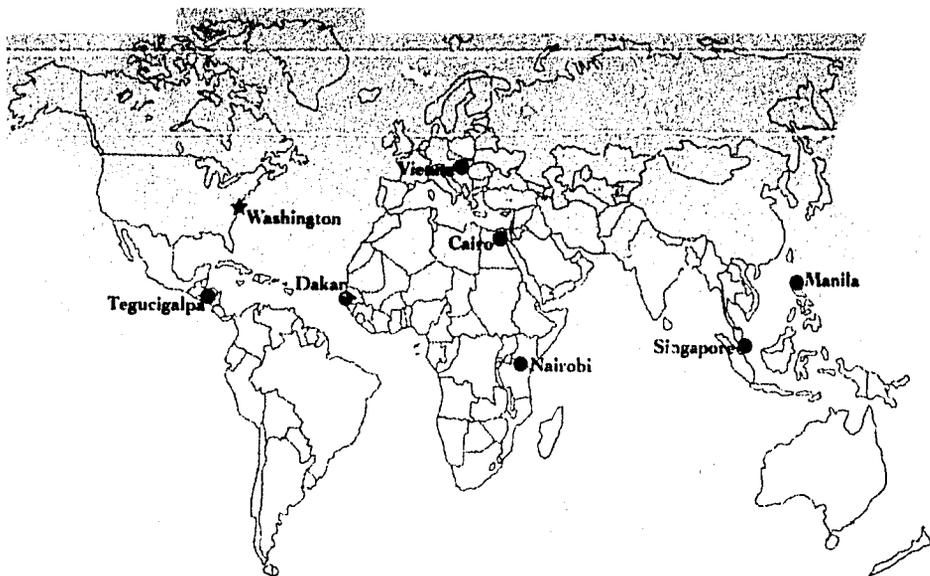


SEMIANNUAL REPORT DIGEST

April 1, 1992 - September 30, 1992



U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

MANAGEMENT ISSUES CONFRONTING A.I.D.

(See page 5)

Significant Problem Areas	Presidential Commission (1)	OMB (2)	GAO (3)	OIG (4)	A.I.D. 1991 FMFIA Report (5)
Overall Agency Management					
Strategic Planning		X	X		
Organizational Structure	X		X		
Management of Missions	X	X	X		
Program/Project Management					
Monitoring and Evaluation		X	X	X	X
Guidance and Procedures		X	X		
Host Country Contributions & Local Currency Accountability	X		X	X	X
Personnel Management					
Workforce Configuration		X	X	X	
Recruitment	X		X		
Assignments	X		X		X
Training	X	X	X		
Performance Evaluation	X	X			
Procurement/Contract Management					
A.I.D. Procurement Practice			X	X	
Monitoring Contractor Performance		X		X	
Audit Coverage		X	X	X	X
A.I.D.'s Assessment of Host Country's Abilities & Performance	X	X	X	X	X
Financial Management					
Unliquidated Obligation Review	X		X	X	
Integrated Financial Systems	X	X	X	X	
Primary Accounting System		X	X	X	X
A.I.D. Washington Payments			X	X	X
Selected A.I.D.-Managed Programs					
Food Aid Program Resources		X		X	X
West Bank/Gaza				X	
Housing Investment Guaranty		X		X	
Private Sector Investment				X	
Participant Training				X	
American Schools & Hospitals Abroad				X	
Information Resources Management					
Management of Sensitive Information				X	X

- (1) "PRESIDENT'S COMMISSION on the Management of A.I.D. Programs," dated April 16, 1992.
- (2) OMB/AGENCY Swat Team, "Improving Management at the Agency for International Development," dated July 16, 1992.
- (3) GAO, A.I.D. Management, "Strategic Management Can Help A.I.D. Face Current Challenges," dated March 16, 1992; and GAO, Foreign Assistance, "A Profile of the Agency for International Development," dated April 3, 1992.
- (4) Recent OIG Reports and Special Studies.
- (5) A.I.D.'s 1991 Federal Managers' Financial Integrity Act Report to the President and the Congress.

