



Office of Inspector General  
United States Department of State

# SEMIANNUAL REPORT TO THE CONGRESS

April 1, 2019, to September 30, 2019





## OUR VISION

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To be a world-class organization and a catalyst for effective management, accountability, and positive change in the Department, the U.S. Agency for Global Media, and the foreign affairs community.

## OUR MISSION

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To conduct independent audits, inspections, evaluations, and investigations to promote economy and efficiency and to prevent and detect waste, fraud, abuse, and mismanagement in the programs and operations of the Department and the U.S. Agency for Global Media.

## OUR VALUES

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### ACCOUNTABILITY

We accept responsibility for our work products, services, and performance.

### RESPECT

We promote diversity in the workplace and treat people with dignity and respect. We expect civility as we conduct our work and in our interactions with each other.

### COMMUNICATION

We clarify expectations and encourage candor. We communicate with purpose and strive to align our words and our actions and to be aware of the effect we have on others. We look for ways to improve ourselves and our work by expressing appreciation and by giving and accepting constructive feedback.

### TEAMWORK

We foster a diverse, inclusive, collaborative, and trusting culture where people can share their ideas and opinions. We empower and engage our colleagues to achieve outstanding organizational results.

### INTEGRITY

We maintain our independence and act with courage, honesty, and professionalism. Our work is fact-based, objective, and supported by sufficient evidence that meets professional standards.

### CURIOSITY

We are committed to learning about and listening to others' perspectives, objectives, and challenges. We seek new information to inspire creative and analytical thinking. We foster an environment that fuels innovation and results.

**Office of Inspector General Summary of Performance,  
4/1/2019–9/30/2019**

	<b>Issued during the reporting period</b>	<b>Management decision during the reporting period</b>
Questioned Costs	\$106,791,061	\$37,737,384
Funds To Be Put to Better Use	\$7,497,367	\$28,230,000
Investigative Monetary Results	\$7,990,507	--
<b>Total</b>	<b>\$122,278,935</b>	<b>\$65,967,384</b>
<i>Additional monetary benefits achieved this period as the result of prior OIG recommendations</i>		\$5,049

**Investigative Activities**

Cases Opened	47
Cases Closed	46
Criminal Actions (arrests, indictments, convictions)	31
Civil Actions	1
Administrative Actions	19
Hotline Complaints Received	1,145

**Reports**

Office of Audits	26
Office of Enterprise Risk Management	2
Office of Evaluations and Special Projects	3
Office of Inspections	26
Overseas Contingency Operations Oversight <sup>a</sup>	7
<b>Total</b>	<b>64</b>

<sup>a</sup> All jointly issued with Department of Defense OIG and U.S. Agency for International Development OIG.



## MESSAGE FROM THE INSPECTOR GENERAL



Steve A. Linick

I am pleased to present this *Semiannual Report to the Congress*, covering the oversight activities of the Office of Inspector General (OIG) for the Department of State (Department) and the U.S. Agency for Global Media (USAGM) from April 1, 2019, to September 30, 2019.

OIG is responsible for the oversight of more than \$73 billion in Department and USAGM programs and operations. During this reporting period, we issued a total of 64 reports with recommendations to improve the programs and operations of the Department and USAGM and identified approximately \$114.3 million in questioned costs and funds to be put to better use. Our investigative activity led to an additional \$8 million in monetary results and 40 suspensions and debarments.

Much of our work this reporting period focused on the top management and performance challenges facing the Department and USAGM, including oversight of contracts and workforce management. We have also addressed discrete but significant issues that have affected certain programs and Department entities. Although we summarize all our public reports and many of our investigations in this *Semiannual Report to the Congress*, I have included below some notable highlights from this reporting period.

