



November 19, 2003

MEMORANDUM

FOR: USAID/Bulgaria, Mission Director, Debra McFarland

FROM: Regional Inspector General/Budapest, Nancy J. Lawton /s/

SUBJECT: Report on Audit of USAID/Bulgaria's Participant Training Activities
(Report No. B-183-04-001-P)

This is our final report on the subject audit. We reviewed your comments to our draft report and included them as Appendix II to this report.

In summary, the report recommends that USAID/Bulgaria (1) establish and follow procedures on individual application data, (2) conduct periodic management reviews of its participant training implementing contractor, and (3) develop and document mission-specific guidance for mission staff and contractors involved in participant training and visa applications.

Based on our evaluation of your comments to our draft report and all supporting documentation provided, we consider that final action has occurred on Recommendation Nos. 1, 2, and 3.

I want to express my sincere appreciation for the cooperation and courtesies extended to my staff during the audit.

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Summary of Results

As part of a worldwide audit, we sought to determine USAID/Bulgaria's effectiveness in complying with visa requirements. This was accomplished by verifying compliance with requirements for participant training conducted in the United States, ascertaining if there were difficulties with participants not returning from the United States after the completion of their training, and determining if there were additional actions that could be taken to facilitate meeting the new requirements for participant training in the United States. (See pages 7, 11, and 12.)

The Immigration and Naturalization Service (INS - now the Bureau of Citizenship and Immigration Services) recently issued regulations requiring that sponsors of foreign students to the United States use its newly implemented Student Exchange and Visitor Information System (SEVIS) database to apply for and obtain the required J-visas to attend training in the United States. This new federally mandated foreign student database is intended to account for the status of all foreign students in the United States. The new INS regulations will also require USAID/Bulgaria (and all USAID missions) to more actively manage its participant trainees selected for training in the United States. (See page 6.)

USAID/Bulgaria has implemented measures to comply with the new visa regulations and policies. However, USAID/Bulgaria can improve the effectiveness of its program in several areas. Such areas include strengthening procedures for participant trainee approval in the visa database, monitoring performance of its participant training contractor, and issuing new Mission guidance to address the new visa application process and responsibilities. (See pages 8, 9, and 12.)

This audit report includes three recommendations to help USAID/Bulgaria strengthen its participant training program. (See pages 9, 11, and 14.)

USAID/Bulgaria agreed with the three recommendations. Based on the Mission's comments to our draft report and the documentation provided, we determined that final action has been taken on Recommendation Nos. 1, 2, and 3. (See page 15.)

Background

Each year USAID's participant training programs send approximately 6,000 people to the United States.¹ According to USAID, "participants" may be host country residents or foreign nationals who take part in a structured learning activity. Participant training is defined as either short-term or long-term training (nine months or more) which may include a range of learning activities such as study tours, observational tours, conferences, or academic training. USAID's participant training program activities are designed to expose trainees to outside expertise and ideas that can be taken back to the home countries to advance development efforts. USAID/Bulgaria's participant training program in the United States has covered a wide range of subjects including rural and ecotourism development, judicial court administration, banking and finance regulation, and local and municipal governance.

As a result of homeland security concerns, U.S. Government agencies are giving increased attention to all visitors to the United States—including those attending USAID participant training activities. In addition, the INS and Department of State regulations have established more specific procedures for issuing J-visas,² monitoring exchange visitors, and recording various status changes such as new addresses and altered course loads. (Please see Appendix III for a flowchart of the new visa approval process to be used by USAID.)

The INS developed a database known as the Student and Exchange Visitor Information System (SEVIS), which was to be used by all J-visa sponsors by February 15, 2003. SEVIS is used, in part, to process requests for J-visa applications and electronically transmit approvals. With timely input of accurate data, SEVIS is designed to track the status and location of all foreign students participating in training in the United States who entered the country using the J-visa.