DIGEST

**INSPECTOR GENERAL'S
SEMIANNUAL REPORT TO THE CONGRESS
April 1, 1992 — September 30, 1992**

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**U.S AGENCY FOR
INTERNATIONAL DEVELOPMENT**

**This Digest is a condensed version of the complete
Semiannual Report, which may be obtained from:**

**U.S. Agency for International Development
Office of the Inspector General
Policy, Plans and Oversight
Room 1230, State Annex-16
Washington, D.C. 20523-1604**

**Telephone No. (703) 875-4151
Fax No. (703) 875-4193**

The second six months of fiscal year 1992 marked a period of continuing challenge and change for the Agency for International Development (A.I.D.). These six months have seen the expansion of the Agency's programs in Eastern Europe and the Newly Independent States of the former Soviet Union. For the Office of the Inspector General (OIG), these changes have and will continue to impact on our operations. For example, the Office of Audit issued the first reports from initial audit work in the Eastern European program. In the Office of Security, the Agency's expansion of its overseas presence with the opening of eight new posts in countries of the former Soviet Union has resulted in expanded responsibilities and the consequent workload.

OFFICE OF AUDIT

The Office of Audit is responsible for conducting and overseeing audits of A.I.D. efforts to provide U.S. economic and humanitarian assistance throughout the world. The audits, which address both performance and financial aspects of A.I.D.'s programs, are conducted in accordance with government auditing standards established by the U.S. Comptroller General. The Office of Audit has six regional offices overseas and three offices in Washington, D.C. The Washington offices are responsible for, among other things, (1) establishing audit policy, (2) performing audits of agency-wide programs and major operating systems, and (3) performing quality control reviews of audits conducted for the OIG by other federal audit agencies or independent public accountants.

During this reporting period, the Office of Audit issued 31 performance audit reports and processed 174 financial or financial-related audit reports performed by Agency- and recipient-contracted auditors or other federal government audit organizations. Included in these reports was the first performance audit of the Agency's Central and Eastern European Program. In total, these reports recommended \$206.4 million in deobligations, reprogramming of funds, and other actions that would put funds to better use. The reports also recommended resolution of questioned costs amounting to \$24.6 million, of which \$7.8 million were ineligible and \$16.8 million were unsupported.

The Office concentrated a considerable amount of resources in auditing and reporting on Agency high risk areas and material weaknesses. Of the 31 internal audit reports issued during the six-month period, 15 were performed in areas of high risk or material weakness to include:

- financial management systems and operations (high risk area);
- audit coverage of A.I.D. programs (high risk area);
- evaluating host country contracting (material weakness);

- project monitoring and evaluation (material weakness); and
- management of sensitive information (high risk area).

The Office's fiscal year 1993 audit plan targets about 44 percent of available resources to Agency-reported high risk and material weaknesses. Several of these audits are being coordinated on a worldwide basis with our regional offices. These worldwide audits include (1) Agency oversight of host country contracting, (2) host country counterpart contributions/cost sharing, (3) management of host country-owned local currency, and (4) audit coverage of A.I.D. programs. In addition to the worldwide audits, several regional offices will be evaluating individual Mission's monitoring and evaluation systems.

—Performance Audits—

Performance audits are designed to determine the economy, efficiency, and effectiveness of programs and operations. These audits are made by OIG staff and, in accordance with our systems approach to audits, focus on the efficacy of the Agency's major development assistance delivery systems and their associated internal controls. Overall, Agency managers had adequately implemented the internal controls associated with these systems. Of the 31 internal audit reports issued, we received 22 acceptable representation letters. In these 22 reports, we reported on 58 audit objectives providing an unqualified or qualified opinion on 8 and 29 objectives, respectively. An unqualified opinion means that Agency managers had implemented programs and operations in accordance with established criteria. A qualified opinion means that some problems were found, but agency managers reasonably followed established criteria. For 19 of the 58 audit objectives, Agency managers had not implemented adequate internal control procedures. For two audits, we did not provide an opinion on the objectives because the financial records were inadequate. For the nine reports for which an acceptable representation letter was not received, we disclaimed any opinion on the internal control systems.

