

**U.S. Department of State and
Broadcasting Board of Governors**

**Office of
Inspector General**



**Revised Final
FY 2003 Performance Plan**

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Table of Contents

Vision 1

Mission..... 1

Responsibilities and Authorities 1

Organization and Functions 2

Strategic and Performance Planning, Implementation, and Reporting Responsibilities..... 2

Goal Alignment and Allocation of Resources 2

Ensuring Operational Integrity and Effectiveness 4

Coordination of Crosscutting Issues 6

Management Challenges and External Factors Affecting Goal Achievement 6

Measuring Our Success 7

Verification and Validation of Performance Data 8

FY 2003 Performance Goals, Measures and Targets Revised from those of Prior Years 9

Broadcasting Board of Governors 9

Supporting the President’s Management Agenda 9

Strategic Goals

The Department and the BBG effectively, efficiently, and economically advance the foreign policy interests of the United States 10

The Department and the BBG adequately protect the people, information, and facilities under their control in the United States and abroad 12

The Department and the BBG have the necessary financial and support systems and controls to meet legal and operational requirements 14

The Department and the BBG ensure accountability and prevent or eliminate fraud, waste, abuse, and mismanagement in programs and operations 16

Projects Planned for FY 2003

Projects Supporting OIG Strategic and Performance Goals 18

Projects Supporting President’s Management Agenda Initiatives 20

Vision

To support the Department of State (the Department) and the Broadcasting Board of Governors (BBG) in achieving their missions as effectively, efficiently, and economically as possible.

Mission

The mission of the Office of Inspector General is to serve as an independent, objective reviewer and evaluator of the operations and activities of the Department and the BBG. We analyze those operations and activities with a view toward promoting effectiveness, efficiency, and economy. We seek out instances of fraud, waste, abuse, and mismanagement, and we work to prevent them. We report to the Secretary of State, the BBG, and the Congress, keeping them fully and currently informed of significant developments and serious concerns.

Responsibilities and Authorities

The table below lists the primary legislation and authorities governing the OIG's mission.

Mission Elements	Statutory or other Authorities
<ul style="list-style-type: none">➤ Serve as Inspector General of the Department of State➤ Conduct audits and inspections of each overseas post and domestic bureau or office of the Department of State➤ Assess implementation of U.S. foreign policy	Foreign Service Act of 1980 Foreign Relations Authorization Act of 1986-87 Omnibus Diplomatic Security and Antiterrorism Act of 1986
<ul style="list-style-type: none">➤ Conduct audits and investigations of agency programs and operations➤ Promote economy, efficiency, and effectiveness of, and prevent and detect fraud and abuse in, agency programs and operations➤ Keep Congress and the head of agency fully and currently informed of problems and deficiencies in agency programs and operations	Inspector General Act of 1978, as amended
<ul style="list-style-type: none">➤ Audit the financial statements of the Department of State	Chief Financial Officers Act of 1990 Government Management and Reform Act of 1994
<ul style="list-style-type: none">➤ Conduct intelligence oversight reviews of overseas missions	Executive Orders 12333 and 12863
<ul style="list-style-type: none">➤ Serve as Inspector General of the Department of State and Foreign Service and the Broadcasting Board of Governors	Omnibus Appropriations Act of 1999

Organization and Functions

OIG is organized around its core functions, as set forth in the Inspector General Act, namely, audits, inspections (including those related to security and intelligence matters), and investigations, each headed by an Assistant Inspector General (AIG). It includes an office and AIG for Information Technology, with responsibility for both internal OIG information technology functions and for external reviews of Department and BBG information technology operations and issues. Support operations also headed by individual AIGs are the Offices of Congressional, Public Affairs, and Outreach; Planning, Analysis, and Results; Administration; and Counsel.

The Inspector General for the State Department also serves as the Inspector General for the Broadcasting Board of Governors. To emphasize this dual responsibility, OIG also now has an AIG for International Broadcasting Oversight and has expanded its interaction with the BBG. The AIG oversees and coordinates all audit, inspection, and other activities related to the BBG and international broadcasting issues. The results of these activities and related products will be reported as part of OIG's performance results in support of its four strategic goals.

Strategic and Performance Planning, Implementation, and Reporting Responsibilities

OIG strategic and performance goals and strategies have been developed in consultation with OIG's primary constituents, including the Department, the BBG, the Office of Management and Budget (OMB), and the Congress. These goals focus on the key strategic issues and supporting activities that comprise OIG's mission to promote economy, efficiency, and effectiveness and to detect and prevent, to the extent possible, waste, fraud, and abuse. OIG's strategic goals are expressed in terms of the impact of its work on the programs and operations of the Department and the BBG. Annual performance goals focusing on the primary elements of OIG operations, including audits, inspections, investigations, and security and intelligence oversight reviews, are organized around and in support of these strategic issues.

Goal Alignment and Allocation of Resources

The table that follows shows the alignment of OIG strategic and performance goals and the estimated proportion of the FY 2003 budget of \$29 million (as of Dec.31, 2002, OIG is operating under a continuing resolution without a final FY 2003 appropriation) that is expected to be allocated in support of each goal. Included in these totals is approximately 7% of resources, or \$2 million, for executive direction that has been allocated, along with all other indirect and support resources, to the individual strategic and performance goals.

