



# HIGHLIGHTS

Office of Inspector General  
United States Department of State

AUD-SI-22-37

## What OIG Audited

The Bureau of Diplomatic Security (DS), Directorate of Domestic Operations (DO), Office of Domestic Facilities Protection (DFP), is responsible for protecting people, information, and property at all domestic Department of State (Department) facilities. Accordingly, DFP was responsible for providing oversight of a guard services contract with Inter-Con Security Systems, Incorporated (Inter-Con), valued at approximately \$362 million, which provided a 24-hour guard force to safeguard the Department's domestic facilities.

The Office of Inspector General (OIG) conducted this audit to determine whether DFP administered the domestic guard services contract in accordance with applicable federal and Department standards governing the oversight of contractor performance and invoice processing. The scope of the audit was the domestic guard services contract in place from December 15, 2018, to October 31, 2021.

## What OIG Recommends

OIG made six recommendations to address the deficiencies identified with the oversight of contractor performance and invoice processing for the domestic guard services contract. On the basis of DS's response to a draft of this report, OIG considers the six recommendations resolved, pending further action. A synopsis of DS's response to the recommendations offered and OIG's reply follow each recommendation in the Audit Results section of this report. DS's response to a draft of this report is included in its entirety in Appendix C.

September 2022

OFFICE OF AUDITS

SECURITY AND INTELLIGENCE DIVISION

## Audit of the Bureau of Diplomatic Security's Oversight of Contractor Performance and Invoice Processing for the Domestic Guard Services Contract

### What OIG Found

DFP did not administer the domestic guard services contract in accordance with applicable federal and Department standards. Specifically, OIG found an incomplete Contracting Officer's Representative (COR) file, lack of delegations of authority for two Government Technical Monitors, and inconsistent monitoring. For example, the COR file did not include a copy of the contract or its modifications, a complete list of personnel assisting the COR, and copies of all invoices. In addition, OIG found inadequate invoice reviews that lacked supporting documentation to justify invoice approval. Moreover, OIG reviewed supporting documentation for three invoices and found numerous issues including mathematical errors, incorrect numbers of hours worked, and lack of overtime approval.

The deficiencies identified occurred for multiple reasons, including that the Contracting Officer (CO) did not sufficiently oversee the COR, DFP did not develop adequate procedures to guide the oversight of the contract including invoice reviews, and the CO and COR did not always track the assignment of personnel to ensure delegations were in place. Until these deficiencies are corrected, DFP will not have reasonable assurance that contract administration and oversight is conducted in accordance with federal and Department standards. In addition, because the COR did not perform sufficient invoice reviews, OIG is questioning the total amount of the contract award, valued at \$361,627,297.

OIG also identified a potential area of concern regarding the acquisition of body armor through the domestic guard services contract. Beginning in November 2020, all body armor procurements must be coordinated through DS's Defensive Equipment and Armored Vehicle Division. Although the body armor in this instance was acquired prior to this requirement, it should be inspected by DS to determine whether it is of sufficient quality or needs to be replaced.