



Office of Inspector General
United States Department of State

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Office of Inspections

January 2023

Inspection of the Bureau of International Narcotics and Law Enforcement Affairs

DOMESTIC OPERATIONS



HIGHLIGHTS

Office of Inspector General
United States Department of State

ISP-I-23-08

What OIG Inspected

OIG evaluated executive direction, policy and program implementation, foreign assistance program management, resource management, and information management operations of the Bureau of International Narcotics and Law Enforcement Affairs.

What OIG Recommends

OIG made 28 recommendations to the Bureau of International Narcotics and Law Enforcement Affairs. In its comments on the draft report, the bureau concurred with 27 recommendations and disagreed with 1 recommendation. OIG considers all 28 recommendations resolved. The bureau's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The bureau's formal response is reprinted in its entirety in Appendix B.

January 2023

OFFICE OF INSPECTIONS
DOMESTIC OPERATIONS

Inspection of the Bureau of International Narcotics and Law Enforcement Affairs

What OIG Found

- Management control deficiencies hindered the Bureau of International Narcotics and Law Enforcement Affairs' ability to effectively plan, manage, and evaluate the results of its projects, programs, and operations.
- Bureau leadership set a positive tone at the top and generally acted in accordance with Department of State leadership and management principles.
- Department stakeholders and other federal agencies described the bureau as a collaborative partner and leader in the U.S. government's efforts to counter illegal drugs, stop corruption, fight transnational organized crime, train and equip foreign law enforcement officials, and promote the rule of law.
- A bureau reorganization has yet to be fully implemented as envisioned, which limited some of its intended organizational efficiencies.
- Deficiencies in the bureau's strategic approach resulted in limited evaluation planning and reduced program performance data.
- Foreign assistance programs lacked oversight documentation, program evaluation, and a bureau-level policy for risk management.
- The Executive Office lacked customer service standards and procedures that led to employee dissatisfaction and negatively affected bureau efficacy.
- Issues with records management procedures reduced the bureau's ability to systematically access and share information.
- The bureau did not effectively monitor unliquidated obligations, which resulted in up to \$220 million that could be put to better use.
- The bureau canceled its cloud migration project after 5 years and a total expenditure of at least \$3.4 million due to a lack of internal information technology management controls and poor contractor oversight.
- The bureau did not follow the Department's information technology project planning and system oversight and assessment procedures, which created vulnerabilities and wasted funds.

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CONTEXT

The Bureau of International Narcotics and Law Enforcement Affairs (INL) is responsible for a broad range of counternarcotics and anti-crime activities related to the trafficking of drugs, precursor substances, wildlife, and weapons. Other INL programs address corruption, cybercrime, fraud, and financial crimes. INL has a leading role in advancing the law enforcement capacity of foreign partners and assisting them in addressing the problem of synthetic drugs. INL programs span all regions and include priorities such as supporting border security and cyber capacity building in Eastern Europe, addressing the root causes of migration in Central America, and reinforcing international maritime norms in Asia.

Established in 1978 as the Bureau of International Narcotics Matters, INL's responsibilities expanded over the years through congressional action, executive orders, and Presidential initiatives. In 1996, Congress amended the Foreign Assistance Act of 1961 to include assistance for the suppression of international criminal activities and gave the President broad authority to provide international law enforcement assistance.¹ The President and the Secretary of State delegated this authority to the INL Assistant Secretary. In 2000, President Clinton designated the Department of State (Department) as the lead agency responsible for reform of criminal justice systems in connection with overseas operations. In 2017, Executive Order 13773² strengthened Federal law enforcement against transnational criminal organizations engaged in illicit activities that threaten public safety and national security. In 2018, INL supported a Presidential initiative to reduce cross-border opioid trafficking.³ More recently, the bureau assumed lead responsibility for the Department's anti-corruption efforts.

Following the suspension of Embassy Kabul operations in 2021 and the further Russian invasion of Ukraine in February 2022, INL reduced its programming in Afghanistan while expanding its assistance to Ukraine. With fewer programs in Afghanistan, INL merged its Office of Afghanistan and Pakistan Programs into the Office of Europe and Asia, which started a new unit to oversee INL's greatly increased programming in and around Ukraine. INL provided \$30 million in assistance to Ukraine each year from FY 2018 through FY 2021, and began increasing assistance to Ukraine in December 2021, shortly before Russia's further invasion. At the time of the inspection, INL had increased its FY 2022 assistance to Ukraine to more than \$120 million and anticipated more than \$400 million in additional security assistance funding for Ukraine before the end of 2022. INL was supporting both international and interagency efforts for development and reconstruction assistance to Ukraine's law enforcement and criminal justice sectors. It coordinates two lines of effort for Ukraine: (1) law enforcement and border security; and (2) justice reform, anti-corruption, and human rights accountability.

¹ Public Law 104-164, Chapter 4 (1996).

² Executive Order 13773, Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking, February 9, 2017.

³ Specifically, INL supported the Initiative to Stop Opioid Abuse and Reduce Drug Supply and Demand. The initiative provided funding for reductions in demand and cross-border trafficking and to support state and local entities' efforts to fight substance abuse and mitigate the problem of opioid over-prescription.

INL's Functional Bureau Strategy (FBS), approved in January 2022, has four strategic goals to guide the bureau's efforts:

- Disrupt and reduce illicit drug markets and transnational crime to protect American lives and U.S. national security.
- Combat corruption and illicit financing to strengthen democratic institutions, advance rule of law, and reduce transnational crime and its enablers.
- Strengthen criminal justice systems to support stable, rights-respecting partners.
- Leverage learning, data, and resources—including people and funding—to advance INL's mission and thought leadership on civilian security and justice on behalf of the United States.

An Assistant Secretary, a Principal Deputy Assistant Secretary (PDAS), and three Deputy Assistant Secretaries comprise INL's Front Office staff heading four regional and four functional offices. In 2019, aiming to develop a more agile, strategic, and learning organization, the bureau initiated a reorganization that established two new offices—Knowledge Management and Global Programs and Policy—and a strategy communications and outreach section within the Front Office. In addition, INL renamed its Office of Resource Management as the Executive Office and created the INL Management Board for office directors to consider policy issues and program improvements and advise the Front Office. Figure 1, below, shows the bureau's organizational chart as of March 2022.

Figure 1: Bureau of International Narcotics and Law Enforcement Affairs Organizational Chart

Note: Organization chart as of March 2022. The Office of Afghanistan and Pakistan Programs merged into the Office of Europe and Asia Programs in June 2022.

Source: OIG generated from information provided by INL.

At the time of the inspection, INL's authorized staffing consisted of approximately 750 U.S. staff members. This included 313 Civil Service and 130 Foreign Service positions (of the Foreign Service positions, 35 were in Washington and 95 overseas). In addition, the bureau had 32 temporary personnel, 5 staff detailed from other U.S. government agencies, 1 Department employee detailed to another agency, 137 third-party contractors, and 132 personal services contractors (domestic and overseas). INL also had 470 locally employed staff working overseas.

INL manages one of the Department's largest foreign assistance accounts with approximately \$4.5 billion in resources under active management. For FY 2021, INL's annual program budget was allotted \$1.2 billion of International Narcotics Control and Law Enforcement (INCLE)⁴ funding, with \$1.3 billion requested for FY 2022 (not including supplemental funding under consideration in Congress at the time of the inspection). The bureau directly managed \$329 million (27 percent) of the FY 2021 INCLE budget and transferred \$71 million (6 percent) to

⁴ The INCLE account funds international counternarcotics activities, combatting human and wildlife trafficking, rule of law activities, and support for judicial reform and law enforcement capacity building. More than half of INCLE funding in recent years supported programs in the western hemisphere. Other major recipients included Afghanistan, Pakistan, the West Bank, and Gaza.

other Department bureaus to support INL-related programs, such as anti-trafficking programs managed by the Office to Monitor and Combat Trafficking in Persons. INL allocated the remaining \$799 million (67 percent) to bilateral and regional programs generally managed by overseas missions.

OIG evaluated INL's domestic operations, including executive direction, policy and program implementation, foreign assistance program management, resource management, and information management operations consistent with Section 209 of the Foreign Service Act of 1980.⁵

SUMMARY OF INSPECTION FINDINGS

INL, with about 750 authorized staff worldwide, and active foreign assistance projects worth about \$4.5 billion, is the Department's key bureau to advance international rule of law and assistance to foreign law enforcement and security personnel. It manages the Department's largest civilian security assistance account of about \$1.5 billion per year, which includes a variety of aid to the government of Ukraine in the wake of Russia's further invasion in early 2022. For its projects, INL has a wide variety of agreements with many implementing partners to include foreign governments, international organizations, and U.S. federal, state, and local governments. Based on its review of a sample of these projects, OIG found that INL has weak management controls over both the agreements with these partners, and over the projects themselves. For example, INL had weak and missing internal controls related to monitoring, evaluating, and close-out of foreign assistance projects. OIG also found multiple internal control weaknesses in the management of its bureau resources and information management operations. Regarding the latter, OIG found deficiencies and waste in information technology contract management, and a lack of oversight for both domestic and overseas systems. Most of OIG's 28 recommendations were related to weak internal controls, which collectively hindered INL's ability to effectively plan, manage, and evaluate the results of its projects, programs, and operations.

EXECUTIVE DIRECTION

OIG assessed INL's leadership based on responses to staff questionnaires, interviews with staff and Department and external stakeholders, OIG's survey of embassy stakeholders, review and analysis of documents, and observations of bureau meetings.

Tone at the Top and Standards of Conduct

An Assistant Secretary, who arrived in September 2021, led INL. He was assisted by a PDAS who had been in INL leadership positions since January 2015, and three Deputy Assistant Secretaries. The PDAS and Deputy Assistant Secretaries each were responsible for overseeing one functional office or unit and one program office (with either global or regional

⁵ See Appendix A.

responsibilities, as shown in Figure 1 above). The collective leadership cadre had years of experience with INL—from working directly in INL (where they served as deputy assistant secretaries, senior advisors, and office directors) and overseas in countries where INL had major programs (where they served as chiefs of mission, deputy chiefs of mission, consul generals, or in INL sections).

OIG determined that the Assistant Secretary set a positive tone, consistent with Department leadership principles in 3 Foreign Affairs Manual (FAM) 1214b(1)-(10).⁶ OIG found through staff questionnaires, interviews, and the Federal Employee Viewpoint Survey (FEVS)⁷ that staff gave INL leadership high marks for integrity. OIG’s questionnaires, interviews, and observations also indicated frequent and positive communications, except for communication related to the bureau reorganization, as discussed later in this report. The Assistant Secretary and other top leaders communicated frequently with mid-level managers and employees through staff meetings, town halls, off-sites, issue-specific meetings, and emails. External stakeholders from other Department bureaus and interagency partners told OIG that INL communicated with them regularly and constructively. Furthermore, OIG interviews and the FEVS results indicated that the Assistant Secretary and other bureau leaders valued and developed their staff.⁸

OIG also found that the Assistant Secretary actively implemented U.S. foreign policy and was at the leading edge of several administration initiatives. For example, he supported the President’s U.S. Strategy for Countering Corruption through meetings with U.S. and international partners and by preparing INL to house and support the U.S. Coordinator on Global Anti-Corruption. The Assistant Secretary also led INL’s efforts to assist Ukraine, such as providing millions of dollars in non-military security assistance before the February 2022 Russian invasion, visiting and supporting front-line countries (e.g., Poland, Moldova, and Latvia), and planning additional assistance. He similarly kept INL fully engaged on current issues in counternarcotics, migration and border security, and cyber-crime. This work was done in close cooperation with other U.S. stakeholders, who complimented the Assistant Secretary and other INL leaders for their proactive and collaborative approach. The Assistant Secretary told OIG that one of his largest challenges was meeting new initiatives such as those described above while continuing to manage INL’s large portfolio of longstanding programs in counter-narcotics, rule of law, and other areas. INL’s roles in implementing foreign policy are discussed in more detail later in this report.

⁶ The Department’s leadership and management principles outlined in 3 FAM 1214 include (1) model integrity, (2) plan strategically, (3) be decisive and take responsibility, (4) communicate, (5) learn and innovate constantly, (6) be self-aware, (7) collaborate, (8) value and develop people, (9) manage conflict, and (10) foster resilience.

⁷ The Office of Personnel Management’s annual Federal Employee Viewpoint Survey (FEVS) solicits employee opinions about many important aspects of their organization and work unit. The information is helpful for agency leadership to better understand where they can make improvements. In the 2021 survey of INL staff, 70 percent of employees who responded said “my organization’s senior leaders maintain high standards of honesty and integrity.”

⁸ For example, in the 2021 FEVS, 87.3 percent of staff who responded said their supervisor treats them with respect; 78.1 percent of respondents said they have trust and confidence in their supervisor; and 81.7 percent of respondents said their supervisor supports employee development.

The PDAS also set a positive tone, consistent with Department leadership principles. He previously worked in INL as acting Assistant Secretary (twice), Deputy Assistant Secretary, Executive Director, and Comptroller. He took an active leadership role in implementing U.S. foreign policy by representing INL in both multilateral and bilateral engagements. For example, the PDAS spoke to a United Nations forum about U.S. policy positions on crime prevention and criminal justice, and at a foreign press event on anti-corruption. Staff across INL said the PDAS complemented the Assistant Secretary's style and personality, with the former having detailed institutional and practical knowledge of INL programs and operations and the latter having strong leadership, people, and communication skills. In addition, the PDAS worked with the previous Assistant Secretary between 2018 and 2020 to lead the development and initial implementation of a reorganization designed to improve INL management and operations. OIG found that while the bureau successfully implemented some aspects of the reorganization, others remained a work in progress, as discussed later. The PDAS also oversaw the Executive Office, INL's largest office, where OIG found several issues regarding basic services and information management, as discussed in the Resource Management and Information Management sections of this report. The PDAS acknowledged difficulties managing the Executive Office because of his other duties (including serving as acting Assistant Secretary until October 2021) and an 11-month gap when the office lacked a permanent director. By the conclusion of the inspection, the Executive Director position was filled.

Equal Opportunity and Diversity

OIG found that INL's Equal Employment Opportunity (EEO) program generally complied with requirements in 3 FAM 1514c.⁹ For example, INL headquarters had two designated EEO counselors, both of whom completed the mandatory training and annual refresher courses, and the bureau posted information in the office on EEO policies and options for reporting discrimination. However, OIG found that the posted signage was outdated, both EEO counselors had departed the bureau for other assignments during the inspection, and a majority of INL staff had not taken the EEO-related training required in 13 FAM 301.2.¹⁰ When OIG noted these issues, the Assistant Secretary took steps to solicit new counselors, update the signage posted in the office and on internal websites, and better track staff compliance with EEO-related training requirements. Therefore, OIG did not make any recommendations to address these issues.

