PD-ABG-862

Regional Inspector General for Audit
Dakar

# Audit of USAID/Tunisia's Participant Training Program

Audit Report No. 7-664-93-09
September 21, 1993

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UNITED STATES OF AMERICA
**AGENCY FOR INTERNATIONAL DEVELOPMENT**
OFFICE OF THE REGIONAL INSPECTOR GENERAL FOR WEST AFRICA

UNITED STATES ADDRESS
RIG/DAKAR
AGENCY FOR INTERNATIONAL
DEVELOPMENT
WASHINGTON. D.C 20523

INTERNATIONAL ADDRESS
RIG/DAKAR
C/o AMERICAN EMBASSY
B.P 49 DAKAR SENEGAL
WEST AFRICA

September 21, 1993

# MEMORANDUM

**TO:** James Graham, Director, USAID/Tunisia

**FROM:** Thomas B. Anklewich
Thomas B. Anklewich, RIG/A/Dakar

**SUBJECT:** Audit of USAID/Tunisia's Participant Training Program, Audit Report No. 7-664-93-09

Enclosed are five copies of the subject report. We have reviewed your comments in response to our draft report (TUNIS 007287) and have taken them into consideration in preparing this report. Your comments are included in their entirety in Appendix II.

The report has five recommendations. Based on your comments, all five recommendations are open and unresolved pending an agreement between our offices on the necessary corrective actions.

Please notify our office of the Mission's progress towards implementing these recommendations within 30 days, including documentation supporting any completed actions so that we may consider closure. In your response, please specifically comment on the amounts listed in Recommendation Nos. 1, 2, and 3.

I greatly appreciate the cooperation and courtesies extended to the RIG/A/Dakar staff and myself during the audit.

# EXECUTIVE SUMMARY

## Introduction

The A.I.D. participant training program in Tunisia was designed in part to give Tunisian students an academic education to support development activities in that country. Accordingly, USAID/Tunisia had obligated, under two separate projects, over $42.1 million for long-term training. Over $40.3 million of this amount had already been spent, and the remaining $1.8 million was required to finish the training program as currently designed.

## Audit Objectives

The Office of the Regional Inspector for Audit/Dakar completed a performance audit of A.I.D.-financed participant training in Tunisia as provided in its approved FY 1993 audit plan. The audit field work was conducted from February 10 through June 24, 1993, and it was designed to answer the following three objectives:

1. **Were A.I.D. Participant Training funds used effectively in providing academically trained graduates to the Tunisian economy?**

2. **Did USAID/Tunisia follow A.I.D. Handbook 10 procedures to ensure that candidates sponsored for academic participant training were screened and selected properly?**

3. **Did USAID/Tunisia follow A.I.D. policies and procedures to monitor and follow-up on graduates of the academic participant training program in Tunisia?**

## Summary of Audit

The audit showed that:

- A.I.D. Participant Training funds were not used effectively in providing academically trained graduates to the Tunisian economy. Since June 1990, less than 43 per cent of those Tunisians who completed their A.I.D.-sponsored training had returned home as required by their J-1 exchange visitor visas (see page 3).

- USAID/Tunisia did not always follow A.I.D. Handbook 10 procedures to ensure that candidates sponsored for academic participant training were screened and selected properly. USAID/Tunisia did not have criteria for selecting participant trainees on one of the two projects audited, and the Mission was not involved in the selection process for these trainees. However, these deficiencies appeared to have been corrected in the second project, so no recommendations were made (see page 12).

- USAID/Tunisia did not always follow A.I.D. policies and procedures to monitor and follow-up on graduates of the academic participant training program in Tunisia. While the Mission did have both a monitoring system and follow-up system in place, the information from these two systems was not always used to manage returning graduates and control the unacceptably high rate of non-returning students (see page 14).

## Audit Recommendations

The audit makes five recommendations for corrective actions. USAID/Tunisia should:

- develop a plan to ensure the return within a stated timeframe of the 130 non-returnees (cost of training is estimated at $5,466,000) who are continuing their education and issue Bills of Collection to the Government of Tunisia for those who do not return within that timeframe, and issue a Bill of Collection to the Government of Tunisia for the 45 students (cost of training is estimated at $1,749,608) who have not returned as required by their J-1 entry visas but who are living or working in the United States or a third country (see page 5).

- review the records of the 140 additional non-returnees (cost of training is estimated at $5,740,000) identified by the Mission but not covered by this audit, determine which ones are actual non-returnees, and issue Bills of Collection to the Government of Tunisia for those participants who have not returned as required by their J-1 entry visas (see page 5).

- evaluate whether funding under the Tunisia Participant Training Program should continue and based on this evaluation, either amend the authorization to delete funding or continue funding but make bonding of participants a condition precedent for use of the funds (see page 10).

- issue a Mission Order to document the current system for monitoring non-returning participant trainees (see page 14).

- report in the next Federal Managers' Financial Integrity Act reporting cycle to the Assistant Administrator, Near East Bureau, the internal control weakness related to USAID/Tunisia's monitoring and control of returning participant trainees, if this weakness has not been corrected (see page 15).

## Management Comments and Our Evaluation

In response to our draft report, USAID/Tunisia submitted written comments which are included in their entirety as Appendix II. The Mission commented partially to the first two recommendations. They did not comment on those portions of the recommendations to develop a plan to ensure the return of the students within a stated timeframe. They disagreed with those portions of the recommendations dealing with the Bills of Collection. They did not believe a Bill of Collection would solve the non-returnee problem. The Mission believed that the solution for encouraging non-returnees to return to Tunisia did not rest with the Government of Tunisia but with the U.S. Government, mainly, the Immigration and Naturalization Service.

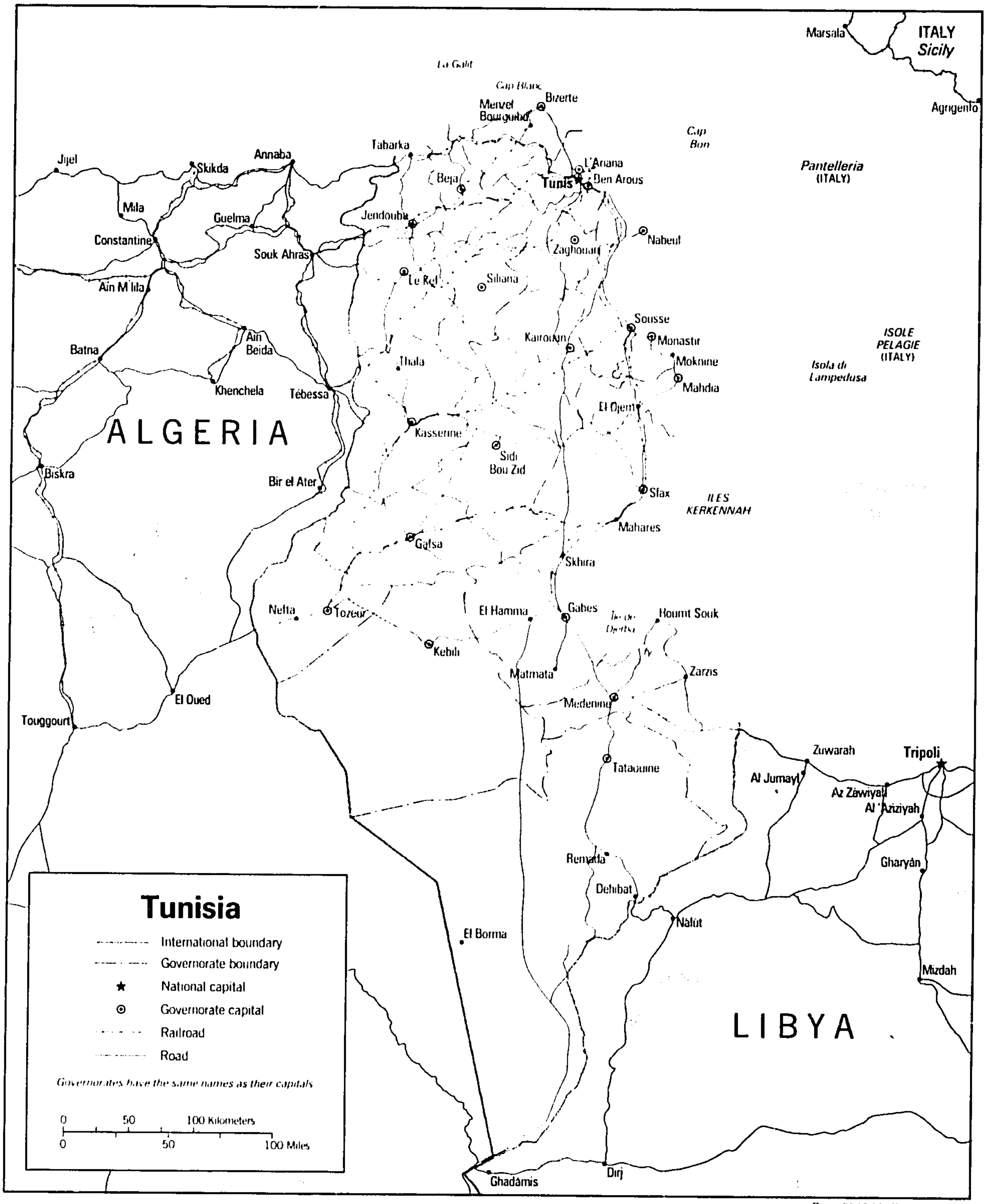
In our view, A.I.D., as the funding and implementing U.S. Agency, has both the authority and responsibility to ensure that U.S. funds for participant training are used effectively and that problems curtailing that effectiveness are resolved. Both the plan of action and Bills of Collection are options, specified in A.I.D. Handbooks, available to the Mission to solve the nonreturn of A.I.D.-sponsored participants. In addition, the grant agreement between A.I.D. and the Government of Tunisia gives A.I.D. the right to demand a refund from the grantee if the training funds are not used effectively. By disregarding the Bill of Collection, we believe the Mission may not be using one of its most effective means to correct the problem of U.S.-funded participants not returning to Tunisia and to ensure that U.S. funds are effectively used.