**Office of Audits:** We conducted an [audit of the execution of security-related construction projects at Embassy Kabul](#) and found that, because the Bureau of Overseas Buildings Operations still has difficulty expediting physical security projects in Kabul, the mission has relied on the regional security office to manage large-scale construction projects. However, given the regional security office's relative lack of construction experience, some projects have faced deficiencies as a result. Additionally, one of our [audits identified several concerns regarding the cost management of the Department's Embassy Air program](#), which was established to provide aviation support for the U.S. missions in Afghanistan and Iraq. We found that, when the Department set ticket fees, it did not use a documented methodology for doing so, and it did not routinely review and adjust prices to align with demand. On the topic of information security, we conducted an [audit of the Department's local Configuration Control Boards](#), which ensure that changes to IT systems are formally requested, evaluated, tested, and approved before they are implemented. We reported that boards at selected posts are not consistently complying with all policies. For example, we found a lack of testing performed on change requests and weaknesses in maintaining documentation regarding board decisions.

**Office of Evaluations and Special Projects:** In our [evaluation of a construction project at Camp Eggers in Afghanistan](#), we reported that the Department used a clause in a

contract for protective security services managed by the Bureau of Diplomatic Security to facilitate construction work. This type of contract vehicle had not previously been used for the type of extensive construction work planned at Camp Eggers, and the bureau had little expertise related to construction or construction contracts. There were numerous subsequent problems, including a failure to take meaningful corrective action against the contractor, even though it missed milestones and failed to comply with contract requirements. We found that the Department ultimately terminated the project for convenience after very little work had been accomplished, notwithstanding the expenditure of \$103.2 million.

Additionally, an [evaluation of the Antiterrorism Assistance Explosive Detection Canine Program](#) highlighted issues with an overall lack of policies and standards related to the health and welfare of dogs in this program. The Department routinely provides dogs to foreign partners without signed written agreements that outline standards for minimum care, retirement, and use of the canines, and the Department conducts health and welfare follow-ups infrequently and inconsistently. Specifically, OIG received reports of health and welfare concerns experienced by specific dogs in Jordan since an April 2016 site visit and report. One of the canines provided by the Department died while working in Jordan in July 2017, and two others were returned to the United States in critically ill condition. During the reporting period, the Office of Evaluations and Special Projects also issued a [report on leadership within the Bureau of International Organization Affairs](#) after receiving numerous complaints, including allegations of disrespectful and hostile treatment of employees, unmerited accusations of disloyalty, and retaliation based on conflicts of interest.

**Office of Inspections:** During the reporting period, we issued several reports covering inspections of overseas posts—including [Embassy Port-au-Prince, Haiti](#), and [Embassy Bogota, Colombia](#)—as well as inspections of domestic entities, including the [Office of Foreign Missions](#). Additionally, the Office of Inspections issued a report of its [review of the Department hiring freeze](#), which was in place from January 23, 2017, through May 15, 2018. The review concluded that the freeze had a broad and significant effect on overall Department operations. It particularly affected on-board staffing levels for the Department’s eligible family members and Civil Service employees. We also noted that its implementation was not guided by any strategic goals linked to a discrete, but related, exercise to prepare a plan to improve the economy and efficiency of Department operations, known as the organizational reform effort. Lastly, our review found that all the bureaus and offices and 97 percent of the embassies and consulates that responded to our survey reported that the hiring freeze had either a somewhat negative or very negative effect on employee morale and welfare.

Separately, in a [targeted review of USAGM governance](#), we acknowledged that the agency had made substantial progress in its corporate structure. We found that changes made since 2015 had significantly improved the executive direction of the agency compared to the board-led governance structure in place during OIG’s 2013 inspection. All USAGM board members described the change as not merely positive but transformational in its effect on the agency. Changes in the board’s structure also permitted it to meet its responsibilities while avoiding problems associated with the previous structure, in which individual members demonstrated or were perceived to demonstrate favoritism to the entity on whose board they served when they made agency-wide budget and policy decisions.

**Office of Investigations:** We conducted several significant investigations involving a wide range of criminal, civil, and administrative allegations. In one case, a grantee organization agreed to pay almost \$3.4 million to resolve allegations that it misused award funds from 2012 through 2016. Allegations included deliberately misrepresenting costs, fabricating records of expenditure, and diverting U.S. taxpayer funds. OIG investigated this case along with special agents from the U.S. Agency for International Development. In June 2019, a former Senior Executive Service official serving as Chief Strategy Officer at USAGM [pleaded guilty to stealing more than \\$40,000 in government funds](#) in 2018. After being alerted by USAGM leadership, OIG special agents investigated and confirmed the employee fraudulently obtained thousands of dollars by submitting falsified hotel invoices and inflated taxi and Uber receipts and by billing the Government for personal travel and travel that had already been paid by third parties. Additionally, he admitted to creating a falsified letter that claimed he needed to fly business class because of medical reasons, resulting in costly business class upgrades at Government expense.