Similarly, INL's efforts to support diversity, equity, inclusion, and accessibility generally were consistent with White House and Department guidance.¹¹ A Front Office Senior Advisor chaired the Diversity, Equity, Inclusion, and Accessibility Council, which had a charter and six working

⁹ 3 FAM 1514c sets EEO counselor training and responsibilities, requires unit heads to nominate EEO counselors, and to publicize their contact information.

¹⁰ INL's training tracker data from March 2022 showed 71 percent of INL staff did not take the required No FEAR Act training (PT401) and 16 percent did not take the Preventing Harassment at State training (PK405).

¹¹ See White House Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, January 20, 2021; and Department cable 21 State 60514, "Policy Statements on Diversity and Inclusion and Equal Employment Opportunity and Harassment," June 11, 2021.

groups to promote the council's goals. For example, the training, events, and activities working group conducted activities for all INL staff, such as a forum with the Assistant Secretary, who expressed his support for diversity and answered questions. In addition, the Assistant Secretary told OIG that INL was leading initiatives to advance diversity, equity, inclusiveness, and accessibility goals in programming and policy. For example, the International Law Enforcement Academies (ILEA) were developing a new leadership course for women in law enforcement that is designed to support these priorities. The 2021 FEVS survey showed 81.1 percent of INL employees who responded said their supervisors were committed to a workforce that represented all segments of society.

COVID-19 Impact on Bureau Operations

Bureau staff told OIG that INL successfully overcame a number of operational challenges during the COVID-19 pandemic. The bureau rapidly transitioned to maximum telework and instituted virtual processes in March 2020 despite an initial shortage of laptops that made it difficult at first for some staff members to do their work remotely. INL also quickly reconfigured training, such as the ILEA overseas training to foreign law enforcement officials, from in-person to virtual training and created alternate methods to provide some level of oversight for its overseas projects. In addition, 82 percent of the headquarters staff who responded to OIG's survey said INL successfully executed and oversaw most or all programs virtually during the pandemic. OIG's review of the 2020 FEVS found similar positive views from INL staff.¹² OIG's questionnaires and interviews also showed that staff gave the Assistant Secretary and PDAS high marks for fostering resiliency, including empathy for staff during the pandemic.

Internal Controls

OIG found that INL lacked effective processes to identify and mitigate risks to internal controls. Although the Assistant Secretary signed and submitted the annual Management Control Statement of Assurance as required by 2 FAM 022.7(5), INL did not implement processes to identify and mitigate risks across the entire bureau or perform ongoing reviews, as required by 2 FAM 021.1a-d. During the inspection, OIG found widespread and systematic internal control weaknesses as described throughout this report. OIG was unable to determine how rigorously INL used the Department's Management Controls Checklist¹³ to develop the bureau's annual Statement of Assurance, but during the inspection OIG found internal control issues (e.g., monitoring and evaluation, federal assistance awards, and information management) that

¹² For 2020 only, FEVS included specific questions about agency performance during the COVID-19 pandemic. In that year's survey of INL, 91.5 percent said their work met customer needs; 96.2 percent said their unit contributed positively to agency performance; 94.2 percent said their unit performed high quality work; 93.0 percent said their unit adapted to changing priorities; 82.1 percent said their unit collaborated successfully; and 87.1 percent said their unit achieved its goals.

¹³ The Department's annual guidance for the submission of the Statement of Assurance includes the Management Controls Checklist as an optional tool to help evaluate management controls and as a vulnerability assessment that facilitates identification of weaknesses and useful information on potential vulnerabilities. For example, see Bureau of the Comptroller and Global Financial Services, "Management Controls Checklist Fiscal Year 2021," March 2021.

could have been identified by the bureau if it had prudently applied the checklist. In the remainder of this report, OIG provides details on these and other individual internal control issues and makes recommendations for improvement. Taken collectively, these issues indicate the need for a more rigorous process to uncover and correct internal control weaknesses. Without effective internal controls, INL is hindered in its ability to effectively plan, manage, and evaluate the results of its projects, programs, and operations.

Recommendation 1: The Bureau of International Narcotics and Law Enforcement Affairs should require comprehensive use of the Department's Management Controls Checklist to develop the Annual Chief of Mission Management Control Statement of Assurance to effectively identify and mitigate internal control risks to the bureau's projects, programs, and operations in accordance with Department guidance. (Action: INL)

Reorganization of Bureau Operations

OIG found that INL's Front Office did not provide adequate direction and information to bureau staff regarding a reorganization of the bureau. In June 2019, INL announced a bureau reorganization intended to improve strategic planning, knowledge management, and agility in its business processes following two decades of significantly expanded responsibilities.¹⁴ INL initiated the reorganization by consolidating three offices and one Executive Office section into two new offices (Knowledge Management and Global Programs and Policy)¹⁵ and creating a Strategy, Communications, and Outreach Unit in the Front Office to consolidate cross-cutting strategic thinking and planning with congressional and public outreach teams. Although the reorganization led to strategy development and learning improvements, OIG found that the bureau did not achieve business process agility. Specifically, staff said the streamlined funding processes intended under the reorganization to reduce the concentration of end of fiscal year funding actions had yet to be fully implemented and chronic delays in Executive Office processes continued. For example, in FY 2021, although funding was available earlier than usual, INL's funds obligated in the final month of the fiscal year remained unchanged (45 percent) from previous fiscal years. Also, staff said delays with INL's internal hiring approvals exacerbated the Department's already time-consuming hiring processes and impeded staffing the new offices created by the reorganization. For example, in response to a Front Office suggestion, the Knowledge Management Office submitted a consolidated request for new positions in June 2020 which were not approved until May 2021.

Guidance in 1 FAM 014.2 requires that organizations undergoing transformation establish a communications strategy to create shared expectations and report related progress, communicate early and often to build trust, and establish and support an implementation team

¹⁴ OIG, in its 2004 and 2014 inspections of INL, recommended bureau reorganization. See OIG, *Report of Inspection: Bureau of International Narcotics and Law Enforcement Affairs* (ISP-I-05-14, July 2005); *Inspection of the Bureau of International Narcotics and Law Enforcement Affairs* (ISP-I-14-24, September 2014).

¹⁵ Knowledge Management has three divisions dealing with program design and learning, internal and external training, and technical advisory expertise while Global Programs and Policy handles transnational programming and multilateral policy, and anti-crime sanctions.

to manage the process. Prior to the reorganization, the Front Office held town hall meetings to convey its goals, but once the Assistant Secretary approved the proposal, most reorganization information came from the working level implementation team rather than bureau leadership. While the implementation team developed a comprehensive work plan and made progress on the learning and strategy tasks, it lacked the authority to compel bureau-wide completion of work plan tasks. In addition, the Front Office did not address resistance to the changes envisioned by the reorganization, which led to some efforts being abandoned. For example, the Executive Office stopped implementing the reorganization's plan to embed grants and contract staff from the Executive Office into program offices. Although the embedding plan was intended to improve efficiency and agility, the Front Office did not direct the Executive Office to keep implementing that aspect of the reorganization. As a result, some offices improvised and filled this gap with their own staff to expedite program funding. Finally, although the INL Front Office informed interagency partners about the reorganization in January 2020, it failed to send a Department-wide cable announcing the reorganization, leaving some staff to question the status of the effort. Without Front Office direction and clear, consistent communication of its organizational plans, INL will be unable to complete its reorganization.

Recommendation 2: The Bureau of International Narcotics and Law Enforcement Affairs should follow Department guidance with respect to the communication and execution of its ongoing reorganization plans. (Action: INL)

Strategic Planning

INL revised its FBS, issued in January 2022, and used it to guide programs and resource allocation decisions, and included changes to align it with the Department's strategic planning guidance in 18 FAM 301.2. For example, the FBS identified potential risks that could hinder INL's ability to achieve its objectives and discussed methods of mitigating those risks, features absent from the bureau's 2018 document.¹⁶ OIG found INL staff generally were aware of the FBS and its role in guiding the bureau's programs. However, INL did not create the required implementation plan or institute regular strategic progress reviews, as discussed below.

Bureau Lacked an Implementation Plan for Its Functional Bureau Strategy

OIG found that INL did not create an implementation plan for either its current or prior FBS as required by Department standards. According to 18 FAM 301.2-4(D)b, bureaus must develop FBS implementation plans—intended to help communicate strategy priorities, coordinate with stakeholders, and develop a strategy review process—within the first quarter following strategy approval. INL Front Office staff responsible for overseeing development of bureau-wide strategies told OIG they believed the brief implementation sections included in the FBS were sufficient to meet the requirements. In addition, the bureau's *Core Mission Guidance* states that INL's integrated action plan—which officials said had yet to be written—was intended to be “the action plan for the FBS, translating the high-level strategic vision into direction that

¹⁶ According to Department guidance in 18 FAM 301.2-4(A)(2), objective statements must be accompanied by discussions of risks associated with each objective.

aligns outcomes with resources.”¹⁷ However, INL staff told OIG they were confused about the bureau’s use and implementation of its various strategy efforts and the Front Office priorities in this area. The Office of Foreign Assistance told OIG that an implementation plan, which is critical for bureaus with significant interagency partnerships, should be a separate document, in part to help external stakeholders recognize and use it.¹⁸ Without a detailed FBS implementation plan, INL risks not meeting its FBS-related requirements or communicating its strategic priorities, both within and outside the bureau.

Recommendation 3: The Bureau of International Narcotics and Law Enforcement Affairs should develop an implementation plan for its functional bureau strategy, in accordance with Department standards. (Action: INL)

Bureau Leadership Did Not Regularly Review Progress Made Against Its Functional Bureau Strategy’s Goals and Objectives

OIG found that INL leadership did not conduct regular strategic reviews of its progress to meet its FBS goals and objectives, as required by Department standards. Since the approval of its prior FBS in June 2018, INL provided OIG documentation of two strategic review exercises, one in March 2020 and another in March 2021. Furthermore, for the most recent exercise in March 2021, OIG determined that the bureau’s review was a paper-based survey of office directors conducted by INL’s Strategy, Communications, and Outreach Unit, with results summarized for the acting Assistant Secretary via a memorandum, rather than a process led by the bureau’s senior leadership. Department standards in 18 FAM 301.2-4(D)c require senior bureau leaders to institute regular reviews to assess progress made against strategic objectives and ensure alignment of policy, planning, resources, and program decision-making. This guidance further states these reviews are required annually, although bureaus should conduct them at least quarterly. Similarly, the Department’s *Strategic Progress Review Guidance* states that bureaus should conduct their strategic reviews through an in-person and data-informed process led by a bureau’s Assistant Secretary and deputy assistant secretaries, with participation by key staff and office directors.¹⁹ Without regular senior leadership-led strategic progress reviews, INL risks missing opportunities for internal discussion and collaboration to prioritize work efforts, align resources, identify strategic obstacles, and make adjustments to the bureau’s activities.

Recommendation 4: The Bureau of International Narcotics and Law Enforcement Affairs should implement procedures for conducting regularly scheduled and senior leadership-led reviews of its progress in meeting strategic goals and objectives, in accordance with Department guidance. (Action: INL)

¹⁷ INL, *INL Core Mission Guidance*, page 6 (January 4, 2022).

¹⁸ The Office of Foreign Assistance, in coordination with the Bureau of Budget and Planning, oversee the standards for the Department’s strategic planning processes.

¹⁹ Department of State, *Strategic Progress Review Guidance*, page 2.

POLICY AND PROGRAM IMPLEMENTATION

OIG assessed INL's policy and program implementation through a review of the bureau's policy coordination with other Department bureaus and offices and with external agencies; the bureau's program design, implementation, and monitoring activities; and a review of the International Law Enforcement Academies, a multi-agency supported international training program. As discussed below, OIG found the bureau generally met Department requirements for policy and program coordination, with a few exceptions.

Policy Development and Coordination

OIG found that INL generally coordinated its activities related to policy development and coordination with Department and interagency partners consistent with its responsibilities in 1 FAM 530.²⁰ INL routinely participated in the Office of Foreign Assistance's annual assistance coordination roundtable on security sector assistance funding. INL also participated regularly in the Bureau of European and Eurasian Affairs' security sector assistance coordination exercises, the Bureau of Counterterrorism's annual Counterterrorism Activities Planning Event mechanism, and the Bureau of Political-Military Affairs' annual funding allocation exercise. In addition, INL staff told OIG they increased their participation in interagency policy coordination meetings run by the National Security Council. Furthermore, INL coordinated with the Bureau of Democracy, Human Rights, and Labor, other stakeholders, and overseas missions to support the Leahy vetting program.²¹ OIG found that INL's geographic and functional policy offices' operations generally conformed to Department requirements, as discussed below.

Regional and Global Policy Offices Supported Policy Implementation

The bureau maintained 87 overseas INL sections and representatives to manage a \$1.31 billion total annual budget of counternarcotics and law enforcement support programs. Overall, OIG found that INL's regional and global policy and program offices developed interdepartmental and interagency relationships and supported the bureau's programs in embassies, consistent with 1 FAM 531(1) and (3). For example, OIG found INL advanced its FBS goals by improving project metrics and monitoring, supporting law enforcement training globally via the ILEA network, and building a cybercrime investigation capacity through the Global Law Enforcement Network, staffed by attorney advisors focused on strengthening international cooperation and delivering training.

²⁰ See, for example, 1 FAM 531(1), (2), and (3), and 1 FAM 531.1(1), (2), and (3).

²¹ The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the United States from furnishing certain assistance to a unit of a foreign security force if the Department has credible information that the unit has committed a gross violation of human rights. See 22 U.S.C. § 2378d and 9 FAM 303.8-5(B). Leahy vetting is the process of determining if the Department has credible information that units or individuals proposed to benefit from certain assistance have committed a gross violation of human rights. The Department helps implement a similar law applicable to "amounts made available to the Department of Defense" for assistance to foreign security forces. See 10 U.S.C. § 362.

Most U.S. government agencies and other implementing partners OIG interviewed within and outside the Department commented positively about their routine engagement with INL on policy coordination and administrative clearances. Internally, 90 percent of the 60 INL overseas offices that responded to an OIG survey agreed or strongly agreed that the regional policy offices provided effective support. Nonetheless, some stakeholders reported a lack of communication and inclusiveness in developing programs executed through interagency reimbursable agreements as an area of friction in working with INL. This issue is discussed in the Foreign Assistance section of this report.