During the period FY 2000 through 2003, USAID/Bulgaria and its training contractor sent almost 600 participant trainees to attend training in the United States. According to data provided by USAID/Bulgaria, 157 and 190 trainees were sent to the U.S. for training in years 2000 and 2001, respectively. Current data shows that during fiscal year 2002 alone, the Mission expended approximately \$1.7 million for 546 participants on 70 sponsored training activities in the U.S., Bulgaria, and other countries. During this FY 2002 period, approximately 195 participant trainees attended training in the U.S. In addition, USAID/Bulgaria has processed 27 new participant trainee visa applications since the new visa application requirements became effective.

¹ Participant training can also be conducted in-country, or in a third country.

² J-visas are non-immigrant visas for foreign nationals who have been selected by a sponsor designated by the United States Department of State to participate in an exchange program in the United States.

Audit Objectives This audit was conducted at USAID/Bulgaria as a part of a worldwide audit of USAID’s participant training activities led by the Office of Inspector General’s Performance Audit Division. It is one of six audits that were planned to be conducted this fiscal year by each of USAID’s Regional Inspectors General.

This audit was designed to answer the following objectives:

- Has USAID/Bulgaria complied with selected requirements for administering participant training conducted in the United States?
- What have been the non-returnee rates from USAID/Bulgaria participants who were trained in the United States and did USAID/Bulgaria take appropriate actions when participants failed to return to their home countries?
- What additional actions should USAID/Bulgaria take to meet new requirements for selecting, monitoring, and reporting on participants training in the United States?

Appendix I contains a discussion of the scope and methodology for this audit.

Audit Findings **Has USAID/Bulgaria complied with selected requirements for administering participant training conducted in the United States?**

USAID/Bulgaria generally complied with selected USAID requirements for participant training activities in the United States. However, the Mission needs to strengthen two areas of its participant training program for a fully compliant and effective program.

The Mission generally followed selected USAID requirements such as the use of USAID’s Training Results and Information Network (TraiNet) database system to collect participant trainee information, medical certification of long-term participants, attainment of required health and accident insurance and the use of J-visas. In addition, the Mission’s training program implementing contractor developed procedures to ensure that required participant trainee documentation for visa applications are obtained to permit travel to and training in the United States.

However, there were two areas where the Mission did not always follow selected USAID requirements. The two major areas of non-compliance were: (1) independent review and verification of participant trainee information in the database system were not being conducted in compliance with the new 2003 guidance, and (2) the Mission was not periodically conducting and documenting management reviews of its training program implementing contractor.

Approval Process for Participant Trainees Should Be Strengthened to Meet the New 2003 Guidance

Although USAID's new visa guidance requires an independent review and verification of each training participant's information in the Visa Compliance System (VCS), USAID/Bulgaria's process did not comply with Agency guidance.³ As a sponsoring unit, the Mission did not follow proper procedures to approve participant trainee visa applications in the Agency's electronic database. Instead, the Mission relied on informal data provided by its implementing contractor, World Learning Bulgaria, and did not verify the legitimacy of each participant independently using acceptable documentation.

USAID's Complete Guide to Visa Compliance ("Guide"), published in April 2003, requires that a USAID Mission Approver⁴ confirm the legitimacy of each training participant and approve each training course. Furthermore, the "Guide" requires that this be done using the original, scanned, or faxed copy of a passport face page, a training request, and a participant selection document. A USAID/Bulgaria staff member is required to review and verify this information before the information is transmitted to USAID/Washington via USAID's Visa Compliance System (VCS). Once USAID/Bulgaria forwards the visa application data through the VCS, USAID/Washington staff submits the application to SEVIS for the INS review and approval. If approved, the visa application is then returned to USAID/Bulgaria for final processing through the U.S. Embassy. By using the SEVIS database, USAID can, among other things, allow the U. S. Government to track the status and location of its foreign students and trainees who have entered the United States on a J-visa.

