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Management Assistance Report: Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Pakistan

MANAGEMENT ASSISTANCE REPORT

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Summary of Review

In April 2012, the Office of Inspector General (OIG) reported that the Bureau of Counterterrorism (CT) and the Bureau of Diplomatic Security Office of Antiterrorism Assistance (DS/T/ATA) had not developed specific, measureable, and outcome-oriented objectives for the Antiterrorism Assistance (ATA) program, nor did they establish a means for evaluating progress against those objectives. The report also explained that CT and DS/T/ATA had not assessed the ability of partner countries to further develop and build on the ATA training provided without U.S. Government support. As a result, the report concluded that DS/T/ATA could not determine the ATA program's effectiveness. The report contained several recommendations intended to improve the management and oversight of the ATA program worldwide, and three of those currently apply to the ATA program in Pakistan. As of October 27, 2016, two of the recommendations that currently apply to the ATA program in Pakistan were closed and one remained open, pending further action.

The objective of this compliance follow-up review was to determine whether the two closed recommendations from OIG's April 2012 report that currently apply to the ATA program in Pakistan had improved program management and oversight in Pakistan, as intended, and to assess the implementation status of the open recommendation concerning the establishment of an ATA program monitoring and evaluation system. To bring these ongoing issues to the attention of management, OIG is issuing this review as a management assistance report.

OIG found that the actions taken to address the recommendations made in OIG's April 2012 report relating to the ATA program in Pakistan did not collectively have the desired effect of improving the management and oversight of the ATA program in Pakistan. Specifically, although consultation with the Bureau of Democracy, Human Rights, and Labor to determine the eligibility and designation of Pakistan in the ATA program occurred as recommended, a robust ATA program monitoring and evaluation system has not been established, as recommended. In addition, although DS/T/ATA implemented a standardized reporting process for in-country oversight of ATA contracts, as recommended, OIG discovered that the individual assigned to oversee ATA activities in Pakistan is not officially designated as a contracting officer's representative or government technical monitor and moreover is not performing required oversight duties, such as documenting oversight activities and reporting to the contracting officer's representative on whether the contractor is performing in accordance with contract terms. Over the years, a downturn in bilateral relations and related difficulties in obtaining visas from the Government of Pakistan contributed to the issues identified.

The scope and nature of the program have also changed, and less activity is occurring than in the past. However, at the time of this review, some program activities were still being performed, and monies were still being expended. By not performing required oversight and properly documenting contractor performance, DS/T/ATA is at increased risk that it may pay for work that is not in accordance with contract requirements. Further, the absence of performance reporting also deprives DS/T/ATA of information needed to measure the effectiveness of ATA program training in Pakistan and thereby improve course content.

At the conclusion of this compliance follow-up review, DS/T/ATA officials told OIG that they were uncertain about the future of the ATA program in Pakistan and, specifically, whether training would continue to be conducted in Pakistan. They stated that continued antiterrorism training for Pakistani participants was still necessary but would likely be held at a regional training facility in Jordan.

OIG modified and reissued one recommendation from the April 2012 report and offered four new recommendations. These recommendations are intended to assist CT and DS/T/ATA in improving management and oversight of ATA program activities in Pakistan as long as any aspect of the program continues.

In response to a draft of this report, CT agreed with the single recommendation addressed to it and indicated that it will complete actions to implement the recommendation within the next few months. Although DS did not explicitly agree or disagree with the three recommendations addressed to it, it described actions that it had taken or would take to implement the recommendations. In addition, the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (AQM) agreed with the single recommendation addressed to it. OIG therefore considers the five recommendations offered in this report resolved, pending further action. A synopsis of management's response and OIG's reply follow each recommendation in the Results section of this report. Written comments provided by CT, DS/T/ATA, and AQM are reprinted in Appendices A–C, respectively.

BACKGROUND

In April 2012, the Office of Inspector General (OIG) reported that the Bureau of Counterterrorism (CT) and the Bureau of Diplomatic Security's Office of Antiterrorism Assistance (DS/T/ATA) had not developed specific, measureable, and outcome-oriented objectives for the ATA program, nor did it establish a means for evaluating progress against those objectives.¹ The report also found that CT and DS/T/ATA had not assessed host countries' abilities to further develop and build on the ATA training provided without U.S. Government support. The report made several recommendations to improve the management of the ATA program worldwide. Three of those recommendations are applicable to the ATA program in Pakistan.

With respect to the three recommendations made in OIG's April 2012 report that are applicable to the ATA program in Pakistan, one is currently considered resolved pending further action, and two have been closed. OIG considers a recommendation resolved when the action entity agrees to implement the recommendation (for example, the action entity agrees to establish and implement a new policy or procedure) but implementation has not yet been completed. A

¹ *Evaluation of the Antiterrorism Assistance Program for Countries under the Bureaus of Near Eastern Affairs and South and Central Asian Affairs* (AUD-MERO-12-29, April 2012).

recommendation is closed when the action entity provides OIG evidence that corrective actions have been completed (for example, the new policy or procedure has actually been issued).

The objective of this compliance follow-up review was to determine whether the corrective actions taken in response to the three recommendations from OIG's April 2012 report that currently apply to the ATA program in Pakistan had improved program management and oversight in Pakistan as intended.² OIG conducted this review in accordance with generally accepted government auditing standards.

Creation of the Antiterrorism Assistance Program

The Foreign Assistance Act of 1961, which serves as the cornerstone of U.S. foreign assistance policies and programs, sought to organize and implement foreign assistance focused on "the encouragement and sustained support of the people of developing countries in their efforts to acquire the knowledge and resources essential to development and to build the economic, political, and social institutions which will improve the quality of their lives."³ In 1983, Congress amended the Act through the International Security and Development Assistance Authorization Act and authorized the President to provide assistance to foreign countries to enhance the abilities of law enforcement personnel to deter terrorists and terrorist groups from engaging in international terrorist acts. The amendment led to the establishment of the ATA program. By an internal Department Memorandum of Agreement, DS/T/ATA serves as the program's primary implementer.

The ATA program has the following three objectives:

1. To enhance the antiterrorism skills of friendly countries by providing training and equipment to deter and counter terrorism.
2. To strengthen the bilateral ties of the United States with friendly governments by offering concrete assistance in deterring terrorism.
3. To increase respect for human rights by sharing with foreign civil authorities modern, humane, and effective antiterrorism techniques.⁴

The ATA program implements its objectives by securing the cooperation of the partner nation to conduct training with its law enforcement agencies and then awarding contracts to organizations with the skills to deliver antiterrorism-related training courses and manage training and equipment programs identified by DS/T/ATA's capabilities assessments.