Program Design, Monitoring, and Evaluation

OIG found that although INL had taken steps to improve its approach to program design, monitoring, and evaluation, issues remained. To improve these areas, INL updated guidance documents, implemented a project monitoring database system, and trained bureau staff. Despite these efforts, OIG found INL did not fully meet Department standards for the selection of its major programs; creation of monitoring and evaluation plans for those programs; risk assessment and monitoring plans for Afghanistan assistance projects; long-term guidance for its design, monitoring, and evaluation improvement activities; and evaluation of long-term programs, as discussed below.

Bureau Identified Its Functional Bureau Strategy Objectives as Its Major Programs

INL identified its FBS objectives as its major programs, rather than identifying a selection of key programs to achieve those objectives. Specifically, INL identified all 14 of its 2022 FBS objectives as its major programs and 8 of the 10 objectives in its 2018 FBS as its major programs. According to 18 FAM 301.4-1(C)a, to implement the Department's program design, monitoring, and evaluation guidance, bureaus first must identify the major programs that will achieve the broader FBS objectives. Guidance in 18 FAM 301.4-1(B) further defines a program as a "set of activities, processes, or projects aimed at achieving a goal or objective."²²

Furthermore, OIG found that the bureau's identification of all 14 of its 2022 FBS objectives as its major programs could result in challenges in monitoring and evaluating performance. In a February 2022 meeting, the Office of Foreign Assistance and the Bureau of Budget and Planning told the Department's bureau planners that, as a best practice, major programs generally should consist of between three and five primary work areas.²³ Although INL consulted with the Office of Foreign Assistance while identifying its major programs, as required in 18 FAM 301.4-

²² According to 18 FAM 301.4-1(B), the Department defines a goal to be the "highest-order outcome or end state to which a program, project, process, or policy is intended to contribute" and an objective to be a "statement of the condition or state one expects to achieve toward accomplishing a program, process, or project goal." Based on these definitions, OIG determined that major programs are inherently different than goals and objectives.

²³ After the conclusion of OIG's inspection, according to an October 2022 presentation for the Department's Performance Community of Practice, the Office of Foreign Assistance and the Bureau of Budget and Planning updated implementing guidance for major programs and noted that programs or projects may be the same as FBS objectives or subobjectives. OIG acknowledges this update and notes that, as a best practice and based on the Department's 18 FAM 301.4-1(B) definitions, major programs should consist of three to five primary work areas and therefore not be the same in entirety as FBS objectives.

1(C)b, office staff expressed concerns to OIG regarding INL's use of FBS objectives as its major programs and the resulting large number of them. In addition, INL's approach made it difficult to create program design and performance monitoring documents for all its major programs and provide the information to the Office of Foreign Assistance by its August 2022 deadline.

The bureau told OIG it used this methodology in part because senior leaders thought it would improve INL's ability to review progress in meeting its strategic objectives. However, Department policies already include procedures for assessing a bureau's progress in meeting FBS goals and objectives, such as the regular leadership-led strategic reviews based on performance indicators and milestones for each of a bureau's FBS sub-objectives.²⁴ By using its FBS objectives as its major programs instead of identifying supporting major programs to drive objectives, INL missed an opportunity to review in greater detail additional, more targeted aspects of its major activities that are key to achieving those broader goals and objectives. For example, as discussed later in this report, if INL had identified the ILEAs as a major program, it could have evaluated their activities, processes, and projects, and used such information in its reporting and program management.

Recommendation 5: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Office of Foreign Assistance and the Bureau of Budget and Planning, should identify its major programs in accordance with Department guidance. (Action: INL, in coordination with F and BP)

Bureau Did Not Implement Monitoring and Evaluation Plans for Its Major Programs

OIG found that INL did not implement monitoring and evaluation plans for its major programs. Department guidance required all bureaus to establish monitoring and evaluation plans, along with identifying relevant indicators and opportunities for evaluation, by June 2019 and to document their data collection methodologies.²⁵ INL submitted a draft monitoring and evaluation plan for its 2018 major programs to the Office of Foreign Assistance for review but did not finalize and implement this plan within the bureau. At the time of the inspection, INL was working with the Office of Foreign Assistance to implement program design and oversight documents, including monitoring and evaluation plans, for its 2022 major programs, which, as discussed above, the bureau identified using its FBS objectives. However, it had not completed the plans by the end of the inspection. By not implementing achievable monitoring and evaluation plans for its major programs, INL risks not collecting data needed to assess ongoing progress, identify best practices, and share program results with partners.

Recommendation 6: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Office of Foreign Assistance and the Bureau of Budget and Planning,

²⁴ See 18 FAM 301.2-4(D)c and Department of State, *Bureau Strategy Guidance and Instructions*, page 9 (revised September 28, 2021).

²⁵ Department of State, *Guidance for the Design, Monitoring and Evaluation Policy at the Department of State*, pages 4, 8 (January 2019).

should implement monitoring and evaluation plans for its major programs, in accordance with Department standards. (Action: INL, in coordination with F and BP)

Bureau Reassessed Afghanistan Assistance Programs But Did Not Update Risk Assessments and Monitoring Plans

OIG found that INL reassessed and significantly reduced its assistance programs in Afghanistan following the Taliban takeover in August 2021,²⁶ but it did not update the risk assessment and monitoring plans for its federal assistance awards that continued there. INL reassessed its Afghanistan assistance programs as part of a “stoplight” process, led by the National Security Council, to evaluate all non-humanitarian U.S. assistance programs in Afghanistan.²⁷ Following this assessment, the Department decided to continue 27 INL projects in Afghanistan,²⁸ while the bureau began closing out the remaining 24 Afghanistan projects.²⁹

Of the 27 remaining INL projects in Afghanistan, 4 were implemented by means of federal assistance awards. OIG reviewed three of these four awards and found that for two of the awards, INL had not updated the risk assessment and monitoring plans after the suspension of Embassy Kabul’s operations. While INL updated the risk assessment and monitoring plan for the third award, the overall risk was still listed as “low,” and the award lacked enhanced monitoring provisions to take into consideration the changed operating environment in Afghanistan. The Department’s Federal Assistance Directive³⁰ requires continuous evaluation of risks through the life of the project and consideration of the environment where the award activities will be performed. INL staff told OIG the sudden, heavy work burden experienced by Afghanistan program officers following the U.S. withdrawal contributed to the lack of updated risk assessment and monitoring plans. Failure to update these plans elevates the risks of waste, fraud, and mismanagement and could impede program performance and outcomes.

Recommendation 7: The Bureau of International Narcotics and Law Enforcement Affairs should require that its risk assessment and monitoring plans related to continued programing in Afghanistan reflect changed conditions within the country. (Action: INL)

²⁶ In the fourth quarter of FY 2021, ending September 30, 2021, INL reprogrammed more than \$93 million in FY 2020 and FY 2016 INCLE account funds from Afghanistan to other countries. During the quarter ending March 31, 2022, INL reprogrammed approximately \$85 million in FY 2017, FY 2018, and FY 2021 funds from Afghanistan to other countries.

²⁷ INL’s non-humanitarian assistance in Afghanistan was concentrated in such areas as counternarcotics, corrections systems, and rule of law.

²⁸ While some of INL’s remaining 27 projects were to be conducted outside of the country, a limited number remained inside Afghanistan, with INL relying on international, third-party implementers, including the United Nations Office on Drugs and Crime, the United Nations Development Program, the Colombo Plan, and the International Development Law Organization.

²⁹ In accordance with the stoplight process, the Deputy Secretary for Management and Resources was required to approve the continuation of the Department’s non-humanitarian assistance projects in Afghanistan. However, decisions to close out such programming could be determined by the implementing bureaus, including INL.

³⁰ Federal Assistance Directive (May 20, 2017, and later revisions), Chapter 2K.

Bureau Lacked Comprehensive Guidance for Its Long-Term Efforts to Improve and Coordinate Design, Monitoring, and Evaluation Activities

OIG found INL's Front Office did not issue bureau-wide guidance to improve long-term program design, monitoring, and evaluation, leading to fragmented efforts among bureau offices. For example, although specialists in INL's regional program offices regularly met to coordinate their activities, the bureau's Office of Global Programs and Policy was not included. In addition, INL's Office of Knowledge Management created an internal plan to guide its FY 2022 efforts to improve the bureau's design, monitoring, and evaluation activities, but it was not aimed at a bureau-wide audience or approved by the Front Office. Furthermore, INL's own reviews found the bureau did not meet its internal program design standards.³¹ According to 18 FAM 301.2-1a, coordinated strategic planning is essential for informed decisions, prioritization of resources, and monitoring progress and ensuring accountability. Similarly, guidance in 3 FAM 1214b(2) states that strategic planning can help to promote short- and long-term goals with stakeholders, establish expectations, and give direction to employees. Although the bureau issued design, monitoring, and evaluation guidance documents in 2019 and 2021, the documents did not discuss how the bureau should coordinate these efforts. Similarly, INL released guidance in February 2022 describing its design and monitoring priorities for that year but did not establish priorities for subsequent years or a desired end-state for its efforts. INL officials estimated that under its current approach, full compliance with the bureau's standards could take up to 7 years. Without formal guidance directing how the bureau intends to implement and coordinate its design, monitoring, and evaluation activities over this period, INL risks not achieving performance monitoring and evaluation objectives.

Recommendation 8: The Bureau of International Narcotics and Law Enforcement Affairs should implement bureau-wide guidance to direct its long-term efforts to improve and coordinate the bureau's design, monitoring, and evaluation activities. (Action: INL)

Bureau Did Not Evaluate Its Long-Term Programs

OIG found that INL did not evaluate the performance and outcomes of its long-term ongoing programs as required by Department guidance. For example, OIG determined that the bureau never evaluated its ILEA program or the individual academies, despite spending \$311.2 million on the program between FY 2012 and FY 2021. Similarly, the bureau did not evaluate its Narcotics Rewards Program or its Transnational Organized Crime Rewards Program, ongoing since 1986 and 2013, respectively.³² As of June 2022, the Narcotics Rewards Program had paid

³¹ In July 2019, the bureau found that none of a selection of INL's program design and monitoring documents met all the bureau's proposed design standards. For example, none specified a clear goal and only 10 percent met a standard requiring plausible program designs. Similarly, INL reported in March 2022, based on a representative sample of 25 projects beginning in FY 2021, that almost 90 percent of the bureau's recent foreign assistance projects did not identify a well-defined outcome.

³² Congress established the Narcotics Rewards Program in 1986 to help U.S. law enforcement efforts to bring to justice major violators of U.S. narcotics laws who operate outside of the United States. Under the program, the Secretary has authority to pay rewards of up to \$25 million for information leading to the arrest or conviction of major narcotics traffickers, although rewards generally are limited to \$5 million per individual. Similarly, the Transnational Organized Crime Rewards Program authorizes rewards of up to \$25 million for information leading

more than \$135 million for information related to 75 major violators of U.S. narcotics laws. Additionally, public offers for available rewards under the two programs totaled more than \$441 million.

Department guidance in 18 FAM 301.4-4a requires bureaus to conduct evaluations examining program performance and outcomes at a rate commensurate with the scale of their work, scope of their portfolio, and size of their budget. Other Department guidance requires bureaus managing multi-year programs that continue indefinitely to conduct comprehensive evaluations at least once every 5 years, and to prioritize the evaluation of large programs over smaller ones.³³ However, since INL's internal evaluation guidance focused on the bureau's FBS objectives, staff told OIG the bureau concentrated its evaluation efforts in those areas, which did not include the large programs discussed above. By not including its large and long-term ongoing programs as part of its overall evaluation activities, INL risks losing performance data needed to inform bureau decision-making on high-profile law enforcement programs and has no assurance that its programs are effective.

Recommendation 9: The Bureau of International Narcotics and Law Enforcement Affairs should evaluate its long-term ongoing programs in accordance with Department standards. (Action: INL)

International Law Enforcement Academies

INL sponsors, funds, and administers the ILEA program in partnership with host governments to combat transnational organized crime and terrorism through strengthened criminal justice and law enforcement cooperation. INL has ILEAs in Bangkok, Thailand; Budapest, Hungary; Gaborone, Botswana; San Salvador, El Salvador; and Accra, Ghana; and an executive academy in Roswell, NM (see Figure 2, below). Created in 1995, the ILEA program has more than 70,000 alumni from more than 100 countries. The bureau spent \$311.2 million between FY 2012 and FY 2021 to support the ILEA program; INL requested \$37.9 million in FY 2022 operating costs, an increase of \$2.9 million from FY 2021.

Figure 2: Location of ILEA Facilities

to the reduction of transnational crime, disruption of financial networks that enable transnational crime, or the arrest or conviction of transnational criminal organization members and leaders. INL manages both programs in coordination with the Department of Justice and other federal law enforcement agencies.

³³ *Guidance for the Design, Monitoring and Evaluation Policy at the Department of State*, pages 11, 13.



Source: OIG generated from information provided by INL.

INL administers and manages the ILEA program with Department and interagency partners through a policy board and steering group, consistent with 1 FAM 532.2b(2). The policy board, chaired by INL's Assistant Secretary and comprised of one senior representative each from the Departments of the Treasury, Homeland Security, and Justice, develops and approves operating guidance and program policies. The steering group, chaired by INL's ILEA team lead and comprised of representatives from 16 participating federal agencies, recommends policy updates to the policy board and manages the ongoing operational activities, such as approving the annual training calendar and providing training curriculum and instructors. In interviews, interagency steering group members consistently told OIG that coordination was good.

In 2019, the last year of only in-person courses before the COVID-19 pandemic, ILEA trained more than 5,300 students in 161 courses. The number of students and courses dropped during the pandemic as ILEA switched to virtual training and then to a limited number of in-person courses. In 2022, ILEA scheduled 194 courses, of which 16 were virtual, 10 were hybrid, and 168 were in-person, with a planned attendance of 7,000 students from 103 countries. Course subjects included anti-corruption, cybercrime, counternarcotics (including synthetic drugs), and diversity and inclusion, all of which relate to INL's functional bureau strategy.

Despite the ILEA program running for 27 years and graduating more 70,000 students, OIG found that INL had not conducted an impact evaluation of this large, long-term ongoing program.³⁴ As discussed in the previous finding, INL did not evaluate any of its long-term ongoing programs as required by Department guidance. Recommendation 9 above addresses this issue.

³⁴ The Department's Managing for Results evaluation guidance states that bureaus should consider the size and complexity of a program. Large programs should be prioritized for evaluation. *Guidance for the Design, Monitoring and Evaluation Policy at the Department of State*, page 13.

