



Office of Inspector General
United States Department of State

AUD-MERO-22-28

Office of Audits

May 2022

Audit of Department of State Actions To Prevent Unlawful Trafficking in Persons Practices When Executing Security, Construction, and Facility and Household Services Contracts at Overseas Posts

MIDDLE EAST REGION OPERATIONS



HIGHLIGHTS

Office of Inspector General
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What OIG Audited

In 2011 and 2012, the Office of Inspector General (OIG) issued reports that identified Department of State (Department) contractors engaging in coercive labor practices frequently associated with trafficking in persons (TIP). Since then, federal laws and regulations and Department policies have been updated to prohibit such practices and to implement new requirements for awarding, managing, and monitoring contracts to prevent TIP.

OIG conducted this audit to determine whether the Department had implemented management controls to ensure that services contracts performed overseas in three sectors at increased risk for TIP—security, construction, and facility and household services—comply with federal laws and regulations designed to prevent contractors and subcontractors from engaging in unlawful labor practices.

OIG reviewed documentation from a statistical sample of 80 contracts to determine whether the contracts included required TIP provisions. OIG also completed a more detailed review of 16 of the 80 contracts to determine whether Department personnel completed required TIP-related training and the extent and manner to which Department personnel monitored contracts for TIP-related practices.

What OIG Recommends

OIG made seven recommendations to improve the Department's TIP-related contract management and monitoring to ensure that contractors and subcontractors do not engage in unlawful labor practices. The Bureau of Administration and the Foreign Service Institute (FSI) concurred with OIG's recommendations. The Department's responses are reprinted in full in Appendices B and C.

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What OIG Found

The Department implemented management controls to help ensure that security, construction, and facility and household services contractors do not engage in TIP or unlawful labor practices. For example, the Office of the Procurement Executive (OPE) requires that all applicable contracts include the clause detailed in Federal Acquisition Regulation (FAR) 52.222-50, "Combating Trafficking in Persons," to ensure contractor actions for monitoring, combating, and preventing TIP-related practices are incorporated into the contract. For this audit, OIG found that all 80 (100 percent) contracts reviewed incorporated the required language. OPE also established a mandatory annual TIP training requirement for contracting personnel, and OIG found 9 of 11 (82 percent) Contracting Officers (CO) and 10 of 13 (77 percent) Contracting Officer's Representatives (COR) assigned had received TIP training. However, not all training that COs and CORs completed met the annual TIP training requirement because OPE guidance did not clearly identify the courses that qualified.

OIG also found that management controls governing TIP monitoring by Department COs and CORs require attention. Specifically, OIG found that CORs assigned to 15 of 16 (94 percent) contracts failed to develop required TIP monitoring strategies and CORs assigned to 12 of 16 (75 percent) contracts did not conduct required TIP monitoring activities. This occurred because Department guidance and training emphasized that TIP monitoring pertains to contracts that rely on third-country national or migrant labor, even though TIP monitoring is required for all applicable contracts. In addition, Department guidance and training did not always clearly state the actions that must be undertaken when conducting TIP monitoring. Furthermore, COs did not always verify that CORs conducted required TIP monitoring. By failing to fully implement monitoring activities for all applicable contracts, the Department is at increased risk that TIP violations or unlawful labor practices could go undetected, which also limits its opportunity to promptly address and remediate such practices.

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OBJECTIVE

The Office of Inspector General (OIG) conducted this audit to determine whether the Department of State (Department) had implemented management controls to ensure that security, construction, and facility and household services contracts performed at overseas posts comply with federal laws and regulations designed to prevent contractors and subcontractors from engaging in unlawful labor practices.

BACKGROUND

The Victims of Trafficking and Violence Protection Act of 2000 defines “severe forms of trafficking in persons” (TIP) as the “recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, by force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.”¹ According to the UN, unlawful TIP practices are found in every region of the world. As stated in Executive Order (E.O.) 13627, Strengthening Protections Against Trafficking In Persons In Federal Contracts, the U.S. government is the largest single purchaser of goods and services in the world and bears a responsibility to ensure that taxpayer dollars do not contribute to TIP.²

For the purposes of this audit, OIG focused on TIP as it relates to labor practices. Trafficking for the purpose of forced labor includes a variety of methods of exploitation, victim profiles, and economic sectors.³ Labor trafficking is characterized by its infiltration into the legal economy and its interaction with daily life.⁴ In 2021, the UN reported that approximately 38 percent of all TIP victims were victims of labor trafficking.⁵ Trends over the past 15 years indicate that the number of detected labor trafficking victims has increased.⁶

¹ Victims of Trafficking and Violence Protection Act of 2000, Pub. L. No. 106-386, October 28, 2000, Division A—Trafficking Victims Protection Act of 2000, § 103(8)(B), at 1470, codified at 22 U.S. Code § 7102(11)(B). The Act also includes “sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age,” as a severe form of TIP.

² E.O. 13627, Strengthening Protections Against Trafficking In Persons In Federal Contracts (September 25, 2012), §1, “Policy.”

³ UN Office on Drugs and Crime, *Global Report on Trafficking in Persons 2020*, page 4 (E.20.IV.3, January 2021).

⁴ *Ibid.*, page 95.

⁵ *Ibid.*, page 10.

⁶ *Ibid.*, page 15.

Legal and Regulatory Requirements and Executive and Department Guidance for Preventing Contractors From Engaging in Unlawful Labor Practices

In 2011 and 2012, OIG issued two reports⁷ documenting Department contractor practices that the UN International Labour Organization⁸ identified as behaviors frequently exhibited by human traffickers, including:

- Using misleading recruitment strategies.
- Charging recruitment fees to foreign national workers.
- Confiscating passports.
- Withholding wages or otherwise not paying workers in full or on time.
- Incorrectly calculating wages.
- Paying different wage rates based on workers' nationalities.
- Housing workers in unsafe buildings.

In response to OIG's findings and recommendations, Congress, the White House, and the Department took several actions to prohibit and prevent contractors from engaging in unlawful labor practices. These actions included passing legislation, issuing an executive order, updating the Federal Acquisition Regulation (FAR), and issuing internal guidance for managing and monitoring Department contracts for TIP and unlawful labor practices.

Legislation Prohibiting and Preventing Trafficking in Persons in U.S. Government Contracting

The Trafficking Victims Protection Reauthorization Act of 2003 mandated that all U.S. government contracts authorize termination without penalty if a contractor or subcontractor engages in severe forms of TIP, procures a commercial sex act, or uses forced labor while the contract is in effect.⁹ Furthermore, in January 2013, the National Defense Authorization Act for FY 2013 amended the Trafficking Victims Protection Act of 2000, authorizing the U.S. government to pursue remedial actions against any contractor or subcontractor that:

- Engages in severe forms of TIP.
- Procures a commercial sex act.
- Uses forced labor during contract performance.
- Denies employees access to identity or immigration documents.
- Fails to arrange return transportation to the employee's home country upon the end of employment.

⁷ OIG, *Performance Evaluation of Department of State Contracts to Assess the Risk of Trafficking in Persons Violations in Four States in the Cooperation Council for the Arab States of the Gulf* (MERO-I-11-06, January 2011) and *Compliance Followup Review of Department of State Actions To Reduce the Risk of Trafficking in Persons Violations in Four States in the Cooperation Council for the Arab States of the Gulf* (AUD-MERO-12-47, September 2012).

⁸ According to its website (<https://www.ilo.org/global/about-the-ilo/lang--en/index.htm>, accessed March 31, 2021), the International Labour Organization, created in 1919 as part of the Treaty of Versailles that ended World War I, is a UN agency that "brings together governments, employers, and workers of 187 member States to set labor standards, develop policies, and devise programs promoting decent work for all women and men."

⁹ Trafficking Victims Protection Reauthorization Act of 2003, Pub. L. No. 108-193, December 19, 2003, § 3(b), at 2876-2877.

- Makes material misrepresentations while soliciting or offering employment.
- Charges employees unreasonable or illegal placement or recruitment fees.
- Provides or arranges housing that fails to meet safety standards of the host country.¹⁰

The Act also requires contractors to implement a compliance plan to prevent these practices appropriate to the size, complexity, nature, and scope of the relevant contract. It further requires contractors to monitor subcontractors for any such practices. Contractors must provide this plan to the Contracting Officer (CO) upon request and post its “useful and relevant contents” on their website and in the workplace. The CO can enforce the compliance plan by directing the contractor to take specific steps to abate TIP allegations or compliance plan violations.¹¹

Executive Order 13627 and Federal Acquisition Regulation Requirements

In September 2012, prior to the National Defense Authorization Act for FY 2013, President Barack Obama issued E.O. 13627, Strengthening Protections Against Trafficking In Persons In Federal Contracts. E.O. 13627 mandated provision of additional tools and training for U.S. government personnel to apply and enforce U.S. TIP policy. It also provided “additional clarity to government contractors and subcontractors on the steps necessary to fully comply with [existing U.S. TIP policy]” to help protect vulnerable individuals.¹² Consistent with OIG’s 2011 and 2012 findings and recommendations, the order requires that the FAR be amended to strengthen the U.S. government’s zero-tolerance TIP policy for federal contractors and subcontractors.¹³ FAR Subpart 22.17 prescribes policy for implementing E.O. 13627 and requires that agencies insert the clause detailed in FAR 52.222-50, “Combating Trafficking in Persons,” into all solicitations and contracts.¹⁴ This clause requires all contractors to notify employees and agents of the U.S. government’s policy prohibiting TIP.¹⁵ It also prohibits contractors, their employees, and their agents from, among other things:

- Engaging in severe forms of TIP.
- Using forced labor.
- Denying employees access to identity or immigration documents.
- Engaging in misleading or fraudulent recruitment practices.
- Using recruiters that do not comply with labor laws of the country from which employees are recruited.
- Charging recruitment fees.
- Failing to provide transportation or pay for the cost of return transportation at the end of employment.