DS/T/ATA conducts ATA training worldwide through its Global Antiterrorism Assistance contract (GATA).⁵ The contract is an indefinite-delivery, indefinite-quantity contract, and DS/T/ATA issues

² OIG is also currently assessing ATA programs in Afghanistan and Iraq, which will be reported separately.

³ Public Law No. 87-195, pt. II, § 571, as amended by Pub. L. No. 98-151 § 101(b)(2), 97 Stat. 972 (1983) (codified at 22 U.S.C. § 2349aa).

⁴ *Id.*

⁵ According to DS/T/ATA, in Pakistan, all antiterrorism assistance training task orders awarded during FYs 2013 to 2016 were awarded to DECO.

task orders for the required training in each partner country. The contract has been in effect since June 22, 2011, and has been extended several times.

Antiterrorism Assistance Program - Islamabad, Pakistan

The Government of Pakistan has participated in the ATA program since 1987. According to DS/T/ATA officials, the ATA program in Pakistan has been allocated \$25 million to carry out the ATA program since FY 2013 and has conducted 21 training courses for 400 participants between FY 2013 and FY 2016. Funding for FYs 2013 to 2016 is shown in Table 1.

Table 1: ATA Pakistan Funding FY 2013–FY 2016

Fiscal Year (FY)	Allocation ^a	Obligations ^b	Expenditures ^c
2013	\$7,297,326	\$7,123,099	\$3,962,620
2014	\$4,874,000	\$4,615,578	\$3,062,991
2015	\$8,781,000	\$8,715,497	\$1,330,971
2016	\$4,000,000	No funds received	No funds received
Total	\$24,952,326	\$20,454,174	\$8,356,582

Source: Generated by OIG from funding data provided by the DS/T/ATA as of 9/30/16.

^a According to the U.S. Government Accountability Office (GAO), *A Glossary of Terms Used in the Federal Budget Process*, an allocation is a delegation, authorized in law, to obligate budget authority and outlay funds for a specific purpose, such as the ATA program.

^b According to GAO, *A Glossary of Terms Used in the Federal Budget Process*, an obligation is a definite commitment that creates a legal liability of the Government for the payment of goods and services ordered or received. Obligations can be deobligated and reobligated within the period of availability of an appropriation.

^c According to GAO, *A Glossary of Terms Used in the Federal Budget Process*, expenditures represent the actual spending of money; that is, an outlay.

The ATA program expenditures between FY 2013 and FY 2015 generally fall into two categories: 1) contract costs for conducting the ATA training courses and 2) DS/T/ATA operational costs, such as travel and administrative costs for ATA staff assigned to Pakistan, equipment purchased for training, and training facility maintenance and operations. In addition, DS/T/ATA officials stated that expenditures for each fiscal year are not necessarily the costs incurred for program activities in that year. For example, DS/T/ATA contracted for ATA training in FY 2013, but no training was conducted in FY 2013, one training was conducted in FY 2014, and eight trainings were conducted in FY 2015. DS, however, received an appropriation (which DS calls an allocation) of \$7,297,326 for its program in FY 2013. According to DS/T/ATA officials, some of the funds were obligated when it signed contracts for training and support in FY 2013. DS then had 5 years to liquidate the obligations. Thus, program expenses paid by the FY 2013 contracts are recorded as FY 2013 expenses even though the training and support may have been provided in later years. The ATA program was also authorized allocations for FYs 2014, 2015, and 2016 (see Table 1). In total, \$8.36 million was expended for the ATA program in Pakistan between FY 2013 and FY 2015. Of that amount, \$2.76 million was used to pay contractors to conduct the ATA training courses and \$5.60 million for DS/T/ATA operational costs.

As Table 1 suggests, the program has changed substantially since OIG conducted its original review. Even though the Government of Pakistan has participated in the ATA program since 1987, DS/T/ATA explained that, in 2011, a downturn in bilateral relations with the U.S. Government led to difficulties in obtaining visas for contractors to conduct antiterrorism training and for U.S. officials to conduct oversight. As a result, the number and type of training classes that the ATA program could provide in Pakistan were reduced substantially.

ATA Program Management and Oversight

CT and DS/T/ATA have overlapping responsibilities for managing and overseeing the worldwide ATA program, which requires both offices to work together in matching strategy and policy to implementation and resources. The Foreign Affairs Manual (FAM) contains specific requirements for worldwide ATA program management and oversight.⁶ Other responsibilities are outlined in a memorandum of agreement (MOA) between CT and DS/T/ATA that was executed in May 2015. In addition to CT and DS/T/ATA, the Bureau of Democracy, Human Rights, and Labor (DRL) provides input to CT to ensure that countries selected for assistance do not have a record of human rights violations.

CT Management and Oversight Responsibilities

CT is responsible for overseeing policy for all Department of State (Department) counterterrorism programs—including ATA training—and coordinating counterterrorism activities among U.S. Government agencies.⁷ CT is also responsible for recommending to the Department's Office of the Director of U.S. Foreign Assistance which countries should receive ATA program assistance.

The MOA between CT and DS/T/ATA identifies a number of CT management and oversight responsibilities. For example, CT provides DS/T/ATA with specific strategic objectives for the ATA program in partner countries, works with DS/T/ATA to draft a performance monitoring plan with performance indicators,⁸ collect data relating to the performance indicators for which it is responsible, and conduct ATA program evaluations.⁹ The MOA also requires CT and DS/T/ATA to examine the counterterrorism capabilities of partner nations' law enforcement agencies to inform the design and review of projects.¹⁰

⁶ 1 FAM 262.5-1, Office of Antiterrorism Assistance (DS/T/ATA).

⁷ 1 FAM 481.1a, Coordinator for Counterterrorism (CT).

⁸ According to the Department's *Performance Management Guidebook*, a performance indicator is a specific qualitative or quantitative metric that is meaningful, objective, adequate, direct, practical, and timely.

⁹ The Department's 2015 Evaluation Policy and 18 FAM 301 require CT and DS/T/ATA to undertake at least one evaluation per fiscal year that analyzes the cost and benefits of ATA activities, determines whether the activities have been successful or have failed, and identifies the reasons each activity succeeded or failed.

¹⁰ Teams composed of CT and DS/T/ATA personnel conduct these assessments every 2 or 3 years.

DS/T/ATA Management and Oversight Responsibilities

DS/T/ATA is the primary implementer of ATA program training and is required to develop, in conjunction with CT, an annual country implementation plan for each partner country, including Pakistan. Country implementation plans identify program objectives, the ATA training classes to be conducted, and equipment allocations. In Pakistan, DS/T/ATA is responsible for drafting the country implementation plan based on policy guidance and strategic goals provided by CT, input from posts and regional bureaus, performance monitoring plan results, and budgetary considerations.

