OFFICE OF THE SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

OPPORTUNITIES TO ENHANCE U.S. DEMOCRACY-BUILDING STRATEGY FOR IRAQ

SIGIR-09-001
OCTOBER 22, 2008

October 22, 2008

SIGIR

Special Inspector General for IRAQ Reconstruction

OPPORTUNITIES TO ENHANCE U.S. DEMOCRACY-BUILDING STRATEGY FOR IRAQ

Summary of Report: SIGIR-09-001

Why SIGIR Did This Study

Since 2004, the Department of State (DoS) and U.S. Agency for International Development (USAID) have obligated more than $1.9 billion for democracy-building programs in Iraq. In July 2007, the DoS and USAID issued an overall strategy for achieving democracy in Iraq during 2007 through 2010.

Our reporting objectives were to determine (1) the extent to which the U.S. strategy for democracy and governance contains the characteristics of an effective strategy and (2) DoS and USAID efforts to assess their progress in meeting the goals and objectives of the strategy.

What SIGIR Recommends

To increase the effectiveness of the strategy as a planning tool and to improve its usefulness to the Congress, SIGIR recommends that the Secretary of State direct that the following actions be taken:

- Require DoS and USAID program managers revise the strategy to include the current and future costs needed for implementation.
- Clarify the roles and responsibilities of DoS and USAID in implementing the strategy; state how U.S. goals and objectives will be integrated with the goals and objectives of the GOI and international organizations.
- Designate an office to be accountable for overseeing progress towards achieving the strategic objectives.
- Require DoS and USAID program managers to document the results of quarterly progress meetings during which they assess strategy implementation.

In commenting on a draft of this report, DoS provided comments about the overall report but did not specifically address the report's recommendations; this report specifically solicits the Department's position on the recommendations.

For more information, contact SIGIR Public Affairs at (703) 428-1100 or PublicAffairs@sigir.mil

What SIGIR Found

DoS and USAID have developed a U.S. strategy for advancing and strengthening democracy and governance in Iraq. The strategy contains a number of characteristics that are necessary for an effective strategic plan. At the same time, the strategy can be enhanced as a planning tool and vehicle for informing the Congress about progress toward achieving the plan's strategic objectives. SIGIR's analysis of the strategy shows that the strategy:

- includes a purpose and a scope that is clearly stated and notes that U.S. involvement is critical to help build a responsive, representative, democratic Government of Iraq (GOI)
- recognizes the need to develop a government that seeks to resolve Iraq's differences peacefully while healing sectarian and ethnic divides
- provides a comprehensive description of the strategic objectives and performance measures to assess progress in achieving stated goals and objectives
- does not include the current and future costs to implement the strategy, such as the costs of building capacity of the Iraqi government at the provincial and national level
- does not clearly assign accountability for implementing key aspects of the strategy
- does not address how U.S. goals and objectives will be integrated with the GOI and international organizations

We also noted that DoS and USAID can improve their assessments of progress in achieving the strategy's strategic objectives. Although DoS and USAID have quarterly meetings to assess implementation of the strategy, they do not prepare written reports that document the results of these meetings. DoS and USAID officials stated that the quarterly reviews are based on the progress reports of their individual democracy-building programs. DoS receives quarterly progress reports from its grantees, and USAID receives monthly, quarterly, or semiannual progress reports depending on the individual program. Although these reports describe the progress of individual programs, they do not fully show progress toward the strategy's three broad strategic objectives or expected outcomes such as improving the capacity and accountability of all levels of government. In addition, no one office is responsible for assessing progress toward achieving the three strategic objectives.

In the near future, SIGIR plans to conduct follow-up work on the program management and oversight of selected DoS grants.

SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

October 22, 2008

MEMORANDUM FOR U.S. SECRETARY OF STATE
U.S. AMBASSADOR TO IRAQ
DIRECTOR, IRAQ TRANSITION ASSISTANCE OFFICE
COORDINATOR, OFFICE OF PROVINCIAL AFFAIRS
MISSION DIRECTOR-IRAQ, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

SUBJECT: Opportunities to Enhance U.S. Democracy-Building Strategy for Iraq (SIGIR 09- 001)

We are providing this report for your information and use. We performed this audit under the authority of Public Law 108-106, as amended, which also incorporates the duties and responsibilities of inspectors general under the Inspectors General Act of 1978, as amended. This report is the first report by the Special Inspector General for Iraq Reconstruction (SIGIR) on U.S. government democracy-building programs for Iraq. This report was conducted as SIGIR Project 8025.

We considered written comments on a draft of this report from the Department of State and technical comments from U.S. Agency for International Development when finalizing this report. The comments are addressed in the report, where applicable. The Department of State's comments are included in their entirety in appendix D.

We appreciate the courtesies extended to the staff. For additional information on the report, please contact Glenn Furbish, Deputy Assistant Inspector General for Audits (703) 428-1058/ glenn.furbish@sigir.mil.

Stuart W. Bowen, Jr.
Inspector General

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Opportunities to Enhance U.S. Democracy-Building Strategy for Iraq

SIGIR-09-001 **October 22, 2008**

Executive Summary

Introduction

Since 2004, the Department of State (DoS) and U.S. Agency for International Development (USAID) have obligated more than $1.9 billion for democracy-building programs in Iraq. Public Law 110-28 requires the Secretary of State to provide the Senate and House Committees on Appropriations a "comprehensive, long-term strategy, with goals and expected results, for strengthening and advancing democracy in Iraq."[1] In July 2007, the DoS and USAID issued an overall strategy for democracy and governance in Iraq for 2007 through 2010. The overall goal is for Iraqi citizens, civil society, and democratic institutions to work cooperatively to reduce violence and build a sustainable, accountable, and responsive system of governance. To help achieve this goal, the strategy contains the following strategic objectives: (1) institutionalize democratic political and legislative processes that resolve disputes peacefully; (2) improve the capacity and accountability at all levels of government; and (3) foster the environment for and development of Iraqi's civil society and media to operate independently, freely, and effectively to promote democracy, transparency, tolerance, and respect for human rights.