OIG's accomplishments reflected in this *Semiannual Report to the Congress* are a credit to the talented and committed staff that I have the privilege to lead.



Steve A. Linick  
Inspector General  
September 30, 2019

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# OVERVIEW

## 1 OVERSIGHT STRATEGY

The primary mission of the Office of Inspector General (OIG) for the Department of State (Department) and the United States Agency for Global Media (USAGM) is to conduct independent audits, evaluations, inspections, and investigations to promote economy and efficiency and to prevent and detect fraud, waste, abuse, and mismanagement in the programs and operations of the Department and USAGM.

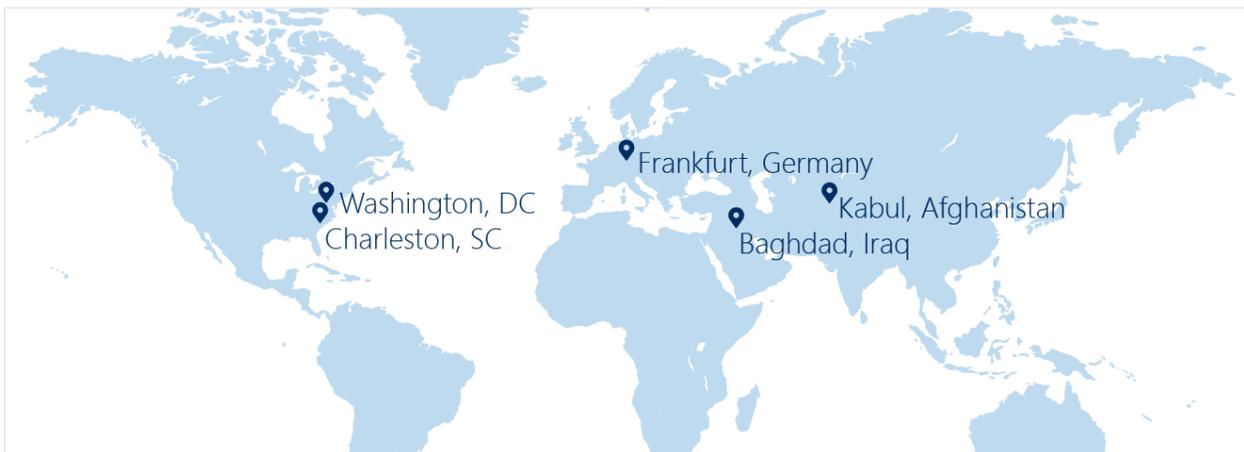
OIG's mandate is broad and comprehensive, involving oversight of the full scope of Department and USAGM programs and operations, as well as the U.S. Section of the International Boundary and Water Commission, United States and Mexico (USIBWC), and of the International Joint Commission, United States and Canada. OIG is responsible for overseeing more than \$73 billion in Department, USAGM, and foreign assistance resources.

In addition to its agency-specific responsibilities, OIG's mandate expanded in August 2014 when Congress amended the Inspector General Act to provide for coordinated interagency oversight of overseas contingency operations (OCOs), including the designation of a Lead Inspector General for each OCO.

Currently, Inspector General Linick is the Associate Inspector General for six OCOs: Operation Inherent Resolve to degrade and defeat the Islamic State of Iraq and Syria (ISIS); Operation Freedom's Sentinel to work with Afghan forces to combat terrorism and assist the Afghan Government in building its security forces' capacity and self-sufficiency; Operation Pacific Eagle—Philippines to defeat ISIS affiliates and other terrorist organizations in the Philippines; and three classified OCOs.

To meet these and other statutory mandates, OIG maintains offices in Afghanistan, Iraq, and Germany. Offices in these locations help OIG oversee high-cost, high-risk Department programs and operations, and the Office of Audits' Middle East Region Operations Directorate and the Office of Investigations dedicate on-the-ground resources, expertise, and oversight. Domestically, in addition to its Washington, DC, headquarters, OIG has strategically co-located investigative staff with the Department's Global Financial Services Center and Human Resource Shared Services staff in Charleston, SC. Figure 1.1 shows the locations of OIG's offices.