DS/T/ATA is also required to evaluate the effectiveness of the training and assess whether a partner country's antiterrorism capabilities are sustainable. DS/T/ATA collects data based on specific performance indicators and is responsible for reporting the results to CT on a quarterly basis. According to the MOA, DS/T/ATA's quarterly reports should identify the courses implemented in the reporting period, the courses scheduled for the next 3 months, progress made on its performance monitoring plan indicators with accompanying narrative explanations, courses canceled and the reason, success stories, noteworthy photos, and course and student feedback. Finally, DS/T/ATA is responsible for collecting student names, unit affiliation, and genders and sharing that information with CT in a web-based platform; developing a SharePoint platform for monitoring data; and preparing annual reports that summarize the prior year's work.

DRL Management and Oversight Responsibilities

DRL is responsible for providing input to CT to ensure that countries selected for assistance do not have a record of human rights violations. Consistent with U.S. law and policy, DRL and other Department offices and bureaus vet foreign security forces and participants of certain Department of Defense training programs to ensure that they have not committed gross human rights abuses. The obligation to conduct this type of vetting is contained in section 620M (also known as the Leahy amendment) of the Foreign Assistance Act of 1961, as amended, and a comparable provision in the annual Department of Defense Appropriations Act. When the vetting process uncovers credible information that an individual or unit has committed a gross violation of human rights, U.S. assistance must be withheld.

2012 OIG Report Identified Deficiencies with the ATA Program

In April 2012, OIG reported that DS/T/ATA could not determine the effectiveness of its ATA program activities because it had not developed specific, measurable, and outcome-oriented program objectives or implemented a mechanism for program evaluation. To address the deficiencies, OIG made several recommendations, three of which currently apply to the ATA program in Pakistan. Those three recommendations address the consultation process with DRL, the ATA monitoring and evaluation process, and the reporting process for in-country contract oversight. The recommendations and their status as of October 27, 2016, are presented in Table 2.

Table 2: Recommendations Applicable to Pakistan and Status as of October 27, 2016

Recommendation Summary	Status
DS and CT, in coordination with DRL, should establish and implement a process that ensures effective consultation with DRL on the designation of foreign countries that are eligible for assistance through the ATA program as well as the training and equipment each designated country is to receive.	Closed
DS in coordination with CT should establish a monitoring and evaluation system that includes clearly defined and measurable outcome-oriented strategic goals and program objectives; measurable performance indicators that clearly link to strategic goals and program objectives; baseline data and annual performance targets for each indicator; and descriptions of how, when, and by whom performance data will be collected, analyzed, and reported.	Resolved, pending further action
DS should implement a standardized reporting process for in-country oversight of contracts for antiterrorism assistance program training in partner countries.	Closed

Source: *Evaluation of the Antiterrorism Assistance Program for Countries under the Bureaus of Near Eastern Affairs and South and Central Asian Affairs* (AUD-MERO-12-29, April 2012).

RESULTS

Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Pakistan

OIG found that the actions taken to address the recommendations made in OIG's April 2012 report relating to the ATA program in Pakistan did not collectively have the desired effect with respect to improving the management and oversight of the ATA program in Pakistan. Specifically, although consultation with DRL to determine the eligibility and designation of Pakistan in the ATA program occurred as recommended, a robust ATA program monitoring and evaluation system has not been established. In addition, although DS/T/ATA implemented the recommendation to adopt a standardized reporting process for in-country oversight of antiterrorism assistance contracts, OIG discovered that the individual assigned to oversee ATA activities in Pakistan is not officially designated as a contracting officer's representative (COR) or government technical monitor (GTM) and moreover is not performing required oversight duties, such as documenting oversight activities or reporting to the COR on the quality of the

contractor's performance. OIG also found that the COR was not ensuring that all contractually required reports were being submitted.¹¹ As described below, some lack of progress is attributable to limitations that are outside the control of CT and DS/T/ATA. However, as also described below, so long as any component of the program continues to operate in Pakistan, these ongoing concerns should be addressed to ensure appropriate use of taxpayer funds.

CT and DS/T/ATA's Consultation with DRL Has Improved

In April 2012, OIG reported that CT and DS/T/ATA were not consulting with DRL when selecting partner nations or when determining the assistance to be provided to those countries. OIG made a recommendation to CT and DS/T/ATA to address the deficiency. In June 2012, CT and DS issued a policy directive for consulting with DRL regarding Pakistan's eligibility for ATA assistance and the training and equipment Pakistan was to receive.¹² OIG closed the recommendation in November 2012 on the basis of the issuance of the policy directive.

In this review, OIG discussed the policy directive with a DRL official in Washington, DC, and reviewed the ATA training curriculum for Pakistan. The DRL official stated the consultation policy directive has been effective in ensuring that DS consults with DRL. For example, the policy directive requires DS/T/ATA to solicit DRL input on all revisions made to human right modules presented within each training course. OIG reviewed the training curriculums for the 21 training classes conducted in Pakistan between FY 2013 and FY 2016 and confirmed that a human rights module was included in each class. In addition, OIG observed one training class in College Park, MD, in August 2016 and one in Islamabad, Pakistan, in September 2016. Both classes included human rights modules that addressed best practices and lessons learned in protecting human rights.

In addition, OIG verified that CT, DS/T/ATA, and DRL coordinated to establish and implement a process for vetting students for each of the 21 ATA training classes conducted in Pakistan. OIG obtained student rosters from DS/T/ATA and verified that DRL had cleared each student through its Leahy vetting process using the International Vetting and Security Tracking system.

CT and DS/T/ATA Are Not Effectively Monitoring and Evaluating ATA Activities in Pakistan

In April 2012, OIG reported that DS/T/ATA could not determine the effectiveness of its ATA activities because it had not established either a monitoring and evaluation system that includes specific, measurable, and outcome-oriented program objectives or a mechanism for program




¹¹ The GATA contract states that the COR assists the contracting officer in overseeing a contract. Among other things, the COR represents the contracting officer in the administration of technical details associated with the contract and is responsible for the final inspection and acceptance of all deliverables (including submission of performance reports). The COR does not have the authority to alter the contractor's obligations or to change the contract specifications, price, terms, or conditions. If, as a result of technical discussions, it is desirable to modify the contract or the specification, changes will be issued in writing and signed by the contracting officer. Similarly, GTMs are formally delegated authority to aid the COR in monitoring and evaluating contractor performance by the contracting officer.

