



Office of Inspector General
United States Department of State

AUD-SI-21-39

Office of Audits

August 2021

**(U) Audit of the Bureau of Diplomatic
Security's Process To Verify That
Purchased Protective Equipment
Complied With Performance and
Contractual Requirements**

SECURITY AND INTELLIGENCE DIVISION



HIGHLIGHTS

Office of Inspector General
United States Department of State

AUD-SI-21-39

(U) What OIG Audited

(U) The Department of State (Department) Bureau of Diplomatic Security (DS), Office of Physical Security Programs, Defensive Equipment and Armored Vehicle Division (DEAV), directs the development of standards, policies, and procedures related to Special Protective Equipment (SPE), including body armor. The National Institute of Justice (NIJ) sets standards that define minimum performance requirements for body armor.

(U) The Office of Inspector General (OIG) conducted this audit to determine whether DS's internal control processes and activities were sufficient to verify that procured body armor complied with contractual requirements and NIJ standards. This audit focused on body armor items acquired by DS during FY 2019 and FY 2020.

(U) What OIG Recommends

(U) OIG made one recommendation to address the deficiency noted with the body armor acquired by DS's Office of Antiterrorism Assistance (ATA) in FY 2018. On the basis of DS's response to a draft of this report, OIG considers the recommendation resolved, pending further action. A synopsis of DS's response to the recommendation offered and OIG's reply follow the recommendation in the Audit Results section of this report. DS's response to a draft of this report is reprinted in its entirety in Appendix B.

(U) August 2021

(U) OFFICE OF AUDITS

(U) SECURITY AND INTELLIGENCE DIVISION

(U) Audit of the Bureau of Diplomatic Security's Process To Verify That Purchased Protective Equipment Complied With Performance and Contractual Requirements

(U) What OIG Found

(U) DS implemented an internal control process and related activities to effectively verify that procured body armor complied with contractual requirements and NIJ standards, as applicable. Specifically, OIG found that DS implemented a sound control environment and corresponding control activities to reduce the risk of obtaining fraudulent or inadequate quality body armor. For example, DS created the Special Protective Equipment Review Board in April 2013 to develop and recommend policies, procedures, and tactics on the authorities and use of SPE. Additionally, DEAV assumed responsibility for managing body armor and gained an embedded Contracting Officer to support its body armor program in early 2019. DEAV also vetted body armor vendors in advance of purchases, implemented contract mechanisms to ensure compliance with body armor standards, and conducted additional body armor testing through various Government partners. OIG physically inspected 54 body armor items (helmets, soft armor, and hard armor) warehoused in Virginia and designated for use overseas. OIG did not identify any deficiencies; specifically, OIG confirmed that each item had a serial number, was manufactured in the United States, and had stitching, weight, and craftsmanship that appeared sufficient. However, OIG noted that ATA acquired 400 body armor items in FY 2018, prior to DEAV assuming responsibility for managing body armor, that did not have required serial numbers. Because these items did not have required serial numbers in accordance with NIJ standards, DS will need to inspect these items to determine whether they are of sufficient quality or need to be disposed of or replaced.

(U) OIG determined that the internal control process used by DEAV to manage the body armor program was effective because it followed the principles of the *Standards for Internal Control in the Federal Government*. As a result, DEAV designed, implemented, and operated an effective system of internal control that significantly decreases the risk that fraudulent or inferior body armor could be procured and distributed among Department personnel.

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(U) OBJECTIVE

(U) The Office of Inspector General (OIG) conducted this audit to determine whether the Bureau of Diplomatic Security's (DS) internal control process and related activities were sufficient to verify that procured personal protective equipment (PPE)¹ complied with contractual requirements and National Institute of Justice (NIJ) standards.