FOREIGN ASSISTANCE PROGRAM MANAGEMENT

OIG reviewed INL's management of its foreign assistance, which involved most INL offices in some capacity. In the bureau's Executive Office, the Office of Grants, Acquisitions, and Procurement Policy awards contracts up to \$6.5 million and federal assistance awards for all bureau program offices and for some overseas posts that do not have contracting and grants officers with the appropriate warrant levels. The Office of Grants, Acquisitions, and Procurement Policy also processes interagency agreements (IAA) for all bureau program offices and overseas posts. INL/EX's Office of Budget and Planning is responsible for the pre-agreement development and approval of letters of agreement (LOA) with foreign governments and international organizations. The INL/EX Management Assistance and Post Support Division provides assistance on management controls to INL's overseas posts and domestic program offices. The four regional offices directly manage regional programs and provide program development support to overseas posts that lack sufficient staff. The Office of Global Policy and Programming is responsible for managing capacity building efforts through multilateral and international organizations. Lastly, the Office of Knowledge Management is responsible for managing the six ILEAs.

In assessing INL's management of its foreign assistance mechanisms—LOAs with foreign governments and with international organizations, IAAs, federal assistance awards and contracts—OIG found deficiencies with each mechanism, as discussed later in this section. In addition, INL could not provide OIG with a comprehensive list of all implementing mechanisms managed by bureau staff, as discussed below.

Bureau Lacked Reliable Mechanisms to Track Domestically Managed Foreign Assistance Programs

INL lacked reliable mechanisms—such as spreadsheets or an internal knowledge management system—to track financial and program data related to its domestically managed foreign assistance programs. OIG found that INL could not readily produce a summary of foreign assistance programs managed by the bureau's grants, contracting, and agreements officers' representatives between FY 2017 and FY 2021. INL also was unable to provide details on the underlying implementing mechanisms, such as IAAs or contracts, used to support LOAs with foreign governments. Table 1, below, shows OIG's estimate of the number and value of mechanisms active at the time of the inspection, based on information provided by individual program offices.

Table 1: INL Foreign Assistance Implementing Mechanisms (Active)

Implementing Mechanism	Domestically Issued	Obligation Value (in millions)	Domestically Managed^a	Obligation Value (in millions)
Contracts	358	\$478.8	37	\$55.9
Federal Assistance Awards	316	\$255.7	135	\$241.8

IAAs	253	\$671.7	159	\$431
International Organization LOAs	166	\$350.4	111	\$284
Total	1093	\$1,756.7	442	\$1,012.8

^a Implementing mechanisms managed by a designated agreement, contracting, or grants officer's representative working in the INL bureau.

Source: OIG generated based on Department and INL data.

OIG consistently has found that the Department lacks the information technology (IT) systems necessary to track and report foreign assistance data. In 2015, OIG recommended the Department develop a comprehensive plan to address foreign assistance tracking and reporting requirements, a recommendation with which the Department concurred.³⁵ In a 2017 compliance follow-up review, OIG found the Department had made limited progress in building the capacity to centrally track foreign assistance data; as a result, OIG strengthened and reissued the recommendation.³⁶ In the absence of a Department-wide system that meets this need, bureaus with responsibilities for managing foreign assistance still must manually track and manage their programs to comply with federal internal control standards. The Government Accountability Office's *Standards for Internal Control in the Federal Government*, Principle 13,³⁷ states that management should use quality information to achieve the entity's objectives. The lack of a centralized tracking mechanism for all domestically managed INL foreign assistance programs precludes bureau leadership from implementing effective internal controls, providing an accurate accounting of its foreign assistance programs, and monitoring and evaluating its programs effectively.

Recommendation 10: The Bureau of International Narcotics and Law Enforcement Affairs should implement mechanisms to centrally track information on domestically managed foreign assistance programs and provide financial and program reports to the bureau's senior leadership on core program management responsibilities. (Action: INL)

Assistance Outcomes for Letters of Agreement With Foreign Governments Were Not Jointly Evaluated

OIG found INL did not conduct periodic joint evaluations with partner governments as required by the Department-approved LOA template.³⁸ INL used 120 LOAs with 100 foreign governments

³⁵ OIG, *Management Assistance Report—Department Financial Systems are Insufficient to Track and Report on Foreign Assistance Funds* (ISP-I-15-14, February 26, 2015).

³⁶ OIG, *Compliance Follow Up Review: Department of State Still Unable to Accurately Track and Report on Foreign Assistance Funds* (ISP-C-17-27, June 2017).

³⁷ Government Accountability Office, *Standards for Internal Control in the Federal Government*, page 59 (GAO-14-704G, September 2014).

³⁸ According to Section 481 of the Foreign Assistance Act of 1961, the "President is authorized to furnish assistance to any country or international organization, on such terms and conditions as he may determine, for the control of narcotic and psychotropic drugs and other controlled substances, or for other anticrime purposes." 22 U.S. Code § 2291. LOAs, also referred to as an "international agreement other than a treaty," and amendments to the LOAs are ways such assistance can be provided. According to the Office of the Legal Adviser, INL has blanket authority to

for the majority of its foreign assistance programs, with more \$4.5 billion obligated since 2017.³⁹ The approved LOA template, which is the basis for security sector foreign assistance programs within a single country, requires that a periodic report be prepared jointly with the partner government to review progress toward achievement of the project goals and objectives.⁴⁰ OIG found that while the bureau had an extensive and detailed approval process for initiating new LOAs and amendments, none of the 10 LOAs reviewed by OIG included a joint evaluation report prepared during the prior 5 years by the overseas post responsible for administering the LOA.⁴¹ INL regional office directors told OIG that most posts did not submit formal joint evaluation reports to the bureau. Some directors indicated that the joint evaluations occurred on an ad hoc basis while others admitted they have never been done.⁴² By failing to conduct the required joint evaluations, INL could not systematically review the totality of assistance provided to partner governments and assess progress toward achievement of program goals.

Recommendation 11: The Bureau of International Narcotics and Law Enforcement Affairs should implement a system to require joint evaluation reports be prepared according to the terms of its agreements with partner governments. (Action: INL)

Bureau Did Not Have Templates for Interagency Agreements With the Departments of Justice and Homeland Security

INL did not have templates to develop IAAs⁴³ with other federal agencies which acted as its implementing partners. OIG found that INL's IAAs with the Departments of Justice and Homeland Security – the two agencies with the most IAAs – were particularly problematic and

negotiate, conclude, amend, and terminate these LOAs for law enforcement, anti-crime, and antidrug agreements using a template approved by the Department's Office of the Legal Adviser.

³⁹ LOAs serve three purposes: (1) to specify the terms of the agreement between the United States and the partner foreign governments; (2) to stipulate the necessary legal basis to which the partner government must agree in order to receive security sector assistance; and (3) to serve as the primary instrument to legally obligate foreign assistance funds. In some cases, the U.S. government has multiple LOAs with a single partner government to manage specialized programs. LOAs generally continue indefinitely with amendments or unilateral funding increases each year as foreign assistance funds become available. Once an LOA is established, the relevant U.S. embassy generally is responsible for individual program implementation, monitoring, and evaluation.

⁴⁰ The joint evaluation also considers the partner government's provision of required funding contributions and in-kind provisions of personnel or equipment.

⁴¹ OIG selected 10 LOAs with the following countries for review: Argentina, Armenia, Colombia, El Salvador, Ghana, Kenya, Lebanon, Mexico, Pakistan, and Ukraine. OIG used a judgmental selection process to represent a variety of funding levels, age of agreement, and region of implementation. The review was limited to the approval process and the joint evaluations as required by the agreements.

⁴² Similar findings were noted in inspection reports for individual embassies in 2017 and 2019: OIG, *Inspection of Embassy Freetown, Sierra Leone* (ISP-I-17-16, May 2017); *Inspection of Embassy Port-au-Prince, Haiti* (ISP-I-19-18, June 2019); *Inspection of Embassy Nassau, The Bahamas* (ISP-I-19-19, August 2019); and *Inspection of Embassy Paramaribo, Suriname* (ISP-I-19-20, July 2019).

⁴³ An IAA defines the financial details of an order, terms of reimbursement, itemized costs, and financial obligations when one agency performs services or provides items to another agency. All parties must agree to the IAA's terms and conditions, and an authorized official from each agency involved must sign it. See 5 FAM 153.

would benefit the most from the development of a template to standardize requirements for implementing partners instead of revisiting requirements with each and every IAA. INL used IAAs to fund 148 rule of law projects worth \$437.3 million with the Department of Justice and 51 programs worth nearly \$61 million with the Department of Homeland Security from 2017-2021.⁴⁴ INL and agency staff responsible for overseas programs told OIG of longstanding inefficiencies in planning, developing, and tracking the progress of INL-funded projects implemented by these two agencies' legal and law enforcement advisors and trainers. Specifically, bureau staff told OIG that the large number and unique conditions of IAAs required a lengthy process to determine specific requirements and conditions to apply to each individual project with these implementing partners. In addition, the diversity of the agreements, even with a single agency, made it difficult for INL staff to track and hold these two agencies to agreed-upon monitoring and evaluation reporting and timelines.

These inefficiencies delayed IAA closeouts, created problems in financial and program reporting, and complicated interagency negotiations. For example, the lack of reporting or slow financial reporting and account reconciliation, were leading some INL staff to shorten Department of Justice IAA performance periods to provide a safety margin of up to 2 years to account for all the funds and to transfer unused funds before the funding authority expired.⁴⁵ However, in doing so, INL was not meeting Department requirements to close projects within 12 months of termination of work.⁴⁶ At the time of the inspection, INL and the Department of Justice were negotiating an overarching memorandum of understanding (i.e., a standard template) that they expected could help this situation. Staff noted there were similar problems with the Department of Homeland Security, but at the time of the inspection, INL did not have any similar efforts underway to develop a standard template for Homeland Security. Without a template to develop IAAs, particularly with the Departments of Justice and Homeland Security, INL risked being unable to track and monitor progress on agreements and manage funds consistent with Department guidance. Development and use of an IAA template could resolve major differences in reporting and tracking standards, shorten negotiation times, and generally speed up the processing of each agreement.

Recommendation 12: The Bureau of International Narcotics and Law Enforcement Affairs should develop a template for implementing mechanisms with the Departments of Justice

⁴⁴ In 2017-2021, INL had 298 IAAs with 16 agencies with a total value of \$712.9 million. With respect to the number of agreements, the Departments of Justice and Homeland Security combined were 67 percent of the total (199 of 298). With respect to the dollar value, the Departments of Justice and Homeland Security combined were 70 percent of the total (\$498.3 million of \$712.9 million).

⁴⁵ Guidance in 18 FAM 301.4-6(B)a requires that a bureau obtain from implementing partners records of how the funds were used and sufficient monitoring data to determine whether adequate progress and results were being achieved.

⁴⁶ Office of the Procurement Executive, Procurement Information Bulletin No. 2014-05, "Non-Acquisition Interagency Agreements," states the closeout process starts after all work specified in an order is completed or terminated, outlines responsibilities of each federal agency involved, and requires close out within 1 year of completion or termination.

and Homeland Security to improve planning, project monitoring and evaluations, and financial tracking and account reconciliations. (Action: INL)

Management of Agreements Not Aligned With Department, Bureau Guidelines

OIG found that the bureau did not manage IAAs and international organization LOAs in accordance with Department requirements and bureau policies. At the time of the inspection, INL was responsible for 253 active IAAs (estimated value \$671.7 million), of which at least 159 (approximately \$431 million) were managed by agreements officer representatives (AOR) in the bureau's program offices. The bureau also had 166 active international organization LOAs (total value \$350 million), of which INL's AORs managed approximately 111 (total value \$284 million).⁴⁷ OIG's review of 20 IAAs⁴⁸ (total value \$73.5 million) and 10 international organization LOAs⁴⁹ (total value \$34 million) examined the pre-agreement process for all 30 agreements, and the monitoring, evaluation, and close out process for the 21 agreements managed by program office AORs.

OIG identified the following issues with IAA and international organization LOA files:

- Thirteen of the 21 agreements managed by domestic AORs lacked required performance and financial reports from the implementing partners as required by both Department guidance for IAAs⁵⁰ and the INL AOR Handbook.
- All 21 files lacked documentation of monitoring required by the AOR Handbook, including site visit reports, invoice approvals, correspondence with the implementing partners, reports on unliquidated obligations, and monitoring of government furnished property.
- Of the 15 agreements with amendments, 8 lacked supporting documentation required by the AOR Handbook. The agreements were missing documentation such as updated work plans, revised budgets, and financial reconciliation reports.

INL staff told OIG these issues occurred because of insufficient training and guidance, a lack of standardized AOR performance review processes and an official recordkeeping system to preserve documentation, and prioritization by management of obligating funding over award monitoring. Failure to implement effective oversight of IAAs and international organization LOAs increases the risk of waste, fraud, and mismanagement and non-completion of program objectives.

⁴⁷ Agreement management standards are outlined in the bureau's AOR Handbook (2016) which implements requirements from both the Office of the Procurement Executive's Procurement Information Bulletin No. 2014-05 on Non-Acquisition Interagency Agreements, and the Department's authority to implement executive agreements regarding LOAs.

⁴⁸ OIG reviewed 20 of INL's 298 IAAs (total value \$712.9 million) with activity from FY 2017 to FY 2021. OIG selected a sample that represented both active and closed agreements, and a variety of managing program offices, recipient agencies, and agreement values.

⁴⁹ OIG reviewed 10 of INL's 345 LOAs with international organizations (total value \$341.4 million) with activity from FY 2017 to FY 2021. OIG sample represented a variety of funding sources, agreement value, and recipients.

⁵⁰ Procurement Information Bulletin No. 2014-05, "Non-Acquisition Interagency Agreements," page 6.

Recommendation 13: The Bureau of International Narcotics and Law Enforcement Affairs should implement standard operating procedures to provide oversight and accountability for interagency agreements and agreements with international organizations in accordance with Department requirements and bureau policies. (Action: INL)

Bureau Did Not Close Out Interagency Agreements and Letters of Agreement With International Organizations as Required

OIG found the bureau did not close out IAAs and LOAs with international organizations as required by INL's AOR Handbook. OIG's review of 30 IAAs and LOAs with international organizations found 13 were more than 1 year past the end of the period of performance.⁵¹ Only 2 of those 13 files included final reports from implementing partners and only 1 had a final evaluation prepared by the AOR, as required by the bureau's AOR Handbook. Furthermore, one international organization LOA that had been terminated early lacked documentation stating the reason for the early termination. Because of the lack of final financial reporting in the 13 files that had not been closed out, OIG was unable to determine whether all funding had been expended by the organizations within the periods of performance. INL staff told OIG the missing closeout and reporting information occurred because of insufficient training and guidance. The lack of timely agreement close out and financial reporting increases the risk that current or future agreements may incur problems that otherwise could be detected during the close out process and prevents the use of unliquidated funds or the recovery of unexpended funds remaining on the agreements.