SIGIR's review of prior Government Accountability Office (GAO) reports showed that GAO has identified six characteristics of an effective national strategy that offer policymakers and implementing agencies a management tool to help ensure accountability and more effective results. GAO identified these six desirable characteristics based on their underlying support in legislative or executive guidance and the frequency with which they were cited in other sources. These characteristics, as adapted for this review, are: (1) a clear purpose, scope, and methodology; (2) a detailed discussion of the problems, risks, and threats the strategy is intended to address; (3) the desired goals and objectives and outcome-related performance measures; (4) a description of the U.S. resources needed to implement the strategy; (5) a clear delineation of the U.S. government roles, responsibilities, and mechanisms for coordination; and (6) a description of how the strategy is integrated internally among U.S. agencies and externally with the Government of Iraq (GOI) and international organizations. These are in line with the results oriented principles outlined in the Government Performance and Results Act. See appendix B for a description of the characteristics of an effective national strategy.

SIGIR's reporting objectives were to determine:

[1] U.S. Troop Readiness, Veterans Care, Katrina Recovery and Iraq Accountability Appropriations Act 2007, May 25, 2007 (121 Stat. 112, 129-30).

- The extent to which the U.S. strategy for democracy and governance in Iraq contains the characteristics of an effective strategy
- DoS and USAID efforts to assess their progress in meeting the goals and objectives of the strategy

Results

DoS and USAID have developed a U.S. strategy for advancing and strengthening democracy and governance in Iraq. The strategy contains a number of characteristics that are necessary for an effective strategic plan. At the same time, the strategy can be enhanced as a planning tool and vehicle for informing the Congress about progress towards achieving the plan's strategic objectives. SIGIR's analysis of the strategy shows that it:

- includes a purpose and a scope that is clearly stated and notes that U.S. involvement is critical to help build a responsive, representative, democratic Iraqi government
- recognizes the need to develop a government that seeks to resolve Iraq's differences peacefully while healing sectarian and ethnic divides
- provides a comprehensive description of the strategic objectives and performance measures to assess progress in achieving stated goals and objectives
- does not include the current and future costs to implement the strategy, such as the costs of building capacity of the GOI at the provincial and national level
- does not clearly assign accountability for implementing key aspects of the strategy
- does not address how U.S. goals and objectives will be integrated with the GOI and international organizations

SIGIR also noted that DoS and USAID can improve assessments of progress in achieving the strategy's strategic objectives. Although DoS and USAID have quarterly meetings to assess implementation of the strategy, they do not prepare written reports that document the results of these meetings. DoS and USAID officials stated that the quarterly reviews are based on the progress reports of their individual democracy-building programs. DoS receives quarterly progress reports from its grantees, and USAID receives monthly, quarterly, or semiannual progress reports depending on the individual program. Although these reports describe the progress of individual programs, they do not fully show progress toward the strategy's three broad strategic objectives or expected outcomes such as improving the capacity and accountability of all levels of government. In addition, no one office is responsible for assessing progress toward achieving the three strategic objectives.

In the near future, SIGIR plans to conduct follow-up work on the program management and oversight of selected DoS grants.

Recommendations

To increase the effectiveness of the strategy as a planning tool and to improve its usefulness to the Congress, SIGIR recommends that the Secretary of State direct that the following actions be taken:

- Require DoS and USAID program managers to revise the strategy to include current and future costs needed for implementation.
- Clarify the roles and responsibilities of DoS and USAID in implementing the strategy; state how U.S. goals and objectives will be integrated with the goals and objectives of the GOI and international organizations.
- Designate an office to be accountable for overseeing progress towards achieving the strategic objectives.
- Require DoS and USAID program managers to document the results of quarterly progress meetings during which they assess strategy implementation.

Management Comments and Audit Response

The DoS Bureau of Democracy, Human Rights, and Labor, (DRL) provided written comments on a draft of this report, however, it did not address our recommendations. Since the recommendations were addressed to the Secretary of State, we request that DoS provide comments that conform to the requirements of OMB Circular No. A-50, including indicating concurrence, nonconcurrence, and planned actions related to the report recommendations within 30 days.

In its written comments, DRL raised a concern that the draft audit report does not fully reflect the scope of U.S. government assistance provided to meet the goals and objectives in the Democracy Strategy or the collaborative process that is both central to the development and execution of the strategy. However, SIGIR's report covers all of the democracy-building programs funded by DoS and USAID. Data obtained from DoS and USAID indicates that DoS and USAID have provided more than $1.9 billion for democracy-building programs in Iraq. Furthermore, the report also describes DoS and USAID plans to award additional contracts for democracy-building programs in Iraq. Thus, SIGIR believes that the report represents the full scope of U.S. government programs to meet the goals and objectives in the Democracy Strategy. Regarding the collaborative process use to develop and execute the strategy, SIGIR added language to indicate that nongovernmental organizations implementing democracy-building programs in Iraq attend quarterly meetings with DoS and USAID officials to review implementation of the strategy. SIGIR's concern is that the progress toward the strategic objectives or expected outcomes is unclear because the results of these meeting are not documented.

DoS and USAID also provided technical comments which we have addressed in this report as appropriate. DoS's comments are printed in their entirety at the end of this report.

Introduction

Background

This report provides information on the U.S. government program for democracy-building in Iraq. Public Law 108-106, as amended, mandates the independent and objective conduct of audits relating to the programs and operations funded with amounts appropriated or otherwise made available in support of Iraq relief and reconstruction. Since 2004, SIGIR's mandate was largely tied to the sizeable Iraq Relief and Reconstruction Fund; therefore, SIGIR focused heavily on audits of Iraq reconstruction projects. But in recent years, the Congress has increased SIGIR's oversight authority over other funds that provide support to Iraq relief and reconstruction activities. To respond to this mandate, SIGIR has begun audits of these other areas, including U.S. assistance programs designed to strengthen and advance democracy in Iraq.

Public Law 110-28 required the Secretary of State to provide the Senate and House Committees on Appropriations a "comprehensive, long-term strategy, with goals and expected results, for strengthening and advancing democracy in Iraq."[2] In July 2007, the Department of State (DoS) and the U.S. Agency for International Development (USAID) issued an overall strategy for democracy and governance in Iraq. The overall goal of the strategy is for Iraqi citizens, civil society, and democratic institutions to work cooperatively to reduce violence and build a sustainable, accountable, and responsive system of governance. To help achieve this goal, the strategy contains the following strategic objectives: (1) institutionalize democratic political and legislative processes that resolve disputes peacefully; (2) improve the capacity and accountability at all levels of government; and (3) foster the environment for and development of Iraqi's civil society and media to operate independently, freely, and effectively to promote democracy, transparency, tolerance, and respect for human rights.

Since 2004, DoS and USAID have obligated more than $1.9 billion for democracy-building programs in Iraq. USAID accounts for about $1.6 billion, or 84 percent, and the DoS accounts for $307 million, or 16 percent of the funding, as shown in table 1.