Strategic and FY 2003 Performance Goals and Estimated Resources

<i>The Department and the BBG effectively, efficiently, and economically advance the foreign policy interests of the United States (\$9.53 million or 33% of OIG resources)</i>		
Performance Goals	➤ Identify opportunities for improving the management and operations of overseas missions, domestic bureaus, and international broadcasting activities through post management and thematic inspections, audits, and program evaluations.	\$8.01 million (28%)
	➤ Evaluate at least 9 U.S. Government operations and programs with foreign policy implications, especially those under Chief of Mission authority or related to international broadcasting and the free flow of information around the world; identify obstacles to Chief of Mission, Department, or BBG oversight and coordination of the operations and programs; and recommend actions necessary to remove or overcome them.	\$1.52 million (5%)
<i>The Department and the BBG adequately protect the people, information, and facilities under their control in the United States and abroad (\$7.36 million or 25% of OIG resources)</i>		
Performance Goals	➤ Assess the adequacy of Department and BBG security for their personnel, property and information at overseas missions and domestic locations and ensure that, as appropriate, necessary corrective actions are implemented.	\$6.32 million (22%)
	➤ Identify vulnerabilities and recommend corrective action with respect to information systems and security at no fewer than 15 overseas missions.	\$1.04 million (4%)
<i>The Department and the BBG have the necessary financial and support systems and controls to meet legal and operational requirements (\$6.7 million or 23% of OIG resources)</i>		
Performance Goals	➤ Identify challenges and vulnerabilities, with recommendations to address them, for at least 21 Department financial and administrative support programs and activities.	\$4.0 million (14%)
	➤ Evaluate Department and BBG progress in measuring performance and implementing the President's Management Agenda, and recommend improvements, as appropriate.	\$2.7 million (9%)
<i>The Department and BBG ensure accountability and prevent or eliminate fraud, waste, abuse, and mismanagement in programs and operations (\$5.41 million or 19% of OIG resources)</i>		
Performance Goals	➤ Identify a minimum of \$7.8 million in potential monetary benefits as a result of audit and investigative recommendations to identify waste, fraud, abuse, and mismanagement and to improve the efficiency of Department operations and compliance with applicable contracts and grant agreements.	\$1.1 million (4%)
	➤ Promote awareness and adherence to standards of professional and ethical conduct and accountability; where necessary, conduct thorough and expeditious investigations of fraud, waste, abuse, and mismanagement.	\$4.31 million (15%)
OIG Internal Management Goals		
Performance Goals	<ul style="list-style-type: none"> ➤ Attract and retain employees with the requisite professional skills and experience in the areas of foreign policy, financial auditing, information technology, security, program evaluation, investigations, and other areas of need. ➤ Complete and issue a final report or other product, as appropriate, within six months of starting a project. 	Allocated among OIG program goals (above)

OIG has two systems for tracking the allocation of resources, as well as the cost of specific projects, to its strategic and performance goals. The Project Tracking System (PTS), established in FY 2002, tracks personnel resources as well as travel, contractor, and other costs related to specific projects. The OIG Timesheet System (OTS), established in FY 2003, tracks employee time and attendance against specific projects and administrative and support operations. Time data from the OTS is linked to personnel resource data in the PTS, allowing hours and costs to be tracked by employee and by project. Indirect and other support function resources are allocated to specific performance goals based on the relative percentage of program office and direct costs identified as supporting each goal.

By aligning projects with specific performance goals, OIG can evaluate more accurately the expenditure of resources in support of individual goals. FY 2003 will be the first year that both the PTS and the OTS will be in place, and will serve as the baseline year for project costing data. This information will assist OIG in refining its resource estimates, better integrating its budget and performance information, and improving the quality of data available for decisionmaking.

Ensuring Operational Integrity and Effectiveness

In addition to performance goals supporting our four strategic goals, OIG also has established internal management goals on human resources and the time it takes to complete projects, along with several other initiatives related to internal management improvements.

OIG's performance goal on human resources addresses strategies planned and results measured to address its human resource needs, as required by OMB Circular A-11 and in support of the President's Management Agenda. This goal—*to attract and retain employees with the requisite professional skills and experience in the areas of foreign policy, financial auditing, information technology, security, program evaluation, investigations, and other areas of need*—focuses on strategies to improve OIG recruitment and retention of quality employees through a focused attrition reduction initiative. This goal will be achieved within existing resources, although several retention strategies requiring additional resources—including premium pay, recruitment and retention bonuses, and college tuition assistance—will be considered if the required resources become available.

Strategies to support this goal include:

- Examining the current knowledge, skills, and abilities of our workforce against those required in a comprehensive OIG long-term workforce plan.
- Identifying vacancies in skills and expertise, and developing a recruitment plan for entry and mid-level employees, to meet both short-term and long-term needs in accordance with our workforce plan.
- Targeting additional resources to fund new and previously unfunded positions in the areas of investigations and security and intelligence oversight.
- Using diverse OIG teams to recruit, interview, and hire new employees.