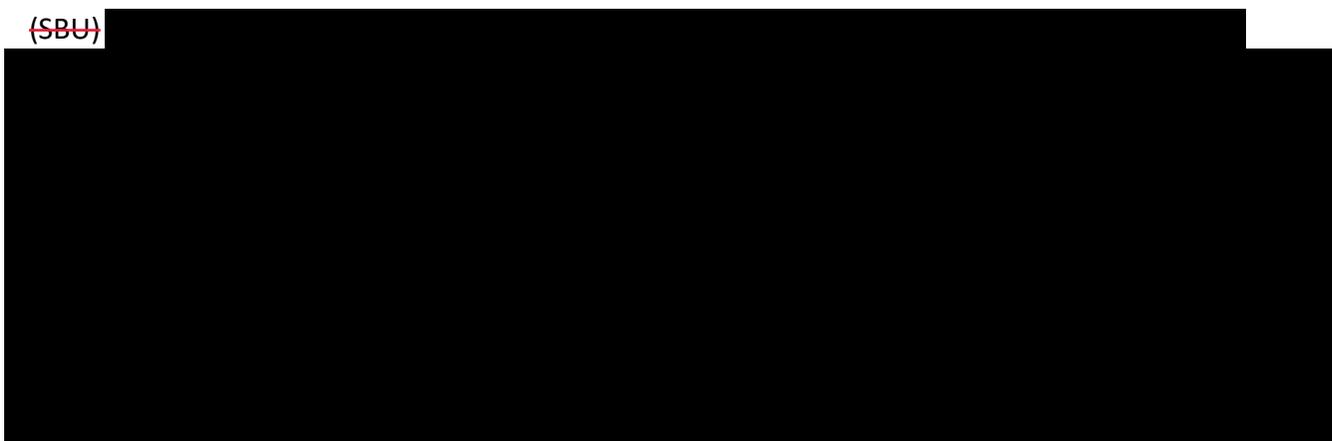
(U) BACKGROUND

(U) Defensive Equipment and Armored Vehicles

(U) DS is the Federal law enforcement and security bureau of the Department of State (Department) and has the largest global reach of any U.S. Federal law enforcement agency with offices in 29 U.S. cities and in more than 270 locations around the world. According to the Foreign Affairs Manual (FAM), the Bureau of Diplomatic Security, Office of Physical Security Programs, Defensive Equipment and Armored Vehicle Division (DEAV), is the program office responsible for program management and research and development, as well as policy for Department-approved body armor.² In July 2016, the Department designated DEAV as the sole program of record and overall coordination point for all protective equipment-related issues and as the official liaison for protective equipment with industry, Federal, state, local government agencies, and foreign governments.³ DEAV issues body armor for DS special agents and other DS personnel and provides subject matter expertise to other Department programs on approved body armor. According to the Department's records, DS spent about \$16.6 million on body armor during FY 2019 and FY 2020.

(U) Body Armor

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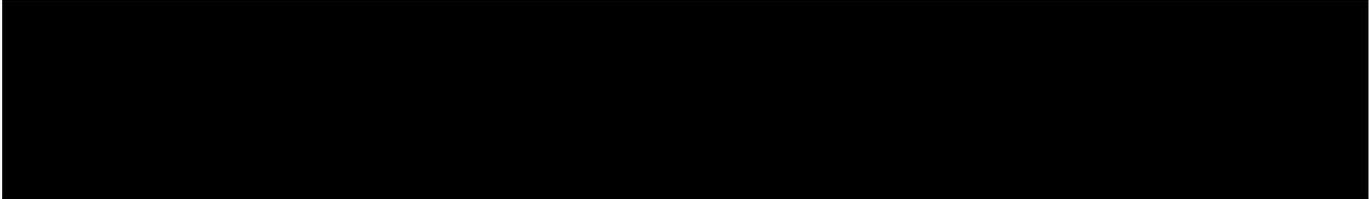
¹ (U) PPE is also known as body armor, and OIG used the term "body armor" in lieu of PPE throughout this report.

² (U) 1 FAM 262.1-1 (D), "Defensive Equipment and Armored Vehicle Division (DS/PSP/DEAV)."

³ (U) Department, Cable 16 STATE 82424.

⁴ (U) Aramid materials are any group of strong, heat-resistant synthetic materials that can be fashioned into fibers, filaments, or sheets.

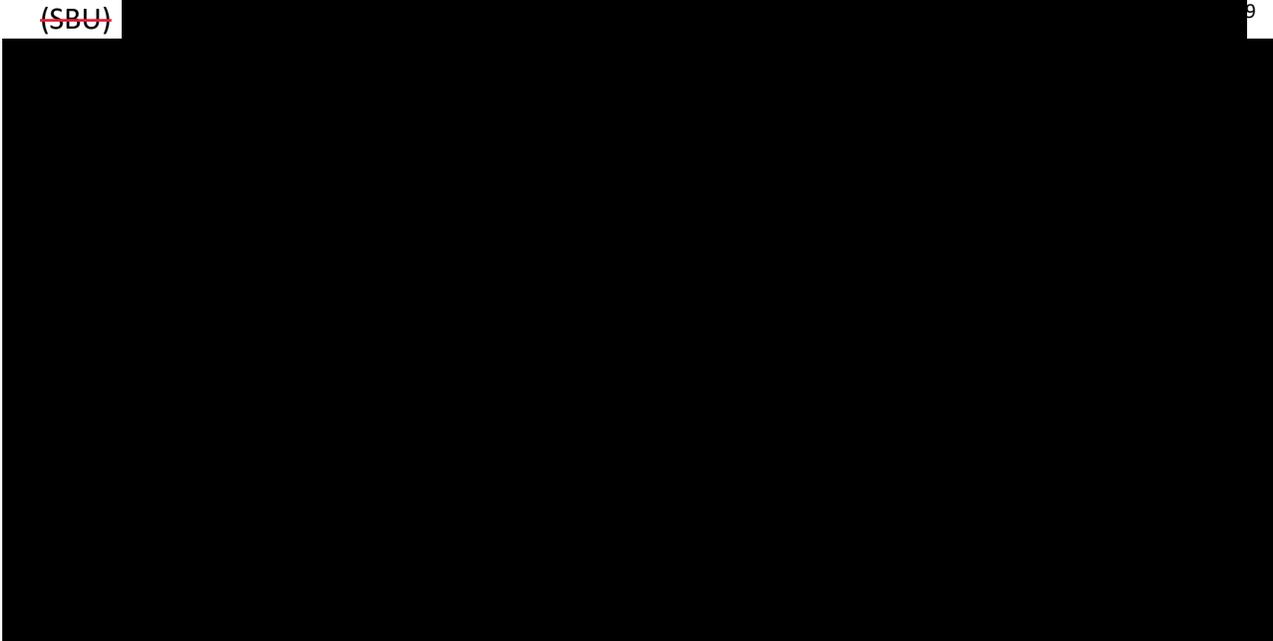
⁵ (U) A non-ballistic material used to catch and mitigate fragmentation from the projectile or the armor itself.



