requiring updated risk assessments and monitoring plans “to be submitted to Grants Officers prior to the execution of any option year award and by adding the review of [risk assessments and monitoring plans] to its quarterly grant file review process.”

OIG Reply: On the basis of PM’s concurrence with the recommendation and actions planned, OIG considers this recommendation resolved pending further action. With its response, PM provided a copy of its updated SOP for risk assessments and monitoring plans. OIG reviewed the procedure and verified that it requires annual reviews and updates of risk assessments and monitoring plans for grants with a period of performance longer than 12 months, as required by the Federal Assistance Directive. This recommendation will be closed when OIG receives and accepts documentation demonstrating that PM has implemented its process to track compliance by annually reviewing and updating risk assessments and monitoring plans for those grants with a period of performance greater than 12 months.

Recommendation 4: OIG recommends the Bureau of Political-Military Affairs develop and implement a risk mitigation strategy for all risks identified for the 10 grants identified in Table 4.

Management Response: PM concurred with the recommendation, stating that “risk assessments and monitoring plans for the 10 grants in Table 4 have been updated and now include a risk mitigation strategy.” PM provided OIG with these documents.

OIG Reply: On the basis of PM’s actions and the documentation provided, OIG considers this recommendation closed and no further action is necessary. OIG received and accepted documentation showing that the grants in Table 4 have been updated to include a risk mitigation strategy. PM also provided documentation showing the risk mitigation strategies have been implemented, which meets the intent of the recommendation.

Recommendation 5: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to enforce procedures that require reviews of both performance progress reports and Federal financial reports in www.grantsolutions.gov.

Management Response: PM concurred with the recommendation, stating that PM/WRA’s “GOR & GTM Duties SOP has been updated to require GORs to review performance progress

reports and [Federal] financial reports” in www.grantsolutions.gov. In addition, PM/WRA’s grantees have been informed that they must upload Federal financial reports to www.grantsolutions.gov as well as the Payment Management System. PM provided OIG with a copy of the SOP changes requiring GORs to review the reports.

OIG Reply: On the basis of PM’s concurrence with the recommendation and actions planned, OIG considers this recommendation resolved pending further action. With its response, PM provided a copy of its “GOR & GTM Duties” SOP. OIG reviewed the procedures and verified that it requires GORs to review performance progress reports and Federal financial reports in www.grantsolutions.gov. This recommendation will be closed when OIG receives and accepts documentation demonstrating that PM has implemented its process to track compliance by reviewing both performance progress reports and Federal financial reports in www.grantsolutions.gov.

Recommendation 6: OIG recommends the Bureau of Political-Military Affairs develop and implement procedures to obtain, review, and document in the corresponding grant files the reports prepared by the independent National Mine Action Centers to enhance oversight of the grantees’ performance and the grant terms and conditions are followed.

Management Response: PM did not concur with the recommendation, stating that National Mine Action Centers’ capabilities vary from country to country and that not all National Mine Action Centers have the ability to provide accurate, timely quality control/quality assurance reports. Further, in many countries, Mine Action Centers operate in “non-permissive security situations,” have “limited capacity,” and are underfunded, which has “hamper[ed] [their] abilities to provide accurate reports to PM/WRA.

OIG Reply: PM did not concur with the recommendation, stating that National Mine Action Centers’ capabilities vary from country to country and that not all National Mine Action Centers have the ability to provide accurate, timely quality control/quality assurance reports. However, PM provided additional documentation that states that PM/WRA is “in the process of identifying a third-party monitoring agent who will be responsible for independently monitoring the activities of implementing partners and providing performance reports directly to PM/WRA.” This alternative is acceptable, and OIG accordingly considers the recommendation resolved pending further action. This recommendation will be closed when PM completes the alternative action of identifying a third-party monitoring agent to monitor the activities of implementing partners in locations where National Mine Action Centers do not have the ability to provide adequate quality control/quality assurance reports.

