



Office of Inspector General
United States Department of State

SEMIANNUAL REPORT TO THE CONGRESS

April 1, 2018 to September 30, 2018





OUR VISION

To be a world-class organization and a catalyst for effective management, accountability, and positive change in the Department, the U.S. Agency for Global Media, and the foreign affairs community.

OUR MISSION

To conduct independent audits, inspections, evaluations, and investigations to promote economy and efficiency and to prevent and detect waste, fraud, abuse, and mismanagement in the programs and operations of the Department and the U.S. Agency for Global Media.

OUR VALUES

Integrity

We remain independent, striving to maintain the highest level of trust, integrity, and professionalism. Our work is fact-based, objective, and supported by sufficient, appropriate evidence in accordance with professional standards.

Teamwork

Our success depends on working together and fostering an inclusive and mutually supportive environment. Our work environment encourages collaboration, innovation, flexibility, and integration of OIG resources.

Accountability

We accept responsibility for our work products and services, upholding the highest professional standards by evaluating and measuring our results against stated performance measures and targets. We strive to ensure that our work is relevant, credible, and timely.

Communication

We clarify expectations up front and communicate openly, honestly, and accurately with our associates and our stakeholders. We look for ways to improve ourselves and our work products by seeking, giving, and using both praise and constructive feedback.

Respect

We promote diversity and equal opportunity throughout the organization. We value and respect the views of others.

Office of Inspector General Summary of Performance, 4/1/2018–9/30/2018

	Issued during the reporting period	Management decision during the reporting period
Questioned Costs	\$73,262,940	\$144,601,776
Funds To Be Put to Better Use	\$9,473,103	\$884,806
Investigative Monetary Results	\$1,287,238	--
Total	\$84,023,281	\$145,486,582
<i>Additional monetary benefits achieved as the result of prior OIG recommendations</i>		\$18,776

Investigative Activities

Cases Opened	47
Cases Closed	34
Criminal Actions (arrests, indictments, convictions)	31
Civil Actions	0
Administrative Actions	39
Hotline Complaints Received	991

Reports

Office of Audits	26
Office of Evaluations and Special Projects	1
Office of Inspections	36
Overseas Contingency Operations Oversight ^a	4
Total	67

^a All jointly issued with Department of Defense OIG and U.S. Agency for International Development OIG.



MESSAGE FROM THE INSPECTOR GENERAL



Steve A. Linick

I am pleased to present this *Semiannual Report to the Congress*, covering the oversight activities of the Office of Inspector General (OIG) for the Department of State (Department) and the United States Agency for Global Media (USAGM), formerly the Broadcasting Board of Governors, from April 1, 2018, to September 30, 2018.

OIG is responsible for the oversight of more than \$71 billion in Department and USAGM programs and operations. During this reporting period, we issued 67 reports, many with recommendations to improve the programs and operations of the Department and USAGM. These reports identified \$82.7 million in questioned costs and funds to be put to better use. Our investigative activity led to an additional \$1.3 million in monetary benefits and 13 suspensions and debarments.

As always, much of our work focused on the top management and performance challenges facing the Department and USAGM, including, among others, oversight of contracts and foreign assistance programs, financial management, and protection of people and facilities. Although we summarize all of our public reports, I have included below some of our most notable work from this reporting period.

Oversight of Contracts: Two audit reports highlighted continued difficulties in managing contracts, particularly in contingency environments. First, in the audit of a task order under the [Baghdad Life Support Services contract in Iraq](#), we found a number of deficiencies in contract oversight, including a lack of documentation in oversight files and untimely performance assessment reports. Second, an audit of costs invoiced under the [Afghanistan Life Support Services contracts](#) illustrated problems with invoice review and approval. Namely, we found costs that were improperly approved because management did not routinely monitor invoice reviews. Additionally, we issued a [management assistance report](#) when we found that a Department contractor required its employees to sign a confidentiality agreement that violated Federal law. We recommended that the Department order the contractor to modify or discontinue use of the confidentiality agreement or terminate the contract.

Financial and Property Management: Demonstrating the Department's continued financial management challenges, we [issued an audit](#) reporting that the Department lacked adequate policies and procedures for evaluating and remitting to the Department of the Treasury excess earnings in its Working Capital Fund accounts, which are intended to operate on a break-even basis. As a result, we concluded that the Department was unable to advance the primary purpose of the fund, which is to provide an effective means for controlling the costs of goods and services and to encourage cost consciousness and efficiency for users and suppliers of services. Highlighting continued issues with property management, we released an [audit report](#) that demonstrated that the Department did not maintain sufficient accountability over aircraft equipment and that the Department's aviation assets were not

always disposed of in accordance with Department requirements. Further, we reported that the Department undertook significant aviation operations without the knowledge or approval of the Department's aviation experts. This report identified more than \$80 million in questioned costs.

Management Controls: An [inspection of the Bureau of the Comptroller and Global Financial Services \(CGFS\)](#) illustrated the intersection of the Department's workforce management and internal coordination challenges. We found that non-financial management controls were not sufficiently documented and reviewed throughout the Department. Although Department policy gives CGFS overall responsibility for designing this program, CGFS had neither the staff nor the expertise to fulfill these obligations. Although Department officials stated that these responsibilities were split between CGFS and the Office of Management Policy, Rightsizing, and Innovation, the two bureaus had not coordinated or maintained close communication and did not have the same understanding of their respective roles.

Protection of People and Facilities: During the course of an [audit of construction projects at Embassy Kabul](#), we were alerted to potential risks to personnel and property due to the improper installation of the embassy's fire alarm system. We concluded the system did not meet fire safety standards and issued a [management assistance report](#) to prompt immediate attention to address the deficiencies.

Foreign Assistance Programs: Our [inspection of the U.S. Mission to the African Union](#) provides an example of a Department entity that faced challenges in its efforts to effectively plan and ensure the implementation of foreign assistance programs that achieve U.S. policy goals. We noted that the mission had neither a reliable mechanism to track foreign assistance nor a complete listing of all foreign assistance-related programs and funding that supported the African Union and explained that these deficiencies hindered strategic planning efforts.

Investigative Activity: As always, we conducted several significant investigations involving a wide range of criminal, civil, and administrative allegations. In one case, a Department program manager pleaded guilty to accepting kickbacks and stealing Federal funds intended for a foreign exchange program managed by the Department. She was sentenced to 13 months in prison for conspiring with a transportation operator to misappropriate portions of the program's funding over the course of 5 years. The co-conspirator was sentenced to 14 months in prison.

Finally, we worked with our counterparts at the Department of Defense and U.S. Agency for International Development to issue [four quarterly Lead Inspector General reports](#). These reports describe significant events involving three overseas contingency operations that we jointly oversee: Operation Inherent Resolve, Operation Pacific Eagle—Philippines, and Operation Freedom's Sentinel.

OIG's accomplishments reflected in this *Semiannual Report to the Congress* are a credit to the talented and committed staff that I have the privilege to lead.



Steve A. Linick
Inspector General
September 30, 2018

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OVERVIEW

1 OVERSIGHT STRATEGY

The primary mission of the Office of Inspector General (OIG) for the Department of State (Department) and the United States Agency for Global Media (USAGM) is to conduct independent audits, evaluations, inspections, and investigations to promote economy and efficiency and to prevent and detect fraud, waste, abuse, and mismanagement in the programs and operations of the Department and USAGM.

OIG's mandate is broad and comprehensive, involving oversight of the full scope of Department and USAGM programs and operations, as well as the U.S. Sections of the International Boundary and Water Commission, United States and Mexico, and of the International Joint Commission, United States and Canada. OIG is responsible for overseeing more than \$71 billion in Department, USAGM, and foreign assistance resources.

In addition to its agency-specific responsibilities, OIG's mandate expanded in August 2014 when Congress amended the Inspector General Act to provide for coordinated interagency oversight of overseas contingency operations (OCO), including the designation of a Lead Inspector General for each OCO.

Currently, Inspector General Linick is the Associate Inspector General for six OCOs: Operation Inherent Resolve to degrade and defeat the Islamic State of Iraq and Syria (ISIS); Operation Freedom's Sentinel to work with Afghan forces to combat terrorism and assist the Afghan Government in building its security forces' capacity and self-sufficiency; Operation Pacific Eagle–Philippines to defeat ISIS affiliates and other terrorist organizations in the Philippines; and three classified OCOs.

To meet these and other statutory mandates, OIG maintains offices in Afghanistan, Iraq, and Germany. Offices in these locations help OIG oversee high-cost, high-risk Department programs and operations, and the Office of Audits' Middle East Region Operations Directorate and the Office of Investigations dedicate on-the-ground resources, expertise, and oversight. Domestically, in addition to its Washington, DC, headquarters, OIG has strategically co-located investigative staff with the Department's Global Financial Services Center and Human Resource Shared Services staff in Charleston, SC. Figure 1.1 shows the locations of OIG's offices.

Figure 1.1
OIG Office Locations



OIG Strategic Plan

OIG's FY 2016–2018 Strategic Plan affirmed its commitment to providing quality oversight to the agencies OIG serves and to informing the Office of Management and Budget (OMB), Congress, the public, and other stakeholders how OIG safeguards taxpayer resources. The plan also emphasized OIG's continuing

obligation to improve its own operations and to ensure that its workforce is, and continues to be, highly motivated and well trained to carry out its responsibilities. The following strategic goals and objectives provided the framework that guided OIG's work and activities for FYs 2016–2018:



GOAL 1 **Promote Positive Change**

Strengthen the ability of Department and BBG to effectively and efficiently advance U.S. foreign policy goals and protect U.S. citizens and interests abroad

OBJECTIVE

- 1.1** Enhance the Department's ability to protect its overseas employees, facilities, and information
- 1.2** Promote effectiveness and efficiency in foreign assistance programs
- 1.3** Strengthen management of the U.S. diplomatic presence
- 1.4** Communicate OIG findings and recommendations to Department and BBG leadership, OMB, and the Congress



GOAL 2 **Foster Increased Accountability and Integrity**

Increase accountability in Department and BBG personnel, programs, and operations

OBJECTIVE

- 2.1** Investigate allegations of criminal activity and employee misconduct
- 2.2** Enhance investigative capabilities and analytical mechanisms
- 2.3** Engage stakeholders to increase awareness of OIG programs and operations, solicit input, and build relationships



GOAL 3 **Address Core Challenges**

Assist the Department and BBG to identify and address systemic challenges

OBJECTIVE

- 3.1** Improve integrity in financial, leadership, management, and support systems, and identify systemic weaknesses
- 3.2** Identify and report on major vulnerabilities and emerging issues



GOAL 4 **Harness Outstanding Talent, Leadership, and Effective Operations**

Develop a collaborative and talented staff, ensure clear direction from leadership, effectively manage resources, and deliver quality products and services

OBJECTIVE

- 4.1** Attract, develop, and maintain a highly qualified, motivated, results-oriented, and diverse workforce
- 4.2** Support and strengthen the independence and security of OIG information systems and physical infrastructure
- 4.3** Maintain excellent management controls and communication, improve financial management, and balance workload and oversight needs
- 4.4** Effectively communicate OIG goals and priorities and encourage collaboration across the organization

2 COMMUNICATIONS AND OUTREACH

OIG communicates its global mission to Congress, Department and USAGM employees and contractors, peers in the oversight community, and the public in a variety of ways.

Communication with Congress

OIG regularly interacts with Members of Congress and their staffs by testifying at hearings, responding to congressional requests for information, and providing briefings to congressional staff on OIG work.

Hotline Complaints

During this reporting period, the OIG Hotline continued to serve as a vehicle through which Department and USAGM employees and contractors, as well as members of the public, reported suspected fraud, waste, abuse, and mismanagement in Department and USAGM programs and operations.

OIG received hotline complaints via the OIG website, mail, and telephone. For a summary of OIG Hotline complaints received during this 6-month period, see Table 2.1.

Table 2.1
OIG Hotline Complaints, 4/1/2018–9/30/2018

Referred to Other Offices for Action	538
Held for Action Within OIG	94
No Action Required	359
Total Complaints Received	991

Figure 2.1 highlights the OIG Hotline's global reach. Forty-seven percent of the total number of complaints (991) received this reporting period concerned possible criminal, civil, and administrative violations occurring in other countries. The remainder of the complaints dealt with alleged violations in the United States.

Figure 2.1
Hotline Complaints Processed by Country, 4/1/2018–9/30/2018



Source: Office of Investigations electronic case management system

Whistleblower Protection Coordinator Activities

The whistleblower protection coordinator, OIG's Assistant Inspector General for Evaluations and Special Projects, educates Department and USAGM employees, as well as contractor and grantee employees, on the rights and protections available to whistleblowers. As required by the National Defense Authorization Act for Fiscal Year 2013 (41 U.S.C. § 4712), the coordinator oversees investigations of allegations of retaliation filed by employees of contractors, subcontractors, grantees, and subgrantees, as well as personal services contractors. Activities of the OIG whistleblower protection coordinator are detailed in Table 2.2. Additionally, the coordinator investigates complaints under Presidential Policy Directive 19, which prohibits whistleblower retaliation in the form of actions that affect an employee's eligibility for access to classified information.

Table 2.2
Whistleblower Investigations
Under 41 U.S.C. § 4712

	Reporting Period 4/1/2018– 9/30/2018	Since Enactment
Complaints Received and Reviewed	10	74
Active Investigations	9	---
Investigations Completed	5	20

During this reporting period, OIG's whistleblower protection coordinator completed five reports under 41 U.S.C. § 4712, three of which substantiated allegations of whistleblower retaliation.

Department of State

OIG substantiated three instances of whistleblower retaliation related to Department contractors or grantees. All of these cases were referred to the Department, which is responsible for making a determination as to whether to grant or deny relief to the whistleblowers. As of the end of the reporting period, the Department had not made such a determination in any of the three cases. On October 3, 2018, the Department made a determination in one of the cases and ordered the contractor to rehire the whistleblower and to pay compensatory damages (including back pay), employment benefits, and attorney fees.

U.S. Agency for Global Media

OIG substantiated no instances of whistleblower retaliation related to USAGM contractors or grantees during the reporting period.

3 OVERSEAS CONTINGENCY OPERATIONS

OIG has both oversight and reporting responsibilities for overseas contingency operations under Section 8L of the Inspector General Act of 1978, as amended. Section 8L is triggered when the Department of Defense declares that a military operation constitutes an OCO or when an operation results in troops being called to or retained on active duty.

When an OCO is declared, Section 8L activates a “Lead Inspector General” mechanism that requires concerted action by the three OIGs of the Department of State, Department of Defense, and the U.S. Agency for International Development, with one of them designated as the Lead Inspector General.

In FY 2015, the Lead Inspector General mechanism went into effect for two OCOs: Operation Inherent Resolve, the U.S. counter-ISIS effort; and Operation Freedom’s Sentinel, the U.S. effort to develop Afghanistan’s security forces and to fight terrorism in that country. In September 2017, the Lead Inspector

General mechanism went into effect for Operation Pacific Eagle–Philippines, which is a counterterrorism campaign to defeat ISIS affiliates and other terrorist organizations in the Philippines. Since then, three other classified OCOs have gone into effect. During this reporting period, OIG fulfilled its oversight and reporting obligations for these ongoing OCOs.

OIG aligns its oversight responsibilities with the defined mission objectives of each OCO and focuses on the programs and processes that support the achievement of those objectives. In addition to the audit, inspection, and investigative efforts related to the ongoing OCOs, OIG worked with its Lead Inspector General counterpart agencies to publish quarterly reports to Congress on the ongoing OCOs. For a list of OIG activities in support of the Lead Inspector General-OCO mandate during the reporting period, see Table 3.1 below.

Table 3.1
OIG Oversight Activities in Support of the Lead Inspector General-OCO Mandate, 4/1/2018–9/30/2018

Completed Projects	Date
<i>Department of State Stabilization Programs in Syria Funded Under the Further Continuing and Security Assistance Appropriations Act, 2017 (ISP-I-18-29)</i>	9/2018
<i>Audit of the Department of State’s Administration of its Aviation Program (AUD-SI-18-59)</i>	9/2018
<i>Review of the Bureau of Administration, Office of Logistics Management, Critical Environment Contract Analysis Staff’s Counterterrorism Vetting Function (Risk Analysis and Management) (ISP-I-18-27)</i>	8/2018
<i>Audit of Cost Controls Within the Baghdad Life Support Services Contract Food Services Task Order SAQMMA14F0721 (AUD-MERO-18-55)</i>	8/2018
<i>Audit of Foreign Assistance for Internally Displaced Persons in Iraq (AUD-MERO-18-56)</i>	8/2018
<i>Compliance Follow-up Review: The Worldwide Refugee Admissions Processing System Still Vulnerable to Potential Compromise (ISP-C-18-31)^a</i>	8/2018
<i>Management Assistance Report: Medical Personnel Assigned to Protective Movement Details at U.S. Embassy Baghdad, Iraq, Lack Access to Needed Medications (AUD-MERO-18-53)</i>	8/2018
<i>Audit of the Bureau of Overseas Buildings Operations Process for Reviewing Invoices for the Construction of the U.S. Embassy in Islamabad, Pakistan (AUD-MERO-18-46)</i>	6/2018
<i>Audit of the Bureau of Diplomatic Security’s Invoice Review Process for Worldwide Protective Services Contracts (AUD-MERO-18-47)</i>	6/2018
<i>Inspection of Embassy Riyadh and Constituent Posts, Saudi Arabia (ISP-I-18-17)</i>	5/2018

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<i>Classified Inspection of Embassy Riyadh and Constituent Posts, Saudi Arabia (ISP-S-18-17)^a</i>	5/2018
<i>Audit of Food Safety Controls Under Baghdad Life Support Services Task Order SAQMMA14F0721 (AUD-MERO-18-38)</i>	5/2018
<i>Audit of Costs Invoiced Under the Afghanistan Life Support Services Contracts (AUD-MERO-18-35)</i>	4/2018
<i>Management Assistance Report: Improper Installation of Key Components of U.S. Embassy Kabul, Afghanistan's Fire Alarm System Needs Prompt Attention (AUD-MERO-18-32)</i>	4/2018
Joint Completed Projects	
<i>Lead Inspector General for Operation Freedom's Sentinel Quarterly Report to the United States Congress, April 1, 2018 – June 30, 2018</i>	8/2018
<i>Lead Inspector General for Operation Inherent Resolve and Operation Pacific Eagle- Philippines Quarterly Report to the United States Congress April 1, 2018 - June 30, 2018</i>	8/2018
<i>Lead Inspector General for Operation Freedom's Sentinel Quarterly Report to the United States Congress, January 1, 2018 – March 31, 2018</i>	5/2018
<i>Lead Inspector General for Operation Inherent Resolve and Operation Pacific Eagle-Philippines Quarterly Report to the United States Congress, January 1, 2018 – March 31, 2018</i>	5/2018

^a Report is Sensitive But Unclassified or classified and, therefore, included in the *Department of State Classified Annex to the Semiannual Report to the Congress*.

4 OIG ACCOUNTABILITY AND INDEPENDENCE

OIG has disclosed all unclassified audits, evaluations, and inspections issued from April 1, 2018, through September 30, 2018. Some reports are not publicly available, but OIG identifies on its website the titles of such reports unless the titles themselves are classified or Sensitive But Unclassified. The *Department of State Classified Annex to the Semiannual Report to the Congress* and the *U.S. Agency for Global Media Sensitive But Unclassified Annex to the Semiannual Report to the Congress* contain information regarding reports that are not publicly available. In addition, OIG provides all classified and Sensitive But Unclassified reports to appropriate committees in Congress and to other authorized individuals upon request.

OIG did not encounter any attempts to interfere with Inspector General independence—whether through budgetary constraints designed to limit its capabilities or otherwise—for the reporting period from April 1, 2018, through September 30, 2018.

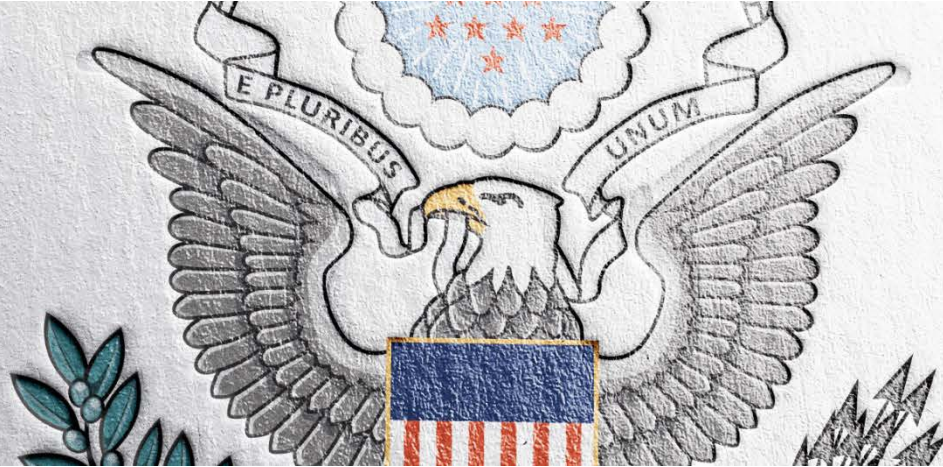
During this reporting period, OIG identified no incidents in which the Department or USAGM resisted or objected to oversight activities or restricted or significantly delayed access to information.

5 CONSOLIDATED FINANCIAL RESULTS OF OIG WORK

OIG returns significant value to U.S. taxpayers through its audits, evaluations, inspections, and investigations. For the reporting period, OIG issued 67 reports and identified \$82.7 million in potential monetary benefits to the Department. Additionally, OIG's criminal, civil, and administrative investigations resulted in approximately \$1.3 million in recoveries and other monetary results this reporting period.

From April 1, 2018, to September 30, 2018, the Department made management decisions on approximately \$145.5 million in potential monetary benefits identified by OIG during the current and prior

reporting periods. This reporting period, USAGM did not make management decisions on any recommendations involving potential monetary benefits identified by OIG in prior reporting periods. At the close of the reporting period, the Department and USAGM had not yet taken action on OIG recommendations totaling approximately \$528.7 million. This is a decrease of approximately \$62.8 million from the approximately \$591.4 million in questioned costs and funds to be put to better use pending management decision at the beginning of the reporting period.



OVERSIGHT OF DEPARTMENT OF STATE PROGRAMS AND OPERATIONS

6 OFFICE OF AUDITS

The Office of Audits supports the Department in improving management; strengthening integrity and accountability; and ensuring the most efficient, effective, and economical use of resources.

Audit work focuses on areas of concern such as physical security at overseas posts; financial management and IT security and management; contracts, acquisition, and grants management; human capital and administrative issues; and high-risk programs and operations in the frontline states of Afghanistan, Iraq, and Pakistan. From April 1, 2018, to September 30, 2018, the Office of Audits issued 25 reports on Department programs and operations, 17 of which were unclassified.

The *Department of State Classified Annex to the Semiannual Report to the Congress* includes the Sensitive But Unclassified and classified reports the Office of Audits issued during this reporting period.

Audit Compliance and Followup

Management Assistance Report: Further Department Attention Needed to Address Overdue Responses on Selected Open Recommendations
(AUD-ACF-18-51, 8/2018)

OIG issued this report to facilitate the prompt closure of selected open, unclassified Office of Audits recommendations by bringing them to the attention of the Under Secretary for Management. As of June 15, 2018, 18 unclassified Office of Audits report recommendations—made to 8 Department entities that had not responded to OIG inquiries concerning the status of actions to implement those recommendations—remained open. In each instance, a response from the bureau was overdue by 4 months or more. After issuing a draft of this report, OIG received documentation from five separate bureaus that related to 9 of the 18 recommendations mentioned in this report. As a result, OIG was able to close 1 of the 18 recommendations. However, at the time of the report, OIG had not received any information pertaining to 9 recommendations discussed in this report. With respect to the

recommendation made to the Under Secretary for Management, OIG considers this recommendation resolved pending further action.

Contracts, Grants, and Infrastructure

Audit of the Bureau of Overseas Buildings Operations' Value Engineering Program
(AUD-CGI-18-54, 8/2018)

Value engineering (VE) is a systematic process of reviewing and analyzing the requirements, functions, and elements of systems, projects, equipment, facilities, services, and supplies for the purpose of achieving the essential functions at the lowest life cycle cost consistent with required levels of performance, reliability, quality, or safety. OMB policy requires agencies to implement a VE program and to designate a Senior Accountable Official (SAO) to oversee and monitor VE efforts. OIG conducted this audit to determine whether the Bureau of Overseas Buildings Operations (OBO), which directs the Department's overseas building program, complied with Federal and Department VE program requirements and accurately reported VE expenditures, cost savings, and cost avoidances to OMB for the program.

OBO complied with some Federal and Department VE program requirements. That is, for the 67 projects reviewed, OBO performed VE studies or obtained approved waivers for 66 projects. However, for some projects, documentation was either missing or incomplete for required items. Also, OBO did not comply with OMB reporting requirements. OBO did not submit annual VE reports to OMB for FYs 2013 through 2015, as required, and the VE report submitted in FY 2016 was 2 months late and contained inaccuracies.

The deficiencies occurred, in part, because OBO management did not enforce program requirements outlined by OMB and OBO policy for maintaining VE program data. In addition, OBO lacked a reliable centralized database to maintain information and record the results of the VE program. Because OBO

had not implemented sufficient controls over its VE program, the Department is missing opportunities to achieve essential construction functions at the lowest life cycle cost, which is the fundamental purpose of the VE program. OIG made six recommendations to improve the execution of OBO's VE program.

Management Assistance Report: Department of State Has Not Implemented the Required Value Engineering Program for Contracts Exceeding \$5 Million
(AUD-CGI-18-52, 8/2018)

During its ongoing audit of the OBO VE program, OIG found that the Department had not implemented the requisite VE program beyond OBO. Specifically, OMB policy requires VE for new projects and programs when the cost estimate exceeds \$5 million, unless the SAO approves a waiver.

OIG found that, as of June 7, 2018, USASpending.gov listed 532 procurement actions related to Department contracts that exceeded \$5 million but a waiver was not obtained nor was a VE study performed to help identify and remove nonessential capital and operating costs. The Department has not implemented a Department-wide VE program, in part, because it had not designated an SAO to coordinate, oversee, and ensure that VE is considered when the cost estimate for contracts exceeds \$5 million. Because the Department has not established and implemented the VE program beyond OBO, the Department is missing opportunities to consider and optimize life cycle costs, quality, performance schedule, risk, and initial cost reduction for major procurements. OIG made two recommendations to prompt the establishment of a Department-wide VE program.