USAID/Tunisia's written response did not address the other three recommendations concerning (1) future funding for participant training, (2) the monitorship of non-returnee participants, and (3) the reporting of internal control weaknesses under the Federal Managers' Financial Integrity Act. Regarding future funding for the participant training program in Tunisia, we believe the options of program suspension and bonding of participants as presented in Recommendation No. 3 are in full accord with the options in A.I.D. Handbook 10 for mitigating the adverse impact of excessive numbers of non-returnees.

Based on USAID/Tunisia's comments, all five report recommendations are open and unresolved until we mutually agree on the corrective actions.

Office of The Inspector General

Office of the Inspector General
September 21, 1993

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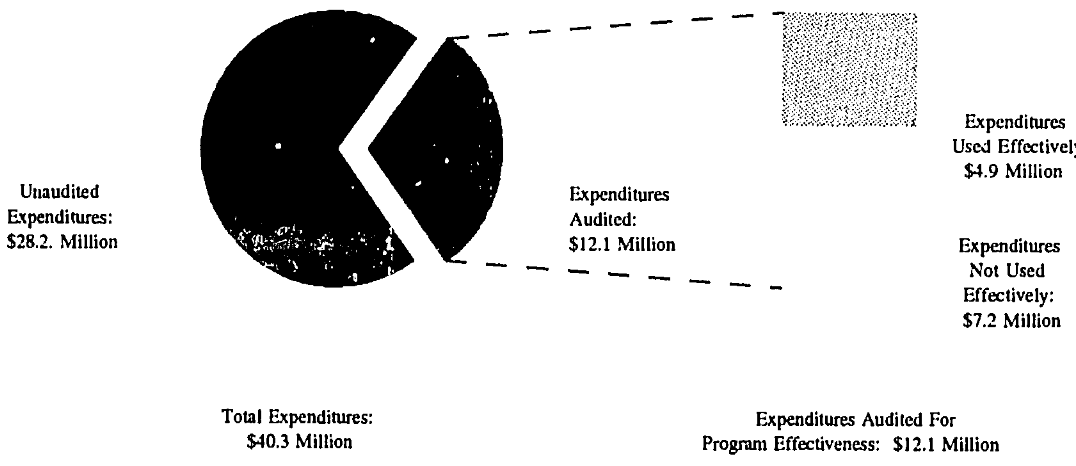
# INTRODUCTION

## Background

One major function of the A.I.D. participant training program is to give students from developing countries an academic education in those disciplines required to plan and implement public and private development activities in their countries. In Tunisia, A.I.D. designed two projects to implement this program, the Technology Transfer project (which started in September 1981 and was completed in September 1992) and the Management Training for the Private Sector project (which was signed in August 1992 and is still active).

As of February 28, 1993, USAID/Tunisia had obligated over $42.1 million for long-term training under these two projects. Over $40.3 million of this amount had already been spent, and the remaining $1.8 million was required to finish the training program as currently designed.

According to Mission records, 304 students completed their academic training under these two projects during the period from June 1, 1990, to February 28, 1993. We estimate that the education of these students cost the United States Government $12.1 million or 30 per cent of the total amount spent ($40.3 million) for long-term training in Tunisia. Our audit showed that 175 of these students did not return and that approximately $7.2 million of the $12.1 million audited was not used effectively. The figure below shows what portion of USAID/Tunisia's expenditures for long-term training was audited for program effectiveness and the audit results. (Source: Unaudited USAID/Tunisia accounting records [MACS-P06B] dated February 23, 1993)



Although each A.I.D. mission must retain responsibility for the overall effectiveness of its participant training program, missions may allow host country governments to manage specific program functions such as selection, placement, oversight, and follow-up. In the case of the Tunisian program, Tunisian government officials located in Washington were responsible for day-to-day program management. In our opinion, this arrangement reduced the control that USAID/Tunisia could exercise on the Technology Transfer project's program management. However, it should be noted that current mission management has substantially improved its control over the participant training program by becoming more actively involved in the second project (the Management Training for the Private Sector project).

## Audit Objectives

The Office of the Regional Inspector General for Audit/Dakar completed a performance audit of A.I.D.-financed participant training in Tunisia as provided in its approved FY 1993 audit plan. The audit was designed to answer the following three objectives:

1. **Were A.I.D. Participant Training funds used effectively in providing academically trained graduates to the Tunisian economy?**

2. **Did USAID/Tunisia follow A.I.D. Handbook 10 procedures to ensure that candidates sponsored for academic participant training were screened and selected properly?**

3. **Did USAID/Tunisia follow A.I.D. policies and procedures to monitor and follow-up on graduates of the academic participant training program in Tunisia?**

Appendix I discusses the scope and methodology of this audit. USAID/Tunisia's comments to the draft report are included in their entirety as Appendix II. Appendix III lists the non-returnees still studying in the United States, and the cost of their education to the United States Government. Appendix IV is a similar list for those non-returnees who are working or living outside of Tunisia. Appendix V lists the fields of study of the 175 non-returnees identified in this audit.

# REPORT OF AUDIT FINDINGS

## Were A.I.D. Participant Training funds used effectively in providing academically trained graduates to the Tunisian economy?

A.I.D. Participant Training funds were not used effectively in providing academically trained graduates to the Tunisian economy. Since June 1990, less than 43 per cent of those Tunisians who completed their A.I.D.-sponsored training have returned home for the two-year period required by their J-1 exchange visitor entry visas. Over 57 per cent remain outside their home country and unavailable to help in their country's development.

A.I.D. policy states that A.I.D.-sponsored participants are obligated to return to their home countries and apply their skills in developing their countries. Moreover, A.I.D considers the timely return of trainees to their home country to be a benchmark for evaluating the success of a participant training program. The following policy statement is quoted from **Supplement 1A, Policy Determination 8, July 13, 1983** (the underlining is from the original text):

> "<u>All feasible steps should be taken to ensure that A.I.D.-sponsored trainees return to work (1) in their home countries and (2) in positions where their training is utilized effectively.</u> The timely return of trainees...will be major criteria (sic) for evaluations of training programs."