¹² Office Policy Directive 06-2012, Modification 1 provides guidance on the coordination required by DS/T/ATA and DRL.

evaluation. OIG recommended that DS and CT establish such a system to measure program effectiveness. CT concurred with the recommendation and said it would take action to resolve the recommendation by working with DS/T/ATA and a private consulting firm to improve the ATA program's monitoring and evaluation by building a results-based management system. DS partially concurred with the recommendation and identified actions it would take. As of October 27, 2016, OIG considered the recommendation resolved, but the recommendation remains open pending further action.

With respect to this review, OIG found that CT and DS/T/ATA have not established a monitoring and evaluation system, as recommended in April 2012. Although CT and DS/T/ATA executed a revised MOA in May 2015 that outlined the actions necessary to implement the recommendation, CT and DS/T/ATA have not completed the tasks outlined in the MOA. For example, the MOA specifies that CT and DS/T/ATA should assess Pakistan's law enforcement capabilities, evaluate the ATA program, develop and implement annual country implementation plans, and establish performance monitoring plans to measure program progress. The *Performance Management Guidebook* further recommends that performance monitoring plans include performance indicators that are meaningful, objective, adequate, direct, practical, and timely. However, during this review, which was conducted between June 2016 and January 2017, OIG found that these actions were either not completed or were only partially completed. Table 3 summarizes the MOA's requirements and OIG's findings.

Table 3: 2015 MOA Monitoring Requirements and OIG's Findings

MOA Requirements		Present Condition	Why Requirements Not Fully Implemented
Conduct assessments to examine Pakistan's law enforcement agencies' counterterrorism capabilities to inform project design or a review of projects.		According to CT and DS/T/ATA officials, they have been unable to conduct assessments since 2012 to inform project design or review projects. OIG found that \$20.5 million in ATA program funds has been obligated in Pakistan since 2012.	According to CT and DS/T/ATA officials, the Government of Pakistan will not provide visas necessary for assessment visits.
Conduct program evaluations to assess program outcomes and progress toward strategic goals.		No evaluations of the Pakistan ATA program have been conducted.	According to CT and DS/T/ATA officials, the Government of Pakistan will not provide visas necessary for evaluation visits.
Develop an annual country implementation plan.		Two plans were written—one covering FYs 2013 through 2015, and a second covering FYs 2015 through 2017. However, the plans were not kept current and do not reflect the actual ATA	According to CT, the plans are reviewed annually. However, they were not revised because of low program activity.

MOA Requirements		Present Condition	Why Requirements Not Fully Implemented
		activities that are occurring in Pakistan.	
Develop performance monitoring plans with performance indicators.	—	CT has not developed a performance monitoring plan nor identified performance indicators.	CT stated that staff departures and competing priorities delayed plan development. However, a contract was executed on September 30, 2015, to develop a monitoring and evaluation system. CT and DS/T/ATA are awaiting delivery of the system.
Submit quarterly reports to CT on classes taught; the courses scheduled for the next 3 months, progress made on its performance indicators with narrative explanations, courses canceled and the reason, and course and student feedback.	—	DS/T/ATA has not submitted required quarterly reports to CT that identify the courses taught.	DS/T/ATA stated that the report requirements are reviewed in weekly meetings between contractors and the DS/T/ATA COR. However, the requirement to provide quarterly reports to CT has not been enforced.
Develop a Web-based platform for collecting student information and a SharePoint platform for monitoring data.	◐	DS/T/ATA developed a web-based platform for collecting student information and monitoring data.	The platforms were developed; however, monitoring data have not been collected because the requirement has not been enforced.

◐ Requirements Partially Implemented

— Requirements Not Implemented

Source: OIG analysis of an MOA between CT and DS/T/ATA, executed in May 2015, which outlines the actions necessary to implement OIG's 2012 recommendation regarding the establishment of a program monitoring and evaluation system.

CT and DS/T/ATA officials cited a number of reasons they have not implemented the monitoring tasks required by the MOA. Foremost are the difficulties in obtaining visas from the Government of Pakistan for ATA training instructors, as well as program assessment and evaluation staff. For example, between June 2012 and January 2013, 74 ATA instructor visa requests were submitted to the Embassy of Pakistan but no visas were issued. In FY 2014, all planned training courses were canceled because instructors could not obtain Pakistani visas. CT and DS/T/ATA officials also explained that without Pakistan visas to enter the country, they have been unable to assess Pakistan's law enforcement agencies for progress or evaluate ATA program activities for effectiveness.

OIG reviewed the number of antiterrorism training courses planned by CT and DS/T/ATA and found that only 2 of 125 had been conducted. However, OIG also found that an additional 19

classes had been conducted that were not included in the annual country implementation plan. Table 4 presents the number of classes conducted from FY 2013 through FY 2016.

Table 4: Classes Planned and Conducted in Pakistan from FY 2013 through FY 2016

	FY 2013	FY 2014	FY 2015	FY 2016	Total
Planned Classes	47	43	26	9	125
Planned Classes Conducted	0	1	0	1	2
Unplanned Classes Conducted	0	0	8	11	19
Total Classes Conducted	0	1	8	12	21

Source: OIG analysis of FY 2013 and FY 2015 country implementation plans for Pakistan and after-action reports on completed classes.

In FY 2013, DS/T/ATA officials in Pakistan did not conduct any of the 47 planned antiterrorism training classes. In FY 2014, DS/T/ATA officials in Pakistan conducted 1 training class of 43 planned. In FY 2015, 8 antiterrorism classes were conducted of 26 planned. That is, from FY 2013 through FY 2015, 21 courses out of a proposed 125 took place. OIG inquired why the program nonetheless expended \$8.36 million during this time period. DS/T/ATA pointed to fixed, operational costs that were required despite the reduced number of classes. As noted previously, of the \$8.36 million expended between FY 2013 and FY 2015, \$2.76 million was used to pay contractors, and \$5.60 million was used for DS/T/ATA operational costs. DS/T/ATA officials stated that "funding was expended in good faith on courses [that they] believed would be delivered." In other words, even though the courses were delayed or subsequently canceled because of "the fluidity of the training environment and the level of commitment by [the Government of Pakistan]," the contractors and operational costs were paid.

When OIG asked why the ATA program did not assess and adjust program strategies and objectives to address the challenges being encountered, a CT official stated that one ATA program objective is "to strengthen the bilateral ties of the United States with friendly governments by offering concrete assistance in deterring terrorism." In her view, as long as some training was occurring, the program was strengthening the bilateral ties and thereby meeting its goal. OIG notes, however, that this goal is not in the country implementation plans and does not have specific, measurable, and outcome-oriented program objectives and indicators, as required by the MOA.