Table 1—U.S. Funding for Democracy-Building Programs in Iraq ($ in millions)

Organization	Obligations	Percent
DoS	$310	16%
USAID	$1,652	84%
Total	**$1,969**	**100%**

Source: SIGIR analysis of DoS/USAID grants data, as of June 1, 2008.

[2] U.S Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act 2007, May 25, 2007. (121 Stat. 112, 129-30).

Approximately $686 million, or 46 percent, of USAID's funding was for democracy programs that have been completed. The remaining $966 million in funding is for the following six active democracy programs:

- A $370 million local governance program to strengthen local governments; program ends in December 2008
- A $339 million national capacity development program to build the capacity of Iraqi national government ministries; program ends in July 2009
- A $150 million community assistance program to promote and provide economic and social stability in Iraqi communities; program ends in September 2008
- A $30 million component of the quick-reaction fund program to support civil society and building democratic practices through provincial reconstruction teams; program ends in December 2008
- A $53 million program to provide technical assistance to the International High Electoral Commission in preparation for elections; program ends in December 2010
- A $24 million legislative strengthening program focused on the Iraqi Council of Representatives; program ends in September 2010

Approximately $90 million, or 29 percent, of DoS's funding was for democracy programs that have been completed. The remaining $220 million is for 3 grants funded by the Bureau of Near Eastern Affairs for about $3 million, and $217 million for 14 active grants funded by the Bureau of Democracy, Human Rights, and Labor. Three grants account for about 78 percent of the total of obligated funds for the following ongoing democracy programs:

- A $71 million grant with the National Endowment for Democracy (NED) to assist democratic transformation in Iraq and to promote the development of a legal civil society and media to operate independently; grant ends in March 2009
- A $50 million grant with the National Democratic Institute (NDI) $50 million to encourage constructive political dialogue and participation of the Government of Iraq; grant ends in March 2009
- A $50 million grant with the International Republican Institute (IRI) to assist in training for Iraqi governance, civil society, and political parties; grant ends in March 2009

The remaining 11 grants average about $4 million each and fund activities such as support for independent media in Iraq, national reconciliation training, and democratic transformation assistance.

We reviewed the U.S. Strategy for Governance and Democracy in Iraq using the six characteristics of an effective national strategy developed by GAO. The six characteristics developed by GAO are based on underlying support in legislative or executive guidance and the frequency with which they were cited in other sources. The six characteristics are (1) a clear purpose, scope, and methodology; (2) a detailed discussion of the problems, risks, and threats the strategy intends to address; (3) the desired goals and objectives, and outcome related performance measures; (4) a description of the U.S. resources needed to implement the strategy;

(5) a clear delineation of the U.S. government roles, responsibilities and mechanism for coordination; and (6) a description of how the strategy is integrated internally among U.S. agencies and externally with the GOI and international organizations.

Objectives

This report assesses the effectiveness of the U.S. government strategy for democracy-building in Iraq. Our reporting objectives were to determine:

- The extent to which the U.S. strategy for democracy-building programs contains the characteristics of an effective strategy and
- DoS and USAID efforts to assess the progress in meeting the goals and objectives of the strategy.

SIGIR plans to conduct follow-up work, in the near future, on the program management and oversight of selected DoS democracy grants.

For a discussion of the audit scope and methodology, see Appendix A. For a description of the six characteristics of an effective strategy, see Appendix B. For the goal and strategic objectives of the U.S. Strategy for Democracy and Governance in Iraq, see Appendix C. For a list of acronyms used in this report see Appendix E. For a list of audit team members, see Appendix F.

Opportunities to Enhance Democracy-Building Strategy

The DoS and USAID have developed a U.S. strategy for advancing and strengthening democracy and governance in Iraq. The plan generally includes the characteristics associated with an effective strategic plan. However, there are some areas where the strategy can be improved to enhance its usefulness as a management tool for the implementing agencies as well as a vehicle for informing Congress about the costs and progress towards achieving the plan's strategic objectives. As figure 1 indicates, our analysis shows the strategy generally addresses three of the six characteristics of an effective strategy but does not fully address three others.

Figure 1: Extent to Which U.S. Democracy-Building Strategy for Iraq Contains the Characteristics of an Effective Strategy

Characteristic of an Effective Strategy	Extent Addressed		
	Not	Partially	Fully
1. Clear Purpose, Scope, Methodology			
• **Purpose**			
1a. Identifies the impetus that led to the strategy being written, such as statutory requirement, mandate, or key event.			●
1b. Discusses the strategy's purpose.			●
• **Scope**			
1c. Defines or discusses key terms, major functions, mission areas, or activities the strategy covers.			●
• **Methodology**			
1d. Discusses the process that produced the strategy.	X		
1e. Discusses assumptions or the principles and theories that guided the strategy's development.			●
2. Detailed discussion of problem, risks, and threats			
• **Problem definition**			
2a. Includes a detailed discussion or definition of the problem the strategy intendeds to address.			●
2b. Includes a detailed discussion of the causes of the problems.			●
2c. Includes a detailed discussion of the operating environment.			●
• **Risk assessment**			
2d. Addresses a detailed discussion of the threats at which the strategy is directed.		◖	
2e. Discusses the quality of data available, e.g., constraints, deficiencies, and "unknowns."		◖	
3. Desired goals, objectives, activities, and performance measures			
• **Goals and subordinate objectives**			

Characteristic of an Effective Strategy	Extent Addressed		
	Not	Partially	Fully
3a. Addresses the overall results desired, i.e., an "end-state."			●
3b. Identifies strategic goals and subordinate objectives.			●
• **Activities**			
3c. Identifies specific activities to achieve results.			●
• **Performance measures**			
3d. Addresses priorities, milestones, and outcome-related performance measures.			●
3e. Identifies processes to monitor and report on progress.	X		
3f. Identifies limitations on progress indicators.			●
4. Description of future costs and resources needed			
• **Resources and investments**			
4a. Identifies what the strategy will cost.	X		
4b. Identifies the sources and types of resources or investments needed.	X		
• **Risk management**			
4c. Addresses where resources or investments should be targeted to balance risks and costs.	X		
4d. Addresses resources allocation mechanisms.	X		
4e. identifies risk management principles and how the implementing parties prioritize and allocate resources.	X		
5. Delineation of U.S. government roles and responsibilities			
• **Organizational roles and responsibilities**			
5a. Addresses who will implement the strategy.		◐	
5b. Addresses lead, support, and partner roles and responsibilities of specific federal agencies, departments, or offices.	X		
• **Coordination**			
5c. Addresses mechanism and /or processes for parties to coordinate efforts within agencies and with other agencies.	X		
5d. Identified process for resolving conflicts.	X		
6. Description of strategy's integration among and with other entities			
6a. Addresses how the strategy relates to the strategies of other institutions and organizations' and their goals, objectives, and activities (horizontal).	X		
6b. Addresses integration with relevant documents from other agencies and subordinate level (vertical).	X		

Source: SIGIR analysis of U.S. Strategy for Democracy and Governance in Iraq, 2007-2010

Strategy Addresses Purpose and Scope, Risks, Goals and Objectives

Our analysis as displayed in figure 1 shows the strategy provides (1) a clear statement of its purpose and scope, (2) a discussion of problems the strategy intends to address, and (3) an explanation of its goal and objectives.