Using the timely return of trainees as a standard, one can measure the effectiveness of any participant training program. If one compares the number of participant returnees to the total number of participants in a program and expresses the result of this comparison as a percentage, one can show that a training program's effectiveness is proportional to the percentage of participants who promptly return home. As the percentage of returnees approaches 100 per cent, the effectiveness of the program becomes more certain. Conversely, a high percentage of non-returnees makes a program's effectiveness very questionable. In this audit, we measured the effectiveness of USAID/Tunisia's long-term participant training program by determining what percentage of those students who completed their program in the United States returned promptly to their home country.

Applying this standard to the participant training program in Tunisia brings into question the overall effectiveness of that program. Our audit of the training records for both the Technology Transfer and Management Training for the Private Sector projects revealed that 304 Tunisian students completed training in the United States during the period from June 1, 1990 to February 28, 1993. These same records also disclosed that 175 of these students did not return to live and work in Tunisia, a non-return rate of over 57 per cent! These raw statistics confirm that program funds were not used effectively. We believe that USAID/Tunisia should take immediate steps to remedy this problem and ameliorate its negative impact.

In our opinion, the Government of Tunisia (GOT) was primarily responsible for the non-return of these students and the resulting unsatisfactory use of United States Government resources. When the GOT failed to bond its students as promised in 1987, it effectively allowed these students to continue to ignore their obligations to return home as required by their U.S. entry visas. USAID/Tunisia should therefore obtain refunds from the GOT for those students who did not return to fulfill their obligations. Moreover, the Mission should also reexamine whether the United States Government should fund any more academic trainees from Tunisia in light of the high non-return rate experienced over the last decade. These two issues are discussed at length in the next two sections.

### USAID/Tunisia Should Obtain Refunds for Non-returning Students

A.I.D.-sponsored Tunisian students were admitted into the United States under J-1 visas which required that these recipients return home promptly for a minimum of two years after completing their training. Moreover, the grants which authorized this training contained the standard grant clause giving USAID/Tunisia the right to demand refunds from the Government of Tunisia (GOT) should the education obtained through the grants not be used effectively (i.e., the students did not return promptly to Tunisia). In 1987, these requirements were reinforced when the GOT signed a Project Implementation Letter pledging to bond its participants and require that they return to Tunisia at the completion of their A.I.D.-sponsored training. However, the GOT did not implement this commitment as promised and since that time, 175 of the 304 students evaluated by this audit failed to return (the 175 figure includes 130 students who are still studying in the United States or a third country **without A.I.D. authorization** as well as 45 who are working or otherwise living outside Tunisia). Moreover, the Mission separately identified up to 140 more students who failed to return to Tunisia. This high number of non-returnees (up to 315) occurred because USAID/Tunisia did not (1) insist that the GOT implement its contractual promise to bond new students, (2) develop a course of action with the GOT to alleviate the non-returnee problem, and (3) inform A.I.D.'s

Office of International Training in a timely manner about the high non-returnee rate. As a result, A.I.D. has spent an estimated $12.9 million to educate Tunisian students who have not returned to their country to participate in its development.

**<u>Recommendation No. 1</u>: We recommend that the Director, USAID/Tunisia, review the records of the 175 non-returnees identified by this audit, and:**

**1.1 for those 130 students classified by this audit as continuing their education (cost is estimated at $5,466,000), develop a plan to ensure their return within a stated time frame and issue a Bill of Collection to the Government of Tunisia for the cost of training those who do not return within that time.**

**1.2 for those 45 students classified by this audit as working or otherwise living in the United States or a third country, determine the amount spent by A.I.D. to educate these students (estimated at $1,749,608) and issue a Bill of Collection for such amount to the Government of Tunisia.**

**<u>Recommendation No. 2</u>: We recommend that the Director, USAID/Tunisia, review the records of the 140 potential non-returnees identified by the Mission but not covered by this audit (education costs are estimated at $5,740,000), determine which ones are actually non-returnees, classify them according to whether they are either continuing their educations or are otherwise living in the United States or a third country, and:**

**2.1 for those students classified as continuing their education, develop and implement a plan to ensure their return within a mutually agreed-upon time frame, determine the amount spent by A.I.D. to educate those students who do not return within the stated time frames, and issue a Bill of Collection for such amount to the Government of Tunisia.**

**2.2 for those students classified as otherwise living in the United States or a third country, determine the amount spent by A.I.D. to educate these students and then issue a Bill of Collection for such amount to the Government of Tunisia.**

A.I.D.-sponsored participant trainees who receive their education in the United States must return promptly to their home countries for at least two years following completion of their training programs. According to A.I.D. Handbook 10, Section 14A, it is A.I.D. policy that A.I.D.-sponsored participants be admitted to the United States for academic training only under a J-1 visa. The use of these visas is required to ensure that participants return home to fulfill the obligations they incurred as a condition for being allowed to participate in the program. Section 212 (e) of the Immigration and Naturalization Act, as amended, states that holders of these visas may not apply for immigrant visas or certain other classes of visas until the two-year return residency requirement is met (i.e. return to Tunisia).

Moreover, **A.I.D. Policy Determination 8, July 13, 1983** states that A.I.D. considers the prompt return of trainees to their home country to be a major criterion for evaluating effectiveness of a participant training program. The grants which authorized this training and which were signed by both A.I.D. and the Government of Tunisia (GOT) both contained the standard grant agreement clause giving A.I.D. the right to demand refunds from the grantee should this training not be used effectively. The following quote is from Section D.2 of Annex 2, Project Grant Standard Provisions Annex, of the Project Grant Agreement between the Republic of Tunisia and the United States for the Technology Transfer project, dated August 31, 1981 (the grant agreement for the Management Training for the Private Sector project contained a similar provision):

> "(b) If the failure of Grantee to comply with any of its obligations under this Agreement has the result that goods or services financed under the Grant are not used effectively in accordance with this agreement, A.I.D. may require the Grantee to refund all or any part of the amount of the disbursements under this Agreement for such goods or services in U.S. dollars to A.I.D. within sixty days after receipt of the request therefor."
>
> "(c) The right under subsection (a) or (b) to require a refund of a disbursement will continue, notwithstanding any other provision of this Agreement, for three years from the date of the last disbursement Under this Agreement."

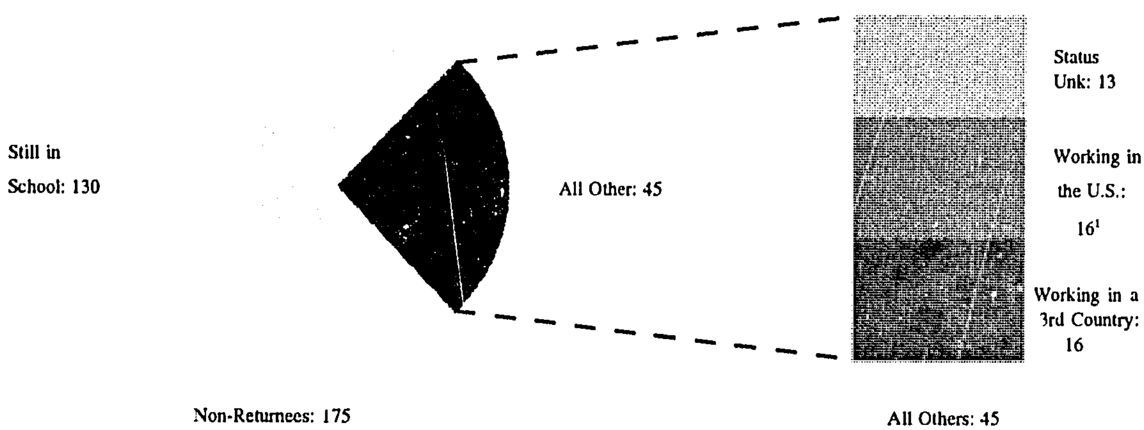
By 1987, the effectiveness of this program was becoming increasingly questionable because an excessive number of Tunisian students were not returning to Tunisia. In an apparent effort to correct this problem, both the Mission and the GOT signed a Project Implementation Letter under which the GOT promised to bond students starting in the 1987/1988 school year and require their return to Tunisia after completion of training. The following quote is from PIL 18, dated October 9, 1987, and signed by a representative of the Tunisian Government on November 20, 1987.