¹⁰ National Defense Authorization Act for Fiscal Year 2013, Pub. L. No. 112-239, January 2, 2013, § 1702, at 2093-2094.

¹¹ Ibid., §§ 1703, 1704(a)(1), at 2094-2095.

¹² E.O. 13627, §1, “Policy.”

¹³ Ibid., §2(a)(1), “Anti-Trafficking Provisions.”

¹⁴ FAR 52.222-50, “Combating Trafficking in Persons;” FAR Subpart 22.17, “Combating Trafficking in Persons;” FAR Subpart 22.1705(a)(1), “Solicitation provision and contract clause.”

¹⁵ FAR 52.222-50(c), “Contractor requirements.”

- Providing or arranging housing that fails to meet host country standards.
- Failing to provide employees a written contract in a language that they understand.¹⁶

Moreover, the clause describes remedies that COs may implement if contractors fail to comply with clause requirements.¹⁷ These remedies include requiring the contractor to remove employees from the contract or terminate a subcontract; suspending payments until the contractor takes appropriate remedial action; withholding the award fee for the performance period in which the contractor was non-compliant; declining to exercise available contract options; terminating the contract for default or cause; or suspending or debarring the contractor.¹⁸

Department Guidance

On four occasions since 2012, the Department's Bureau of Administration, Office of the Procurement Executive (OPE) issued internal guidance intended to prevent Department contractors from engaging in TIP. First, in response to the 2011 and 2012 OIG reports (and prior to the National Defense Authorization Act for FY 2013, E.O. 13627 issuance, and FAR updates), OPE issued two Procurement Information Bulletins (PIB) to reduce the likelihood of Department contractors engaging in TIP and TIP-related practices. PIB 2011-09, originally issued in March 2011 and updated in September 2012, provided COs and Contracting Officer's Representatives (COR) with guidance on monitoring contracts for TIP compliance.¹⁹ PIB 2012-10, issued in February 2012 and updated in October 2012, established a contract clause on recruitment of third-country nationals for performance on Department contracts valued at more than \$150,000.²⁰ It also established procedures to reduce the risk of abusive labor practices frequently associated with TIP.²¹ Then, in April 2015, in response to FAR updates, OPE issued PIB 2015-05, which (1) outlines TIP prevention training requirements for COs and CORs, (2) requires that contractor housing and recruitment plans be submitted and reviewed prior to making an award, and (3) requires that COs verify that CORs monitor contractors for TIP indicators.²² Finally, in March 2021, OPE issued PIB 2021-03, which directs Department personnel and contractors to implement best practices and outlines responsibilities for COs and CORs related to training, reviewing contractor housing and recruitment plans, and TIP monitoring.²³

¹⁶ FAR 52.222-50(b)(1)-(9), "Policy."

¹⁷ FAR 52.222-50(e), "Remedies."

¹⁸ Ibid.

¹⁹ PIB 2011-09, "Combating Trafficking in Persons," issued March 24, 2011, and updated September 19, 2012.

²⁰ PIB 2012-10, "Contractor Recruitment of Third Country Nationals," issued February 28, 2012, and updated October 17, 2012.

²¹ Ibid.

²² PIB 2015-05, "Combating Trafficking in Persons," April 13, 2015.

²³ PIB 2021-03, "Combating Trafficking in Persons," March 3, 2021.

Bureau of Administration, Office of the Procurement Executive Roles and Responsibilities

OPE reports to the Assistant Secretary for Administration and evaluates and monitors the performance of the Department's procurement system in accordance with applicable laws and regulations. OPE also provides leadership in several areas, including:

- Department-wide acquisition.
- Federal assistance policies such as developing, issuing, and maintaining acquisition, federal assistance regulations, procedures, and guidance.
- Department acquisitions management and grants management services.²⁴

OPE's Office of Acquisitions Policy prescribes the Department's acquisition policies, regulations, and procedures. It also develops and maintains a procurement career management program to ensure an adequate professional acquisitions work force, including approving Department acquisitions training. Additionally, the Office of Acquisitions Policy appoints qualified Department COs and ensures quality procurement actions by establishing a system for measuring contract activities' performance.²⁵

OPE's Office of Acquisitions Management manages, plans, and directs the Department's acquisition programs and conducts contract operations in support of activities worldwide. The Office of Acquisitions Management provides a full range of professional contract management services, including acquisition planning, contract negotiations, cost and price analysis, and contract administration, which is conducted by COs and CORs. The office provides acquisition expertise and acquisition training assistance, in conjunction with the Foreign Service Institute (FSI), for Department employees' professional development. The Office of Acquisitions Management assists OPE's Office of Acquisitions Policy by providing acquisition expertise to develop policies, standards, and procedures for worldwide contracting and business agreement activities implementation. The office also has oversight and management responsibilities for the Department's Regional Procurement Support Office located in Frankfurt, Germany.²⁶

Contracting Officers

According to the Foreign Affairs Handbook (FAH), the CO is the "authorized agent for dealing with contractors and has sole authority to solicit proposals, negotiate, award, administer, modify, or terminate contracts and make related determinations and findings on behalf of the U.S. Government."²⁷ The CO performs duties at the request of others in the Department (often referred to as the "requirements office") and relies on the requirements office for technical advice concerning the supplies or services being acquired.²⁸ Regarding TIP monitoring,

²⁴ 1 Foreign Affairs Manual (FAM) 212.2, "Office of the Procurement Executive."

²⁵ 1 FAM 212.2-1, "Office of Acquisitions Policy (A/OPE/AP)."

²⁶ 1 FAM 212.2-2, "Office of Acquisitions Management (A/OPE/AQM)."

²⁷ 14 FAH-2 H-141a, "Responsibilities of the Contracting Officer."

²⁸ Ibid.

Department guidance requires that COs verify that CORs include monitoring as part of their contractual oversight responsibilities.²⁹

Contracting Officer's Representatives and Government Technical Monitors

CORs and Government Technical Monitors manage day-to-day contract oversight activities. The COR functions as the CO's technical representative and maintains close communication with the CO, relaying any information affecting contractual commitments and requirements.³⁰ This includes worksite visits and housing inspections. CORs are responsible for monitoring contractor compliance with TIP requirements for contracts performed overseas that exceed the simplified acquisition threshold.³¹ Government Technical Monitors are designated by the CO and perform contract administration roles in support of the COR. Requirements for Monitors are the same as for CORs.³²

AUDIT RESULTS

Finding A: The Department Implemented Management Controls To Ensure Contracts Incorporate Required Trafficking in Persons Language but Guidance Related to Required Training Needs Clarification

OIG confirmed that the Department has implemented management controls to help ensure that security, construction, and facility and household services contractors do not engage in unlawful TIP and related labor practices. For example, OPE issued PIBs prescribing that all applicable contracts include the clause detailed in FAR 52.222-50 to ensure that contracts incorporate mandatory language prescribing contractor actions for monitoring, combating, and preventing TIP-related practices. OIG found that all 80 (100 percent) security, construction, and facility and household services contracts it reviewed included the mandatory language. In addition, OPE established a mandatory annual TIP training requirement for COs and CORs.

OIG found that 9 of 11 (82 percent) COs and 10 of 13 (77 percent) CORs of contracts in its sample received TIP training; however, some courses that COs and CORs completed did not meet the annual TIP training requirement. COs and CORs completed unapproved TIP training because OPE guidance did not clearly identify the courses that qualified as meeting the annual TIP training requirement. As a result, contracting personnel who failed to meet the annual TIP training requirement are at risk of losing their certifications.

²⁹ PIB 2021-03, "Combating Trafficking in Persons," March 3, 2021.

³⁰ 14 FAH-2 H-513, "The Contracting Officer's Representative's (COR) Role in Contract Administration."

³¹ PIB 2021-03.

³² 14 FAH-2 H-111, "Purpose."

Security, Construction, and Facility and Household Services Contracts Performed at Overseas Posts Included Required Language Designed To Prevent Prohibited Labor Practices

FAR 22.1705 requires that all solicitations and contracts include the clause detailed in FAR 52.222-50, “Combating Trafficking in Persons.”³³ To ensure that the clause detailed in FAR 52.222-50 is included in every applicable Department-issued contract and solicitation, the Department developed and implemented corresponding management controls. For example, the Department issued PIB 2015-05 and PIB 2021-03, which state and reiterate that COs and CORs must ensure that all solicitations and contracts valued at more than \$10,000 include the clause detailed in FAR 52.222-50.³⁴ In addition, the Department generates contracts using its Global Financial Management System, which maintains the latest clause detailed language (to include FAR 52.222-50) and conducts regular clause refreshes when clause language changes.³⁵ Some Department entities established contract templates external to the Global Financial Management System to generate new contracts. OPE personnel regularly review and update these external templates as well to ensure that FAR clause language reflects the most current version.

OIG found that all Department contracts it reviewed included the clause detailed in FAR 52.222-50, as required. Specifically, OIG reviewed a statistical sample of 80 security, construction, and facility and household services contracts and found that all 80 (100 percent) contracts included the clause detailed in FAR 52.222-50.³⁶ Based on testing results, OIG projected that 329 of 329 (100 percent) security, construction, and facility and household services contracts included the clause detailed in FAR 52.222-50. Including mandated language designed to detect, combat, and prevent unlawful labor practices in all Department-issued solicitations and contracts reinforces the Department’s zero tolerance policy for TIP-related labor practices and communicates expectations for contractors and Department contracting personnel regarding TIP.