Recommendation 14: The Bureau of International Narcotics and Law Enforcement Affairs should implement procedures for the timely close out of all current and future agreements. (Action: INL)

Bureau Did Not Manage Federal Assistance Award Files in Accordance With Department Requirements

OIG found that INL did not manage its federal assistance award files in accordance with the Department's Federal Assistance Directive. At the time of the inspection, grants officer representatives (GOR) in the bureau's program offices managed at least 109 (total value \$196 million) of the bureau's more than 300 active federal assistance awards (total value \$255 million); overseas GORs managed the remaining awards. OIG reviewed 20 active and expired grants and cooperative agreements (total value approximately \$65 million)⁵² and found that file

⁵¹ Procurement Information Bulletin No. 2014-05 section 10c, requires that IAAs be closed out within 1 year after the work specified is completed (such as the end of the period of performance) or terminated. There is no Department guidance or bureau policy specifying a timeline for closing out international organization LOAs. However, the standard annex attached to these LOAs requires that a final report be provided to INL within 6 months after INL funding for the project is fully expended. OIG therefore used the 1-year requirement for closing out IAAs as the standard for our review.

⁵² OIG reviewed 20 of INL's 140 federal assistance awards with activity from FY 2017 to FY 2022. These awards were subject to the Department's Federal Assistance Directive (issued May 2017, and later revisions). OIG used a

documentation in the Department's State Assistance Management System⁵³ was incomplete. For example, none of the award files OIG reviewed contained all required documentation of INL's monitoring of award implementation. In addition, 19 of the 20 files reviewed lacked documentation showing the GOR conducted all required reviews of the performance and financial reports submitted by the award recipients, and 15 of the 19 files did not include documentation of an annual program review.

According to the Federal Assistance Directive,⁵⁴ federal assistance awards must be consistently monitored, including annual reviews of any changes in the scope, schedule, or costs and annual updates to the established risk assessment and monitoring plan. The directive also requires GORs to document review of the recipient's quarterly reports and include it in the award file.⁵⁵ In addition, INL's procedures require review of program and financial reports to ensure compliance.⁵⁶ INL officials told OIG these issues arose for a variety of reasons, including not having basic information provided by the award recipient or the GOR; technical problems with the systems used; and heavy workloads by some grants officers and GORs. INL grants officers also said the high volume of federal assistance awards processed by a small number of officers limited the amount of oversight they could dedicate to each award.⁵⁷ Failure to adhere to Department standards for managing and overseeing federal assistance awards can lead to the misuse or misappropriation of Department funds or an inability to achieve program objectives. The lack of required documentation impairs grants officers' ability to identify and mitigate risk, monitor program implementation, evaluate program results, and ensure accountability for resources.

Recommendation 15: The Bureau of International Narcotics and Law Enforcement Affairs should update its standard operating procedures regarding monitoring of award implementation to provide oversight and accountability for maintaining records of its federal assistance awards, in accordance with the Federal Assistance Directive. (Action: INL)

Bureau Did Not Close Out Federal Assistance Awards in a Timely Manner

OIG found that at least 34 of INL's 88 expired awards from FY 2017 to FY 2021 were overdue for closeout. According to the Federal Assistance Directive, federal assistance awards must be

judgmental selection process to represent a variety of the status of awards (active vs closed), the managing program offices, and the total funds.

⁵³ The State Assistance Management System (SAMS) is the online federal financial assistance management system built to unify the Department's federal assistance processes and provide greater transparency, accountability, and reporting capabilities to assistance-awarding bureaus and posts. Its use is mandatory for all executed and obligated federal awards.

⁵⁴ Federal Assistance Directive (May 20, 2017, and later revisions) Chapter 2, Sections K and O.

⁵⁵ Federal Assistance Directive (May 20, 2017, and later revisions) Chapter 4, Section D.

⁵⁶ INL Acquisitions Handbook—Grants (March 2022), Post-Award Phase.

⁵⁷ INL's federal assistance awards management team of four grants officers provides services for both bureau program offices and overseas posts without an available grants officer.

closed no later than 1 year after the period of performance ends and preferably earlier.⁵⁸ Closing out of an award requires submission by recipients of final program and financial reports that are required in the award terms and conditions, and the subsequent review of those reports, within 30 days of their receipt, by the grants officer or GOR.⁵⁹ OIG's review of 9 of the 88 files ready for close out found that only 3 contained proper close out documentation. Five of the awards lacked final reports prepared by the grants officer or GOR, which are required by the directive within 30 days after receiving final reports from award recipients. Four of the five files were missing final recipient reports as well. INL grants officials told OIG that staffing constraints limited their ability to close files and that some GORs left the bureau before completing their duties. The lack of timely award close out increases the risk that future awards may repeat performance problems that otherwise could be detected during the close out process and prevents the reprogramming of unliquidated funds remaining on the awards.

Recommendation 16: The Bureau of International Narcotics and Law Enforcement Affairs should close out federal assistance awards as required by the Federal Assistance Directive. (Action: INL)

Bureau Lacked a Policy to Identify and Mitigate Risks

OIG found that INL did not have a formal bureau-wide policy or an established set of guidelines to ensure that risk associated with assistance programs – such as its portfolio of foreign assistance programs – was properly managed. In 2021, INL began developing a unified risk management process that would include a mechanism for identifying, reporting, and managing high-threat risks throughout the programming lifecycle. However, the bureau did not set a deadline for completing and implementing this process. Moreover, INL staff told OIG that although bureau leaders stressed to staff the importance of risk management, they did not provide program officers with specific guidance on how to implement a collaborative and systematic risk management process. Guidance in 2 FAM 031 calls for senior leaders to ensure that risk management is incorporated into planning and decision-making in a systematic, appropriate, and transparent manner. In addition, 2 FAM 032.4 requires that Department leadership set guidelines for risk tolerance and communicate it clearly to their staff. INL staff said the COVID-19 pandemic and the ongoing reorganization process slowed development of a risk management policy for the bureau. Considering the extent and nature of the bureau's foreign assistance programs, the lack of a formal policy to identify and mitigate risks puts the bureau at elevated risk of waste, fraud, and mismanagement.

Recommendation 17: The Bureau of International Narcotics and Law Enforcement Affairs should complete and implement a bureau risk management policy. (Action: INL)

⁵⁸ Federal Assistance Directive (October 2020, and later revisions) Chapter 5, Section A. In earlier versions of the Federal Assistance Directive, award closeout was required to be completed no later than 1 year plus 120 days after the period of performance ends and preferably earlier. Federal Assistance Directive (May 2017 through October 2019 revisions).

⁵⁹ Federal Assistance Directive (May 2017, and later revisions) Chapter 5, Section A.

Contracting Officer's Representatives Did Not Fully Administer Contracts in Accordance With Department Standards

Also related to foreign assistance, INL's contracting officer's representatives (COR) did not fully administer assigned contracts in accordance with 14 Foreign Affairs Handbook (FAH)-2 H-517a. Although documentation showed CORs monitored contracts, received goods and services for which they were invoiced, and addressed contract issues when they arose, OIG found missing documents in the review of 12 of 56 domestic COR files⁶⁰ valued at approximately \$186 million. For example, seven files did not include a copy of the contracting officer's letters of designation for new CORs upon the departure of the previous incumbent, as required in 14 FAH-2 H-141b(4) and 14 FAH-2 H-517a(1). In addition, seven COR files lacked copies of contract modifications, as required in 14 FAH-2 H-517a(6). Finally, CORs did not consistently document the annual contractor performance assessments in the Contractor Performance Assessment Reporting System⁶¹ as required by 14 FAH-2 H-572a and 48 Code of Federal Regulations § 42.1502(a). INL staff told OIG that program officers often served as CORs on projects they also managed, which limited the amount of time available to maintain the files. Without adequate contract oversight, the bureau risks excessive costs, misuse of U.S. government resources, and substandard contractor performance.

Recommendation 18: The Bureau of International Narcotics and Law Enforcement Affairs should comply with Department contracting officer's representative program standards. (Action: INL)

RESOURCE MANAGEMENT

INL's Executive Office (INL/EX) provides administrative, budgetary, financial, and post management support necessary for the bureau to fulfill its mission. OIG focused its review of INL's resource management operations on financial management, contract management, human resources, and general services. OIG found that, generally, INL/EX's resource management operations met the support needs of bureau staff. However, in OIG's questionnaire, 26 percent of those responding to a question of INL/EX's overall support and services gave the office a poor or fair rating. In addition, many staff members throughout the bureau told OIG that INL/EX's overall responsiveness was ineffective, citing delays in processing funding packages and responding to questions. OIG identified several issues in resource management operations, as discussed below.

Executive Office Lacked Standards to Measure Customer Support Services

OIG found that INL/EX lacked established service standards and did not perform periodic assessments of its support services. This left the bureau unable to measure INL/EX's response

⁶⁰ OIG reviewed the COR files for the highest value contract, worth \$110 million. OIG randomly selected the remaining 11 contracts from offices with a COR.

⁶¹ The Contractor Performance Assessment Reporting System, or CPARS, is the Government-wide evaluation reporting tool for all past performance reports on contracts and orders.

times, evaluate the quality of its services, obtain customer satisfaction feedback, and determine needed improvements. As stated above, 26 percent of staff who responded to OIG's questionnaire gave INL/EX a poor or fair rating for its overall support and services. INL employees specifically cited delays in approving necessary training, responding to questions, and processing personnel actions and program office packages, which caused operational delays. In accordance with the *Standards for Internal Control in the Federal Government*, Section 2, OV2.16 and OV2.19, and Principles 10.03 and 14.01-03,⁶² organizations should have internal control systems in place to carry out duties efficiently, measure the results of key activities, and effectively communicate throughout the organization. Staff cited an extended gap in the INL/EX director position, reorganization efforts, a lack of measurable performance data, and previous unsuccessful attempts to establish service standards as reasons for the lack of service standards. Establishing service standards sets formal timelines for services, increases transparency by defining what a customer should expect from a service, holds the service provider accountable for its performance, and allows INL/EX to measure service quality and efficiency. Without established standards and periodic assessments of its support services, INL/EX risks providing poor service to its customers, causing service delays, and increasing staff and customer frustration.

Recommendation 19: The Bureau of International Narcotics and Law Enforcement Affairs should implement written service standards for the services and support provided by the Executive Office and hold the Executive Office accountable for meeting the service standards. (Action: INL)

Outdated Standard Operating Procedures Hampered Operations

OIG found INL/EX lacked current standard operating procedures and policies and an organized repository of all bureau policies and procedures. OIG reviewed approximately 70 procedures and policies on the INL SharePoint site, including the Financial Management Handbook, the Employee Handbook, and key administrative policies such as hiring, time and attendance, telework, and travel, and found that there was no process to update them. Furthermore, many INL/EX employees told OIG they were unaware of any formal standard operating procedures and policies for their office or position. In addition to INL/EX procedures, an INL review of bureau-wide processes and procedures found it needed to develop or update standards for routine meetings, program office spending plans, and obligation tracking, as well as a need for more centralized communication and clear roles and responsibilities in its processes.

The *Standards for Internal Control in the Federal Government*, Principle 12.05,⁶³ calls for management to periodically review policies for continuing relevance and effectiveness. INL/EX employees told OIG they were aware that some administrative policies needed to be developed or updated but did not do so because of staff turnover. Staff also said that INL no longer used a central repository and although employees could find some policies maintained by various divisions on SharePoint, it often was difficult to locate administrative information. Without

⁶² GAO-14-704G, September 2014, pages 12-13; pages 45-48; page 60.

⁶³ GAO-14-704G, September 2014, pages 56-57.

updated standard operating procedures and policies and a central repository in which to maintain them, INL risks being unable to provide fair and transparent services to its Executive Office customers or clear information to bureau staff on their roles and responsibilities.

Recommendation 20: The Bureau of International Narcotics and Law Enforcement Affairs should implement periodic reviews of bureau policies and procedures, update them as necessary, and maintain them in a central repository. (Action: INL)

Bureau Had \$220 Million in Unliquidated Obligations

OIG found that, as of May 13, 2022, INL had approximately \$220 million in unliquidated obligations with no activity in more than 1 year. Additionally, between FY 2019 and FY 2021, INL returned more than \$130 million in INCLE funding to the Department of Treasury—funds that could have been used to support the INL mission. Department policies and procedures require allotment holders to perform monthly and quarterly reviews of unliquidated obligations for validity and accuracy, and identify expired periods of performance and inactivity. According to 4 FAM 225d, unliquidated obligations with no activity in more than 1 year must be reviewed and deobligated if they cannot be documented as valid obligations. INL/EX staff told OIG procedural changes, staff turnover, unresponsive implementing offices, a lack of data in Department financial management systems, and inadequate obligation tracking tools and systems made it difficult to identify and review unliquidated obligations to determine which could be deobligated. Failure to review and deobligate unliquidated obligations in a timely manner results in an accumulation of funds that could be put to better use.

Recommendation 21: The Bureau of International Narcotics and Law Enforcement Affairs should review and deobligate all invalid unliquidated obligations in accordance with Department guidance so funds of up to \$220 million can be put to better use. (Action: INL)

INFORMATION MANAGEMENT

The INL/EX Information Management Division (INL/EX/IM) provides IT services to INL's domestic and overseas offices and helps direct the bureau's technical services and grants. At the time of the inspection, the division's three branches supported SharePoint and data management services; IT service desk support; and project management and technical guidance for foreign assistance IT initiatives. In addition to its domestic and overseas IT responsibilities, INL/EX/IM helped manage and oversee overseas bilateral IT projects and initiatives in several INL foreign assistance programs. The bureau's Information Management Advisory Council (IMAC) also guided INL's information management activities. Finally, the bureau's Office of Aviation, headquartered in Florida, managed separate IT systems related to its operations.

OIG reviewed the division's IT management, security, and technical operations, including project management and systems development programs; systems operations and maintenance; the information systems security officer program; information system assessment and authorization; records management; and coordination with INL's overseas posts on foreign assistance IT initiatives. As discussed below, OIG identified several issues and

areas that require improvement to prevent wasted resources and improve the bureau's cybersecurity posture and strategic IT management.