> "9. Contractual Agreements to Return to Tunisia (Bonding) and the J-1 Visa 2 year Return Requirement: The Ministry agrees to establish contractual agreements with students financed by the subject project requiring their return to Tunisia for at least the two year period required by the J-1 visa."

The obvious intent of this PIL was to reinforce the two year residency requirement of the J-1 visas. It also established an obligation on the part of the GOT to enforce this requirement by bonding its students. At the conclusion of the audit, however, neither the Mission nor the GOT could provide evidence that this commitment had ever been implemented. The GOT's failure to implement its agreement to bond its students gives USAID/Tunisia an additional justification for demanding a refund under the terms of the grant agreement authorizing those students' entry into the United States.

The GOT promised to bond its students in November 1987. However, neither the GOT or the Mission can demonstrate that the GOT fulfilled this pledge and since the date of its promise in 1987, at least 175 students identified in this audit have failed to return as required by their J-1 entry visas. In addition, the Mission has separately identified up to 140 more students who may have failed to return to Tunisia during the period in which the GOT promised to bond students.

Our audit of Mission records revealed that 304 Tunisian students completed their training in the United States during the period from June 1, 1990 to September 30, 1992. This training cost the United States Government about $12,162,000. These same records also showed that 175 of these students (over 57 per cent) did not return as required by their J-1 entry visas. The non-returnees include 130 participants who were still studying in the United States or a third country **without A.I.D. authorization.** This group had cost the United States Government over $5,466,000 (see Appendix III for details). Another 45 non-returnees were in the United States or a third country either employed or seeking employment, or their status was unknown. This second group had cost the United States Government almost $1,750,000 (see Appendix IV) thus making the total cost of educating both non-returnee groups to be about $7,216,000. These statistics were gathered from the Tunisian Embassy files in Washington and reconciled with the monitoring and follow-up files at USAID/Tunisia. The figure below provides a breakdown of the 175 non-returnees between those who are still studying and those who are working, seeking work or whose status is otherwise unknown.




[1] Includes 1 non-returnee who is unemployed in the United States

During the course of our audit, USAID/Tunisia identified an additional 140 non-returning students who completed their programs, all but 15 of whom completed their program prior to June 1, 1990. In March 1993, the Mission reported 125 of these 140 non-returnees and the 175 we identified (total: 300) to the Office of International Training as required by the A.I.D. Handbook. In May 1993, the Mission reported to OIT an additional 15 non-returnees who had graduated since September 1992. These two reports were the first documented instances where the Mission told OIT formally that a large number of Tunisian participant trainees had not returned. As best we can determine, none of the 315 non-returnees named in these two reports have been reported to the Immigration and Naturalization Service (INS) as they should have been. These reports are summarized in Table I below.

**TABLE I**

**NUMBER OF NON-RETURNEES REPORTED TO OIT**

| Date of Report | Non-returnees Per Audit | Additional Non-returnees Per Mission | Total Non-returnees |
|---|---|---|---|
| March 1993 | 175 | 125 | 300 |
| May 1993 | 0 | 15 | 15 |
| **Total** | **175** | **140** | **315** |

Educating the 175 non-returnees identified in this audit had cost the United States Government an estimated $7,216,000. This cost figure had to be estimated because the cost for each individual student was not distinguished under the Fixed Amount Reimbursement (FAR) method of payment used by USAID/Tunisia to reimburse the GOT. Under this method, the amount of reimbursement was adjusted periodically based on revisions to the authorized rates specified in Chapter 11, A.I.D. Handbook 10. These revisions would then be incorporated into the project agreement through a Project Implementation Letter (PIL). For example, PIL 41 fixed A.I.D.'s share of each student's tuition at $3,911.15 per semester for the 1991-92 school year. The GOT would then report the number of students who completed a particular semester and based on this report, the Mission would reimburse the GOT the allowed amount. Reconstructing the actual amount paid for each individual student under this system would require one to trace each student through the system, a very time-consuming process. Given this situation, we relied on cost information provided by the Tunisian Embassy in Washington.

We do not have a cost figure for the 140 additional non-returnees found by the Mission. However, we can make an estimate based upon the average student cost for the 175 students we identified. By using an average cost of $41,000 per student, we estimate that the cost of educating these 140 non-returnees was $5,740,000. Adding this figure of $5,740,000 to the $7,216,000 discussed in the previous paragraph, we estimate that **A.I.D. has spent about $12,956,000 to educate Tunisian students who never returned to their country as required by their J-1 entry visa to participate in Tunisia's development.**

This high number of non-returnees occurred because USAID/Tunisia did not (1) insist that the GOT implement its contractual promise to bond new students, (2) develop a course of action with the GOT to alleviate the non-returnee problem, and (3) inform A.I.D.'s Office of International Training in a timely manner about the high non-returnee rate. Therefore, we believe that USAID/Tunisia should develop and implement a plan to ensure the return of the non-returnees within a stated timeframe. For those who do not return within the stated timeframe, USAID should issue a Bill of Collection to the Government of Tunisia for the cost of the A.I.D.-financed training. We believe actions of this nature would help remedy the non-returnee problems and ameliorate their negative impact.

### USAID/Tunisia Should Reexamine the Need For 15 Additional Academic Trainee Positions

A.I.D. Handbook 10 gives Missions various options to use as leverage to mitigate the adverse impact of excessive numbers of non-returnees. These options include either suspending training or continuing the training but bonding the participants. In Tunisia, these options should be considered because USAID/Tunisia could spend up to $900,000 more for 15 additional long-term students under the Management Training for the Private Sector (MTPS) project **even though less than 43 per cent of those students who completed academic training in the United States since June 1990 have returned to Tunisia as required by the project agreement and the participant's J-1 visa.** This added spending could occur because the Mission did not consider all of the leverage options given it under Handbook 10. USAID/Tunisia should reexamine the need for these additional academic trainees in light of the low rate of student returns, and use its leverage to either cancel the authorizations or continue the funding but ensure that the recipient students are bonded.

**<u>Recommendation No. 3</u>: We recommend that the Director, USAID/Tunisia:**

**3.1 evaluate whether continued funding under the Participant Training program is a high priority for Tunisia considering the low rate of student returns, and**

**3.2 based on this evaluation either amend the authorization to delete the funding of the 15 additional academic trainees allowed under the MTPS (estimated at $900,000), or continue with the funding but ensure that as a condition precedent, all participant trainees be bonded and that USAID is the recipient of its share of any bond proceeds.**

A.I.D. Handbook 10, Chapter 4, states that training needs should be updated as required during project implementation. Moreover, Handbook 10, Chapter 33, states that Missions should closely monitor the non-return of A.I.D.-sponsored participants and should the number of non-returnees begin to hamper development efforts, Missions should consider corrective measures such as suspending training or continuing training but bonding the participants.

In Tunisia, the need for continuing the long-term training of the remaining Tunisian students should be reevaluated. Although the Technology Transfer project was completed in September 1992, the Management Training for the Private Sector (MTPS) project was still active at the time of the audit. As of February 28, 1993, the MTPS project was sponsoring 57 long-term trainees, all of whom were scheduled to complete their programs by June 1994. Moreover, this project anticipated authorizing the training of an additional 15 students in the United States at an estimated cost of $900,000. Given the fact that only 43 percent of those students who have completed academic training in the United States since June 1990 have returned to their country, we question whether this second project should continue as planned.

Since the 57 current trainees are less than one year away from completing their programs and USAID/Tunisia is now closely monitoring the return status of these participants in marked contrast to past practices, we are not recommending any additional reassessment here. However, we do believe that any spending for **new students** should be reassessed, especially if those students are targeted for study in fields which already have experienced high non-return rates. For example, the 15 new students may be allowed to major in subjects such as business administration, management, marketing, and computer sciences even though 37 of the non-returnees found during this audit have degrees in similar fields.