Finding B: Some Grant Objectives Did Not Have an Expected Outcome or Target Level

OIG also found that PM/WRA did not develop expected outcomes or target levels of achievement to effectively measure performance of the CWD program. For example, 22 of the 31 grants (71 percent) had at least 1 objective without an expected performance outcome or target level of achievement. Full performance measures were not prepared for all objectives

because PM/WRA did not enforce the use of its grant template that requires the development of expected performance outcomes or target levels of achievement. As a result, PM/WRA could not fully measure and report on the overall performance of its CWD programs.

PM/WRA Did Not Develop Objectives With an Expected Outcome or Target Level

2 CFR § 200.210(d) states that agencies may require their grantees to have “specific performance goals, indicators, milestones, or expected outcomes (such as outputs, or services performed ...) with an expected timeline for accomplishment.” The Department’s Performance Management Guidebook outlines a process for monitoring the achievement of program activities and analyzing performance to track progress toward planned results. It states that a bureau, program, or project should have specific, measurable, outcome-oriented objectives; performance indicators to measure progress toward achieving desired outcomes; and baseline data and performance targets for each indicator.¹³

OIG reviewed the grants’ objectives, expected outcomes, the latest quarterly reports, and the official award for the 31 grants. OIG found that PM/WRA developed 315 objectives for the 31 grants.¹⁴ Of the 31 grants, 9 (29 percent) had expected or target outcomes for their combined 107 developed objectives. The remaining 22 grants (71 percent) were missing an expected outcome or target level for at least 1 of the developed objectives. For these 22 grants, PM/WRA did not develop expected outcomes or target levels for 74 objectives. Examples of objectives that had no expected outcome or target level of achievement against which success could be measured include:

- Enhancing the livelihoods of family groups and bringing community people together for a common purpose
- Providing risk education to affected communities near the hazard areas
- Reducing the mined area in the targeted communities and therefore reducing the number of mine accidents accordingly

The absence of expected outcomes or target levels for some objectives contained in the 31 grants occurred because PM/WRA did not enforce the use of a grant template that requires the development of expected outcomes. In addition, it did not require that performance target levels be included to measure performance of the CWD programs. A PM/WRA official stated that moving forward, PM/WRA will ensure that objectives have an expected outcome and specific target levels. Doing so enables PM/WRA fully to assess the grants’ progress toward meeting CWD program objectives and goals in Afghanistan, Iraq, and Lebanon. Table 5 lists the number of objectives developed for each of the 31 grants, along with the number of objectives without an expected outcome or target level.

¹³ See Department of State Performance Management Guidebook, Section 2.

¹⁴ Grants included as few as 2 and as many as 30 objectives; total objectives numbered 315. See table 5 for the number of objectives by grant number.

Table 5: Grant Objectives and the Number of Objectives Without an Outcome or a Target Level

Grant Number	Country	Objectives	Objectives Without an Outcome and Target Level
S-PMWRA-13-GR-1010	Afghanistan	14	3
S-PMWRA-13-GR-1011	Afghanistan	10	4
S-PMWRA-13-GR-1024	Afghanistan	20	7
S-PMWRA-14-CA-1019	Afghanistan	11	11
S-PMWRA-15-GR-1014	Afghanistan	18	13
S-PMWRA-15-GR-1060	Afghanistan	9	0
S-PMWRA-15-GR-1064	Afghanistan	5	1
S-PMWRA-16-GR-1004	Afghanistan	7	3
S-PMWRA-16-GR-1005	Afghanistan	6	2
S-PMWRA-16-GR-1007	Afghanistan	5	0
S-PMWRA-16-GR-1035	Afghanistan	6	1
S-PMWRA-16-GR-1038	Afghanistan	12	5
S-PMWRA-16-GR-1050	Afghanistan	6	3
S-PMWRA-16-GR-1051	Afghanistan	4	1
S-PMWRA-16-GR-1052	Afghanistan	5	1
S-PMWRA-16-GR-1053	Afghanistan	5	1
S-PMWRA-16-GR-1054	Afghanistan	4	1
S-PMWRA-16-GR-1056	Afghanistan	5	1
S-PMWRA-15-GR-1077	Iraq	17	0
S-PMWRA-15-GR-1079	Iraq	10	3
S-PMWRA-15-GR-1086	Iraq	10	0
S-PMWRA-15-GR-1088	Iraq	30	0
S-PMWRA-16-GR-1066	Iraq	2	1
S-PMWRA-16-GR-1067	Iraq	3	2
S-PMWRA-16-GR-1068	Iraq	22	7
S-PMWRA-16-GR-1026	Iraq	5	0
S-PMWRA-15-GR-1017	Lebanon	27	1
S-PMWRA-15-GR-1019	Lebanon	8	0
S-PMWRA-15-GR-1032	Lebanon	6	2
S-PMWRA-15-GR-1106	Lebanon	4	0
S-PMWRA-15-GR-1107	Lebanon	19	0
Totals		315	74