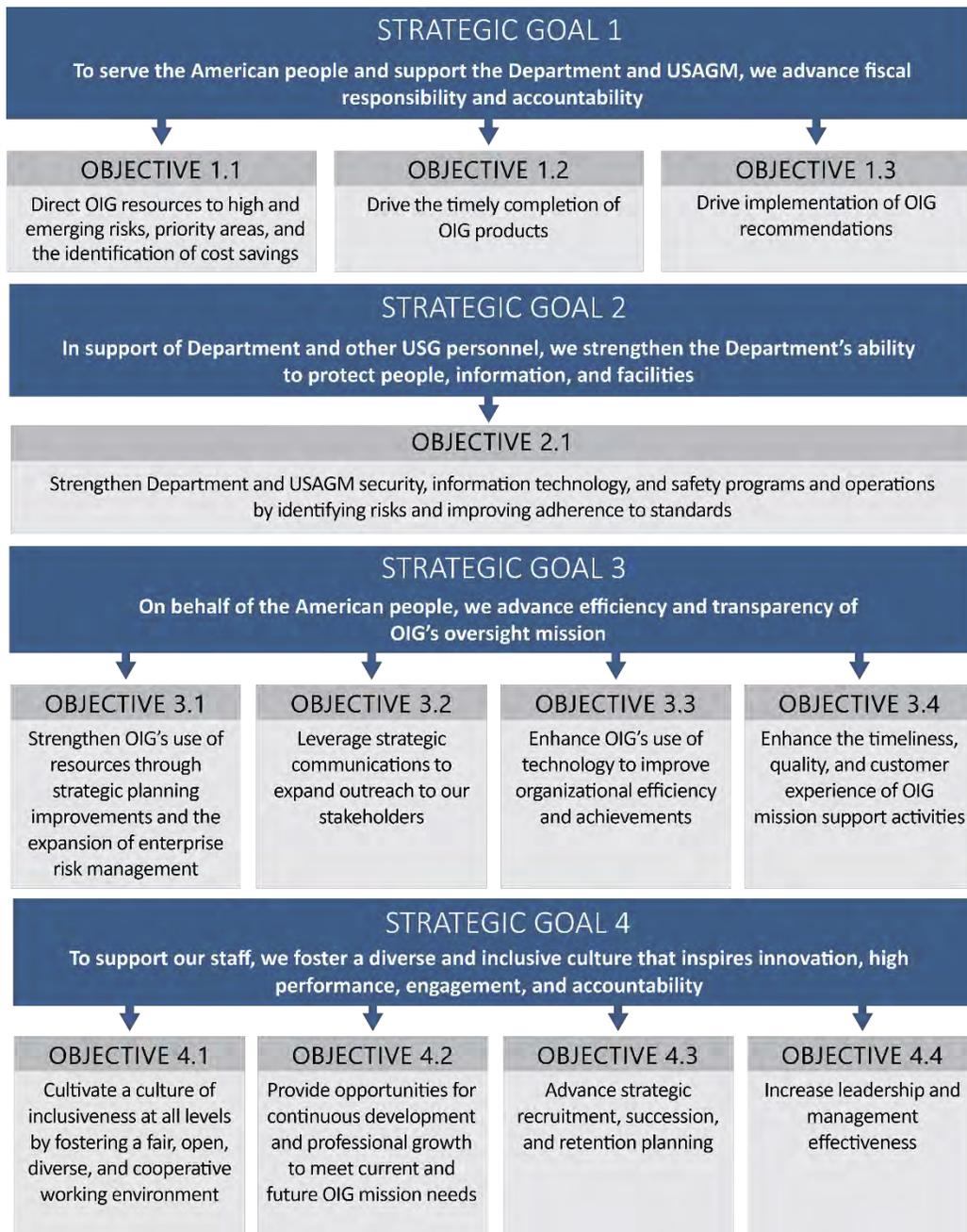
**Figure 1.1**  
**OIG Office Locations**



## OIG Strategic Plan

OIG’s FY 2019–2021 Strategic Plan affirmed its commitment to providing quality oversight to the agencies OIG serves and to informing the Office of Management and Budget (OMB), Congress, the public, and other stakeholders how OIG safeguards public resources. The plan also emphasized OIG’s continuing obligation to improve its own

operations and to ensure that its workforce is, and continues to be, highly motivated and well trained to carry out its responsibilities. The strategic goals and objectives outlined below provide the framework that will guide OIG’s work and activities for FYs 2019–2021.