Clear Purpose and Scope

This characteristic addresses why the strategy was produced and the scope of its coverage. The strategy identifies that it is critical for the United States to help build a responsive, representative, democratic government that defends its constitution and works toward achieving national reconciliation. Specifically, the strategy identifies U.S. involvement as critical to making progress toward the goal of Iraqi citizens, civil society, and democratic institutions working cooperatively to reduce violence and build a sustainable, accountable, and responsive system of government. To help achieve this goal, the strategy has three strategic objectives that indicate the United States will help institutionalize democratic and political legislative processes that resolve conflicts peacefully, improve the capacity and accountability at all levels of government, and foster an environment for the development of Iraq's civil society and media that can operate independently and freely.

Risks and Threats Discussed

This characteristic addresses the particular risks and threats the strategy is directed at. The strategy generally addresses some of the problems and risks found in Iraq. For example, the strategy notes that Iraq must overcome an insurgency and strengthen the key institutions of a democracy while going through the painful process of national reconciliation. Furthermore, the strategy recognizes that the government must seek to resolve Iraq's differences peacefully, while healing sectarian and ethnic divides; have increased respect for the rule of law and human rights and; disperse power to regions, provinces, and localities. Finally, the strategy also indicates the need to have an engaged citizenry that is less polarized and fully prepared for reconciliation.

Explanation of Goal and Objectives

This characteristic addresses what the strategy strives to achieve, milestones, and outcome-related performance measures to gauge results. In addition, identifying and measuring outcome-related performance measures rather than output measures allow for more accurate measurement of the program results and assessment of program effectiveness.

The strategy generally addresses objectives by including 3 strategic objectives, 11 anticipated immediate results, 37 anticipated outcomes, and 187 measurable indicators. The immediate results define the components that are necessary to achieve each desired objective. For example, the strategic objective to improve capacity and accountability of all levels of government includes the following three immediate results: enhance government capacity to perform core functions of national institutions; improve efficient and legitimacy of sub-national government and; strengthen the policy, legal, and regulatory environment to promote a more responsive and accountable government at all levels. The strategy then identifies some metrics to assess progress; for example expanding the national capacity for training in public administration;

delivery of government services delivered in accordance with agency strategic plans and; the enactment of laws and constitution reforms, enabling the legislature to operate as an independent and democratic body.

Strategy Can Be Enhanced by Fully Addressing Costs, Accountability, and Cooperative Efforts

Our analysis as displayed in figure 1 shows the strategy does not fully (1) identify the cost to implement the strategy; (2) delineate DoS and USAID roles and responsibilities; and (3) describe how the strategy will be integrated between the Iraqi government and international organizations.

Current and Future Costs Are Not Addressed

This characteristic addresses what the strategy will cost and where resources will be targeted to achieve the desired goals and objectives and how the strategy balances benefits, risks, and costs.

The strategy neither identifies the current and future implementation costs, nor does it identify the sources of funding (U.S. government, international donors, or Iraqi government) needed to achieve the three strategic objectives outlined in the strategy. DoS and USAID officials stated that the resources required to implement the strategy were not included because of the uncertainty about congressional approval of funding, and the political and security environment in Iraq. These costs would include the costs of building the capacity of national ministries, the Council of Representatives, and the 18 provincial governments, as well as helping to strengthen the capability of political parties and non-governmental organizations. DoS officials noted that they plan to include the costs for future democracy program in their base budget request starting in fiscal year 2010, rather than in supplemental budget requests. In commenting on a draft of this report, DoS noted that the Bureau of Democracy, Human Rights, and Labor established two Foreign Service officer positions in Baghdad to monitor and coordinate with their nongovernmental partners, which is recognition of the resources needed to implement the strategy.

For fiscal year 2004 to 2008, the DoS and USAID have obligated about $1.8 billion for U.S. democracy programs in Iraq. In the fiscal year 2008 supplemental budget, DoS received additional $75 million and USAID an additional $180 million for democracy programs in Iraq. DoS officials stated they plan on awarding $65 million of their additional funding for democracy programs in Iraq by the end of October 2008. DoS officials stated they plan to use the remaining $10 million to support national elections in 2009. Likewise, USAID officials stated they plan to award a $139 million contract for phase three of its community assistance program in October 2008 and has received $54 million for phase three of its local governance program. The strategy also fails to include costs and contributions for non-U.S. sources, and does not address the extent to which the Iraqi government will contribute financially to democracy-building efforts.

Roles and Responsibilities Are Not Defined

This characteristic addresses which U.S. organizations will implement the strategy and their roles, responsibilities, and mechanisms for coordinating their efforts. The strategy does not

delineate the roles and responsibilities of DoS and USAID in implementing the strategy or assessing progress toward the strategic objectives. Consequently, the strategy does not assign accountability for achieving progress toward the strategic objectives. DoS and USAID officials stated that although not documented in the strategy, it is understood that DoS has the lead for two objectives— to institutionalize democratic political and legislative processes and develop civil society, and USAID has the lead for one objective—to improve the capacity and accountability of all levels of government. However, no office has overall accountability for monitoring implementation of the strategy. While DoS and USAID program officials expressed certainty about their respective responsibilities, the lack of documented responsibilities creates a vulnerability to ineffective and inefficient program implementation as program personnel change over time.

Integration with the Government of Iraq and International Donors Not Addressed

This characteristic addresses how a strategy relates to other goals and objectives of other strategies and to other government and international entities. A clear relationship between strategies helps governments and international organizations understand their roles and responsibilities and promote accountability. The strategy states that the U.S. government will need to coordinate with other agencies and the international community, particularly coalition partners and the United Nations. However, the strategy does not discuss how U.S. goals and objectives will be integrated with the goals and objectives of international donors and the Iraqi government, how coordination will be accomplished, and who within the U.S. government is responsible for accomplishing this task.