(U) National Institute of Justice

(U) NIJ is the research, development, and evaluation agency of the Department of Justice. NIJ establishes and updates voluntary minimum performance standards for body armor, conducts testing against these standards to ensure that body armor complies with the standards, and sponsors research to improve body armor. NIJ Standard-0101.06⁸ establishes minimum performance requirements and test methods for the ballistic resistance of personal body armor intended to protect against gunfire. These standards are used by the NIJ Voluntary Compliance Testing Program to determine which body armor models meet the minimum performance requirements for inclusion on the NIJ Compliant Products List. NIJ also sets standards for material durability, marking and labeling, workmanship, test-range parameters, environmental considerations, instrumentation and calibration, test fixtures, and performance aspects of projectiles and barrels. Manufacturers, criminal justice agencies, and others may use the tests described in these standards to determine whether a particular armor design meets their own requirements.

(U) Diplomatic Security Body Armor Standards

~~(SBU)~~ 

⁶ ~~(SBU)~~ 

⁷ (U) NIJ Standard-0101.06, "Ballistic Resistance of Body Armor" (July 2008).

⁸ (U) Ibid.

⁹ (U) Ibid.

¹⁰ ~~(SBU)~~ 

(U) Internal Control in the Federal Government

(U) The Government Accountability Office (GAO) publication *Standards for Internal Control in the Federal Government*¹¹ defines internal control as a process used by management that provides reasonable assurance that the objectives of an entity will be achieved. According to the guidance:

An effective internal control system increases the likelihood that an entity will achieve its objectives. However, no matter how well designed, implemented, or operated, an internal control system cannot provide absolute assurance that all an organization's objectives will be met. . . . Therefore, once in place, effective internal control provides reasonable, not absolute, assurance that an organization will achieve its objectives.

(U) Federal law requires Executive Branch entities to establish internal controls in accordance with the *Standards for Internal Control in the Federal Government*.¹² The five components of internal control contain required principles that are necessary to establish an effective internal control system:

- (U) The control environment component includes, among others, the principle that management should evaluate performance and hold individuals accountable for their internal control responsibilities.
- (U) The risk assessment component includes, among others, the principle that management should identify, analyze, and respond to risks related to achieving objectives.
- (U) The control activities component includes, among others, the principle that management should implement control activities, such as segregation of duties, through policies.
- (U) The information and communication component includes, among others, the principle that management should use quality information to achieve the entity's objectives.
- (U) The monitoring component includes, among others, the principle that management should monitor the internal control system and evaluate the results.

¹¹ (U) Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

¹² (U) The Federal Managers' Financial Integrity Act, 31 U.S.C. § 3512 (c) and (d).

(U) The scope of this audit included two internal control components and related principles, control environment and control activities, that fit within the context of the body armor acquisition process.

(U) AUDIT RESULTS

(U) Finding A: The Bureau of Diplomatic Security Implemented an Internal Control Process and Related Activities To Effectively Verify That Procured Body Armor Complied With Contractual Requirements and Standards

(U) OIG found that DS implemented an internal control process and related activities to effectively verify that procured body armor complied with contractual requirements and NIJ standards, as applicable.¹³ Specifically, OIG found that DS implemented a sound control environment and corresponding control activities to reduce the risk of obtaining fraudulent or inadequate quality body armor. For example, DS created the Special Protective Equipment Review Board (SPERB) in April 2013 to develop and recommend policies, procedures, and tactics on the authorities and use of Special Protective Equipment (SPE).¹⁴ Additionally, DEAV assumed responsibility for managing body armor and gained an embedded Contracting Officer to support its body armor program in early 2019. DEAV also vetted body armor vendors in advance of purchases, implemented contract mechanisms to ensure compliance with body armor standards, and conducted additional body armor testing through various Government partners.

(U) OIG physically inspected 54 body armor items (helmets, soft armor, and hard armor) warehoused in Virginia and designated for use overseas. OIG did not identify any deficiencies; specifically, OIG confirmed that each item had a serial number, was manufactured in the United States, and had stitching, weight, and craftsmanship that appeared sufficient. However, OIG noted that DS's Office of Antiterrorism Assistance (ATA) acquired 400 body armor items in FY 2018, prior to DEAV assuming responsibility for managing body armor, that did not have required serial numbers. Because these items did not have required serial numbers in accordance with NIJ standards, DS will need to inspect these items to determine whether they are of sufficient quality or need to be disposed of or replaced.

(U) Internal Control Standards—Control Environment

(U) OIG found that DS implemented a sound control environment¹⁵ to help procure and obtain critical life-safety equipment, such as body armor, for Department personnel. The control environment component is the foundation for an internal control system and provides the

¹³ (U) This audit focused on body armor items that were acquired by DS during FY 2019 and FY 2020 and were designated for use overseas. See Appendix A: Purpose, Scope, and Methodology of this report for additional details regarding the scope of this audit.

¹⁴ (U) SPE refers to all weapons, body armor, equipment, and gear used by DS personnel to conduct law enforcement, security, and protective missions.