## 2 COMMUNICATIONS AND OUTREACH

OIG communicates its global mission to Congress, Department and USAGM employees and contractors, peers in the oversight community, and the public in a variety of ways.

### Communication With Congress

OIG regularly interacts with Members of Congress and their staff by testifying at hearings, responding to congressional requests for information, and providing briefings on OIG work.

### Hotline Complaints

During this reporting period, the OIG Hotline continued to serve as a vehicle through which Department and USAGM employees and contractors, as well as members of the public, reported suspected fraud, waste, abuse, and mismanagement in Department and USAGM programs and operations. OIG received hotline

complaints via the OIG website, mail, and telephone. For a summary of OIG Hotline complaints received during this reporting period, see Table 2.1.

**Table 2.1**  
**OIG Hotline Complaints,**  
**4/1/2019–9/30/2019**

Referred to Other Offices for Action	673
Held for Action Within OIG	149
No Action Required	323
<b>Total Complaints Received</b>	<b>1,145</b>

Figure 2.1 highlights the OIG Hotline’s global reach. Of the 1,145 complaints received this reporting period, 559 (49 percent) concerned possible criminal, civil, and administrative violations occurring in other countries. The remainder of the complaints dealt with alleged violations in the United States.

**Figure 2.1**  
**Hotline Complaints Processed by Country, 4/1/2019–9/30/2019**



Source: Office of Investigations electronic case management system.

## Whistleblower Protection Coordinator Activities

The whistleblower protection coordinator, OIG’s Assistant Inspector General for Evaluations and Special Projects, educates Department and USAGM employees, as well as contractor and grantee employees, on the rights and protections available to whistleblowers. As required by the National Defense Authorization Act for Fiscal Year 2013 (41 U.S.C. § 4712), as amended, the coordinator oversees investigations of allegations of retaliation filed by employees of contractors, subcontractors, grantees, and subgrantees, as well as personal services contractors. Activities of the OIG whistleblower protection coordinator are detailed in Table 2.2. Additionally, the coordinator investigates complaints under Presidential Policy Directive 19, which prohibits whistleblower retaliation in the form of actions that affect an employee’s eligibility for access to classified information. During this reporting period, OIG’s

whistleblower protection coordinator completed three reports under 41 U.S.C. § 4712.

### Department of State

OIG substantiated one allegation of whistleblower retaliation related to an employee of a Department contractor. OIG did not substantiate an allegation of whistleblower retaliation related to an employee of a Department contractor. Both cases were referred to the Department, which is responsible for determining whether to grant or deny relief to the whistleblowers. As of September 30, 2019, the Department had not made a determination on either case.

### U.S. Agency for Global Media

OIG did not substantiate an allegation of whistleblower retaliation related to an employee of a USAGM grantee. OIG referred this case to USAGM, which is responsible for determining whether to grant or deny relief to the whistleblower. USAGM concurred with OIG’s finding and denied relief to the whistleblower.

**Table 2.2**  
**Whistleblower Investigations Under 41 U.S.C. § 4712**

	Reporting Period 4/1/2019–9/30/2019	Since Enactment
Complaints Received and Reviewed	11	93
Active Investigations	6	N/A
Investigations Completed	3	24

Source: Office of Investigations electronic case management system.

### 3 OVERSEAS CONTINGENCY OPERATIONS

OIG has both oversight and reporting responsibilities for overseas contingency operations under Section 8L of the Inspector General Act of 1978, as amended. Section 8L is triggered when the Department of Defense declares that a military operation constitutes an OCO or when an operation results in troops being called to or retained on active duty.