CT and DS/T/ATA officials also said that as program activities declined, the MOA monitoring requirements lost their importance. With few classes being conducted, they did not see the need to update the country implementation plan annually when little activity was occurring or to prepare the other reports required by the MOA that would document whether progress was being made. According to CT and DS/T/ATA officials, they conducted weekly phone conferences to keep each other informed but acknowledged that the conferences were not documented regarding participants, items discussed, or decisions made.

OIG's April 2012 recommendation to establish a monitoring and evaluation system that includes clearly defined and measurable outcome-oriented strategic goals and program objectives has

not been implemented in Pakistan or elsewhere. CT and DS/T/ATA officials stated that staff departures and competing priorities delayed plan development. According to CT officials, a contract was executed on September 30, 2015, to evaluate the ATA program. Once that evaluation is completed, CT officials said that they planned to develop a monitoring and evaluation system for the entire ATA program, including components taking place outside Pakistan. However, the system has not been delivered. Nonetheless, monitoring is required by the Department's *Performance Management Guidebook* and, until such a system is put into place, it will be impossible to determine whether the antiterrorism program in Pakistan is attaining the desired results. Accordingly, OIG is closing its recommendation from the OIG 2012 report and modifying and reissuing the recommendation to underscore its importance. OIG will continue to track implementation through the audit compliance and follow-up process for this report.

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 Bureaus of Counterterrorism and Diplomatic Security's Office of Antiterrorism Assistance.

Management Response: CT agreed with the recommendation and stated that "work on this recommendation is ongoing, and is expected to be addressed within the next few months" (see Appendix A for CT comments in their entirety).

OIG Reply: On the basis of CT's agreement with the recommendation, as well as action taken and planned, OIG considers this recommendation resolved pending further action. This recommendation will be closed when OIG receives and accepts documentation demonstrating that a monitoring and evaluation system has been implemented that includes measuring performance, in accordance with the requirements outlined in the Department's *Performance Management Guidebook* and the MOA executed between CT and DS/T/ATA.

CT and DS/T/ATA's Corrective Actions Have Partially Improved the Reporting Process for In-country Oversight of ATA Contracts

In April 2012, OIG reported that DS/T/ATA had appointed a COR and a GTM to administer the ATA contracts, but both individuals were stationed in the Washington, DC, area and not at the locations where antiterrorism training was taking place. As a result, no one was overseeing the training in the field and providing feedback to the contracting officer. DS/T/ATA believed that it was cost prohibitive and impractical to have one of these appointed individuals attend all overseas classes. OIG agreed that it would be impractical for the COR or the GTM to travel to all the ATA training sites and subsequently recommended that DS/T/ATA establish a mechanism to use in-country personnel to oversee the training and provide feedback. OIG closed the recommendation in July 2013 because DS/T/ATA issued a policy directive requiring oversight by officials involved with the ATA program in the field. The policy directive instructs the ATA

program manager to request that the regional security officer complete and return a checklist evaluating the field training to be shared with the COR for review and approval.

In this review, OIG found that the regional security officer in Pakistan was not evaluating field training because DS/T/ATA had not complied with its own policy and had not requested the regional security officer do so. OIG also found that DS/T/ATA has no one in Pakistan responsible for verifying satisfactory contractor performance. DS/T/ATA officials said that they previously had a regional program manager in Pakistan who monitored contractor performance but, as program activity declined and the regional program manager departed, the position was not refilled. Instead, DS/T/ATA assigned an in-country program manager to coordinate ATA activities in Pakistan. However, the in-country program manager is a third-party contractor who cannot be designated as a COR or GTM. Contractors (other than personal services contractors) are not eligible to become CORs or GTMs.¹³ Such a designation is important because the Foreign Affairs Handbook (FAH) states that the review and approval of invoices should include supporting documentation that shows the goods were actually received or services actually performed in accordance with the terms of the contract.¹⁴ The FAH further states that acceptance of goods (property) and services on behalf of the U.S. Government is an inherently governmental function¹⁵ that must be performed by a U.S. Government employee receiving official.¹⁶ The Government employee¹⁷ should review and acknowledge that the supplies or services conform with applicable contract quality and quantity requirements.¹⁸ By not performing required oversight and properly documenting contractor performance, DS/T/ATA increases the risk that it may pay for work that does not comply with the relevant contract.

DS/T/ATA officials acknowledge that the in-country program manager does not conduct oversight or report to the contracting officer on the performance of DS/T/ATA's training contractor (DECO¹⁹) in Pakistan. According to a DS/T/ATA official, during the time Pakistan was issuing visas, CT allowed DS/T/ATA to put an in-country regional program manager in Pakistan, but the individual had to be a contractor because of the relationship issues with Pakistan. As a contractor, he could not be assigned COR or GTM duties and no full-time employees were available for the assignment. According to the contracting officer, the COR in Arlington, VA, verifies that work is completed and approves contractor invoices on the basis of weekly phone

¹³ FAR 1.602-2(d)(1) and 14 Foreign Affairs Handbook-2 H-113 b Qualifying as a COR Federal Acquisition Certification: Contracting Officers Representative (FAC-COR).

¹⁴ 4 Foreign Affairs Handbook-3 H-423.5-1a Documentation Requirements.

¹⁵ Under FAR 7.503(a), contracts shall not be used for the performance of inherently governmental functions. As noted in FAR 7.502, this prohibition does not apply to personal services contracts.

¹⁶ 14 Foreign Affairs Handbook-1 H-312b Receiving and Acceptance.

¹⁷ 14 Foreign Affairs Handbook-2 H-113 Qualifying as a COR Federal Acquisition Certification: Contracting Officers Representative (FAC-COR) includes personal services contractors hired under domestic personal services contracts or post-issued personal services agreements as Government employees who qualify to perform COR duties. The duties that CORs may perform include accepting deliverables during contract performance as noted in 14 Foreign Affairs Handbook-2 H -114 b (1).

¹⁸ FAR 46.501 Acceptance, General.

¹⁹ DECO is a privately held global provider of law enforcement and military training, security solutions, and specialized technical services to government clients throughout the world.

conferences with the in-country program manager. The COR also reviews end-of-course reports, such as after-action reports that are intended to demonstrate that trainee skills have improved. The contracting officer stated that he believes this approach is sufficient to verify that contract services are being delivered.

OIG also found that no one in DS/T/ATA is monitoring whether contractually required reports are submitted. OIG requested copies of reports required by the GATA contract and found that several reports had not been prepared and submitted. Among the missing reports were monthly program and financial management reports that are needed to assess contractor performance; reports identifying the price paid for services delivered; and a summary of invoices submitted, outstanding, and paid. These reports are key to ensuring that the contractor was complying with the terms of the contract and that the ATA program was meeting its stated objectives.