These new student authorizations could become a reality because the Mission did not consider all of the leverage options given to it under Handbook 10 when it negotiated the MTPS project with the GOT. We believe that the Mission should have considered the high non-returnee rate under the prior project during these negotiations, and it should have contemplated corrective measures such as suspending training or continuing training but bonding the participants. Now is the time to correct this oversight.

USAID/Tunisia should reexamine the need for more academic trainees and depending upon the results of this reassessment, either cancel the authorizations or continue the funding but ensure that the recipient students are bonded. Otherwise, up to $900,000 of United States Government funds may be spent to train academic students who may fail to return promptly to Tunisia.

<u>Management Comments and Our Evaluation</u>

USAID/Tunisia management stated that it unequivocally objected to the perspective of Recommendation Nos. 1 and 2. They added that despite repeated discussions with the audit team, the auditors did not recognize that issuing Bills of Collection for non-returning students would accomplish nothing toward inducing non-returnees to come home. They also stated that the solution for inducing non-returnees to return to Tunisia did not lie within the purview of the Government of Tunisia but with the US Government, mainly, the US Immigration and Naturalization Service. In fact, they believed that the audit recommendation should be directed at actions which can effect a solution, not just sending out a piece of paper to a foreign government which is not in position to extradite the return of the Tunisian students. The Mission did not respond to Recommendation No. 3 which urged the Mission to reevaluate its Participant Training Program in light of the high non-return rate of participant trainees and either cancel further funding for this program or continue funding under the stipulation that all participant trainees are bonded with USAID receiving its share of the bonding proceeds as suggested in AID Handbook 10.

During the course of the audit, the audit team never stated or implied that a Bill of Collection was the only course of action to resolve the non-returnee issue. In fact, for the non-returnees who are continuing their education, Recommendation Nos. 1 and 2 specify that the Mission should first develop a plan to ensure the return of the students within a stated time frame. Thereafter, the Recommendations call for the Mission to issue a Bill of Collection for the cost of educating those students who do not return within that timeframe. However, the Mission did not respond to the portions of the Recommendations dealing with the plan.

We disagree with USAID/Tunisia's contention that a Bill of Collection is not a solution to the problem. Issuing a Bill of Collection to the Government of Tunisia is in conformance with the standard repayment clause contained in the grant agreement signed by the Government of Tunisia and the U.S. Government. In addition, we would like to emphasize that A.I.D. Handbook 10 specifically lists a plan of action and Bill of Collection as options available to a mission to mitigate the nonreturn of A.I.D.-sponsored participants. The Government of Tunisia's failure to implement its agreement to bond its students provides an added justification for issuing a Bill of Collection. After years of inaction, we understand the current Mission management's reluctance to take a strong stand with the Tunisian Government. In our view, the Mission not only has the authority, but the responsibility to take action to correct the high nonreturn rate. By disregarding the Bill of Collection, the Mission may not be using one of its most effective measures to correct the problem and to ensure that U.S. funds are effectively used. As a result, Recommendation Nos. 1 and 2 are unresolved.

In view of the high non-return rate, Recommendation No. 3 provided the Mission with options to consider in deciding whether to fund future participant training in Tunisia. These options such as program suspension and bonding of participants are discussed in A.I.D. Handbook 10. Since the Mission did not provide a specific response, Recommendation No. 3 is considered unresolved.

The Mission contended that the audit was flawed because it did not address short-term training and because it focused on only one project. We dispute this contention. The Mission was fully informed that short-term training was not in the scope of our audit. Also, the audit focused on two projects which account for 90 percent of the Mission's long-term participant training funds. We believe that percentage speaks for itself.

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## Did USAID/Tunisia follow A.I.D. Handbook 10 procedures to ensure that candidates sponsored for academic participant training were screened and selected properly?

USAID/Tunisia did not always follow A.I.D. Handbook 10 procedures to ensure that candidates sponsored for academic participant training were screened and selected properly. The Mission did not have a formal agreement with the Government of Tunisia to establish criteria for selecting participant trainees under the Technology Transfer (TT) project, and it was not involved in the selection process. However, these deficiencies appeared to have been corrected under the Management Training for the Private Sector (MTPS) project.

A.I.D. policy requires that each participant chosen for A.I.D.-sponsored training be selected according to an open set of standards agreed to by A.I.D. and the host country (A.I.D. Handbook 10, Section 4A.5). According to Section 4D2.a of the same Handbook, Missions and the host country must agree on selection criteria which conform to A.I.D.-wide criteria and meet the requirements of the country. These criteria are to be incorporated into the project agreement and/or grant.

In addition, Missions should also participate in the selection of participants. According to Handbook 10, Section 4D2.c, selection committees are the most effective means for reviewing and choosing nominees, and these committees should include both mission and host country representatives.

USAID/Tunisia did not follow these procedures with respect to the Technology Transfer project. The project agreement itself was silent on this subject. Moreover, both the GOT and the Mission Director confirmed that the Mission had not participated in the selection of long-term trainees under this project and that there were no written selection criteria approved by the Mission to guide this process. Instead, this participant training project was almost entirely host-country managed.

The audit team attributed many of the Technology Transfer project shortcomings discussed elsewhere in this report to the fact that host country officials managed the project. The team noted that some of the participant trainees selected degrees which would appear to be unnecessary at this stage of Tunisia's development (see Appendix V for a list of the fields of study for non-returnees). We question whether Tunisia requires Nuclear Engineers, Naval Architectural Engineers or Aerospace Engineers at this stage of the country's development. In our opinion, a more active Mission presence in this project's selection process might have forestalled approval of some of these degree programs, and the high non-return rate might have been reduced.

USAID/Tunisia has attempted to correct these problems and follow A.I.D. selection procedures with respect to the Management Training for the Private Sector (MTPS) project. The project agreement in this case specifies that the Mission will participate in the selection of participant trainees, and the agreement requires selection criteria. Article 4, Sections 4.2 (a) and (c) makes these two requirements a condition precedent to the disbursement of funds for overseas training. In other words, the GOT must make sure that these requirements are honored before it can receive money from A.I.D for new students. However, the audit team could not evaluate whether this system was working because no additional academic participant trainees had been selected under this project at the time the audit field work was completed.

**In summary, USAID/Tunisia did not follow A.I.D. selection procedures during the eleven-year life of the Technology Transfer project.** It is only in the recent past and under the direction of the current Mission Director that this policy has been reversed with the implementation of the MTPS project. However, no participant trainee selections were made under either project during the time period covered by the audit. Therefore, the audit team decided that any further evaluation of the selection process would be unproductive and that no specific recommendations were warranted.

## Did USAID/Tunisia follow A.I.D. policies and procedures to monitor and follow-up on graduates of the academic participant training program in Tunisia?

USAID/Tunisia did not always follow A.I.D. policies and procedures to monitor and follow-up on graduates of the academic participant training program in Tunisia. While the Mission did have both a monitoring system and follow-up system in place, the information from these two systems was not always used to manage returning graduates from the Technology Transfer project. The Mission did not until quite recently identify non-returning students for reporting to the Immigration and Naturalization Service (INS). Moreover, the information from these two systems was not used to adjust project goals and control the unacceptably high rate of non-returning students.

### USAID/Tunisia Must Ensure that Non-returnees Are Identified and Reported

Missions must identify participants who do not return home at the end of their training programs and notify the Office of International Training (OIT) of any non-returnees. OIT is then obligated to report verified cases of non-returnees to the Immigration and Naturalization Service (INS) for processing by that agency. **Until October 1992, however, USAID/Tunisia's reporting system was not functioning and according to OIT officials, no Tunisian non-returnees had ever been reported to the INS during the last 11 years (the program began in 1981).** Although the current Mission Director now has a personally-developed monitoring system in place to manage the non-returnee problem, this system is not documented. Given the fact that the Mission has had a major problem with non-returnees and also considering that there are still 57 academic trainees in the pipeline with the possibility of up to 15 more such trainees being added, we believe this system should be formally documented and approved to make it a mission-wide system that will ensure that participant trainees are monitored effectively.