- Identifying and recruiting exceptionally qualified FS-01 and Senior Foreign Service officers for hard-to-fill positions in consular and public diplomacy specialties, and working with the Bureau of Human Resources to develop formal “short tour” opportunities of less than two years for them.
- Establishing a retention program to provide training and assignment opportunities, including development of leadership competencies, for interested and qualified staff.
- Using individual development plans and periodic employee surveys to identify individual needs and collective interests, and providing employees developmental opportunities in line with their interests and OIG-wide priorities and requirements.
- Collecting information from new hires and departing employees for use by senior managers in improving recruitment and retention practices.

Success in meeting OIG’s human resources performance goal is based on achieving staffing and retention targets for employees within identified strategic competencies.

Measure:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Targets
Staff on-hand at end /of year	256	218	223	218	218
Annual Attrition Rate	17%	17%	16%	11%	11%

OIG’s performance goal on the time it takes to complete projects—to *issue a final report or other product, as appropriate, within six months of starting a project*—focuses on strategies begun in FY 2002 to plan projects in phases that build upon each other, narrow the scope of such projects, and staff them more aggressively. If OIG achieves the six-month target in FY 2003, as planned, it expects to maintain the target at this level in FY 2004 and future years. This goal will be achieved within existing resources.

Strategies to support this goal include:

- Planning and managing projects for completion in six months or less.
- Identifying discrete phases of a project that can be conducted separately to produce individual reports or products that can be completed in six months or less, with each succeeding project phase building on prior phases.
- Where practicable, assigning additional staff to ensure more timely completion.
- Working with Department and BBG managers to reduce the time required for agency comment on OIG reports.
- Tracking projects in the project tracking system and, where necessary, taking steps to ensure that milestones are met.

Success in meeting OIG’s project completion goal is based on averaging no more than six months from the time OIG projects are started until they are completed and a report or other product is issued and completing at least 65 percent of all projects within 183 days.

Measure:

Measures	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Targets
Average number of days from project start to product issuance	277	267	252	250	183
Percentage of projects completed within 183 days	N/A	N/A	N/A	50%	65%

Coordination of Crosscutting Issues

OIG employs several approaches to address crosscutting issues affecting our goals and activities.

- Within the OIG community, the Inspector General addresses issues of common concern with other Inspectors General within the President’s Council on Integrity and Efficiency (PCIE) and the Intelligence Community Inspectors General Forum.
- The Inspector General meets quarterly with the Inspector General of the U.S. Agency for International Development (USAID) on issues of mutual concern, and OIG representatives attend relevant portions of USAID OIG’s annual strategic planning conference.
- OIG works with a network of Results Act coordinators from across the IG community to share information and to address common issues and concerns related to planning, performance-based management, and performance reporting as they arise.
- With the creation of a Department of Homeland Security and its cognizant OIG, we anticipate proposing and undertaking coordinated or joint reviews of visa issuance and other consular activities.
- As appropriate, OIG conducts joint audits or reviews of specific issues with other Offices of Inspector General. For example, we expect that the Administration’s program initiative to “rightsize” the U.S. Government’s overseas presence will require coordination of efforts with the OIGs of the Departments of Defense, Justice, Commerce, Agriculture, Treasury, AID, and other agencies operating overseas to assess progress toward this administration goal.
- The Office of Investigations also coordinates or conducts joint investigations with other OIGs and law enforcement entities, as appropriate.

Management Challenges and External Factors Affecting Goal Achievement

OIG faces many of the same management challenges that the Department and other government entities are struggling to address, especially those encompassed within the President’s Management Agenda initiatives on strategic management of human capital, improving financial performance, and better integrating budgeting with performance.

Strategies to address these challenges are addressed in portions of this plan related to allocation of resources and ensuring operational integrity and effectiveness.

A number of other management challenges and external factors may affect our ability to accomplish the goals and objectives set forth in this plan.

- Major changes in Department or BBG plans, goals, or priorities may result in a significant shift in resources or operational or regional focus, requiring a complementary shift in OIG's goals and priorities. In addition, new foreign policy developments could result in additional demands that have not been anticipated and that exceed the resources available for unplanned activities.
- An increasing number of unfunded Congressional requests and mandates may require OIG to redirect its resources and activities, thereby reducing the resources available for discretionary activities that have been planned in support of specific goals or strategies.
- Major, unforeseen world events, on the order of the September 11 terrorist attacks, could require a refocusing of priorities or might otherwise impair OIG's ability to carry out planned activities because of travel restrictions, security concerns, or other developments.
- Establishment of the Department of Homeland Security could have a far-reaching, yet-to-be-determined effect on the focus and priority of OIG activities and programs. We expect these requirements to become clearer as the new department takes shape, and will adjust our plans and goals accordingly.

Future Administration initiatives related to the President's Management Agenda and the program effectiveness assessments carried out in FY 2003 as part of the FY 2004 budget process also may have an effect on OIG's plans and activities. Although no set role has been defined for the Inspectors General, as these initiatives develop and OMB provides more advance notice of the programs to be assessed, we expect to adjust our goals and objectives to meet these evolving needs. Follow-on activities during FY 2003 resulting from the FY 2004 program assessment reviews also may influence implementation of this plan. We will undertake any necessary adjustments to this plan, as needs arise, to ensure the most effective use of limited resources.