When an OCO is declared, Section 8L activates a “Lead Inspector General” mechanism that requires concerted action by the three OIGs of the Department of State, Department of Defense, and the U.S. Agency for International Development, with one of them designated as the Lead Inspector General.

In FY 2015, the Lead Inspector General mechanism went into effect for two OCOs: Operation Inherent Resolve, the U.S. counter-ISIS effort; and Operation Freedom’s Sentinel, the U.S. effort to develop Afghanistan’s security forces and to fight terrorism in that country. In September 2017, the

Lead Inspector General mechanism went into effect for Operation Pacific Eagle–Philippines, which is a counterterrorism campaign to defeat ISIS affiliates and other terrorist organizations in the Philippines. Since then, three other classified OCOs have gone into effect. During this reporting period, OIG fulfilled its oversight and reporting obligations for these ongoing OCOs.

OIG aligns its oversight responsibilities with the defined mission objectives of each OCO and focuses on the programs and processes that support the achievement of those objectives. In addition to the audit, inspection, and investigative efforts related to the ongoing OCOs, OIG worked with its Lead Inspector General counterpart agencies to publish quarterly reports to Congress on the ongoing OCOs. For a list of OIG activities in support of the Lead Inspector General-OCO mandate during the reporting period, see Table 3.1.

**Table 3.1**  
**OIG Oversight Activities in Support of the Lead Inspector General-OCO Mandate, 4/1/2019–9/30/2019**

Completed Projects	Date
<i>Audit of Cost Management of Embassy Air in Afghanistan and Iraq (AUD-MERO-19-33)</i>	9/2019
<i>Audit of Monitoring and Evaluating Department of State Foreign Assistance in the Philippines (AUD-MERO-19-39)</i>	9/2019
<i>Audit of the Execution of Security-Related Construction Projects at U.S. Embassy Kabul, Afghanistan (AUD-MERO-19-40)</i>	9/2019
<i>Evaluation of the Antiterrorism Assistance Explosive Detection Canine Program – Health and Welfare (ESP-19-06)</i>	9/2019
<i>Audit of the Bureau of Overseas Buildings Operations Commissioning of Diplomatic Housing at U.S. Embassy Kabul, Afghanistan (AUD-MERO-19-37)</i>	8/2019
<i>Evaluation of the Bureau of Diplomatic Security's Aegis Construction Contract at Camp Eggers, Afghanistan (ESP-19-04)</i>	7/2019

<i>Management Assistance Report: Safety and Security Infractions at U.S. Embassy Beirut, Lebanon, Require Immediate Attention (AUD-MERO-19-34)<sup>a</sup></i>	7/2019
<i>Audit of the Department of State Implementation of Policies Intended To Counter Violent Extremism (AUD-MERO-19-27)</i>	6/2019
<i>Compliance Follow-Up Audit: Emergency Action Plan for U.S. Embassy Baghdad, Iraq (AUD-MERO-19-32)<sup>a</sup></i>	6/2019
<i>Management Assistance Report: Modernizing Processes To Maintain Overseas Buildings Operations Commissioning Documentation Is Needed (AUD-MERO-19-31)</i>	6/2019
<i>Management Assistance Report: Mission Turkey Safety and Security Infractions Require Immediate Attention (AUD-MERO-19-26)<sup>a</sup></i>	5/2019
<i>Management Assistance Report: Results of 2014 Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Orders 2, 9, and 11 (AUD-MERO-19-23)</i>	4/2019
<i>Management Assistance Report: Noncompliance with Federal and Department Procurement Policy at U.S. Embassy Kabul, Afghanistan, Needs Attention (AUD-MERO-19-25)</i>	4/2019
<i>Lessons Learned from Office of Inspector General Audits Concerning the Review and Payment of Contractor Invoices Supporting Overseas Contingency Operations (AUD-MERO-19-19)</i>	4/2019
<b>Joint Completed Projects</b>	
<i>Lead Inspector General for Classified Overseas Contingency Operations in Africa and the Middle East I Quarterly Report to the United States Congress I April 1, 2019 – June 30, 2019</i>	8/2019
<i>Lead Inspector General for Operation Freedom’s Sentinel I Quarterly Report to the United States Congress I April 1, 2019 – June 30, 2019</i>	8/2019
<i>Lead Inspector General for Operation Pacific Eagle-Philippines I Quarterly Report to the United States Congress I April 1, 2019 – June 30, 2019</i>	8/2019
<i>Lead Inspector General for Operation Inherent Resolve   Quarterly Report to the United States Congress   April 1, 2019 – June 30, 2019</i>	8/2019
<i>Lead Inspector General for Operation Pacific Eagle-Philippines I Quarterly Report to the United States Congress I January 1, 2019 – March 31, 2019</i>	5/2019
<i>Lead Inspector General for Operation Freedom’s Sentinel I Quarterly Report to the United States Congress I January 1, 2019 – March 31, 2019</i>	5/2019
<i>Lead Inspector General for Operation Inherent Resolve I Quarterly Report to the United States Congress I January 1, 2019 – March 31, 2019</i>	5/2019

