

Appendix N - Memorandum of Agreement

The following Memorandum of Agreement (MOA) was signed by the Department of State, the Office of Inspector General of the Department of State and the Special Inspector General for Iraq Reconstruction.

**MEMORANDUM OF AGREEMENT BETWEEN
THE DEPARTMENT OF STATE, THE OFFICE OF INSPECTOR GENERAL
OF THE DEPARTMENT OF STATE AND
THE SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION**

i. Purpose

The purpose of this Memorandum of Agreement (MOA) is to facilitate the implementation of section 3001 of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (P.L. 108-106) (Emergency Supplemental), as amended by section 1203 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (P.L. 108-375), and 5 U.S.C. App. 2. Recognizing that the respective jurisdictional authorities of the Special Inspector General for Iraq Reconstruction (SIGIR) under section 3001 of the Emergency Supplemental and of the Inspector General of the Department of State (OIG) under the Inspector General Act of 1978 and the Foreign Service Act of 1980 overlap in part and recognizing that SIGIR and OIG have a duty to coordinate with each other pursuant to section 3001(f)(4) of the Emergency Supplemental, the MOA is intended to ensure the effective conduct and supervision of audits and investigations relating to Department of State (Department) programs and projects that are funded through amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund (IRRF). The MOA is also intended to facilitate interaction between the SIGIR and the Department. With these purposes in mind, the Parties to this MOA agree as follows:

2. Coordination between SIGIR and OIG

A. To ensure effective, efficient oversight of Department programs and projects that are funded through amounts appropriated or otherwise made available to the IRRF, to avoid duplication of effort, and to minimize disruptions to U.S. Mission and Department programs, operations, and activities, SIGIR and OIG will:

- i. meet regularly (at least once per month) to review issues of mutual interest and exchange information;
- ii. inform each other of pending or planned audits and investigations;
- iii. coordinate audit and investigation planning, including consulting on which entity is best suited to undertake particular audits or investigations;
- iv. collaborate on audits and other activities when mutually agreed;
- v. inform each other as to any deficiencies identified related to IRRF-funded programs or projects carried out under the auspices of the Department;

- vi. coordinate, as appropriate, in preparing reports;
- vii. coordinate, as appropriate, in keeping the Secretary of State, the U.S. Chief of Mission in Iraq, and Department officials fully informed with respect to deficiencies, findings, conclusions, and recommendations related to programs or projects carried out under the auspices of the Department; and
- viii. designate points of contact within their respective entities to facilitate coordination and communications between them.

B. In areas of overlapping jurisdiction, SIGIR will generally focus on programs managed by the Project and Contracting Office (PCO) and former programs of the CPA, including the Development Fund for Iraq, and IRRF activities managed by the Iraq Reconstruction Management Office (IRMO). OIG will generally focus on programs overseen by the Department.

C. As requested by SIGIR, OIG will seek to facilitate communications and meetings between Department officials and SIGIR.

D. As requested by SIGIR and as appropriate, OIG will assist SIGIR in preparing reports by soliciting and obtaining Department views and reactions to proposed findings, conclusions and recommendations.

E. If SIGIR receives initial allegations against a Department employee or Department funds are involved in such cases, OIG will be notified and may participate in any investigation undertaken by SIGIR that is within the jurisdiction of both Inspectors General.

3. Information Sharing

A. SIGIR will keep the Secretary of State, the Chief of Mission in Iraq, OIG, USAID and other Department officials fully informed with respect to any deficiencies, findings, conclusions, and recommendations related to IRRF-funded projects or programs carried out under the auspices of the Department or USAID.

B. SIGIR draft reports related to projects, programs or operations under the Department's auspices will be provided to the Department, through the OIG, for comment and appropriate review prior to release or publication.

C. The SIGIR will consult with the Secretary of State, the U.S. Chief of Mission and other Department officials, as necessary and appropriate, in order to carry out the instruction set forth in the President's October 28, 2005 signing statement on the Ronald Reagan National Defense Authorization Act, 2005.

D. OIG will provide SIGIR with final audit and inspection reports relating to Iraq relief and reconstruction, and summaries of relevant investigation reports as appropriate.

4. Personnel

A. Upon request by SIGIR and as appropriate, the Department will post SIGIR personnel vacancy announcements within the Department.

B. OIG will request the Department to provide reemployment rights to employees who seek temporary appointments with SIGIR.

5. Resources and Logistics

A. The details for the provision of appropriate and adequate office space and other support in Iraq pursuant to section 3001(h)(5) of the Emergency Supplemental will be worked out among the Department, Embassy Baghdad, and SIGIR.

B. The Department will designate one or more points of contact to coordinate with the SIGIR regarding such matters as country clearance cables and the publishing of reports on the Department's website.

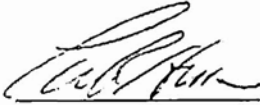
C. SIGIR will provide such supporting information as the Department may request to facilitate implementation of this section.

6. Chief of Mission Authority

In Iraq, the activities and employees of the SIGIR will be under the direction, coordination and supervision of the U.S. Chief of Mission in Iraq.

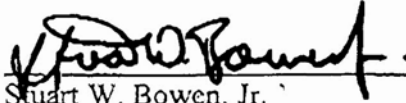
7. Effective Date, Amendment and Termination

This MOA will be effective upon signature of all the parties and may be executed in counterparts. The MOA may be amended in writing as mutually agreed by the Parties. The MOA will remain in effect during the existence of SIGIR unless terminated by any Party upon notification in writing.



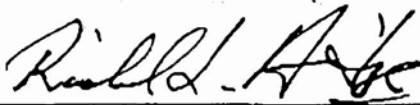
Cameron Hume, Acting Inspector General
Office of Inspector General
Department of State

Date: JAN - 7 2005



Stuart W. Bowen, Jr.
Special Inspector General
for Iraq Reconstruction

Date: JAN 0 4 2005 -



Richard Armitage
Deputy Secretary of State

Date: JAN 10 2005