Department Contracting Officers and Contracting Officer’s Representatives Received Trafficking in Persons Training, but Not All Completed Courses Fulfilled Training Requirements

E.O. 13627 states that the Administrator for Federal Procurement Policy, in consultation with the Federal Acquisition Institute and appropriate management councils, shall develop methods

³³ FAR 22.1705(a)(1), “Solicitation provision and contract clause;” FAR 52.222-50 “Combating Trafficking in Persons.”

³⁴ PIBs 2015-05 and 2021-03 require that Department COs include the clause at FAR 52.222-50 in all solicitations and contracts over the micro-purchase threshold. According to FAR 2.101, “Definitions,” the current micro-purchase threshold is \$10,000.

³⁵ The Global Financial Management System is the Department’s core financial management system, used to process and track financial transactions. Updates to the clauses are controlled centrally by the Bureau of the Comptroller and Global Financial Services, Global Financial Systems Support Office.

³⁶ As described in Appendix A: Purpose, Scope, and Methodology, of this report, OIG selected a weighted statistical sample of 80 from a population of 329 Department-issued contracts valued at \$550,000 or more that were performed at overseas posts for services in three economic sectors: security, construction, and facility and household services. OIG selected the construction and services economic sectors because the UN identifies them as industries at increased risk for unlawful labor practices.

to track the number of federal employees trained and implement training requirements to ensure that the federal acquisition workforce is knowledgeable on the policies and responsibilities for combating TIP. E.O. 13627 also states that training should include applicable laws, regulations, and policies, as well as internal controls and oversight procedures implemented by the agency, such as enforcement procedures available to the agency to investigate, manage, and mitigate contractor and subcontractor trafficking violations.³⁷

PIB 2015-05 requires that all COs and CORs complete TIP training, stating that the Federal Acquisition Institute's online course FAC 022, "Combating Human Trafficking," fulfills the requirement and noting that FSI's course PA178, "Contracting Officer's Representative (COR)," also includes a TIP module.³⁸ PIB 2021-03 changed and increased the TIP training requirement, stating that both COs and CORs must complete annual TIP training and that the following online courses are "available" from the Federal Acquisition Institute and FSI:

- Federal Acquisition Institute
 - FAC 022, "Combating Human Trafficking"
- Foreign Service Institute
 - PC406, "Combating Trafficking in Persons"
 - PP460, "Human Trafficking Awareness Training"
 - EX275, "Trafficking in Person Awareness for Diplomatic Security Personnel"

In addition, PIB 2021-03 states that FSI courses PA178, "Contracting Officer's Representative," PA186, "Contracting Officer's Representative," and PA188, "Department of State Contracting Officer's Representative," "have TIP modules." Furthermore, PIB 2021-03 states that for external TIP courses, COs and CORs must obtain approval from FSI before registering.³⁹ OPE officials clarified that only six of the seven courses included in PIB 2021-03 have been approved to meet the annual TIP training requirement. Specifically, COs and CORs must complete FAC 022, PC406, PP460, EX275, PA186, or PA188 annually to comply with the PIB 2021-03 TIP training requirement.⁴⁰

OIG selected a nonstatistical subsample of 16 Department-issued security, construction, and facility and household services contracts from its statistical sample of 80 contracts to determine whether designated COs and CORs completed Department TIP training requirements.⁴¹ The contracts in this subsample were assigned to 11 COs and 13 CORs.⁴²

Overall, OIG found that 9 of 11 (82 percent) COs and 10 of 13 (77 percent) CORs completed TIP-related training. However, not all training COs and CORs completed met the Department's annual TIP training requirements. Figure 1 depicts TIP training that COs and CORs had completed, as of February 23, 2022.

³⁷ E.O. 13627, § 3(a)(2)(A),(B)(i)-(ii), "Guidance and Training."

³⁸ PIB 2015-05.

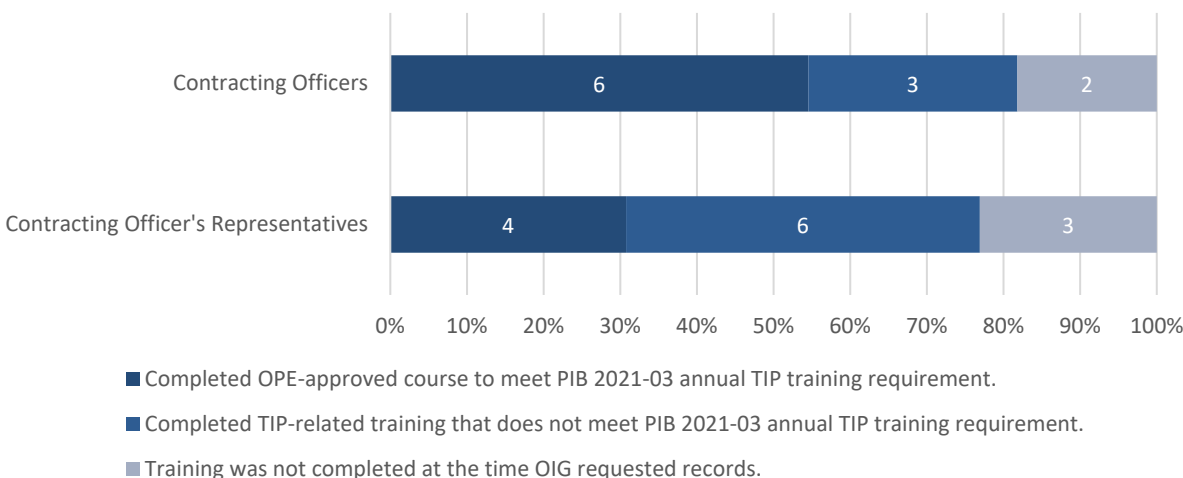
³⁹ PIB 2021-03.

⁴⁰ OPE officials stated that FSI no longer offers PA178.

⁴¹ See Appendix A: Purpose, Scope, and Methodology, of this report for subsample selection details.

⁴² Three COs and two CORs were responsible for more than one contract in OIG's sample.

Figure 1: Department Contracting Personnel Compliance With Annual Trafficking in Persons Training Requirements, as of February 23, 2022



Source: OIG-generated based on annual TIP training records provided to OIG, as of February 23, 2022.

Annual Training Requirements Completed

OIG found that 6 of 11 (55 percent) COs and 4 of 13 (31 percent) CORs completed an OPE-approved course. Specifically, three COs and one COR completed the Federal Acquisition Institute's FAC 022 "Combating Trafficking in Persons." In addition, three COs and one COR completed FSI's PP460, "Human Trafficking Awareness Training." Finally, one COR completed FSI's EX275, "Trafficking in Person Awareness for Diplomatic Security Personnel" and the remaining COR completed FSI's PC406, "Combating Trafficking in Persons."

Annual Training Requirements Not Completed

Three of 11 (27 percent) COs and 6 of 13 (46 percent) CORs completed courses that either focused primarily on TIP or included TIP modules. However, according to OPE, these courses do not meet the annual TIP training requirement. For example, one CO and three CORs completed FSI's PA296, "How to be a Contracting Officer's Representative," which includes a module with information related to TIP. In addition, one CO and two CORs completed FSI's PA179, "How to be a DS Contracting Officer's Representative Refresher." However, OPE has yet to approve PA296 or PA179 to meet the PIB 2021-03 annual TIP training requirement.⁴³ In addition, one CO completed Defense Acquisition University's DOD0020, "Combating Trafficking in Persons (CTIP) for Acquisition & Contracting Personnel," which focuses directly on TIP issues related to contracting. However, OPE has not approved this course to meet the PIB 2021-03 annual TIP training requirement. One additional COR provided only a COR certification, rather than records related to a specific TIP course. OIG was unable to determine whether the COR completed an OPE-approved TIP course or another course that does not meet the TIP training requirement.

⁴³ An OPE official stated that the office anticipates reviewing PA296 and PA179, along with three other FSI courses, for consideration as "recommended" courses that satisfy the PIB 2021-03 annual TIP training requirement.

Finally, 2 of 11 (18 percent) COs and 3 of 13 (23 percent) CORs had not completed any TIP training at the time OIG requested training records. The COR at Embassy Khartoum, Sudan, stated that he was unable to complete required online training because the Sudanese government shut down internet access in response to civil unrest. The two COs and the remaining two CORs did not provide annual TIP training records; however, it is important to note that at the time OIG requested training records, COs and CORs had more than 2 months in which to complete annual TIP training in accordance with PIB 2021-03 requirements. It is therefore plausible that the training requirements would be fulfilled within the required timeline.

Clear Communication of Training Requirements Is Needed

Current and recurring TIP-related training ensures that all Department contracting personnel have the resources necessary to understand federal and Department regulations and best practices necessary to detect, combat, and prevent unlawful labor practices. The Government Accountability Office's *Standards for Internal Controls in the Federal Government* notes that management controls must be effectively communicated to meet an entity's objectives.⁴⁴ However, PIB 2021-03 did not clearly identify which of the "available" courses or additional courses that "have TIP modules" fulfill the annual TIP training requirement. Moreover, PIB 2021-03 cited one FSI course—PA178—that was no longer offered at the time OPE issued the PIB. Including unclear and outdated language related to TIP training courses that fulfill the PIB 2021-03 annual training requirement could result in COs and CORs mistakenly believing they complied with the requirement by completing any course that included a TIP module. Contracting personnel who fail to meet the PIB 2021-03 annual TIP training requirement are at risk of losing their certifications. Therefore, OIG is making the following recommendations to update Department guidance for contracting personnel to clearly identify the courses that are approved to meet the annual TIP training requirement.

Recommendation 1: OIG recommends that the Bureau of Administration update guidance to clearly communicate to Department of State contracting personnel which training courses are approved and available to meet the annual trafficking in persons (TIP) training requirement.

Management Response: The Bureau of Administration concurred with the recommendation.

OIG Reply: On the basis of the bureau's concurrence with the recommendation, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives documentation demonstrating that the bureau has updated its guidance to clearly communicate to Department contracting personnel which training courses are approved and available to meet the annual TIP training requirement.