¹⁵ (U) GAO-14-704G, September 2014, at 21.

discipline and structure to help an entity achieve its objectives.¹⁶ To address the control environment component, DS created the SPERB in April 2013¹⁷ to develop and recommend policies, procedures, and tactics on the authorities and use of SPE.¹⁸ These policies, procedures, and tactics address, among others, firearms, less-than lethal devices, protective equipment, and emerging technologies.¹⁹ The SPERB is chaired by the DS Deputy Assistant Secretary for Training, and other voting members include DS's Deputy Assistant Secretaries for International Programs, High Threat Programs, Countermeasures, Domestic Operations, and Threat Investigations and Analysis. Non-voting members include DS's Chiefs for the Policy and Planning Division, DEAV, Security and Law Enforcement Training Division, Firearms Training Unit, and Marine Security Guard Branch, and directors from other DS offices. The SPERB also maintains two working groups, which include some of the same personnel noted previously. These two working groups include: (1) the Firearms, Optics, and Protective Equipment Working Group and (2) the Less-Than-Lethal and Emerging Technologies Working Group. Both working groups make recommendations to the SPERB on tactics, techniques, policies, and equipment within their area of responsibility.²⁰ According to the FAM, all body armor specifications and approved equipment lists are SPERB-recommended and DS, Office of Countermeasures-approved.²¹

(U) Additionally, in July 2016, the Department designated DEAV as the program of record for SPE within DS.²² Prior to this designation, DEAV was responsible for the procurement, maintenance, and inventory of weapons. The new designation expanded the role of DEAV to include all SPE within DS and was an important development because, prior to this designation, DS did not use a centralized process to procure, maintain, and inventory critical SPE items, such as body armor and helmets. This led to a lack of standardization across DS, poor inventory procedures, equipment of unknown quality, and confusion among external partners (e.g., industry contacts, Government agencies, other law enforcement entities, and foreign governments) about what entity within DS was responsible for SPE. DEAV should have collected requirements from all DS directorates and their designated suboffices through the end of FY 2016.²³ Then beginning in FY 2017, all SPE-related funding would be centralized within DEAV, and DEAV would begin to oversee all procurement, issuance, shipping, and inventory controls for SPE within DS.²⁴ However, according to DEAV officials, centralized control was not fully implemented until October 2019. DEAV officials stated that the delay in assuming full responsibility for SPE items stemmed from challenges in obtaining experienced staff to execute the program, collecting body armor requirements from all DS directorates, updating, or developing policies and procedures, and conducting a baseline inventory for body armor within DS.

¹⁶ (U) Ibid.

¹⁷ (U) 12 FAM 023, "Special Protective Equipment Review Board (SPERB)."

¹⁸ (U) 12 FAM Exhibit 023(c), "Special Protective Equipment Review Board Charter."

¹⁹ (U) Ibid.

²⁰ (U) Ibid.

²¹ (U) 14 FAM Exhibit 221.3, "Clearance Requirements for Miscellaneous Supplies and Services."

²² (U) Department, Cable 16 STATE 82424.

²³ (U) Ibid.

²⁴ (U) Ibid.

(U) Furthermore, DEAV is the sole procurement program office of record responsible for program management and research and development, as well as policy for Department-approved body armor. To aid this effort, in early 2019, DEAV gained an embedded Contracting Officer for the Bureau of Administration, Office of the Procurement Executive, Office of Acquisitions Management (AQM), Diplomatic Security Contracts Division (DSCD), in support of its body armor program. In addition, DEAV and DSCD have been actively engaged in standardizing and modernizing the body armor ordering process. For example, in November 2020, the FAM was updated to state that DSCD is the mandatory contracting source for body armor purchases on behalf of the Department.²⁵ In addition, the FAM indicated that a waiver was required to purchase body armor outside of DEAV's DSCD contract or ordering mechanism.²⁶ As a result of the actions DS management took to implement a strong control environment, OIG concludes that the body armor procurement process is disciplined and structured to help DS achieve its objective of obtaining critical life-safety equipment for Department personnel.

(U) Internal Control Standards—Control Activities

(U) OIG also found that DS implemented sound control activities to reduce the risk of obtaining fraudulent or inadequate quality body armor. The control activities component includes the actions management establishes through policies and procedures to achieve objectives and respond to risks in the internal control system, which includes the entity's information system.²⁷ To achieve this component, DEAV developed standard operating procedures for its body armor program to outline its warehouse responsibilities regarding order fulfillment, inventory, shipping, receiving, and safety of fielding equipment for domestic and Foreign Service posts.²⁸ The purpose of the standard operating procedures is to provide prescriptive procedures on property accountability and lifecycle management of DS-issued body armor. The guidelines outlined in the standard operating procedures apply to DEAV logistics operations as the body armor program management office, as well as end user responsibilities for personnel who are issued PPE through DEAV facilities or previously through other issuing offices. Developing standard operating procedures helps ensure internal controls are adhered to and consistently applied.

(U) DEAV also vetted body armor vendors in advance of purchases. According to the Department's Acquisition Plan, DEAV conducts extensive market research, identifying all items available on the market and ensuring DS only procures items that are not gray market,²⁹ counterfeit, or unsafe.³⁰ DEAV and AQM have been actively engaged in standardizing and modernizing the body armor ordering process. DEAV's efforts to thoroughly vet sources for body armor are resulting in brand-name requirements. According to DEAV, the plates and

²⁵ (U) 14 FAM Exhibit 221.3.

²⁶ (U) Ibid.

²⁷ (U) GAO-14-704G, September 2014, at 44.

²⁸ (U) DS, Defensive Equipment Branch Personal Protective Equipment (PPE) Standard Operating Procedures, December 14, 2020.

²⁹ (U) Products that are sold legally, but outside of the brand's permission.

³⁰ (U) AQM, Acquisition Plan for Personal Protective Equipment, November 20, 2020.

carriers have been independently tested and vetted through multiple test protocols and specific criteria, which require specific items to be procured in support of the mission.