Source: OIG generated on the basis of an analysis of data provided by PM/WRA officials and corroborated with information obtained from www.grantsolutions.gov.

Recommendation 7: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to require the development of objectives with expected outcomes and target levels of achievement.

Management Response: PM concurred with the recommendation, stating that PM/WRA updated its Statement of Objectives template to require that all awards have clear outcomes

associated with each objective. The new template will be a mandatory requirement for all new grants and option year executions. PM provided OIG with the Statement of Objectives template.

OIG Reply: On the basis of PM's concurrence with the recommendation and planned actions, OIG considers this recommendation resolved pending further action. With its response, PM provided a copy of its Statement of Objectives template. OIG reviewed the template and verified that it requires the development of objectives with expected outcomes and target levels of achievement. This recommendation will be closed when OIG receives and accepts documentation demonstrating that PM has implemented the template for new grants and option year executions.

RECOMMENDATIONS

Recommendation 1: OIG recommends the Bureau of Political-Military Affairs conduct risk assessments and develop monitoring plans for the five grants identified in Table 2.

Recommendation 2: OIG recommends the Bureau of Political-Military Affairs conduct annual reviews of all risk assessments and monitoring plans for the twelve grants identified in Table 3 and update the plans as necessary.

Recommendation 3: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to enforce the annual review and update of risk assessments and monitoring plans, as required by the Federal Assistance Directive.

Recommendation 4: OIG recommends the Bureau of Political-Military Affairs develop and implement a risk mitigation strategy for all risks identified for the 10 grants identified in Table 4.

Recommendation 5: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to enforce procedures that require reviews of both performance progress reports and Federal financial reports in www.grantsolutions.gov.

Recommendation 6: OIG recommends the Bureau of Political-Military Affairs develop and implement procedures to obtain, review, and document in the corresponding grant files the reports prepared by the independent National Mine Actions Centers to enhance oversight of the grantees' performance and the grant terms and conditions are followed.

Recommendation 7: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to require the development of objectives with expected outcomes and target levels of achievement.

APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY

The Office of Inspector General (OIG) conducted this audit to determine whether (1) the Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement (PM/WRA) is complying with Federal and Department guidance and its own policies and procedures in overseeing its Conventional Weapons Destruction (CWD) grants and cooperative agreements in Afghanistan, Iraq, and Lebanon and (2) PM/WRA is collecting information that effectively measures progress toward the grants' objectives. The scope of this audit included 31 PM/WRA grants that were active in Afghanistan, Iraq, and Lebanon as of November 30, 2016 (see Appendix C for a list of the grants included in this audit).

OIG initiated this audit under the authority of Section 8L of the Inspector General Act, which requires that OIG participate in oversight of the two active overseas contingency operations: Operation Inherent Resolve to defeat the Islamic State of Iraq and Syria and Operation Freedom's Sentinel to train, advise, and assist Afghan security forces and conduct counterterrorism missions against the remnants of Al-Qaeda in Afghanistan.

To obtain background for the audit, OIG reviewed the Department's Federal Assistance Policy Directive, the Grants Policy Directives, the Performance Management Guidebook, and PM/WRA's standard operating procedures. OIG also reviewed the Code of Federal Regulations. To determine the extent to which PM/WRA provided oversight and measured the grants' effectiveness, OIG interviewed bureau officials, grantees, and officials from the Lebanon Mine Action Center. OIG also reviewed data obtained from www.grantsolutions.gov and from the Payment Management System.