Audit of the Bureau of European and Eurasian Affairs Administration and Oversight of Selected Contracts and Grants
(AUD-CGI-18-50, 8/2018)

OIG conducted this audit to determine whether the Bureau of European and Eurasian Affairs (EUR) administration and oversight of selected contracts and grants were in accordance with Federal laws and Department policy. OIG found that EUR did not consistently administer and oversee the contract task

orders and grants selected for this audit in accordance with Federal laws and Department policies.

Specifically, Contracting Officer's Representative (COR) files were not properly maintained to include all required documents. In addition, OIG found instances in which EUR employees who served as CORs or Government Technical Monitors (GTM) were not formally designated. Grant agreements did not contain sufficient performance indicators to assess whether program objectives were being achieved. Furthermore, Grants Officer Representative (GOR) files did not include all required documents.

These deficiencies occurred, in part, because EUR did not have sufficient internal procedures to ensure required contract grant administration and oversight policies were followed. In addition, EUR management, Contracting Officers, and Grants Officers did not sufficiently oversee COR and GTM or GOR performance. Until these deficiencies are corrected, EUR will not have reasonable assurance that the task orders are supporting EUR's mission as intended or that EUR is spending funds in accordance with grant terms, nor will it be able to affirm that grant awards are achieving expected program goals and objectives. OIG made 17 recommendations to improve EUR's administration and oversight of contracts and grants.

Financial Management

Audit of the Department of State's Process to Identify and Transfer Excess Working Capital Funds
(AUD-FM-18-44, 6/2018)

OIG conducted this audit to determine whether the Department transferred excess working capital funds (WCF) to the Department of the Treasury (Treasury) annually, as prescribed by the Foreign Assistance Act of 1963, codified at 22 U.S.C. § 2684. OIG found that the Department could not demonstrate that it annually determined whether excess earnings exist in its WCF accounts and that it had not transferred any excess earnings to Treasury. This occurred, in part, because the Department had not established adequate policies and procedures to implement the statutory requirement to evaluate and remit excess earnings to Treasury. Until the Bureau of Administration, Office of the Executive Director,

Working Capital Fund Division, establishes the means to determine excess earnings and implement the WCF transfer requirement, the Department will remain unable to advance a primary purpose of the WCF, namely, to provide an effective means for controlling the costs of goods and services and encourage cost consciousness and efficiency for users and suppliers of services. OIG made four recommendations intended to improve the Department's pricing methodologies, internal controls, and processes for the WCF.

Audit of Department of State FY 2017 Compliance With Improper Payments Requirements
(AUD-FM-18-40, 5/2018)

In accordance with the Improper Payments Information Act of 2002, as amended, an independent external auditor, acting on behalf of and under the direction of OIG, conducted an audit of the Department's FY 2017 compliance with improper payments requirements. During FY 2017, the Department lowered its threshold for programs requiring evaluation from \$100 million to \$10 million, identified programs that fell above the new threshold that were not evaluated in FY 2016, and performed risk assessments using the criteria defined by OMB Circular A-123 for all programs meeting minimum thresholds. In addition, the Department published its FY 2017 Agency Financial Report, which included all the required improper payment disclosures. The auditor found that the Department complied with improper payments requirements for FY 2017.

Middle East Region Operations

Audit of Foreign Assistance for Internally Displaced Persons in Iraq
(AUD-MERO-18-56, 8/2018)

The Bureau of Population, Refugees, and Migration (PRM) obligated \$914 million between October 2013 and September 2017 to help internally displaced persons in Iraq and Iraqi refugees in surrounding countries. Of this amount, more than \$815.4 million was provided through voluntary contributions to international organizations. OIG found PRM followed Federal and Department requirements for awarding and monitoring the voluntary contributions. However, the award files maintained by PRM need

improvement. OIG also found that the Assistant Secretary of PRM approved funding for voluntary contributions, but the most recent Delegation of Authority assigns that responsibility to the Director of the U.S. Foreign Assistance Resources. OIG made three recommendations intended to assist the bureau in improving its documentation of award files and clarify current delegations of authority over approvals for funding voluntary contributions under the Migration and Refugee Assistance Act of 1962.

Audit of Cost Controls Within the Baghdad Life Support Services Contract Food Services Task Order
SAQMMA14F0721
(AUD-MERO-18-55, 8/2018)

OIG conducted this audit to determine whether (1) the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (A/LM/AQM) established, implemented, and held the contractor accountable for complying with cost controls during the life of task order SAQMMA14F0721, and (2) A/LM/AQM and the Bureau of Near Eastern Affairs (NEA) held the contractor accountable for complying with its cost control plan. In March 2018, OIG issued AUD-MERO-18-31, which addressed the first objective. This report communicates OIG's findings regarding the second objective.

OIG found that A/LM/AQM and NEA did not hold the contractor accountable for complying with its cost control plan. OIG also found that the Contracting Officer assigned to the contract did not comply with the Federal Acquisition Regulation (FAR) when definitizing the food services task order. OIG made four recommendations to the Department intended to improve the administration and oversight of current and future food services contracts.

Management Assistance Report: Medical Personnel Assigned to Protective Movement Details at U.S. Embassy Baghdad, Iraq, Lack Access to Needed Medications (AUD-MERO-18-53, 8/2018)

During an audit of security services provided to U.S. Embassy Baghdad, Iraq, for the Bureau of Diplomatic Security (DS), OIG discovered that paramedics assigned to protective movement security teams have not received medications needed to render aid to severely injured personnel. The Department's Office of Medical Services cleared the medications; however, Triple Canopy—the contractor responsible for providing protective movement security services for Embassy Baghdad—had not obtained the medications because the Government of Iraq will not allow security contractors to import controlled medications. DS officials have worked with Triple Canopy to obtain the Government of Iraq's approval to import the medications but, at the time of the report, had been unsuccessful. OIG made one recommendation: that DS, in conjunction with the Bureau of Administration, assess the issues preventing the importation of the required medications and take appropriate action to facilitate the acquisition of those medications necessary to support the paramedics.

Audit of Humanitarian Assistance to South Sudan (AUD-MERO-18-48, 7/2018)

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

In addition, OIG found that although PRM assessed programmatic and organizational risks of the awards,

it did not fully assess all relevant country risks regarding South Sudan, such as crime and corruption. OIG also found that PRM's risk assessments and monitoring of its 2016 voluntary contributions to United Nations High Commissioner for Refugees and International Committee of the Red Cross were consistent with Federal and Department requirements.

Audit of the Bureau of Diplomatic Security's Invoice Review Process for Worldwide Protective Services Contracts (AUD-MERO-18-47, 6/2018)

In Iraq and Afghanistan, DS oversees the Worldwide Protective Services (WPS) contracts that provide the Department with a variety of security services for diplomatic missions. OIG conducted this audit to determine: (1) whether DS is following Federal regulations, Department guidance, and its own standard operating procedures when reviewing invoices under the WPS contracts for guard services in Iraq and Afghanistan; (2) whether DS assigned a sufficient number of qualified staff members to oversee the WPS contracts; and (3) the extent to which DS provided oversight of contractor performance. DS followed FAR requirements, Department guidance, and its own procedures in reviewing invoices. However, rather than review all supporting documentation associated with the corresponding invoices, DS Desk Officers sampled supporting documentation for cost reimbursable invoices. OIG also found that staffing shortfalls have affected DS's ability to perform effective invoice review and contractual oversight. OIG further found that DS performed required oversight of contractor performance but had not developed standardized oversight reporting formats. OIG made four recommendations intended to improve DS's invoice review and associated contract oversight activity. DS agreed with all four recommendations offered, and OIG considers each recommendation resolved pending further action.

*Audit of the Bureau of Overseas Buildings Operations
Process for Reviewing Invoices for the Construction of
the U.S. Embassy in Islamabad, Pakistan
(AUD-MERO-18-46, 6/2018)*

The invoice review and approval procedures used by OBO generally complied with Federal requirements and Department policy; however, OIG identified areas that could be improved. Specifically, the 26 invoices OIG reviewed for this audit had all the elements of a proper invoice, including supporting documentation. However, the contractually required subcontractor payments certification statement used by BL Harbert to certify that payment was made to subcontractors and suppliers did not comport with the required language in the FAR or the contract. The distinction between the BL Harbert certification and what is required by the FAR affects OBO's ability to confirm that BL Harbert has made all payments due to its subcontractors and suppliers.

OIG also found that the COR did not always document his inspection of the contractor's work to attest to the amount which, in his opinion, was due to the contractor for work performed. Although there is no requirement to do so under current policy and guidance, such a practice would be helpful for construction projects that take several years to complete. Related to this finding, OIG found that OBO had not adopted a Standard Operating Procedure for reviewing construction invoices associated with the Islamabad project, which would provide continuity among the CORs and OBO engineers who periodically rotate throughout the life of the project. In addition, such a procedure would provide for consistent and uniform invoice reviews and facilitate the Contracting Officer's final acceptance of the project.

*Audit of Food Safety Controls Under Baghdad Life
Support Services Task Order SAQMMA14F0721
(AUD-MERO-18-38, 5/2018)*

OIG conducted this audit to determine whether NEA provided oversight of food safety controls for task order SAQMMA14F0721, in accordance with Department and contractual requirements, and whether A/LM/AQM and NEA held the contractor accountable for complying with food safety controls.

OIG found that NEA did not verify that the contractor or its subcontractor implemented comprehensive Hazard Analysis and Critical Control Point plans that are meant to assess and prevent potential food safety hazards for each site in Iraq. As a result, there is increased risk that food safety hazards could go undetected. OIG also found that NEA officials did not develop a comprehensive quality assurance surveillance plan, maintain pertinent oversight documentation in COR files, or complete timely contractor performance assessment report narratives. As a result, the Department was hampered in fully assessing contractor performance and holding the contractor accountable for fulfilling food safety controls and contract requirements.

OIG made eight recommendations to the Department that are intended to improve oversight of the task order and ensure compliance with acquisition regulations with regard to contract oversight.

*Audit of Costs Invoiced Under the Afghanistan Life
Support Services Contracts
(AUD-MERO-18-35, 4/2018)*

Bureau of South and Central Asian Affairs (SCA) CORs for the Afghanistan Life Support Services contracts generally reviewed and approved invoices in accordance with Federal regulations, Department guidance, and contract requirements. However, OIG found a small percentage of invoiced costs that either did not meet contract requirements or lacked supporting documentation. Specifically, between May 11, 2015, and July 20, 2017, SCA CORs approved 53 invoices, valued at \$74,799,525. OIG reviewed all invoices and questioned \$822,243 (about 1 percent). Of this amount, \$507,940 was not allowed under the contract terms and conditions, and \$314,303 lacked supporting documentation. OIG identified areas for improvement and noted that SCA management did not routinely monitor the results of its invoice reviews, which could explain the questioned costs. The Contracting Officer and CORs told OIG that it would be useful if SCA established a quality assurance process to track invoice review results and periodically test invoice reviews for accuracy. OIG made one recommendation to strengthen SCA's invoice review process and two recommendations to A/LM/AQM to address the questioned costs identified in this report.

Management Assistance Report: Improper Installation of Key Components of U.S. Embassy Kabul, Afghanistan's Fire Alarm System Needs Prompt Attention
(AUD-MERO-18-32, 4/2018)

OIG was alerted to potential risks to personnel and property due to the improper installation of the fire alarm system at the U.S. Embassy in Kabul, Afghanistan. Fire alarm control panels installed on the embassy compound are key components of the fire alarm system and are connected throughout the embassy compound via fiber optic cables that transmit data between each building and to Post One, a communications center staffed by Marine Security Guards. The Marine Security Guards are on duty 7 days a week, 24 hours a day and are responsible for ensuring that communications are routed to appropriate responders during emergencies or security threats.

OIG found that the existing fiber optic cable network does not have a separate redundant path as required. A redundant path helps ensure the network's continued functionality if one of the cables is damaged. These redundant paths allow continued communication with Post One even if one part of the network is damaged. Without a redundant path, damage in one location can render sections of the network inoperable. Additionally, OIG found that seven fire alarm control panels on the east side of the embassy compound are also not connected to Post One. Rather, these seven control panels are on a separate network connected to a guard post staffed by contractor security guards on the east side of the compound. Since the issuance of the report, OBO stated that it has created a redundant loop.

Security and Intelligence

Audit of the Department of State's Administration of its Aviation Program
(AUD-SI-18-59, 9/2018)

OIG conducted this audit to determine whether the Department is administering its aviation program, including key internal controls related to aviation asset accountability and disposal and aircraft operations and maintenance, in accordance with Federal requirements and Department guidelines. OIG found

that the Department is not administering its aviation program in accordance with these requirements and guidelines. For instance, significant aviation operations were undertaken without Aviation Governing Board knowledge or approval, nor is it fulfilling its responsibilities to evaluate aircraft services usage and cost effectiveness. The Department is not effectively managing aviation resources and spent \$72 million on unnecessary aviation services. OIG found that the Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation (INL/A), did not fully maintain accountability over aircraft equipment, and OIG identified deficiencies related to accounting for aviation assets. Additionally, aviation assets were not always disposed of in accordance with requirements, which resulted in over \$8 million in funds that could be put to better use. OIG found that INL/A had sufficient oversight mechanisms related to the operations and maintenance of aircraft. However, the bureau's goal of increasing the institutional capability of host nations to eventually operate aviation programs without support remains elusive because transition plans, including benchmarks, have not been developed and implemented. OIG made 25 recommendations to address the deficiencies identified.

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, 8/2018)

During its audit of the DS Training Directorate, Office of Training and Performance Standards (TPS), expenditures for training-related activities and personal services contracts, OIG found that TPS was not complying with Department policies and procedures for managing accountable personal property with respect to high-threat kits. Each kit costs \$9,167; contains 50 items, including a vest with two armor plates, a tactical helmet, and a global positioning system unit; and can assist participants in emergency situations that can occur at high-threat posts. Specifically, OIG found that TPS did not record accountable property in the Department's inventory system and did not perform annual physical inventories or process accountable property through the DS Administration and Training Support Services

office as required. Also, TPS did not issue the high-threat kits to DS special agents using required procedures, such as ensuring property is returned when it is no longer needed. This deficiency occurred because key property management positions were vacant during the audit scope period. OIG made five recommendations to help ensure that controls over TPS accountable property promote full compliance with property management requirements.

7 OFFICE OF EVALUATIONS AND SPECIAL PROJECTS

The Office of Evaluations and Special Projects strengthens OIG's oversight of the Department and improves OIG's capabilities to educate employees regarding whistleblower protections. This office also reviews allegations of administrative misconduct by senior officials and issues management alerts and management assistance reports to highlight urgent needs for corrective actions, as well as capping reports on thematic areas of concern. It also conducts special evaluations and reviews, including responses to congressional inquiries. This office's work complements the work of OIG's Offices of Audits, Inspections, and Investigations by developing a capacity to focus on broader systemic issues.

From April 1, 2018, to September 30, 2018, the Office of Evaluations and Special Projects issued one unclassified report on Department programs and operations. During this period, the office also issued five whistleblower reports, which are discussed in Section 2 of this report.

Management Assistance Report: Use of Confidentiality Agreements by a Department of State Contractor (ESP-18-03, 8/2018)

An OIG investigation found that a Department contractor required its employees to sign a confidentiality agreement that violated Federal law. OIG recommended that the Department order the contractor to modify or discontinue use of the confidentiality agreement or terminate the contract.

8 OFFICE OF INSPECTIONS

The Office of Inspections conducts independent assessments of the operations of the Department, its posts abroad, and related activities. OIG inspects each post and domestic bureau under the Foreign Service Act of 1980, which sets forth three broad areas for inspections: policy implementation, resource management, and management controls.

The office also conducts targeted reviews of Department programs and operations and compliance follow-up reviews on some posts, offices, and bureaus previously inspected to ensure implementation of key recommendations. From April 1, 2018, to September 30, 2018, the Office of Inspections issued 36 reports on Department programs and operations, 18 of which were unclassified.

The *Department of State Classified Annex to the Semiannual Report to the Congress* includes the classified reports the Office of Inspections issued during this reporting period.

Compliance Follow-up Reviews

Compliance Follow-Up Review: Armored Vehicle Training
(ISP-C-18-32, 4/2018)

OIG conducted a compliance follow-up review of the Department's implementation of the recommendation in the July 2016 *Management Assistance Report: Armored Vehicle Training*. That report found that between January 2010 and September 2015, operators of armored vehicles at overseas missions were involved in 773 mishaps, almost 60 percent of which were deemed preventable. Twelve of the mishaps resulted in 13 fatalities, and embassies recommended driver training in 10 of the 12 fatal mishaps. At that time, the Department required only chief of mission and principal officer drivers, none of whom were involved in the fatal mishaps, to receive armored vehicle training. To address this, OIG recommended requiring training on armored vehicle safe-driving techniques for all overseas professional chauffeurs and incidental (self-drive) operators of such vehicles. In response, the Department in 2017

implemented the Armored Vehicle Familiarization Course and anticipated training all armored vehicle operators under chief of mission authority within the next 2.5 years. In addition, the Department planned to revise the Foreign Affairs Manual training requirements. In this compliance follow-up review, OIG determined that the Department's actions met the intent of the original recommendation. As a result, the recommendation remained closed.

Program Reviews and Special Reports

Department of State Stabilization Programs in Syria Funded Under the Further Continuing and Security Assistance Appropriations Act, 2017
(ISP-I-18-29, 9/2018)

Since 2011, the United States has provided nearly \$8.6 billion in humanitarian assistance and a further \$900 million in non-lethal and stabilization assistance to Syria. Following Congress' December 2016 approval of supplemental appropriations, the Department allocated \$315 million for Syria stabilization assistance, including \$181 million to its bureaus. This review—to determine the obligation and expenditure levels of these Department-managed funds, and whether specific planning, coordination, and program management constraints affected its ability to plan and operate these programs—found the Department faces major challenges in delivering stabilization efforts to Syria. External constraints, largely outside its control, create risks that programs will not achieve the intended strategic result of preventing the reemergence of terrorist organizations. OIG found that the overall stabilization planning and coordination could be strengthened. OIG recommended the Department identify lessons learned from establishing a civilian staffed unit in Syria. Following the conclusion of this review, the Secretary appointed a Special Representative for Syria Engagement. In addition, the Department announced plans to use \$300 million in foreign government contributions and pledges to fund ongoing stabilization and recovery initiatives in northeast Syria and, as a result, would redirect approximately \$230

million in FY 2017 Syria stabilization funds to other foreign policy priorities.

Management Assistance Report: Dispersal of Contracting Officer Representatives Creates Oversight Challenges
(ISP-I-18-33, 8/2018)

In this review, OIG focused on the critical role performed by CORs, who are responsible for assuring that contractors meet performance requirements. OIG's review of inspection reports published in 2016 and 2017 found that 36 percent (15 out of 42) contained findings related to CORs, as did several recent OIG audit reports. OIG concluded that insufficient oversight of CORs by Contracting Officers contributed to the problems described in the reports. Although a variety of factors contributed to oversight difficulties, one significant issue is the dispersal of CORs across overseas missions and domestic bureaus while those charged with overseeing them often work elsewhere. The Department attempted to partly address this concern by deploying an electronic contract file system, an approach that permits remote monitoring. However, the Department did not require CORs to use this system. OIG recommended that the Department issue guidance requiring CORs to maintain their contract files in the electronic filing system within 180 days of the final issuance of this report.

Review of the Bureau of Administration, Office of Logistics Management, Critical Environment Contract Analysis Staff's Counterterrorism Vetting Function (Risk Analysis and Management)
(ISP-I-18-27, 8/2018)

In this review, OIG assessed the counterterrorism vetting function called Risk Analysis and Management—a small team located within the Bureau of Administration's Office of Logistics Management Critical Environment Contracting Analytics Staff—that conducts vetting for Department bureaus, offices, and missions. OIG found that the team generally complied with applicable U.S. Government rules and requirements and was responsive to user needs. However, OIG also found that the Bureau of Administration did not charge an actual-cost-based vetting fee as required for Department WCF programs and that it did not periodically review that

fee. In addition, the vetting service had imprecise performance metrics. Finally, Department bureaus, offices, and missions using the counterterrorism vetting services provided mixed reviews of the usefulness of its internal website and the overall quality of service provided. OIG recommended that the Bureau of Administration establish a counterterrorism vetting fee based on actual costs and establish a schedule to periodically review the fee.

Domestic Bureaus

Inspection of the Bureau of Consular Affairs' Office of Fraud Prevention Programs
(ISP-I-18-42, 8/2018)

OIG found that the Office of Fraud Prevention Programs' leadership and staff were committed to advancing an ambitious 5-year strategy to strengthen border security through data analytics. Employees supported leadership's priorities and contributed to the data analytics and training strategic goals. The office evaluated many of its products and programs through an annual stakeholder survey but did not have a similar mechanism to assess the value and sustainability of several programs developed primarily for its internal use. The Office of Fraud Prevention Programs created expanded training opportunities through innovative learning tools, and several office divisions provided relevant and effective fraud prevention and detection training. However, the office lacked a centralized system to record training activities, limiting its ability to track and evaluate its overall training efforts. The office's standalone data analytics test network and internal case management system lacked adequate security controls. In addition, the office failed to adequately oversee two labor-hour contracts with a total award value of \$8.1 million. OIG made recommendations to the Bureau of Consular Affairs to improve office operations and a recommendation to the Bureau of Human Resources regarding position descriptions.

Inspection of the Bureau of Consular Affairs' Office of Policy Coordination and Public Affairs
(ISP-I-18-28, 6/2018)

OIG found that the Office of Policy Coordination and Public Affairs led the implementation of an executive

communication strategy for the Bureau of Consular Affairs' new Assistant Secretary and the creation of a public affairs strategic communication plan for the entire bureau. In addition, the Outreach Unit fulfilled its responsibilities and Department stakeholders praised the digital engagement team's crisis communications performance. However, the structure of and reporting lines in the office were inconsistent with Department guidance on organizational control. While office leadership took steps to improve operations, they did not have a strategic plan to implement internal reforms, including those recommended by an external auditor. The dispersal of the office's congressional functions across three separate elements limited internal coordination. In addition, the office did not document or formally monitor contract staff performance. OIG made recommendations to improve the office's strategic planning, organizational structure, congressional engagement, human resource management, and contractor oversight.

Inspection of the Bureau of the Comptroller and Global Financial Services' Office of Management Control
(ISP-I-18-07, 6/2018)

The Office of Management Control is responsible for designing and overseeing a wide array of Department non-financial management controls. These range from managing the statements of assurance process, used to identify and report deficiencies that might significantly impair the fulfillment of the Department's mission, to overseeing or conducting vulnerability and risk assessments of bureaus and offices. OIG's inspection found that the office did not carry out many of its key responsibilities in this area. OIG also found that the office's method for identifying management control deficiencies was ineffective. In addition, the office did not request the personnel resources needed to properly oversee the program. The split of responsibility—between the Office of Management Control and the Office of Management Policy, Rightsizing, and Innovation—for these management controls and its enterprise risk management program required close coordination to be successful. Such coordination did not occur, which increased the risk that the Department will not fully achieve its overall mission. OIG recommended that the

Deputy Secretary determine which entity or entities should be responsible for the non-financial management controls and enterprise risk management program and ensure sufficient resources are available to fully meet all relevant requirements.

Inspection of the Bureau of Information Resource Management's Office of Governance, Resource, and Performance Management
(ISP-I-18-15, 4/2018)

OIG found that the Office of Governance, Resource, and Performance Management's unclear strategic vision, goals, and priorities impeded the office's ability to meet its objectives. In addition, its organizational structure, roles, and responsibilities did not align with its actual functions. A single employee oversaw 14 contracts worth more than \$130 million per year in FY 2016 and FY 2017, which resulted in deficient oversight of contractor performance, vendor payments, and contract files. In addition, the office did not maintain a centralized inventory of the Department's IT software purchases—amounting to \$230 million and \$205 million in FY 2016 and FY 2017, respectively. Department policies did not consistently identify the Office of Governance, Resource, and Performance Management as responsible for managing the Department's Information Technology Configuration Control Board, and the office lacked authority to enforce requirements that bureaus and posts worldwide register dedicated internet networks. The office's six process management working groups lacked standard operating procedures for collaboration, documentation, and performance measures, hindering their effectiveness. OIG made recommendations to the Bureaus of Information Resource Management, Administration, and Human Resources to improve office operations.

Overseas Missions

Bureau of African Affairs

Inspection of the U.S. Mission to the African Union, Addis Ababa, Ethiopia
(ISP-I-18-20, 5/2018)

OIG found that since their arrival in September 2016, the Ambassador and the Deputy Chief of Mission led the U.S. Mission to the African Union in advancing Integrated Country Strategy goals. However, the mission could not implement a strategy that encompassed all U.S. Government foreign assistance programs and funding priorities because it did not have insight into funding provided to the African Union by other Department and U.S. Government entities. Public Affairs Section staff did not have a common understanding of the key audiences it wanted to reach in the mission's multilateral operating environment, and the mission's social media strategy lacked specific information, including on key audiences, metrics, desired outcomes, and budgeting. The U.S. Mission to the African Union did not provide sufficient oversight and documentation in administering its public diplomacy grants. OIG made recommendations to enhance oversight of foreign assistance programs, develop a social media strategy to guide public diplomacy online engagement efforts, and improve grants management.

Inspection of Embassy Addis Ababa, Ethiopia
(ISP-I-18-18, 5/2018)

OIG found that the embassy's new leadership had started taking steps to address significant challenges in policy implementation and resource management. However, the 2017 Annual Chief of Mission Management Control Statement of Assurance did not identify multiple deficiencies in the Management and Consular Sections, nor did the embassy protect personally identifiable information when destroying visa records. In addition, the embassy denied special immigrant visa applicants on the basis of criteria that did not comply with Department policy. OIG also found that the warehouses lacked sufficient controls to prevent unauthorized access, and the embassy did not document grants files or obtain regional bureau

approval for certain grants in accordance with Department standards. The Department lacked a sufficient plan to ensure embassy residences were seismically adequate despite a high risk for earthquakes, and the embassy did not inform the embassy community about seismic risks documented in a Department report. In addition, the embassy did not address serious safety deficiencies at many leased residences. OIG made recommendations to improve embassy programs and operations; a recommendation to the Bureau of African Affairs related to management controls; and recommendations to OBO related to embassy safety programs.