⁴⁴ Government Accountability Office, *Standards for Internal Control in the Federal Government*, page 58 (GAO-14-704G, September 2014).

Recommendation 2: OIG recommends that the Bureau of Administration develop and implement a policy to periodically review new and existing training courses to ensure that all appropriate training is included in the guidance.

Management Response: The Bureau of Administration concurred “with the intent of OIG’s recommendation,” stating that instead of a policy, the Office of the Procurement Executive (OPE) will develop and implement a Memorandum of Understanding (MOU) with the Foreign Service Institute (FSI) to ensure that “all current and future acquisition training courses delivered through the FSI training platform, course delivery methods, course evaluations, and development of classroom, virtual and distance learning courses for the acquisition community will include appropriate review of training and guidance.” OPE also stated that it will accept courses authorized or recommended by the Office of Federal Procurement Policy, as appropriate. However, OPE noted that courses offered by external agencies, such as the Federal Acquisition Institute and Defense Acquisition University, are outside the Department’s authority and those agencies are responsible for performing their own internal reviews and maintaining course content.

OIG Reply: On the basis of the bureau’s concurrence with the intent of the recommendation and planned actions, OIG considers the recommendation resolved, pending further action. This recommendation is intended to ensure that OPE regularly reviews training courses to determine whether they meet the Department’s annual TIP training requirement and should be included in Department training curriculum. OIG finds the proposed MOU between OPE and FSI meets this intent of the recommendation. This recommendation will be closed when OIG receives documentation demonstrating that a process to periodically review new and existing training courses has been developed and implemented.

Finding B: Management Controls Governing Contract Monitoring Activities Related to Trafficking in Persons Require Attention

OIG found that the Department’s management controls governing contract monitoring activities related to TIP require attention. For example, OIG found that contractors did not always establish and maintain TIP compliance plans in accordance with FAR requirements. Furthermore, Department CORs did not always request and review the TIP compliance plans for the purpose of developing required TIP monitoring strategies. Although Department guidance requires that contract oversight personnel develop TIP monitoring strategies and conduct monitoring to detect unlawful labor practices, OIG found that such monitoring activities are not conducted consistently, and in some cases were not conducted at all. Specifically, OIG found the CORs assigned to 15 of 16 (94 percent) contracts failed to develop required TIP monitoring strategies and the CORs assigned to 12 of 16 (75 percent) contracts did not conduct TIP monitoring activities in accordance with Department requirements.

OIG determined that the CORs did not always conduct required TIP monitoring activities because Department guidance and training has emphasized that TIP monitoring pertains to contracts that recruit, employ, and house third-country national or migrant labor. On the

contrary, TIP monitoring is required for all contracts including those that only employ U.S. citizens or host country nationals. Additionally, Department guidance and training did not always clearly describe the actions that must be undertaken when conducting TIP monitoring. Moreover, COs did not always verify that CORs had conducted required TIP monitoring activities. By failing to fully implement monitoring activities for all applicable contracts, the Department is at increased risk that TIP violations or unlawful labor practices could go undetected, which also limits its opportunity to promptly address and remediate such practices.⁴⁵

Contractor Trafficking in Persons Compliance Plans Did Not Meet Federal Acquisition Regulation Requirements

FAR 52.222-50(h) requires that contractors maintain a TIP compliance plan during the performance of the contract for contracts valued at more than \$550,000 performed outside the United States.⁴⁶ The section requires contractors to certify that they have developed a compliance plan but does not require it to be submitted as part of the award process. Nonetheless, the clause states that the contractor must provide the compliance plan to the CO upon request. The section also requires that the TIP compliance plan be appropriate to the size and complexity of the contract, as well as to the nature and scope of the activities to be performed, and it must include the number of non-U.S. citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to TIP. The compliance plan must also include, at a minimum, the following elements:

- An awareness program to inform contractor employees about the government's policy prohibiting TIP-related activities, the activities prohibited, and the actions that will be taken against the employee for violations.
- A process for employees to report activity inconsistent with the policy prohibiting TIP, including a means to make the Global Human Trafficking Hotline phone number and email address available to all employees.
- A recruitment and wage plan that only permits the use of recruitment companies with trained employees, prohibits charging recruitment fees to the employees or potential employees, and ensures that wages meet applicable host-country legal requirements or explains any variance.
- A housing plan, if the contractor or subcontractor intends to provide or arrange housing, that ensures that the housing meets host-country housing and safety standards.
- Procedures to prevent agents and subcontractors from engaging in TIP and to monitor, detect, and terminate any agents, subcontracts, or subcontractor employees that have engaged in such activities.

⁴⁵ FAR 52.222-50(e), "Remedies."

⁴⁶ FAR 52.222-50(h) states that for any portion of a contract that is for supplies acquired outside the United States, other than commercially available off-the-shelf items, or services to be performed outside the United States and with an estimated value of more than \$550,000, the contractor must maintain a compliance plan during the performance of the contract.

However, OIG found that none of the contractors reviewed for this audit completed TIP compliance plans in full accordance with FAR requirements. All 16 contractors certified in the System for Award Management that they had read and understood the contents and requirements of FAR 52.222-50, including the development of a TIP compliance plan.⁴⁷ Therefore, OIG requested that CORs provide contractor TIP compliance plans associated with the 16 subsampled contracts to determine the extent to which plans were completed and whether they included all required elements. However, OIG received only 13 of the 16 (81 percent) requested compliance plans. One contractor stated that it did not complete a TIP compliance plan because the document was not specifically listed as a contract deliverable. Another contractor stated that it was unable to locate its TIP compliance plan. In the third instance, the COR informed OIG that they requested the compliance plan but did not receive it from either the contractor or the CO; thus, it is unclear whether the contractor completed the plan.

Of the 13 TIP compliance plans OIG obtained and reviewed, none were appropriate to the size, complexity, nature, or scope of their associated contracts, nor did any of the plans include the number of non-U.S. citizens that would be employed on the contract, as required. For example, only 5 of 13 (38 percent) compliance plans cited the contract number, while none included information regarding the nature and scope of the activities to be performed or discussed the contract's size and complexity. Most of the compliance plans provided were broad, corporate documents outlining contractors' general anti-TIP policies, rather than addressing TIP in the context of the respective Department-issued contracts, as required.

Even though none of the contractor TIP compliance plans reviewed were appropriate to the contract or included the number of non-U.S. citizens to be employed, OIG found that 5 of 13 (38 percent) plans included each of the remaining required elements: a TIP awareness program, TIP reporting processes, recruitment and wage plans, housing plans (where applicable), and procedures to prevent subcontractors and agents from engaging in TIP. The remaining 8 of 13 (62 percent) plans included some but not all required elements. Table 1 shows the number and percentage of contractor TIP compliance plans that contained each of the FAR-required elements.

Table 1: OIG Review of Contractor Trafficking in Persons Compliance Plans

TIP Compliance Plan Required Element	Number (Percentage) of Compliance Plans Incorporating Required Element
Plan Appropriateness ^a	0 (0)
Number of Non-U.S. Citizens Employed	0 (0)

⁴⁷ According to its website (<https://sam.gov/content/about/this-site>, accessed March 31, 2021), the System for Award Management is an official U.S. government website that can be used to register to do business with the U.S. Government; update, renew, or check the status of entity registration; search for entity registration and exclusion records; search for assistance listings, wage determinations, contract opportunities, and contract data reports; view and submit BioPreferred and Service Contract Reports; and access publicly available award data via data extracts and system accounts. See Appendix A, Purpose, Scope, and Methodology, of this report for selection details of the 16 contracts in the subsample.

TIP Compliance Plan Required Element	Number (Percentage) of Compliance Plans Incorporating Required Element
TIP Awareness Program	8 (62)
TIP Reporting Process	8 (62)
Recruitment and Wage Plans	7 (54)
Housing Plan	1 (50) ^b
Procedures to Prevent Agents and Subcontractors From Engaging in TIP	9 (69)

^a FAR 52.222-50(h)(2) states that the contractor's TIP compliance plan must be appropriate to the size and complexity of the contract and the nature and scope of services provided.

^b FAR 52.222-50(h)(3) states that housing plans are required if the contractor or subcontractor intends to provide or arrange housing. OIG determined that only 2 of 16 contractors provided housing and therefore, only those TIP compliance plans should have incorporated housing plans. OIG received and reviewed compliance plans from both applicable contractors.

Source: OIG-generated based on contractor TIP compliance plan analyses.

Department Contract Oversight Personnel Did Not Consistently Implement Management Controls Designed To Monitor Contracts for Unlawful Trafficking in Persons Practices

OIG found that Department contracting personnel did not consistently implement management controls for monitoring contracts to ensure contractors do not engage in unlawful TIP practices. The FAH requires that CORs develop TIP monitoring strategies and monitor contractor actions to prevent TIP and prohibited labor practices.⁴⁸ However, CORs assigned to 15 of 16 (94 percent) contracts OIG reviewed did not develop a required TIP monitoring strategy. Only one COR, who managed a construction contract in Iraq, completed a TIP monitoring strategy that identified TIP risks and outlined TIP monitoring activities. These activities included verifying that the contractor does not hold employees' passports and visas; implementing an anonymous reporting system in which all employees can lodge complaints or allegations of mistreatment; and noting that housing inspections are not necessary because the contract does not include contractor-provided housing.