USAID/Bulgaria did not independently verify the legitimacy of its participant trainees or review or compare the source documentation against information in its training database. Instead, the Mission relied on data that World Learning Bulgaria emailed to the Mission. As a result, the Mission did not perform an independent verification of the data that the contractor entered into the Mission's electronic database system before the information was forwarded to USAID/Washington and ultimately to the INS. This lack of independent verification diminished the effectiveness of the Mission's internal controls designed to ensure the integrity of the data that USAID and other U. S. Government agencies would monitor.

The USAID/Bulgaria Approver was generally aware of the requirements to

³ The VCS is a secure, web-based system, developed to take data from USAID's TraiNet system, and through a series of verifications and approvals, ensure that it is accurate and valid. This secure system then interfaces directly with SEVIS to submit data as required.

⁴ The USAID Mission Director appoints a USAID employee who is a U.S. citizen as an R3-Approver (Mission Approver) to help ensure the integrity of the system.

confirm each participant trainee and all proposed training in the VCS before the visa application was transmitted to USAID/Washington for submission to SEVIS. However, USAID/Bulgaria had not fully implemented these requirements because officials were unaware of the specific requirements and approval process to be used to verify and approve each participant trainee in the VCS.

The lack of an independent review and approval of participant data increases USAID's vulnerability that a training participant who is unknown to USAID/Bulgaria officials could receive the Mission's approval of a J-visa and travel to and enter the U.S. for training. Without valid verification and review of source documentation before a participant is approved for training and included in the Agency's information database, the Mission cannot be assured of the legitimacy of each participant trainee for whom it submits an electronic J-Visa application.

During the audit, the Mission modified their approval procedures to meet the requirements of the guidance. This modified procedure included verifying the legitimacy of each participant in the VCS using the required documentation for reference and support for approval. However, the staff member who verified and approved participant trainees has since departed for another assignment. In addition, the normal cycle of personnel departures, rotations, and leave add to the difficulty of consistently employing new procedures in a mission. Therefore, to ensure continued management attention and consistent application of Agency policy, we are making the following recommendation:

Recommendation No. 1: We recommend that USAID/Bulgaria establish and follow procedures to ensure that individual application data is independently reviewed, approved and confirmed in accordance with USAID/Washington guidance.

Management Oversight of the Participant Training Program Should Be Improved

USAID's Automated Directives System (ADS) provides guidelines on managing, tracking, and reporting on program effectiveness and results. However, the Mission had not conducted sufficient periodic reviews or retained its documentation of performance reports or evaluations of its implementing contractor to ensure that the contractor was in compliance with participant training visa application requirements.

USAID has published two directives in its Automated Directives System—ADS 253 and 596—that provide guidance and required procedures regarding the implementation of training programs and policy directives to improve the management accountability and effectiveness of the Agency's programs. ADS

253.5.2b requires sponsoring units to plan, track, and manage for results, as well as report on training activities as a part of a broader performance measurement, evaluation, and reporting requirement. ADS 596.3.1c stresses that managers should employ control activities that, among other functions, ensure that activities are effective and efficient at the functional and activity levels and that control exist over information processing.

Furthermore, USAID published ADS 502 that provides Agency officials with guidance regarding the management of records. Specifically, ADS 502 includes a schedule that provides disposal and retention guidance for specific types of records in USAID at all organizational levels. As indicated by this schedule, report files keep a record and explanation of the progress of a specific activity. These reports are usually completed at regular intervals during the life of the activity and include evaluations and performance reports, annual progress reports, and trip reports. In accordance with the Agency's document disposal guidance, USAID officials are required to retain these types of records for at least three years after the close of the activity before they transfer them to offsite storage for an additional six years. Unless such reviews are documented and retained in accordance with ADS policy, adequate long-term oversight and management of programs can be adversely affected.

USAID/Bulgaria contracts with only one firm, World Learning, to assist in implementing its training program. Staff of the World Learning office in Bulgaria work closely with Mission personnel on ongoing projects and they collaboratively plan training to support the Mission's programs. World Learning provides a number of services to USAID/Bulgaria including developing training programs, securing bids from training providers, reviewing proposals, screening participant candidates, assisting selected trainees through the process of obtaining J-1 visas and travel documents, and entering participant trainee data into the TraiNet system.