Measuring Our Success

OIG's success in achieving its strategic and performance goals is measured, for the most part, in terms of traditional measures of OIG operations.

- Recommendations resolved within six months and closed within one year—along with a new measure of significant recommendations closed within one year—indicate that agency management has acknowledged, and taken necessary actions to correct, an identified problem, and with “significant” recommendations the most necessary actions, in a timely manner in line with OIG recommendations or an acceptable alternative.
- Programs and missions audited, inspected, or otherwise reviewed indicate the scope of OIG's efforts to examine activities, identify deficiencies, and recommend improvements.
- Reports issued indicate the outcome-oriented products that result from OIG reviews.

- Financial measures that include cost efficiencies such as questioned costs and funds put to better use, as well as investigative fines and recoveries, indicate the monetary results of OIG activities.
- Investigative measures that include reductions in the time required to close employee investigations indicate the importance of bringing allegations to resolution in a timely manner.

Performance baselines, targets, and data for these measures are presented under the individual discussions of each performance goal, beginning on page 10.

Verification and Validation of Performance Data

Performance measures are verified and validated in a variety of ways, as appropriate for each measure.

- Some measures, including those related to completion of a specific activity such as conducting a review or issuing a report, are self-measuring, and require little in the way of verification and validation, beyond confirmation that the activity has been completed satisfactorily.
- Measures involving recommendations closed are based on compliance information tracked in OIG's Compliance Analysis Tracking System (CATS) database. This database allows OIG to analyze progress and trends in resolution and implementation of OIG recommendations by topic and location (overseas posts or domestic bureaus). The status of recommendations is verified periodically with Department and BBG offices responsible for addressing the recommendations and with OIG offices responsible for evaluating and tracking compliance with them.
- Financial measures are based on the mandated measures for audit and investigative operations set forth in the Inspector General Act. The figures are based on results provided by the appropriate offices, which are tracked in CATS and reported in the Semiannual Report to the Congress and the Annual Report of the PCIE.
- Performance data for investigative measures are tracked in OIG's Case Management System and reported in the Semiannual Report to the Congress and the Annual Report of the PCIE.
- For internal performance goal measures, *staff on hand* is based on the number of OIG Foreign and Civil Service employees in the Department payroll system for the last pay period of the fiscal year; the *attrition rate* is based on the number of staff on hand compared to those who have left during the year, as verified by OIG's Office of Administration; the *average number of days from project start to product issuance* and *the percentage of projects completed within 183 days* is based on PTS and OTS data, as verified by documentation (notification memos and final report transmittals) and periodic supervisory reviews, as appropriate.

Information from systems used to track OIG performance data is reviewed and verified on a bi-weekly basis, and is considered adequately reliable for purposes of decisionmaking. The Office of Planning, Analysis, and Results works with OIG management and staff, as necessary, to oversee and coordinate the verification and validation process; develop the processes necessary to verify and validate performance measures and to coordinate,

consolidate, and analyze data collected by OIG offices; and recommend changes to strategies, indicators, and measures, as appropriate.

FY 2003 Performance Goals, Measures and Targets Revised from those of Prior Years

Following an analysis of FY 2002 performance results and the introduction of initiatives to improve the OIG recommendation compliance process, several of the prior years' performance goals, measures, and targets have been revised in FY 2003. These include:

- Moving the performance measures and targets relating to the percentage of missions and bureaus inspected within the last five years under the first performance goals for the foreign policy and security strategic goals, and eliminating the input-driven performance goals they previously measured.
- Supplementing our measures and targets relating to the percentage of recommendations resolved within six months and implemented within one year with a measure on the percentage of "significant" (as defined by OIG) recommendations implemented within one year.
- Lowering or raising some FY 2003 targets based on FY 2002 results and factors expected to significantly affect them in FY 2003.

Broadcasting Board of Governors

The Inspector General for the Department also serves as the Inspector General for the BBG. To emphasize this dual responsibility, in FY 2002, OIG established an AIG for International Broadcasting Oversight and expanded its interaction with the BBG. The AIG oversees and coordinates all audit, inspection, and other activities related to the BBG and international broadcasting issues. The results of these activities and related products will be reported as part of our performance results in support of our four strategic goals.

Supporting the President's Management Agenda

OIG is working with OMB to ensure that the work undertaken for FY 2003 and beyond supports, to the extent appropriate and practicable, the management improvement initiatives set forth in the President's Management Agenda. OIG activities in support of the President's Management Agenda include projects, reviews, and evaluations to assess Department and BBG progress in "getting to green" and meeting the Administration's expectations for these initiatives. OIG post management inspections include an area of emphasis on rightsizing U.S. overseas presence, one of fourteen program-specific initiatives, for which the Department has the lead responsibility.

Specific projects supporting the President's Management Agenda are set forth under the respective OIG strategic and performance goals on pages 18-19, and are identified on pages 20-21 under the initiative they support: strategic management of human capital, competitive sourcing, improved financial performance, expanded electronic government, budget and performance integration, and rightsizing U.S. overseas presence. OIG will report periodically to OMB on Department and BBG progress on these initiatives.