In addition, PIBs 2015-05 and 2021-03 require that CORs monitor contractor activities for TIP violations and unlawful labor practices, document monitoring activities, and assess contractor-provided housing, if applicable. According to the PIBs, monitoring activities should include:

- Verifying that the contractor does not hold employees' passports and visas.
- Ensuring that the contractor does not use work permits or physical force or threats to compel labor or obtain sexual activity.
- Determining that the contractor is knowledgeable about local labor laws.
- Verifying that workers are informed about labor policies and prohibition against TIP and TIP-related activity.
- Verifying that workers have not been charged for any recruitment fees.
- Verifying that the contractor provides advice of salary deductions through periodic review.
- Verifying that workers receive written employment agreements detailing salary, work, location, and conditions in a language the worker understands.

⁴⁸ 14 FAH-2 H-142b(20), "Responsibilities of the Contracting Officer's Representative (COR)."

- Verifying that employees received “Know Your Rights” information.
- Verifying that OIG hotline numbers are made available.
- Verifying that the contractor is briefing employees on the requirements of the TIP clause.
- Verifying that the contractor is briefing subcontractors and including the TIP clause in subcontracts.
- Obtaining information on employer-furnished housing and periodically visiting such housing to assess adequacy.

Monitoring Conducted

OIG found that CORs assigned to 4 of 16 (25 percent) contracts conducted at least some TIP monitoring. In addition to the COR who completed a TIP monitoring strategy, contracting personnel conducted TIP monitoring outlined in Department guidance as part of overall contract monitoring efforts but did not develop a required TIP monitoring strategy. For example, a Government Technical Monitor assigned to a security contract in the Central African Republic conducted some TIP monitoring as part of his regular contract monitoring duties, including inspecting contractor-provided housing, and identifying locations to post OIG Hotline posters. This Government Technical Monitor records housing conditions at contractor-provided housing on checklists that are provided to the designated COR. In addition, a COR assigned to a security contract in Peru ensured that TIP was included in contractor training and that contractor employees were trained. Another COR assigned to a security contract in Iraq used formal inspections and informal discussions with randomly selected contractor employees to monitor complaints and identify anomalies that might indicate TIP violations or unlawful labor practices.

Monitoring Not Conducted

OIG found that CORs assigned to 12 of 16 (75 percent) contracts failed to conduct monitoring activities related to unlawful labor practices. CORs did not complete TIP monitoring activities because they were not aware of requirements. Specifically, CORs assigned to 8 of 16 (50 percent) contracts stated that they were not concerned with TIP because all contract employees were local staff or permanent residents in the country of performance or because of the type of services provided by the contract. For example, the COR assigned to a contract in Chad stated that recruitment and housing plans were not relevant because the contract was not for construction-related services.

In another example, a COR assigned to a security contract in Pakistan did not conduct TIP monitoring activities nor was the COR aware that the contractor provided housing for some contract employees. This COR stated that the contractor did not employ third-country national or migrant labor (i.e., all contractor employees were host-country nationals); therefore, he did not believe that recruitment, wage, and housing plans were necessary. Moreover, the COR stated that neither housing nor life support were included as contract line items, which he believed eliminated related oversight requirements. Despite the CORs statements, OIG found that the contractor provided housing for more than 30 employees. These employees are host-

country nationals, but permanently reside in other locations within the country. Furthermore, the contractor deducted rent costs for this housing directly from employees' wages. The COR should have been aware that the contractor provided housing to these employees and was required to conduct regular inspections to ensure that housing met minimum standards, as required by Department guidance.

Department Guidance and Training on TIP-Related Contract Monitoring is Unclear and Contracting Officers Did Not Verify That Contracting Officer's Representatives Conducted Such Monitoring

OIG determined that one reason that CORs did not review contractors' TIP compliance plans, develop TIP monitoring strategies, and consistently conduct TIP monitoring activities is that Department guidance and training did not clearly identify what CORs were specifically required to do. Although OPE officials stated that COs and CORs should review contractors' TIP compliance plans, Department contract oversight personnel did not complete such reviews because neither the FAR nor OPE guidance require that they do so. FAR 52.222-50 states that contractors must certify they have prepared TIP compliance plans and make them available to COs or CORs only if requested. Department guidance and training do not address required contractor TIP compliance plans and do not direct contract oversight personnel to request and review the TIP compliance plan. OPE officials also stated that unless a contract specifically defines documents or actions that may be used to determine compliance with FAR 52.222-50(h), contractors must adhere to the FAR. In addition, OPE officials stated that COs and CORs should request and review contractor TIP compliance plans as part of their contract administration responsibilities, such as developing TIP monitoring strategies for contracts.

OIG also determined that unclear guidance contributed to CORs' failure to develop TIP monitoring strategies and conduct TIP monitoring activities. Specifically, most of the CORs that OIG interviewed stated that they were not concerned with TIP because their respective contracts did not rely on third-country national or migrant labor. According to OPE officials, FAR 52.222-50 TIP prevention standards apply to all contracts, regardless of size, place of performance, or dollar value. Furthermore, requirements in PIBs 2015-05 and 2021-03 apply regardless of contract size, place of performance, or employee nationality.

Despite the requirements, Department training and guidance, including PIBs 2015-05 and 2021-03, emphasize and focus on the increased TIP risks associated with contracts that employ third-country national or migrant labor. The training and guidance conclude that because of these risks, contract oversight personnel must conduct TIP monitoring for such contracts. Although FSI trainings state that human trafficking victims need not cross borders for trafficking to occur, the examples included and discussed throughout the courses relate only to contracts that employ third-country national labor and do not include examples for other employment situations. In addition, both PIBs state that they apply "to all domestic and overseas contracting activities and Regional Procurement Support Offices."⁴⁹ However, this is immediately followed by, "[t]he Department of State (DOS) employs contractors to support missions around the

⁴⁹ PIB 2015-05, "Scope;" PIB 2021-03, "Scope."

world. Some performance involves the recruitment of Third Country Nationals (TCNs) who may be more at risk for human trafficking.”⁵⁰ Therefore, a reader could infer that PIB guidance and unlawful labor practice monitoring applies only to contracts that employ third-country national or migrant labor.

Lastly, OIG did not find that CORs consistently conducted TIP monitoring, in part, because COs did not verify that TIP monitoring had occurred, as required by PIBs 2015-05 and 2021-03.⁵¹ Most COs interviewed were unaware of COR contract monitoring activities in general but especially activities related to unlawful labor practices. Specifically, COs assigned to 14 of 16 (88 percent) contracts OIG reviewed stated that they did not know whether CORs monitored contractors for TIP indicators and were not aware of COR-conducted monitoring activities. Generally, COs did not receive COR monitoring reports.

Contractors that are required to establish a TIP compliance plan but fail to do so are not adhering to FAR 52.222-50(h) requirements and may be more likely to engage in prohibited TIP-labor practices, knowingly or unknowingly. In addition, Department contracting personnel’s failure to develop required TIP monitoring strategies and conduct TIP monitoring activities in accordance with Department guidance increases the risk that they may not detect TIP violations or unlawful labor practices. Knowledge of contractors’ plans for preventing TIP and prohibited labor practices and CO engagement are important elements for informing and implementing effective TIP monitoring strategies. Failure to implement robust TIP monitoring activities increases the risk that human trafficking on Department contracts goes undetected and limits contracting personnel’s ability to implement remedial actions authorized by the FAR.⁵² To address these deficiencies, OIG is making the following recommendations.

Recommendation 3: OIG recommends that the Bureau of Administration update Department of State guidance including the Foreign Affairs Handbook (FAH) and applicable Procurement Information Bulletins (PIB) to clarify that trafficking in persons monitoring, including developing and implementing trafficking in persons (TIP) monitoring strategies, is required for all applicable contracts, not just those that employ third-country national or migrant labor.

Management Response: The Bureau of Administration concurred with the recommendation.

OIG Reply: On the basis of the bureau’s concurrence with the recommendation, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives documentation demonstrating that the Office of the Procurement Executive (OPE) has updated guidance, including the FAH and applicable PIBs, to clarify that TIP monitoring, including developing and implementing TIP monitoring

⁵⁰ PIB 2015-05, “Background;” PIB 2021-03, “Background.”

⁵¹ According to PIBs 2015-05 and 2021-03, COs shall verify that CORs are including monitoring as part of their contractual oversight responsibilities.

⁵² FAR 52.222-50(e), “Remedies.”

strategies, is required for all applicable contracts, not just those that employ third-country national or migrant labor.

Recommendation 4: OIG recommends that the Bureau of Administration develop and implement guidance that Contracting Officers (CO) and Contracting Officer's Representatives (COR) review contractor trafficking in persons compliance plans to determine whether their content meets requirements of Federal Acquisition Regulation (FAR) 52.222-50(h) and to inform required trafficking in persons (TIP) monitoring strategies.

Management Response: The Bureau of Administration concurred with the recommendation.

OIG Reply: On the basis of the bureau's concurrence with the recommendation, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives documentation demonstrating that OPE has developed and implemented guidance for COs and CORs to review contractor TIP compliance plans to determine whether their content meets FAR 52.222-50(h) requirements and to inform required TIP monitoring strategies.

Recommendation 5: OIG recommends that the Bureau of Administration, in coordination with the Foreign Service Institute (FSI), update Department of State (Department) trafficking in persons (TIP) training to clarify that TIP monitoring is required for all applicable contracts, not just those that employ third-country national or migrant labor.

Management Response: The Bureau of Administration and FSI concurred with the recommendation. FSI stated that it will coordinate with OPE to update Department TIP training.

OIG Reply: On the basis of Bureau of Administration and FSI concurrence with the recommendation, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives documentation demonstrating that OPE, in coordination with FSI, has updated Department TIP training to clarify that TIP monitoring is required for all applicable contracts, not just those that employ third-country national or migrant labor.

Recommendation 6: OIG recommends that the Bureau of Administration, in coordination with the Foreign Service Institute (FSI), update Department of State (Department) trafficking in persons (TIP) training to include discussions of Federal Acquisition Regulation (FAR) 52.222-50(h) requirements for contractors to maintain TIP compliance plans and Department guidance and requirements for reviewing the plans and using them to inform TIP contract monitoring strategies established in accordance with Recommendation 3.