As noted above, much of our audit work was targeted toward reported high risk areas and material weaknesses. Audits included reviews of financial management systems and operations, project monitoring and evaluation, and management of sensitive information. Short summaries of audits in these areas follow:

- In response to a Congressional request to the Agency, an audit of controls over unliquidated obligations was performed at three Washington and five overseas accounting offices. The audit sought to determine whether A.I.D. was properly reviewing and reporting its unliquidated obligations. Notwithstanding recent increased Agency emphasis on controls and guidance, the audit showed that six of the eight accounting offices reviewed did not perform the required unliquidated obligation reviews or did not take action to promptly deobligate or reprogram excess funds. These problems were reported previously in Audit

Report No. 9-000-89-007, dated July 7, 1989. The recent audit showed that at least \$245.3 million of the \$718.4 million in unliquidated obligations reviewed either were not valid or had no documentation to determine whether the amounts were valid. This is an example of a lack of Agency follow-up to ensure that audit recommendations as well as Agency guidance are implemented.

- **A.I.D. established the Buy American Reporting System in mid-1991 to report on the source and origin of goods and services purchased with A.I.D. funds. The audit, performed at the request of the Senate Appropriations Subcommittee on Foreign Operations, sought to determine whether A.I.D. had a reliable system for reporting the source and origin of goods and services purchased with A.I.D.-appropriated funds. The audit found that A.I.D.'s source and origin reporting system, which was recently established, was not reliable. Documentation was not available for 46 percent of the \$253.3 million in disbursements. For the remaining 54 percent (\$136.8 million), source and origin data was reported correctly for only one-third of the disbursements. Most of the errors had the effect of understating disbursements for goods and services of U.S. source and origin.**
- **Begun in 1985, a \$90 million small scale irrigation project in Indonesia was authorized to design, test, and apply irrigation technologies and management systems. For this purpose, A.I.D. designed support for all stages of irrigation development: site selection, survey, design, construction, management, and maintenance. As of September 1991, A.I.D. had obligated \$37 million and expended \$13 million on the project. This audit was conducted to determine whether USAID/Indonesia followed A.I.D. controls for monitoring the project's design, progress and resource use. The audit found that the Mission (1) monitored compliance with the conditions precedent to the disbursement of funds, and (2) established systems to monitor use of funds. However, the Mission did not follow A.I.D. policies in comparing project design with results nor did it take action when differences were detected between design and results. As a result, after six years the project was several years behind schedule in meeting overall project objectives and was at least five years behind schedule in constructing irrigation systems.**
- **Audits of the security controls of the Mission Accounting and Control System and its hardware, the Wang VS, were conducted at four missions: Pakistan, Thailand, Yemen and Zimbabwe. Since these Missions use the System to record, analyze, and report accounting data, strong computer security controls are essential. The general objectives of the four audits were to determine whether (1) the security system reasonably ensured that resource use was consistent with laws, regulations, and A.I.D. policies; (2) resources were safeguarded against waste, fraud, and misuse; and (3) reliable data were obtained, maintained, and fairly disclosed in reports. Generally, the audits found that the Missions had implemented adequate safeguards over the systems. For example, at USAID/Zimbabwe no reportable deficiencies were found. However, at the other three Missions visited, the audits reported that additional security improvements were needed to include:**

- improving password administration,
- developing or documenting contingency emergency plans and procedures,
- encrypting passwords stored on the Missions' Wang VS system, and
- maintaining a log of transactions performed with the system's security software.

—Financial Audits—

The objective of financial audits is to determine whether A.I.D. recipients have used federal monies in accordance with laws and regulations. Both U.S. and foreign recipients are subject to audits. Financial audits generally are performed by auditors from other federal agencies, host government audit agencies, or independent public accountants, depending on the type of funding mechanism, the nationality of the recipient, and whether A.I.D. is the cognizant federal agency. Audits can be agency-contracted or recipient-contracted. This area, audit coverage of A.I.D. programs, is one of high risk.