OIG Strategic and Performance Goals¹

Foreign Policy

The Department and the BBG effectively, efficiently, and economically advance the foreign policy interests of the United States

Performance Goal 1: Identify opportunities for improving the management and operations of overseas missions, domestic bureaus, and international broadcasting activities through post management and thematic inspections, audits, and program evaluations.

Strategies:

- Provide senior Department and BBG management, overseas missions, and domestic bureaus with assessments of their performance and the quality of their management and operations through a comprehensive review of three primary areas: policy implementation, resource management, and management controls.
- Identify systemic and mission, bureau, and other entity-specific impediments and process improvements.
- Encourage self-evaluation and correction, where appropriate; provide counseling and advice to employees; and identify problems and recommend solutions at overseas missions, domestic bureaus, and international broadcasting offices and facilities.
- Increase the number of missions and selected bureaus inspected and the frequency of inspections so that, by FY 2007, each mission and bureau is inspected no less than once every 5 years.
- Ensure that the missions and selected bureaus that have not been inspected for 6 or more years constitute a majority of those inspected in FY 2003.
- Where possible, link scheduled domestic bureau and mission inspections to capitalize on regional and/or thematic issues.
- Conduct compliance follow-up reviews on at least 10% of recently inspected posts.
- Conduct reviews of passport and visa issuance, visa fraud, and other consular operations that are critical to effective homeland security
- Evaluate ongoing efforts by the Department and other agencies with overseas representation to rightsize their presence, in support of the President's Management Agenda program initiative, identify additional opportunities, and provide periodic assessments to the Department, OMB, and other appropriate entities.
- Evaluate the effectiveness of the Department's regional support oversight and how it supports the Department's rightsizing efforts.
- Encourage self-evaluation and correction, where appropriate; provide counseling and advice to employees; and identify problems and recommend solutions at overseas missions, domestic bureaus, and international broadcasting facilities.
- Ensure that recommendations are significant, clearly stated, measurable, and implementable.

¹ A list of projects planned for FY 2003 in support of our strategic and performance goals can be found in the table starting on page 18.

Measures:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Targets
Percentage of recommendations resolved within six months of Issuance	84%	85%	57%	62%	85%
Percentage of recommendations closed within one year of Issuance	79%	81%	85%	78%	85%
Percentage of Significant recommendations closed within one year of Issuance	N/A	N/A	N/A	N/A	50%
Percentage of Missions and Bureaus Inspected within last 5 years	63%	66%	64%	70%	79%

Resources: OIG did not receive any additional resources in support of this goal.

Performance Goal 2: Evaluate at least 9 U.S. Government operations and programs with foreign policy implications, especially those under Chief of Mission authority or related to international broadcasting and the free flow of information around the world; identify obstacles to Chief of Mission, Department, or BBG oversight and coordination of the operations and programs; and recommend actions necessary to remove or overcome them.

Strategies:

- Focus audits, thematic inspections and other reviews on issues relating to consular, anti-terrorism, border security, international broadcasting, and other activities with foreign policy implications that under are Chief of Mission authority or related to international broadcasting and the free flow of information.
- Review the effectiveness of Department consular operations with significant foreign policy and homeland security implications, including fraud prevention programs, overseas passport operations, and visa issuance programs.
- Identify impediments to the effectiveness and efficiency of these activities and, where appropriate, recommend corrective actions.

Measure:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Target
Number of Reports Issued on Programs Reviewed	8	9	7	8	9

Resources: OIG did not receive any additional resources in support of this goal.

Security

The Department and the BBG adequately protect the people, information, and facilities under their control in the United States and abroad.

Performance Goal 1: Assess the adequacy of Department and BBG security for their personnel, property and information at overseas missions and domestic locations and ensure that, as appropriate, necessary corrective actions are implemented.

Strategies:

- Examine the management and administration of security programs, determine the systemic causes of the problems and vulnerabilities, and identify ways to remove or mitigate them.
- Assess the efficiency and effectiveness of the Department's use of additional security funding and resources received in response to concerns regarding homeland security and security of overseas missions and personnel.
- Evaluate intelligence coordination and oversight issues between the Department and other federal entities.
- Assemble special teams, as necessary, to review priority construction and security programs, including new missions in Berlin and Beijing.
- React quickly and appropriately to unanticipated requests relating to the Department's role in homeland security issues.
- Conduct security and intelligence oversight reviews of embassy security, intelligence activity, and other programs and operations that contribute to ensuring homeland security.
- Include at least one security specialist on every post inspection team reviewing missions that have not had a full-scope security inspection within the past two years.
- Maintain a program of security inspections, security evaluations, and security personnel assisting OIG inspection teams that ensures that each mission and bureau (where appropriate) will have at least a limited security review by OIG once every five years.
- Conduct compliance follow-up reviews on at least 10% of previously inspected posts.
- Expand security inspections of Department domestic facilities to include those that have not been inspected previously.