Management Response: The Bureau of Administration and FSI concurred with the recommendation. FSI stated that it will coordinate with OPE to update Department TIP training to include discussions of FAR 52.222-50(h) requirements.

OIG Reply: On the basis of Bureau of Administration and FSI concurrence with the recommendation, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives documentation demonstrating that OPE, in coordination with FSI, has updated Department TIP training to include discussions of FAR 52.222-50(h) requirements for contractors to maintain TIP compliance plans and Department guidance and requirements for reviewing the plans and using them to inform TIP contract monitoring strategies established in accordance with Recommendation 3.

Recommendation 7: OIG recommends that the Bureau of Administration instruct Contracting Officers (CO) with oversight responsibility for active contracts in OIG's nonstatistical subsample, listed in Table A.4, to review contractor trafficking in persons (TIP) compliance plans associated with these contracts and determine whether to apply any of the remedies outlined in Federal Acquisition Regulation (FAR) 52.222-50(e) based on contractors' failure to adhere to FAR 52.222-50(h) requirements.

Management Response: The Bureau of Administration concurred with the recommendation.

OIG Reply: On the basis of the bureau's concurrence with the recommendation, OIG considers the recommendation resolved, pending further action. This recommendation will be closed when OIG receives documentation demonstrating that OPE has reviewed the contracts in OIG's subsample and determined whether any of the remedies outlined in FAR 52.222-50(e) apply.

RECOMMENDATIONS

Recommendation 1: OIG recommends that the Bureau of Administration update guidance to clearly communicate to Department of State contracting personnel which training courses are approved and available to meet the annual trafficking in persons (TIP) training requirement.

Recommendation 2: OIG recommends that the Bureau of Administration develop and implement a policy to periodically review new and existing training courses to ensure that all appropriate training is included in the guidance.

Recommendation 3: OIG recommends that the Bureau of Administration update Department of State guidance including the Foreign Affairs Handbook (FAH) and applicable Procurement Information Bulletins (PIB) to clarify that trafficking in persons monitoring, including developing and implementing trafficking in persons (TIP) monitoring strategies, is required for all applicable contracts, not just those that employ third-country national or migrant labor.

Recommendation 4: OIG recommends that the Bureau of Administration develop and implement guidance that Contracting Officers (CO) and Contracting Officer's Representatives (COR) review contractor trafficking in persons compliance plans to determine whether their content meets requirements of Federal Acquisition Regulation (FAR) 52.222-50(h) and to inform required trafficking in persons (TIP) monitoring strategies.

Recommendation 5: OIG recommends that the Bureau of Administration, in coordination with the Foreign Service Institute (FSI), update Department of State (Department) trafficking in persons (TIP) training to clarify that TIP monitoring is required for all applicable contracts, not just those that employ third-country national or migrant labor.

Recommendation 6: OIG recommends that the Bureau of Administration, in coordination with the Foreign Service Institute (FSI), update Department of State (Department) trafficking in persons (TIP) training to include discussions of Federal Acquisition Regulation (FAR) 52.222-50(h) requirements for contractors to maintain TIP compliance plans and Department guidance and requirements for reviewing the plans and using them to inform TIP contract monitoring strategies established in accordance with Recommendation 3.

Recommendation 7: OIG recommends that the Bureau of Administration instruct Contracting Officers (CO) with oversight responsibility for active contracts in OIG's nonstatistical subsample, listed in Table A.4, to review contractor trafficking in persons (TIP) compliance plans associated with these contracts and determine whether to apply any of the remedies outlined in Federal Acquisition Regulation (FAR) 52.222-50(e) based on contractors' failure to adhere to FAR 52.222-50(h) requirements.

APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY

The Office of Inspector General (OIG) conducted this audit to determine whether the Department of State (Department) had implemented management controls to ensure that security, construction, and facility and household services contracts performed at overseas posts comply with federal laws and regulations designed to prevent contractors and subcontractors from engaging in unlawful labor practices.

OIG conducted its work from September 2021 to February 2022 in the Washington, DC, metropolitan area. OIG conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objective. OIG faced delays in completing this work because of the COVID-19 pandemic and resulting operational challenges such as difficulty accessing information, limitations on in-person meetings, and restrictions on conducting overseas fieldwork. Despite these challenges, OIG determined that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objective. This report relates to various overseas contingency operations and was completed in accordance with OIG's oversight responsibilities described in Section 8L of the Inspector General Act of 1978, as amended.¹

To determine whether the Department implemented management controls to ensure contracts complied with federal laws and regulations, OIG interviewed Bureau of Administration, Office of the Procurement Executive (OPE) personnel and reviewed Department guidance and requirements outlined in Performance Information Bulletins (PIB) and the Foreign Affairs Handbook. OIG compared these to requirements in the Victims of Trafficking and Violence Protection Act of 2000; the Trafficking Victims Protection Reauthorization Act of 2003; the National Defense Authorization Act for FY 2013;² Executive Order 13627; and Federal Acquisition Regulation (FAR) 52.222-50, "Combating Trafficking in Persons." To determine the extent that contracts included language required by FAR 52.222-50, OIG reviewed contract awards and other documents associated with a weighted statistical sample of contracts. In addition, OIG met with Bureau of Administration officials and Contracting Officers (CO) to determine whether the Department developed and implemented internal controls to ensure that contracts included the clause detailed in FAR 52.222-50, as required.

In addition, OIG reviewed federal laws and regulations to identify TIP training requirements for COs and Contracting Officer's Representatives (COR). OIG also reviewed Department guidance and interviewed Bureau of Administration and Foreign Service Institute personnel to determine whether the Department established and implemented protocols to ensure that COs and CORs

¹ Aspects of the audit scope (e.g., security contracts) were chosen, in part, because of the Department's reliance on contractors for its efforts supporting overseas contingency operations. High dollar security contracts, including those in Iraq and Afghanistan, were included in OIG's statistical sampling for this audit. See the Sampling Methodology section in this appendix for additional details.

² The TIP provisions in these acts are codified at 22 U.S. Code Chapter 78, "Trafficking Victims Protection."

complete required courses within established timeframes. To determine the extent to which COs and CORs complied with these requirements, OIG selected a nonstatistical subsample from its larger statistical sample of contracts.

OIG also reviewed federal laws and regulations, Department guidance, and contract terms and conditions to determine how Department contracting personnel should conduct monitoring for unlawful TIP labor practices. OIG reviewed documentation and conducted remote interviews with Bureau of Administration and overseas post personnel to establish whether the Department consistently conducted oversight activities. OIG reviewed contract documentation, including recruitment, housing, wage, and compliance plans, as well as TIP monitoring strategies and reports. OIG interviewed COs and CORs to determine how they monitor contracts for unlawful TIP labor practices; report violations of federal laws, Department regulations, or contract terms; and report conditions or suspicious contractor activities and practices. OIG assessed internal management controls to determine whether the Department implemented procedures to ensure that contracting officials monitor contractor and subcontractor performance at overseas posts to prevent prohibited labor practices and report and investigate alleged TIP violations.

Data Reliability

OIG used computer-processed data to support findings and conclusions presented in this report. Specifically, OIG selected award data from the website www.USASpending.gov (USASpending). USASpending is maintained by the Department of the Treasury and “is the official source for spending data for the U.S. Government.”³ Previous audits demonstrated that USASpending was a reliable means of selecting data on award places and periods of performance, funds obligated, and award purpose.⁴ Separately, for a sample of 80 contracts, OIG obtained contract-related documentation from the Department’s Integrated Logistics Management System, which the Department uses to manage contracts;⁵ the Department’s Global Financial Management System, which is the Department’s official financial management system;⁶ Bureau of Administration personnel; and overseas posts. The documentation obtained included contract awards, statements of work, and standard contract terms and conditions. Despite award date discrepancies resulting from issues with USASpending search functions, OIG determined that contract data obtained from USASpending, and data provided by the

³ “About,” USASpending.gov, accessed April 4, 2022, <https://www.usaspending.gov/about>.

⁴ OIG, *Audit of the Bureau of Near Eastern Affairs Financial Management of Grants and Cooperative Agreements Supporting the Middle East Partnership Initiative* (AUD-MERO-16-42, July 2016); OIG, *Audit of the Bureau of Near Eastern Affairs Middle East Partnership Initiative* (AUD-MERO-17-08, November 2016); OIG, *Audit of the Department of State Implementation of Policies Intended to Counter Violent Extremism* (AUD-MERO-19-27, June 2019); and OIG, *Audit of Department of State Compliance With Requirements Relating to Unfinalized Contract Actions* (AUD-MERO-21-38, July 2021).

⁵ According to the Foreign Affairs Manual, the Department’s Integrated Logistics Management System is a unified web-based information system designed to upgrade the Department’s supply chain by improving processing in such areas as purchasing, procurement, warehousing, transportation, receiving, property management, personal effects, diplomatic pouch, and mail (14 FAM 411.4, “Definitions”).

⁶ The Global Financial Management System is the Department’s core financial management system, used to process and track financial transactions.

Department were sufficiently reliable to support the findings and recommendations contained in this report.

Work Related to Internal Control

Considering internal control in the context of a comprehensive internal control framework can help auditors to determine whether underlying internal control deficiencies exist. During the audit, OIG considered several factors, including the subject matter of the project, and determined that internal control was significant to the audit objective. OIG considered the components of internal control and the underlying principles included in the *Standards for Internal Control in the Federal Government* to identify internal controls that were significant to the audit objective.⁷

OIG determined three internal control components were significant to the audit objective: Control Activities, Information and Communication, and Monitoring. Control Activities includes the actions management establishes through policies and procedures to achieve objectives and respond to risks in the internal control system. Information and Communication addresses the need for quality information to be appropriately communicated within an entity to help achieve the entity's objectives. Monitoring relates to activities management establishes and operates to assess the quality of performance over time and promptly resolve the findings of audits and other reviews. OIG also concluded that four principles related to these three components were significant to the audit objective. Table A.1 describes these principles.