**Recommendation No. 4: We recommend that the Director, USAID/Tunisia, issue a Mission Order documenting the system for monitoring non-returning participant trainees. This system should at a minimum do the following:**

- **appoint a responsible individual(s) for managing the tracking system;**

- **identify participants who are due to return following completion of their training;**

- **identify promptly any participants who do not return to Tunisia at the completion of their training; and**

- **report non-returnees to the Office of International Training in accordance with the provisions of A.I.D. Handbook 10, Chapter 35.**

**<u>Recommendation No. 5</u>: We recommend that the Director, USAID/Tunisia report in the next Federal Managers' Financial Integrity Act reporting cycle to the Assistant Administrator, Near East Bureau, the internal control weakness related to USAID/Tunisia's monitoring and control of returning participant trainees, if this weakness has not been corrected.**

The procedures for processing non-returning trainees are detailed in A.I.D. Handbook 10, Section 33D. This section of the Handbook requires Missions to establish monitoring systems that enable them to determine if participants promptly return home at the conclusion of their training. Once the Mission verifies that the students have not returned, they must promptly notify the A.I.D. Office of International Training (OIT) of such status so that OIT may refer the delinquent students to the Immigration and Naturalization Service (INS).

Up until October 1992, USAID/Tunisia did not have an adequate tracking system to meet this requirement on a consistent basis. According to OIT officials, no non-returnees from Tunisia had ever been reported to the INS as a result of a report from the Mission. We believe that the host country management of the Technology Transfer program was a contributing factor to this non-reporting. In June 1992, however, the Mission Director for USAID/Tunisia did establish a tracking system which went into effect in October 1992 to monitor the 81 participants which were transferred from the Technology Transfer to the MTPS project.

Our review of this tracking system showed that it allowed the Mission to: a) monitor student progress towards program completion; b) identify potential non-returnees; and c) report potential non-returnees to OIT for referral to the INS. Furthermore, the Mission was using the electronic mail system to directly contact participants scheduled to complete their studies at the end of a particular semester, and inform them that they should return to Tunisia within 30 days of the expiration date of their visas. Otherwise, they would be reported as non-returnees.

Recently, the Mission has used this tracking system to report numerous potential non-returnees to OIT for referral to the INS. In March 1993, the Mission initially reported 300 non-returnees. This report was followed by a second one in May which reported an additional 15 potential non-returnees. These 15 trainees were among the 28 participants who were originally scheduled to complete their programs in December 1992.

The new tracking system appears to be functioning well. **However, this system is presently being managed by the Mission Director himself, and it is not documented in either a Mission Order or in any other document.** A Mission Order should be issued to document this tracking mechanism, and a responsible individual should be appointed to manage it. We believe that such an order is essential to ensure that participant trainees are monitored effectively.

## Mission Comments and Our Evaluation

The Mission did not provide comments on Recommendation Nos. 4 and 5. As a result, these recommendations are unresolved until the Mission and the IG agree on the appropriate corrective actions.

# SCOPE AND METHODOLOGY

The Office of the Regional Inspector General for Audit, Dakar, audited selected systems and procedures related to USAID/Tunisia's controls over its long-term Participant Training program. The audit covered two A.I.D.-financed Participant Training projects for which commitments and expenditures totaled $42.1 million and $40.3 million respectively as of February 28, 1993. The audit field work lasted from February 10 through June 24, 1993, and included visits to USAID/Tunisia and the Tunisian Ministry of Education (both of which were located in Tunisia), as well as the Tunisian Embassy, the Office of International Training and Near East Bureau (the last three were located in Washington). The audit was performed in accordance with generally accepted government auditing standards.

The Mission Director, USAID/Tunisia, made various representations concerning the management of Participant Training in Tunisia in a management representation letter signed on June 18, 1993.

The audit assessed the overall effectiveness of the program by comparing the total number of students who completed the program since June 1, 1990 with the number of those students who actually returned to Tunisia (see Audit Objective one). In making this assessment, the audit team evaluated the Mission's internal controls related to the training needs assessment and selection procedures (Audit Objective two) as well as the monitoring and follow-up systems (Audit Objective three). Included in this assessment was an evaluation of the Mission's compliance with laws, regulations and agreements insofar as it was necessary to answer the audit objectives and a review of the Mission's latest Internal Control Assessment.

The audit methodology included reviews and analysis of planning, authorization and monitoring documents; interviews with A.I.D. and host-government officials; and detailed testing to measure program effectiveness. Tests on training assessments were limited to a review of the assessments and their subsequent use in managing the program. Tests of USAID/Tunisia's monitoring and follow-up systems covered $13.1 million of the $42.1 million obligated. In this case, testing was 100 per cent on the 304 student records sampled during the audit.

APPENDIX II

ACTION: RIG INFO: AMB DCM

MANAGEMENT COMMENTS

VZCZCDK0548
RR RUEHDK
DE RUEHTU #7287 2440921
ZNR UUUUU ZZH
R 010921Z SEP 93
FM AMEMBASSY TUNIS
TO RUEHDK/AMEMBASSY DAKAR 0035
INFO RUEHC/SECSTATE WASHDC 2452
BT
UNCLAS TUNIS 07287

LOC: 008 132
01 SEP 93 0942
CN: 29421
CHRG: RIG
DIST: RIG

AIDAC DAKAR FOR RIG/A, SECSTATE FOR NE/ENA

E.O. 12356: N/A
SUBJECT: TUNISIA - DRAFT AUDIT REPORT ON PARTICIPANT TRAINING

REF: DRAFT AUDIT REPORT

1. THIS CABLE PROVIDES THE COMMENTS OF USAID/TUNISIA TO THE CONTENTS OF THE DRAFT AUDIT REPORT. IT IS DIVIDED INTO TWO SECTIONS, ONE ADDRESSING CERTAIN SUBSTANTIVE ISSUES AND A SECOND ADDRESSING ERRORS OF FACT.

2. SUBSTANTIVE ISSUES -

A. THIS IS NOT AN AUDIT OF OUR PARTICIPANT TRAINING FUNCTION. IT DOES NOT REVIEW ALL PARTICIPANT TRAINING ACTIVITY DURING THE AUDIT PERIOD. IT DOES NOT EVEN ADDRESS SHORT TERM TRAINING. IT FOCUSSES ON ONE PROJECT (THE SECOND PROJECT CONSTITUTES AN AID/W APPROVED INCLUSION OF A "PIPELINE' TO COMPLETE THE FIRST, AND A NOMINAL NUMBER OF MBA'S WHICH ARE BEING CORRECTLY HANDLED) WHICH HAS A SERIOUS NON-RETURNEE ISSUE. THE AUDIT DEVOTES ITS ENTIRE ATTENTION TO CREATING DRAMATIC CASE, WHEREBY USING A QUICK FIX, THE US TAXPAYER CAN GET MONEY BACK. AS AN AUDIT IT IS SERIOUSLY FLAWED. THE AUDIT SHOULD BE RE-DONE TO REFLECT OUR PARTICIPANT TRAINING FUNCTION IN ITS ENTIRETY, OR SHOULD BE RETITLED TO REFLECT THE REALITY THAT THIS AUDIT EFFECTIVELY ONLY ADDRESSES ONE PROJECT, NOT A FUNCTION.

B. USAID/TUNISIA OBJECTS UNEQUIVOCALLY TO THE PERSPECTIVE OF RECOMMENDATIONS 1 AND 2. THE SOLUTION OF INDUCING NON-RETURNEES TO RETURN TO TUNISIA DOES NOT LIE WITH THE GOT BUT WITH THE USG, MAINLY WITH INS. DESPITE REPEATED DISCUSSION WITH THE AUDIT TEAM, THERE IS NO RECOGNITION ON THEIR PART THAT ISSUANCE OF A BILL FOR COLLECTION WILL ACCOMPLISH NOTHING TOWARD INDUCING NON-RETURNEES TO COME HOME. USAID HAS GREATLY TIGHTENED ITS PROCEDURES PERTAINING TO THE PARTICIPANTS REMAINING IN THE PIPELINE AND WE FEEL THAT THERE ARE ABOUT AS MANY MECHANISMS IN PLACE TO "INDUCE" PARTICIPANTS TO COME HOME. WHAT WE NEED NEXT IS FOR INS TO "PUSH" THEM IN THIS DIRECTION. THE AUDIT RECOMMENDATION SHOULD BE DIRECTED AT ACTIONS WHICH CAN EFFECT A SOLUTION, NOT JUST SENDING OUT A PIECE OF PAPER TO A FOREIGN

GOVERNMENT WHICH IS IN NO POSITION TO EXPEDITE THE RETURN OF NON-RETURNEES.