- As appropriate, prioritize reoccupied, new, and significantly changed facilities when setting security inspection schedules.
- Work and coordinate with the Bureau of Diplomatic Security and the geographic bureaus to identify missions with security problems or that would benefit from a security inspection.
- Where possible, obtain detailed security specialists from other federal entities to assist in OIG security inspections.
- Ensure that recommendations are significant, clearly stated, measurable, and implement able.

Measures:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Targets
Number of Reports Issued on Programs Reviewed	2	6	6	7	7
Percentage of recommendations resolved within six months of Issuance	48%	56%	70%	82%	84%
Percentage of recommendations closed within one year of Issuance	55%	60%	60%	64%	67%
Percentage of Significant recommendations closed within one year of Issuance	N/A	N/A	N/A	N/A	50%
Percentage of Missions evaluated within last 5 years	59%	59%	73%	79%	90%

Resources: OIG did not receive any additional resources in support of this goal.

Performance Goal 2: Identify vulnerabilities and recommend corrective action with respect to information security and systems at no fewer than 15 overseas missions.

Strategies:

- Use the methodology developed and piloted in FY 2002 to assess the effectiveness of information security systems and programs at overseas missions.
- Continue to modify, as appropriate, and to expand usage of the methodology to assess the effectiveness of mission information security programs, including, where applicable, its use by OIG security inspection and other review teams.

- Focus attention on elements of information security systems that are vulnerable to cyberterrorism and other threats to homeland security.

Measure:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Target
Number of Mission IT Systems Reviewed	N/A	N/A	N/A	7	15

Resources: OIG did not receive any additional resources in support of this goal.

Financial Management and Administrative Support

The Department and the BBG have the necessary financial and support systems and controls to meet legal and operational requirements

Performance Goal 1: Identify challenges and vulnerabilities, with recommendations to address them, for at least 21 Department financial and administrative support programs and activities.

Strategies:

- Continue to perform all mandated and, where resources allow, requested audits and reviews relating to the Department’s financial statements, grants, and other federal assistance.
- Assess whether the Department and BBG are using the most cost-effective means of providing services overseas.
- Assess the Department’s efforts to maintain and build missions overseas.
- Review Department workforce planning efforts, with particular emphasis on overseas staffing issues identified by the Overseas Presence Advisory Panel.
- Review the adequacy of the steps the Department and BBG have taken strategically to manage and maintain their investments in human capital.
- Review Department and BBG internal information technology and communications systems; their ability to interface and communicate effectively and efficiently with other federal entities, as appropriate; and the Department’s efforts to promote U.S. information technology issues successfully abroad.
- Review Department and BBG efforts to replace aging systems with modern alternatives in areas such as messaging and logistics management.
- Assess the Department’s efforts to incorporate public key infrastructure into its information security program.
- Review the economy, efficiency, and effectiveness of Department and BBG support services and activities.

- Assess the Department’s progress in improving financial systems to comply with the Federal Financial Management Improvement Act and the President’s Management Agenda initiatives to improve financial performance and integrate budget and performance.
- Ensure that recommendations are significant, clearly stated, measurable, and implementable.

Measures:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Targets
Number of Reports Issued on Programs Reviewed	13	14	15	21	21
Percentage of recommendations resolved within six months of Issuance	52%	72%	65%	44%	72%
Percentage of recommendations closed within one year of Issuance	40%	72%	26%	58%	72%
Percentage of Significant recommendations closed within one year of Issuance	N/A	N/A	N/A	N/A	50%

Resources: OIG did not receive any additional resources in support of this goal.

Performance Goal 2: Evaluate Department and BBG progress in measuring performance and implementing the President’s Management Agenda, and recommend improvements, as appropriate.

Strategies:

- Include steps in every audit and inspection plan to review and assess performance goals and measures and applicable President’s Management Agenda issues related to the program or mission being reviewed.
- Monitor Department and BBG efforts to establish and use performance goals and measures and implement the President’s Management Agenda, and recommend improvements, where necessary.
- Evaluate Department and BBG success in achieving specified performance goals, linking performance goals to its budget, and meeting requirements set forth in OMB Circular A-11 and the President’s Management Agenda initiative to integrate performance and budgeting.

- Identify Department and BBG efforts and initiatives in support of the President’s Management Agenda and, as appropriate, review and recommend any necessary corrective actions for at least one initiative under each of the President’s Management Agenda issues.

Measure:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Target
Reports issued that address performance measurement or PMA Issues	4	4	4	5	12

Resources: OIG did not receive any additional resources in support of this goal.

Accountability

The Department and BBG ensure accountability and prevent or eliminate fraud, waste, abuse, and mismanagement in programs and operations

Performance Goal 1: Identify a minimum of \$7.8 million in potential monetary benefits as a result of audit and investigative recommendations to identify fraud, waste, abuse, and mismanagement and to improve the efficiency of Department operations and compliance with applicable contracts and grant agreements.

Strategies:

- As part of the audit and inspection process, identify opportunities for cost savings and avoidance of costs.
- Audit selected non-governmental organizations, Fulbright Commissions, and contractors to ensure that they are adequately accounting for federal funds and meeting grant agreements or contract requirements.
- Identify and address financial malfeasance and vulnerabilities and, where appropriate, recommend efforts to effect monetary recoveries.