OIG conducted fieldwork for this audit from November 2016 to March 2017, in Washington, DC; Kabul, Afghanistan; and Beirut, Lebanon. OIG conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

Prior OIG Reports

OIG reviewed the following reports to identify issues relating to grants oversight and management.

In September 2016, OIG reported¹ that PM did not have a sufficient monitoring process to prevent or detect unallowable and unsupported costs. Of the \$2.8 million the audit identified in questioned costs, PM recovered \$8,271.56. OIG also reported that site visits conducted by PM focused on programmatic performance and did not include a review of financial information or

¹ *Audit of the Bureau of Political-Military Affairs Federal Assistance Awards*, (AUD-SI-16-49).

financial management controls. OIG recommended that PM develop and implement processes to validate that all grantees have adequate financial management controls in place and to monitor their financial activities. As of May 15, 2017, all 3 recommendations were closed.

In June 2015, OIG reported² that none of the PM/WRA grants reviewed had monitoring plans and that no process was in place to ensure monitoring plans were developed. OIG also reported that the grants officer representatives (GOR) neither obtained documentation to verify the program performance data that grantees reported nor documented reviews of the quarterly Federal financial reports. OIG recommended that PM/WRA develop and implement a process to track GOR compliance and use of monitoring plans. OIG also recommended that PM/WRA document its reviews of performance progress and Federal financial reports. As of May 15, 2017, 13 recommendations were closed and 1 remained unresolved. Of the 13 recommendations that were closed, 4 involved PM/WRA as the action entity.

Also in June 2015, OIG reported³ that PM/WRA officials documented the grantees' noncompliance and performance shortfalls on personal share drives rather than in the official grant files. OIG also reported that none of the grants reviewed had monitoring plans and only a few had trip reports. OIG recommended that PM require the GORs to document reviews of performance progress and Federal financial reports, devise a monitoring plan for each grant, and include trip reports in the grant files. As of May 15, 2017, all 24 recommendations were closed.

In March 2016, the Special Inspector General for Afghanistan Reconstruction reported⁴ that the Mine Detection Dog Center did not accurately report its financial information. It also reported that a quarterly Federal financial report did not include disbursements. The report concluded that inadequate reporting of program expenses could result in overstated or understated financial reporting and diminishes the Department's ability to properly monitor the awarded funds.

Use of Computer-Processed Data

To conduct this audit, OIG obtained information related to the 31 grants from PM/WRA and corroborated the information with data obtained from www.grantsolutions.gov. To attest to the completeness of the universe, OIG compared the grants obtained from PM/WRA with the data obtained from www.grantsolutions.gov. To attest to the accuracy of the universe, OIG interviewed officials knowledgeable about the data and traced the data to source documents, such as grant award documentation. OIG found no discrepancies in the data. OIG therefore concluded that the universe of 31 grants was sufficiently reliable for the purposes of this audit.

² *Audit of Department of State Oversight Responsibilities, Selection, and Training of Grants Officer Representatives*, (AUD-CG-15-33).

³ *Inspection of the Bureau of Political-Military Affairs*, (ISP-I-15-27).

⁴ *Audit of Costs Incurred by the Mine Detection Dog Center*, (SIGAR 16-28).

Work Related to Internal Controls

OIG performed steps to assess the adequacy of internal controls related to the areas audited. For example, OIG reviewed whether PM/WRA appropriately selected GORs to conduct grant administration and oversight. OIG also reviewed Department guidance, policies and procedures, and related controls to ensure that such guidance, policies and procedures, and controls were being implemented and followed by bureau officials, GORs, and grants officers. Significant deficiencies OIG identified are presented in the Audit Results section of this report.

Detailed Sampling Methodology

The audit universe obtained from PM/WRA consisted of 31 active grants being implemented in Afghanistan, Iraq, and Lebanon as of November 30, 2016. No sampling was involved; the audit team reviewed and performed detailed testing on each of the 31 grants identified in the audit universe.