Although the participant training program contractor's files contained the required participant documentation,⁵ USAID/Bulgaria had not periodically monitored and documented performance and compliance reviews of the contractor and its work. Even though USAID/Bulgaria relied on World Learning and its local Bulgaria office to implement its training program, the Mission could provide documentation of the contractor's participant training program activities for only one review (in March 2003). Mission officials stated that they had performed such reviews periodically and provided one documented performance review report. However, because a request came out calling for the deletion of older files, they had deleted documentation of other performance reviews and could not provide any additional reports.

⁵ Participant documentation included medical certifications, English language proficiency reports, health coverage policies, and tax identification numbers.

Without conducting periodic management reviews to verify the accuracy of contractor's performance, USAID/Bulgaria cannot be assured that the contractor was in compliance with all participant training program requirements. Moreover, USAID/Bulgaria cannot be assured that data the contractor provided—that the Mission used to plan, manage, and report on its participant training program activities—was either accurate or in compliance with requirements. Without this assurance, USAID/Bulgaria exposed its programs to the possibilities of increased program costs that would be incurred by the Mission should a management oversight occur as a result of improprieties regarding items such as medical coverage and tax identification. Furthermore, such reviews should be documented and retained to allow consistent and ongoing management of contractor performance and program activity progress.

Recommendation No. 2: We recommend that USAID/Bulgaria conduct periodic management reviews of its participant training implementing contractor and maintain written documentation of these reviews in accordance with Agency guidance.

What have been the non-returnee rates from USAID/Bulgaria participants who were trained in the United States and did USAID/Bulgaria take appropriate actions when participants failed to return to their home countries?

According to data records provided by USAID's Bureau for Economic Growth, Agriculture and Trade (EGAT), USAID/Bulgaria had only one participant trainee who did not return to Bulgaria following training held in the U.S ("non-returnee") in 1995. USAID/Bulgaria officials and their contractor concurred with this figure and that the Mission was not having problems with participant trainees returning to their home country, as required, immediately following the conclusion of U.S. based training. The Mission's training contractor monitors participants when they start training, when they arrive in the U.S., and follows up on participants by contacting them after their return. They also contact the trainees several weeks after the training program has been completed to see how the training has impacted the way they do their jobs and for any successes related to how the training has benefited them.

Both USAID/Bulgaria and World Learning Bulgaria officials believe that the strong return rate for Bulgarian participant trainees is correlated to the participant trainee selection process and caliber of selected trainees. USAID/Bulgaria, in collaboration with World Learning Bulgaria, historically has selected participants who have demonstrated a commitment to the area of training to be received. Mission officials stated that the people selected by USAID/Bulgaria and their contractor are not chosen in a haphazard manner; they are chosen because they are integral to the success of the activity and are qualified in their own specialties. When combined together, each one of these individuals adds their particular

knowledge and viewpoint to the mix, creating a more effective team to address the particular objective.

USAID/Bulgaria's Mission Order No. 504, entitled *Program Funded Training*, requires that all returning participants must be assured of a job. Furthermore, the guidance states USAID/Bulgaria officials should not request training unless the Mission has assurance that the prospective trainee will have post-program employment.

USAID/Bulgaria's participant training program is an important approach by which the Mission addresses its strategic objectives. To achieve success, the Mission selects trainees whose specific skills and knowledge, when combined with additional Mission sponsored training, will further the attainment of a specific strategic objective. As a positive consequence, USAID/Bulgaria's selection of participant trainees resulted in a low level of risk that a participant would not return to Bulgaria after attending training in the United States.

Local national Bulgarian participant trainees, as professionals within the local Bulgarian community, have traditionally held high-level positions in such areas as government, law, and higher education. Both USAID/Bulgaria and World Learning Bulgaria officials have attributed part of their success with non-returnees to the selection of participant trainees who recognize and accept the importance of their roles in the reform, technical assistance, and development of Bulgaria.