Assessment of Progress in Implementing Democracy-Building Strategy Can Be Improved

DoS, USAID, and the non-governmental organizations implementing democracy programs in Iraq have quarterly meetings to discuss implementation of the strategy for democracy and governance in Iraq; however, they do not document the results of these meetings. In addition, no one office is responsible for assessing progress toward the three strategic objectives included in the strategy. DoS and USAID officials stated that the quarterly reviews are based on the progress reports of their individual democracy-building programs. While these reports describe progress of individual democracy programs, they do not fully address progress toward the three strategic objectives or expected outcomes of the U.S. strategy.

DoS monitors performance through periodic field trips to Iraq and quarterly performance reports submitted by each grantee. DoS officials also stated that they have almost daily contact with some grantees to discuss issues that may arise. Each grantee submits to DoS a quarterly progress report that describes the progress toward meeting the short and long-term objectives of its grant. These reports also identify any issues or concerns that impact the grantee's ability to achieve the goals and objectives. Based on these quarterly reports, DoS assigns each grantee an overall progress rating for the performance period on a 5-point scale.[3] Our review of the files for the three largest DoS democracy grants–Independent Republican Institute, National Democratic Institute, and National Endowment for Democracy– show that that the grantees submitted quarterly progress reports, as required, that describe progress towards the objectives outlined in each grantee's statement of work. Our review also found that DoS's assessment of the grantees' quarterly progress reports indicated that all three grantees were on target to meet their goals and objectives. DoS officials also make periodic field trips to Iraq throughout the year to meet with grantees to monitor performance.

USAID monitors performance through monthly, quarterly, or semiannual progress reports submitted by its contractors. These various reports describe the contractors' progress of individual democracy program as defined in the respective statement of work. USAID also has quarterly portfolio reviews during which it compares the actual progress to the expected progress for each program. However, the expected outcomes and measurable indicators used by USAID to monitor contractor performance are not the same as those included in the U.S. strategy for democracy and governance in Iraq. USAID officials stated that the indicators they use to evaluate contractor performance are linked to USAID's overall strategic objectives. Finally, USAID officials stated that even though USAID implicitly has the lead for strategic objective of the U.S. strategy, it is not collecting any information that would enable them to assess progress toward the measurable indicators included in the strategy.

[3] The five categories are: (1) project significantly above target to meet goals and objectives; (2) project slightly above target to meet goals and objectives; (3) project on target to meet goals and objectives; (4) project slightly below target to meet goals and objectives and; (5) project significantly below target to meet goals and objectives.

Conclusion and Recommendations

Conclusion

The DoS and USAID have developed a U.S. strategy for advancing and strengthening democracy and governance in Iraq that establishes a useful framework for guiding the programs. Further, it generally includes the characteristics GAO identified as necessary for developing an effective strategy for programs of this nature. Additionally, we believe there are opportunities to build on the current plan to make it more effective and useful to department managers and the Congress, Some areas were the strategy can be improved to enhance its usefulness include identifying the costs and progress towards achieving the strategic objectives.

Recommendations

To increase the effectiveness of the strategy as a planning tool and to improve its usefulness to the Congress, SIGIR recommends that Secretary of State direct the following actions be accomplished:

- Require DoS and USAID program managers to revise the strategy to include current and future costs needed to implement the strategy.
- Clarify the roles and responsibilities of DoS and USAID in implementing the strategy; state how U.S. goals and objectives will be integrated with the GOI and international organizations.
- Designate an office to be accountable for overseeing progress towards achieving the strategic objectives.
- Require DoS and USAID program managers to document the results of quarterly progress meetings during which they assess strategy implementation.

Management Comments and Audit Response

DoS's Bureau of Democracy, Human Rights, and Labor provided written comments on a draft of this report; however, it did not address our recommendations. Since the recommendations were addressed to the Secretary of State, we request that DoS provide comments that conform to the requirements of OMB Circular No. A-50, including indicating concurrence, nonconcurrence, and planned actions related to the report recommendations within 30 days.

In its written comments, DRL raised a concern that the draft audit report does not fully reflect the scope of U.S. government assistance provided to meet the goals and objectives in the Democracy Strategy or the collaborative process that is both central to the development and execution of the strategy. However, SIGIR's report covers all of the democracy-building programs funded by DoS and USAID. Data obtained from DoS and USAID indicates that DoS and USAID have provided more than $1.9 billion for democracy-building programs in Iraq. Furthermore, the report also describes DoS and USAID plans to award additional contracts for democracy-building programs in Iraq. Thus, SIGIR believes that the report represents the full scope of U.S.

government programs to meet the goals and objectives in the Democracy Strategy. Regarding the collaborative process use to develop and execute the strategy, SIGIR added language to indicate that that nongovernmental organizations implementing democracy-building programs in Iraq attend quarterly meetings with DoS and USAID officials to review implementation of the strategy. SIGIR's concern is that the progress toward the strategic objectives or expected outcomes is unclear because the results of these meeting are not documented.

DoS and USAID also provided technical comments which we have addressed in this report as appropriate. DoS's comments are printed in their entirety in Appendix D of this report.

Appendix A—Scope and Methodology

The audit was performed by the Special Inspector General for Iraq Reconstruction under the authority of Public Law 108-106, as amended, which also incorporated the duties and responsibilities of inspectors general under the Inspector General Act of 1978. It was completed during the period June thought September 2008. It addresses the U.S. strategy for democracy and governance in Iraq. Our reporting objectives were to determine (1) the extent to which the U.S. strategy for democracy building in Iraq contains the characteristics of an effective strategy, and (2) DoS and USAID efforts to assess the progress in meeting the goals and objectives of the strategy.