APPENDIX B: BUREAU OF POLITICAL-MILITARY AFFAIRS MANAGEMENT RESPONSE



United States Department of State

Washington, D.C. 20520

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July 13, 2017

MEMORANDUM FOR OIG ASSISTANT INSPECTOR GENERAL FOR AUDITS, NORMAN P. BROWN

FROM: PM – Tina Kaidanow, Acting

SUBJECT: PM Response to the OIG Report *Audit of the Conventional Weapons Destruction Program* (AUD-MERO-17-XX)

The Bureau of Political-Military Affairs (PM) acknowledges receipt of the seven recommendations provided in the OIG's report entitled *Audit of the Conventional Weapons Destruction* (AUD-MERO-17-XX). PM submits the following response and attachments in support of these recommendations.

OIG Recommendation 1: OIG recommends the Bureau of Political-Military Affairs conduct risk assessments and develop monitoring plans for the five grants identified in Table 2.

PM Response: PM concurs with Recommendation 1. The risk assessments and monitoring plans (RAMP) for the five grants in Table 2 have been developed and uploaded to the award files in GrantSolutions. In May 2017, PM/WRA began using a new RAMP template, and this new template was used to create the new and updated RAMPs submitted in response to this audit. The RAMPs can be found in Tab 1

OIG Recommendation 2: OIG recommends the Bureau of Political-Military Affairs conduct annual reviews of all risk assessments and monitoring plans for the twelve grants identified in Table 3 and update the plans as necessary.

PM Response: PM concurs with Recommendation 2. The RAMPs for the twelve awards listed in Table 3 have been updated. The RAMPs can be found in Tab 2.

OIG Recommendation 3: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to enforce the annual review and update of risk assessments and monitoring plans, as required by the Federal Assistance Directive

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PM Response: PM concurs with Recommendation 3. PM/WRA's standard operating procedure (SOP) for risk assessments and monitoring plans (SOP-006) has been updated to require Grants Officer Representatives (GOR) to update RAMPs each year for awards with a period of performance greater than 12 months. PM/WRA will ensure RAMPs are updated annually by requiring updated RAMPs to be submitted to Grants Officers prior to the execution of any option year award and by adding the review of RAMPs to its quarterly grant file review process. An updated copy of SOP-006 can be found in Tab 3.

OIG Recommendation 4: OIG recommends the Bureau of Political-Military Affairs develop and implement a risk mitigation strategy for all risks identified for the 10 grants identified in Table 4.

PM Response: PM concurs with Recommendation 4. The RAMPs for the 10 awards in Table 4 have been updated and now include a risk mitigation strategy in the "monitoring plan" tab of the spreadsheet. Similar to the risk mitigation strategy for PM/WRA's Afghanistan awards, the risk mitigation strategies for the Iraq awards details how PM/WRA coordinates with the non-governmental organization iMMAP to monitor and oversee the Iraq projects. For Lebanon, PM/WRA coordinates with the the Lebanese Mine Action Center (LMAC) to ensure implementing partners are kept aware of the security situation in country and inform PM/WRA of any implementation delays or challenges. PM/WRA has changed the overall risk rating for these 10 awards using the new RAMP template. During the OIG's audit, these 10 awards had a "high" rating, but according to the risk formula in the new template these awards have a "moderate" rating. Nonetheless, PM/WRA created a risk mitigation strategy for these awards and will continue to do so for any high risk awards in the future. The updated RAMPs with risk mitigation strategies can be found in Tab 4.

OIG Recommendation 5: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to enforce procedures that require reviews of both performance progress reports and Federal financial reports in www.grantsolutions.gov.

PM Response: PM concurs with Recommendation 5. PM/WRA's GOR & GTM Duties SOP has been updated to require GORs to review performance progress reports and financial reports in GrantSolutions. Additionally, all PM/WRA implementing partners have been informed that they must upload financial reports

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to GrantSolutions as well as the HHS Payment Management System. The updated SOP can be found in Tab 5.

OIG Recommendation 6: OIG recommends the Bureau of Political-Military Affairs develop and implement procedures to obtain, review, and document in the corresponding grant files the reports prepared by the independent National Mine Actions Centers to enhance oversight of the grantees performance and the grant terms and conditions are followed.