Failed Cloud Migration Project Led to Wasted Funds

OIG determined that INL canceled its cloud migration project after 5 years and a total expenditure of at least \$3.4 million due to a lack of internal IT management controls and poor contractor oversight. INL/EX/IM began the cloud computing⁶⁴ network development project, called INL Global 2020, in 2016 to create a modern, secure global access network hosted in a cloud computing environment that would consolidate multiple standalone networks into a single global access network. INL decided to build its own cloud computing network because, at that time, the Department lacked a cloud computing environment that met the bureau's requirements. INL staff told OIG that in an October 2021 memorandum, INL leadership decided to halt the project due to ongoing delays and instead opted to begin migrating to Department cloud computing platforms that had since become available. The bureau was unable to provide OIG with the total cost of the INL Global 2020 project. However, OIG determined, based on available financial data, that the project cost at least \$3.4 million and probably substantially more.⁶⁵

OIG determined that INL/EX/IM's failure to establish a standard set of internal management controls for IT projects, including properly managing and overseeing contractor personnel, was the primary cause for the INL Global 2020 project delays and ultimate abandonment. Department guidance in 5 FAH-5 H-121b and 5 FAH-5 H-123(2) state that project controls should be in place to ensure the planned control gates in the project plan are met and that project managers should establish a method for monitoring contractor progress. OIG found the INL Global 2020 project team developed a management plan with a project schedule, but it did not include acceptance reviews of deliverables at project milestones as required in the Department's Managing State Projects lifecycle.⁶⁶ Additionally, INL/EX/IM did not update the project schedule throughout its lifecycle to reflect new timelines and task completion dates.

In addition, OIG found project managers did not monitor and oversee contractor performance against the established project plan. The initial INL Global 2020 project manager left in February 2019 and was replaced by another member of the project team. INL/EX/IM leadership told OIG that there was not a proper hand off between the two project managers and that INL Global 2020 contractor oversight responsibilities were not clearly reassigned after the initial project

⁶⁴ Cloud computing is the delivery of computing services over the internet to offer faster innovation, flexible resources, and economies of scale.

⁶⁵ OIG calculated this amount using financial documents provided by INL, which included costs for contractor positions, software license renewals, and Cloud consumption costs. The figure does not include other costs associated with the project for which INL was unable to provide financial documentation, such as procuring high-speed internet connections, IT hardware, ongoing software license costs, and the total cost of IT consulting contracts associated with the project.

⁶⁶ 5 FAH-5 H-211a establishes Managing State Projects as the preferred methodology in the Department for all IT development projects. Another method can, if needed, be used but it must map to the Managing State Project's control gates.

manager left. OIG found that INL Global 2020 contractors updated INL/EX/IM leadership about tasks on which they were working, but the division did not check the contractor updates against the project schedule to make sure they happened in sequence and progressed in line with the schedule. Furthermore, cancellation of the INL Global 2020 project left several systems without a plan or timeline to receive authorizations to operate.⁶⁷ At the time of the inspection, INL was working to obtain authorizations for these systems.

The lack of standards and controls for managing the Global INL 2020 project resulted in unclear timelines and project delays which led to the decision by INL leadership to abandon the project. However, the lack of project management standards and controls should be addressed to reduce the risk of future IT project failures. Without defined and clear standards and controls for managing IT projects and overseeing contractor personnel, INL is at risk of mismanaging future IT projects and potentially wasting funds.

Recommendation 22: The Bureau of International Narcotics and Law Enforcement Affairs should implement a standard project management lifecycle with a standard set of project controls for use in all information technology projects. (Action: INL)

Recommendation 23: The Bureau of International Narcotics and Law Enforcement Affairs should implement a process for the Information Management Division to monitor contractor performance for all information technology projects. (Action: INL)

Bureau Lacked a Process to Identify and Monitor Overseas Information Systems

INL/EX/IM did not establish a process to identify, monitor, and assess all overseas INL information systems. INL developed and operated several dedicated internet networks⁶⁸ and web applications at its overseas posts to support the bureau's mission requirements but did not continuously monitor and periodically assess their security controls as required in 12 FAM 623.14a(1). In addition, OIG reviews found that overseas INL sections did not always inform INL/EX/IM about new information systems and networks they had developed using foreign assistance program funds.⁶⁹ In some cases, these information systems and networks operated for 4 years before INL/EX/IM personnel became aware of their existence. Furthermore, the Bureau of Diplomatic Security's Monitoring and Incident Response Division, which is responsible for performing cybersecurity posture assessments of Department information systems and networks, was unaware of these systems until informed of them by OIG during the inspection. Additionally, Task ID-041 of the information systems security officer checklist

⁶⁷ INL had planned that the systems migrated to and hosted on the INL Global 2020 cloud computing network would be covered by the authorizations to operate that INL Global 2020 would receive. The systems that were to be migrated were hosted on dedicated internet networks separate from OpenNet.

⁶⁸ A dedicated internet network provides dedicated Internet access from a local internet service provider on a Department-owned and -operated discrete non-sensitive unclassified local area network that is not connected to any other Department system.

⁶⁹ INL/EX/IM did not participate in foreign assistance program fund planning.

version 6.01⁷⁰ requires the officers to ensure hardware and software used on dedicated internet networks is approved by the IT Configuration Control Board⁷¹ or a post's Local Configuration Control Board, which was not completed. Improperly identified, monitored, and assessed systems risk not having required and properly implemented security controls, which can lead to the confidentiality, availability, and integrity of those systems, information, and individual users being compromised.

Recommendation 24: The Bureau of International Narcotics and Law Enforcement Affairs should implement a process to notify its Information Management Division when new systems at its overseas locations are developed or deployed and ensure periodic review by staff. (Action: INL)

Global INL Network Did Not Have a Contingency Plan that Aligned With Operating Requirements

OIG found that the Office of Aviation's network supporting aircraft operation and maintenance, Global INL, did not have an information system contingency plan⁷² that met mission and business requirements. Global INL provides Office of Aviation end users access to information needed to support domestic and overseas aircraft operations and maintenance through customized commercial-off-the-shelf software.⁷³ Global INL support personnel told OIG that with the network's current data recovery capabilities, it could take up to 2 weeks to resume normal operations should the network go down due to a system failure or disaster. However, Global INL's information system contingency plan identifies some network applications as having a maximum allowable downtime of 1 day.⁷⁴ Guidelines in 12 FAH-10 H-232.1-1b(8) state that information system contingency plans must allow for system owners to resume essential mission and business functions within bureau-defined time periods following contingency plan activation. INL network support personnel told OIG that limited funding prevented INL from establishing the ability to back up and recover essential Global INL mission and business functionality within the maximum allowable downtimes. The inability to resume these functions within established time periods increases the risk that INL will not be able to perform its mission while network operations and application data are unavailable.

⁷⁰ The checklist is the foundation for the required tasks for information systems security officers worldwide. The checklist explains the minimum tasks and corresponding minimum frequency required of an information systems security officer to perform the required tasks.

⁷¹ The Information Technology Change Control Board manages standardization of the Department's global information technology environment and addresses issues of configuration tracking, change control, and network planning and operations.

⁷² An information system contingency plan is a management policy and procedure designed to maintain or restore business operations, including computer operations, possibly at an alternate location, in the event of emergencies, system failures, or disasters.

⁷³ Commercial-off-the-shelf software is software available from commercial sources.

⁷⁴ The maximum allowable downtime is the amount of time a mission or business process can be disrupted without causing significant harm to the organization's mission.

Recommendation 25: The Bureau of International Narcotics and Law Enforcement Affairs should review and update its information system contingency plan for the Global INL network to align with bureau requirements. (Action: INL)

Office of Aviation Systems Lacked Authorization to Operate

The Office of Aviation operated a web application that is part of the Department's Federal Information Security Modernization Act of 2014 inventory^{75, 76} without obtaining an authorization to operate. Guidance in 5 FAM 619c states that Department system owners must ensure that system authorizations are performed on all Department systems reportable under the Act. The web application—a customized commercial-off-the-shelf product used for booking, scheduling, and manifesting Office of Aviation passengers and cargo on INL flights—was categorized by Federal Information Processing Standard Publication 199⁷⁷ as having moderate security impact. This means the loss of confidentiality, integrity, or availability of the web application and its data could have a serious adverse effect on organizational operations and assets or on individuals. OIG found INL began, but never completed, an assessment of the application to request an authorization to operate. Office of Aviation personnel told OIG they planned to migrate the web application to a Department-approved cloud computing network to complete the assessment to receive an authorization to operate but could not provide OIG with a timeline for completion. The authorization process is particularly important for applications with a moderate security impact because they require a stringent level of security controls to maintain the confidentiality, integrity, and availability of the application. This process validates that required security controls are properly implemented. Applications operating without authorizations to operate are at an increased risk of the application's confidentiality, integrity, and availability being compromised due to inadequate security controls.

Recommendation 26: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Bureau of Information Resource Management, should complete the assessment and authorization to operate process for the Office of Aviation web application. (Action: INL, in coordination with IRM)

⁷⁵ The Federal Information Security Modernization Act of 2014 (FISMA) provides a comprehensive framework for ensuring the effectiveness of information security controls over information resources that support federal operations and assets. See 5 FAM 463.

⁷⁶ A FISMA reportable system is an information system that supports the operations and assets of the agency, and FISMA requires the agency to implement an agency-wide program for information security for those systems.

⁷⁷ Federal Information Processing Standard Publication 199, published by the National Institute of Standards and Technology in February 2004, provides a standard for categorizing federal information and information systems according to an agency's level of concern for confidentiality, integrity, and availability and the potential impact on agency assets and operations should their information and information systems be compromised through unauthorized access, use, disclosure, disruption, modification, or destruction.

Information Management Advisory Council's Expanded Scope Led to Confusion and Potential Duplication

OIG found that IMAC efforts had expanded from its original purpose to serve as an advisory committee to taking on a more active role in performing bureau information management and security functions. This led to potential duplication of bureau IT efforts as well as staff confusion on how particular IMAC efforts support INL's IT goals and objectives, resulting in a negative effect on IT management and coordination.

INL created the IMAC in December 2019 to act as an advisory committee, provide a coherent, bureau-wide understanding of IT needs, and ensure bureau equities are advocated effectively in Department working groups and IT investment plans. At the time of the inspection, a Deputy Assistant Secretary and the acting Executive Director co-chaired IMAC; the council included staff from various INL divisions, including INL/EX, the Office of Knowledge Management, the Office of Africa and Middle East, and the Grants, Acquisition, and Procurement Policy Division, among others. Additionally, while several INL/EX/IM staff members were members of IMAC, INL/EX/IM's leadership was not an active participant in the council.

OIG found that IMAC's role expanded from its original intent as an advisory board to one of performing information management and security functions that normally would be the responsibility of INL/EX/IM. For example, IMAC teams oversaw enterprise application development and ensured requirements were streamlined and communicated across internal and external groups. IMAC teams also worked to obtain permanent authorizations to operate for several INL systems and to implement a bureau-wide cloud-based monitoring database that included completing security assessments, identifying dedicated internet networks, and entering required information into Department systems. This latter project involved coordinating with representatives in the Bureau of Information Resource Management. Furthermore, IMAC teams developed work requirements for INL's project acquisition tracker for new contracts.

INL staff told OIG that the Front Office requested that INL/EX/IM's leadership not be involved in the council or the various IMAC projects described above. As such, OIG found little collaboration between IMAC and INL/EX/IM to ensure that IMAC was not impeding or duplicating INL/EX/IM's IT responsibilities. In addition, staff across the bureau at various levels told OIG that IMAC's work and approach created confusion. INL/EX/IM staff also told OIG of concerns that employees were assigned to work on IMAC projects, which negatively affected their other IM responsibilities.

According to standards in 5 FAH-5 H-112a, well-defined IT roles and responsibilities ensure a project's success. *The Standards for Internal Control in the Federal Government*, Principle 6.03,⁷⁸ also states that management [should] define objectives in specific terms so they are understood at all levels of the entity. This involves clearly defining what is to be achieved, who is to achieve it, how it will be achieved, and the time frames for achievement. Revising the

⁷⁸ GAO-14-704G, September 2014, page 35.

IMAC charter to define its responsibilities so as not to duplicate or overlap with those of INL/EX/IM, as well as detailing the plans of its future work on IT initiatives, would help bureau management and staff understand the long-term plans for the advisory council. Failure to clarify IMAC and INL/EX/IM roles and responsibilities will continue to create confusion for INL staff and potentially affect the bureau's ability to meet its IT goals and objectives.

Recommendation 27: The Bureau of International Narcotics and Law Enforcement Affairs should revise the charter for the Information Management Advisory Council to clearly define its scope and information management responsibilities. (Action: INL)

Bureau Lacked Information Technology Strategic Plan

OIG found that INL did not have a current IT strategic plan to establish its goals and objectives and ensure alignment with the bureau-wide strategic plan. INL's last IT strategic plan covered FY 2014 - FY 2017. Per the *Standards for Internal Control in the Federal Government*, Section 2.19,⁷⁹ an entity's mission may be defined in a strategic plan which sets the goals and objectives for the entity along with the effective and efficient operations necessary to fulfill those objectives. INL/EX/IM leadership, which did not prioritize the development of an IT strategic plan in prior years, began drafting a revised plan during the inspection. However, OIG's review of the draft found it included outdated references to the bureau's canceled cloud project (INL Global 2020), including completion of security assessments for the canceled project as part of INL/EX/IM's performance metrics. Furthermore, the draft plan listed Department and INL/EX/IM strategic objectives but did not mention INL's bureau-wide strategic objectives to show the division's objectives flowed from the overall bureau future IT goals. Without an IT strategic plan, the bureau lacked a framework for identifying its IT priorities, measuring the effectiveness of IT operations, and prioritizing its work. Because INL/EX/IM leadership began taking action to address the issues identified by OIG in the draft IT strategic plan, OIG did not make a recommendation to address this issue.

Bureau Lacked Records Management Procedures for Handling Electronic Records

INL did not have records management procedures for staff to ensure uniform creation, maintenance, and disposition of electronic documents. Specifically, OIG found that INL staff did not store documents in a central repository. Instead, they saved electronic documents ad hoc, including on network shared drives, SharePoint sites, and within Teams channels. For example, INL staff were unable to locate historical documents such as chronological files of letters of agreement for the bureau and project documentation for systems development. As described in 5 FAM 422, the Department is required to preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency.⁸⁰ Furthermore, 5 FAM 413a(3) notes that as part of information

⁷⁹ GAO-14-704G, September 2014, page 13.

⁸⁰ This section of the FAM was updated in August 2022, after fieldwork for this inspection concluded, and 5 FAM 422 no longer includes this specific requirement. However, the current versions of 5 FAM 421 and 5 FAM 422 collectively discuss the need to preserve such records. Additionally, the current version of 5 FAM 421b states

lifecycle management, standards and procedures should be established and implemented for classifying, indexing, and filing records.⁸¹ The absence of an effective records management program increases the risk of loss of important data and historical records that could affect the Department's and the bureau's ability to conduct policy analysis, decision-making, and archival research.

Recommendation 28: The Bureau of International Narcotics and Law Enforcement Affairs should develop and implement records management procedures for organizing and managing bureau electronic records. (Action: INL)

effective control over the creation, maintenance, and use of records are essential to ensure important policies, decisions, and operations are adequately documented.