Because there were no problems found regarding non-returnees from USAID/Bulgaria participant training activities, we are making no recommendations.

What additional actions should USAID/Bulgaria take to meet new requirements for selecting, monitoring, and reporting on participants training in the United States?

USAID/Bulgaria has not revised the Mission's participant training guidance to reflect new USAID instructions for obtaining J-1 visas and monitoring various aspects of the program. Although the Mission has begun to draft an update of its Mission order to address the administration of its participant trainee program, USAID/Bulgaria officials have not developed interim guidance that addresses the new regulations and requirements to ensure that its staff is using the most current guidance and is complying with Agency requirements.

**Mission Participant Training Guidance
Should Be Revised to Reflect Current Requirements**

Although USAID/Bulgaria officials had begun to draft a Mission Order to address the new participant training and visa requirements, the officials had not issued any interim directives to ensure that all USAID/Bulgaria staff are aware of and

comply with the new requirements. The Mission's current guidance does not include all of the necessary Mission-specific guidance that the staff and contractor need to become fully compliant with USAID requirements.

On January 10, 1997, USAID/Bulgaria issued Mission Order 504 as guidance for its program funded training that contained instructions on the participant training process, procedures, and staff responsibilities to conduct participant training. However, new policies and regulations have changed participant training management workflow and requirements, which are not addressed under the Mission's existing 1997 guidance. For example, USAID/Bulgaria's existing Mission Order makes no mention of the new procedures to be used by the Mission Approver when verifying participant trainees for approval of visa applications (see page 8).

The new visa regulations and requirements took effect in February 2003, and USAID is revising ADS 253, *Training for Development*, to provide updated policies governing the implementation of training programs. However, during this interim period prior to approval of a revised ADS, the Mission has issued neither an interim Mission Notice nor a Mission Directive providing guidance to staff on current Mission policies and procedures that would ensure compliance with the new visa requirements until the new ADS policy is completed. Mission officials stated that since visa requirements had been constantly changing, the management had preferred to wait in finalizing an updated Mission Order until the completion of the Agency's revised and approved ADS guidance.⁶

A well-defined Mission Order or Directive regarding the Mission's participant training program helps to ensure consistency in the application of mission policy and regulations. The lack of an updated Mission Order or Mission Directive addressing the new visa regulations and requirements could result in practices and procedures that do not comply with USAID's new participant training regulations. This becomes especially important when considering the staffing changes that result from personnel rotations and reassignments. Mission-specific guidance on participant training should be documented to ensure that staff and contractor roles, responsibilities, and expectations are made known to all participant training team members.

We understand that the Mission wants to wait until the Agency's policies are formalized in a revised and approved ADS before completing their own updated Mission Order. However, due to the current atmosphere surrounding national security in the United States and USAID's responsibilities as sponsors of foreign nationals in the United States, it is important to keep personnel abreast of all current requirements and policies regarding participant training and visa regulations. Accordingly, we are making the following recommendation:

⁶ USAID/EGAT continues to develop a revised version of ADS 253, *Training for Development*, that will provide policies governing the implementation of training programs.

Recommendation No. 3: We recommend that USAID/Bulgaria develop and document Mission-specific guidance that clearly defines the roles, responsibilities, and procedures for Mission staff and contractors involved in participant training and visa applications.

**Management
Comments and
Our Evaluation**

In response to our draft audit report, USAID/Bulgaria provided written comments that are included in their entirety as Appendix II. The Mission stated that it agreed with all three recommendations and provided additional documents establishing the actions they have taken to address the findings and subsequent recommendations.

In addressing Recommendation No. 1, the Mission modified its approval and confirmation procedures for trainee data in USAID's electronic database during the audit to meet the new requirements as soon as possible. Following the audit, the Mission documented these new procedures and assigned appropriate responsibilities. The new procedures include an independent review, approval and confirmation of participants' data by Mission Approvers that is based on hardcopies of relevant documents. In addition, it states that the Mission's Training Officer is now responsible for filing these participant documentation packages and for maintaining a new spreadsheet tool that is to be used in tracking the status of USAID/Bulgaria trainees.