To determine whether the U.S. strategy for democracy and governance in Iraq contained the characteristics of an effective strategy, we reviewed prior Government Accountability Office reports to identify the desirable characteristics of an effective strategy.[4] GAO developed six desirable characteristics based on their underlying support in legislative or executive guidance and the frequency with which they were cited in other sources. The six characteristics of an effective national strategy are: (1) a clear purpose, scope, and methodology; (2) a detailed discussion of the problems, risks, and threats the strategy is intended to address; (3) the desired goals and objectives and outcome-related performance measures; (4) a description of the U.S. resources needed to implement the strategy; (5) a clear delineation of the U.S. government roles, responsibilities, and mechanisms for coordination and; (6) a description of how the strategy is integrated internally among U.S. agencies and externally with the Iraqi government and international organizations. We gave each characteristic and supporting element a rating of either: addresses, partially addresses, or does not address. According to our methodology, a strategy addresses an element of a characteristic when it explicitly cites all parts of the element, and the document has sufficient specificity and detail. Within our designation of partially addresses, there is a wide variation in a strategy that addresses most parts of an element of a characteristic. A strategy does not address an element when it does not explicitly cite or discuss any parts of the element or implicit references are either too vague or too general to be useful.

To determine the extent to which DoS and USAID have assessed whether their ongoing Iraq programs are achieving the goals and objectives of the strategy, we interviewed DoS and USAID officials regarding their policies and procedures for monitoring and evaluating grantees' performance on individual programs as well as how they assess progress toward achieving the overall U.S. strategy for governance and democracy in Iraq. We also reviewed progress reports on the three largest DoS democracy grants– The International Republican Institute, the National Democratic Institute, and the National Endowment for Democracy–for fiscal years 2007 and 2008 as well as DoS assessments of these progress reports. In addition, we compared the objectives and expected outcomes of ongoing DoS and USAID democracy programs to those outlined in the overall U.S. democracy strategy for Iraq to determine the extent that these

[4] *Rebuilding Iraq, More Comprehensive National Strategy Needed to Help Achieve U.S. Goals*, GAO-06-788, July 11, 2006
Combating Terrorism Evaluation of Selected Characteristics in National Strategies Related to Terrorism, GAO-04-408T, February 3, 2004.

programs supported the overall strategy. Finally, we interviewed DoS and USAID officials regarding the process for monitoring implementation of the U.S. strategy for democracy and governance for Iraq.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the work performed the evidence obtained provides a reasonable basis for our findings and conclusions based on out audit objectives.

Use of Computer-Processed Data

We obtained funding data for DoS and USAID democracy-building programs in Iraq from the DoS Payment Management System and USAID Phoenix financial management systems. Since this data was used for background purposes, we compared the funding documents for selected DoS and USAID grants and cooperative agreements to data obtained from their respective financial management system.

Internal Controls

We reviewed the internal controls for democracy-building programs from the context of the overall strategy and processes in place to assess progress toward the strategic goals. Our follow-on audit work will assess internal controls at the individual grant program management level.

Prior Coverage

SIGIR is also issuing a report on USAID's Local Governance Program in October 2008.

Appendix B—Description of the Six Characteristics of an Effective National Strategy

Table 2 provides these desirable characteristics and examples of their elements.

Table 2: Desirable Characteristics for an Effective National Strategy

Desirable characteristic	Description	Examples of elements
Purpose, scope, and methodology	Addresses why the strategy was produced, the scope of its coverage, and the process by which it was developed.	• Principles guiding development • Impetus: e.g., legislation • Definition of key terms • Process and methodology to produce strategy (via interagency task force, private input, etc.)
Detailed discussion of problems, risks, and threats	Addresses the particular national problems and threats at which the strategy is directed.	• Discussion or definition of problems, causes, and operating environment • Risk assessment, including analysis of threat and vulnerabilities • Quality of data: constraints, deficiencies, unknowns
Desired goals, objectives, activities, and outcome-related performance measures	Addresses what the strategy is trying to achieve, steps to achieve those results, as well as the priorities, milestones, and performance measures to gauge results.	• Overall results desired: end-state • Hierarchy of goals and subordinate objectives • Priorities, milestones, and performance measures to gauge results • Specific performance measures and activities to achieve results • Limitations on progress indicators
Description of future costs and resources needed	Addresses what the strategy will cost, the sources and types of resources and investments needed, and where resources and investments should be targeted by balancing risk reductions and costs.	• Resources and investments associated with strategy • Types of resources required • Sources of resources • Economic principles, e.g., balancing benefits and costs • Resource allocation mechanisms, such as grants, in-kind services, loans. • Mandates/incentives to spur action • Importance of fiscal discipline • Linkage to other resource documents, e.g., federal budget • Risk management principles
Delineation of U.S. government roles, responsibilities and coordination mechanism	Addresses who will be implementing the strategy, what their roles will be compared to others, and mechanisms for them to coordinate their efforts.	• Lead, support, and partner roles and responsibilities • Accountability and oversight framework • Potential changes to structure • Specific coordination processes • Conflict resolution mechanism
Description of strategy's integration among and with other entities	Addresses how a national strategy relates to other strategies' goals, objectives, and activities and to subordinate levels of government and their plans to implement the strategy.	• Integration with other national strategies (horizontal) • Integration with relevant documents from other implementing organizations (vertical) • Implementation guidance • Details on subordinate strategies and plans for implementation (e.g., human capital, enterprise architecture)

Source: GAO.

The following sections provide more detail on the six desirable characteristics.

Source: GAO

Purpose, Scope, and Methodology	This characteristic addresses why the strategy was produced, the scope of its coverage, and the process by which it was developed. For example, a strategy should discuss the specific impetus that led to its being written (or updated), such as statutory requirements, executive mandates, or other events like the global war on terrorism. Furthermore, a strategy would enhance clarity by including definitions of key, relevant terms. In addition to describing what it is meant to do and the major functions, mission areas, or activities it covers, a national strategy would ideally address its methodology. For example, a strategy should discuss the principles or theories that guided its development, the organizations or offices that drafted the document, or working groups that were consulted in its development.
Problems, Risks, and Threats	This characteristic addresses the particular national problems and threats at which the strategy is directed. Specifically, this means a detailed discussion or definition of the problems the strategy intends to address, their causes, and operating environment. In addition, this characteristic entails a risk assessment, including an analysis of the threats to and vulnerabilities of critical assets and operations. If the details of these analyses are classified or preliminary, an unclassified version of the strategy should at least include a broad description of the analyses and stress the importance of risk assessment to implementing parties. A discussion of the quality of data available regarding this characteristic, such as known constraints or deficiencies, would also be useful.
Goals, Objectives, Activities, and Outcome-Related Performance Measures	This characteristic addresses what the national strategy strives to achieve and the steps needed to garner those results, as well as the priorities, milestones, and performance measures to gauge results. At the highest level, this could be a description of an ideal end-state, followed by a logical hierarchy of major goals, subordinate objectives, and specific activities to achieve results. In addition, it would be helpful if the strategy discussed the importance of implementing parties' efforts to establish priorities, milestones, and performance measures, which help ensure accountability. Ideally, a national strategy would set clear desired results and priorities, specific milestones, and outcome-related performance measures while giving implementing parties flexibility to pursue and achieve those results within a reasonable time frame. If significant limitations on performance measures exist, other parts of the strategy should address plans to obtain

