

## Management Assistance Report: The Bureau of Diplomatic Security's Office of Training and Performance Standards Should Improve Property Management Over Equipment Provided During High-Threat Training, AUD-SI-18-49, August 2018

### Summary of Review

During an Office of Inspector General (OIG) audit of the Bureau of Diplomatic Security (DS), Training Directorate, Office of Training and Performance Standards (TPS), expenditures for training-related activities and personal services contracts, which is currently underway, OIG found that TPS was not complying with Department of State (Department) policies and procedures for managing accountable personal property with respect to high-threat (HT) kits. These kits, each of which costs \$9,167, contain 50 items, including a vest with two armor plates, a tactical helmet, and a global positioning system (GPS) unit, that can assist participants in emergency situations that can occur at high-threat posts.

OIG found that TPS did not record accountable property, including the vests with armor plates, tactical helmets, and GPS units, in the Department's inventory system—the Integrated Logistics Management System-Asset Management (ILMS-AM). Furthermore, TPS did not perform annual physical inventories or process accountable property through the DS Administration and Training Support Services office (ATSS), as required.

TPS officials advised OIG that they did not comply with property management requirements, in part, because they did not have a central receiving point—i.e., no dedicated warehouse—at the Interim Training Facility (ITF). TPS officials stated that all incoming shipments are now delivered to a dedicated warehouse at the ITF. However, anticipating that DS's Countermeasures Directorate, Office of Physical Security Programs, Defensive Equipment and Armored Vehicle Division (DEAV), would assume responsibility for property management over the HT kits in the near future, TPS had taken no actions in the interim to begin recording its accountable property from each HT kit in the Department's ILMS-AM application, as required. This accountable property included the vest with armor plates, tactical helmet, and GPS unit. Also, although TPS hired a logistician to develop controls over property management, the logistician's efforts were insufficient to meet applicable requirements, and vacancies in key property management positions during the audit scope moreover contributed to the identified concerns.

As a result of these issues, TPS still does not have a process that complies with Department standards to manage its accountable property, resulting in TPS property being susceptible to loss from damage or theft.

OIG also found that TPS did not issue the HT kits to DS Special Agents using required "charge out procedures," such as ensuring property is returned when it is no longer needed. As with the weaknesses in tracking, this deficiency occurred because key property management positions, including that of the Custodial Officer, were vacant during the audit scope period and because TPS anticipated that DEAV would assume this responsibility. The Contracting Officer's Representative (COR) performed some of the functions the Custodial Officer should have performed but stated that he followed procedures that were in place when he started in that position. However, those procedures did not conform to Department standards. By failing

to use proper charge-out procedures for property on loan to its DS Special Agents, TPS has only a limited ability to ensure accountability for these items throughout their lifecycles. OIG made five recommendations in this report that are intended to address the underlying cause of the deficiencies found and to help ensure that controls over TPS accountable property promote full compliance with property management requirements. In response to a draft of this report, DS concurred with all five recommendations. On the basis of DS's concurrence, OIG considers each recommendation resolved pending further action. A synopsis of DS's response to the recommendations offered and OIG's reply follow each recommendation in the Results section of this report. DS's response to a draft of this report is reprinted in its entirety in Appendix A.

---