Table A.1: Significant Internal Control Components and Principles

Components	Principles
Control Activities	10. Management should design control activities to achieve objectives and respond to risks. 12. Management should implement control activities through policies.
Information and Communication	13. Management should use quality information to achieve the entity's objectives.
Monitoring	16. Management should remediate identified internal control deficiencies on a timely basis.

Source: OIG-generated based on analysis of internal control components and principles from the Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

OIG interviewed Department officials and reviewed policy documents to obtain an understanding of the internal controls related to the components and principles identified as significant for this audit. OIG performed procedures to assess the operating effectiveness of key internal controls. Specifically, OIG:

- Interviewed OPE personnel and reviewed Department guidance and requirements outlined in PIBs and the Foreign Affairs Handbook. OIG compared these to requirements in the Victims of Trafficking and Violence Protection Act of 2000; the Trafficking Victims

⁷ Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

Protection Reauthorization Act of 2003; the National Defense Authorization Act for FY 2013; Executive Order 13627; and FAR 52.222-50.

- Reviewed contract awards and other documents in a weighted statistical sample of 80 Department-issued contracts for security, construction, and household and facilities services performed overseas and valued at more than \$550,000 to determine the extent that contracts included language required by FAR 52.222-50.
- Reviewed federal laws and regulations to identify TIP training requirements for COs and CORs. OIG also reviewed Department guidance and interviewed Bureau of Administration and Foreign Service Institute personnel to determine whether the Department established and implemented protocols to ensure that COs and CORs complete required courses within established timeframes.
- Reviewed documentation and conducted remote interviews with Bureau of Administration and overseas post personnel to establish whether the Department consistently conducted oversight activities. OIG reviewed contract documentation, including recruitment, housing, wage, and compliance plans, as well as TIP monitoring strategies and reports.

Internal control deficiencies identified during the audit that are significant within the context of the audit objective are presented in the Audit Results section of this report.

Sampling Methodology

To conduct this work, OIG selected a weighted statistical sample of security, construction, and household and facilities services contracts performed overseas, valued at more than \$550,000, that were issued from September 6, 2012, through March 30, 2021. Contracts valued at more than \$550,000 were selected because, per FAR 52.222-50, that is the threshold at which contractors are required to maintain TIP compliance plans. Contracts for these services were selected because they are within economic sectors the UN identified as being at increased risk of human trafficking.⁸ OIG included overseas security contracts because they often employ third-country national labor.

OIG searched USASpending and identified a project universe totaling 4,536 Department-issued overseas contracts valued at more than \$550,000. The total combined value for these contracts was approximately \$15.9 billion. From this project universe, OIG identified contracts associated with industries that the UN and the Centers for Disease Control and Prevention consider to be at increased risk for unlawful labor practices, using North American Industry Classification System (NAICS) codes. OIG also removed purchase orders, as these contract actions do not involve contractor labor subject to TIP monitoring. OIG then organized the contracts into three areas of concern by NAICS code: security, construction, and facility and household services. The resulting target universe included 329 contracts, valued at approximately \$13.2 billion.

⁸ The UN reported the industries that are most at risk of TIP are facilities and household services, construction, fishing, agriculture, catering, street trading, garment production, mining, and others. UN Office on Drugs and Crime, *Global Report on Trafficking in Persons 2020*, page 12 (E.20.IV.3, January 2021).

Table A.2 shows the target universe of Department contracts issued from September 6, 2012, through March 30, 2021, categorized by area of concern.

Table A.2: OIG Target Universe by Area of Concern

NAICS Code	NAICS Code Description	Number of Contracts	Amount Obligated
Security Services			
561612	SECURITY GUARDS AND PATROL SERVICES	148	\$3,902,772,614
Construction Services			
COMMERCIAL AND INSTITUTIONAL BUILDING			
236220	CONSTRUCTION	86	\$6,768,261,833
236118	RESIDENTIAL REMODELERS	3	\$3,866,894
238160	ROOFING CONTRACTORS	3	\$6,560,143
238320	PAINTING AND WALL COVERING CONTRACTORS	1	\$737,681
238390	OTHER BUILDING FINISHING CONTRACTORS	1	\$1,487,920
236210	INDUSTRIAL BUILDING CONSTRUCTION	3	\$7,815,665
Facility and Household Services			
561210	FACILITIES SUPPORT SERVICES	49	\$2,451,656,808
561720	JANITORIAL SERVICES	16	\$17,076,061
561730	LANDSCAPING SERVICES	8	\$8,819,447
561990	ALL OTHER SUPPORT SERVICES	5	\$23,387,727
ALL OTHER SUPPORT ACTIVITIES FOR			
488999	TRANSPORTATION	1	\$881,850
722310	FOOD SERVICE CONTRACTORS	1	\$560,765
OTHER SUPPORT ACTIVITIES FOR ROAD			
488490	TRANSPORTATION	1	\$1,125,338
488991	PACKING AND CRATING	1	\$3,999,900
324110	PETROLEUM REFINERIES	1	\$647,084
721310	ROOMING AND BOARDING HOUSES, DORMITORIES, AND WORKERS' CAMPS	1	\$948,048
Total		329	\$13,200,605,769

Source: OIG-generated based on review of the UN Office on Drugs and Crime, *Global Report on Trafficking in Persons 2020* and NAICS codes from USASpending contract data.

OIG then selected a statistical sample for each area of concern—security, construction, and facility and household services—to determine whether Department-issued contracts included language required by FAR 52.222-50, “Combating Trafficking in Persons.” OIG derived a statistical sample of 80 contracts, determined by applying a 95 percent confidence interval and a 10 percent error rate to the total population of 329 contracts. Sample sizes for each area of concern were weighted based on the proportion of the total population of contracts that comprised each area. OIG also identified 11 contracts as potential replacements in the event it could not obtain documentation related to up to 11 of the 80 contracts in the sample. OIG selected the contracts for review using a random number generator and obtained the necessary information for the original sample of 80 contracts; therefore, it did not utilize any of

the 11 replacement contracts in its review. Table A.3 outlines the sample size and weighted distribution for each area of concern.

Table A.3: OIG Statistical Sample Size and Weighted Distribution by Area of Concern

Area of Concern	Sample Size (Number of Contracts)	Potential Replacements (Number of Contracts)
Security Services	36	5
Construction Services	24	3
Facilities and Household Services	20	3
Total	80	11

Source: OIG-generated based on analysis performed by the Office of Audits statistician to construct a statistical sample size for audit review.

Following testing for FAR 52.222-50, OIG identified a nonstatistical subsample of 16 contracts from the original sample of 80 contracts to determine the extent to which COs and CORs complied with TIP training requirements; monitored contractor and subcontractor performance to prevent and address instances of TIP labor practices; and applied federal laws and regulations to hold contractors and subcontractors accountable for instances of TIP labor practices. OIG selected the subsample based on factors that indicate increased TIP risk, such as whether contractors employ migrant labor and provide housing. OIG reviewed documentation and interviewed COs, CORs, and other Department contracting personnel to assess whether the Department implemented internal management controls to ensure that COs and CORs completed required trainings in compliance with federal and Department requirements. In addition, OIG considered proximity of geographic location for potentially conducting overseas fieldwork. Table A.4 outlines the distribution of OIG's nonstatistical subsample by area of concern.

Table A.4: OIG Nonstatistical Subsample of Contracts Selected for Additional Review

Area of Concern	Contract Number	Task Order*	Dollar Value
Security	SAQMMA16D003	19AQMM20F0921	\$587,930
	SAQMMA16C0179		\$28,072,545
	SAQMMA17C0237		\$18,340,230
	SAQMMA16D0042	19AQMM20F0459	\$1,054,982
	19AQMM18C0203		\$44,919,714
	SAQMMA10D0066	SAQMMA15F0360	\$2,131,258
	19AQMM18C0002		\$12,488,556
	SAQMMA16D0031	19AQMM19F1471	\$7,730,010
	Subtotal: Security		\$115,325,225
Construction	19GE5020C0038		\$2,660,753
	19AQMM21C0053		\$1,322,981
	19AQMM19D0083	19AQMM20F1369	\$1,982,884
	SAQMMA17C0212		\$449,229,102
	Subtotal: Construction		\$455,195,720

Area of Concern	Contract Number	Task Order*	Dollar Value
Facility and Household Services	19SU4020C0002		\$1,215,903
	19GE5020D0031	19GE5020F0504	\$551,552
	19GE5018D0004	19GE5021F0153	\$575,828
	19AQMM18D0059	19AQMM18F4283	\$8,557,101
	Subtotal: Facility and Household Services		\$10,900,384
Total			\$581,421,329

* If applicable.

Source: OIG-generated based on review of statistically sampled contracts for factor that indicate increased risk of TIP, such as whether contractors employ migrant labor or provide housing.

Prior Audit Reports

In the *Performance Evaluation of Department of State Contracts to Assess the Risk of Trafficking in Persons Violations in Four States in the Cooperation Council for the Arab States of the Gulf* (MERO-I-11-06, January 2011), OIG reported that Department-funded contractors and subcontractors at Embassies Kuwait City, Kuwait; Muscat, Oman; Riyadh, Saudi Arabia; and Abu Dhabi, United Arab Emirates, as well as Consulates General Dharan, Saudi Arabia and Dubai, United Arab Emirates, engaged in behavior that, according to the International Labour Organization, increased TIP risk. OIG also found that neither the FAR, standard contract language, the *Foreign Affairs Manual*, nor the *Foreign Affairs Handbook* effectively addressed how to monitor contracts for TIP issues, such as passport security and accessibility, compensation, and housing quality for foreign contract workers. OIG offered seven recommendations to address these deficiencies, all of which have been implemented and closed.