During this period, there were 174 financial or financial-related audit reports performed by auditors from other federal agencies or independent public accountants with oversight by OIG auditors. These audits resulted in recommendations to resolve \$21.0 million in questioned costs and to better use \$4.1 million. In addition to the monetary recommendations, there were 162 instances of material internal control weaknesses and 141 instances of material contract or grant noncompliance. Because of the risk associated with A.I.D. providing funds to grantees and contractors, all of our efforts in the financial audit area are critical to improve accountability.

As implementation of the Audit Management and Resolution Program continues, the Agency will increasingly assume responsibility for ensuring that periodic audits are performed of all contractors and grantees—both domestic and foreign. Previously, the OIG had developed the database and monitored the status of audits of all U.S.-based recipients. This function will be assumed by the Agency beginning October 1, 1992.

The database for foreign recipients such as indigenous not-for-profit organizations and host government entities is being developed by A.I.D.'s field missions and is expected to be completed by early 1993. Audits of these foreign organizations must receive a high priority if this high risk area is to be corrected. The President's Commission on the Management of A.I.D. Programs held a similar view about the lack of audit coverage in A.I.D. The OIG believes that perhaps as little as 20 percent of these organizations are currently being audited through the non-federal audit program on a routine, periodic basis.

Critical to improvement in this area will be the extent to which A.I.D. can eventually rely on recipient-contracted audits by foreign organizations. In this

regard, OIG field offices, particularly in Tegucigalpa, Dakar, and Singapore, have been active in training foreign auditors, and in meeting with host country supreme audit organizations to determine their capability to perform audits of A.I.D. funds provided to their governments.

—Chief Financial Officers (CFO) Act Audits—

The OIG carried out its responsibilities under the Act by conducting, with the assistance of an independent public accountant, audits of the Agency's Housing and Other Credit Guaranty Programs and the Private Sector Investment Program for the year ending September 30, 1991. Both audits, performed by an independent public accountant, resulted in disclaimers of opinion, which signify that the condition of the programs' financial records did not permit supportable conclusions or opinions on the accuracy and reliability of the financial statements.

Of concern is the financial condition of the Housing Program. After a quarter century of operations, the Program has sponsored \$2.5 billion in commercial loans to developing countries whose principal and interest carry the "full faith and credit" guaranty of the U.S. Government. Originally intended to be financially self-sufficient, Program revenues have fallen far short of outlays in recent years. As a result, the Program has borrowed some \$130 million from the U.S. Treasury and registered operating deficits in excess of \$170 million over the past three years.

As part of these audits, the OIG made an assessment of the Agency's program performance indicators as required by the Office of Management and Budget. Our work found that the program indicators that accompany the financial statements did not present program data which could be linked to the financial statements.

The audits also disclosed in both Programs, several internal control material weaknesses and noncompliance with applicable laws. The reports noted that the Housing and Private Sector Investment Programs had not been reported as material weaknesses in the FMFIA, an oversight that the reports recommended be corrected in the 1992 FMFIA report.

—Agency FMFIA Reporting—

Under the FMFIA of 1982, which was enacted to enhance federal agencies' procedures for maintaining accounting systems and internal controls over the Federal Government's resources, the Inspectors General are responsible for providing technical assistance to agency heads in carrying out their FMFIA programs. In an attempt to assist the Agency's internal control assessment, the OIG synthesized the results of recent highly publicized external reviews, as well as OIG reports to identify potential weaknesses in management controls. The external reviews, conducted by the General Accounting Office, the President's Commission on the Management of A.I.D. Programs, and the combined Office of Management and Budget/A.I.D. Swat Team, criticized the Agency's management practices and performance.

The results of our analysis, which are presented as a matrix on the inside cover of this report, identified 27 significant problem areas in seven general management categories. To contrast our analysis with the Agency's 1991 FMFIA reporting, only one-third of the 27 specific problem areas were identified as material weaknesses or high risk areas in the Agency's 1991 FMFIA report. The impairments exist in the following general management categories: (1) overall agency management, (2) program/project management, (3) personnel management, (4) procurement/contract management, (5) financial management, (6) information resource management, and (7) selected A.I.D.-managed programs. Although the Agency has addressed the reports' recommendations in a management improvement plan, we recommended that the weaknesses be addressed in the 1992 FMFIA assessment and be reported to the President and to the Congress.