3. IN TERMS OF ERRORS IN THE TEXT, THE FOLLOWING SHOULD BE CORRECTED (SEE PAGE NUMBERS IN DRAFT TEXT):

A) FIRST SENTENCE SHOULD BE CHANGED TO REFLECT THE PROJECT FOCUS OF THIS AUDIT (AND SO CORRECTED THROUGHOUT THE TEXT)

B) PAGE I, LINE 5, THE FIGURE SHOULD BE $1.7 MILLION (AND SO CORRECTED THROUGHOUT THE TEXT)

C) PAGE II, FIRST LINE, THIS FIGURE IS ONLY VALID IF THIS IS A PROJECT AUDIT (SAME PERCENTAGE IS USED THROUGHOUT THE TEXT)

D) PAGE 1, LINE 6, MTPS WAS SIGNED ON AUGUST 11, 1992, FOR IMMEDIATE IMPLEMENTATION

E) PAGE 4, LINE 11, EVIDENCE OF THE AUDITORS' DELIBERATE DRAMATIZATION.

F) PAGE 7, AFTER GRAPH, THESE OTHER NON-RETURNEES WERE IDENTIFIED PRIOR TO THE AUDIT VISIT, NOT DURING

G) PAGE 14, LINE 19, THE TRACKING SYSTEM FOR MTPS WAS DEVELOPED IN JUNE, NOT OCTOBER

4. AMBASSADOR'S COMMENT: I AGREE WITH THE THRUST OF THIS CABLE, PARTICULARLY PARA. 2.B., AND WAS SURPRISED THAT THE DRAFT AUDIT REPORT RECOMMENDED PROCEEDING AGAINST THE TUNISIAN GOVENRMENT FOR A PROJECT WHICH THE USG FUNDED AND BOTH GOVERNMENTS HAD ADMINSTERED JOINTLY FOR A LARGE NUMBER OF YEARS. END COMMENT. STOCKER

BT
#7287

NNNN

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM
List of Non-Returnees Still in School
As Of March 12, 1993

| Student Sequence Number | Student Control Number [1] | Participant Trainee Status [2] | Degree Obtained | Amount Expended For Training [3] |
|---|---|---|---|---|
| 1 | 374 | SS | PhD | $37,200 |
| 2 | 375 | SS | MS | $24,000 |
| 3 | 382 | SS | PhD | $20,800 |
| 4 | 384 | SS | PhD | $18,600 |
| 5 | 386 | S3 | MS | $35,000 |
| 6 | 389 | S3 | MS | $38,400 |
| 7 | 391 | SS | BS | $25,200 |
| 8 | 394 | SS | PhD | $50,400 |
| 9 | 397 | S3 | MS | $54,600 |
| 10 | 399 | SS | PhD | $18,600 |
| 11 | 400 | SS | MS | $25,200 |
| 12 | 405 | SS | PhD | $21,400 |
| 13 | 406 | S3 | MS | $37,200 |
| 14 | 407 | SS | BS | $42,600 |
| 15 | 412 | SS | MS | $24,000 |
| 16 | 421 | SS | MS | $24,000 |
| 17 | 430 | SS | MS | $57,000 |
| 18 | 437 | SS | PhD | $37,200 |
| 19 | 440 | SS | MS | $30,600 |
| 20 | 442 | SS | MS | $53,600 |
| 21 | 449 | SS | MS | $12,000 |
| 22 | 454 | SS | MS | $63,600 |
| 23 | 456 | SS | PhD | $37,200 |
| 24 | 458 | SS | PhD | $47,000 |
| 25 | 463 | SS | PhD | $37,200 |
| 26 | 464 | SS | PhD | $38,400 |
| 27 | 465 | SS | MS | $42,800 |
| 28 | 466 | SS | MS | $48,000 |
| 29 | 468 | SS | PhD | $36,000 |
| 30 | 470 | SS | PhD | $45,000 |

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM
List of Non-Returnees Still in School
As Of March 12, 1993

| Student Sequence Number | Student Control Number | Participant Trainee Status | Degree Obtained | Amount Expended For Training |
|---|---|---|---|---|
| 31 | 473 | SS | PhD | $75 400 |
| 32 | 477 | SS | PhD | $40,188 |
| 33 | 479 | SS | MS | $31,800 |
| 34 | 481 | SS | MS | $41,800 |
| 35 | 484 | SS | PhD | $64,600 |
| 36 | 489 | SS | PhD | $38,400 |
| 37 | 490 | SS | PhD | $31,800 |
| 38 | 491 | SS | PhD | $48,194 |
| 39 | 495 | SS | MS | $51,200 |
| 40 | 499 | SS | PhD | $43,800 |
| 41 | 506 | SS | BS | $38,400 |
| 42 | 511 | SS | MS | $62,000 |
| 43 | 521 | SS | MS | $37,200 |
| 44 | 522 | SS | PhD | $38,400 |
| 45 | 523 | SS | MS | $38,000 |
| 46 | 527 | SS | MS | $49,200 |
| 47 | 529 | S3 | PhD | $44,700 |
| 48 | 531 | SS | MS | $51,600 |
| 49 | 532 | SS | PhD | $38,400 |
| 50 | 533 | SS | PhD | $37,200 |
| 51 | 534 | SS | MS | $37,200 |
| 52 | 537 | SS | MS | $38,400 |
| 53 | 540 | SS | MS | $51,600 |
| 54 | 545 | SS | MS | $38,400 |
| 55 | 546 | SS | MS | $62,400 |
| 56 | 548 | SS | MS | $50,400 |
| 57 | 549 | SS | MS | $13,200 |
| 58 | 550 | SS | MS | $38,400 |
| 59 | 551 | SS | MS | $77,800 |
| 60 | 555 | SS | PhD | $51,600 |

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM
List of Non-Returnees Still in School
As Of March 12, 1993

| Student Sequence Number | Student Control Number | Participant Trainee Status | Degree Obtained | Amount Expended For Training |
|---|---|---|---|---|
| 61 | 556 | SS | MS | $39,600 |
| 62 | 559 | SS | MS | $40,600 |
| 63 | 560 | SS | MS | $50,400 |
| 64 | 562 | SS | PhD | $61,394 |
| 65 | 564 | SS | MS | $70,200 |
| 66 | 569 | SS | PhD | $69,194 |
| 67 | 573 | SS | MS | $51,600 |
| 68 | 576 | SS | MS | $41,729 |
| 69 | 578 | SS | MS | $38,529 |
| 70 | 579 | SS | PhD | $49,394 |
| 71 | 580 | SS | PhD | $50,594 |
| 72 | 582 | SS | PhD | $62,400 |
| 73 | 587 | SS | MS | $51,600 |
| 74 | 591 | SS | MS | $36,000 |
| 75 | 593 | SS | MS | $13,000 |
| 76 | 598 | SS | MS | $13,200 |
| 77 | 600 | SS | PhD | $13,361 |
| 78 | 601 | SS | MS | $50,400 |
| 79 | 604 | SS | MS | $37,200 |
| 80 | 606 | SS | PhD | $40,800 |
| 81 | 607 | SS | MS | $25,200 |
| 82 | 608 | SS | PhD | $51,600 |
| 83 | 609 | SS | MS | $37,200 |
| 84 | 611 | SS | MS | $36,000 |
| 85 | 613 | SS | MS | $36,000 |
| 86 | 614 | SS | MS | $26,400 |
| 87 | 616 | SS | MS | $13,200 |
| 88 | 622 | SS | MS | $28,765 |
| 89 | 626 | SS | MS | $13,200 |
| 90 | 628 | SS | PhD | $77,040 |