(U) Additionally, DEAV, in coordination with DSCD, implemented contract mechanisms to ensure compliance with body armor standards. DEAV primarily sourced body armor from three vendors through a \$1 billion, 5-year, cost-plus-incentive-fee contract for global security engineering and supply chain services. According to the Contracting Officer, DEAV identifies the vendors that could provide the proper equipment and then provides the names of the vendors to the primary contract holder. The primary contract holder then sources the body armor directly from the vendors identified by DEAV. According to DEAV officials, this ensures that the primary contract holder is not subcontracting to vendors who may provide body armor that does not meet the Department's requirements.

(U) DSCD became the mandatory contracting source for body armor purchases on behalf of the Department in November 2020.³¹ All body armor orders must be coordinated through DEAV, and a waiver is required for purchases made outside of DEAV's AQM contract mechanism.³² DEAV is working with its embedded Contracting Officer to implement Blanket Purchase Agreements (BPA)³³ with DEAV's body armor manufacturers to streamline procurement and delivery.³⁴ The BPAs will provide Department-approved body armor for DS to support its agent training and field activities. The contemplated BPAs will help ensure just-in-time supply of specialized equipment designed for specialized protection of Department personnel while they are actively supporting the DS mission. The BPAs will also be DEAV's mandatory source for all of the Department's soft body armor and carriers, ensuring that only field-tested, original equipment manufacturer-certified genuine products are purchased, received, and used in the field.

~~(SBU)~~ [REDACTED]

³¹ (U) 14 FAM Exhibit 221.3.

³² (U) Ibid.

³³ (U) A BPA is a simplified method of filling anticipated, repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supply.

³⁴ (U) DEAV established its first BPA for ballistic helmets in May 2021 and planned to establish BPAs for hard armor and soft armor.

³⁵ ~~(SBU)~~ [REDACTED]

(U) OIG Physical Inspections of Body Armor Items

(U) OIG physically inspected a sample³⁶ of body armor acquired by DS in FY 2019 and FY 2020 and did not identify any deficiencies.³⁷ Specifically, OIG physically inspected 54 body armor items (helmets, soft armor, and hard armor) warehoused in Virginia and destined for overseas use to ensure that the body armor items complied with contractual requirements and NIJ standards,³⁸ as applicable. OIG confirmed that each item had a serial number, was manufactured in the United States, and had stitching, weight, and craftsmanship that appeared sufficient.

(U) Additionally, OIG reviewed contract documentation to verify that the body armor in the selected audit sample complied with contractual requirements. OIG determined that the body armor descriptions and quantities appeared to correspond to the body armor descriptions and quantities in the contracts for the items sampled. However, OIG was unable to tie specific serial numbers from the body armor labels to the contracts because the contract documentation did not contain serial numbers. DS staff stated that they identified this as a potential issue in FY 2020 and have since implemented a more robust internal control activity. Specifically, DS officials stated that as of June 2020, they now require body armor manufacturers to include serial numbers on packing slips so they can match the serial numbers on the labels to the serial numbers on the packing slips when the items are received. OIG confirmed this practice and noted that serial numbers were included on an order of body armor items in June 2020. OIG is therefore not making a recommendation in this report because the issue has been successfully addressed.

~~(SBU)~~

³⁶ (U) Appendix A: Purpose, Source, and Methodology includes information on the sample selection.

³⁷ (U) All the body armor items that OIG physically inspected were designated for overseas use.

³⁸ (U) NIJ Standard-0101.06.

³⁹ ~~(SBU)~~

(SBU)



(U) Property Transaction Forms

(U) OIG found instances in which the DS-584, Nonexpendable Property Transaction, forms⁴⁰ were not completed to document the issuance of body armor to DS personnel. Specifically, OIG found three⁴¹ body armor items (helmets and hard armor) that had been issued without the completion of the appropriate form. Additionally, DS was unable to locate one helmet and one piece of hard armor that was assigned to DS's Office of Mobile Security Deployments or its corresponding documentation.

(U) Because this issue was identified in a previous OIG audit,⁴² and DS acknowledged that body armor sent overseas "should have" a DS-584 signed by the receiving agent, OIG is not making a recommendation in this report. Specifically, DEAV consulted with DS's Logistics Services Division and various IT office managers to bridge the gap of unreturned and unsigned DS-584 forms. DEAV also implemented an e-sign verification process wherein agents will have 30 calendar days to sign and return the e-form to DEAV. As of April 2021, based on DEAV's actions, OIG closed the recommendation associated with the previous audit and is therefore not making a recommendation specific to this issue in this report. However, OIG will continue to monitor this situation in future oversight work to ensure DS-584s, or an acceptable alternative, are completed and returned in accordance with Department requirements.

⁴⁰ (U) DS-584 is used for documenting the relocation/redistribution of personal property within the Department.

⁴¹ (U) During audit fieldwork, OIG identified nine items (helmets and hard armor) that had been issued without the completion of the appropriate form. DEAV provided OIG with two signed DS-584 forms related to six of the body armor items on July 16, 2021, which was after OIG completed its fieldwork. These six items were issued on March 4, 2021, and March 5, 2021; however, the forms were not dated until April 19, 2021, and July 15, 2021, respectively. The six items were issued by DS to agents that were starting 6 months of advanced tactical training. According to DS officials, the DS-584 forms were not returned to DEAV immediately because the training is conducted at a variety of offsite locations that are not in the Washington, DC, area. Additionally, COVID-19 commercial air cargo disruptions and maximum telework policies adversely impacted DEAV's ability to obtain signed DS-584 forms from agents who are issued accountable items overseas. According to DS officials, the April 2021 implementation of DEAV's new e-sign process and gradual return to pre-pandemic operations should ensure that the DS-584 forms are signed and returned in a timely manner.