	better data or measurements, such as national standards or indicators of preparedness.
Future Costs and Resources Needed	This characteristic addresses what the strategy will cost, the sources and types of resources and investments needed, and where those resources and investments should be targeted. Ideally, a strategy would also identify appropriate mechanisms to allocate resources. Furthermore, a national strategy should elaborate on the risk assessment mentioned earlier and give guidance to implementing parties to manage their resources and investments accordingly. It should also address the difficult, but critical, issues about who pays and how such efforts will be funded and sustained in the future. Furthermore, a strategy should include a discussion of the type of resources required, such as budgetary, human capital, information, information technology (IT), research and development (R&D), procurement of equipment, or contract services. A national strategy should also discuss linkages to other resource documents, such as federal agency budgets or human capital, IT, R&D, and acquisition strategies. Finally, a national strategy should also discuss in greater detail how risk management will aid implementing parties in prioritizing and allocating resources, including how this approach will create society-wide benefits and balance these with the cost to society. Related to this, a national strategy should discuss the economic principle of risk-adjusted return on resources.
U.S. Government Roles and Responsibilities and Coordination Mechanism	This characteristic addresses what organizations will implement the strategy, their roles and responsibilities, and mechanisms for coordinating their efforts. It helps to answer the question about who is in charge during times of crisis and during all phases of the victory in Iraq efforts: prevention, vulnerability reduction, and response and recovery. This characteristic entails identifying the specific federal departments, agencies, or offices involved, as well as the roles and responsibilities of private and international sectors. A strategy would ideally clarify implementing organizations' relationships in terms of leading, supporting, and partnering. In addition, a strategy should describe the organizations that will provide the overall framework for accountability and oversight, such as the National Security Council, Office of Management and Budget, Congress, or other organizations. Furthermore, a strategy should also identify specific processes for coordination and collaboration between sectors and organizations—and address how any conflicts would be resolved.

Strategy's Integration Among and with Other Entities	This characteristic addresses both how a national strategy relates to other strategies' goals, objectives, and activities (horizontal integration)—and to subordinate levels of government and other organizations and their plans to implement the strategy (vertical integration). For example, a national strategy should discuss how its scope complements, expands upon, or overlaps with other national strategies of the Iraqi government and other international donors. Similarly, related strategies should highlight their common or shared goals, subordinate objectives, and activities. In addition, a national strategy should address its relationship with relevant documents from implementing organizations, such as the strategic plans, annual performance plans, or the annual performance reports the Government Performance and Results Act requires of federal agencies. A strategy should also discuss, as appropriate, various strategies and plans produced by the state, local, private, or international sectors. A strategy also should provide guidance such as the development of national standards to link together more effectively the roles, responsibilities, and capabilities of the implementing parties.

Source: GAO

Appendix C—Goal and Objectives of U.S. Strategy for Democracy and Governance in Iraq

Goal: Iraqi citizens, civil society and democratic institutions work cooperatively to reduce violence and build a sustainable, accountable, and responsive system of governance.

Strategic objective 1: Institutionalize democratic political, and legislative processes that resolve disputes peacefully

Immediate results

- Encourage movement towards internally democratic, socially integrated, and issues-based political organizations
- Facilitate the development of institutions, laws, and procedures that promote free and fair elections
- Foster transparency, public dialogue, and responsiveness in the legislative process
- Promote citizen participation and individual and community responsibility

Strategic objective 2: Improve capacity and accountability at all levels of government

Immediate results

- Enhance government capacity to perform core functions of national institutions
- Improve efficiency and legitimacy of sub-national governments
- Strengthen policy, legal, and regulatory environment to promote a more responsive and accountable government at all levels

Strategic objective 3: Foster the environment for and development of Iraq's civil society and media to operate independently, freely, and effectively

Immediate results

- Support and promote the development of a legal environment for civil society and media that reflects international standards
- Strengthen the organizational capacity, sustainability, and accountability of civil society to effectively engage in the democratic process
- Encourage and facilitate dialogue and interaction among Iraqi civil society, Iraq local and national government, and international actors
- Support the development of professionalism, sustainability, and editorial independence of Iraqi media.

Source: United States Strategy for Democracy and Governance in Iraq, 2007-2010, USAID and Department of State

Appendix D—Management Comments

United States Department of State

Washington, D.C. 20520

October 9, 2008

David R. Warren
Assistant Inspector General for Audit
400 Army Navy Drive
Arlington, VA 22202

Dear Mr. Warren:

The Bureau of Democracy, Human Rights and Labor (DRL) has reviewed the draft audit report "Opportunities to Enhance U.S. Democracy-Building Strategy for Iraq."

At the outset of the audit process, it was our understanding that the scope of the audit would examine DRL's democracy programs in Iraq, including how the programs contribute to the *United States Strategy to Promote Democracy in Iraq, 2007-2010* (hereafter "Democracy Strategy"), the funds used to implement the programs, and DRL's performance metrics. In reviewing the draft report, however, it appears the audit instead focused primarily on the Democracy Strategy, which was developed collaboratively on the direction of the Congress (P.L. 110-28, the U.S. Troop Readiness Veterans' Care, Katrina Recovery and Iraq Accountability Appropriations Act for Fiscal Year 2007) among partners within and outside the Department of State, including DRL, the Bureau of Near Eastern Affairs (NEA), the Secretary's Office for Iraq (S/I), the U.S. Agency for International Development, and the U.S. Embassy in Baghdad.

We are committed to the effective and accountable use of U.S. Government funds in Iraq. We are concerned that the audit report does not fully reflect the scope of U.S. Government assistance provided to meet the goals and objectives in the Democracy Strategy or the collaborative process that is central both to the development and the execution of the strategy. DRL has provided information on our programs but is not able to provide information on other State Department or other U.S. agencies' programs that are integral to the Democracy Strategy. To address these issues, I am providing the attached assessment and analysis to further inform the chart on Page 4 of the audit report regarding how the Democracy Strategy meets the GAO's six "Characteristics of an Effective Strategy."

I hope this information will prove useful in preparing the final audit report and will help to clarify the role of DRL in meeting the goals and objectives in the Democracy Strategy.