Inspection of Embassy Djibouti, Djibouti
(ISP-I-18-14, 4/2018)

OIG found that under the Chargé d'Affaires' leadership, the embassy effectively supported its top Integrated Country Strategy goal by advancing the long-term viability and maximum operational flexibility of the U.S. military presence in the country. However, chronic staffing vacancies hampered performance. OIG identified multiple internal control deficiencies in Management, Consular, Public Diplomacy, Political-Economic, and Information Management operations. The Department had not added a Political-Economic Section chief position to ensure effectiveness in supporting the Integrated Country Strategy. In addition, Embassy Djibouti lacked an Assistant Regional Security Officer-Investigator position in the Consular Section, leaving it vulnerable to consular fraud. Despite Djibouti being at high risk for earthquakes, the embassy did not address findings from a 2014 Seismic Report, nor had it assessed seismic safety of any subsequently leased residences. OIG issued recommendations to improve embassy operations and management controls, and to the Bureau of African Affairs regarding staffing, the Bureau of Consular Affairs on position reclassification, and OBO regarding seismic safety.

Spotlight on Success: Collaborative coordination mechanisms established between Embassy Djibouti and the U.S. military stationed at nearby Camp Lemonnier effectively advanced U.S. interests in the Horn of Africa.

Bureau of European and Eurasian Affairs

Inspection of Embassy Dublin, Ireland (ISP-I-18-24, 6/2018)

OIG found that the Chargé d’Affaires effectively led Embassy Dublin’s activities to focus on the new administration’s policy priorities, especially cybersecurity, trade, and investment. Although the Chargé modeled many of the Department’s leadership and management principles, speculation about several curtailments by American direct-hire staff became a source of tension between the Chargé and some staff members. Embassy Dublin lacked sufficient internal controls in management operations, including motor pool, nonexpendable property, and time and attendance. Information management operations and services generally complied with Department policies and guidance, but lacked IT contingency planning to efficiently respond to system outages. OIG made recommendations to improve Embassy Dublin’s management controls and information management operations.

Inspection of Embassy Lisbon and Consulate Ponta Delgada, Portugal (ISP-I-18-22, 5/2018)

OIG found that Embassy Lisbon’s Ambassador and Deputy Chief of Mission set an inclusive, positive, and ethical tone for the mission. They also promoted strong coordination among country team members to advance U.S. goals in Portugal through an updated set of mission goals and objectives. The Consulate Ponta Delgada Principal Officer established an open and inclusive relationship with staff and engaged in consular services, public outreach, and diplomatic representation to the Azores. A locally employed staff member in the Consular Section performed legal work for other embassy sections that was not permitted under Department guidance. At the time of the inspection, the Bureau of Human Resources’ Office of Overseas Employment had not responded to a long-standing embassy request to update the local compensation plan. OIG made recommendations to improve embassy Consular and General Services operations, and one to the Bureau of Human

Resources regarding the embassy’s local compensation plan.

Spotlight on Success: Embassy Lisbon achieved a positive work-life balance with a self-funded child care facility and fitness programs for employees with active Front Office participation in health and wellness activities. In addition, the Management Section created an Official Residence Expenses Handbook to guide incoming Front Office staff unfamiliar with these complex Department regulations, minimizing accountability problems.

Inspection of Embassy Copenhagen, Denmark (ISP-I-18-23, 4/2018)

OIG found that the Ambassador and the Deputy Chief of Mission set a positive leadership climate, modeling integrity, openness, and concern for the mission and its staff. The embassy’s security cooperation activities with the Danish Government included military, law enforcement, and counterterrorism. The embassy highlighted security cooperation with events in Greenland, Denmark, and Europe that supported the U.S. European Command theater priorities of deterring Russian aggression, enabling the NATO alliance, and preserving U.S. strategic partnerships. The Management Section generally implemented required processes and procedures in accordance with applicable laws and Department guidance, with some exceptions in the Financial Management, General Services, and Facilities Management Sections. The Information Management Section had deficiencies in information systems security, mailroom screening, and records management. OIG made recommendations to improve Financial Management, General Services, Facilities Management, and Information Management operations.

Bureau of Near Eastern Affairs

Inspection of Embassy Riyadh and Constituent Posts, Saudi Arabia (ISP-I-18-17, 5/2018)

OIG found that the Chargé d’Affaires and the acting Deputy Chief of Mission worked as a team in pursuing the administration’s priorities for a key bilateral relationship. However, staff reported the Chargé

limited communication to a small group and did not always include relevant offices in meetings. Embassy Riyadh lacked procedures to review sensitive threat information related to official and nonofficial Americans' safety in Saudi Arabia. Embassy reporting met policy makers' needs and supported mission goals. Public diplomacy programming promoted strategic goals despite limited mixed-gender social interaction and required host government approval for most outreach activities. During the inspection, the embassy began addressing passport audit, visa referral, fraud prevention, and crisis preparedness weaknesses. OIG made recommendations to Embassy Riyadh to improve operations; to the Bureau of Consular Affairs regarding security threat information; and to the Bureau of Educational and Cultural Affairs regarding the Dhahran educational advising center.

Spotlight on Success: Public diplomacy programming that promotes study in the United States reached 80 percent of local social media users. Facilities Management innovations improved oversight and could save more than \$3 million. An embassy-developed procedure for monitoring unclassified equipment and network performance improved customer service and productivity.

Bureau of Western Hemisphere Affairs

Inspection of Embassy Georgetown, Guyana (ISP-I-18-19, 5/2018)

OIG found that Embassy Georgetown's Ambassador advanced U.S. interests in Guyana, a country that has grown more important to the United States with the discovery of large oil reserves. The Ambassador and the Deputy Chief of Mission set a positive and professional tone consistent with the Department's leadership principles. However, the Ambassador's inattention to the embassy's security program was inconsistent with the requirement that chiefs of mission advise, protect, and assist U.S. citizens and take direct and full responsibility for the security of the embassy and its personnel. Internal controls for some management operations and public diplomacy grants management did not comply with Department standards. In addition, the embassy did not have a consular warden system, and its preparedness for managing crisis situations was poor. The embassy's

monitoring of defense articles and equipment supplied to the Government of Guyana did not comply with the Department's end-use monitoring requirements. Information systems security operations and IT contingency plan testing did not comply with Department requirements. OIG recommended that the Department vacate and sell its U.S. Government-owned warehouse. OIG also made recommendations to improve Embassy Georgetown operations, including Management Section internal controls and information management operations.

Inspection of Embassy Guatemala City, Guatemala (ISP-I-18-16, 5/2018)

OIG found that the Ambassador and the Deputy Chief of Mission set an inclusive, positive tone and promoted strong coordination among country team members focused on the embassy's strategic goals of countering the flow of narcotics to the United States and dealing with good governance, prosperity, and security issues. The embassy experienced 44 percent growth in authorized Department American positions and 63 percent growth in authorized American positions of other agencies between 2008 and 2017. However, insufficiently coordinated staffing growth placed at risk the Department's ability to successfully plan and execute construction of a new embassy compound. The Bureau of International Narcotics and Law Enforcement Affairs' aviation program in Guatemala failed to achieve program goals. In addition, internal control deficiencies existed across embassy sections in contracts, grants, property management, and occupational health and safety. Significant issues in the embassy Information Management operations, which stemmed from ineffective IT configuration control and inadequate computer network monitoring, created cybersecurity risks. OIG made recommendations to improve Public Diplomacy, International Narcotics and Law Enforcement, Consular, and Management operations. OIG also made a recommendation to DS regarding the embassy's Sensitive But Unclassified computer network.

Inspection of Embassy San Jose, Costa Rica (ISP-I-18-13, 4/2018)

OIG found that Embassy San Jose improved U.S.-Costa Rican cooperation on transnational security

issues. However, the Consular Section did not meet Department standards for crisis preparedness, nor did the embassy have staff with the skills required to manage large and complex aviation and maritime security projects. At the time of the inspection, the Bureau of International Narcotics and Law Enforcement Affairs did not have a plan to deal with more than \$500,000 in video surveillance equipment it had purchased but could not install because the intended facility lacked the necessary infrastructure. The embassy's fuel program did not have the required controls to guard against theft and abuse. OIG made recommendations to improve embassy operations

and to mitigate risks in implementing Bureau of International Narcotics and Law Enforcement Affairs' aviation and maritime security programs and ensure effective use of program property.

Spotlight on Success: The embassy's use of an online tool facilitated grants management and oversight. In addition, the embassy helped Costa Rica modernize its English language education programs. The embassy also influenced the Costa Rica Government's decision to initiate legislation to create a national lifeguard corps, a significant step in reducing the high rate of drownings along Costa Rica's coasts.

9 OFFICE OF INVESTIGATIONS

The Office of Investigations conducts worldwide investigations of criminal, civil, and administrative misconduct related to programs and operations of the Department.

The office refers investigative results to the Department of Justice for prosecution and to the Department's Bureau of Human Resources, the Bureau of Diplomatic Security, the Office of the Procurement Executive, and other entities for administrative or other appropriate action. OIG's involvement in

complex investigations of crimes affecting Department employees, programs, and operations has resulted in significant actions—including convictions, settlements, recoveries, suspensions, and debarments—and continues to promote integrity and accountability of personnel and programs.

For a summary of OIG investigative activity related to Department of State programs and operations this reporting period, see Table 9.1. For a breakdown of cases closed this reporting period, see Figure 9.1.

Table 9.1

OIG Investigative Activity Related to Department of State Programs and Operations, 4/1/2018–9/30/2018

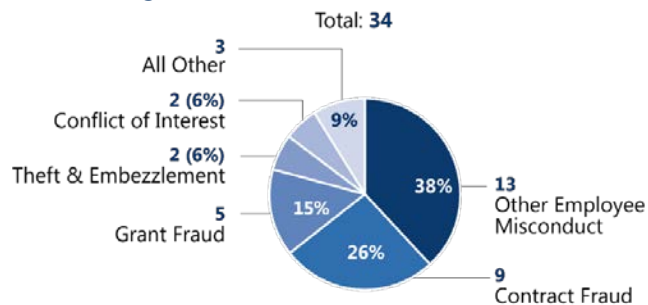
Preliminary Inquiries	
Opened	61
Closed	77
Investigations	
Opened	46
Closed	34
Pending (9/30/2018)	33
Reports Issued ^a	15
Criminal and Civil Actions	
Referrals to the Department of Justice	25
Referrals to Foreign, State, and Local Prosecuting Authorities	0
Arrests	8
Indictments/Informations ^b	15
Convictions	8
Civil Judgments/Settlements	0
Administrative Actions	
Removals (Resignation & Termination)	15
Suspensions/Revocations (Employee & Security Clearance)	13
Reprimands/Admonishments/Other	11
Investigative Monetary Results	
Civil Settlement	\$0
Cost Recovery	\$821,980
Criminal Forfeiture	\$0
Fines and Penalties	\$1,200
Funds Put to Better Use (Cost Savings)	\$117,778
Restitution	\$346,280
Suspension and Debarment	
Contractors/Grantees Suspended	1
Employees/Contractors/Grantees Debarred	12
Fraud Awareness Briefings	
	49

Note: The figures in this table were derived from a defined search of the Office of Investigations' electronic case management system for the period from April 1, 2018, through September 30, 2018, based upon specific administrative action categories.

^a The number represents final Reports of Investigation issued during the reporting period. The same Report of Investigation may have been issued to more than one Department bureau or office and may include multiple subjects for possible administrative actions.

^b The number represents all indictments and criminal informations that occurred during the reporting period. All indictments and criminal informations result from referral to prosecuting authorities. The referral may have occurred in a prior reporting period.

Figure 9.1
OIG Investigations Closed, 4/1/2018–9/30/2018



OIG's investigative efforts span the globe. As shown in Figure 9.2 and Table 9.2, of the 111 cases and preliminary inquiries closed this reporting period, 53 percent concerned activity in the United States, and 47 percent concerned activity in other countries.

Figure 9.2
Department-Related Cases and Preliminary Inquiries Closed, by Country, 4/1/2018–9/30/2018



Source: Office of Investigations electronic case management system

Table 9.2
Preliminary Inquiries and Cases Closed,
4/1/2018–9/30/2018

Type	Domestic	Overseas
Preliminary Inquiries Closed	42	35
Cases Closed	17	17

Source: Office of Investigations electronic case management system.

During the reporting period, OIG conducted several investigations involving senior Government employees in the Department, but there were no such investigations where OIG substantiated allegations of misconduct. OIG also has no investigations to report involving senior Government employees that were closed during the reporting period and were not disclosed to the public.

Contract Fraud

In July 2018, the owner, chief executive officer, and former president of a Texas construction company was sentenced to 18 months in prison for defrauding the Department of \$1.37 million. In January 2018, a co-conspirator was sentenced to 15 months in prison after he pleaded guilty to an information charging him with conspiracy to defraud the United States, wire fraud, and conflicts of interest. The co-conspirator served as a senior contracts administrator for the Department at the outset of the criminal enterprise and, upon his departure from Government service in 2013, was majority owner and a company executive of the construction company involved in the fraud. OIG and Federal Bureau of Investigation (FBI) special agents determined that both individuals defrauded the Department in the course of securing and executing international business contracts involving specialized overseas construction projects in military zones and developing countries.

In June 2018, a New York man pleaded guilty to six counts of wire fraud in connection with committing Government contracting fraud. OIG and General Services Administration OIG special agents determined the individual was previously placed in proposed debarment status by the U.S. Department of Homeland Security for providing counterfeit goods and for a history of failure to perform or unsatisfactory performance on contracts. After learning of his proposed debarment, the individual created a new company in order to continue obtaining Government contracts, including contracts awarded by the General Services Administration and U.S. Department of State, despite his ineligibility due to his proposed debarment status. The individual used an alias to falsely certify to the Government that he was not currently proposed for debarment. His company received 37 contracts worth approximately \$245,000 as a result of this false certification. In addition, he later created another company and used another alias to falsely certify that he was not presently debarred. This new company received seven contracts worth approximately \$60,000. In September 2018, the individual was sentenced to 6 months in prison followed by 2 years

supervised release and was ordered to pay a \$600 special assessment fee.

In June 2018, a Costa Rican national pleaded guilty to theft of Government funds in Federal court. OIG special agents determined the individual used his position as president of a Costa Rican company to steal more than \$2 million in Government funds that were supposed to be transferred to a bank account maintained by the Department's Global Financial Services Center in Charleston, South Carolina. The company had been hired as a subcontractor to handle the processing of visa application fees for the United States Embassy in Costa Rica. As part of the scheme, the individual diverted the funds from a company bank account in Costa Rica to another Costa Rican account under his sole control. In September 2018, the individual was sentenced to 30 months in prison followed by 3 years supervised release and was ordered to pay \$293,832 in restitution.

Embezzlement and Theft

In May 2018, the director of a former Department subgrantee was debarred for embezzling approximately \$19,000 in Department funds. The grant, which was valued at \$29,000, was awarded in 2014 for the purpose of publishing a website providing independent local, national, and international news inside Russia. OIG special agents determined that the organization's director withdrew approximately \$19,000 of the grant funds and fled from Russia to the United States, where he sought asylum. Before his debarment in April 2018, the director was suspended from conducting business with the U.S. Government, and his application for asylum was denied. In addition, the Department of Homeland Security placed him in removal proceedings.

In July 2018, a former Department contractor who worked in Kandahar, Afghanistan, was convicted of theft, unauthorized sale of Government property, and interstate transportation of stolen property. OIG and Special Inspector General for Afghanistan Reconstruction special agents determined that the former contractor stole and resold approximately \$48,900 worth of equipment that was meant for

excess under the Foreign Excess Personal Property Program.

Employee Misconduct

In August 2018, a Department Contracting Officer and division chief were each issued a Letter of Admonishment for failure to follow policy and report suspected fraud to OIG. In 2017, OIG and FBI special agents determined that Department employees were engaged in a multi-level marketing scheme with a Department contractor. The failure to properly report the potential fraud meant that OIG did not become aware of the scheme until the violations were reported 14 months later by another source.

In July 2018, the Department debarred a former Government official, a company president, and two companies for their roles in a U.S. embassy bribery scheme. OIG special agents determined that a former Local Guard Force Coordinator, who had been terminated from his position at a U.S. embassy in July 2016, accepted a bribe of approximately \$1,375 from the president of two security companies in exchange for procurement information on a 2010 security contract solicitation.

In July 2018, a Department employee pleaded guilty to conspiring to produce child pornography and producing child pornography. According to court documents, the employee conspired to produce more

than 1,000 sexually explicit images and videos of minor children in Canada during a 2-year period.

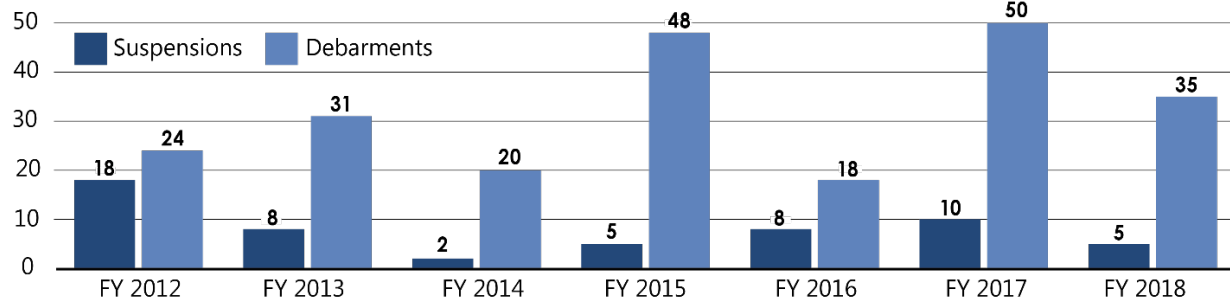
In May 2018, a former Department program manager pleaded guilty to stealing Federal funds intended for a foreign exchange program. OIG and FBI special agents determined that, from February 2011 through March 2016, the former employee conspired with others to steal portions of \$247,200 in Federal grant funds allocated to a Department-maintained foreign exchange program by falsifying vendor-related invoices and creating fraudulent checks. Over the 5-year span, the former employee stole approximately \$17,335. In September 2018, the former Department official was sentenced to 13 months in prison followed by 3 years supervised release and was ordered to pay \$35,112 in restitution. In April 2018, the former owner of a transportation company and primary co-conspirator was sentenced to 14 months in prison followed by 3 years supervised release and ordered to pay \$17,335 in restitution.

Suspensions and Debarments

OIG has enhanced its efforts to identify and refer appropriate cases to the Department for suspension and debarment. In FY 2018, because of OIG referrals, 5 employees, contractors, and grantees were suspended from conducting business with the Federal Government, and 35 were debarred. For a summary of suspension and debarment activity over the last several years, see Figure 9.3.

Figure 9.3

Suspension and Debarment Action Taken By the Department As A Result Of OIG Referrals, FY 2012–2018



10 FINANCIAL RESULTS OF OIG WORK RELATED TO THE DEPARTMENT OF STATE

In the reports it issued this reporting period, OIG identified approximately \$82.7 million in potential monetary benefits to the Department. Also during this reporting period, the Department made management decisions on approximately \$145.5 million in recommendations involving questioned costs or funds that could be put to better use. At the close of this reporting period, the Department had not yet made a management decision on more than \$522.4 million in questioned costs or funds that could be put to better use, as identified by OIG.

For the status of recommendations involving questioned costs in OIG reports on Department programs and operations, see Table 10.1. For the status of recommendations involving funds that could be put to better use, see Table 10.2. For a summary of consolidated Department and USAGM totals of potential monetary benefits identified by OIG during this reporting period, see Section 5 of this report.

OIG Financial Lexicon

Questioned Costs

Costs that are questioned by OIG because of an alleged violation of a provision; costs not supported by adequate documentation; or a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

Allowed:

A cost questioned by OIG that management has decided should be charged to the Government.

Disallowed:

A cost questioned by OIG that management has agreed should not be charged to the Government.

Funds Put to Better Use

Funds that could be used more efficiently if management took actions to implement and complete the recommendation.

Agreed:

The dollar value of recommendations that management agreed to implement.

Disagreed:

The dollar value of recommendations that management disagreed with implementing.

Table 10.1

Status of OIG Recommendations to the Department of State Including Questioned Costs, 4/1/2018–9/30/2018

		# Reports	Questioned Costs (\$ Thousands ^b)	Unsupported Costs ^a (\$ Thousands ^b)
A.	No management decision made by start of the reporting period	17	\$218,883	\$85,853
B.	Issued during the reporting period			
	<i>Audit of the Department of State's Administration of its Aviation Program</i>		\$72,274	\$0
	<i>Audit of Costs Invoiced Under the Afghanistan Life Support Services Contracts</i>		\$822	\$314
	<i>Inspection of Embassy Addis Ababa, Ethiopia</i>		\$99	\$99
	<i>Inspection of Embassy San Jose, Costa Rica</i>		\$67	\$67
	Total Issued During the Reporting Period	4	\$73,263	\$481
	Total (A+B)	21	\$292,146	\$86,334
C.	Management decision made during the reporting period			
	(i) Disallowed Costs		\$6,196	\$5,427
	(ii) Costs Not Disallowed		\$138,406	\$15,235
	Subtotal	8	\$144,602	\$20,662
D.	Total remaining for decision as of the end of the reporting period [(A+B) – Subtotal C]	16^c	\$147,544	\$65,672
E.	Additional monetary benefits achieved as the result of prior OIG recommendations	2	\$19	\$0

^a "Unsupported Costs" is a subset of "Questioned Costs."

^b Dollar amounts may be affected by rounding.

^c Count of remaining reports cannot be directly derived from the preceding report counts above because some reports include more than one recommendation with monetary benefits. The 16 reports noted in the table contain 41 recommendations without a management decision at the end of the period.

Table 10.2

Status of OIG Recommendations to the Department of State Recommending Funds Be Put to Better Use, 4/1/2018–9/30/2018

	# Reports	Funds Put to Better Use (\$ Thousands ^a)
A. No management decision made by start of the reporting period	13	\$366,312
B. Issued during the reporting period		
<i>Inspection of Embassy San Jose, Costa Rica</i>		\$540
<i>Inspection of Embassy Riyadh and Constituent Posts,</i>		\$556
<i>Inspection of Embassy Addis Ababa, Ethiopia</i>		\$74
<i>Audit of the Department of State's Administration of its Aviation Program</i>		\$8,303
Total Issued During the Reporting Period	4	\$9,473
Total (A+B)	17	\$375,785
C. Management decision made during the reporting period		
(i) Dollar Value of Recommendations Agreed to by Management		\$885
(ii) Dollar Value of Recommendations Not Agreed to by Management		\$0
Subtotal	4	\$885
D. Total remaining for decision as of the end of the reporting period [(A+B) – Subtotal C]	14^b	\$374,900
E. Additional monetary benefits achieved as the result of prior OIG recommendations	0	\$0

^a Dollar amounts may be affected by rounding.

^b Count of remaining reports cannot be directly derived from the preceding report counts above because some reports include more than one recommendation with monetary benefits. The 14 reports noted in the table contain 18 recommendations without a management decision at the end of the period.

Office of Management and Budget Single Audits

OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 200) establishes audit requirements for state and local governments, colleges and universities, and nonprofit organizations receiving Federal awards. Under 2 CFR Part 200, covered entities that expend \$750,000 or more a year in Federal funds must obtain an annual organization-wide "single audit" that includes the entity's financial statements and compliance with Federal award requirements. These audits are conducted by non-Federal auditors, such as public accounting firms and state auditors.

OIG reviews selected audit reports for findings and questioned costs related to Department awards to ensure that the reports comply with the requirements of OMB related to single audits. OIG's oversight of non-Federal audit activity informs Federal managers about the soundness of the management of Federal programs and identifies any significant areas of internal control weaknesses, noncompliance, and questioned costs for resolution or follow-up.

During this reporting period, the Office of Audits conducted follow-up on prior year's questioned costs of \$336,789 referred to Department program officials for resolution in prior periods. Table 10.3 summarizes the Department's decisions during this period to allow or disallow the questioned costs.

Table 10.3
Inspector General-Referred Single Audit Reports With Questioned Costs

	# Reports	Questioned Costs (\$ Thousands ^a)
A. For which no management decision had been made by the commencement of the reporting period	7	\$337
B. Issued during the reporting period	0	\$0
Subtotal Questioned Costs (A+B)	7	\$337
C. For which a management decision was made during the reporting period		
(i) Disallowed Costs	4	\$215
(ii) Costs Not Disallowed	0	\$0
Total Management Decisions	4	\$215
D. For which no management decision has been made by the end of the reporting period [(A+B) – Subtotal C]	3	\$122

^a Dollar amounts may be affected by rounding.

Defense Contract

Audit Agency Audits

A/LM/AQM provided OIG information concerning Department contract awards. The bureau's Business Operations Division initiates and coordinates audits with the Defense Contract Audit Agency (DCAA) to support Contracting Officers. Questioned costs that are identified represent the total of all questioned

dollars in DCAA audit reports issued during this reporting period. The management decision captures the resolution of audit reports made by the Contracting Officer during this reporting period to allow or disallow questioned costs. OIG did not verify, or otherwise audit, the values shown in Table 10.4 for the information the Office of Acquisitions Management provided.

Table 10.4

Defense Contract Audit Agency Audit Reports With Questioned Costs

Recommendation Status		# Reports ^b	Questioned Costs (\$ Thousands ^a)
A.	For which no management decision had been made by the commencement of the reporting period	9	\$138,621
B.	Issued during the reporting period		
	<i>Independent Audit Report on Business Integra Technology Solutions, Inc.'s Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year (FY) 2013 (2013M10100005, May 31, 2018)</i>		\$697
	<i>Independent Audit Report on Chenega Management, LLC's (CAGE Code 5HA63) Proposed Amounts on Unsettled Flexibly-Priced Contracts for Fiscal Year 2013 (2013F10100109, June 13, 2018)</i>		\$331
	<i>Independent Audit Report on Chenega Management, LLC's (CAGE Code 5HA63) Proposed Amounts on Unsettled Flexibly-Priced Contracts for Fiscal Year 2014 (2014F10100104, June 13, 2018)</i>		\$87
	<i>Independent Audit Report on Xator Corp.'s Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2014 (2014R10100030, June 28, 2018)</i>		\$329
	<i>Independent Audit Report on Xator Corp.'s Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2015 (2015R10100031, June 28, 2018)</i>		\$612
	<i>Independent Audit Report on Aegis Defense Services, LLC's Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2014 ended December 31 (2014M10100001, June 29, 2018)</i>		\$3,684
	<i>Independent Audit Report on Aegis Defense Services, LLC's Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2016 ended January 31 (2016M10100016, June 29, 2018)</i>		\$5,397
	<i>Independent Audit Report on SOC, LLC/IDD's Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year (FY) 2012 (2012E10100013, September 20, 2018)</i>		\$14,182
	<i>Independent Audit Report on Sterling Global Operations Inc.'s Proposed Amounts on Unsettled Flexibly Priced Contract for FY 2014 (2014B10100031, September 20, 2018)</i>		\$179
	Total Issued During the Reporting Period	9^c	\$25,499
	Subtotal Questioned Costs (A+B)	18	\$164,120
C.	For which management decision was made during the reporting period		
	(i) Disallowed Costs		\$9,244
	(ii) Costs Not Disallowed		\$1,893
	Total Management Decisions	7	\$11,137
D.	For which no management decision has been made by the end of the reporting period [(A+B) – Subtotal C]	11	\$152,983

^a Dollar amount may be affected by rounding.