To address Recommendation No. 2, the Mission provided a revised Mission Order that specifies the process and responsibilities for conducting periodic management reviews of training contractors and properly documenting such reviews. The new Mission Order states that the Mission Training Officer is responsible for training activities and its oversight. The Mission Order further states that at least quarterly site visits and management reviews will take place to ensure program implementation and compliance with guidance. Spot checks of randomly selected participant files will be conducted to ensure compliance with regulations and visa requirements. Furthermore, all such visits will be documented in writing and filed. The Mission's response also included a copy of the latest training contractor site visit report to demonstrate the level of management review now conducted.

Regarding Recommendation No. 3, the Mission revised its existing Mission Order to reflect the current participant training and visa guidance. This new Mission Order provides guidance as to the roles, responsibilities, and procedures for Mission staff and participant training implementers that are involved in the Mission's participant training program and the visa application process.

We reviewed and assessed the comments, actions, and documents provided by USAID/Bulgaria and consider that final action has been taken on all three recommendations.

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**Scope and
Methodology****Scope**

The Regional Inspector General/Budapest conducted this audit in accordance with generally accepted government auditing standards. This audit was designed to answer the following three audit objectives: (1) Has USAID/Bulgaria complied with selected requirements for administering participant training conducted in the United States? (2) What have been the non-returnee rates from USAID/Bulgaria participants who were trained in the United States and did USAID/Bulgaria take appropriate actions when participants failed to return to their home countries? (3) What additional actions should USAID/Bulgaria take to meet new requirements for selecting, monitoring, and reporting on participants training in the United States?

The audit fieldwork was conducted between May 19 and July 3, 2003, in Sofia, Bulgaria. The audit covered the period from fiscal year 2000 through 2003 during which USAID/Bulgaria and its training contractor processed 592 participant trainees. The span of the audit also included assessments of management controls employed by the Mission and the contractor to administer the participant training program. The management controls reviewed during the course of the audit included an assessment of supervision of both Mission and contractor personnel, the separation of key duties and responsibilities among Mission and contractor staff, availability of clearly documented reports of all significant events, and the Mission's fiscal years 2000- 2003 self-assessments of its management controls.

Methodology

Overall, in planning and performing the audit, we obtained an understanding of USAID policies and directives, applicable visa regulations, reviewed participant training files and data, and interviewed key Mission and contractor personnel. To understand TraiNet and the Visa Compliance System we talked with systems operators and administrators in both Bulgaria and Washington. We did not develop materiality thresholds for the audit objectives.

In addition, to answer the first audit objective we reviewed 98 of USAID/Bulgaria's participant training files for fiscal year 2002. This testing provided a 95 percent confidence level to determine if all required information and documents had been obtained and documented as required. We held discussions with pertinent Mission and contractor staff to determine, among other things, participant training and visa application procedures, policies, and responsibilities as well as management controls. We also reviewed USAID/Bulgaria's guidance for participant training activities.

To answer the second audit objective we examined non-returnee data provided by USAID/Washington for the period 1998 through 2003. We met with consular and security officials from the United States Embassy in Sofia, Bulgaria to discuss visa abuse issues by Bulgarian nationals in general. We also inquired if they had specific information regarding USAID-sponsored participant trainees not returning to their home country following training in the U.S. and, if there had been instances, had appropriate action been taken.

To answer the third objective we met with officials responsible USAID/Bulgaria's participant training program, reviewed Mission guidance, and appraised the Mission's and their participant training contractor's management and internal controls.