⁴² (U) OIG, *Compliance Follow-Up Audit of Bureau of Diplomatic Security Property Management Procedures for Protective Personnel Equipment* (AUD-SI-20-30, July 2020).

(U) Serial Numbers

(U) During the audit, OIG also found that DS's Office of Antiterrorism Assistance, Special Program for Embassy Augmentation Response (SPEAR), had acquired 400 body armor items in FY 2018, prior to DEAV assuming responsibility for managing body armor, that did not have required serial numbers.⁴³ Specifically, SPEAR provided OIG with its inventory of body armor for OIG's sampling purposes, and OIG determined that items on the inventory list that were outside the scope of this audit did not contain serial numbers.⁴⁴ This occurred because SPEAR did not provide sufficient oversight to ensure that the body armor acquired met minimum NIJ labeling requirements. Because these items did not have required serial numbers in accordance with NIJ standards, DS will need to inspect these items to determine whether they are of sufficient quality or need to be disposed of or replaced. Body armor that is determined to be of insufficient quality may pose a life safety risk to personnel. OIG is therefore offering the following recommendation.

Recommendation 1: (U) OIG recommends that the Bureau of Diplomatic Security, within 90 days of final report issuance, (a) inspect the 400 body armor items acquired in FY 2018 for the Office of Antiterrorism Assistance, Special Program for Embassy Augmentation Response, that did not have serial numbers to determine whether they are of sufficient quality or need to be disposed of or replaced and (b) take appropriate action.

(U) Management Response: DS agreed with the recommendation, stating that its Specialized Programs Division will inspect, dispose of, and replace (as needed) the 400 body armor items acquired in FY 2018 that do not have serial numbers.

(U) OIG Reply: On the basis of DS's concurrence with the recommendation and planned actions, OIG considers this recommendation resolved, pending further action. The recommendation will be closed when OIG receives documentation demonstrating that DS has inspected the 400 body armor items acquired in FY 2018, determined whether the acquired body armor items for the Special Program for Embassy Augmentation Response are of sufficient quality, and has taken appropriate action to dispose of and replace all items deemed to be of insufficient quality.

⁴³ (U) NIJ Standard-0101.06.

⁴⁴ (U) Although this procurement was outside of the FY 2019 and FY 2020 scope period for this audit and OIG made DS aware of the issue when it was discovered, OIG is making a recommendation to track resolution of this issue through the audit compliance process.

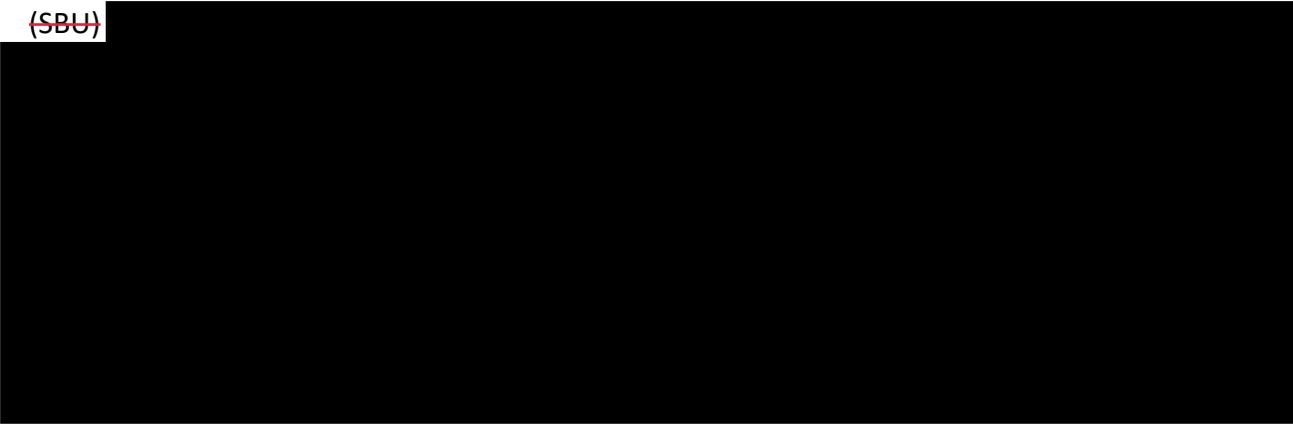
(U) RECOMMENDATIONS

Recommendation 1: (U) OIG recommends that the Bureau of Diplomatic Security, within 90 days of final report issuance, (a) inspect the 400 body armor items acquired in FY 2018 for the Office of Antiterrorism Assistance, Special Program for Embassy Augmentation Response, that did not have serial numbers to determine whether they are of sufficient quality or need to be disposed of or replaced and (b) take appropriate action.

(U) APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY

(U) The Office of Inspector General (OIG) conducted this audit to determine whether the Bureau of Diplomatic Security's (DS) internal control processes and activities were sufficient to verify that procured body armor complied with contractual requirements and National Institute of Justice (NIJ) standards.