^b Number excludes audit reports OIG issued in a prior period on behalf of the Bureau of Administration that were pending management decision. Those reports and respective decisions are accounted for in Table 10.1 Status of OIG Recommendations to the Department of State Including Questioned Costs.

^c Number excludes 10 additional DCAA reports issued during the reporting period that did not have questioned costs.

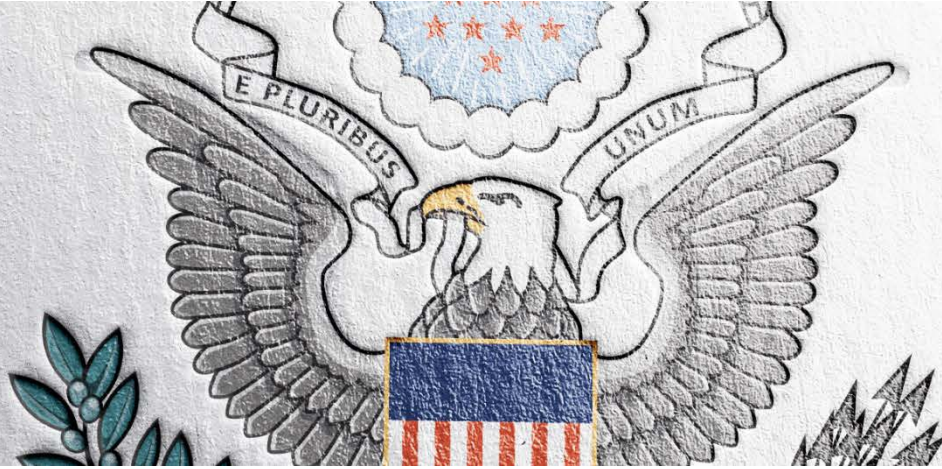
11 COMPLIANCE

OIG tracks and documents the status of OIG report recommendations and agency follow-up actions. OMB Circular A-50 requires prompt resolution and corrective action on OIG recommendations. Specifically, the circular states that resolution shall be made within 6 months after the final report is issued, with corrective action proceeding as rapidly as possible.

The tables in Appendix D provide detailed information about the status of OIG recommendations. Tables D.1 through D.4 identify resolved but unimplemented recommendations associated with unclassified reports issued prior to April 1, 2018.

These tables also identify recommendations designated as significant and associated potential monetary benefits. Table D.5 identifies recommendations that have been without management decision for more than 6 months.

Table D.6 shows reports issued in the previous reporting period that did not receive comments within 60 days of issuance. Table D.7 shows previous significant management decisions that the Department revised during this reporting period, and Table D.8 identifies significant management decisions with which OIG disagreed. Lastly, Table D.9 highlights a number of recommendations that were closed during the reporting period.



OVERSIGHT OF U.S. AGENCY FOR GLOBAL MEDIA PROGRAMS AND OPERATIONS

12 OFFICE OF AUDITS

The Office of Audits supports the United States Agency for Global Media—formerly the Broadcasting Board of Governors—by auditing its programs and operations and making recommendations to improve management, strengthen integrity and accountability, and ensure the most efficient, effective, and economical use of resources. Audit work focuses on such areas of concern as financial management and information security and management practices. From April 1, 2018, to September 30, 2018, OIG issued one unclassified audit report related to USAGM programs and operations.

Financial Management

Audit of Broadcasting Board of Governors FY 2017 Compliance With Improper Payments Requirements (AUD-FM-IB-18-39, 5/2018)

In compliance with the Improper Payments Information Act of 2002, as amended, OIG conducted an audit to assess the Broadcasting

Board of Governors' (BBG) FY 2017 compliance with improper payments requirements. OIG found that BBG was not in compliance with all improper payment requirements for FY 2017. Specifically, BBG did not publish required information related to estimates, such as current year proper payment amount and percentage and over- and underpayment percentages. This occurred, in part, because BBG had not updated its policies to reflect OMB requirements issued in August 2017. Noncompliance with any of the six criteria established in OMB Circular A-123 requires OIG to conclude that BBG is not in compliance with the act. OIG found that BBG complied with the other five improper payment requirements, which include conducting risk assessments, publishing its Performance and Accountability Report, publishing corrective actions, publishing and meeting reduction targets, and publishing an error rate of less than 10 percent. OIG made one recommendation to improve the process for reporting improper payments information.

13 OFFICE OF INVESTIGATIONS

The Office of Investigations conducts worldwide investigations of criminal, civil, and administrative misconduct related to USAGM programs and operations. From April 1, 2018, to September 30, 2018, the office opened one preliminary inquiry, closed one preliminary inquiry, opened one investigation, and closed no investigations. OIG has no monetary recoveries or administrative actions from investigations of USAGM programs and operations to report during this reporting period.

During the reporting period, OIG conducted no investigations involving senior Government employees in USAGM where OIG substantiated allegations of misconduct. OIG also has no investigations to report involving senior Government employees that were substantiated and closed during the reporting period but not disclosed to the public.

14 FINANCIAL RESULTS OF OIG WORK RELATED TO THE U.S. AGENCY FOR GLOBAL MEDIA

In the reports it issued this reporting period, OIG did not identify potential monetary benefits to USAGM, and the agency made no management decisions on recommendations involving questioned costs or funds that could be put to better use. At the close of this reporting period, USAGM had not yet made a management decision on \$6.2 million in funds that could be put to better use, as identified by OIG.

USAGM had no open recommendations involving questioned costs from this reporting period or previous reporting periods that required management decision. For the status of recommendations involving funds that could be put to better use, see Table 14.1. For a summary of consolidated Department and USAGM totals of potential monetary benefits identified by OIG during this reporting period, see Section 5 of this report

OIG Financial Lexicon

Questioned Costs

Costs that are questioned by OIG because of an alleged violation of a provision; costs not supported by adequate documentation; or a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

Allowed:

A cost questioned by OIG that management has decided should be charged to the Government.

Disallowed:

A cost questioned by OIG that management has agreed should not be charged to the Government.

Funds Put to Better Use

Funds that could be used more efficiently if management took actions to implement and complete the recommendation.

Agreed:

The dollar value of recommendations that management agreed to implement.

Disagreed:

The dollar value of recommendations that management disagreed with implementing.

Table 14.1

Status of OIG Recommendations to the United States Agency for Global Media Recommending Funds Be Put to Better Use, 4/1/2018–9/30/2018

	# Reports	Funds Put to Better Use (\$ Thousands ^a)
A. No management decision made by start of the reporting period	1	\$6,227
B. Issued during the reporting period		
Total Issued During the Reporting Period	0	\$0
Total (A+B)	1	\$6,227
C. Management decision made during the reporting period		
(i) Dollar Value of Recommendations Agreed to by Management		\$0
(ii) Dollar Value of Recommendations Not Agreed to by Management		\$0
Subtotal	0	\$0
D. Total remaining for decision as of the end of the reporting period [(A+B) – Subtotal C]	1	\$6,227
E. Additional monetary benefits achieved as the result of prior OIG recommendations	0	\$0

^a Dollar amounts may be affected by rounding.

Office of Management and Budget Single Audits

OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 200) establishes audit requirements for state and local governments, colleges and universities, and nonprofit organizations receiving Federal awards. Under 2 CFR Part 200, covered entities that expend \$750,000 or more a year in Federal funds must obtain an annual organization-wide "single audit" that includes the

entity's financial statements and compliance with Federal award requirements. These audits are conducted by non-Federal auditors, such as public accounting firms and state auditors.

During this reporting period, there were no audit reports with findings and questioned costs for which USAGM was required to issue management decisions.

15 COMPLIANCE

OIG tracks and documents the status of OIG report recommendations and agency follow-up actions. OMB Circular A-50 requires prompt resolution and corrective action on OIG recommendations. Specifically, the circular states that resolution shall be made within 6 months after the final report is issued, with corrective action proceeding as rapidly as possible.

The tables in Appendix E provide detailed information about the status of OIG recommendations. Tables E.1 through E.2 identify resolved but unimplemented recommendations associated with unclassified reports issued prior to

April 1, 2018. These tables also identify recommendations designated as significant and associated potential monetary benefits. Table E.3 identifies recommendations that have been without management decision for more than 6 months.

Table E.4 shows reports issued in the previous reporting period that did not receive comments within 60 days of issuance. Table E.5 shows previous significant management decisions that USAGM revised during this reporting period, and Table E.6 identifies significant management decisions with which OIG disagreed.



APPENDICES

APPENDIX A: OIG REPORTS RELATED TO DEPARTMENT OF STATE PROGRAMS AND OPERATIONS

Table A.1

OIG Reports Related to Department of State Programs and Operations,
4/1/2018–9/30/2018

Report #	Report Title	Date Issued
Office of Audits		
AUD-SI-18-59	<i>Audit of the Department of State's Administration of its Aviation Program</i>	9/2018
AUD-MERO-18-56	<i>Audit of Foreign Assistance for Internally Displaced Persons in Iraq</i>	8/2018
AUD-MERO-18-55	<i>Audit of Cost Controls Within the Baghdad Life Support Services Contract Food Services Task Order SAQMMA14F0721</i>	8/2018
AUD-CGI-18-54	<i>Audit of the Bureau of Overseas Buildings Operations' Value Engineering Program</i>	8/2018
AUD-MERO-18-53	<i>Management Assistance Report: Medical Personnel Assigned to Protective Movement Details at U.S. Embassy Baghdad, Iraq, Lack Access to Needed Medications</i>	8/2018
AUD-CGI-18-52	<i>Management Assistance Report: Department of State Has Not Implemented the Required Value Engineering Program for Contracts Exceeding \$5 Million</i>	8/2018
AUD-ACF-18-51	<i>Management Assistance Report: Further Department Attention Needed to Address Overdue Responses on Selected Open Recommendations</i>	8/2018
AUD-CGI-18-50	<i>Audit of the Bureau of European and Eurasian Affairs Administration and Oversight of Selected Contracts and Grants</i>	8/2018
AUD-SI-18-49	<i>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</i>	8/2018
AUD-MERO-18-48	<i>Audit of Humanitarian Assistance to South Sudan</i>	7/2018
AUD-MERO-18-47	<i>Audit of the Bureau of Diplomatic Security's Invoice Review Process for Worldwide Protective Services Contracts</i>	6/2018
AUD-MERO-18-46	<i>Audit of the Bureau of Overseas Buildings Operations Process for Reviewing Invoices for the Construction of the U.S. Embassy in Islamabad, Pakistan</i>	6/2018
AUD-FM-18-44	<i>Audit of the Department of State's Process to Identify and Transfer Excess Working Capital Funds</i>	6/2018
AUD-FM-18-40	<i>Audit of Department of State FY 2017 Compliance With Improper Payments Requirements</i>	5/2018
AUD-MERO-18-38	<i>Audit of Food Safety Controls Under Baghdad Life Support Services Task Order SAQMMA14F0721</i>	5/2018
AUD-MERO-18-35	<i>Audit of Costs Invoiced Under the Afghanistan Life Support Services Contracts</i>	4/2018

Report #	Report Title	Date Issued
AUD-MERO-18-32	<i>Management Assistance Report: Improper Installation of Key Components of U.S. Embassy Kabul, Afghanistan's Fire Alarm System Needs Prompt Attention</i>	4/2018
Office of Evaluations and Special Projects		
ESP-18-03	<i>Management Assistance Report: Use of Confidentiality Agreements by a Department of State Contractor</i>	8/2018
Office of Inspections		
ISP-I-18-29	<i>Department of State Stabilization Programs in Syria Funded Under the Further Continuing and Security Assistance Appropriations Act, 2017</i>	9/2018
ISP-I-18-42	<i>Inspection of the Bureau of Consular Affairs' Office of Fraud Prevention Programs</i>	8/2018
ISP-I-18-33	<i>Management Assistance Report: Dispersal of Contracting Officer Representatives Creates Oversight Challenges</i>	8/2018
ISP-I-18-27	<i>Review of the Bureau of Administration, Office of Logistics Management, Critical Environment Contract Analysis Staff's Counterterrorism Vetting Function (Risk Analysis and Management)</i>	8/2018
ISP-I-18-28	<i>Inspection of the Bureau of Consular Affairs' Office of Policy Coordination and Public Affairs</i>	6/2018
ISP-I-18-24	<i>Inspection of Embassy Dublin, Ireland</i>	6/2018
ISP-I-18-07	<i>Inspection of the Bureau of the Comptroller and Global Financial Services' Office of Management Control</i>	6/2018
ISP-I-18-22	<i>Inspection of Embassy Lisbon and Consulate Ponta Delgada, Portugal</i>	5/2018
ISP-I-18-20	<i>Inspection of the U.S. Mission to the African Union, Addis Ababa, Ethiopia</i>	5/2018
ISP-I-18-19	<i>Inspection of Embassy Georgetown, Guyana</i>	5/2018
ISP-I-18-18	<i>Inspection of Embassy Addis Ababa, Ethiopia</i>	5/2018
ISP-I-18-17	<i>Inspection of Embassy Riyadh and Constituent Posts, Saudi Arabia</i>	5/2018
ISP-I-18-16	<i>Inspection of Embassy Guatemala City, Guatemala</i>	5/2018
ISP-C-18-32	<i>Compliance Follow-Up Review: Armored Vehicle Training</i>	4/2018
ISP-I-18-23	<i>Inspection of Embassy Copenhagen, Denmark</i>	4/2018
ISP-I-18-15	<i>Inspection of the Bureau of Information Resource Management's Office of Governance, Resource, and Performance Management</i>	4/2018
ISP-I-18-14	<i>Inspection of Embassy Djibouti, Djibouti</i>	4/2018
ISP-I-18-13	<i>Inspection of Embassy San Jose, Costa Rica</i>	4/2018

Table A.2

OID Reports a Related to Department of State Programs and Operations Summarized in the Department of State Classified Annex to the Semiannual Report to the Congress, 4/1/2018–9/30/2018

Report #	Report Title	Date Issued
Office of Audits		
AUD-IT-18-58	<i>Audit of the Information Security Program for Sensitive Compartmented Information Systems at the Department of State</i>	9/2018
AUD-IT-18-57	<i>Audit of the International Boundary and Water Commission, United States and Mexico, U.S. Section, Information Security Program</i>	9/2018
AUD-IT-18-45	<i>Management Assistance Report: Compliance Follow-up Review of Department of State Actions To Address Cybersecurity Weaknesses Identified With the Integrated Personnel Management System</i>	6/2018
AUD-IT-18-43	<i>Management Assistance Report: The Department of State Is Not Managing Unsupported Operating Systems in Accordance With Federal Requirements</i>	5/2018
AUD-FM-18-42	<i>2017 Examination of the Diplomatic Security Special Forces Antiterrorism Assistance Project</i>	5/2018
AUD-FM-18-41	<i>2017 Examination of the Diplomatic Security Special Forces Antiterrorism Assistance Project</i>	5/2018
AUD-ACF-18-37	<i>Management Assistance Report: Further Department Attention Needed to Close OIG Recommendations Concerning Safety and Security Deficiencies at Overseas Posts</i>	4/2018
AUD-MERO-18-36	<i>Management Assistance Report: Status of Key Emergency Medical Supplies at Posts Worldwide</i>	4/2018
Office of Inspections		
ISP-S-18-35	<i>Classified Inspection of Embassy Dakar, Senegal</i>	9/2018
ISP-C-18-31	<i>Compliance Follow-up Review: The Worldwide Refugee Admissions Processing System Still Vulnerable to Potential Compromise</i>	8/2018
ISP-S-18-30	<i>2018 Update: Review of the Implementation of the Benghazi Accountability Review Board Recommendations</i>	7/2018
MA-18-01	<i>Management Alert: U.S. Mission to Somalia</i>	7/2018
ISP-S-18-25	<i>Classified Inspection of Embassy Chisinau, Moldova</i>	6/2018
ISP-S-18-24	<i>Classified Inspection of Embassy Dublin, Ireland</i>	6/2018
ISP-S-18-23	<i>Classified Inspection of Embassy Copenhagen, Denmark</i>	5/2018
ISP-S-18-22	<i>Classified Inspection of Embassy Lisbon and Consulate Ponta Delgada, Portugal</i>	5/2018
ISP-S-18-19	<i>Classified Inspection of Embassy Georgetown, Guyana</i>	5/2018
ISP-S-18-17	<i>Classified Inspection of Embassy Riyadh and Constituent Posts, Saudi Arabia</i>	5/2018
ISP-S-18-13	<i>Classified Inspection of Embassy San Jose, Costa Rica</i>	5/2018
ISP-S-18-10	<i>Management Assistance Report: Personnel Under Chief of Mission Authority Work in Spaces That Do Not Meet Department Physical Security Standards</i>	5/2018
ISP-S-18-18	<i>Classified Inspection of Embassy Addis Ababa, Ethiopia</i>	4/2018
ISP-S-18-16	<i>Classified Inspection of Embassy Guatemala City, Guatemala</i>	4/2018
ISP-S-18-14	<i>Classified Inspection of Embassy Djibouti, Djibouti</i>	4/2018

Note: Three additional reports (titles classified) can be found in the Department of State Classified Annex to the Semiannual Report to the Congress.

APPENDIX B: OIG REPORTS RELATED TO U.S. AGENCY FOR GLOBAL MEDIA PROGRAMS AND OPERATIONS

Table B.1

OIG Reports Related to U.S. Agency for Global Media Programs and Operations,
4/1/2018–9/30/2018

Report #	Report Title	Date Issued
Office of Audits		
AUD-FM-IB-18-39	<i>Audit of Broadcasting Board of Governors FY 2017 Compliance With Improper Payments Requirements</i>	5/2018

APPENDIX C: PEER REVIEWS

The Office of Inspector General (OIG) conducts oversight activities to help ensure that the Department of State and the United States Agency for Global Media manage and execute programs and operations as efficiently and effectively as possible. To underscore the importance of operational efficiency and effectiveness, OIG is measured by industry standards and best practices set forth by the oversight community, represented by the Council of the Inspectors General on Integrity and Efficiency (CIGIE). As part of this shared internal control system, CIGIE requires OIGs to conduct and undergo periodic external peer reviews, and the Inspector General Act of 1978 requires the results of these peer reviews to be published in this *Semiannual Report to the Congress*.

Office of Audits

The Office of Audits did not undergo a peer review during this reporting period. The Office of Audits was last peer reviewed March 18, 2016, and has no outstanding recommendations.

During the reporting period, OIG conducted a peer review of the system of quality control of the Small Business Administration OIG, which received a peer review rating of pass.

Office of Investigations

The Office of Investigations underwent a peer review in July 2018. The peer review team found that the system of internal safeguards and management procedures for the Office of Investigations complied with the standards established for investigations by the Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority and the CIGIE. There are, therefore, no outstanding recommendations.

APPENDIX D: DEPARTMENT OF STATE COMPLIANCE

Tables D.1 through D.9 report the status of open Office of Inspector General (OIG) recommendations to the Department of State (Department) as of September 30, 2018, as well as certain recommendations that were closed during the reporting period.

In addition to the significant management decisions with which OIG disagreed listed in Table D.8, there are four additional unresolved recommendation where OIG and Department officials disagreed. OIG did not classify the recommendations as significant and continues to work with Department officials to resolve and close the recommendations.

OIG Compliance Lexicon

Open

Unresolved: No agreement between OIG and management on the recommendation or proposed corrective action.

Resolved: Agreement on the recommendation and proposed corrective action but implementation has not been completed.

Closed

Agreed-upon corrective action is complete.

Table D.1

Open Office of Audits Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention</i> (AUD-MERO-18-31, 3/2018)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$3.55 million in questioned basic daily food allowance costs that OIG identified under the base year of Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 was allowable per the contract terms and conditions, and (b) recover all costs determined to be unallowable.	\$3,550,000
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$37.4 million in questioned basic daily food allowance costs paid to PAE Government Services, Inc. during option years 1, 2, and 3 of Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 as identified by OIG are allowable, and (b) recover any costs determined to be unallowable.	\$37,400,000

Report Recommendation	Potential Monetary Benefits
Recommendation 8: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management use contractual remedies under Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 and seek adjustment from PAE Government Services, Inc. for relieving them of the requirement to implement the point-of-sale cafeteria system, pending the viability assessment from Recommendation 6.	N/A
Recommendation 9: OIG recommends that the Bureau of Near Eastern Affairs, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management and the U.S. Embassy Baghdad, determine whether it shall (a) establish controls that limit physical access to dining facilities by local national employees and individuals not serving under chief of mission authority to one meal per work day in accordance with Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 or (b) appropriately modify the contract.	N/A
Recommendation 12: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$4.1 million in questioned costs for unauthorized meals paid to PAE Government Services, Inc. under Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 as identified by OIG are allowable and (b) recover any costs determined to be unallowable.	\$4,100,000
Recommendation 13: OIG recommends that, if the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management does not seek reimbursement for \$4.1 million in unauthorized meals paid to PAE Government Services, Inc. in response to Recommendation 12, the Procurement Executive at the Bureau of Administration, Office of the Procurement Executive implement ratification procedures in accordance with Department of State Acquisition Regulations 601.602-3-70, "[Ratification] Procedures," for Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721.	N/A
<i>Audit of the Bureau of International Narcotics and Law Enforcement Affairs Invoice Review Process for Contracts in Afghanistan</i> (AUD-MERO-18-30, 2/2018)	
Recommendation 1: OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs fill the permanent Contracting Officer's Representative vacancies in Kabul, Afghanistan, to ensure adequate oversight of its Afghanistan contracts.	N/A
Recommendation 6: OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs incorporate, in the Kabul-specific Standard Operating Procedures it is developing, control steps (a) for the Contracting Officer's Representatives to maintain quality assurance records in accordance with Department requirements and (b) verify that Contracting Officer's Representatives follow the Bureau of International Narcotics and Law Enforcement Affairs' Standard Operating Policy/Procedures for Contracting Officer's Representative Working File Maintenance.	N/A
<i>Audit of the Administration of Selected Cooperative Agreements Awarded to the Institute of International Education by the Bureau of Educational and Cultural Affairs</i> (AUD-CGI-18-15, 2/2018)	
Recommendation 4: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the unsupported cost-sharing contributions of \$14,829,120 for cooperative agreement S-ECAGD-14-CA-1017 (October 1, 2013, through September 30, 2016) are supported and (b) reduce, for any cost-sharing contribution determined to be unsupported, the Department of State's funding for the agreement accordingly, as stipulated in the agreement.	\$14,829,120
Recommendation 6: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the unsupported cost-sharing contributions of \$19,153,955 for cooperative agreement S-ECAGD-15-CA-1015 (December 11, 2014, through September 30, 2016) are supported	\$19,153,955