—Representation Letter Use by A.I.D. Managers—

Although problems still exist, our initiative of requesting management representation letters for performance audits made progress primarily as a result of thoughtful discussions and negotiations between OIG staff and A.I.D. management. For A.I.D. managers, providing representation letters signifies acceptance of the responsibilities for internal controls and execution of their programs. Auditors use management representation letters to ask managers to confirm to the best of their knowledge, in writing, that they are responsible for the internal control systems under review; have complied with applicable laws, regulations, and Agency policies and procedures; have provided the auditors with accurate and complete information; and have disclosed all known irregularities. Such representations allow us to include the positive aspects of A.I.D.'s performance in our audit reports as well as any negative findings.

In an effort to address the representation letter issue, the Agency released a policy statement, dated May 13, 1992, which contained a sample representation letter as guidance for managers in the field. This guidance was inadequate because it:

- did not specifically state that the representation letter should answer—to the best of management's knowledge and belief—the questions asked by the auditors;
- stated that for field programs only the mission directors and their deputy should sign the representations; and
- suggested that anyone without "legal training" should not sign representation letters that conclude that management is complying with the laws, regulations, contracts, and policies that management is required to implement.

Updated guidance was subsequently issued by the Agency, dated August 21, 1992. This represented a step forward in obtaining acceptable representation letters from A.I.D. auditees, because it contained examples of actual "acceptable" representation letters signed by A.I.D. managers. Notwithstanding this added guidance,

problems still remain in obtaining acceptable representation letters from A.I.D. managers, particularly regarding (1) the completeness of the representations given, and (2) the signatories of the letters.

Some USAID missions are interpreting the Agency's guidance to mean that only mission directors should sign representation letters and not the officials most knowledgeable about the audited activity. Also, some of the representation letters provided to us have been only partially acceptable, because some of the representations given were incomplete in substance and meaning and one Mission Director in Africa has advised an A.I.D. grantee not to sign a representation letter for a financial audit performed by an Agency-contracted auditor. This is the first time such action has been taken in the seven years that the OIG has conducted the Agency-contracted audit program. As a result, the OIG has suspended all financial audits for that Mission until the problem is resolved.

OFFICE OF INVESTIGATIONS

The Office of Investigations has investigative responsibility for A.I.D. programs in countries receiving U.S. foreign assistance funds. Investigations of serious criminal and administrative violations cover all facets of A.I.D.'s worldwide operations.

In compliance with legal requirements, the Office of Investigations refers to the U.S. Department of Justice for prosecutive consideration all investigative findings which indicate possible violations of federal law. However, in many investigations jurisdiction lies with foreign governments, in which case our agents collaborate closely with foreign judicial and investigative authorities. Investigations also result in administrative sanctions, such as dismissals and suspensions, debarment of companies, and issuance of bills for collection. These actions are taken by A.I.D. officials after reviewing investigative findings.

—Current Activities—

The Office of Investigations received 89 complaints during the current reporting period. The majority, 76, concerned fraud and procurement irregularities. Forty-four percent of the total involved A.I.D. contractors and suppliers, ten percent involved A.I.D. U.S.-direct hire employees, ten percent involved foreign national employees and thirty-six percent involved others. A total of 69 criminal investigations were opened following evaluation of the complaints.

Investigative results during this reporting period included 17 convictions or confinements, four suspensions of companies from participation in A.I.D. programs, four administrative or disciplinary actions, \$1,429,161 in recoveries and \$4,269,517 in savings or avoidance of unnecessary expenditures.

—Contemporary Issues—

The Office of Investigations welcomes the recent appointment by A.I.D. of a full-time Independent Ethics Counsel. This appointment will provide the foundation for A.I.D. personnel upon which a heightened awareness of ethics in decision making can be created. As the Ethics Counselor moves to promote ethical awareness in implementing the foreign aid program, the Office of Investigations expects to see a reduction in the number of employee misconduct referrals.