Sincerely,

Erica J. Barks-Ruggles
Deputy Assistant Secretary
Bureau of Democracy, Human Rights, and Labor
U.S. Department of State

1.d. Discuss the process that produced the strategy. The strategy's opening paragraph details the genesis of this strategy, including the strong bipartisan Congressional call for the development of a robust democracy strategy encapsulated in P.L. 110-28, as well as the evolution of President Bush's New Way Forward, which calls for the United States to help to build a responsive, representative, democratic Iraqi government that defends its constitution and works toward achieving national reconciliation.

2.e. Discuss the quality of data available, e.g., constraints, deficiencies, and "unknowns." The Democracy Strategy addresses the limitations on progress indicators due to the constantly evolving security and political environment and successful implementation of ongoing rule of law and human rights programming.

3.e. Identifies processes to monitor and report on progress. Each office and agency has internal management procedures in place to evaluate the effectiveness of individual programs and elements of the strategy. DRL's internal monitoring procedures include monitoring programs on a quarterly basis. Quarterly reports contain information documenting how well an individual program is meeting short- and long-term goals, which include intermediate results, outcomes, and measurable indicators in line with Democracy Strategy Strategic Objectives. DRL staff created a matrix detailing the relationship between all DRL-funded Iraq democracy grants and the Democracy Strategy and provided this to SIGIR.

3.f. Identifies limitations on progress indicators. In its executive summary, the Democracy Strategy states that progress toward the measurable indicators, intermediate results, and strategic objectives is based on several key assumptions: (1) the Administration's strategies to develop rule of law and protect human rights are fully implemented; and (2) there is an improvement in the security environment, and Iraq will enter a post-conflict environment. The Democracy Strategy identifies the limitation on progress indicators, specifically the constantly evolving security and political environments and successful implementation of complementary rule of law and human rights programming.

4.a. Identifies what the strategy will cost. The cost of implementing the Democracy Strategy depends on the amount of funding U.S. Government implementing agencies receive each year from the Congress and the changing security and political situation in Iraq. All funding for Democracy programs has been provided via Supplemental Appropriations thus far, despite Administration requests for regularized funding in both the FY08 and FY09 budget requests.

4.b Identifies the sources and type of resources or investments needed. DRL established two dedicated DRL Foreign Service Officer positions in Baghdad for monitoring and coordination with NGO partners, the Government of Iraq, the international community, and other U.S. Government agencies. NEA working with DRL also provided funding for several dedicated limited term appointments to provide both programmatic and policy oversight for the strategy.

4.c. Addresses where resources or investments should be targeted to balance risks and

costs. In outlining three key strategic objectives, as well as relevant intermediate results, outcomes, and measurable indicators, the Democracy Strategy addresses where resources or investments should be targeted to balances risks and costs, such as the volatile security situation and political conflict, while also promoting essential efforts in Iraq.

4.d. Addresses resource allocation mechanisms. As each agency has its own internal resource allocation mechanisms, it would be inappropriate for DRL to define and address all resource allocation mechanisms of the participating partners in any strategy that requires the cooperation of numerous U.S. Government partners. As noted, DRL provided SIGIR with comprehensive documentation of our competitive grants process, and decision-making for funding.

4.e. Identifies risk management principles and how the implementing parties prioritize and allocate resources. During the strategy's development, partners held a series of meetings over a period of six months to discuss the feasibility of the strategy as well as the risks and costs associated with implementing various elements of the strategy.

5.b. Addresses lead, support and partner roles and responsibilities of specific federal agencies, departments, or offices. The Democracy Strategy covers 2007-2010. Annual resources from the Congress and political and security developments in Iraq may shift lead, support, and partner roles. (See also 4.a.)

5.c. Addresses mechanism and/or processes for parties to coordinate efforts within agencies and within other agencies. DRL, NEA, and USAID host quarterly principal-level meetings with NGO partners to discuss progress on each Strategic Objective. USAID and NEA also participate in DRL's proposal review committees. Embassy Baghdad reviews all DRL proposals.

5.d. Identify process for resolving conflict. Please see 5.c.

6.a. Addresses how the strategy relates to the strategies of other institutions and organizations' and their goals, objectives, and activities (horizontal). The Democracy Strategy states that the U.S. Government will press for achievement of goals in coordination with the international community, particularly coalition partners and the UN, and discusses specific objectives toward which international organizations will contribute. For example, under Strategic Objective One, the strategy states that U.S. assistance in conjunction with assistance from the UN and other international partners will be key to holding credible provincial and national elections in Iraq.

6.b. Addresses integration with relevant documents from other agencies and subordinate level (vertical). Intermediate Result (IR) 3.3 (Encourage and facilitate dialogue among Iraqi civil society, Iraq local and national government, and international actors) calls for the integration of the goals of the Iraqi government and international organizations with the goals and objectives of the strategy. The outcomes and measurable indicators under this IR detail how the government and international organizations should engage with civil society and other actors to increase communication and coordination and build the capacity of Iraqi civil society to effectively advocate for issues of concern.

Note: The draft report refers to a total of $1.795 billion in obligations for democracy-building programs in Iraq. Although the Department of State has obligated $307 million of the total democracy-building programs in Iraq, DRL's equities represent only $217 million, or 70% of the Department of State's overall contribution to Iraq democracy-building programs, and only 12% of the overall U.S. Government contribution to democracy-building programs in Iraq. The report needs to clarify this as the chart conflates DRL funding with overall State Department funding and overall U.S. Government funding at different points.

Appendix E—Acronyms

DoS	Department of State
GAO	Government Accountability Office
IRI	International Republican Institute
NDI	National Democratic Institute
NED	National Endowment for Democracy
SIGIR	Special Inspector General for Iraq Reconstruction
USAID	U.S. Agency for International Development

Appendix F—Audit Team Members

This report was prepared, and the audit work conducted, under the direction of David R. Warren, Assistant Inspector General for Audit, Office of the Special Inspector General for Iraq Reconstruction. The staff members who contributed to the report include:

Ziad Buhaissi

Mike Kennedy

SIGIR's Mission	Regarding the U.S. reconstruction plans, programs, and operations in Iraq, the Special Inspector General for Iraq Reconstruction provides independent and objective: • oversight and review through comprehensive audits, inspections, and investigations • advice and recommendations on policies to promote economy, efficiency, and effectiveness • deterrence of malfeasance through the prevention and detection of fraud, waste, and abuse • information and analysis to the Secretary of State, the Secretary of Defense, the Congress, and the American people through Quarterly Reports
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