⁸¹ This section of the FAM was updated in September 2022, after fieldwork for this inspection concluded, and 5 FAM 413 no longer includes this specific requirement. However, 5 FAM 418.8b(2) and (3) notes that bureaus must incorporate recordkeeping requirements for records creation, maintenance, and disposition in bureau programs, processes, systems, and procedures, and ensure records management requirements are considered in the system lifecycle development process.

RECOMMENDATIONS

OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to the Bureau of International Narcotics and Law Enforcement Affairs. The bureau's complete response can be found in Appendix B.¹ The bureau also provided technical comments that were incorporated into the report, as appropriate.

Recommendation 1: The Bureau of International Narcotics and Law Enforcement Affairs should require comprehensive use of the Department's Management Controls Checklist to develop the Annual Chief of Mission Management Control Statement of Assurance to effectively identify and mitigate internal control risks to the bureau's projects, programs, and operations in accordance with Department guidance. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the Bureau of International Narcotics and Law Enforcement Affairs' comprehensive use of the Department's Management Controls Checklist to develop the Annual Chief of Mission Management Control Statement of Assurance to effectively identify and mitigate internal control risks to the bureau's projects, programs, and operations.

Recommendation 2: The Bureau of International Narcotics and Law Enforcement Affairs should follow Department guidance with respect to the communication and execution of its ongoing reorganization plans. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of March 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs followed Department guidance with respect to the communication and execution of its ongoing reorganization plans.

Recommendation 3: The Bureau of International Narcotics and Law Enforcement Affairs should develop an implementation plan for its functional bureau strategy, in accordance with Department standards. (Action: INL)

¹ OIG faced delays in completing this work because of the COVID-19 pandemic and resulting operational challenges. These challenges included the inability to conduct most in-person meetings, limitations on our presence at the workplace, difficulty accessing certain information, prohibitions on travel, and related difficulties within the agencies we oversee, which also affected their ability to respond to our requests.

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of April 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the Bureau of International Narcotics and Law Enforcement Affairs' implementation plan for its functional bureau strategy.

Recommendation 4: The Bureau of International Narcotics and Law Enforcement Affairs should implement procedures for conducting regularly scheduled and senior leadership-led reviews of its progress in meeting strategic goals and objectives, in accordance with Department guidance. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs did not concur with this recommendation. The bureau noted that it has already integrated regular annual strategy reviews into its planning calendar. The bureau noted that the report narrative implied that their reviews were done on an ad hoc basis and stated that the bureau began doing regular strategy reviews in 2020, after the establishment of the bureau's Strategy, Communications, and Outreach Unit. Additionally, the bureau held several strategy discussions with senior leadership in fall 2021 as part of the Functional Bureau Strategy (FBS) development process and subsequently completed the FBS in January 2022. The bureau clarified that it opted not to review the strategy in early spring, given how recently the strategy had been issued. The bureau further noted that its approach of not documenting a formal strategy review in the year when a new strategy is issued is consistent with the Department approach set forth in the FY 2024 Bureau Resource Request Guidance. Furthermore, a review of the Department's Bureau Planners meeting minutes from December through June show that the Department did not recommend that bureaus conduct a strategy review in 2022.

OIG Reply: OIG considers the recommendation resolved. At the time of the inspection, OIG received documentation of two annual strategy reviews that the bureau conducted in accordance with 18 Foreign Affairs Manual (FAM) 301.2-4(D)c. However, based on OIG's review of the bureau's March 2021 strategy review document, OIG found that the 2021 process was not a senior leadership-led process. OIG revised the report to clarify its finding. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented procedures for conducting regularly scheduled and senior leadership-led reviews of its progress in meeting strategic goals and objectives, in accordance with Department guidance.

Recommendation 5: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Office of Foreign Assistance and the Bureau of Budget and Planning, should identify its major programs in accordance with Department guidance. (Action: INL, in coordination with F and BP)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of December 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs identified its major programs in accordance with Department guidance.

Recommendation 6: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Office of Foreign Assistance and the Bureau of Budget and Planning, should implement monitoring and evaluation plans for its major programs, in accordance with Department standards. (Action: INL, in coordination with F and BP)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented monitoring and evaluation plans for its major programs, in accordance with Department standards.

Recommendation 7: The Bureau of International Narcotics and Law Enforcement Affairs should require that its risk assessment and monitoring plans related to continued programming in Afghanistan reflect changed conditions within the country. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of March 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs' risk assessment and monitoring plans related to continued programming in Afghanistan reflect changed conditions within the country.

Recommendation 8: The Bureau of International Narcotics and Law Enforcement Affairs should implement bureau-wide guidance to direct its long-term efforts to improve and coordinate the bureau's design, monitoring, and evaluation activities. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of May 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented bureau-wide guidance to direct its long-term efforts to improve and coordinate the bureau's design, monitoring, and evaluation activities.

Recommendation 9: The Bureau of International Narcotics and Law Enforcement Affairs should evaluate its long-term ongoing programs in accordance with Department standards. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of June 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs evaluated its long-term ongoing programs in accordance with Department standards.

Recommendation 10: The Bureau of International Narcotics and Law Enforcement Affairs should implement mechanisms to centrally track information on domestically managed foreign assistance programs and provide financial and program reports to the bureau's senior leadership on core program management responsibilities. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of December 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented mechanisms to centrally track information on domestically managed foreign assistance programs and provide financial and program reports to the bureau's senior leadership on core program management responsibilities.

Recommendation 11: The Bureau of International Narcotics and Law Enforcement Affairs should implement a system to require joint evaluation reports be prepared according to the terms of its agreements with partner governments. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of June 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented a system to require joint evaluation reports be prepared according to the terms of its agreements with partner governments.

Recommendation 12: The Bureau of International Narcotics and Law Enforcement Affairs should develop a template for implementing mechanisms with the Departments of Justice and Homeland Security to improve planning, project monitoring and evaluations, and financial tracking and account reconciliations. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of June 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs developed a template for implementing mechanisms with the Departments of Justice and Homeland Security to improve planning, project monitoring and evaluations, and financial tracking and account reconciliations.

Recommendation 13: The Bureau of International Narcotics and Law Enforcement Affairs should implement standard operating procedures to provide oversight and accountability for interagency agreements and agreements with international organizations in accordance with Department requirements and bureau policies. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented standard operating procedures to provide oversight and accountability for interagency agreements and agreements with international organizations in accordance with Department requirements and bureau policies.

Recommendation 14: The Bureau of International Narcotics and Law Enforcement Affairs should implement procedures for the timely close out of all current and future agreements. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented procedures for the timely close out of all current and future agreements.

Recommendation 15: The Bureau of International Narcotics and Law Enforcement Affairs should update its standard operating procedures regarding monitoring of award implementation to provide oversight and accountability for maintaining records of its federal assistance awards, in accordance with the Federal Assistance Directive. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of December 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs updated its standard operating procedures regarding monitoring of award implementation to provide oversight and accountability for maintaining records of its federal assistance awards, in accordance with the Federal Assistance Directive.

Recommendation 16: The Bureau of International Narcotics and Law Enforcement Affairs should close out federal assistance awards as required by the Federal Assistance Directive. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of July 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs closed out federal assistance awards as required by the Federal Assistance Directive.

Recommendation 17: The Bureau of International Narcotics and Law Enforcement Affairs should complete and implement a bureau risk management policy. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of December 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs completed and implemented a bureau risk management policy.

Recommendation 18: The Bureau of International Narcotics and Law Enforcement Affairs should comply with Department contracting officer's representative program standards. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of December 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs complied with Department contracting officer's representative program standards.

Recommendation 19: The Bureau of International Narcotics and Law Enforcement Affairs should implement written service standards for the services and support provided by the Executive Office and hold the Executive Office accountable for meeting the service standards. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of December 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented written service standards for the services and support provided by the Executive Office and held the Executive Office accountable for meeting the service standards.

Recommendation 20: The Bureau of International Narcotics and Law Enforcement Affairs should implement periodic reviews of bureau policies and procedures, update them as necessary, and maintain them in a central repository. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of December 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented periodic reviews of bureau policies and procedures, updated them as necessary, and maintained them in a central repository.

Recommendation 21: The Bureau of International Narcotics and Law Enforcement Affairs should review and deobligate all invalid unliquidated obligations in accordance with Department guidance so funds of up to \$220 million can be put to better use. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of September 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs reviewed and deobligated all invalid unliquidated obligations in accordance with Department guidance so funds of up to \$220 million can be put to better use.

Recommendation 22: The Bureau of International Narcotics and Law Enforcement Affairs should implement a standard project management lifecycle with a standard set of project controls for use in all information technology projects. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of June 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented a standard project management lifecycle with a standard set of project controls for use in all information technology projects.

Recommendation 23: The Bureau of International Narcotics and Law Enforcement Affairs should implement a process for the Information Management Division to monitor contractor performance for all information technology projects. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of October 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented a process for the Information Management Division to monitor contractor performance for all information technology projects.

Recommendation 24: The Bureau of International Narcotics and Law Enforcement Affairs should implement a process to notify its Information Management Division when new systems at its overseas locations are developed or deployed and ensure periodic review by staff. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of April 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs implemented a process to notify its Information Management Division when new systems at its overseas locations are developed or deployed and ensure periodic review by staff.

Recommendation 25: The Bureau of International Narcotics and Law Enforcement Affairs should review and update its information system contingency plan for the Global INL network to align with bureau requirements. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of June 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs reviewed and updated its information system contingency plan for the Global INL network to align with bureau requirements.

Recommendation 26: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Bureau of Information Resource Management, should complete the assessment and authorization to operate process for the Office of Aviation web application. (Action: INL, in coordination with IRM)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of July 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs completed the assessment and authorization to operate process for the Office of Aviation web application.

Recommendation 27: The Bureau of International Narcotics and Law Enforcement Affairs should revise the charter for the Information Management Advisory Council to clearly define its scope and information management responsibilities. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of May 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs revised the charter for the Information Management Advisory Council to clearly define its scope and information management responsibilities.

Recommendation 28: The Bureau of International Narcotics and Law Enforcement Affairs should develop and implement records management procedures for organizing and managing bureau electronic records. (Action: INL)

Management Response: In its December 7, 2022, response, the Bureau of International Narcotics and Law Enforcement Affairs concurred with this recommendation. The bureau noted an estimated completion date of May 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of International Narcotics and Law Enforcement Affairs developed and implemented records management procedures for organizing and managing bureau electronic records.

PRINCIPAL OFFICIALS

Title	Name	Arrival Date
Assistant Secretary:		
	Todd D. Robinson	09/2021
Deputy Assistant Secretaries		
Principal Deputy Assistant Secretary (INL/EX, GPP)	James A. Walsh	01/2015
Deputy Assistant Secretary (INL/EA, AP)	Lisa A. Johnson	10/2021
Deputy Assistant Secretary (INL/WHP, A)	Heide Fulton	07/2020
Deputy Assistant Secretary (INL/AME, KM)	Tobin Bradley	07/2020

Source: Generated by OIG from data provided by the Bureau of International Narcotics and Law Enforcement Affairs.

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted from March 14 to July 26, 2022, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2020 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspections Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM).

Objectives and Scope

The Office of Inspections provides the Secretary of State, the Chief Executive Officer of USAGM, and Congress with systematic and independent evaluations of the operations of the Department and USAGM. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved and U.S. interests are accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy; and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; and whether instances of fraud, waste, or abuse exist and whether adequate steps for detection, correction, and prevention have been taken.

OIG's specific objectives for this inspection of the Bureau of International Narcotics and Law Enforcement Affairs (INL) were to determine whether INL:

- Leadership followed the Department's leadership and management principles, particularly with respect to Equal Employment Opportunity, diversity and inclusion, and the COVID-19 pandemic.
- Leadership followed Department guidance for changing the bureau's structure and whether the bureau achieved its reorganization goals.
- Carried out its program and policy implementation responsibilities in accordance with applicable standards.
- Managed resources with maximum economy and effectiveness as required.
- Managed its information technology operations in compliance with applicable standards related to security, operations, and systems development.

Methodology

The OIG inspection generally covered FY 2018-FY 2022 (October 2017 through September 2022). However, because OIG recently reported on the INL Aviation Wing,¹ the scope of the inspection did not include this organization, except for the wing's IT systems.

OIG used a risk-based approach to prepare for this inspection. Due to the COVID-19 pandemic and taking into consideration relevant guidance, OIG conducted most portions of the inspection remotely and relied on audio- and video-conferencing tools in addition to in-person interviews and visits in the Department. OIG also reviewed pertinent records; circulated surveys, including with INL staff posted overseas, and compiled the results; and reviewed the substance of this report and its findings and recommendations with offices, individuals, and organizations affected by the review. OIG used professional judgment and analyzed physical, documentary, and testimonial evidence to develop its findings, conclusions, and actionable recommendations.

¹ OIG, *Audit of the Department of State's Administration of its Aviation Program* (AUD-SI-18-59, September 2018).

APPENDIX B: MANAGEMENT RESPONSE



United States Department of State

Washington, D.C. 20520

December 7, 2022

UNCLASSIFIED

TO: OIG – Sandra Lewis, Assistant Inspector General for Inspections

FROM: Bureau of International Narcotics and Law Enforcement Affairs-Assistant Secretary Todd Robinson

SUBJECT: Response to Draft OIG Report – Inspection of the Bureau of International Narcotics and Law Enforcement Affairs

Thank you for the opportunity to review and comment on the draft report. The Bureau of International Narcotics and Law Enforcement Affairs has reviewed the draft OIG report and has provided the following comments in response to the recommendations provided by OIG:

OIG Recommendation 1: The Bureau of International Narcotics and Law Enforcement Affairs should require comprehensive use of the Department's Management Controls Checklist to develop the Annual Chief of Mission Management Control Statement of Assurance to effectively identify and mitigate internal control risks to the bureau's projects, programs, and operations in accordance with Department guidance.

Management Response: INL concurs with the recommendation. The Bureau will review the Department's Management Controls Checklist to develop and implement ahead of the bureau's submission of the FY 2023 Statement of Assurance in September 2023.

OIG Recommendation 2: The Bureau of International Narcotics and Law Enforcement Affairs should follow Department guidance with respect to the communication and execution of its ongoing reorganization plans.

Management Response: INL concurs with the recommendation. A/S Robinson recently approved an inventory of recommended actions on our roadmap. We will communicate it to directors by March 2023, make it available to the entire bureau, and track progress in a transparent manner.

OIG Recommendation 3: The Bureau of International Narcotics and Law Enforcement Affairs should develop an implementation plan for its functional bureau strategy, in accordance with Department standards.

Management Response: INL concurs with the recommendation. INL will complete the implementation plan by April 2023.