(SBU)



(U) OIG conducted this audit from October 2020 to June 2021. OIG faced delays in completing this work because of the COVID-19 pandemic and resulting operational challenges. These challenges included the inability to conduct in-person meetings, limitations on OIG presence at the workplace, difficulty accessing certain information, prohibitions on travel, and related difficulties within the Department. Audit work was performed 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 believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objective.

(U) To obtain background information, including criteria, OIG researched and reviewed Federal laws and regulations, as well as policies relating to the Department of State's (Department) body armor program. Specifically, OIG reviewed the Foreign Affairs Handbook, Foreign Affairs Manual, and NIJ standards. OIG also interviewed key personnel within the Bureaus of Administration and DS. Additionally, OIG reviewed and analyzed documentation, including information obtained from the secure version of the Department's Integrated Logistics Management System (ILMS).¹ Furthermore, OIG performed physical inspections of 54 body armor items, (helmets, soft armor, and hard armor) warehoused in Virginia and designated for use overseas to confirm that each item had a serial number, was manufactured in the United States, and had stitching, weight, and craftsmanship that appeared sufficient.

¹ (U) The Department's official inventory records are maintained in ILMS, which is a web-based information system designed to address procurement, transportation, receiving, and property management.

(U) Data Reliability

(U) During the audit, OIG used electronically processed data from the secure version of the Department’s ILMS. OIG obtained access to ILMS to independently review records associated with the Department’s body armor assets.² OIG assessed the reliability of ILMS data by reviewing existing information about the data, interviewing knowledgeable officials, and conducting a walk-through of the system with Department personnel. Specifically, OIG reviewed the ILMS User Account Access Guide to attain an understanding of ILMS and met with DS officials to gain an understanding of ILMS recordkeeping specific to body armor. OIG used the information obtained from ILMS only to select a sample of body armor for physical inspection and concluded that the data were sufficiently reliable for that purpose.

(U) Work Related to Internal Control

(U) During the audit, OIG considered a number of factors, including the subject matter of the project, to determine whether internal control was significant to the audit objective. Based on its consideration, OIG determined that internal control was significant to this audit. Specifically, OIG considered the components of internal control and the underlying principles included in the *Standards for Internal Control in the Federal Government*³ to identify internal controls that were significant to the audit objective. OIG concluded that two of five internal control components were significant to the audit objective: (1) control environment component is the foundation for an internal control system. It provides the discipline and structure to help an entity achieve its objectives; and (2) control activities component includes the actions management establishes through policies and procedures to achieve objectives and respond to risks in the internal control system, which includes the entity’s information system. OIG also concluded that two of the principles related to the selected components were significant to the audit objective, as described in Table A.1.

(U) Table A.1: Internal Control Components and Principles Identified as Significant

Components	Principles
Control Environment	Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity’s objectives.
Control Activities	Management should design control activities to achieve objectives and respond to risks.

(U) **Source:** OIG generated based on the Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

(U) OIG then interviewed Department officials, reviewed documents, and performed walkthroughs of the process to attain 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.

² (U) The data obtained from ILMS was only used to select a sample of body armor for physical inspection.

³ (U) Government Accountability Office, *Standards for Internal Control in the Federal Government* (GAO-14-704G, September 2014).

(U) Specifically, OIG:

- (U) Interviewed Department officials regarding control environment and control activities for body armor.
- (U) Reviewed Department policies, procedures, and cables specifically related to the body armor program.
- (U) Reviewed bureau-specific standard operating procedures regarding body armor.

(U) Audit findings involving those internal controls that were identified as significant and within the context of the audit objective are presented in the Audit Results section of this report.

(U) Sampling Methodology

(U) The objectives of the sampling process were to select a sample of body armor items for physical inspection. Due to COVID-19 travel restrictions, the team limited its sampling to items stored at three DS warehouses located in Virginia. Specifically, OIG physically inspected items from the Foreign Affairs Security Training Center (FASTC), DS’s Office of Physical Security Programs, Defensive Equipment and Armored Vehicle Division (DEAV), and DS’s Office of Antiterrorism Assistance, Special Program for Embassy Augmentation Response (SPEAR). OIG employed a nonstatistical random sampling design to select its sample of 54 body armor items (helmets, soft armor, and hard armor) to review.

(U) Number of Body Armor Items by Type Per Warehouse

(U) OIG requested and obtained the total number of body armor items acquired by DS during FY 2019 and FY 2020, and currently stored at FASTC, SPEAR, and DEAV as of February 2021, as shown in Table A.2.

(U) Table A.2: Body Armor Items by Type Per Warehouse

Location	Helmet	Soft Armor	Hard Armor	Total
FASTC	185	257	665	1,107
SPEAR	228	486	3,630	4,344
DEAV	621	1,408	1,624	3,653
Total	1,034	2,151	5,919	9,104

(U) Source: OIG generated based on analysis of body armor identified by type and location from ILMS data provided by the Department.

(U) Number of Body Armor Items Selected for Review by Type Per Warehouse

(U) Using the data provided by the Department, OIG identified body armor items (helmets, soft armor, hard armor) acquired by DS during FY 2019 and FY 2020, and currently stored at FASTC, SPEAR, and DEAV. OIG then selected 18 body armor items per warehouse using a nonstatistical random sampling design for a total of 54 items, as shown in Table A.3.

(U) Table A.3: Body Armor Items Selected for Review by Type Per Warehouse

Location	Helmet	Soft Armor	Hard Armor	Total
FASTC	6	6	6	18
SPEAR	6	6	6	18
DEAV	6	6	6	18
Total	18	18	18	54

(U) Source: OIG generated based on analysis of body armor selected for physical inspection at each warehouse location from ILMS data provided by the Department.