Many Agency programs involve large-dollar procurements and are vulnerable to unscrupulous business practices. For instance, the Office of Investigations has found a broad range of fraudulent acts in numerous transactions funded by the Commodity Import Program.

Pursuant to the Commodity Import Program, A.I.D. finances the purchase of A.I.D.-approved commodities and materials, which are unavailable locally, for host country governments and businesses. Examples of such practices, usually brought to light by mission employees, have been reported in recent semiannual reports. Millions of foreign aid dollars are involved in these procurements, and people have been found to engage in overpricing, product substitution, bid-rigging, false invoicing, and other schemes designed to defraud the U.S. Government. These cases are generally prosecutable in U.S. courts, and they often afford the Office of Investigations an opportunity to recover Agency monies lost to unscrupulous business people.

Successful investigative cases emanating from the Commodity Import Program, and other programs involving large-dollar procurements, are usually complex and require extensive, concentrated efforts on the part of investigators and prosecutors. This is due, in part, to the scope of the investigations, which encompass international banking transactions; domestic and foreign corporations doing business across international boundaries; and many third country, non English-speaking nationals. The Office of Investigations will continue to pursue these large-dollar transactions since they represent an area of high vulnerability to fraud against the U.S. Government.

OFFICE OF SECURITY

During the reporting period, the Office of Security undertook inspection and operational activities to fulfill its responsibilities for worldwide programs designed to protect A.I.D. employees and facilities from acts of violence and classified materials from unauthorized disclosure. This mission was accomplished through diverse programs involving the design and installation of physical security devices, armored vehicles, residential security, local radio networks, information security and investigative/adjudicative activities involving security, suitability and counterintelligence issues.

The Office of Security continued to support Agency expansion in the Newly Independent States to include establishing A.I.D. offices, recruiting local staffs, and briefing employees and contractors.

Thirty-six of the Agency's 99 overseas facilities were visited by security personnel. Radio communication surveys, designs, repairs and installations occurred at 22 posts while an additional 14 facilities were inspected to determine the adequacy of the post's overall security posture. No major deficiencies were noted. Where necessary and possible, corrective measures were made on the spot, with unserviceable equipment scheduled for replacement. Eight posts received Office of Security funding and/or equipment to offset U.S. Department of State residential security shortfalls.

Negotiations between the Office of Security and the Agency's Office of Administrative Services resulted in a final proposal to transfer A.I.D./Washington physical security responsibilities to the OIG. In fiscal year 1993, the Office of Security assumes program responsibility while funding remains with the Agency. In fiscal year 1994, the OIG will assume funding for the program. During the reporting period, 13 A.I.D. operation sites within the Washington, D.C. area were surveyed. Although generally adequate, improvements in access control procedures are planned.

Security violation reports dropped during the reporting period, due partially to the fact that "chronic violators" were referred to the Director of Human Resources Development and Management for disciplinary consideration. Security education continued, with emphasis on both offenders and management personnel.

The Office of Personnel Management inspected the Agency for compliance with Chapters 731 and 732 of the Federal Personnel Manual. Included therein was a thorough review of the Office of Security's Investigative Program. No significant deficiencies were noted and the Office of Security, as well as the Agency, were complimented for its program.

OIG representatives from the recently instituted Computer Security Inspection Program coordinated with the Agency's Office of Information Resources Management in the promotion of A.I.D. Computer Security Policies. Noteworthy was a policy decision which interpreted security standards and authorized relaxed procedures for the automated processing of classified information.

This reporting period mirrors the anticipated security challenges for both the Agency and the Office of Security in fiscal year 1993. Agency attitudinal and operational changes will be required to protect U.S. interests within the Newly Independent States' environment. Protected communications and automated systems will grow in importance and become an Office of Security focal point in an effort to strengthen the Operational Security posture of the Agency. Thirty of the 99 A.I.D. posts abroad are rated by the Department of State's Bureau of Diplomatic Security as critical or high threat risk to acts of terrorism, war, insurgency, civil disturbance, crime and narco-terrorism. Therefore, continued high priority will be assigned to the protection of these and the remaining A.I.D. personnel and facilities worldwide through the analysis of intelligence, a collaborative effort with Agency Management and the continued prioritized enhancement and inspection of security systems and programs.