Measure:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Target
Cost Savings, Efficiencies, Recoveries, and Fines	\$9.36 million	\$3.23 million	\$12.49 million	\$40.04 million	\$7.8 million

Resources: OIG did not receive any additional resources in support of this goal.

Performance Goal 2: Promote awareness and adherence to standards of professional and ethical conduct and accountability; where necessary, conduct thorough and expeditious investigations of fraud, waste, abuse, and mismanagement.

Strategies:

- Continue outreach activities aimed at employees on standards of conduct and accountability, through presentations to courses for new officers, deputy chiefs of mission, ambassadors, and other appropriate audiences.
- Conduct namecheck reviews in a thorough and timely manner.
- Implement an automated hotline attendant to route incoming calls to appropriate channels in a timely manner.
- Coordinate and/or conduct joint investigations with other OIGs and law enforcement entities, as appropriate.
- Continue to develop and increase staff capabilities to conduct investigations of contracts and grants allegations and irregularities.

Measures:

Measure	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Targets
Days cases open at end of year	9% < 100 25%@100-200 16%@201-300 50%>300	45% < 100 30%@100-200 0%@201-300 25%>300	26% < 100 21% @100-200 16% @201-300 37%>300	45% < 100 5%@100-200 20%@201-300 30%>300	50% < 100 10%@100-200 15%@201-300 25%>300
Days to close cases closed during year	20% < 100 19%@100-200 15%@201-300 46%>300	27% < 100 20%@100-200 10%@201-300 43%>300	53% < 100 20% @100-200 7% @201-300 20%>300	58% < 100 17%@100-200 8%@201-300 17%>300	50% < 100 25%@100-200 8%@201-300 17%>300

Resources: OIG did not receive any additional resources in support of this goal.

Projects Planned for FY 2003

Projects Supporting OIG Strategic and Performance Goals (**Bold** indicates that a project supports an initiative of the President's Management Agenda)

	PG1	PG2
SG1	<ul style="list-style-type: none"> • Post/Bureau Management Inspections & Compliance Follow Up Reviews (ISP) • Inspection of the Helsinki Regional Monitoring Office (IBO) 	<ul style="list-style-type: none"> ▪ Survey of Radio Free Asia Activities (IBO) ▪ Follow-up Survey of the Middle East Radio Network (IBO) • Status of Merger of Worldnet TV with VOA (IBO) • Effectiveness and Implementation of OCB New Program Initiatives (IBO) • Internet and New Technology Development (IBO) • Domestic Passport Operations, Phase II—Passport Fraud Prevention Programs (ISP) • Domestic Passport Operations, Phase III—Regional Passport Agency Operations and Management (ISP) • Survey of Overseas Visa Operations (ISP) • Immigrant Visa Diversity Program Review (ISP) • Inspection of Bureau of Consular Affairs Visa Office (ISP) • Overseas Passport Operations (ISP) • Diplomatic Security/Consular Affairs Overseas Fraud Prevention Program (ISP) • Inspection of the Bureau of Consular Affairs Executive Office and Consular Affairs Lookout and Support System (ISP) • Enforcement of Export Controls (AUD) • Cumulative Effects of Munitions Exports (AUD) ▪ Refugee Admissions and Resettlement—Program Results (AUD) • Assignment Process for Hard-To-Fill Posts (AUD)
SG2	<ul style="list-style-type: none"> ▪ Security and Intelligence Oversight Inspections and Compliance Followup Reviews (SIO) ▪ Review of the Management of Classified Holdings Overseas (SIO) ▪ Control of Communications Security Materials and Electronic Storage (SIO) ▪ Secure Shipments of Classified Information Processing Equipment (SIO) ▪ Review of the Department's Unit Security Officer Program (SIO) ▪ Oversight of the Security of the Construction of a New Embassy Compound in Beijing (SIO) ▪ Management of Overseas Post Security Upgrade Projects (SIO) ▪ FISMA 03—Department of State (IT) ▪ FISMA 03—BBG (IT) ▪ Information Warfare Issues (IT) ▪ Vulnerability of Department Systems through USAID Network (IT) ▪ Intrusion Detection Effectiveness (IT) ▪ Monitoring Contractor Performance in Worldwide Local Guard Programs (AUD) ▪ Background Investigations of FSNs (SIO) ▪ DS Overseas Technical Security Inspection Program (SIO) 	<ul style="list-style-type: none"> ▪ Pilot Test, Information Security Inspection and Evaluation Methodology-Lisbon (IT) ▪ Pilot Test, Information Security Inspection and Evaluation Methodology-Madrid (IT) ▪ Information Security Inspection Evaluations (IT)