Report Recommendation	Potential Monetary Benefits
and (b) reduce, for any cost-sharing contribution determined to be unsupported, the Department of State's funding for the cooperative agreement accordingly, as stipulated in the agreement.	
<i>Audit of Bureau of Overseas Buildings Operations' Oversight of New Construction Projects at the U.S. Embassy in Kabul, Afghanistan</i> (AUD-MERO-18-17, 1/2018)	
Recommendation 2: OIG recommends the Bureau of Overseas Buildings Operations require project directors to certify that all required building equipment and systems are fully commissioned prior to issuing the certificate of substantial completion.	N/A
<i>Audit of the Department of State's Information Technology Configuration Control Board</i> (AUD-IT-17-64, 9/2017)	
Recommendation 1: OIG recommends that the Bureau of Information Resource Management develop and implement a detailed program plan for the Information Technology Configuration Control Board process that includes clear goals and attainable objectives and defines areas of authority and responsibility.	N/A
Recommendation 5: OIG recommends that the Bureau of Information Resource Management remove the default proceed ability for Technical Reviewers in the Virtual Information Technology Configuration Control Board application.	N/A
<i>Audit of Invoices Submitted by Torres Advanced Enterprise Solutions, LLC, for Select Local Guard Force Contracts</i> (AUD-CGI-17-63, 9/2017)	
Recommendation 6: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, (a) determine whether the \$17,082 in questioned costs (consisting of \$16,496 in unsupported costs and \$586 in unallowable costs as listed in Table B.3 of Appendix B) identified during the review of invoices for the Embassy Lima Torres Advanced Enterprise Solutions, LLC, local guard force contract (SAQMMA12C0103) are supported and allowable, and (b) recover any costs determined to be unsupported or unallowable.	\$1,685*
Recommendation 7: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, (a) determine whether the \$22,687 in questioned costs (consisting of \$19,381 in unsupported costs and \$3,306 in unallowable costs as listed in Table B.4 of Appendix B) identified during the review of invoices for the Embassy Panama City Torres Advanced Enterprise Solutions, LLC, local guard force contract (SAQMMA13C0033) are supported and allowable, and (b) recover any costs determined to be unsupported or unallowable.	\$3,196*
<i>Audit of the Department of State's Efforts to Detect and Address the Use of Unapproved Portable Devices</i> (AUD-IT-17-61, 9/2017)	
Recommendation 3: OIG recommends that the Bureau of Information Resource Management enforce its authority to administer the use of portable devices in the Department of State, as well as the policies, standards, and procedures related to portable devices.	N/A
Recommendation 6: OIG recommends that the Bureau of Information Resource Management develop and implement formal, standardized procedures for regularly performing an analysis of the Symantec Endpoint Protection Application and Device Control reports. At a minimum, the procedures should provide guidance for analysts on how to review the Symantec reports, how to identify high risk exceptions for follow-up, what actions should be taken during follow-up, and how to document the follow-up and the remediation taken.	N/A
Recommendation 7: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Diplomatic Security, develop and implement formal procedures to identify and remediate cybersecurity policy violations created when employees connect unapproved portable devices to OpenNet. The formal procedures should include a description of each bureau's roles and responsibilities in the process.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services</i> (AUD-FM-17-53, 9/2017)	
Recommendation 1: OIG recommends that the Bureau of Consular Affairs immediately set the fee amounts charged for Machine Readable Visas in accordance with Office of Management and Budget Circular A-25 and applicable fee statutes.	N/A
Recommendation 3: OIG recommends that the Bureau of the Comptroller and Global Financial Services determine whether the Bureau of Consular Affairs violated the Antideficiency Act, 31 U.S. Code § 1341, for each year in which it spent funds from any fee collections in excess of cost, and report any violations as required by 31 U.S. Code § 1351 and in accordance with Office of Management and Budget Circular A-11, Section 145.	N/A
<i>Management Assistance Report: The Process to Authorize and Track Information Technology Systems Needs Improvement</i> (AUD-IT-17-56, 8/2017)	
Recommendation 5: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Information Resource Management, fully comply with Department policy by completing the Systems Authorization Process with an authorization memorandum for the Classified Investigative Management System.	N/A
Recommendation 6: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Information Resource Management, fully comply with Department policy by completing the Systems Authorization Process with an authorization memorandum for the SY Namecheck.	N/A
Recommendation 7: OIG recommends that the Bureau of Information Resource Management develop and implement a corrective action plan that addresses how the Department will comply with Department policy on the Systems Authorization Process. The corrective action plan should identify the root cause of compliance failures, action steps to resolve such compliance failures, improvement benchmarks and a timeframe for completion, and an escalation process to hold system owners accountable.	N/A
<i>Audit of Select Cost-of-Living Allowances for American Employees Stationed in Foreign Areas</i> (AUD-FM-17-51, 8/2017)	
Recommendation 1: OIG recommends the Bureau of Administration develop and implement a plan to use independent economic data to determine post allowance rates where such data for post exist.	N/A
Recommendation 2: OIG recommends the Bureau of Administration re-determine and update by the end of FY 2018 post allowance rates using independent economic data where such data for post exist. Once the rates have been updated, the Bureau of Administration should determine the amount saved by implementing the new rates. OIG determined that using independent, economic data would have saved the Department approximately \$18.2 million between FY 2013 and FY 2015 for six posts tested (that is, funds that could have been put to better use).	\$18,200,000
Recommendation 10: OIG recommends that the Bureau of Administration review and update voluntary and involuntary separate maintenance allowance rates in accordance with its internal standard operating procedures and update the rates in the Department of State Standardized Regulations accordingly.	N/A
Recommendation 14: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement uniform guidance for use by overseas posts to identify education allowance payments by student to comply with Department of State Standardized Regulations. This process, at a minimum, should include setting up individual obligations by student for the education allowance and include documentation requirements. The process instructions should be disseminated to all posts and then formalized in relevant Foreign Affairs Manual or Foreign Affairs Handbook sections, accordingly.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Compliance Follow-Up Audit of Bureau of International Narcotics and Law Enforcement Affairs Programs in Pakistan</i> (AUD-MERO-17-46, 7/2017)	
Recommendation 2: OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs develop and implement new program descriptions, goals, objectives, and performance measures for the Law Enforcement and Border Security program to be inserted as Amendments to the Letter of Agreement and the Project Implementation Letters between the U.S. Government and the Government of Pakistan.	N/A
Recommendation 3: OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs develop and implement new program descriptions, goals, objectives, and performance measures for the Counternarcotics and Rule of Law Programs for future Amendments to the Letter of Agreement and Project Implementation Letters between the U.S. Government and the Government of Pakistan.	N/A
<i>Management Assistance Report: Building Deficiencies Identified at U.S. Embassy Kabul, Afghanistan Need Prompt Attention</i> (AUD-MERO-17-44, 6/2017)	
Recommendation 8: OIG recommends that the Bureau of Overseas Buildings Operations develop and implement protocols to verify that its water treatment programs are in compliance with industry best practices, including (a) determining the best possible treatment to effectively protect copper piping, (b) conducting regular testing based on the specialized requirements of each system, (c) conducting quarterly quality-assurance testing performed by an independent industrial water treatment lab, and (d) installing a corrosion testing system.	N/A
<i>Audit of the Department of State's Contract To Monitor Foreign Assistance Programs in Iraq</i> (AUD-MERO-17-41, 5/2017)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management determine whether the \$3,053,893 OIG questioned in unsupported costs (as identified in Table 2) under the indefinite-delivery, indefinite-quantity contract SAQMMA11D0119 are adequately supported and recover, as appropriate, all costs determined to be unsupported and unallowable.	\$3,053,893
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management review the remaining invoiced costs associated with all task orders awarded under the indefinite delivery, indefinite quantity contract SAQMMA11D0119 that were not included in OIG's sample to determine whether all costs were supported and allowable and recover, as appropriate, all costs determined to be unsupported and unallowable.	N/A
<i>Management Assistance Report: Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Pakistan</i> (AUD-MERO-17-37, 5/2017)	
Recommendation 1: OIG recommends that the Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, implement a monitoring and evaluation system to include measuring performance in accordance with the requirements outlined in the Department's Performance Management Guidebook and the Memorandum of Agreement executed between the Bureau of Counterterrorism and Diplomatic Security's Office of Antiterrorism Assistance.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Aspects of the Invoice Review Process Used by the Bureau of Near Eastern Affairs to Support Contingency Operations in Iraq Need Improvement</i> (AUD-MERO-17-33, 3/2017)	
Recommendation 2: OIG recommends that the Bureau of Near Eastern Affairs, in coordination with the Bureau of Administration, provide sufficient resources to the Contract Management Office-Frankfurt to ensure all unallowable costs are identified and recovered in a timely manner. This review should begin with those invoices provisionally approved beginning in September 2014 and already identified as awaiting post-payment review and then going back to identify and review those provisionally approved invoices submitted before September 2014 that did not receive full review.	N/A
Recommendation 6: OIG recommends that the Bureau of Near Eastern Affairs develop and implement a process to a) track and ensure that contracting officer's representative inspections are completed in accordance with the inspection schedule; b) document the inspection results, including deficiencies found; and c) report the inspection results to the Contract Management Office-Frankfurt in a timely manner.	N/A
Recommendation 7: OIG recommends that the Bureau of Near Eastern Affairs, develop reliable, objective, clear, and measurable performance metrics and include these metrics in all current and future Bureau of Near Eastern Affairs Iraq contracts.	N/A
Recommendation 8: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement a) a methodology to calculate the cost associated with the contractor not meeting performance metrics and b) a process to reduce payment to the contractor when contractual requirements are not being met. This methodology and process should be included in all current and future Bureau of Near Eastern Affairs Iraq contracts.	N/A
<i>Audit of the Bureau of Diplomatic Security's Administration of the Armored Vehicle Program</i> (AUD-SI-17-21, 2/2017)	
Recommendation 5: (U) OIG recommends that the Bureau of Diplomatic Security develop a methodology to determine the recommended number of armored vehicles needed at overseas posts. This guidance should provide baselines established using a variety of factors, such as the number of individuals under Chief of Mission authority and local threat ratings.	N/A
Recommendation 6: (U) OIG recommends that the Bureau of Diplomatic Security develop and implement a process to periodically perform an independent validation of the adequacy of each post's armored vehicle fleet size.	N/A
Recommendation 8: (U) OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a methodology to facilitate the armored vehicle request process. The methodology should include metrics relating to response times, fulfillment of requests, and status updates for the requesting post or bureau.	N/A
Recommendation 9: (U) OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a centralized tool to track requests for armored vehicles. This tool should be able to maintain a complete list of requests and the status of the efforts to fulfill the requests.	N/A
Recommendation 20: (U) OIG recommends that the Bureau of Diplomatic Security, in conjunction with the Overseas Security Policy Board, develop an action plan to modify or replace the non-Overseas Security Policy Board standard armored vehicles currently in use at overseas posts so that the vehicles meet Overseas Security Policy Board standards.	N/A
Recommendation 21: (U) OIG recommends that the Bureau of Diplomatic Security develop and implement a policy requiring Regional Security Officers to perform and document a review of all	N/A

Report Recommendation	Potential Monetary Benefits
armored vehicles arriving at post, regardless of agency, to ensure that each one meets Overseas Security Policy Board standards.	
<i>Audit of the Oversight of Fuel Acquisition and Related Services Supporting Department of State Operations in Iraq</i> (AUD-MERO-17-16, 12/2016)	
Recommendation 5: OIG recommends that the Bureau of Near Eastern Affairs conduct a study to determine the appropriate numbers of trained, technically experienced, and certified oversight personnel required to oversee the Baghdad Life Support Services and Operations and Maintenance Support Services contracts, to include specific consideration of 2-year assignments, required Federal Acquisition Certification for Contracting Officer's Representatives certification levels, and appointment of additional assistant contracting officer's representatives.	N/A
Recommendation 9: OIG recommends that the Bureau of Near Eastern Affairs, a) in coordination with the contracting officer in the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, contractually require PAE Government Services, Inc., to obtain operation and maintenance manuals for all fuel storage and distribution equipment and machinery, to include the manufacturers' recommended maintenance schedules; and b) include steps for inspecting these requirements in the corresponding quality assurance surveillance plans.	N/A
<i>Management Assistance Report: Department of State Conference Reporting</i> (AUD-CGI-17-07, 10/2016)	
Recommendation 1: OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and disseminate formal guidance regarding registering, approving, and reporting conferences in compliance with Federal requirements.	N/A
Recommendation 3: OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and implement a communications strategy to periodically keep Department of State personnel informed of conference registration, approval, and reporting requirements to ensure the integrity of the data is accurately reported and errors are corrected in a timely manner.	N/A
<i>Audit of the Department of State Travel Card Program</i> (AUD-CGI-16-48, 9/2016)	
Recommendation 1: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop, implement, and publish policies in the Foreign Affairs Manual and/or Foreign Affairs Handbook governing cash advances on Department-issued travel cards, specifically regarding the timing and dollar value of cash advances that may be obtained.	N/A
Recommendation 3: OIG recommends that the Office of the Director General for Human Resources, in conjunction with the Bureau of the Comptroller and Global Financial Services, develop and implement administrative and disciplinary procedures related to the Travel Card Program to include misuse, non-usage, and abuse.	N/A
Recommendation 4: OIG recommends that the Bureau of the Comptroller and Global Financial Services establish controls to identify Department employees eligible to receive a travel card who travel more than two times in a 12-month period and verify that they obtain and use a Department-issued travel card for all official travel-related expenses.	N/A
Recommendation 5: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement split disbursement procedures as required by the Office of Management and Budget for all Department-issued travel card holders.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Aeromedical Biological Containment Evacuation Contracts Within the Bureau of Medical Services</i> (AUD-CGI-16-40, 8/2016)	
Recommendation 4: OIG recommends the Bureau of Medical Services develop and implement procedures for processing invoices, billing, and collecting reimbursements for non-Department of State medical evacuations.	N/A
<i>Improvements Needed To Strengthen Vehicle-Fueling Controls and Operations and Maintenance Contract at Embassy Kabul, Afghanistan</i> (AUD-MERO-16-35, 4/2016)	
Recommendation 6: OIG recommends that Embassy Kabul procure a new vehicle-fueling system (hardware and software) to replace the current outdated system.	N/A
<i>Audit of the Department of State Process To Select and Approve Information Technology Investments</i> (AUD-FM-16-31, 3/2016)	
Recommendation 5: OIG recommends that the Bureau of Information Resource Management develop and implement a strategy to enforce the requirement that bureaus and offices must consult with and receive guidance from the Bureau of Information Resource Management prior to initiating an IT investment.	N/A
Recommendation 11: OIG recommends that the Bureau of Information Resource Management develop and implement policies and procedures to oversee and enforce requirements for bureaus and offices to avoid duplicative IT investments.	N/A
Recommendation 12: OIG recommends that the Bureau of Information Resource Management develop and implement a process to perform periodic, but no less than annual, reviews of the entire agency IT portfolio to enforce bureau accountability and identify potential duplicative systems.	N/A
Recommendation 13: For duplicative systems that are identified by the new process implemented to perform periodic reviews of the entire agency IT portfolio (Recommendation 12), OIG recommends that the Bureau of Information Resource Management develop and implement a strategy to combine, eliminate, or replace duplicative systems, as practicable.	N/A
Recommendation 25: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, develop and implement a process to validate the completeness of the data in iMatrix. At a minimum, this process should include an analysis of IT expenditures in the financial management system to ensure expenditures are reported in iMatrix, as needed.	N/A
Recommendation 26: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, develop and implement a process to validate the accuracy of data in iMatrix. This could include developing and implementing analytical procedures to identify anomalies in iMatrix data.	N/A
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 8 — Security Services at U.S. Consulate Erbil</i> (AUD-MERO-16-30, 3/2016)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$10.8 million in questioned costs related to Worldwide Protective Services Task Order 8 expenses as identified in this audit are allowable or supported and (b) recover any costs determined to be unallowable or unsupported.	\$10,800,000

Report Recommendation	Potential Monetary Benefits
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 3 — Baghdad Embassy Security Force</i> (AUD-MERO-16-28, 2/2016)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, recover the \$13.6 million in deferred assessments from SOC.	\$13,600,000
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine the allowability of and recover, as appropriate, the \$652,061 in unallowed costs identified in this report.	\$252,855*
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine whether unsupported costs are allowable and recover, as appropriate, the \$6.5 million in unsupported costs identified in this report.	\$247,539*
<i>Compliance Follow-up Audit of the Process To Request and Prioritize Physical Security-Related Activities at Overseas Posts</i> (AUD-ACF-16-20, 12/2015)	
Recommendation 7: OIG recommends that the Bureau of Overseas Buildings Operations, in coordination with the Bureau of Diplomatic Security, develop and implement formal standardized processes to prioritize physical security-related deficiencies at posts by category, such as major physical security upgrades, forced-entry/ballistic-resistant projects, and minor physical security upgrades. The prioritizations should be performed based on a comprehensive list of all physical security needs and should be periodically updated based on changes in risk factors or posts' needs. The processes used to perform the prioritizations should be documented and repeatable. In addition, in developing the processes, consideration should be given to how the Overseas Security Policy Board standards will be utilized, what risk factors will be considered, and what impact upcoming major rehabilitation projects or new construction would have on the prioritized rankings.	N/A
<i>Audit of the Bureau of International Narcotics and Law Enforcement Affairs Aviation Support Services Contract in Iraq</i> (AUD-MERO-15-35, 7/2015)	
Recommendation 9: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management provide to the OIG its rationale and all documentation (e.g., written legal opinions, written business cases, emails, meeting minutes, and decision papers and memos) used to support the decisions to authorize and obligate \$25,886,861 for reimbursements to DynCorp International (DynCorp) for (1) the payment of DynCorp's employees' personal income and Social Security tax liabilities to the Government of Iraq and (2) DynCorp's employer contributions to Iraq Social Security.	\$25,886,861
<i>Audit of the Department of State Implementation and Oversight of Active Directory</i> (AUD-IT-15-05, 10/2014)	
Recommendation 2: (U) OIG recommends that the Bureau of Information Resource Management update and implement Volumes 5 and 12 of the Foreign Affairs Manual to specifically address the deficiencies in Active Directory account management.	N/A
Recommendation 3: (U) OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureaus of Human Resources and Diplomatic Security, develop and implement guidance that describes a sustainable and repeatable process for determining how to identify and then disable or remove unneeded OpenNet accounts, including users that are not Department of State employees, such as contractors and other Federal agencies.	N/A
Recommendation 4: (U) OIG recommends that the Bureau of Information Resource Management develop and implement a process to ensure that Information Systems Security Officers conduct	N/A

Report Recommendation	Potential Monetary Benefits
monthly reviews of audit logs for security anomalies, as prescribed by Volume 12, Section 629.2-7, of the Foreign Affairs Manual.	
Recommendation 5: (U) OIG recommends that the Bureau of Information Resource Management develop and implement a process directing Organizational Unit Administrators to update their Active Directory organizational unit structure, in accordance with the Department of State Global Address List and Active Directory Standardization Guidelines.	N/A
Recommendation 6: (U) OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureaus of Diplomatic Security and Human Resources, implement the use of Personal Identity Verification cards—as detailed in the Chief Information Officer’s implementation plan for logical access—for all Department employees who are eligible for a National Agency Check and Inquiry, as required by Homeland Security Presidential Directive 12.	N/A
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 10 Kabul Embassy Security Force</i> (AUD-MERO-15-03, 10/2014)	
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, review the \$1,726,155 in costs OIG identified as possibly unallowable and recover any funds deemed unallowable.	\$882,612*
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, conduct a comprehensive review of all contractor invoices and supporting documentation to determine whether the contractor submitted adequate supporting documentation for all costs, including the \$6,916,330 identified in this report. If the documentation was not submitted, the contracting officer should request supporting documentation from the contractor and determine whether the costs were allowable under the contract terms. If the reimbursable costs cannot be supported or are not allowable under the terms of the contract, these funds should be recovered.	\$8,901*
<i>Management Assistance Report—Termination of Construction Grants to Omran Holding Group</i> (AUD-CG-14-37, 9/2014)	
Recommendation 1: OIG recommends that the Bureau of South and Central Asian Affairs immediately terminate grant agreements S-AF200-13-CA-012 and S-AF200-13-CA-014 with Omran Holding Group and deobligate the \$5,092,874 in remaining funds.	\$5,092,874
Recommendation 2: OIG recommends that the Bureau of South and Central Asian Affairs direct Omran Holding Group to reimburse the Department for the \$1,203,426 in unspent funds related to grant agreements S-AF200-13-CA-012 and S-AF200-13-CA-014, and verify that the Department has received reimbursement for all unspent funds.	\$1,203,426
Recommendation 3: OIG recommends that the Bureau of South and Central Asian Affairs require the grants officer to determine the allowability of \$502,890 in potentially unallowable costs identified by OIG, direct Omran Holding Group to refund the Department any costs determined to be unallowable, and verify that funds have been refunded.	\$502,890
<i>Audit of the Contract Closeout Process for Contracts Supporting the U.S. Mission in Iraq</i> (AUD-MERO-14-06, 12/2013)	
Recommendation 9: OIG recommends that the Bureau of Administration, Office of the Procurement Executive, in conjunction with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement an e-Filing policy and document management system to provide effective contract file inventory control and documentation standards while allowing for ready accessibility through a central locator system. The policy should include minimum guidance over the completeness of data contained in the files and a schedule of milestones identifying mandatory implementation dates.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of Bureau of East Asian and Pacific Affairs Compliance With Trafficking in Persons Requirements</i> (AUD-IP-12-02, 10/2011)	
Recommendation 1: We recommend that the Office to Monitor and Combat Trafficking in Persons include, in the Foreign Affairs Manual, the U.S. Government policy regarding trafficking in persons (TIP) to include the definition of TIP activity and information on the prohibition against involvement in acts of TIP for Department of State personnel and contractors, the associated penalties for violations, and the mechanism to report such violations.	N/A
Recommendation 2: We recommend that the Office to Monitor and Combat Trafficking in Persons, in consultation with the Office of the Legal Adviser and the Director General of Human Resources, develop and include a trafficking in persons policy in the Department of State Standards of Conduct.	N/A
Other Open Recommendations	
<i>Management Assistance Report: Contract Administration Practices Involving the Construction of the New Office Compound Taipei, Taiwan, Require Attention</i> (AUD-SI-18-34, 3/2018)	
Recommendation 1: OIG recommends that the Office of Acquisitions Management develop a plan to issue an annual reminder to Contracting Officers that, if a contractor requests the issuance of a Limited or final Notice to Proceed, the Contracting Officer should consult with the Contracting Officer's Representative and formally respond to the contractor's request by either authorizing the construction project to proceed or notify the contractor in writing the reasons why the Notice to Proceed is being withheld and the actions the contractor needs to complete before the Notice to Proceed can be granted.	N/A
Recommendation 2: OIG recommends that the Office of Acquisitions Management develop and implement a process that notifies Assessing Officials and Assessing Official Representatives when contractor performance evaluations are due and ensures the evaluations are recorded and approved in the Contractor Performance Assessment Reporting System in accordance with the Federal Acquisition Regulation.	N/A
<i>Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan</i> (AUD-MERO-18-33, 3/2018)	
Recommendation 1: OIG recommends that the Procurement Executive at the Bureau of Administration, Office of the Procurement Executive, examine fuel purchases to determine if ratification is warranted and, if so, implement ratification procedures in accordance with Department of State Acquisition Regulations 601.602-3-70, "[Ratification] Procedures," for purchase orders SJO10014M0242, SJO10014M0317, SJO10015M0346, and SJO10015M0771 and delivery order SJO10016F0091, which were used to purchase diesel fuel and gasoline between January 15, 2014, and July 24, 2016.	N/A
Recommendation 2: OIG recommends that the Procurement Executive at the Bureau of Administration, Office of the Procurement Executive, examine fuel purchases to determine if ratification is warranted and, if so, implement ratification procedures in accordance with Department of State Acquisition Regulations 601.602-3-70, "[Ratification] Procedures," for purchase orders SJO10015M0659, SJO10016M0914, and SJO10017M0001, which were used to purchase fuel through the fuel card program between June 4, 2015, and October 23, 2016.	N/A
Recommendation 4: OIG recommends that the Procurement Executive at the Bureau of Administration, Office of the Procurement Executive, review all unauthorized commitments provided by Embassy Amman as a result of Recommendation 3 and, as needed, ratify the unauthorized commitments in accordance with Department of State Acquisition Regulations 601.602-3, "Ratification of Unauthorized Commitments."	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 5: OIG recommends that Embassy Amman develop and implement procedures that safeguard Embassy Amman against unauthorized commitments when processing all types of requests for fuel.	N/A
Recommendation 8: OIG recommends that Embassy Amman develop and implement training on contract file retention requirements as defined in Federal Acquisition Regulation 4.805, "Storage, Handling, and Contract Files," and the Foreign Affairs Handbook (FAH), 14 FAH-2 H-573.3, "Government Contract Files," and provide this training annually to all personnel within the General Services Office.	N/A
Recommendation 15: OIG recommends that Embassy Amman direct its Contracting Officers to immediately review the Contracting Officer's Representatives' files for contracts SJO10015D0003 and SJO10016D0017 for completeness and include in the contract files the results for this review.	N/A
Recommendation 18: OIG recommends that Embassy Amman provide training to Contracting Officers regarding their obligations to verify that all Contracting Officer's Representative (COR) candidates are certified at the appropriate level of the Federal Acquisition Certification for Contracting Officer's Representatives prior to appointing candidates as a COR.	N/A
Recommendation 20: OIG recommends that Embassy Amman review all invoices submitted by fuel contractors from October 2012 through January 2017 for contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 to (a) determine whether the \$1.9 million paid against those invoices and identified by OIG as unsupported costs are allowable, and (b) recover any costs determined to be unallowable.	\$1,900,000
Recommendation 21: OIG recommends that Embassy Amman review all invoices submitted by fuel contractors from October 2012 through January 2017 for contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 to (a) determine whether the \$6.4 million paid against those invoices and projected by OIG as unsupported costs are allowable, and (b) recover any costs determined to be unallowable.	\$6,400,000
Recommendation 23: OIG recommends that Embassy Amman develop and implement invoice review procedures that require, at a minimum, all fuel contractor invoices to be (1) stamped with the date they are received, (2) tracked throughout the review and approval process, and (3) automatically paid, with the interest penalties due to the contractor if the invoice is paid late, so that contractor payments can be made consistent with the requirements of the Prompt Payment.	N/A
Recommendation 24: OIG recommends that Embassy Amman review all invoices paid against contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 and (a) determine the dates by which to start the prompt payment clock, (b) compare those dates to the dates the invoices were paid, (c) calculate interest penalties for those invoices that were paid after the 30-day requirement, and (d) determine if interest penalties should be paid to the contractors in accordance with prompt payment requirements in 5 Code of Federal Regulations § 1315.	N/A
Recommendation 28: OIG recommends that Embassy Amman (1) perform a reconciliation of all invoices submitted and paid against contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 to determine whether the contractors were overpaid or underpaid, and (2) either pursue reimbursement or pay any additional amounts owed to the contractors.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention</i> (AUD-MERO-18-31, 3/2018)	
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management perform price reasonableness determinations prior to the exercise of future option years and bridge contracts for Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 to ensure that the Department receives a fair and reasonable price on food services in Iraq.	N/A
Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management establish and implement internal procedures for Contracting Officers to perform price reasonableness determinations prior to exercising each option year and use that analysis as a tool for negotiating price on the associated option year. The policy should also require the Contracting Officer to maintain the documentation and associated analyses in the contract file.	N/A
Recommendation 5: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management instruct all Contracting Officers that they must comply with Federal Acquisition Regulation 17.207, "Exercise of Options," prior to the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management exercising all future option years or bridge contracts under Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721.	N/A
Recommendation 6: OIG recommends that the Bureau of Near Eastern Affairs, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management and U.S. Embassy Baghdad, perform a viability assessment on the implementation of a point-of-sale cafeteria system under Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 at Department of State sites in Iraq.	N/A
Recommendation 7: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management modify Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 to update the requirement for a point-of-sale cafeteria system in pertinent contractual documentation, once the results of the viability assessment from Recommendation 6 are determined.	N/A
Recommendation 10: OIG recommends that the Bureau of Near Eastern Affairs, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, establish controls that deter and prevent local national employees from removing food items from Department of State dining facilities in Iraq in accordance with Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721.	N/A
Recommendation 11: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management establish a contractual requirement for PAE Government Services, Inc. to maintain records of dining facility access by individuals not serving under chief of mission authority in Iraq.	N/A
Recommendation 14: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management inform all Contracting Officer's Representatives, Alternate Contracting Officer's Representatives, Bureau of Near Eastern Affairs officials, and Mission Iraq management officials involved with the Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 that they are not authorized to negotiate with or otherwise deal with the contractors on contracting actions, and that the Contracting Officer is the authorized agent with sole authority to negotiate, award, administer, modify, or terminate contracts on behalf of the Department.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Administration of Selected Cooperative Agreements Awarded to the Institute of International Education by the Bureau of Educational and Cultural Affairs</i> (AUD-CGI-18-15, 2/2018)	
Recommendation 2: OIG recommends that the Bureau of Educational and Cultural Affairs verify that the performance standards for all designated Grants Officer Representatives contain appropriate work commitments and performance metrics to enhance transparency, managerial responsibility, and proper oversight of cooperative agreements, as outlined in Department Notice Number 2016-12-142, dated December 28, 2016. Performance standards of any designated Grants Officer Representatives that do not contain the appropriate work commitments should be revised accordingly.	N/A
Recommendation 5: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the unsupported cost-sharing contributions of \$993,554 for cooperative agreement S-ECAGD-14-CA-1032 (October 1, 2013, through September 30, 2016) are supported and (b) reduce, for any cost-sharing contribution determined to be unsupported, the Department of State's funding for the cooperative agreement accordingly, as stipulated in the agreement.	\$993,554
Recommendation 7: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the unsupported cost-sharing contributions of \$1,024,262 for cooperative agreement S-ECAGD-15-CA-1016 (December 11, 2014, through September 30, 2016) are supported and (b) reduce, for any cost-sharing contribution determined to be unsupported, the Department of State's funding for the cooperative agreement accordingly, as stipulated in the agreement.	\$1,024,262
Recommendation 9: OIG recommends that the Bureau of Educational and Cultural Affairs verify that the Institute of International Education's accounting system is adequate for tracking and supporting expenses and cost-sharing contributions, is capable of providing an audit trail in accordance with Federal regulations, and takes necessary action to remedy any deficiencies found.	N/A
Recommendation 10: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the questioned costs of \$1,000,000 for unsupported contractual expenses for cooperative agreement S-ECAGD-14-CA-1017 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$1,000,000
Recommendation 11: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$1,572,775 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-15-CA-1015 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$1,572,775
Recommendation 12: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$825,902 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-16-CA-1004 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$825,902
Recommendation 13: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$29,394 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-14-CA-1032 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$29,394
Recommendation 14: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$1,957 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-15-CA-1016 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$1,957
Recommendation 15: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$34,496 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-16-CA-1003 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$34,496