According to the contracting officer, the monthly program and financial management reports were waived because the COR held weekly phone conferences with CT and DS/T/ATA officials; the in-country program manager; and the GATA contractors to discuss program activity, progress, and problems at least once a week. However, OIG found no requirement or effort to document these phone conferences to record meeting participants, items discussed, or decisions made. Nonetheless, the contracting officer determined that the information exchanges in the regular meetings satisfied the requirement for monthly reporting and therefore believed a modification to the contract was not required.

The contracting officer said that he waived only the monthly program and financial management reports and did not waive provision of other contractually required reports, such as the annual report. However, OIG found that the annual reports were also missing. The annual reports are described in the contract as "a detailed narrative on the previous year's contract activity, including a summary of contract and financial activity, specific examples of progress in strengthening avenues of cooperation, and a balanced self-assessment of the contractor's quantitative and qualitative performance against the standards. Without the submission of the annual reports, the contracting officer, CT, and DS/T/ATA program officials cannot fully assess contractor performance against the established standards.

During the life of a contract, it may become necessary to alter the terms to incorporate new requirements or resolve problems that develop after contract award. As required by the FAH, the contracting officer must prepare and issue a contract modification to modify the agreement.²⁰ In this instance, the contracting officer acknowledged that he did not modify the contract and explained that he had not done so because he believed it was within his authority to make the changes without modification. However, OIG questions the contracting officer's decision to waive contractually required reports without modifying the training contract terms and conditions. Further, the FAH requires modifications to be issued in writing and signed by the contracting officer.²¹ Because the contracting officer did not modify the contract, DS/T/ATA's

²⁰ 14 Foreign Affairs Handbook -2 H-531 a General.

²¹ 14 Foreign Affairs Handbook - 2 H-532a Types of Contract Modifications.

COR continued to approve payment for reports that were not provided in accordance with the contract terms.

OIG found that the contractor submitted some reports relating to the ATA program in Pakistan, such as end-of-course reports that include the results of pre- and post-training skill tests and after-action reports that include a judgment of the extent to which participants advanced in skills, knowledge, or attitude. For the 21 training classes that DS/T/ATA was able to conduct between FY 2013 and FY 2016, these reports showed that the ATA training provided increased student knowledge, but, alone, they are not sufficient to show progress toward program goals, which was the intent of OIG's April 2012 recommendation.

OIG acknowledges that changes have occurred in the scope of the program since the earlier review, but, nonetheless, activities continue to occur in Pakistan. As long as they do continue, without an assigned individual in Pakistan to assess contractor performance, such as a COR or regional security officer, DS/T/ATA has limited oversight of ATA program activities in Pakistan and it has no effective way to monitor contractor performance. Not ensuring that contractually required reports are provided by the contractor puts DS/T/ATA at risk of paying for work that the contractor did not provide in accordance with contract requirements. For example, although the in-country program manager might note obvious poor performance, more subtle or technical underperformance may go undetected. The absence of performance reporting also deprives DS/T/ATA of information it needs to measure the effectiveness of ATA program training and improving course content.

Recommendation 2: OIG recommends that the Bureau of Diplomatic Security develop and implement procedures to verify compliance with contract reporting requirements in the Global Antiterrorism Training Assistance contract and reporting requirements in the Memorandum of Agreement executed between the Bureaus of Counterterrorism and Diplomatic Security's Office of Antiterrorism Assistance.

Management Response: DS stated that the COR provided written notification to the contractor that the ATA program "expects compliance" with Section C of the contract, "Reporting Requirements," and Section F of the contract, "Deliverables." DS further stated that, "[p]reviously, certain deliverables were informal and sent via email, and were not required to be included in the Snapshot course record. Now, all specific course-related deliverables (arrival, opening, closing, incident, weekly reports) are uploaded into Snapshot and attached to the course record and reviewed by a Training Execution Division (DS/ATA/TED) supervisor." In addition, "[o]ther contract deliverables such as quarterly reports are reviewed by the COR and the DS/ATA/TED division chief, the COR's supervisor." With respect to the reporting requirement in the MOA between CT and DS/T/ATA, the DS/T/ATA budget section "sends an email directly" to the Office of the Executive Director (CT/EX) budget contacts, and "the training schedule is linked to a live view of the past three and upcoming three months of course deliveries posted on the CT/ATA SharePoint site" (see Appendix B for DS comments in their entirety.)

OIG Reply: Although DS neither agreed nor disagreed with the recommendation offered, it described actions it has taken to meet the intent of the recommendation. OIG therefore considers the recommendation resolved pending further action. This recommendation will be closed when OIG receives and accepts documentation demonstrating that DS has developed and implemented formal procedures that will systematically—in the GATA contract and future contracts—identify and correct noncompliance with reporting requirements in the GATA contract and its MOA with CT.

Recommendation 3: OIG recommends that the Bureau of Diplomatic Security develop and implement procedures to verify that the contracting officer's representative has appropriate documentation to support the receipt and payment of goods or services prior to approving invoices for payment in accordance with the Foreign Affairs Handbook.

Management Response: DS stated that the "COR holds weekly meetings with the contractors to discuss performance, invoicing, and any issues that could cause potential problems with past, present, or future deliveries. In addition to these meetings, the COR receives monthly reports from contractors that support receipt and payment of goods/services, and saves them on the TED Shared Drive. The COR duties as outlined in 14 FAH-2 H114 have been added to the CORs work commitments. The TED Division Chief will review the contract deliverables quarterly."

OIG Reply: Although DS neither agreed or disagreed with the recommendation offered, it described actions it has taken to help ensure that the COR provides appropriate oversight and maintains supporting documentation and that the duties of the COR are included in work commitments to promote accountability. OIG therefore considers this recommendation resolved pending further action. This recommendation will be closed when OIG receives and accepts documentation demonstrating that DS has developed and implemented formal procedures that will systematically identify and correct instances in both the GATA contract and future contracts when the COR does not have appropriate documentation to support the receipt and payment of goods or services prior to approving invoices for payment.

Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Diplomatic Security develop and implement procedures to verify that the Antiterrorism Assistance program contracting officer is preparing and issuing written contract modifications when necessary to alter the terms of a contract in accordance with the Foreign Affairs Handbook.

Management Response: AQM agreed with the recommendation and stated that COs "must follow established business processes and the Federal Acquisition Regulation (FAR) to properly document when a CO has exercised [the] authority to alter the terms and conditions of the contract." AQM's diplomatic security contracts division has been reminded to follow the policy and procedures. Further, the current CO "will process a modification, in accordance with the FAH, to formally document the authorized change made by the previous CO" (see Appendix C for A bureau comments in their entirety).