**Management
Comments**

November 5, 2003

ACTION MEMORANDUM

To: Regional Inspector General/Budapest, Nancy J. Lawton

From: USAID/Bulgaria Mission Director, Debra D. McFarland /s/

CC: USAID/Bulgaria MCRC Committee
Official Files

Subject: USAID/Bulgaria Written Comments on Draft Audit Report No B-183-03-00X-P
(Audit of USAID/Bulgaria's Participant Training Program (PTP) Activities)

The Mission's Management Control Review Committee (MCRC) reviewed the subject report in detail and agree with the findings and recommendations of the audit report. The Regional Inspector General (RIG) audit team, comprised of Jacqueline Bell, Geraldine Hopkins and Brad Moore, presented their findings and recommendations at an exit briefing for the USAID/Bulgaria senior management. USAID/Bulgaria also identified similar weaknesses during the FY 2003 Participant Training Program implementation and developed plans for improvements. Several corrective actions were implemented in late summer to respond to the Audit report recommendations and improve our compliance with the new requirements for participant training conducted in the United States.

Recommendation No 1: We recommend that USAID/Bulgaria establish and follow procedures to ensure that individual application data is independently reviewed, approved and confirmed in accordance with USAID/Washington guidance.

Action taken: As stated in the Audit report, even during the course of the Audit, USAID/Bulgaria modified their approval procedures to become compliant with Agency guidance. The Mission has now institutionalized the system for independent review, approval and confirmation of participants data by the nominated Mission Approvers on the basis of hardcopies of the relevant documents received from the local office of the Participant Training Contractor (PTPC) World Learning (WL). The Mission Training Officer is further responsible for filing of the document packages and for maintaining a spreadsheet to track status of USAID/Bulgaria trainees. This new procedure is described in detail in the new Mission Order. (See attachments 1 and 2).

Recommendation No 2: We recommend that USAID/Bulgaria conduct periodic management reviews of its participant training implementing contractor and maintain written documentation of these reviews in accordance with Agency Guidance.

Action taken: The CTO for the PTP Contract is located in Washington and the USAID/Bulgaria Training Coordinator is the local Activity Manager. The official responsibility for maintaining the official files and reports reside with the Washington-based CTO, so the local activity manager maintains working files related to the daily Activity management. The new Mission Order, Section Q formalizes the process of conducting periodic management reviews and their proper documentation. Site visits and management reviews of PTPC documentation shall be done at least quarterly by the Training Coordinator and/or other Program staff, and shall be properly documented through reports. (See attachments 1 and 3)

Recommendation No 3: We recommend that USAID/Bulgaria develop and document Mission-specific guidance that clearly defines the roles, responsibilities and procedures for Mission Staff and Contractors involved in participant Training and Visa Applications.

Action taken: USAID/Bulgaria has updated the existing Mission Order (MO) to reflect the current training guidance as per USAID ADS 253 and the USAID Complete Guide to Visa Compliance. The Mission Order provides clear and detailed definitions and descriptions of the roles, responsibilities and procedures for Mission staff and USAID implementers involved in the PTP and the Visa application process. The draft MO was shared with WL/Bulgaria for comments, discussed at a Mission-wide review on November 3, 2003 and subsequently shared with the USAID Washington Training officer James Nindel, CTO for PTP and the PTP Advisor, Jeffrey Shahan. All relevant comments were incorporated into the final draft, which was signed by the Mission MCRC and the Mission Director on November 5, 2003. The procedures outlined in the Mission order were immediately effective upon signature. (Note: The Program Officer cleared the final version, and will sign the final version upon her return from Annual Leave.) (See attachment 1)

Based on the above described actions, USAID/Bulgaria believes that we have introduced and enacted all necessary corrective actions and have taken all necessary steps to implement the management decisions taken in response to the Audit. Therefore, we request closure of the Audit report recommendations.

Attachments:

1. A copy of the new USAID/Bulgaria Mission Order and its Appendices on: Appendix 1) Summary of Roles, Responsibilities and Procedures of USAID and Contractor staff involved in PTP, and Appendix 2) The New Visa Application and Issuance process.
2. A copy of the spreadsheet for tracking status of USAID/Bulgaria participant trainees, as developed and maintained by the Mission Training Officer.
3. A Site Visit management review report dated October 7, 2003.

