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July 2018

OFFICE OF AUDITS, Middle East Region Operations

Audit of Humanitarian Assistance to South Sudan

What OIG Found

PRM generally complied with Federal and Department requirements regarding the monitoring of cooperative agreements. Specifically, PRM assessed programmatic and organizational risks, reviewed quarterly performance and financial reports, conducted programmatic site visits, and maintained communications with award recipients. In addition, OIG found that expenses claimed by the award recipients were generally supported and allowable. However, OIG also found instances in which the award recipients deviated from the approved budget plan and misapplied expenses. This deficiency occurred, in part, because PRM did not implement procedures to verify that award recipients were complying with approved budget plans or obtaining permission to deviate from the approved budget plans. Until such procedures are implemented, PRM will not be able to ensure award recipients apply costs to authorized budget categories.

In addition, OIG found that although PRM assessed programmatic and organizational risks of the awards, it did not fully assess all relevant country risks regarding South Sudan, such as crime and corruption. This occurred because the risk assessment worksheet used by PRM in 2016 did not include questions specifically addressing how crime and corruption could affect the award's execution. However, beginning with FY 2018 awards, PRM will apply a new risk assessment worksheet that includes a section on identifying and assessing country-specific risks. Employing this checklist will assist PRM in completing more thorough risk assessments and preparing robust monitoring plans.

OIG also found that PRM's risk assessments and monitoring of its 2016 voluntary contributions to UNHCR and ICRC were consistent with Federal and Department requirements. For example, ICRC and UNHCR provided global and country-specific performance information that PRM reviews when developing annual plans and allocating assistance for South Sudanese refugees and IDPs.

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OIG HIGHLIGHTS

AUD-MERO-18-48

What OIG Audited

Since 2013, civil wars in South Sudan have resulted in millions of internally displaced persons (IDP) within its borders and refugees fleeing to neighboring countries. From FY 2014 to FY 2016, the Department of State (Department), Bureau of Population, Refugees, and Migration (PRM), provided \$578.8 million in humanitarian assistance for South Sudanese IDPs and refugees through cooperative agreements provided to non-governmental organizations and voluntary contributions to international organizations.

The Office of Inspector General (OIG) conducted this audit to determine whether PRM monitored humanitarian assistance provided to South Sudanese IDPs and refugees in accordance with Federal requirements, Department policies and guidance, and award terms and conditions. Specifically, OIG reviewed humanitarian assistance provided through cooperative agreements awarded to Save the Children and International Medical Corps and voluntary contributions awarded to the United Nations High Commissioner for Refugees (UNHCR) and the International Committee of the Red Cross (ICRC).

What OIG Recommends

OIG made one recommendation intended to improve PRM's monitoring of cooperative agreements awarded in support of South Sudanese IDPs and refugees. PRM concurred with the recommendation. A synopsis of management's comments follow the recommendation in the Audit Results section of this report. PRM's response to a draft of this report is reprinted in Appendix C.