OIG Reply: On the basis of AQM's concurrence with the recommendation and corrective actions taken and planned, OIG considers this recommendation resolved pending further action. This recommendation will be closed when OIG receives and accepts documentation that demonstrates the current CO has processed a modification to formally document the change made by the previous CO.

OTHER MATTERS

During audit fieldwork in Pakistan, OIG discovered that DS/T/ATA is storing approximately \$4.2 million in weapons and equipment that was never used because it was intended for training classes in Pakistan that had been canceled. Table 5 shows the types of ATA program weapons and equipment currently warehoused for Pakistan.

Table 5: ATA Program Weapons and Equipment Warehoused for Pakistan

ATA Program Items	Value
Ammunition	\$341,470
Clothing and Footwear	\$1,015
Electronics	\$372,833
Environmental Protective Equipment	\$25,848
Explosives	\$227,952
General	\$2,025,231
Hazardous Material	\$27,936
Medical	\$8,882
Public Safety/Protective Equipment	\$471,452
Weapons	\$513,899
Weapons Related	\$226,041
Total	\$4,242,559

Source: Generated by OIG from data downloaded from DS/T/ATA's eWISE inventory system as of December 8, 2016.

OIG visited ATA warehouses in Loudoun County, VA, in July 2016 and in Islamabad, Pakistan, in September 2016. OIG's review included interviewing the warehouse staff to determine how inventory is tracked and allocated to Pakistan and to determine if proper security procedures are in place to prevent loss, theft, and abuse. OIG also reviewed inventory records for the weapons and equipment stored for the Pakistan ATA program to establish whether the stored weapons and equipment were being used regularly.

OIG found that all weapons and equipment are tracked through DS/T/ATA's eWISE inventory system; weapons and equipment are inventoried annually; and the containers holding weapons and equipment were secure, locked, and have live camera feeds back to DS/T/ATA headquarters in Washington, DC. However, OIG also found that the weapons and equipment currently warehoused in Pakistan were purchased prior to FY 2013 and have been warehoused since arriving in Pakistan. According to DS/T/ATA officials, the weapons and equipment are being warehoused with the hope that antiterrorism training, which will require the weapons and

equipment, will resume in Pakistan. Nevertheless, storing weapons and equipment for an undetermined period of time is wasteful when it may be better used in support of other ATA program missions in the region. Currently, 24 ATA programs operate within the Bureaus of Near Eastern Affairs and South and Central Asian Affairs. Of the countries nearest to Pakistan, Afghanistan and Iraq have robust ATA training programs and may be positioned to put the unused weapons and equipment to better use.

DS/T/ATA officials have discussed a plan to review the suitability of the stored weapons and equipment and to reallocate them to other programs in need of additional weapons and equipment.

Recommendation 5: OIG recommends that the Bureau of Diplomatic Security complete a review of the \$4.2 million in weapons and equipment currently being stored for the Pakistan ATA program within 90 days and determine if the weapons and equipment can be used in other ATA programs.

Management Response: DS stated that ATA recently reviewed all weapons and equipment warehoused for use in Pakistan and planned to transfer the weapons and equipment to other programs. In addition, DS requested that OIG change the title for Table 5 on page 17 of the draft report to read, "ATA Program Weapons and Equipment Warehoused for Use in Pakistan." DS explained that this change was necessary to reflect that some equipment is stored in warehouse locations outside Pakistan, such as Sterling, VA.

OIG Reply: Although DS neither agreed nor disagreed with the recommendation offered, it indicated that it would transfer the weapons and equipment identified in this audit to other programs. OIG therefore considers this recommendation resolved pending further action. This recommendation will be closed when OIG receives and accepts documentation demonstrating that DS has transferred and put to better use the weapons and equipment identified in this report. With respect to the requested title change to Table 5, OIG agreed with and implemented the suggested change.

RECOMMENDATIONS

At the conclusion of this compliance follow-up review, DS/T/ATA officials told OIG that they were uncertain about the future of the ATA program in Pakistan and, specifically, whether training would continue to take place in Pakistan. Because of this uncertainty, OIG is modifying and reissuing one recommendation and making four new recommendations in this management assistance report. These recommendations are intended to assist CT and DS/T/ATA in improving management and oversight of ATA program activities in Pakistan as long as the program continues.

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 Bureaus of Counterterrorism and Diplomatic Security's Office of Antiterrorism Assistance.

Recommendation 2: OIG recommends that the Bureau of Diplomatic Security develop and implement procedures to verify compliance with contract reporting requirements in the Global Antiterrorism Training Assistance contract and reporting requirements in the Memorandum of Agreement executed between the Bureaus of Counterterrorism and Diplomatic Security's Office of Antiterrorism Assistance.

Recommendation 3: OIG recommends that the Bureau of Diplomatic Security develop and implement procedures to verify that the contracting officer's representative has appropriate documentation to support the receipt and payment of goods or services prior to approving invoices for payment in accordance with the Foreign Affairs Handbook.

Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Diplomatic Security develop and implement procedures to verify that the Antiterrorism Assistance program contracting officer is preparing and issuing written contract modifications when necessary to alter the terms of a contract in accordance with the Foreign Affairs Handbook.

Recommendation 5: OIG recommends that the Bureau of Diplomatic Security complete a review of the \$4.2 million in weapons and equipment currently being stored for the Pakistan ATA program within 90 days and determine if the weapons and equipment can be used in other ATA programs.

APPENDIX A: BUREAU OF COUNTERTERRORISM RESPONSE



United States Department of State

Washington, D.C. 20520

April 26, 2017

Latesha R. Turner
Office of Inspector General
U.S. Department of State

Dear Ms. Turner:

The Bureau of Counterterrorism has received and reviewed the final Audit report of the Department's Efforts to Measure, Evaluate, and Sustain Antiterrorism Assistance Program Objectives in Partner Countries in Pakistan. Your office provided multiple opportunities to give feedback and corrections, and having availed ourselves of your previous offers, we accept the recommendations as drafted with no additional comments.

CT notes that of the five recommendations in the Pakistan audit report, Recommendation One applies directly to CT:

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 Bureaus of Counterterrorism and Diplomatic Security's Office of Antiterrorism Assistance.

CT is pleased to report that work on this recommendation is ongoing, and is expected to be addressed within the next few months. CT looks forward to solving this recommendation and reporting on the conclusion.

Sincerely,

A handwritten signature in blue ink, appearing to read "JS", followed by a long horizontal flourish.