OIG Recommendation 4: The Bureau of International Narcotics and Law Enforcement Affairs should implement procedures for conducting regularly scheduled and senior leadership-led reviews of its progress in meeting strategic goals and objectives, in accordance with Department guidance.

Management Response: We non-concur because the bureau has already integrated regular annual strategy reviews into INL's planning calendar (can provide document upon request). The

characterization in the narrative prior to Recommendation 4 is misleading (specifically the second sentence, "Since the approval of its prior FBS is June 2018, INL conducted two strategic review exercises"). This makes our approach sound ad hoc, but in reality INL began doing regular strategy reviews in 2020 after the establishment of INL/SCO. INL provided the OIG with Action Memos documenting the strategy reviews conducted in 2020 and 2021. INL held several strategy discussions with senior leadership in fall 2021 as part of the FBS development process and INL completed the current FBS in January 2022. It did not make sense to review the strategy in the early spring -- when the bureau typically conducts strategy reviews -- given how recently the strategy had been issued. INL's approach of not documenting a formal strategy review in the year of a new strategy is consistent with the Department's approach, as noted in the FY 2024 Bureau Resource Request (BRR) Guidance. The BRR typically includes a summary of the annual strategy review as a required component; however, in FY 2024 the Department guidance recognized that bureaus were in the midst of their quadrennial update process, and the guidance for the strategy portion of the BRR read as follows:

***FBS/JRS Implementation** The FBS/JRS implementation narrative should provide further detail on the implementation of the FBS/JRS strategy such as developing a communication plan to coordinate with relevant stakeholders and outline the process for regular review of the strategy including how often the bureau will review, and how the bureau will use review findings. The narrative should note the steps being taken to ensure the necessary data is collected, and metrics available, to support the regular reviews that can objectively quantify progress.*

Next year this section will be used to summarize strategy review findings and changes. A review of the Department's Bureau Planners meeting minutes from December through June further show that the Department did not recommend Bureaus conduct a strategy review in 2022.

OIG Recommendation 5: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Office of Foreign Assistance and the Bureau of Budget and Planning, should identify its major programs in accordance with Department guidance. (Action: INL, in coordination with F and BP)

Management Response: INL concurs with the recommendation to update the bureau's major programs. INL notes that the Department accepted INL's initial identification of major programs in 2018. Given that acceptance, INL understands it was in accordance with Department guidelines regarding the identification of major programs -- and revalidated that understanding in a recent (November 2022) discussion with F on this issue. In 2022, the Department tasked all bureaus with re-validating or updating their list of major programs following the quadrennial strategy update process. INL informed F that the bureau needed to complete its OIG review before re-validating/updating major programs. Now that the review is concluded, INL concurs with the OIG's recommendation to update the list of major programs. INL has already completed an initial consultation with F regarding updating its identification of major programs and will continue to consult with F throughout the process, consistent with INL's past practice. INL will complete the identification of major programs by December 2023.

OIG Recommendation 6: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Office of Foreign Assistance and the Bureau of Budget and Planning, should implement monitoring and evaluation plans for its major programs, in accordance with Department standards. (Action: INL, in coordination with F and BP)

Management Response: INL concurs with the recommendation. INL will establish monitoring and evaluation plans for its major programs within three months of the selection of major programs. This should be completed by the end of March 2024. Implementation of the monitoring and evaluation plans will continue through the lifecycle of the major programs.

OIG Recommendation 7: The Bureau of International Narcotics and Law Enforcement Affairs should require that its risk assessment and monitoring plans related to continued programing in Afghanistan reflect changed conditions within the country.

Management Response: INL concurs with the recommendation. The Bureau has requested its implementing partners in Afghanistan update their risk assessments and monitoring plans for ongoing projects for INL's review and approval, with an estimated completion date of March 2023.

OIG Recommendation 8: The Bureau of International Narcotics and Law Enforcement Affairs should implement bureau-wide guidance to direct its long-term efforts to improve and coordinate the bureau's design, monitoring, and evaluation activities.

Management Response: INL concurs with the recommendation. INL will issue Front Office-approved, bureau-wide guidance to improve long-term program design, monitoring, and evaluation by May 2023 that will include requirements for appropriate DME staffing, that implementing partners report on new agreements via INL's enterprise monitoring database, and other aspects of INL's institutional approach.

OIG Recommendation 9: The Bureau of International Narcotics and Law Enforcement Affairs should evaluate its long-term ongoing programs in accordance with Department standards.

Management Response: INL concurs with the recommendation. INL will update its evaluation plan by June 2023.

OIG Recommendation 10: The Bureau of International Narcotics and Law Enforcement Affairs should implement mechanisms to centrally track information on domestically managed foreign assistance programs and provide financial and program reports to the bureau's senior leadership on core program management responsibilities.

Management Response: INL concurs with the recommendation. The Bureau has engaged a consultant to assess systems, data, and processes used to support tracking of information on INL managed foreign assistance programs. Assessment results will be delivered March 2023 and include an implementation plan for further development of processes and systems to consistently track information and report on domestically managed foreign assistance programs. Based on the complexity of the system components to be developed, and the limitations from the Department's financial system of record, Global Financial Management System, INL will determine if it is appropriate to develop an interim solution, while developing a more comprehensive solution. INL will aim to have a decision on IT solutions for this recommendation by December 2023.

OIG Recommendation 11: The Bureau of International Narcotics and Law Enforcement Affairs should implement a system to require joint evaluation reports be prepared according to the terms of its agreements with partner governments.

Management Response: INL concurs with the recommendation. The Bureau will provide explicit guidance to Posts on how to conduct these evaluations by June 2023.

OIG Recommendation 12: The Bureau of International Narcotics and Law Enforcement Affairs should develop a template for implementing mechanisms with the Departments of Justice and Homeland Security to improve planning, project monitoring and evaluations, and financial tracking and account reconciliations.

Management Response: INL concurs with the recommendation. The bureau will finalize a new memorandum of understanding (MOU) with the Department of Justice (DOJ) by January 2023 that includes standard templates for all DOJ/Criminal Division interagency agreements, to improve planning, project monitoring, and evaluations. INL will initiate a similar process with DHS. Pending DHS concurrence, we anticipate a DHS MOU to be completed June 2024.

OIG Recommendation 13: The Bureau of Narcotics and Law Enforcement Affairs should implement standard operating procedures to provide oversight and accountability for interagency agreements and agreements with international organizations in accordance with Department requirements and bureau policies.

Management Response: INL concurs with the recommendation. The bureau will update the AOR handbook and provide training for AORs to ensure proper oversight and record keeping for IAAs and IO LOAs by March 2024.

OIG Recommendation 14: The Bureau of International Narcotics and Law Enforcement Affairs should implement procedures for the timely close out of all current and future agreements.

Management Response: INL concurs with the recommendation. The bureau is developing a formal closeout process for current and future IAAs and IO-LOAs to ensure that unused funds are de-obligated and IAAs and IO-LOAs are formally closed out in a timely manner. This includes coordination with the partner agency, international organization, INL program and budget offices. INL is currently tracking all inactive IAAs and IO-LOAs. Updated guidance for the closeout processes for these implementing mechanisms will be completed by March 2024.

OIG Recommendation 15: The Bureau of International Narcotics and Law Enforcement Affairs should update its standard operating procedures regarding monitoring of award implementation to provide oversight and accountability for maintaining records of its federal assistance awards, in accordance with the Federal Assistance Directive.

Management Response: INL concurs with the recommendation. The bureau is updating its standard operating procedures regarding records management for federal assistance awards and will provide training to relevant staff. This will be accomplished by December 2023.

OIG Recommendation 16: The Bureau of International Narcotics and Law Enforcement Affairs should close out federal assistance awards as required by the Federal Assistance Directive.

Management Response: INL concurs with the recommendation. The bureau is in the process of closing out expired federal assistance awards utilizing the stated timelines within the Federal Assistance Directive. We anticipate this being completed by July 2023.

OIG Recommendation 17: The Bureau of International Narcotics and Law Enforcement Affairs should complete and implement a bureau risk management policy.

Management Response: INL agrees with this recommendation and will update the draft bureau risk management policy, including a communications strategy and training plan. The bureau will issue its policy for a systematized approach to risk management by the end of December 2023.

OIG Recommendation 18: The Bureau of International Narcotics and Law Enforcement Affairs should comply with Department contracting officer's representative program standards.

Management Response: INL concurs with the recommendation. INL/EX will conduct training for all bureau contracting officer's representatives that focuses on 14 FAH-2 H-142 (Responsibilities of the Contracting Officer's Representative). Additionally, INL/EX will require supervisors to include language in their staff's annual performance elements ensuring, where applicable, they adhere to the COR compliance standards set forth in 14 FAH-2 H-142. This will be completed by the end of December 2023.

OIG Recommendation 19: The Bureau of International Narcotics and Law Enforcement Affairs should implement written service standards for the services and support provided by the Executive Office and hold the Executive Office accountable for meeting the service standards.

Management Response: INL concurs with the recommendation. The Executive Office will develop written service standards for the services and support provided by the Executive Office. by December 2023.

OIG Recommendation 20: The Bureau of International Narcotics and Law Enforcement Affairs should implement periodic reviews of bureau policies and procedures, update them as necessary, and maintain them in a central repository.

Management Response: INL concurs with the recommendation. The bureau will utilize Executive Director's Microsoft Share Point as the central repository for bureau policies and procedural documents. The Executive Director will review and update policies and procedures annually and this will be completed by December 2023.

OIG Recommendation 21: The Bureau of International Narcotics and Law Enforcement Affairs should review and deobligate all invalid unliquidated obligations in accordance with Department guidance so funds of up to \$220 million can be put to better use.

Management Response: INL concurs with the recommendation. The Executive Office reviews unsubobligated funds to be extended and redirected for emerging priorities or unfunded requirements on a quarterly basis, including through the Bureau's annual funds reclassification process. Current reporting limitations within the Department's financial systems diminishes the efficiency of the unliquidated obligations (ULO) review process. INL/EX will continue engaging with CGFS to address these limitations and to streamline the ULO reporting process. The

Executive Office will establish new Standard Operating Procedures with definitive guidance regarding the management, monitoring, and validation of ULO balances across the Bureau. Estimated completion is September 2023.

OIG Recommendation 22: The Bureau of International Narcotics and Law Enforcement Affairs should implement a standard project management lifecycle with a standard set of project controls for use in all information technology projects.

Management Response: INL concurs with the recommendation. The Bureau is establishing a Program Management Office (PMO) to develop standard processes and provide governance over the IT/IM portfolio within the Bureau. The PMO will develop a standard set of project controls for use in all information technology projects by June 2023.

OIG Recommendation 23: The Bureau of International Narcotics and Law Enforcement Affairs should implement a process for the Information Management Division to monitor contractor performance for all information technology projects.

Management Response: INL concurs with the recommendation. INL/EX will require all future IT contracts include a monitoring/evaluation component to assess contractor performance regarding milestones, deliverables, and objectives. INL/EX/GAPP and INL/EX/IM will review all current IT contracts to ensure each has a component to assess contractor performance regarding milestones, deliverables, and objectives. In instances where that component is missing, INL/EX/GAPP and INL/EX/IM will propose a contract modification. This will be completed by October 2023.

OIG Recommendation 24: The Bureau of International Narcotics and Law Enforcement Affairs should implement a process to notify its Information Management Division when new systems at its overseas locations are developed or deployed and ensure periodic review by staff.

Management Response: INL concurs with the recommendation. INL/EX/IM will coordinate data calls with the program offices and with Post(s) to capture current systems and ensure they understand the requirement to notify the Information Management Division in the planning for any new systems. The Information Management Division will consult the bureau's Information Management Advisory Council on policy considerations. An Administrative Notice will be issued explaining the mandatory use of the INL IT Configuration Control Board "On-line" process for requesting approval of new hardware and software. Estimated completion is April 2023.

OIG Recommendation 25: The Bureau of International Narcotics and Law Enforcement Affairs should review and update its information system contingency plan for the Global INL network to align with bureau requirements.

Management Response: INL concurs with the recommendation. The bureau has the Global INL network system contingency plan on file within Xacta which will be migrated into the Department's new Archangel system. IRM currently has a timeline for completion of the second phase of migration of files from Xacta to Archangel system by December 2022. INL will complete a review of the contingency plan within Archangel to reflect current cloud applications/network by June 2023.

OIG Recommendation 26: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Bureau of Information Resource Management, should complete the assessment and authorization to operate process for the Office of Aviation web application.

Management Response: INL concurs with the recommendation. The bureau is working with IRM's Cloud Program Management Office (CPMO) to obtain the ATO. EX/IM has already obtained a conditional ATO for the Aviation Office GINL application. EX/IM will continue to submit documentation to the IRM for ATO approval and will complete all ATO submission by July 2023.

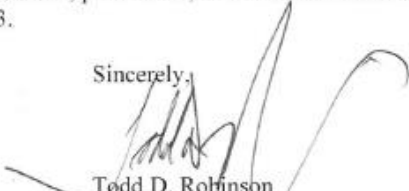
OIG Recommendation 27: The Bureau of International Narcotics and Law Enforcement Affairs should revise the charter for the Information Management Advisory Council to clearly define its scope and information management responsibilities.

Management Response: INL concurs with the recommendation. The Bureau is already undertaking a process to review, revise, and clarify all bureau IT/IM roles and responsibilities, including the Information Management Advisory Council charter to more clearly define its scope, and information management responsibilities among the IMAC, EX/IM, and other bureau IT/IM equities. The expected completion date is May 2023.

OIG Recommendation 28: The Bureau of International Narcotics and Law Enforcement Affairs should develop and implement records management procedures for organizing and managing bureau electronic records.

Management Response: INL concurs with the recommendation. INL will develop and implement bureau procedures that will enable users to be aware of Records Management policies and procedural changes. INL will update its current SOPP and Admin Notice to provide the Bureau Staff with Department guidance as described within 5 FAM 400, reinforcing the Department requirement for users to preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency. Target completion date is May 2023.

Sincerely,



Todd D. Robinson
Assistant Secretary

ABBREVIATIONS

AOR	Agreements Officer Representative
COR	Contracting Officer's Representative
EEO	Equal Employment Opportunity
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FBS	Functional Bureau Strategy
FEVS	Federal Employee Viewpoint Survey
GOR	Grants Officer Representative
IAA	Interagency Agreement
ILEA	International Law Enforcement Academies
IMAC	Information Management Advisory Council
INCLE	International Narcotics Control and Law Enforcement
INL	Bureau of International Narcotics and Law Enforcement Affairs
INL/EX	Executive Office
INL/EX/IM	Information Management Division
LOA	Letter of Agreement
PDAS	Principal Deputy Assistant Secretary

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