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM
List of Non-Returnees Still in School
As Of March 12, 1993

| Student Sequence Number | Student Control Number | Participant Trainee Status | Degree Obtained | Amount Expended For Training |
|---|---|---|---|---|
| 91 | 631 | SS | PhD | $38,879 |
| 92 | 632 | SS | MS | $39,565 |
| 93 | 634 | SS | MS | $58,679 |
| 94 | 635 | SS | MS | $27,565 |
| 95 | 636 | SS | MS | $16,765 |
| 96 | 637 | SS | PhD | $50,879 |
| 97 | 638 | SS | PhD | $76,579 |
| 98 | 639 | SS | PhD | $38,879 |
| 99 | 640 | SS | PhD | $65,279 |
| 100 | 642 | SS | PhD | $25,840 |
| 101 | 646 | SS | MS | $28,765 |
| 102 | 647 | SS | MS | $41,965 |
| 103 | 648 | SS | MS | $13,320 |
| 104 | 652 | SS | PhD | $39,600 |
| 105 | 653 | SS | MS | $35,365 |
| 106 | 654 | SS | MS | $28,765 |
| 107 | 656 | SS | MS | $41,965 |
| 108 | 658 | SS | MS | $28,765 |
| 109 | 660 | SS | PhD | $25,679 |
| 110 | 661 | SS | MS | $28,765 |
| 111 | 662 | SS | PhD | $25,679 |
| 112 | 663 | SS | PhD | $63,600 |
| 113 | 664 | SS | PhD | $69,479 |
| 114 | 666 | SS | MS | $28,765 |
| 115 | 667 | SS | MS | $41,965 |
| 116 | 668 | SS | MS | $28,765 |
| 117 | 672 | SS | MS | $41,965 |
| 118 | 673 | SS | MS | $41,965 |
| 119 | 676 | SS | MS | $47,913 |
| 120 | 677 | SS | PhD | $108,899 |

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM
List of Non-Returnees Still in School
As Of March 12, 1993

| Student Sequence Number | Student Control Number | Participant Trainee Status | Degree Obtained | Amount Expended For Training |
|---|---|---|---|---|
| 121 | 678 | SS | MS | $36,000 |
| 122 | 679 | SS | PhD | $53,878 |
| 123 | 680 | SS | PhD | $69,419 |
| 124 | 681 | SS | PhD | $41,400 |
| 125 | 682 | SS | PhD | $63,720 |
| 126 | 683 | SS | PhD | $89,219 |
| 127 | 684 | SS | PhD | $57,478 |
| 128 | 686 | SS | PhD | $51,600 |
| 129 | 687 | SS | MS | $44,600 |
| 130 | 688 | SS | MS | $38,000 |
| | | | | $5,466,454 |

1 Identification number assigned by MUST (University Mission of the GOT's Ministry of Education, located at the Tunisian Embassy in Washington, DC)

2 SS - Still studying in the United States; S3 - Still studying in a third country

3 Obtained from the amounts shown on the IAP-66A (INS Visa Application) form in the participants' dossiers at the MUST offices

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM
List of Non-Returnees Working/Living Outside Tunisia
As Of March 12, 1993

| Student Sequence Number | Student Control Number [1] | Participant Trainee Status [2] | Degree Obtained | Amount Expended For Training [3] |
|---|---|---|---|---|
| 1 | 369 | W3 | MS | $12,000 |
| 2 | 370 | W3 | PhD | $63,400 |
| 3 | 373 | UK | MS | $18,600 |
| 4 | 380 | UK | PhD | $25,200 |
| 5 | 383 | W3 | PhD | $37,200 |
| 6 | 385 | UK | MS | $50,400 |
| 7 | 393 | UK | PhD | $25,200 |
| 8 | 396 | UK | MS | $13,200 |
| 9 | 402 | US | MS | $49,200 |
| 10 | 403 | WS | MS | $30,600 |
| 11 | 410 | UK | MS | $37,200 |
| 12 | 413 | WS | PhD | $35,000 |
| 13 | 419 | UK | MS | $37,200 |
| 14 | 422 | UK | MS | $51,400 |
| 15 | 423 | W3 | PhD | $42,600 |
| 16 | 434 | W3 | MS | $13,200 |
| 17 | 450 | W3 | PhD | $50,400 |
| 18 | 453 | WS | PhD | $25,200 |
| 19 | 462 | W3 | MS | $24,000 |
| 20 | 469 | W3 | PhD | $37,200 |
| 21 | 471 | W3 | MS | $37,200 |
| 22 | 475 | W3 | MS | $24,000 |
| 23 | 485 | WS | PhD | $62,400 |
| 24 | 487 | WS | PhD | $51,600 |
| 25 | 497 | W3 | MS | $13,200 |
| 26 | 498 | W3 | MS | $37,200 |
| 27 | 501 | WS | MS | $50,400 |
| 28 | 502 | WS | PhD | $55,800 |
| 29 | 507 | WS | PhD | $62,400 |
| 30 | 508 | UK | PhD | $38,400 |

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM
List of Non-Returnees Working/Living Outside Tunisia
As Of March 12, 1993

| Student Sequence Number | Student Control Number | Participant Trainee Status | Degree Obtained | Amount Expended For Training |
|---|---|---|---|---|
| 31 | 514 | W3 | PhD | $43,800 |
| 32 | 515 | WS | PhD | $38,400 |
| 33 | 525 | W3 | MS | $26,200 |
| 34 | 530 | WS | PhD | $38,400 |
| 35 | 535 | W3 | PhD | $31,800 |
| 36 | 541 | W3 | MS | $38,400 |
| 37 | 542 | UK | MS | $50,400 |
| 38 | 552 | UK | MS | $50,400 |
| 39 | 553 | UK | MS | $50,400 |
| 40 | 554 | WS | BS | $64,800 |
| 41 | 557 | WS | MS | $53,800 |
| 42 | 563 | WS | PhD | $49,200 |
| 43 | 566 | WS | PhD | $51,729 |
| 44 | 610 | UK | BS | [4] |
| 45 | 629 | WS | PhD | $50,879 |
| | | | | **$1,749,608** |

[1] Identification number assigned by MUST (University Mission of athe GOT's Ministry of Education, located at the Tunisian Embassy in Washington, DC)

[2] **WS** - Working in the United States; **W3** - Working in a third country; **US** - Unemployed in the United States; **UK** - Status unknown

[3] Obtained from the amounts shown on the IAP-66A (INS Visa Application) form in the participants' dossiers at the MUST offices

[4] Amount not available from files examined by auditors

AUDIT OF USAID/TUNISIA'S PARTICIPANT TRAINING PROGRAM

## List of Fields of Study of Non-Returnees

| Field of Study | Non-Returnees |
|---|---|
| Nuclear Engineering | 1 |
| Naval Architectural Engineering | 1 |
| Architectural Engineering | 1 |
| Chemical/Petroleum Engineering | 1 |
| Metallurgy | 1 |
| Agribusiness | 1 |
| Agronomy | 1 |
| Horticulture | 1 |
| Marketing | 1 |
| Finance | 1 |
| Food Technology | 1 |
| Speech Pathology | 1 |
| Geophysics | 1 |
| Genetics | 1 |
| Mining Engineering | 1 |
| Plant Breeding | 1 |
| Plant Pathology | 1 |
| Rural Engineering | 1 |
| Aerospace Engineering | 2 |
| Petroleum Engineering | 2 |
| Physical Sciences | 2 |
| Ceramics | 2 |
| Mining/Petroleum Engineering | 3 |
| International Business | 3 |
| Management Information Systems | 3 |
| Agriculture | 3 |
| Management | 3 |
| Chemical Engineering | 6 |
| Mathematics | 6 |
| Economics | 8 |
| Industrial Engineering | 10 |
| Computer Engineering | 17 |
| Civil Engineering | 23 |
| Mechanical Engineering | 26 |
| Electrical Engineering | 38 |
| **TOTAL** | 175 |

**APPENDIX VI**

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