Report Recommendation	Potential Monetary Benefits
Recommendation 16: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$2,015 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-14-CA-1037 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$2,015
Recommendation 17: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$3,045 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-16-CA-1014 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$3,045
Recommendation 18: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$1,145 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-14-CA-1021 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$1,145
Recommendation 19: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$43,000 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-15-CA-1011 are supported and (b) recover any costs determined to be unsupported.	\$43,000
Recommendation 20: OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the identified questioned costs of \$986 for unsupported contractual expenses, salary expenses, and travel expenses for cooperative agreement S-ECAGD-16-CA-1006 are supported and allowable and (b) recover any costs determined to be unsupported or unallowable.	\$986
<i>Audit of the National Endowment for Democracy and Its Core Institutes' Use of Grant Funds During FYs 2015 and 2016</i> (AUD-FM-18-24, 1/2018)	
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, instruct the National Endowment for Democracy to review its "Compliance Policies and Procedures" to identify outdated procedures and update the policy document, as appropriate, as well as verify that the policies have been updated. At a minimum, the sections on the Risk Matrix and Invoice Verification should be updated.	N/A
Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, (a) instruct the National Endowment for Democracy (NED) to develop and implement procedures requiring core institutes to report questioned costs identified subsequent to expensing by the core institute to NED for review and action and (b) verify that the procedures were implemented.	N/A
<i>Audit of Bureau of Overseas Buildings Operations' Oversight of New Construction Projects at the U.S. Embassy in Kabul, Afghanistan</i> (AUD-MERO-18-17, 1/2018)	
Recommendation 1: OIG recommends that the Bureau of Overseas Buildings Operations issue a Construction Alert defining which building equipment and systems must be fully commissioned prior to substantial completion and update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&PD CM 01) to include those requirements.	N/A
Recommendation 6: OIG recommends that the Bureau of Overseas Buildings Operations update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&PD CM 01) as well as its Guide to Excellence in Diplomatic Facilities to ensure that references to the commencement of the warranty period are consistent with FAR 52.246-21, Warranty of Construction. Specifically, existing policies and procedures should be updated to indicate that the warranty period either begins at final acceptance unless the Government takes possession of any part of the work before final acceptance, in which case, the warranty shall begin at the date the Government takes possession. The Bureau of Overseas Buildings Operations should also explicitly	N/A

Report Recommendation	Potential Monetary Benefits
define when the Government officially takes possession of the completed work, including whether possession occurs at substantial completion or at the time of occupancy.	
Recommendation 8: OIG recommends that the Bureau of Overseas Buildings Operations update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&PD CM 01) to require its project directors and facility managers to establish a memorandum of agreement 9 months prior to the estimated substantial completion target date to facilitate the building turnover process. This memorandum of agreement should, at a minimum, (a) define the type of access that Facility Management personnel and operations and management contractors should be given to new buildings prior to substantial completion; (b) specify relevant documentation, such as punch lists, lists of equipment to be maintained, and commissioning documentation that should be provided to facility managers and operations and management contractors; and (c) establish timelines for providing building access and documentation to facility personnel and operations and management contractors prior to substantial completion and occupancy.	N/A
Recommendation 10: OIG recommends that the Bureau of Overseas Buildings Operations develop requirements mandating the use of a phased approach for projects that involve the construction of multiple buildings or facilities. This approach should outline specific phasing requirements for each building or facility constructed, including separate and distinctive commissioning, substantial completion, turnover, and acceptance requirements. This approach should also include protocols for a phased operations and management turnover process, requiring the contractor to provide key operations and management deliverables at the completion of each building if multiple buildings or facilities are being constructed under a single Bureau of Overseas Buildings Operations construction contract.	N/A
<i>Audit of the Department of State's Implementation of the Digital Accountability and Transparency Act of 2014 (AUD-FM-18-03, 11/2017)</i>	
Recommendation 1: OIG recommends that the Bureau of the Comptroller and Global Financial Services complete the implementation of system interfaces and new procedures that are designed to improve financial data collection overseas.	N/A
Recommendation 2: OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Administration, update and issue guidance for Contracting Officers and Grants Officers related to entering accurate and complete procurement and financial assistance award transaction data into the Federal Procurement Data System – Next Generation and the Award Submission Portal.	N/A
Recommendation 3: OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Administration, modify existing quality control procedures to include a requirement to verify the accuracy of data contained in DATA Act Files D1 and D2 generated from the Federal Procurement Data System – Next Generation and the Award Submission Portal.	N/A
Recommendation 4: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement procedures to verify that the quarterly DATA Act File C submission includes only transactions that occurred within the applicable quarter.	N/A
<i>Management Assistance Report: Contract Terms and Guidance for Approving Student Training Expenses Relating to the Justice and Corrections Programs in Afghanistan Require Attention (AUD-MERO-18-14, 10/2017)</i>	
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management review and, as appropriate, take action to recover	\$5,000,000

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that part of the \$5 million in student travel and venue rental expense payments that is determined to be unallowable.	
<i>Audit of the Department of State's Information Technology Configuration Control Board</i> (AUD-IT-17-64, 9/2017)	
Recommendation 2: OIG recommends that the Bureau of Information Resource Management develop and implement a process to establish and periodically update a list of system, product, or software owners who will be authorized to make change requests for their system, product, or software. The list should be made available to users and members of the Information Technology Configuration Control Board through the Information Technology Configuration Control Board website or applicable policies and procedures outlined in Recommendation 12.	N/A
Recommendation 3: OIG recommends that the Bureau of Information Resource Management determine what documentation is needed to support a change request and modify the policies and procedures outlined in Recommendation 12 or other guidance, such as the submitters guide, provided to change request submitters to reflect the documentation that is required for a complete and accurate change request submission.	N/A
Recommendation 4: OIG recommends that the Bureau of Information Resource Management develop and implement guidance for change requests to require and include: (a) minimum testing standards for change requests, (b) instructions that testing be performed in advance of the change request being submitted and that the testing documentation be submitted as part of the change request process, and (c) a clearly defined technical review of the testing documentation that is submitted to verify the documentation complies with minimum standards.	N/A
Recommendation 6: OIG recommends that the Bureau of Information Resource Management formally notify all Technical Reviewers that default proceeds are no longer allowed and that all Technical Reviewers must review all change requests and either approve, stop, or reject the change request. Policies and procedures outlined in Recommendation 12 or other guidance should be updated to reflect this change to the process.	N/A
Recommendation 7: OIG recommends that the Bureau of Information Resource Management develop and implement a quality assurance assessment process for all change requests going through the enterprise-wide Information Technology Configuration Control Board. At a minimum, the quality assurance process should include periodic evaluation of open "stops," reviews to ensure retention of all relevant documentation, and a final check prior to adding change to the baseline to ensure all pertinent process controls occurred at a minimum.	N/A
Recommendation 8: OIG recommends that the Bureau of Information Resource Management verify, no later than 30 days after the final issuance of this report, that all Technical Reviewers and Voters that participate in the Information Technology Configuration Control Board process are formally appointed.	N/A
Recommendation 9: OIG recommends that the Bureau of Information Resource Management develop and implement a process to formally appoint new Technical Reviewers and Voters who participate in the Information Technology Configuration Control Board process.	N/A
Recommendation 10: OIG recommends that the Bureau of Information Resource Management define the roles, responsibilities, and technical skillsets for each technical review and voting area and develop and implement a vetting process to verify Technical Reviewers and Voters have the knowledge, skills, and abilities to perform their assigned duties related to the Information Technology Configuration Control Board process.	N/A
Recommendation 11: OIG recommends that the Bureau of Information Resource Management develop and implement a process to verify that Technical Reviewers and Voters have formally appointed alternatives.	N/A

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Recommendation 12: OIG recommends that the Bureau of Information Resource Management develop and implement complete and consistent policies and procedures and supplemental guidance, such as a Submitter's Guide, for the Information Technology Configuration Control Board process. The policies, procedures, and guidance should, at a minimum, include guidance on roles and responsibilities, detailed procedure steps for submitters, minimum testing requirements, instructions on how Technical Reviewers and Voters should conduct their review, the appropriate use of "stops," and established timelines for the process.	N/A
Recommendation 13: OIG recommends that the Bureau of Information Resource Management develop and implement a process to periodically review and validate the accuracy and completeness of the data in the Virtual Information Technology Configuration Control Board database and to correct data integrity, omissions and inaccuracies existing between the new and old databases and when identified going forward. As part of this effort, the Bureau of Information Resource Management should ensure that the old database is available solely as a read-only reference resource and that new data cannot be entered into that database.	N/A
Recommendation 14: OIG recommends that the Bureau of Information Resource Management develop and implement required, periodic, training for Information Technology Configuration Control Board management and personnel, Bureau Sponsors, Technical Reviewers, Voters, and change request submitters involved in the Information Technology Configuration Control Board process.	N/A
Recommendation 15: OIG recommends that the Bureau of Information Resource Management develop and implement a formal process to (a) monitor the status of all change requests throughout each stage of the change request process and (b) notify stakeholders when a request is nearing the end of a deadline or when an event occurs that may affect the deadline for a change request.	N/A
Recommendation 16: OIG recommends that the Bureau of Information Resource Management develop and implement policies and procedures to hold officials accountable for failure to meet established deadlines in the Information Technology Configuration Control Board change request process. Once completed, the policies, procedures, and supplemental guidance discussed in Recommendation 12 should be updated.	N/A
Recommendation 17: OIG recommends that the Bureau of Information Resource Management develop and implement a formal process to periodically gather, assess, and report on its change request review process timeliness metrics and to make those results available to its stakeholders and customers in addition to appropriate bureau officials.	N/A
<i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services (AUD-FM-17-53, 9/2017)</i>	
Recommendation 2: OIG recommends that the Bureau of Consular Affairs, in coordination with the Bureau of Budget and Planning, (a) propose legislative changes, as suggested by Office of Management and Budget Circular A-25, to allow it to retain all consular fees collected or (b) seek appropriated funds during the annual budgeting process for any projected funding shortfalls created by not being allowed to retain all consular fees collected.	N/A
Recommendation 4: OIG recommends that the Bureau of Consular Affairs conduct an analysis to determine and formally document in its procedures, a reasonable maximum threshold for carry forward balances for each consular fee. Carry forward balances should be adequately precise and adequately explained estimates of actual costs. This determination should consider known and anticipated Consular and Border Security Program costs.	N/A
Recommendation 5: OIG recommends that the Bureau of Consular Affairs design, implement, and formally document a procedure to review prior-year net financial results annually to determine whether the fee-setting methodology should be adjusted. The procedure should include a process to determine the effect of excess revenue and carry forward balances on the fee levels.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 7: OIG recommends that the Bureau of Consular Affairs develop and implement policies and procedures that standardize the documentation used to determine consular fees and develop retention guidance for the supporting documentation to ensure historical source files and other information supporting consular fee calculations are available. The policy and procedures should include guidance on documenting changes made to data before the data are entered into the Bureau of Consular Affairs Cost of Service Model.	N/A
Recommendation 8: OIG recommends that the Bureau of Consular Affairs develop and implement a quality control program to ensure data entered into the Cost of Service Model are complete and accurate. This program should include processes to validate data obtained from one source by comparing it to data maintained in other systems or databases.	N/A
Recommendation 9: OIG recommends that the Bureau of Consular Affairs develop standardized reports within the Travel Documents Issuance System and Consular Consolidated Database to ensure the complete, accurate, and consistent generation of workload counts related to providing consular services.	N/A
Recommendation 10: OIG recommends that the Bureau of Consular Affairs develop and implement procedures to include only actual expenditures in the Cost of Service Model and eliminate non-expenditure items (such as obligations and allotments) from the cost inputs entered into the model.	N/A
<i>Audit of Select Cost-of-Living Allowances for American Employees Stationed in Foreign Areas (AUD-FM-17-51, 8/2017)</i>	
Recommendation 3: For cases in which independent cost-of-living indexes are not available to establish post allowance rates, OIG recommends that the Bureau of Administration revise and distribute updated policies and procedures to posts related to the post allowance rate methodology that provide detailed procedures for (a) collecting and summarizing living pattern questionnaires in eAllowances, and (b) collecting prices that reflect the requirements outlined in the Department of State Standardized Regulations on the retail price schedule Parts 3 and 4.	N/A
Recommendation 4: For cases in which independent cost-of-living indexes are not available to establish post allowance rates, OIG recommends that the Bureau of Administration revise and distribute updated internal procedures for calculating post allowances to include detailed instructions to (a) verify post living pattern questionnaire summary information in eAllowances with hard copies provided by post, and (b) remove inappropriate or unreasonable prices from the retail price schedule in a consistent manner across all subcategories of goods, including the use of independent data when available.	N/A
Recommendation 5: For cases in which independent cost-of-living indexes are not available to establish post allowance rates, OIG recommends that the Bureau of Administration conduct and formally document an analysis to determine how to make the Washington, DC, prices used in the post allowance rate calculations reflective of the consumption patterns of the average salary level for a post employee stationed in a foreign area so that data are comparable between Washington, DC, and the overseas post. The Bureau of Administration should implement changes as necessary as a result of its analysis.	N/A
Recommendation 6: OIG recommends the Bureau of Administration revise the Department of State Standardized Regulations for changes in the post allowance methodology as a result of implementing recommendations from this report.	N/A
Recommendation 7: OIG recommends that the Bureau of Administration develop and implement standard operating procedures to specify how analysts maintain and update the base schools list.	N/A
Recommendation 9: OIG recommends that the Bureau of Administration develop and implement standard operating procedures to maintain and update an independent list of the conclusions related to the adequacy of Department of State-assisted schools.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 11: OIG recommends that the Bureau of Administration develop and implement internal controls to ensure separate maintenance allowance rates are reviewed annually, as required.	N/A
Recommendation 12: OIG recommends that the Bureau of Administration develop and implement internal controls to ensure analysts document the results of their reviews and supervisors validate the procedures used to determine separate maintenance allowance rates.	N/A
Recommendation 13: OIG recommends that the Bureau of Administration, in coordination with the Bureau of the Comptroller and Global Financial Services, determine and report to OIG the amount saved for the first pay period after the recalculated separate maintenance allowance rates is applied [Recommendation 10], which OIG estimated would have been \$1.7 million from FY 2013 through FY2015.	\$1,700,000
<i>Management Assistance Report: Department Attention Needed to Address Overdue Responses on Selected Open Recommendations</i> (AUD-ACF-17-55, 7/2017)	
Recommendation 1: OIG recommends that, for recommendations considered resolved, the Under Secretary for Management direct the applicable bureau to notify OIG of the status of actions taken to implement the recommendations identified in this report and provide evidence demonstrating that the bureau has taken actions that justify closing the recommendations. Bureaus are to submit the status of actions taken and documented evidence to support closing the recommendations to audcompliance@stateoig.gov within 30 days.	N/A
<i>Audit of the Process To Approve, Disburse, and Report Rewards for Justice Payments</i> (AUD-SI-17-48, 7/2017)	
Recommendation 1: OIG recommends that the Bureau of Diplomatic Security, in conjunction with the Bureau of Legislative Affairs, (a) identify the detailed steps and action entities needed to prepare and submit reports on reward payments made within 30 days of the payment of such rewards; (b) determine the amount of time for each step, including the amount of time the Bureau of Legislative Affairs needs to finalize and send each report to Congress; and (c) redesign the flow and processes to meet the 30-day reporting requirement.	N/A
Recommendation 2: OIG recommends that the Bureau of Diplomatic Security (a) develop and implement a process to follow up with the nominating agencies on the status of the reward payment receipts to help expedite the submittal of Reward Payment Reports within the mandated 30-day reporting timeline and (b) consider entering into formal agreements (that is, Letters of Agreement) with the nominating agencies to strengthen the joint commitments toward timely submissions of reports to Congress.	N/A
Recommendation 3: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Legislative Affairs, establish and implement a process to (a) identify the expenses necessary to operate the Rewards for Justice Program, (b) compile and accumulate data on operating expenses annually, (c) prepare the annual report, and (d) submit the report to the Bureau of Legislative Affairs within timeframes as agreed to by the Bureau of Legislative Affairs to meet the requirement to submit the annual report no later than 60 days after the end of each fiscal year.	N/A
<i>Audit of the Bureau of South and Central Asian Affairs Invoice Review Process for the Afghanistan Life Support Services Contract</i> (AUD-MERO-17-47, 6/2017)	
Recommendation 1: OIG recommends that the Bureau of South and Central Asian Affairs direct its Afghanistan Life Support Services Contracting Officers' Representatives to record performance for each distinct performance standard in the Afghanistan Life Support Services contract food services task order quality assurance report to further ensure that each performance standard is satisfactorily achieved and any identified deficiencies are addressed accordingly.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 2: OIG recommends that the Bureau of South and Central Asian Affairs develop and implement training to fully prepare and familiarize newly assigned Contracting Officer's Representatives charged with overseeing the Afghanistan Life Support Services contract with the unique features of the contract.	N/A
<i>Management Assistance Report: Building Deficiencies Identified at U.S. Embassy Kabul, Afghanistan Need Prompt Attention (AUD-MERO-17-44, 6/2017)</i>	
Recommendation 2: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to replace and correct all plumbing installations in the Staff Diplomatic Apartment-1 found not to conform to the contract requirements.	N/A
Recommendation 3: OIG recommends that the Bureau of Overseas Buildings Operations have a qualified professional experienced in the installation of electrical systems conduct a full inspection, analysis, and recommissioning of electrical systems in both the New Office Annex and Staff Diplomatic Apartment-1. This inspection should include a comprehensive review of all submittals, plans, and specifications, as well as all installation methods and materials.	N/A
Recommendation 4: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to replace and correct all electrical system installations in the New Office Annex and Staff Diplomatic Apartment-1 found not to conform to the contract requirements.	N/A
Recommendation 5: OIG recommends that, prior to issuing the certificate of final acceptance for the New Office Annex and Staff Diplomatic Apartment-1, the Bureau of Overseas Buildings Operations establish guidance for hydronic water systems in both buildings, including specifying recommended concentrations of tolytriazole (40–50 parts per million) and nitrite (600–1,000 parts per million).	N/A
Recommendation 6: OIG recommends that, prior to issuing the certificate of final acceptance for the New Office Annex and Staff Diplomatic Apartment-1, the Bureau of Overseas Buildings Operations require Caddell to conduct an examination of existing copper pipe in both buildings by removing samples of the piping or by ultrasound testing and submit the results for independent laboratory analysis to verify whether scaling, corrosion, or other life-expectancy impacts are detected from the high pH operating conditions.	N/A
Recommendation 7: OIG recommends that if the independent laboratory analysis verifies the existence of pipe scaling or corrosion in the New Office Annex or Staff Diplomatic Apartment-1, the Bureau of Overseas Buildings Operations implement actions to remedy any damage to hydronic pipes.	N/A
Recommendation 10: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to correct all heating, ventilation, and air conditioning system installations in the New Office Annex and Staff Diplomatic Apartment-1 that do not conform to the contract requirements, including the specific examples OIG cited in this report.	N/A
Recommendation 11: OIG recommends that the Bureau of Overseas Buildings Operations identify and relocate all inaccessible smoke detectors in the New Office Annex and Staff Diplomatic Apartment-1 so that they can be accessed for periodic testing and maintenance.	N/A
Recommendation 12: OIG recommends that the Bureau of Overseas Buildings Operations have a qualified professional experienced in the certification of fire safety systems conduct a full inspection of the New Office Annex and Staff Diplomatic Apartment-1 elevator lobby fire doors and the Staff Diplomatic Apartment-1 efficiency suite connector door frames to determine whether they meet National Fire Protection Association code standards. This inspection should include a comprehensive review of all submittals, plans, and specifications, as well as all installation methods and materials.	N/A
Recommendation 13: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to replace and correct all elevator lobby doors and efficiency suite connector doors	N/A

Report Recommendation	Potential Monetary Benefits
in the New Office Annex and Staff Diplomatic Apartment-1 found not to conform to the contract requirements or National Fire Protection Association standards.	
Recommendation 17: OIG recommends that the Bureau of Overseas Buildings Operations assign a project manager to oversee all efforts related to the inspection, analysis, recommissioning, and required repairs of existing installations in the New Office Annex and Staff Diplomatic Apartment-1. This project manager should help to prioritize corrective actions to address identified deficiencies and coordinate with key stakeholders in order to ensure that they are completed in a timely, cost-effective, and efficient manner.	N/A
Recommendation 18: OIG recommends that the Bureau of Overseas Buildings Operations either a) require Caddell Construction, Inc. to replace and correct all work in the New Office Annex and Staff Diplomatic Apartment-1 found to be defective or non-conforming to contract requirements or b) seek an appropriate adjustment in contract price for all instances where, in the public interest, the Bureau of Overseas Buildings Operations consents to accept work that is defective or does not conform to contract requirements.	N/A
Recommendation 19: OIG recommends that, in all cases where the Bureau of Overseas Buildings Operations conducts an inspection, analysis, or recommissioning of existing installations in the New Office Annex and Staff Diplomatic Apartment-1 and finds the work to be defective or nonconforming in any material respect due to the fault of the contractor or its subcontractors, the Bureau of Overseas Buildings Operations should a) determine the cost of all inspections, analysis, or recommissioning of existing installations and b) recover this amount from Caddell Construction, Inc.	N/A
<i>Audit of Department of State Grants and Cooperative Agreements Awarded to Kennesaw State University (AUD-SI-17-43, 6/2017)</i>	
Recommendation 1: OIG recommends that the Bureau of South and Central Asian Affairs (a) determine whether the \$229,405 in unallowable costs and \$565,046 in unsupported costs related to awards SAF20013CA024, SPK33013CA051, and SIN65014GR053 (see tables B.1, B.5 and B.6 in Appendix B) are allowable and supported, and (b) recover any costs determined to be unallowable or unsupported.	\$794,451
<i>Audit of Department of State FY 2016 Compliance With Improper Payments Requirements (AUD-FM-17-42, 5/2017)</i>	
Recommendation 2: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a method to obtain information regarding the collection status of improper payments identified in OIG reports for the applicable fiscal year.	N/A
Recommendation 3: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a method to obtain information regarding the collection status of improper payments identified in Defense Contract Audit Agency reports for the applicable fiscal year.	N/A
Recommendation 4: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a method to obtain information on improper payments identified and recovered by other Department of State bureaus and offices through contract and grant oversight activities, such as contract and grant closeout procedures, during the applicable fiscal year.	N/A
Recommendation 5: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a process to report all improper payments identified by sources outside payment recapture audits for the applicable period in the annual Agency Financial Report. The process should require the Bureau of the Comptroller and Global Financial Services to present this information even if corresponding collection information is not readily available, unless written instructions advising otherwise is obtained from the Office of Management and Budget.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Aspects of the Invoice Review Process Used by the Bureau of Near Eastern Affairs to Support Contingency Operations in Iraq Need Improvement</i> (AUD-MERO-17-33, 3/2017)	
Recommendation 4: OIG recommends that the Bureau of Near Eastern Affairs direct its invoice review staff to fully document sampling done in each applicable checklist and to follow the checklist guidance.	N/A
<i>Audit of the Bureau of Diplomatic Security's Administration of the Armored Vehicle Program</i> (AUD-SI-17-21, 2/2017)	
Recommendation 13: OIG recommends that the Bureau of Diplomatic Security determine the location or disposition of the five vehicles that OIG could not locate during its April 2016 physical inventory and adjust its inventory records accordingly.	\$536,159
Recommendation 17: OIG recommends that the Bureau of Administration update the Foreign Affairs Manual and the Foreign Affairs Handbook to require the use of the Fleet Management Information System for all armored vehicles.	N/A
Recommendation 18: OIG recommends that the Bureau of Diplomatic Security, in conjunction with the Overseas Security Policy Board, update the Foreign Affairs Handbook to include a policy that mandates the use of armored vehicles that meet Overseas Security Policy Board standards for all individuals under Chief of Mission authority.	N/A
Recommendation 22: OIG recommends that the Bureau of Diplomatic Security develop and provide training for all Regional Security Officers related to identifying whether armored vehicles meet required standards.	N/A
Recommendation 26: OIG recommends that the Bureau of Administration develop guidance for posts to require that responsible officials at overseas posts periodically check that motor pool personnel are performing the daily and weekly routine checks of armored vehicles.	N/A
Recommendation 27: OIG recommends that the Bureau of Administration update the Foreign Affairs Manual to include a requirement for all overseas posts to develop and implement a mission policy to ensure that armored vehicles receive the required preventative maintenance.	N/A
Recommendation 28: OIG recommends that the Bureau of Diplomatic Security develop and implement guidance for overseas posts on the construction and use of shelters for armored vehicles.	N/A
Recommendation 32: OIG recommends that the Bureau of Diplomatic Security update the current armored vehicle policy to define specifically what types of maintenance must be performed under an embassy employee's observation.	N/A
Recommendation 37: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a process to ensure that all Regional Security Office personnel receive training, including periodic refresher training, regarding the disposal requirements for armored vehicles.	N/A
Recommendation 38: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a process to ensure that all General Services Office personnel receive training, including periodic refresher training, regarding the disposal requirements for armored vehicles.	N/A
<i>Audit of the Oversight of Fuel Acquisition and Related Services Supporting Department of State Operations in Iraq</i> (AUD-MERO-17-16, 12/2016)	
Recommendation 6: OIG recommends that the Bureau of Near Eastern Affairs use the results of the study from Recommendation 5 to nominate appropriate personnel so contracting officers with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, can assign qualified oversight personnel for those contracts and task orders.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 10: OIG recommends that the Bureau of Near Eastern Affairs review all requirements included in the fuel-related task orders under the Baghdad Life Support Services and Operations and Maintenance Support Services contracts, and develop and implement quality assurance surveillance plans that address key requirements and high-risk areas related to all fuel acquisition and services.	N/A
Recommendation 11: OIG recommends that the Bureau of Near Eastern Affairs develop and implement training for contracting officer's representatives that emphasizes contractor responsibilities for inspecting goods prior to delivery and focuses on limitations of authority for contracting officer's representatives to accept nonconforming goods.	N/A
<i>Audit of the Department of State Vetting Process for Syrian Non-Lethal Assistance</i> (AUD-MERO-17-01, 11/2016)	
Recommendation 1: OIG recommends that the Under Secretary for Management consolidate and codify all current Syria vetting policies issued by the Department and bureaus into one detailed guidance explaining specifically how the vetting process should be carried out for Syrian awards. This consolidated guidance should be distributed to all bureaus once completed.	N/A
Recommendation 2: OIG recommends that the Bureau of Near Eastern Affairs distribute the consolidated vetting guidance from Recommendation 1 to implementing partners to make them aware of Department vetting requirements.	N/A
Recommendation 3: OIG recommends that the Bureau of Near Eastern Affairs develop and implement internal controls to verify that its implementing partners are submitting information on required individuals for vetting in accordance with the consolidated vetting guidance from Recommendation 1.	N/A
Recommendation 4: OIG recommends that the Bureau of Near Eastern Affairs include in future award agreements the vetting requirements for Syria programs.	N/A
Recommendation 5: OIG recommends that the Bureau of Democracy, Human Rights, and Labor distribute the consolidated vetting guidance from Recommendation 1 to implementing partners to make them aware of Department vetting requirements.	N/A
Recommendation 6: OIG recommends that the Bureau of Democracy, Human Rights, and Labor develop and implement internal controls to verify that its implementing partners are submitting information on required individuals for vetting in accordance with the consolidated vetting guidance from Recommendation 1.	N/A
Recommendation 7: OIG recommends that the Bureau of Democracy, Human Rights, and Labor include in future award agreements the vetting requirements for Syria programs.	N/A
<i>Audit of Department of State Strategic Sourcing Efforts</i> (AUD-FM-16-47, 9/2016)	
Recommendation 10: OIG recommends that the Bureau of Administration, in coordination with the Strategic Sourcing Council (Recommendation 1), develop and implement a process to track bureau and office compliance with Department requirements to use strategic sourcing initiatives.	N/A
Recommendation 11: OIG recommends that the Bureau of Administration, in coordination with the Strategic Sourcing Council (Recommendation 1), develop and implement controls to prohibit users from ordering office supplies from vendors other than the approved Federal Strategic Sourcing Initiative office supply vendors without obtaining a valid waiver.	N/A
<i>Audit of Task Orders for the Union III Compound Awarded Under the Operations and Maintenance Support Services Contract</i> (AUD-MERO-16-41, 7/2016)	
Recommendation 2: OIG recommends that the Bureau of Near Eastern Affairs develop and implement a Quality Assurance Surveillance Plan in accordance with Federal Acquisition Regulation 46.4, "Government Contract Quality Assurance," and the revised Performance Work Statements, to	N/A