	PG1	PG2
SG3	<ul style="list-style-type: none"> ▪ Government Paperwork Elimination Act (IT) ▪ Department Efforts to Implement Knowledge Management & E-Diplomacy through FASI (IT) ▪ Review of Knowledge Management Initiatives (IT) ▪ Review of Financial Assistance Management (AUD) ▪ Overseas Building Operations (OBO) Design and Construction (AUD) ▪ Bogotá Vehicle Procurement (AUD) ▪ Audits of the Department's Financial Statements 2001 (AUD) ▪ Consolidation of Financial Services at Charleston Financial Service Center (FSC) (AUD) ▪ Domestic Travel Card Program (AUD) ▪ Status of the Department's Financial Management Remediation Plan (AUD) ▪ Review of Energy Conservation (AUD) ▪ Monitoring Contractor Performance at the BBG (AUD) ▪ Office of Foreign Missions Systems Contract (AUD) ▪ DTS-PO Inventory (AUD) ▪ Electronic Records Management (IT) ▪ Messaging System Modernization (IT) ▪ Review of the Integrated Logistics Management System (IT) ▪ Review of Personnel Practices at RFE/RL (IBO) ▪ Data Reviews, Quality Control Reviews (QCRs), and Contract Audit Services (AUD) ▪ Audit of the National Endowment for Democracy (AUD) ▪ Audits of the Department's Financial Statements 2002 and 2003 (AUD) ▪ Consolidation of Financial Services at Charleston FSC—RFMS Conversion (AUD) ▪ Improper Payments (AUD) ▪ Post Assignment Travel (AUD) ▪ Audit of Unliquidated Obligations System and Procedures (AUD) ▪ Foreign Currency Management (AUD) ▪ Review of International Cooperative Administrative Support Services' Budgeting and Billing (AUD) ▪ Monitoring Expired and Canceled Accounts (AUD) ▪ Review of Demining Contract Issue (AUD) ▪ Unauthorized Commitments—Domestic (AUD) ▪ Review of Demining Contract Issues II (AUD) ▪ Vehicle Management (AUD) ▪ Unauthorized Commitments—Overseas (AUD) ▪ DTS-PO Financial Contributions (AUD) ▪ ONDCP Attestation Review (AUD) ▪ FSN Compensation and Benefits (AUD) ▪ State/USAID Financial Management Integration (AUD) 	<ul style="list-style-type: none"> ▪ BBG's Strategic Human Capital Management Plan (IBO) ▪ BBG Strategic Planning: Establishment and Verification of Performance Measures (IBO) ▪ FAIR Act – Use of Domestic Staffing Model (AUD)
SG4	<ul style="list-style-type: none"> ▪ Audits of Selected Grantees and Contractors (AUD) ▪ Overseas Buildings Operations (OBO) Construction (AUD) 	<ul style="list-style-type: none"> ▪ U.S. Direct Assistance to Colombian National Police (AUD) ▪ Outreach Activities (All OIG) ▪ Investigations and Hotline Activities (INV)

Projects Supporting President's Management Agenda Initiatives

Strategic Management of Human Capital

- Effectiveness and Implementation of OCB New Program Initiatives
- Assignment Process for Hard-to-Fill Posts
- Review of Personnel Practices at RFE/RL
- BBG's Strategic Human Capital Management Plan

Competitive Sourcing

- FAIR Act – Use of Domestic Staffing Model
- State/USAID Financial Management Integration

Improved Financial Performance

- Review of Financial Assistance Management
- Audits of the Department's Financial Statements for FY 2001
- Consolidation of Financial Services at Charleston Financial Service Center
- Domestic Travel Card Program
- Status of the Department's Financial Management Remediation Plan
- Data Reviews, Quality Control Reviews and Contract Audit Services
- Audit of the National Endowment for Democracy
- Audits of the Department's Financial Statements for FY 2002 and 2003
- Oversight of the Regional Financial Management System Conversion
- Improper Payments
- Post Assignment Travel
- Audit of Unliquidated Obligations System and Procedures
- Foreign Currency Management
- Review of International Cooperative Administrative Support Services' Budgeting and Billing
- Monitoring Expired and Canceled Accounts
- Review of Energy Conservation
- Monitoring Contractor Performance at the BBG
- Unauthorized Commitments—Domestic
- Unauthorized Commitments—Overseas
- DTS-PO Financial Contributions
- Review of Selected Awards to the Soros Foundation (Open Societies) for Activities
- Audits of Selected Grantees and Contractors
- Follow-up Review of Mississippi Consortium for International Development
- Follow-up Review of AYUSA International
- Overseas Buildings Operations Construction
- Youth For Understanding, Inc.
- Follow-up Review of Project Harmony, Inc.

Expanded Electronic Government

- Internet and New Technology Development—BBG
- Compliance with Section 508
- Government Paperwork Elimination Act
- Department Efforts to Implement Knowledge Management and E-Diplomacy through FASI
- Review of Knowledge Management Initiatives
- Electronic Records Management
- Messaging System Modernization
- Review of the Integrated Logistics Management System

Budget and Performance Integration

- Status of the Merger of Worldnet TV with VOA
- Refugee Admissions and Resettlement: Program Results
- Survey of Radio Free Asia Activities
- Follow-up Survey of the Middle East Radio Network
- Semiannual Survey of RFE/RL Management Practices: Language Services
- BBG Strategic Planning: Establishment and Verification of Performance Measures

Rightsizing U.S. Overseas Presence

- Inspections of Overseas Missions and Domestic Bureaus
- Overseas Building Operations Design and Construction