(U) OIG visually inspected each body armor item selected for review for any obvious deficiencies (i.e., labels, stitching, weight, color, craftsmanship). OIG then reviewed the labels on each body armor item to ensure they met the minimum NIJ labeling requirements.⁴ According to NIJ standards, the labels are required to have the following: name, logo, or other identification of manufacturer; rated level of protection; panel size; location of manufacturer; date of manufacture; serial number; and proper orientation of the ballistic panel.

(U) Prior Office of Inspector General Reports

(U) In August 2018, OIG reported⁵ that DS’s Office of Training and Performance Standards did not issue high-threat kits to DS Special Agents using the required “charge out procedures,” such as ensuring property is returned when it is no longer needed. This occurred, in part, because key property management positions, including that of the Custodial Officer, were vacant during the audit scope period and because the Office of Training and Performance Standards anticipated that DEAV would assume this responsibility. The Contracting Officer’s Representative performed some of the functions the Custodial Officer should have performed but stated that he followed procedures that were in place when he started in that position. However, those procedures did not conform to Department standards. OIG made five recommendations to address the deficiencies identified. As of April 2021, all five recommendations were closed.

(U) In July 2020, OIG issued a report⁶ that found instances in which Property Transaction Forms were not completed to document the “charge out” of Personal Protective Equipment included in high-threat kits. Specifically, OIG tested 32 property charge outs specific to high-threat kits and found 16 instances (50 percent) in which the appropriate form had not been completed. According to DEAV officials, one reason for the exceptions identified is that when Personal Protective Equipment is provided to DS special agents who are in the field, the employee receiving the equipment does not always sign and return Form DS-584 that acknowledges receipt and responsibility for returning the equipment when no longer needed. OIG made one

⁴ (U) NIJ Standard-0101.06, “Ballistic Resistance of Body Armor,” July 2008.

⁵ (U) OIG, *Management Assistance Report: The Bureau of Diplomatic Security’s Office of Training and Performance Standards Should Improve Property Management Over Equipment Provided During High-Threat Training* (AUD-SI-18-49, August 2018).

⁶ (U) OIG, *Compliance Follow-Up Audit of Bureau of Diplomatic Security Property Management Procedures for Protective Personnel Equipment* (AUD-SI-20-30, July 2020).

recommendation to address the deficiency identified. As of April 2021, this recommendation was considered closed.

(U) OIG issued a classified management alert⁷ in July 2021 regarding body armor at U.S. Embassy Baghdad.

⁷ (U) OIG, *Management Alert: U.S. Embassy Baghdad, Iraq Body Armor* (MA-21-01).

(U) APPENDIX B: BUREAU OF DIPLOMATIC SECURITY RESPONSE



United States Department of State

Washington, D.C. 20520

UNCLASSIFIED

August 6, 2021

INFORMATION MEMO TO ACTING INSPECTOR GENERAL SHAW – OIG

FROM: DS – Todd J. Brown, Acting *TJB*

SUBJECT: Bureau of Diplomatic Security response to the Office of Inspector General (OIG) Draft Report: Audit of the Bureau of Diplomatic Security's Process to Verify That Purchased Protective Equipment Complied with Performance and Contractual Requirements.

Below is the Bureau of Diplomatic Security's response to Recommendation 1 of the subject report.

Recommendation 1: That the Bureau of Diplomatic Security, within 90 days of final report issuance, (a) inspect the 400 body armor items acquired in FY 2018 for the Office of Antiterrorism Assistance, Special Program for Embassy Augmentation Response, that did not have serial numbers to determine whether they are of sufficient quality or need to be disposed of or replaced and (b) take appropriate action. (Action: DS)

DS Response (08/06/2021): DS agrees with the recommendation. The Specialized Programs Division (DS/ATA/SPD) will inspect, dispose of and replace (as needed), the 400 body armor items acquired in FY 2018 for the ATA/SPEAR program that do not have serial numbers.

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Cleared: DS/DSS – KBauer (ok)
DS/EX – WTerrini (ok)
DS/EX/MGT – MCaramelo (ok)
DS/MGT/LS – JOsterberger (ok)
DS/MGT/CAP – SHaines (ok)
DS/MGT/PPD – RReisman (ok)
DS/MGT/PPD-POLICY – LLong (ok)
DS/T – JCabus (ok)
DS/T/ATA – ASolich (ok)
DS/T/ATA – JMazzuchi (ok)
M – BPeracchio (ok)
M/SS – SCimino (ok)
A – CSappenfield (ok)
A/OPE – VChaerini (ok)

(U) ABBREVIATIONS

AQM	Office of Acquisitions Management
ATA	Office of Antiterrorism Assistance
BPA	Blanket Purchase Agreements
DEAV	Defensive Equipment and Armored Vehicle Division
DS	Bureau of Diplomatic Security
DSCD	Diplomatic Security Contracts Division
FBI	Federal Bureau of Investigation
FAM	Foreign Affairs Manual
FASTC	Foreign Affairs Security Training Center
GAO	Government Accountability Office
ILMS	Integrated Logistics Management System
NIJ	National Institute of Justice
OIG	Office of Inspector General
PPE	Personal Protective Equipment
SPE	Special Protective Equipment
SPEAR	Special Program for Embassy Augmentation Response
SPERB	Special Protective Equipment Review Board

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