Justin Siberell
Acting Coordinator
Bureau of Counterterrorism

APPENDIX B: BUREAU OF DIPLOMATIC SECURITY, OFFICE OF ANTITERRORISM ASSISTANCE RESPONSE



United States Department of State

Washington, D.C. 20520

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May 5, 2017

INFORMATION MEMO TO INSPECTOR GENERAL LINICK - OIG

FROM: DS – Bill A. Miller, Acting 

SUBJECT: Bureau of Diplomatic Security response to the Office of Inspector General (OIG) Draft Management Assistance Report: Challenges Remain in Monitoring and overseeing Antiterrorism Assistance Program Activities in Pakistan, April 2017

(U) Below is the Bureau of Diplomatic Security's response to recommendations 2, 3, and 5 of the subject report.

(U) Recommendation 2: OIG recommends that the Bureau of Diplomatic Security develop and implement procedures to verify compliance with contract reporting requirements in the Global Antiterrorism Training Assistance contract and reporting requirements in the Memorandum of Agreement executed between the Bureaus of Counterterrorism (CT) and Diplomatic Security's Office of Antiterrorism (DS/T/ATA).

(U) DS Response (April 27, 2017): The Contracting Officer's Representative (COR) provided written notification to the contractor that the Antiterrorism Assistance (ATA) program expects compliance with Section C of the contract, "Reporting Requirements," and Section F of the contract, "Deliverables." Previously, certain deliverables were informal and sent via email, and were not required to be included in the Snapshot course record. Now, all specific course-related deliverables (arrival, opening, closing, incident, weekly reports) are uploaded into Snapshot and attached to the course record and reviewed by a Training Execution Division (DS/ATA/TED) supervisor. Other contract deliverables such as quarterly reports are reviewed by the COR and the DS/ATA/TED Division Chief, the COR's supervisor. As to the reporting requirement in the Memorandum of Agreement between the CT and DS/T/ATA, the DS/T/ATA Budget Section sends an email directly to the Office of the Executive Director (CT/EX) Budget contacts and the training schedule is linked to a live view of the last three and upcoming three months of course deliveries posted on the CT/ATA SharePoint site.

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- 2 -

(U) Recommendation 3: OIG recommends that the Bureau of Diplomatic Security develop and implement procedures to verify that the contracting officer's representative has appropriate documentation to support the receipt and payment of goods or services prior to approving invoices for payment in accordance with the Foreign Affairs Handbook.

(U) DS Response (April 27, 2017): The COR holds weekly meetings with the contractors to discuss performance, invoicing and any issues that could cause potential problems with past, present or future deliveries. In addition to these meetings, the COR receives monthly reports from contractors that support receipt and payment of goods/services, and saves them on the TED Shared Drive. The COR duties as outlined in 14 FAH-2 H1 14 have been added to the CORs work commitments. The TED Division Chief will review the contract deliverables quarterly.

(U) Recommendation 5: OIG recommends that the Bureau of Diplomatic Security complete a review of the \$4.2 million in weapons and equipment currently being stored in Pakistan within 90 days and determine if the weapons and equipment can be used in other ATA programs.

(U) DS Response (April 27, 2017): DS notes the title for Table 5 on page 17 of the draft report should read, "ATA Program Weapons and Equipment Warehoused for Use in Pakistan." This change is necessary to reflect warehouse locations outside of Pakistan, such as Sterling, Virginia. If the title is changed, the figures in the table are accurate.

(U) ATA reviewed all weapons and equipment warehoused for use in Pakistan and has taken the following actions:

(b) (7)(E)

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(b) (7)(E)



(U) ATA requests this recommendation be closed and the title of Table 5 be corrected.

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- 4 -

Approved: DS – Bill A. Miller

Analyst: DS/MGT/PPD – **Matt Porter**, ext. 5-2734

Drafted: DS/T/ATA: Timothy A. Elliott ext. (9632)

Cleared: DS/DSS – C. Schurman (ok)
DS/EX – WTerrini (ok)
DS/EX/MGT – B. Black, acting (ok)
DS/MGT/PPD – M. Scherger (ok)
DS/MGT/PPD – D. O'Neill (ok)
DS/T – S. Moretti (ok)
DS/T/ATA – P. Gallagher (ok)

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APPENDIX C: BUREAU OF ADMINISTRATION, OFFICE OF LOGISTICS MANAGEMENT RESPONSE



United States Department of State

Washington, D.C. 20520

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April 19, 2017

MEMORANDUM

TO: OIG/AUD – Norman P. Brown

FROM: A/LM – Jennifer A. McIntyre

SUBJECT: Draft Report – Management Assistance Report: Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Pakistan (AUD-MERO-17-XX)

(U) Thank you for the opportunity to provide a response to the draft report and Recommendation 4 assigned to the Bureau of Administration, Office of Logistics Management (A/LM). The points of contact for this response are Mr. Matthew Colantonio who may be reached at 703-875-5848, and Mr. James Moore who may be reached at 703-875-6285.

Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Diplomatic Security, develop and implement procedures to verify that the Antiterrorism Assistance program contracting officer is preparing and issuing written contract modifications when necessary to alter the terms of a contract in accordance with the Foreign Affairs Handbook.

Management Response to Draft Report (04/19/2017): The Office of Logistics Management's Office of Acquisitions Management (AQM) concurs that Contracting Officers (CO) must follow established business process and the Federal Acquisition Regulations (FAR) to properly document when a CO has exercised his/her authority to alter the terms and conditions of a contract. In addition, AQM has provided a copy of operating guidance memorandum 15-09, Contract File Documentation (Tab 1) in support of existing policy, and the AQM and Bureau of Diplomatic Security Service Level Agreement (Tab 2) in support of current operating procedure. AQM's Diplomatic Security Contracts Division (DSCD) has been reminded to follow these policy and procedures and the current CO will process a modification, in accordance with the FAH, to formally document the authorized change made by the previous CO.

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- 2 -

Attachments:

Tab 1 – AQM Memo 15-09.

Tab 2 – AQM-DS SLA.

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Attachments and tabs associated with management's comments to a draft of this report are available upon request, consistent with applicable law.

ACRONYMS

ATA	Antiterrorism Assistance Program
CT	Bureau of Counterterrorism
COR	Contracting Officer's Representative
DRL	Bureau of Democracy, Human Rights, and Labor
DS	Bureau of Diplomatic Security
DS/T/ATA	Bureau of Diplomatic Security, Office of Antiterrorism Assistance
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
GAO	Government Accountability Office
GATA	Global Antiterrorism Assistance
GTM	Government Technical Monitor
MOA	Memorandum of Agreement

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