OFFICE OF RESOURCE MANAGEMENT

The Office of Resource Management provides advice and guidance to the Inspector General; the three Assistant Inspectors General for Audit, Investigations, and Security; and Legal Counsel on administrative, financial and personnel matters. The Office is directly responsible for implementing and administering personnel, financial, budgetary, contract, logistic, and administrative activities for the Washington Inspector General's Headquarters Office and seven regional offices abroad.

The Office of the Inspector General has operated under a series of Continuing Resolutions for all of fiscal year 1992. This resulted in a fiscal situation requiring particularly close monitoring of operations throughout the year. In spite of this situation, the Office moved forward in a number of areas including personnel, resource management, staffing, training, personnel policy, information systems, audit printing, database analyses, word processing, and contract activity.

—Personnel and Financial Division—

Continuing Resolutions were in effect for the full year with major impacts on IG operations worldwide. Operations in the first half of the fiscal year, ending March 31, 1992, were modified and curtailed to stay within the Continuing Resolution totals. These operational modifications carried over to the second half of the fiscal year. As a result, the fiscal operations from March 31, 1992 to the end of the fiscal year had to be carefully controlled and monitored. The preparation of the fiscal year 1994 budget request was complicated by the difficulties posed by the full-year Continuing Resolution in fiscal year 1992 and the uncertainties of the fiscal year 1993 funding levels.

Five new Foreign Service auditors and agents entered on duty. An additional ten Civil Service staff were hired during this period. Thirty candidates for Foreign Service appointments were interviewed and six were selected for processing. Five auditor positions were established in response to IG responsibilities under the Chief Financial Officers Act. Twenty-seven Foreign Service employees were rotated to and from the regional offices or Headquarters. Fourteen Foreign Service employees were tenured. Five Civil Service employees were promoted and four transferred within the IG. The Office of Resource Management successfully held its second Internal Evaluation Committee meeting to review Performance Appraisal Reports of Civil Service employees. The role of the Committee was to ensure that systems requirements were met and that rating and reviewing officials had adhered to acceptable performance management principles. All Performance Appraisal Reports for IG employees must now contain an Individual Development Plan to assure that training and needed skills are coordinated beginning fiscal year 1993.

The need for improved budgeting and tracking of IG resources has been a concern of the Office of Resource Management for several years. A number of computer software packages have been evaluated to judge their effectiveness in tracking and monitoring IG resources. A commercially available budgeting and resource management software, specifically designed for Government operations, was purchased, configured and installed in the Washington office during September 1992. Two of the software packages are planned to be installed in regional offices during the first quarter of fiscal year 1993 and at the other regional offices over the next 12 months. Concurrent with the installation of the software in the field, management analyses of each regional office's fiscal operations will be performed in order to improve efficiency and effectiveness.