Report Recommendation	Potential Monetary Benefits
guide oversight of all ongoing and future revitalization, transition, and sustainment requirements for task orders SAQMMA15F0567 and SAQMMA15F1245.	
<i>Improvements Needed To Strengthen Vehicle-Fueling Controls and Operations and Maintenance Contract at Embassy Kabul, Afghanistan</i> (AUD-MERO-16-35, 4/2016)	
Recommendation 7: OIG recommends that the Embassy Kabul motor pool manager review and reconcile the vehicle fuel transactions and the vehicle usage reports on a monthly basis to determine if any theft or improper use of fuel has occurred, in accordance with the Foreign Affairs Handbook, 14 FAH-1, H-814.2-2, "Motor Pool Manager Review."	N/A
<i>Audit of the Department of State Process To Select and Approve Information Technology Investments</i> (AUD-FM-16-31, 3/2016)	
Recommendation 1: OIG recommends that the Bureau of Information Resource Management update the Capital Planning and Investment Control Program Guide to comply with Office of Management and Budget requirements. Specifically, the definition of an IT investment should be modified and a requirement to perform a review for duplicative investments across the agency, Federal Government, and private sector should be included.	N/A
Recommendation 8: OIG recommends that the Bureau of Information Resource Management establish and implement a plan to review IT investment reorganizations that occurred since FY 2010 to ensure that the investments resulting from the reorganizations comply with Office of Management and Budget requirements for information technology investments.	N/A
Recommendation 10: OIG recommends that the Bureau of Information Resource Management develop and implement a process to (a) identify and review all bureau-specific IT investment methodologies (ones currently in place as well as ones that will be developed in the future); (b) determine whether the bureau-specific IT investment methodologies comply with Office of Management and Budget Circular A-130; and, if they do not comply, (c) provide bureaus with guidance regarding the modifications needed to fully comply and verify that the methodologies were modified as necessary. This effort should include reviewing the standard forms used by each bureau during the IT selection process to ensure consistency and compliance with Office of Management and Budget Circular A-130.	N/A
Recommendation 14: OIG recommends that the Bureau of Information Resource Management develop and implement a strategy to perform semiannual or more frequent reviews of bureau-funded IT contracts to identify new IT investments developed as part of the contracts.	N/A
Recommendation 17: OIG recommends that the Bureau of Information Resource Management (a) develop and implement a policy requiring bureaus and offices to provide details of IT investments, programs, and projects in iMatrix and (b) develop and disseminate guidance specifying the level of detail necessary for each investment, including general descriptions and technical capabilities.	N/A
Recommendation 18: OIG recommends that the Bureau of Information Resource Management develop and implement controls in iMatrix to require that the investment manager and budget analyst revalidate data when financial information for an investment in iMatrix is modified.	N/A
Recommendation 20: OIG recommends that the Bureau of Information Resource Management develop and issue a policy stating that bureaus must update the information on non-major investments in iMatrix quarterly, rather than only when the reports are due to be submitted to the Office of Management and Budget.	N/A
Recommendation 22: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, develop and implement a process to verify that all bureau and office IT investment managers and budget analysts complete the respective training courses related to IT capital planning and reporting that are provided annually.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 23: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, include information on reporting reimbursable costs in the annual training provided to investment managers and budget analysts on how to report IT investment data in iMatrix.	N/A
Recommendation 27: OIG recommends that the Bureau of Information Resource Management develop and implement a policy requiring bureaus and offices to submit source documents to support the information entered into iMatrix.	N/A
Recommendation 28: OIG recommends that the Bureau of Information Resource Management develop and implement a process to verify that bureaus and offices are submitting source documents to support the information entered into iMatrix in accordance with the policy developed that requires bureaus and offices to submit source documents that support the information entered into iMatrix.	N/A
Recommendation 29: OIG recommends that the Bureau of Information Resource Management determine the information for non-major investments that should be included in iMatrix and develop a policy to implement that determination.	N/A
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 8 — Security Services at U.S. Consulate Erbil</i> (AUD-MERO-16-30, 3/2016)	
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Diplomatic Security, conduct a comprehensive review of all Task Order 8 contractor invoices and supporting documentation to determine whether all costs, including those identified in this report, are allowable and supported.	N/A
<i>Management Assistance Report: Action Still Needed To Update the Department's Standards of Conduct as They Relate to Trafficking in Persons and To Comply With a Related Recommendation</i> (AUD-ACF-15-43, 9/2015)	
Recommendation 2: OIG recommends that the Under Secretary for Civilian Security, Democracy, and Human Rights provide a plan of action to complete corrective actions, including appropriate milestones, to address Recommendations 1 and 2 from Audit Report AUD/IP-12-02.	N/A
<i>Audit of the Bureau of International Narcotics and Law Enforcement Affairs Aviation Support Services Contract in Iraq</i> (AUD-MERO-15-35, 7/2015)	
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, conduct a comprehensive review of all cost reimbursable contractor invoices related to Embassy Air-Iraq to determine whether the charges were allocable, allowable, and supportable.	N/A
Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation, require DynCorp International to provide documentation to INL that clearly, accurately, and completely supports all costs submitted on its invoices.	N/A
Recommendation 7: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation, develop a contract definitization process that identifies all scope of work requirements in advance of the period of performance and ensures that the contractor submits accurate price and technical proposals that incorporate the requirements in advance of the period of performance.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Administration and Oversight of Contracts and Grants Within the Bureau of African Affairs</i> (AUD-CG-14-31, 8/2014)	
Recommendation 5: OIG recommends that the Bureau of African Affairs discontinue the use of site coordinators in locations that allow Government personnel to work within that country and develop and implement processes to ensure that contracting officer's representatives and government technical monitors with the appropriate levels of Federal Acquisition Certification for Contracting Officer's Representatives are officially delegated to conduct oversight of their assigned contracts.	N/A
Recommendation 24: OIG recommends that Bureau of African Affairs Grants Officer Representatives (GOR) assess the risk of ongoing grants and identify and re-classify high-risk grant recipients. For each high-risk recipient, GORs should develop a risk mitigation strategy that includes changes to oversight and a corrective action plan.	N/A
<i>Audit of Department of State Selection and Positioning of Contracting Officer's Representatives</i> (AUD-CG-14-07, 1/2014)	
Recommendation 2: OIG recommends that the Bureau of African Affairs not use contractors to perform contract administration and oversight tasks to avoid assigning inherently governmental, critical, or closely related functions to contractors, as prohibited by the Federal Acquisition Regulation.	N/A
* Potential monetary benefits associated with these recommendations differ from values reflected in the final report due to management decision.	

Table D.2

Open Office of Evaluations and Special Projects Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Office of the Secretary: Evaluation of Email Records Management and Cybersecurity Requirements</i> (ESP-16-03, 5/2016)	
Recommendation 7: The Bureau of Information Resource Management should: issue regular notices to remind Department employees of the risks associated with the use of non-Departmental systems; provide periodic briefings on such risks to staff at all levels; and evaluate the cost and feasibility of conducting regular audits of computer system usage to ascertain the degree to which Department employees are following the laws and policies concerning the use of personal email accounts.	N/A
<i>Evaluation of the Department of State's FOIA Processes for Requests Involving the Office of the Secretary</i> (ESP-16-01, 1/2016)	
Recommendation 1: The Bureau of Administration should identify necessary permanent personnel as part of Freedom of Information Act (FOIA) workforce planning efforts and quickly acquire those resources so the Department can comply with applicable law and improve the timeliness of FOIA searches and responses.	N/A
Other Open Recommendations	
<i>Management Assistance Report: Incorporation of Clause Requiring Contractor Cooperation with the Office of Inspector General</i> (ESP-18-02, 3/2018)	

Report Recommendation	Potential Monetary Benefits
Recommendation 1: The Bureau of Administration, Office of the Procurement Executive, should amend the Department of State Acquisition Regulation to require Contracting Officers to include a provision requiring Contracting Officers to insert a clause in all current and future contracts stating: “(a) This contract incorporates by reference 1 FAM 053.2-5, which mandates the contractor’s and/or any subcontractor’s duty to cooperate fully with Office of Inspector General personnel. (b) Cooperation includes: (1) Complete, prompt, and free access to all files (in any format), documents, premises, and employees, except as limited by law, including access to records, premises, and employees; (2) Statements, both oral and written, including statements under oath or affirmation; (3) Technical consultation, examination, and assistance regarding information or evidence being collected or developed; (4) Such other information and assistance as may be requested in order to complete the OIG activity.”	N/A
<i>Management Assistance Report: Cultural Property Advisory Committee Reporting Under the Federal Advisory Committee Act</i> (ESP-18-01, 3/2018)	
Recommendation 1: The Bureau of Educational and Cultural Affairs should ensure that the Cultural Property Advisory Committee complies with all reporting requirements under the Federal Advisory Committee Act and issues, at least annually, a report with a summary of activities that provides the public with information regarding the committee’s closed meetings.	N/A
<i>Evaluation of the Department of State’s Security Clearance Process</i> (ESP-17-02, 7/2017)	
Recommendation 2: The Bureau of Diplomatic Security, Office of Personnel Security and Suitability, in coordination with the Bureau of Human Resources, should establish clear responsibilities for the processing of security clearance requests in order to reduce or eliminate unnecessary delays in the clearance process and require appropriate training for all Human Resources personnel involved in the process.	N/A
Recommendation 3: The Bureau of Diplomatic Security should perform a workforce analysis of its employees who perform security clearance work to ensure that it has the proper staffing levels in place to meet its timeliness goals.	N/A
Recommendation 5: The Bureau of Diplomatic Security, Office of Personnel Security and Suitability should determine the actual cost of the security clearance work it performs for other Government agencies in order to fully recoup its expended funds, in accordance with the Economy Act and Department policy.	N/A
Recommendation 6: The Bureau of Diplomatic Security should seek reimbursement for funds it expended for work performed for other Government agencies from 2009 through 2016, in accordance with the Economy Act and Department policy.	N/A
<i>Department of State Has Administrative Leave Policies but Lacks Complete and Accurate Data on the Use of Leave</i> (ESP-16-04, 9/2016)	
Recommendation 1: The Bureau of the Comptroller and Global Financial Services, in conjunction with the Bureau of Human Resources, should ensure that its new payroll systems have the ability to collect information regarding the justification for why administrative leave is granted.	N/A
Recommendation 2: The Bureau of Human Resources, in conjunction with the Bureau of the Comptroller and Global Financial Services, should identify and remedy the causes of the discrepancy with its administrative leave records.	N/A

Table D.3

Open Office of Inspections Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Inspection of Yemen Affairs Unit</i> (ISP-I-18-21, 3/2018)	
Recommendation 1: The Bureau of Near Eastern Affairs, in coordination with the Office of Management Policy, Rightsizing, and Innovation and the Yemen Affairs Unit, should assess the Yemen Affairs Unit's location, functions, and staffing. In doing so, it should consider lessons learned since the Yemen Affairs Unit opened in 2015 and expected future requirements to meet U.S. foreign policy objectives in Yemen.	N/A
Recommendation 2: The Bureau of Near Eastern Affairs, in coordination with the Bureaus of Overseas Buildings Operations and Diplomatic Security and the Yemen Affairs Unit, should (a) conduct a cost-benefit analysis to determine whether the Department should continue to lease, maintain, and secure the Diplomatic Transit Facility and, (b) if the Bureau of Near Eastern Affairs does not continue to lease, maintain, and secure the Diplomatic Transit Center, it should put \$23.5 million in projected future costs to run the facility to better use.	\$23,500,000
Recommendation 3: The Yemen Affairs Unit should review Embassy Sanaa's balance of \$4.89 million in unliquidated obligations and validate or de-obligate the funds to put them to better use as applicable.	\$4,890,000
<i>Inspection of the Bureau of Consular Affairs, Office of Consular Systems and Technology</i> (ISP-I-17-04, 12/2016)	
Recommendation 24: The Bureau of Consular Affairs should direct the Office of Consular Systems and Technology to review the \$18.54 million of unliquidated obligations for contracts that require close out and document justifications of remaining prior year balances.	\$18,540,000
Other Open Recommendations	
<i>Inspection of Embassy Managua, Nicaragua</i> (ISP-I-18-12, 3/2018)	
Recommendation 4: Embassy Managua should require that all drivers assigned to operate armored vehicles receive required training.	N/A
Recommendation 5: Embassy Managua should require that all chauffeurs and incidental drivers under Chief of Mission authority receive Smith Safety driver training.	N/A
Recommendation 6: Embassy Managua should require that Information Systems Security Officers perform information security duties in accordance with Department guidance.	N/A
<i>Inspection of the Bureau of South and Central Asian Affairs</i> (ISP-I-18-11, 2/2018)	
Recommendation 1: The Bureau of South and Central Asian Affairs should institute a formal, periodic process to measure program and policy performance against strategic goals.	N/A
Recommendation 2: The Bureau of South and Central Asian Affairs should conduct a second, more comprehensive review of its staffing and skills inventory to achieve a balance among meeting mission needs, delivering efficient service, and managing employees effectively.	N/A
Recommendation 3: The Bureau of South and Central Asian Affairs should implement a bureau-wide process to track foreign assistance that fully obligates foreign assistance appropriations and identifies and reclassifies foreign assistance funds before the funds cancel.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 6: The Bureau of South and Central Asian Affairs should require all Government Technical Monitors to complete mandatory training.	N/A
Recommendation 7: The Bureau of South and Central Asian Affairs should complete the nine remaining Civil Service performance appraisals for the 2016 rating cycle.	N/A
<i>Inspection of Embassy Beijing and Constituent Posts, China</i> (ISP-I-18-04, 12/2017)	
Recommendation 1: Embassy Beijing, in coordination with the Bureau of East Asian and Pacific Affairs, should determine whether Consulate General Shanghai requires a deputy principal officer, and if so, formally establish the position and delineate its duties, including supervisor responsibilities.	N/A
Recommendation 3: Embassy Beijing, in coordination with the Bureau of International Information Programs, should require the consulates general to develop annual resource development and program plans for their American Spaces.	N/A
Recommendation 8: The Bureau of Consular Affairs should issue guidance in 9 Foreign Affairs Manual for consular officers explaining how to determine potential visa ineligibilities under 8 U.S.C. 1182e.	N/A
Recommendation 9: The Bureau of Democracy, Human Rights and Labor, in coordination with the Bureau of Consular Affairs, should implement a plan to eliminate the backlog of advisory opinion requests for visa applicants who are potentially ineligible under 8 U.S.C. 1182e.	N/A
Recommendation 11: Embassy Beijing, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Consular Affairs, should provide a wheelchair-accessible interview window for consular applicants at Consulate General Chengdu.	N/A
Recommendation 12: Embassy Beijing, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Consular Affairs, should provide a privacy booth in the consular waiting room at Consulate General Chengdu.	N/A
Recommendation 16: Embassy Beijing, in coordination with the Bureau of Administration, should require Consulate General Wuhan to report its own location-specific survey data for post allowances.	N/A
Recommendation 17: Embassy Beijing, in coordination with the Bureau of Administration, should require Consulates General Chengdu and Wuhan to submit updated post consumables allowances justifications.	N/A
Recommendation 28: The Bureau of Overseas Buildings Operations, in coordination with Embassy Beijing, should implement a long-term strategy to evaluate seismic safety of residential buildings in the embassy housing pool.	N/A
<i>Inspection of Consulate General Hong Kong, China</i> (ISP-I-18-06, 11/2017)	
Recommendation 9: The Bureau of East Asian and Pacific Affairs, in coordination with Consulate General Hong Kong and the Bureau of Human Resources, should determine the number and levels for language designated positions at Consulate General Hong Kong in accordance with Department standards, and put up to \$2 million to better use.	2,000,000
Recommendation 14: Consulate General Hong Kong should require all drivers to be trained and medically cleared in accordance with the Department's Motor Vehicle Safety Management Program.	N/A
Recommendation 15: Consulate General Hong Kong should limit driver duty hours to 10 hours per day.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 19: Consulate General Hong Kong should implement knowledge management procedures for capturing, sharing, transferring, and retaining information related to its information management programs.	N/A
<i>Inspection of the Bureau of Diplomatic Security's Office of Mobile Security Deployments</i> (ISP-I-18-05, 10/2017)	
Recommendation 1: The Bureau of Diplomatic Security should make the Office of Mobile Security Deployments' temporary administrative chief a permanent position.	N/A
<i>Inspection of Embassy Nicosia, Cyprus</i> (ISP-I-18-03, 10/2017)	
Recommendation 10: Embassy Nicosia should install a fire alarm system in its North Office to meet Department fire safety standards.	N/A
<i>Inspection of the Bureau of African Affairs' Foreign Assistance Program Management</i> (ISP-I-18-02, 10/2017)	
Recommendation 1: The Bureau of African Affairs should undertake a review of its foreign assistance programs to align policy, planning, resources, and program decision-making.	N/A
Recommendation 2: The Bureau of African Affairs should strengthen oversight of foreign assistance program offices by realigning responsibilities to provide coordinated senior-level leadership over foreign assistance program management.	N/A
Recommendation 3: The Bureau of African Affairs should document its foreign assistance business processes, including administrative responsibilities and internal control procedures for project planning, funds management, human resources, contract and grants management, and risk management.	N/A
Recommendation 4: The Bureau of African Affairs should identify duplicative and fragmented administrative functions related to monitoring and evaluation, invoice reviews, and procurement, and consolidate functions to improve program efficiency.	N/A
Recommendation 5: The Bureau of African Affairs should develop a bureau-wide process to reclassify foreign assistance funds before the funds cancel.	N/A
Recommendation 6: The Bureau of African Affairs should implement mechanisms to track information on foreign assistance programs and provide financial and program reports to the bureau's senior leadership on core program management responsibilities.	N/A
Recommendation 7: The Bureau of African Affairs should implement risk management policies and procedures for foreign assistance that incorporate measures to further reduce the likelihood that foreign assistance will inadvertently finance terrorist activities.	N/A
Recommendation 9: The Bureau of African Affairs, in coordination with the Bureau of Administration, should develop a customized risk assessment template for Federal financial assistance to accurately assess and mitigate risks specific to programs in Africa.	N/A
Recommendation 10: The Bureau of African Affairs should complete required monitoring and evaluation reports, as specified in individual Federal assistance monitoring plans.	N/A
<i>Inspection of the Bureau of African Affairs</i> (ISP-I-18-01, 10/2017)	
Recommendation 2: The Bureau of African Affairs, in coordination with the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, should update the President's Emergency Plan for AIDS Relief agreement to define roles and responsibilities for funds control, staffing, and financial reporting.	N/A
Recommendation 4: The Bureau of African Affairs should require the designated Domestic Information Systems Security Officers to regularly perform and document their information systems security officer responsibilities and complete required training.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 5: The Bureau of African Affairs should implement a records management program that complies with Department standards.	N/A
<i>Inspection of Embassy Valletta, Malta</i> (ISP-I-17-43, 9/2017)	
Recommendation 3: Embassy Valletta, in coordination with the Bureau of Overseas Buildings Operations, should identify and dispose of excess property, and put up to \$650,000 to better use.	\$650,000
Recommendation 5: Embassy Valletta, in coordination with the Regional Information Management Center in Frankfurt, should provide an emergency and evacuation very high frequency radio network through which all residences can communicate directly with the embassy.	N/A
<i>Compliance Follow-up Review: Department of State Has Not Implemented Recommendations Pertaining to Official Residence Expense Staff Salaries</i> (ISP-C-17-32, 8/2017)	
Recommendation 1: The Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Human Resources, should issue consistent guidance to overseas missions on the proper procedures for paying Official Residence Expense staff salaries within 30 days of the issuance of this report.	N/A
Recommendation 2: The Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Human Resources, should revise and reissue consistent Foreign Affairs Manual and Foreign Affairs Handbook guidance on paying Official Residence Expense staff salaries within 6 months of the issuance of this report.	N/A
<i>Inconsistent Guidance Governing Property Controls Over Mobile Devices Left Department at Risk of Wasteful Spending</i> (ISP-17-31, 8/2017)	
Recommendation 1: The Bureau of Administration should publish specific, clear and consistent guidance and procedures for the management, inventory, and tracking of smart phones and similar mobile devices.	N/A
<i>Capital Security Cost Sharing Program: Inconsistent Criteria for Managing Vacant Positions Resulted in Inaccurate Counts</i> (ISP-I-17-30, 8/2017)	
Recommendation 1: The Under Secretary for Management, in coordination with the Bureau of Human Resources, should implement consistent criteria for managing vacant positions overseas.	N/A
<i>Management Assistance Report: Deficiencies Reported in Cyber Security Assessment Reports Remain Uncorrected</i> (ISP-17-39, 7/2017)	
Recommendation 1: The Bureau of Diplomatic Security, in coordination with the Bureau of Information Resource Management and regional bureaus, should require implementation of Cyber Security Assessment report recommendations and establish a process to track and verify that overseas posts comply with those recommendations.	N/A
<i>Management Assistance Report: Department Can Take Steps Toward More Effective Executive Direction of Overseas Missions</i> (ISP-17-38, 7/2017)	
Recommendation 1: The Director General of the Foreign Service and Director of Human Resources should institute annual surveys of American and locally employed staff to provide feedback on Chief of Mission performance.	N/A
Recommendation 2: The Foreign Service Institute should develop and include training on management control responsibilities in its classes for Chief of Mission candidates and Deputy Chief of Missions.	N/A
<i>Management Assistance Report: Improved Oversight Needed to Standardize the Use of Risk Assessments and Monitoring Plans for Overseas Grants</i>	