PM Response: PM does not concur with Recommendation 6. Obtaining, reviewing, and documenting the review of National Mine Action Center (NMAC) reports would not be an effective or efficient method for monitoring PM/WRA awards for all countries. In many countries, non-permissive security situations, limited capacity, and underfunding have hampered NMACs' abilities to provide accurate reports to PM/WRA. To mitigate this issue, PM/WRA monitors grantee performance by reviewing quarterly progress and financial reports, requiring grantees to submit data on conventional weapons destroyed each quarter in the PM/WRA CWD Metrics Table, conducting site visits, utilizing third-party monitors (such as Janus Global in Afghanistan), and maintaining frequent communication with our embassies. NMACs' capabilities vary from country to country, and not all NMACs have the ability to provide accurate, timely QA/QC reports. For example, in some countries, NMAC personnel do not respond to PM/WRA communications, staff often do not receive salaries, and organizations suffer from high turnover rates. Given these factors, the integrity and accuracy of the data in any reports would not be reliable. Additionally, there are occasionally disagreements between NMACs as to which organization has jurisdiction over territory. These jurisdictional issues between various regional mine action centers in countries across the globe frequently leaves NMAC data incomplete and dated.

OIG Recommendation 7: OIG recommends the Bureau of Political-Military Affairs develop and implement internal controls to require the development of objectives with expected outcomes and target levels of achievement.

PM Response: PM concurs with Recommendation 7. PM/WRA has updated its Statement of Objectives template to require that all awards have clear outcomes associated with each objective. This new template will be a mandatory requirement for all new awards and option year executions as soon as this recommendation is closed by the OIG. The new SOO template can be found in Tab 6.

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Attachments:

- Tab 1 – Rec 1 – New Risk Assessments and Monitoring Plans
- Tab 2 – Rec 2 – Annual RAMP Review
- Tab 3 – Rec 3 – SOP 006: Grant Risk Assessment & Monitoring
- Tab 4 – Rec 4 – Risk Mitigation Strategies
- Tab 5 – Rec 5 – SOP 007: GOR & GTM Duties
- Tab 6 – Rec 7 – Update Statement of Objectives Template

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Approved: PM: Tina Kaidanow, Acting (tsk)

Drafted: PM/WRA: Christopher Murguia, ext 3-0085

Cleared: PM/FO: Stanley Brown, Acting (ok)

PM/WRA: Jerry Guilbert (ok)

PM/WRA: Vennie Pikoulas Psaros (ok)

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Tabs 1 through 6 to the auditee's response are available upon request, consistent with applicable law.

APPENDIX C: PM/WRA GRANTS IN AFGHANISTAN, IRAQ, AND LEBANON REVIEWED FOR THIS AUDIT

Table B1: Active PM/WRA's Grants in Afghanistan, Iraq, and Lebanon as of November 30, 2016