—General Support Division—

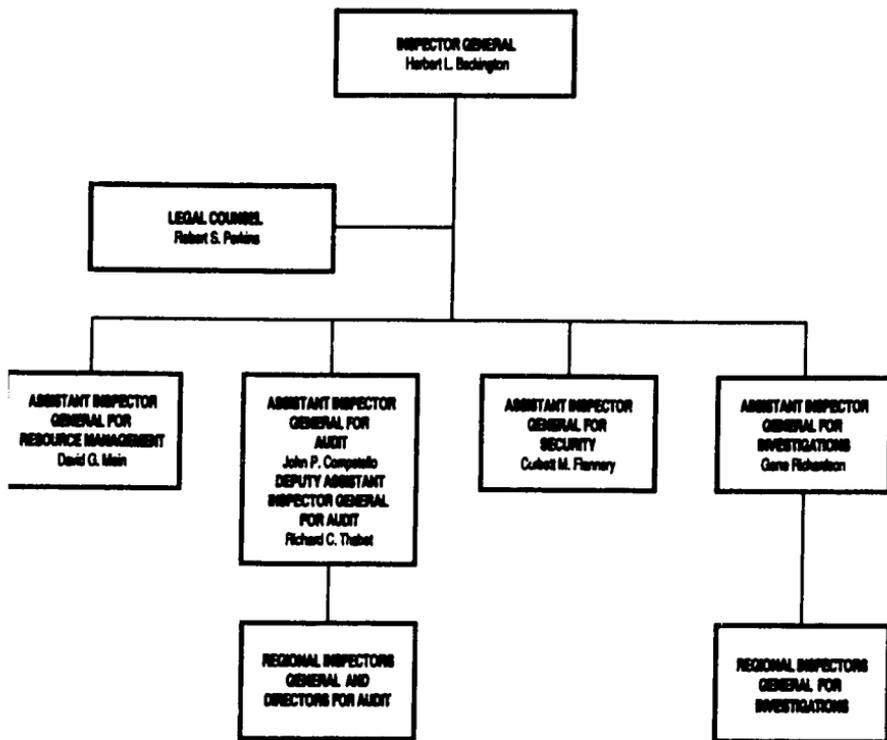
A local area network was installed in the Office of Resource Management. This installation was a prototype computer configuration to determine if there are any problems or difficulties that might exist in the system. The network allows the Office to be connected to the worldwide A.I.D. computer network. The remaining IG operational offices will be brought on-line during the next several months.

Downloading of large A.I.D. databases has been made possible by the use of portable computers and high capacity disk drives. Data from the field can now be analyzed both in the field and upon return to Headquarters. The technology has proven itself in Headquarters and is now in use by our regional offices.

Outdated word processing equipment has now been completely removed from service and all work has been shifted to personal computers. Results include a major improvement in individual and office productivity and in access to central A.I.D. databases.

During the past six months, over 500 purchase requests totalling \$1.7 million were processed using small purchase procedures. Delivery orders issued against Non-Federal Audit Indefinite Quantity Contracts totalled \$704,000.

A.I.D. INSPECTOR GENERAL ORGANIZATION CHART



**AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF THE INSPECTOR GENERAL**

PROFILE OF PERFORMANCE

Audit, Investigations and Security Activities	April 1, 1992 through September 30, 1992
Recommended Recoveries (Audit)	\$24,566,587
Recommended Cost Efficiencies (Audit)	\$206,398,274
Commitments to Recover Funds (Audit)	\$5,294,187
Cost Efficiencies Sustained (Audit)	\$184,370,371
Recoveries (Investigations)	\$1,429,161
Savings (Investigations)	\$4,269,517
Convictions/Confinements	17
Suspensions/Debarments with A.I.D.	4
Personnel Actions Initiated Against A.I.D. Employees	4
Security Infractions/Violations	98
Background Security Investigations	659
National Security Information Briefings	571

REGIONAL INSPECTORS GENERAL AND DIRECTORS

REGIONAL INSPECTORS GENERAL AND DIRECTORS FOR AUDIT		AREA	REGIONAL INSPECTORS GENERAL AND DIRECTORS FOR INVESTIGATIONS	
Telephone Number			Telephoen: Number	
Philippe L. Darcy	9-011-202-355-7411	Cairo, Egypt	Kurt K. Kunze	9-011-202-357-3222
Thomas B. Anklewich	9-011-221-23-1885	Dakar, Senegal	Thomas X. D'Amico	9-011-221-23-2848
Everette B. Orr	9-011-254-233-1160	Nairobi, Kenya	John Lord	9-011-254-233-1174
James B. Durnil	9-011-65-334-2766	Singapore	Phillip A. Rodokanakis	9-011-65-334-1766
Louis Mundy III	9-011-504-32-3120	Teguicigalpa, Honduras	Walter Kindred	9-011-504-32-3120
E. John Eckman	9-011-431-470-4482	Vienna, Austria		
B. Reginald Howard	703-875-4171	Washington, D.C.	John Cogdill	703-875-4133
Coinage N. Gothard	703-875-4001	Washington, D.C.		

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