Report Recommendation	Potential Monetary Benefits
<i>(ISP-17-33, 7/2017)</i>	
Recommendation 1: The Bureau of Administration, in coordination with the Foreign Service Institute, should accelerate development of updated online training that adequately explains risk assessment and monitoring plan requirements for grants and cooperative agreements.	N/A
<i>Inspection of Embassy Luanda, Angola (ISP-I-17-19, 6/2017)</i>	
Recommendation 6: Embassy Luanda, in coordination with the Bureau of Overseas Buildings Operations, should relocate employees to residences that meet Department fire standards.	N/A
Recommendation 7: Embassy Luanda should strengthen its controls over residential fuel deliveries in accordance with Department standards to include establishing a receiving clerk to oversee deliveries.	N/A
Recommendation 8: Embassy Luanda, in coordination with the Bureau of Overseas Buildings Operations, should construct an unclassified server room that meets physical security requirements.	N/A
Recommendation 9: Embassy Luanda should repair or replace the high-frequency radio at the alternate command center.	N/A
<i>Inspection of Consulate General Jerusalem (ISP-I-17-18, 6/2017)</i>	
Recommendation 25: Consulate General Jerusalem should establish safe and secure diplomatic mail and pouch sorting spaces.	N/A
<i>Inspection of Embassy Accra, Ghana (ISP-I-17-17, 6/2017)</i>	
Recommendation 5: Embassy Accra, in coordination with the Bureau of Overseas Buildings Operations, should reconfigure the Consular Section and neighboring office space in accordance with Department standards.	N/A
<i>Inspection of Emergency Preparedness at Consulate General Hamilton, Bermuda (ISP-I-17-26, 5/2017)</i>	
Recommendation 3: Consulate General Hamilton, in coordination with the Regional Information Management Center in Ft. Lauderdale, should repair or replace the high-frequency radio at its alternate command center.	N/A
<i>Inspection of the Bureau of Near Eastern Affairs (ISP-I-17-22, 5/2017)</i>	
Recommendation 2: The Bureau of Near Eastern Affairs should institute formal processes to measure performance against strategic goals in accordance with Department standards.	N/A
<i>Inspection of Embassy Tel Aviv, Israel (ISP-I-17-20, 5/2017)</i>	
Recommendation 11: Embassy Tel Aviv, in coordination with the Bureau of Overseas Buildings Operations, should sell the Hassadot property and put the \$8 million in estimated sales proceeds to better use.	\$8,000,000
Recommendation 16: Embassy Tel Aviv should comply with the Department's Motor Vehicle Safety Management Program policy to not exceed the daily 10-hour limit on duty shifts.	N/A
Recommendation 18: Embassy Tel Aviv should update all outdated locally employed staff position descriptions.	N/A
<i>Inspection of Embassy Monrovia, Liberia (ISP-I-17-12, 5/2017)</i>	
Recommendation 3: Embassy Monrovia should comply with Department standards for consular crisis preparedness.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 4: Embassy Monrovia, in coordination with the Bureaus of Overseas Buildings Operations and Diplomatic Security, should provide accommodations to visa applicants in accordance with Department standards	N/A
Recommendation 6: Embassy Monrovia should conduct a safety, health, environmental management inspection in accordance with Department guidelines and correct any deficiencies identified.	N/A
Recommendation 7: Embassy Monrovia should clear outstanding travel advances of \$54,403 in accordance with Department guidelines.	\$54,403
Recommendation 13: Embassy Monrovia should sell or dispose of excess inventory in accordance with Department guidelines.	N/A
Recommendation 14: Embassy Monrovia should conduct an annual property utilization survey in accordance with Department standards.	N/A
Recommendation 16: Embassy Monrovia, in coordination with the Bureau of Human Resources, should update its local employee staff human resources handbook and local compensation plan to reflect the Government of Liberia's labor law.	N/A
Recommendation 17: Embassy Monrovia should request a comprehensive legal review and opinion from the Office of the Legal Adviser about whether a building on the embassy compound can be used to operate a medical clinic for locally employed staff.	N/A
Recommendation 24: Embassy Monrovia, in coordination with the Bureau of Diplomatic Security, should train Information Management staff in accordance with Department guidance.	N/A
Recommendation 25: Embassy Monrovia should review, update, and test the IT Contingency Plan in accordance with Department standards.	N/A
<i>Management Assistance Report: Cost of Information Management Staff at Embassies Should Be Distributed to Users of Their Services</i> (ISP-17-23, 4/2017)	
Recommendation 1: The Office of the Under Secretary for Management, in coordination with the Bureau of Budget and Planning and the Bureau of the Comptroller and Global Finance Services, should reprogram 52 information management staff positions to the International Cooperative Administrative Support Services Working Capital Fund in order to realize annual funds put to better use of \$4.23 million.	\$4,230,000
<i>Inspection of Embassy Quito, Ecuador</i> (ISP-I-16-27, 9/2016)	
Recommendation 3: Embassy Quito, in coordination with the Bureau of Consular Affairs, should replace the automatic queuing system in Consulate General Guayaquil.	N/A
<i>Inspection of Embassy Kinshasa, Democratic Republic of the Congo</i> (ISP-I-16-19A, 6/2016)	
Recommendation 5: Embassy Kinshasa, in coordination with the Bureau of International Information Programs and the Bureau of Educational and Cultural Affairs, should bring the appearance of the Information Resource Center into conformity with Department standards.	N/A

Table D.4

Open Office of Investigations Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
None	
Other Open Recommendations	
<i>Management Assistance Report: U.S. Embassy Tbilisi Employee Association Commissary Accounting Controls (INV-17-01, 6/2017)</i>	
Recommendation 1: OIG recommends that the Board Chair of the Tbilisi Embassy Employee Association develop and implement policies and procedures in accordance with 6 Foreign Affairs Manual (FAM) 531.2 to document, support and control the deleting of accounting transactions in the commercial off-the-shelf accounting software. At a minimum, those procedures should include monthly reviews of deleted transactions, comparisons of opening and closing balances, and review of documentation to support the deletion of transactions.	N/A
Recommendation 2: OIG recommends that the Board Chair of the Tbilisi Embassy Employee Association develop and implement procedures in accordance with 6 FAM 531.2 to verify that: a) Daily cash receipts and deposits are reconciled monthly. b) Bank reconciliations are conducted. c) Monthly reconciliations are performed between the cash register sales and commercial off-the-shelf accounting software systems.	N/A
Recommendation 3: OIG recommends the Board Chair of the Tbilisi Embassy Employee Association develop and implement cash management procedures in accordance with the internal controls prescribed for cash collection and handling by embassy cashiers in 4 Foreign Affairs Handbook (FAH)-3 H-396.1 (g) and 4 FAH-3 H-390. Specifically, these procedures should include requirements to: a) Prepare daily deposit slips for cash and negotiable instruments. b) Deposit cash daily, or as often as needed, to avoid excess "cash on hand" as defined by local accounting and cash management procedures.	N/A
Recommendation 4: OIG recommends that the Board Chair of the Tbilisi Embassy Employee Association develop and implement policies and procedures to restrict access to the accounting system by: a) Requiring individual user IDs and strong passwords for all users. b) Restricting Administrator rights to appropriate staff.	N/A
Recommendation 5: OIG recommends that the Management Officer at the U.S. Embassy - Tbilisi develop and implement on-going monitoring and conduct annual reviews of the Tbilisi Embassy Employee Association's management of the program.	N/A

Table D.5

Report Recommendations Without Management Decision by the Department of State for More Than 6 Months, as of 9/30/2018

Office of Inspections
<i>Management Assistance Report: Department Can Take Steps Toward More Effective Direction of Overseas Missions</i> (ISP-17-38, 7/2017)
OIG recommended that the Director General of the Foreign Service and Director of Human Resources issue additional Foreign Assistance Manual (FAM) and Foreign Affairs Handbook (FAH) guidance requiring all chiefs of mission and deputy chiefs of mission to implement structured First- and Second-Tour employee programs with First- and Second-Tour employees at their posts. The Bureau of Human Resource neither agreed or disagreed in its response to the final report and in subsequent responses did not fully respond to the recommendation on issuing additional FAM and FAH guidance. Therefore, Recommendation 3 is considered unresolved.

Table D.6

Reports Issued in Prior Reporting Period That Did Not Receive Comment Within 60 Days of Issuance, as of 9/30/2018

None

Table D.7

Department of State Significant Revised Management Decisions, 4/1/2018–9/30/2018

Office of Audits
<i>Management Assistance Report: Building Deficiencies Identified at U.S. Embassy Kabul, Afghanistan Need Prompt Attention</i> (AUD-MERO-17-44, 6/2017)
OIG recommended that the Bureau of Overseas Buildings Operations establish and implement standards for quality assurance and oversight for construction projects, including (a) a minimum number of staff members assigned to provide management oversight, administration, and quality assurance on the basis of the size and complexity of the project and (b) minimum requirements for quality assurance staff regarding years of experience and technical qualifications. Although the Bureau concurred with the recommendation in its May 23, 2017 response to OIG's draft report and the recommendation was considered resolved with the issuance of the final report, the Bureau's subsequent responses indicated that it would take no further action or provide any alternative actions. Specifically, the Bureau stated in responses to the final report that developing written guidance regarding a minimum number of staff members cannot be applied to all projects and that the policies, processes, and procedures that were in place at the time of OIG's audit—and that OIG found inadequate—are sufficient. Thus, after several responses from the Bureau that continued to assert the Bureau's decision to not take any action to implement the recommendation, OIG has re-evaluated the status of the recommendation and Recommendation 16 is considered unresolved.

Table D.8

Department of State Significant Management Decisions With Which OIG Disagreed, 4/1/2018–9/30/2018

Office of Audits
<p><i>Audit of the Bureau of Overseas Buildings Operations' Oversight of New Construction Projects at the U.S. Embassy in Kabul Afghanistan</i> (AUD-MERO-18-17, 1/2018)</p> <p>OIG recommends that the Bureau of Overseas Buildings Operations (OBO) move responsibility for oversight and management of commissioning agents from the Office of Construction Management to the Office of Facility Management, which should oversee all aspects of the commissioning process. OBO did not concur with the recommendation, stating that "the process in place meets the intent of this recommendation" and stating that it "has created a mandatory position for all new capital construction projects" that reports to OBO's Office of Construction Management on issues concerning commissioning and system acceptance problems. OIG disagreed and noted that it is unclear how the newly created position would address the Commissioning Agent's lack of independence. OBO's subsequent compliance response to OIG continued to non-concur and reiterated the creation of the new position. OIG does not find the bureau's rationale for non-concurrence sufficiently compelling or convincing to change OIG's view and to resolve or close the recommendation. OIG does not believe that the Commissioning Agent can be truly independent if the Project Director has the final authority to overrule the Agent. Therefore, Recommendation 4 is considered unresolved.</p>
<p><i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services</i> (AUD-FM-17-53, 9/2017)</p> <p>OIG recommended that the Bureau of Consular Affairs (CA) remit unobligated balances that exceed the carry forward threshold, which OIG reported as \$284 million in funds that could be put to better use for FY 2017, to the Department of the Treasury. CA did not concur with the recommendation, stating that it believes that consular fees were established in accordance with regulatory authorities and, therefore, there is no requirement to remit the \$284 million to Treasury. OIG disagreed and noted that the report shows that the Department collected fees above the levels authorized by Congress, and therefore the Department is not permitted to retain those fees until expended. CA's subsequent compliance responses to OIG continued to non-concur and indicated that it had not yet completed an analysis of the carryforward balance. CA also reiterated the Department's continued position that no legal authority exists to return funds to Treasury that Congress has authorized the Department to retain. As of September 30, 2018, CA has not yet performed an analysis to determine and formally document in its procedures a reasonable target carry forward balance for each consular fee (as OIG recommended in Recommendation 4), which must be done before CA can meet the full intent of this recommendation and demonstrate that excess carry forward balances were either remitted to Treasury or that carry forward balances no longer exceed the target threshold established as part of Recommendation 4. Consequently, CA's responses to this recommendation are not sufficient to consider this recommendation resolved or closed. Therefore, Recommendation 6 is considered unresolved.</p>

Office of Evaluations and Special Projects*Review of Selected Internal Investigations Conducted by the Bureau of Diplomatic Security*
(ESP-15-01, 10/2014)

OIG recommended that the Department take steps—as previously recommended in OIG’s report on the 2012 inspection (ISP-I-13-18)—to enhance the integrity of the Bureau of Diplomatic Security internal investigations process by implementing safeguards to prevent the appearance of, or actual, undue influence and favoritism by Department officials. In its response to Recommendation 1, the Department told OIG that it made an organizational change to the reporting chain for the Special Investigations Division in order to fulfill OIG’s recommendation. OIG does not consider this recommendation to be resolved because the organizational change substantially pre-dated the report and is an insufficient step based on OIG’s detailed findings. OIG also recommended that the Department clarify and revise the Foreign Affairs Manual and promulgate and implement additional protocols and procedures to ensure that allegations of misconduct concerning Chiefs of Mission and other senior Department officials are handled fairly, consistently, and independently. In its response to Recommendation 2, the Department did not agree with OIG’s recommendation and stated that a directive that specifies the handling of allegations involving Chiefs of Mission and other senior Department officials might interfere with the ability of investigators to recommend what they believe is the appropriate disposition of a case. Therefore, Recommendations 1 and 2 remain unresolved.

Table D.9**Department of State Management Success in Implementing Recommendations,
4/1/2018–9/30/2018****Office of Audits***Audit of the Administration of Selected Cooperative Agreements Awarded to the Institute of International Education by the Bureau of Educational and Cultural Affairs*
(AUD-CGI-18-15, 2/2018)

OIG recommended that the Bureau of Educational and Cultural Affairs develop and implement internal controls to monitor and verify that the Grants Officers (GO) and Grants Officer Representatives (GOR) review and test expenses to validate that claimed expenses are supported, allocable, and allowable in accordance with Federal regulations and Department policy. As a result, the Department developed new standard operating procedures which define the risk and performance triggers that will determine when a GO or GOR must review supporting documentation for expenses to validate that the claimed expenses are supported.

Office of Inspections*Inspection of Embassy San Jose, Costa Rica*
(ISP-I-18-13, 4/2018)

OIG recommended that Embassy San Jose, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs (INL), implement a plan to use or dispose of video surveillance equipment purchased with bureau funds. Embassy San Jose reported that the video surveillance equipment was donated in full to the Penitentiary Police after INL approved a plan for its installation in three high-security prisons, requiring no additional investment by INL, resulting in funds put to better use of \$540,007.

Inspection of Embassy Valletta, Malta
(ISP-I-17-43, 9/2017)

OIG recommend that Embassy Valletta dispose of the Chief of Mission backup armored vehicle according to Department guidelines for disposing of armored vehicles and put \$18,000 to better use. In response to the recommendation, Embassy Valletta provided documentation that the destruction of the armored vehicle followed 12 Foreign Affairs Manual (FAM) 388 procedures, resulting in funds put to better use of \$18,000.

Inspection of Embassy Freetown, Sierra Leone
(ISP-I-17-16, 5/2017)

OIG recommended that Embassy Freetown clear outstanding travel advances of \$67,098 in accordance with Department guidelines. In response to the recommendation, Embassy Freetown provided documentation that showed evidence that all outstanding travel advances of were cleared in accordance with Department guidance in 4 Foreign Affairs Manual (FAM), resulting in funds put to better use of \$67,098.

Inspection of Embassy Monrovia, Liberia
(ISP-I-17-12, 5/2017)

OIG recommended that the Bureau of Comptroller and Global Financial Services conduct an audit to determine how much Embassy Monrovia overpaid for airline tickets and, as appropriate, collect the overpayments from the employees who benefitted. In response to the recommendation, Embassy Monrovia provided documentation that it collected a refund from the travel agency as overpayments for airline tickets, resulting in funds put to better use of \$17,117.

Note: The recommendations described in this table do not include all recommendations that were closed as implemented during the reporting period. The recommendations in this table were selected by OIG based on several factors, including their designation as "significant" and any cost savings that resulted from implementation.

APPENDIX E: U.S. AGENCY FOR GLOBAL MEDIA COMPLIANCE

Tables E.1 through E.6 report the status of open Office of Inspector General (OIG) recommendations to the U.S. Agency for Global Media as of September 30, 2018.

OIG Compliance Lexicon

Open

Unresolved: No agreement between OIG and management on the recommendation or proposed corrective action.

Resolved: Agreement on the recommendation and proposed corrective action but implementation has not been completed.

Closed

Agreed-upon corrective action is complete.

Table E.1

Open Office of Audits Recommendations Issued in Previous Periods, Pending Final United States Agency for Global Media Action, as of 9/30/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Management Assistance Report: Broadcasting Board of Governors Incident Response and Reporting (AUD-IT-IB-16-25, 1/2016)</i>	
Recommendation 1: OIG recommends that the Broadcasting Board of Governors Office of Technology, Services, and Innovation amend and implement the Computer Security Incident Response Policy and the Computer Security Incident Response Procedure to reflect all elements of an effective incident response and reporting program in accordance with National Institute of Standards and Technology Special Publication 800-61, Revision 2.	N/A
<i>Audit of the Broadcasting Board of Governors Administration and Oversight of Acquisition Functions (AUD-CG-IB-14-26, 6/2014)</i>	
Recommendation 5: OIG recommends that the International Broadcasting Bureau, Office of Contracts, in coordination with the Office of the Chief Financial Officer, develop and implement policies and procedures to ensure that funds are available at the beginning of the period of performance for each contract, which should include the tracking of contract period of performance and the maintenance of appropriate documentation within the contract file. If funds are not available for the entire term of a contract because of a continuing resolution, a subject to availability clause should be included in the terms and conditions of the contract, per the Federal Acquisition Regulation.	N/A
Recommendation 6: OIG recommends that the International Broadcasting Bureau develop and implement fund control regulations, obtain approval from the Office of Management and Budget for the fund control regulations, and post the fund control regulations on its Web site, as required by Office of Management and Budget Circular A-11.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 8: OIG recommends that the International Broadcasting Bureau, Office of Contracts, develop policies and procedures and implementation guidance for conducting market research, in accordance with the Federal Acquisition Regulation. Specifically, criteria should be established to dictate the type and extent of market research to be performed for each procurement action and what types of documentation should be maintained in the contract file.	N/A
Other Open Recommendations	
<i>Management Assistance Report: The Broadcasting Board of Governors Did Not Fully Address Invalid Unliquidated Obligations Identified During the FY 2016 Financial Statements Audit</i> (AUD-FM-IB-18-28, 2/2018)	
Recommendation 1: OIG recommends that the Broadcasting Board of Governors develop and implement annual training for allotment holders emphasizing their responsibility to monitor and deobligate invalid unliquidated obligations, as prescribed in the Broadcasting Administrative Manual.	N/A
Recommendation 2: OIG recommends that the Broadcasting Board of Governors approve, issue, and implement its "Unliquidated Obligations Review Standard Operating Procedures."	N/A
<i>Audit of the Broadcasting Board of Governors Implementation of the Digital Accountability and Transparency Act of 2014</i> (AUD-FM-IB-18-04, 11/2017)	
Recommendation 1: OIG recommends that the Broadcasting Board of Governors improve guidance and procedures in the Broadcasting Administrative Manual for Contracting Officers related to entering accurate and complete procurement award transaction data into the Federal Procurement Data System–Next Generation.	N/A
Recommendation 2: OIG recommends that the Broadcasting Board of Governors develop and issue guidance and procedures in the Broadcasting Administrative Manual for personnel responsible for entering accurate and complete financial assistance award transaction data into the Award Submission Portal.	N/A
Recommendation 3: OIG recommends that the Broadcasting Board of Governors formally document quality control procedures to include (a) explaining how the Digital Accountability and Transparency Act Files are created, (b) recording reconciliation results, and (c) reviewing of the accuracy of data contained in DATA Act Files D1 and D2 generated from the Federal Procurement Data System–Next Generation and the Award Submission Portal.	N/A
Recommendation 4: OIG recommends that the Broadcasting Board of Governors designate a Senior Accountable Official who is an official on the Senior Management Council and is capable of providing "reasonable assurance that their internal controls support the reliability and validity of the agency account-level and award-level data," as required by the Office of Management and Budget.	N/A
<i>Audit of Radio Free Asia Expenditures</i> (AUD-FM-IB-15-24, 6/2015)	
Recommendation 1: OIG recommends that the Broadcasting Board of Governors define its grant monitoring structure, formally document the roles and responsibilities of all parties involved in the grant monitoring process, and revise its Grantee Handbook accordingly.	N/A
Recommendation 2: OIG recommends that the Broadcasting Board of Governors develop and implement a comprehensive grant oversight program and revise its Grantee Handbook to document the specific procedures for the grant oversight program.	N/A
Recommendation 3: OIG recommends that the Broadcasting Board of Governors (BBG) develop and implement a training plan for all employees involved in grant oversight as determined in response to Recommendation 1. This training plan should cover both Government-wide requirements for grant oversight and also BBG's internal grants policies and procedures. BBG should revise its Grantee Handbook to include the training plan.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 14: OIG recommends that the Broadcasting Board of Governors require Radio Free Asia to revise its processes to include an assessment of the continued need for funds that are either unexpended or committed and to take action to deobligate funds that are no longer needed.	N/A
Recommendation 15: OIG recommends that the Broadcasting Board of Governors require Radio Free Asia to annually report on the amount of unused funds.	N/A
Recommendation 16: OIG recommends that the Broadcasting Board of Governors develop and implement a process to oversee Radio Free Asia's unused funds.	N/A
Recommendation 21: OIG recommends that the Broadcasting Board of Governors (BBG) work collaboratively with Radio Free Asia (RFA) to perform a comparability study of RFA salaries and benefits and determine whether the salaries and benefits offered by RFA violate the requirements of the grant agreement. If they do, BBG should direct RFA to bring salaries and benefits into compliance with the grant agreement.	N/A
<i>Audit of Radio Free Europe/Radio Liberty After-employment Benefits</i> (AUD-FM-IB-14-34 , 9/2014)	
Recommendation 2: OIG recommends that the Broadcasting Board of Governors design and implement procedures to perform routine reviews of Radio Free Europe/Radio Liberty (RFE/RL) financial activity. At a minimum, these procedures should include periodic reviews of significant events and transactions and analyses of RFE/RL's financial statements and actuarial reports.	N/A
Recommendation 3: OIG recommends that the Broadcasting Board of Governors develop a process to review and approve significant contracts over \$350,000 for Radio Free Europe/Radio Liberty.	N/A
Recommendation 4: OIG recommends that the Broadcasting Board of Governors develop policies and procedures to ensure that information needed to oversee grantees is maintained in the grant files and to ensure that the relevant information is available for at least 7 years.	N/A
Recommendation 5: OIG recommends that the Broadcasting Board of Governors (BBG) review and revise its policies and procedures to clearly define the roles and responsibilities of the officials within BBG who are responsible for monitoring and overseeing Radio Free Europe/Radio Liberty.	N/A
Recommendation 9: OIG recommends that the Broadcasting Board of Governors (BBG) design detailed annual budget submission formats and financial planning documents that will allow BBG to obtain details on unfunded liabilities at Radio Free Europe/Radio Liberty.	N/A
Recommendation 10: OIG recommends that the Broadcasting Board of Governors develop and implement a standardized process to produce effective comparability studies. The process should ensure that the studies are performed at prescribed intervals, include all benefits offered by Radio Free Europe/Radio Liberty to its domestic and overseas employees, and contain data and analyses that support conclusions.	N/A

Table E.2

Open Office of Inspections Recommendations Issued in Previous Periods, Pending Final United States Agency for Global Media Action, as of 9/30/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
None	
Other Open Recommendations	
<i>Inspection of Radio Free Europe/Radio Liberty</i> (ISP-IB-17-21, 5/2017)	
Recommendation 2: The Broadcasting Board of Governors should finalize its draft grantee handbook and implement the grant close-out provisions contained therein for RFE/RL.	N/A
Recommendation 6: The Broadcasting Board of Governors should revise its grant agreement with Radio Free Europe/Radio Liberty to include specific requirements for security policies.	N/A
Recommendation 7: The International Broadcasting Bureau, in coordination with Radio Free Europe/Radio Liberty, should establish a written protocol on background investigations to comply with the grant agreement.	N/A
<i>Inspection of the Broadcasting Board of Governors' Middle East Broadcasting Networks</i> (ISP-IB-17-09, 2/2017)	
Recommendation 1: The International Broadcasting Bureau Office of the Chief Financial Officer, in coordination with the Middle East Broadcasting Networks, should implement a schedule to review the approximately \$6,226,940 in unliquidated obligations and deobligate those funds that are no longer required.	\$6,226,940
Recommendation 2: The International Broadcasting Bureau Office of Chief Financial Officer should implement an action plan to close out expired Middle East Broadcasting Networks grants.	N/A
Recommendation 8: The International Broadcasting Bureau Office of Security, in coordination with the Middle East Broadcasting Networks, should establish a written protocol to comply with Article X of the grant agreement.	N/A

Table E.3

Report Recommendations Without Management Decision by the United States Agency for Global Media for More Than 6 Months, as of 9/30/2018

None

Table E.4

Reports Issued in Prior Reporting Period That Did Not Receive Comment Within 60 Days of Issuance, as of 9/30/2018

None

Table E.5

**United States Agency for Global Media Significant Revised Management Decisions,
4/1/2018–9/30/2018**

None

Table E.6

**United States Agency for Global Media Significant Management Decisions With Which
OIG Disagreed, 4/1/2018–9/30/2018**

None

APPENDIX F: ABBREVIATIONS

Abbreviation	Full Name
A/LM/AQM	Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management
BBG	Broadcasting Board of Governors
CA	Bureau of Consular Affairs
CGFS	Bureau of the Comptroller and Global Financial Services
CIGIE	Council of the Inspectors General on Integrity and Efficiency
COR	Contracting Officer's Representative
DCAA	Defense Contract Audit Agency
DS	Bureau of Diplomatic Security
EUR	Bureau of European and Eurasian Affairs
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FAR	Federal Acquisition Regulation
FBI	Federal Bureau of Investigation
FOIA	Freedom of Information Act
GO	Grants Officers
GOR	Grants Officer Representative
GTM	Government Technical Monitors
INL	Bureau of International Narcotics and Law Enforcement Affairs
INL/A	Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation
ISIS	Islamic State of Iraq and Syria
NEA	Bureau of Near Eastern Affairs
NED	National Endowment for Democracy
OBO	Bureau of Overseas Buildings Operations
OCO	overseas contingency operation
OIG	Office of Inspector General
OMB	Office of Management and Budget
PRM	Bureau of Population, Refugees, and Migration
P&PD CM 01	Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities
RFA	Radio Free Asia
RFE/RL	Radio Free Europe/Radio Liberty
SAO	Senior Accountable Official
SCA	Bureau of South and Central Asian Affairs
TIP	trafficking in persons
TPS	Office of Training and Performance Standards

Abbreviation	Full Name
Treasury	Department of the Treasury
USAGM	United States Agency for Global Media
VE	value engineering
WCF	Working Capital Fund
WPS	Worldwide Protective Services

APPENDIX G: INDEX OF REPORTING REQUIREMENTS UNDER THE INSPECTOR GENERAL ACT OF 1978

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