Grant Number	Organization	Country	Description	Grant End Date	Dollar Value (Millions)
S-PMWRA-13-GR-1010	Demining Agency for Afghanistan	Afghanistan	Demining Project	3/20/17	\$3.00
S-PMWRA-13-GR-1011	Mine Detection Center	Afghanistan	Demining Project	3/15/17	\$2.98
S-PMWRA-13-GR-1024	Demining Agency for Afghanistan	Afghanistan	Community-Based Demining	4/30/17	\$3.00
S-PMWRA-14-CA-1019	ITF Enhancing Human Security	Afghanistan	Capacity Support to Mine Action Coordination and Transition	1/31/17	\$5.07
S-PMWRA-15-GR-1014	Mine Clearance Planning Agency	Afghanistan	Non-Technical Survey in Afghanistan	12/31/16	\$1.26
S-PMWRA-15-GR-1060	HALO Trust	Afghanistan	Removal of Ammunition	4/30/17	\$1.99
S-PMWRA-15-GR-1064	Mine Detection Dog Center	Afghanistan	Demining Project	12/14/16	\$1.83
S-PMWRA-16-GR-1004	Demining Agency for Afghanistan	Afghanistan	Demining Project	11/30/16	\$1.69
S-PMWRA-16-GR-1005	Afghan Technical Consultants	Afghanistan	CWD Project	11/30/16	\$1.89
S-PMWRA-16-GR-1007	Swiss Foundation for Mine Action	Afghanistan	Land Release and Mine Clearance	12/31/16	\$0.50
S-PMWRA-16-GR-1035	ITF Enhancing Human Security	Afghanistan	Mine Detection Support	12/31/16	\$0.05
S-PMWRA-16-GR-1038	Agency for Rehabilitation and Energy Conservation	Afghanistan	Demining Project	7/14/17	\$0.93
S-PMWRA-16-GR-1050	Mine Clearance and Afghan Rehabilitation	Afghanistan	Demining Project	9/30/17	\$2.05
S-PMWRA-16-GR-1051	HALO Trust	Afghanistan	Humanitarian Mine Clearance	9/30/17	\$1.61
S-PMWRA-16-GR-1052	Afghan Technical Consultants	Afghanistan	Humanitarian Mine Clearance	9/30/17	\$1.06
S-PMWRA-16-GR-1053	HALO Trust	Afghanistan	Weapons and Ammunition Disposal	3/31/17	\$1.25
S-PMWRA-16-GR-1054	HALO Trust	Afghanistan	Humanitarian Mine Clearance	9/30/17	\$1.72
S-PMWRA-16-GR-1056	Afghan Technical Consultants	Afghanistan	Humanitarian Mine Clearance	9/30/17	\$1.04
S-PMWRA-15-GR-1077	MAG America	Iraq	Integrated Clearance of Conventional Weapons	9/30/17	\$6.00

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Grant Number	Organization	Country	Description	Grant End Date	Dollar Value (Millions)
S-PMWRA-15-GR-1079	Swiss Foundation for Mine Action	Iraq	Survey and Clearance	9/30/17	\$3.52
S-PMWRA-15-GR-1086	Danish Refugee Council	Iraq	Humanitarian Mine Action	9/30/17	\$2.67
S-PMWRA-15-GR-1088	MAG America	Iraq	Enhance Civilian Security	9/30/17	\$4.13
S-PMWRA-16-GR-1066	Marshall Legacy Institute	Iraq	Mine Detection Dog	11/30/16	\$0.05
S-PMWRA-16-GR-1067	Norwegian People's Aid	Iraq	Humanitarian Disarmament Program Clearance and Capacity Support	7/31/17	\$2.50
S-PMWRA-16-GR-1068	iMMAP	Iraq	Technical Support and National Capacity for Humanitarian Mine Action	7/31/17	\$1.59
S-PMWRA-16-GR-1026	Spirit of Soccer	Iraq	Soccer for All At-risk Children Residing in Iraq	12/31/16	\$0.55
S-PMWRA-15-GR-1017	MAG America, Inc.	Lebanon	Battle Area Clearance & Mine Clearance to Support	8/31/17	\$3.0
S-PMWRA-15-GR-1019	Handicap International	Lebanon	Landmines Clearance Operations	2/28/17	\$1.62
S-PMWRA-15-GR-1032	Marshall Legacy Institute	Lebanon	Mine Survivors' Assistance and Explosive Detection	2/28/17	\$0.45
S-PMWRA-15-GR-1106	Norwegian Peoples AID	Lebanon	Cluster Munitions Clearance	12/31/17	\$0.37
S-PMWRA-15-GR-1107	Dan Church Aid	Lebanon	Humanitarian Mine Action	9/30/17	\$1.97
				Total	\$61.34

Source: OIG generated on the basis of an analysis of data obtained from PM/WRA and corroborated with information obtained from www.grantsolutions.gov.

ABBREVIATIONS

CFR	Code of Federal Regulations
CWD	Conventional Weapons Destruction
FAPD	Federal Assistance Policy Directive
GPD	Grants Policy Directive
GO	Grants Officer
GOR	Grants Officer Representative
GTM	Grants Technical Monitor
PM/WRA	Bureau of Political-Military Affairs, Office of Weapons Removal and Abatement
SOP	Standard Operating Procedure

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