In the *Compliance Followup Review of Department of State Actions To Reduce the Risk of Trafficking in Persons Violations in Four States in the Cooperation Council for the Arab States of the Gulf* (AUD-MERO-12-47, September 2012), OIG assessed the Department's actions to implement seven recommendations offered in *Performance Evaluation of Department of State Contracts to Assess the Risk of Trafficking in Persons Violations in Four States in the Cooperation Council for the Arab States of the Gulf* (MERO-I-11-06, January 2011), and to determine whether the recommendations should be closed or reissued. OIG closed Recommendations 1, 3, and 7 from the prior report and modified and reissued Recommendations 2, 4, and 6. OIG closed Recommendation 5 for Embassy Kuwait City and reissued it for Embassies Riyadh, Muscat, and Abu Dhabi. OIG also issued 11 new recommendations, all of which were implemented and subsequently closed by July 2013.

In *Memorandum Report: Performance Evaluation of Department of State Contracts to Monitor Vulnerability to Trafficking in Persons Violations in the Levant*, (MERO-I-11-07, March 2011), OIG reviewed 10 contracts performed at U.S. Embassies in Israel, Jordan, Lebanon, and Syria, and Consulate General Jerusalem. OIG found the management practices of 9 of the 10 contractors showed no increased risk of trafficking. However, one contractor engaged in practices that increased the risk of TIP through exploitative conditions or work, including long work hours and payment issues, such as employees working double shifts equating to 70-80

hours per work week without overtime pay. The contractor also required that employees pay the contractor the equivalent of 1 month's pay as fees for renewing their work permits. However, at the time of OIG's field work, the contract was in its final days of performance and the embassy at which the contract was executed had previously learned of the contractor's conduct and had disqualified it from issuing a proposal for the new contract. Therefore, OIG offered no recommendations.

In the *Audit of Bureau of East Asian and Pacific Affairs Compliance With Trafficking in Persons Requirements* (AUD/IP-12-02, October 2011), OIG contracted with RM Advisory Services, LLC to complete a report that found that Department employees in the Bureau of East Asia and Pacific Affairs and the Asia-Pacific region were not uniformly aware of what constitutes TIP activity, the penalties for TIP violations, where to report allegations of violations, and that TIP policies apply to Department contractors. In addition, RM Advisory Services, LLC reported that overseas posts within the Bureau of East Asia and Pacific Affairs rarely issued general TIP policy guidance to personnel. OIG offered four recommendations to the Bureau's Office to Monitor and Combat Trafficking in Persons, all of which have been closed; Recommendations 1 and 2 were fully implemented, Recommendation 3 was partially implemented, and Recommendation 4 was not implemented. On May 12, 2020, OIG's Audit Compliance personnel informed the Department that it had been almost 9 years since the release of the report and the Office to Monitor and Combat Trafficking in Persons had not fully implemented Recommendations 3 and 4. OIG closed the recommendations, with the understanding that any effects resulting from incomplete implementation or not implementing the recommendations rest solely with the Office to Monitor and Combat Trafficking in Persons.

APPENDIX B: BUREAU OF ADMINISTRATION RESPONSE



United States Department of State

Washington, D.C. 20520

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May 4, 2022

MEMORANDUM

TO: OIG/AUD Norman P. Brown

FROM: A/OPE/AP John Dockery *JD*

SUBJECT: Draft Report - Audit of Department of State Actions to Prevent Unlawful Trafficking in Persons Practices When Executing Security, Construction, and Facility and Household Services Contracts at Overseas Posts

Thank you for the opportunity to provide an update to the subject report. The point of contact for this report is the A/OPE Front Office (A-OPEFrontOffice.Assistants@state.gov).

Recommendation 1: OIG recommends that the Bureau of Administration update guidance to clearly communicate to Department of State contracting personnel which training courses are approved and available to meet the annual trafficking in persons training requirement.

Management Response to Draft Report: The Office of the Procurement Executive (A/OPE) concurs with the OIG's recommendation.

Recommendation 2: OIG recommends that the Bureau of Administration develop and implement a policy to periodically review new and existing training courses to ensure that all appropriate training is included in the guidance.

Management Response to Draft Report: The Office of the Procurement Executive (A/OPE) concurs with the intent of the OIG's recommendation. In lieu of an A/OPE policy, a Memorandum of Understanding to outline the parameters that ensure all current and future acquisition training courses delivered through the FSI training platform, course delivery methods, course evaluations, and development of classroom, virtual and distance learning courses for the acquisition community will include the appropriate review of training and guidance. A/OPE will accept courses authorized or recommended by the Office of Federal Procurement Policy as appropriate. Courseware offered by external agencies (i.e., Federal Acquisition Institute, Defense Acquisition University, and other federal training providers) are outside the authority of the State Department; those external agencies are responsible for performing their own internal reviews and maintaining course content.

Recommendation 3: OIG recommends that the Bureau of Administration update Department guidance including the Foreign Affairs Handbook and applicable Procurement Information Bulletins to clarify that trafficking in persons monitoring, including developing and implementing trafficking in persons monitoring strategies, is required for all applicable contracts, not just those that employ third-country national or migrant labor.

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Management Response to Draft Report: The Office of the Procurement Executive (A/OPE) concurs with the OIG's recommendation.

Recommendation 4: OIG recommends that the Bureau of Administration develop and implement guidance that Contracting Officers and Contracting Officer's Representatives review contractor trafficking in persons compliance plans to determine whether their content meets requirements of Federal Acquisition Regulation 52.222-50(h) and to inform required trafficking in persons monitoring strategies.

Management Response to Draft Report: The Office of the Procurement Executive (A/OPE) concurs with the OIG's recommendation.

Recommendation 5: OIG recommends that the Bureau of Administration in coordination with the Foreign Service Institute, update Department trafficking in persons training to clarify that trafficking in persons monitoring is required for all applicable contracts, not just those that employ third-country national or migrant labor.

Management Response to Draft Report: The Office of the Procurement Executive (A/OPE) concurs with the OIG's recommendation.

Recommendation 6: OIG recommends that the Bureau of Administration, in coordination with the Foreign Service Institute, update Department trafficking in persons training to include discussions of Federal Acquisition Regulation 52.222-50(h) requirements for contractors to maintain trafficking in persons compliance plans and Department guidance and requirements for reviewing the plans and using them to inform trafficking in persons contract monitoring strategies established in accordance with Recommendation 3.

Management Response to Draft Report: The Office of the Procurement Executive (A/OPE) concurs with the OIG's recommendation.

Recommendation 7: OIG recommends that the Bureau of Administration instruct Contracting Officers with oversight responsibility for active contracts in OIG's nonstatistical subsample, listed in Table A.4, to review contractor trafficking in persons compliance plans associated with these contracts and determine whether to apply any of the remedies outlined in Federal Acquisition Regulation (FAR) 52.222-50(e) based on contractors' failure to adhere to FAR 52.222-50(h) requirements.

Management Response to Draft Report: The Office of the Procurement Executive (A/OPE) concurs with the OIG's recommendation.

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APPENDIX C: FOREIGN SERVICE INSTITUTE RESPONSE



United States Department of State

Foreign Service Institute

*National Foreign Affairs Training Center
Washington, D.C. 20522-4201*

May 9, 2022

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MEMORANDUM

TO: OIG – Norman P. Brown, Assistant Inspector General

FROM: FSI Joan Polaschik, Acting

SUBJECT: FSI Response to OIG Draft Report - Audit of Department of State Actions to Prevent Unlawful Trafficking in Persons Practices When Executing Security, Construction, and Facility and Household Services Contracts at Overseas Posts

The Foreign Service Institute (FSI) has reviewed the draft OIG audit report. We provide the following comments in response to the recommendations provided by OIG:

OIG Recommendation 5

OIG recommends that the Bureau of Administration, in coordination with the Foreign Service Institute, update Department trafficking in persons training to clarify that trafficking in persons monitoring is required for all applicable contracts, not just those that employ third-country national or migrant labor.

FSI Management Response

FSI accepts the recommendation and will coordinate with the Bureau of Administration to update Department trafficking in persons training.

Recommendation 6

OIG recommends that the Bureau of Administration, in coordination with the Foreign Service Institute, update Department trafficking in persons training to include discussions of Federal Acquisition Regulation 52.222-50(h) requirements for contractors to maintain trafficking in persons compliance plans and Department guidance and requirements for reviewing the plans and using them to inform trafficking in persons contract monitoring strategies established in accordance with Recommendation 3.

FSI Management Response

FSI accepts the recommendation and will coordinate with the Bureau of Administration to update Department trafficking in persons training to include discussions of Federal Acquisition Regulation 52.222-50(h) requirements.

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Approved: FSI - Joan Polaschik, Acting Director (JAP)

Drafted: FSI/EX – Linda Eduful

Cleared: FSI/EX - SRogier (OK)
FSI/SPAS - MRamgoolie (OK)
FSI/SPAS - BHunt (OK)
FSI/SPAS - TLambert (OK)
A - CSappenfield (OK)
A/OPE/AP - JDockery (OK)
M - ABibb (OK)
M/SS - MLongstreth (OK)

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ABBREVIATIONS

CO	Contracting Officer
COR	Contracting Officer's Representative
E.O.	Executive Order
FAH	Foreign Affairs Handbook
FAR	Federal Acquisition Regulation
FSI	Foreign Service Institute
OIG	Office of Inspector General
OPE	Bureau of Administration, Office of the Procurement Executive
PIB	Procurement Information Bulletin
TIP	Trafficking in Persons

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