<sup>a</sup> Report is Sensitive But Unclassified or classified and, therefore, included in the *Department of State Classified Annex to the Semiannual Report to the Congress*.

## 4 OIG ACCOUNTABILITY AND INDEPENDENCE

OIG has disclosed all unclassified audits, evaluations, and inspections issued from April 1, 2019, through September 30, 2019. Some reports are not publicly available, but OIG identifies on its website the titles of such reports unless the titles themselves are classified or Sensitive But Unclassified. The *Department of State Classified Annex to the Semiannual Report to the Congress* and the *U.S. Agency for Global Media Sensitive But Unclassified Annex to the Semiannual Report to the Congress* contain information regarding reports that are not publicly available. In addition, OIG provides all classified and Sensitive But Unclassified reports to appropriate committees in Congress and to other authorized individuals upon request.

OIG did not encounter any attempts to interfere with Inspector General independence—whether through budgetary constraints designed to limit its capabilities or otherwise—for the reporting period from April 1, 2019, through September 30, 2019.

During this reporting period, OIG identified no incidents in which the Department or USAGM resisted or objected to oversight activities or restricted or significantly delayed access to information.

## 5 CONSOLIDATED FINANCIAL RESULTS OF OIG WORK

OIG returns significant value to the U.S. public through its audits, evaluations, inspections, and investigations. For the reporting period, OIG issued 64 reports and identified approximately \$114.3 million in potential monetary benefits to the Department. Additionally, OIG's criminal, civil, and administrative investigations resulted in approximately \$8 million in recoveries and other monetary results this reporting period.

From April 1, 2019, to September 30, 2019, the Department made management decisions on approximately \$66 million in potential monetary benefits identified by OIG during the current and prior reporting periods. This reporting period, USAGM did not make management decisions on

any recommendations involving potential monetary benefits identified by OIG in prior reporting periods. OIG determines that a management decision on questioned costs and funds put to better use has been made and reports such a determination when OIG receives and accepts sufficient, specific evidence during the compliance process. At the close of the reporting period, the Department and USAGM had not yet taken action on OIG recommendations totaling approximately \$772.2 million. This is an increase of \$48.3 million from the approximately \$723.9 million in questioned costs and funds to be put to better use pending management decision at the beginning of the reporting period.



# OVERSIGHT OF DEPARTMENT OF STATE PROGRAMS AND OPERATIONS

## 6 OFFICE OF AUDITS

The Office of Audits supports the Department in improving management; strengthening integrity and accountability; and ensuring the most efficient, effective, and economical use of resources.

Audit work focuses on areas of concern such as physical security at overseas posts; financial management and IT security and management; contracts, acquisition, and grants management; human capital and administrative issues; and high-risk programs and operations in the frontline states. From April 1, 2019, to September 30, 2019, the Office of Audits issued 25 reports on Department programs and operations, 20 of which are summarized below. The *Department of State Classified Annex to the Semiannual Report to the Congress* includes summaries of 5 classified or Sensitive But Unclassified reports the Office of Audits issued during this reporting period.

### **Audit Operations, Quality, and Compliance**

*Management Assistance Report: Open Audit Recommendations Awaiting Final Action and Closure*  
(AUD-AOQC-19-35, 9/2019)

OIG issued this management assistance report to facilitate the prompt closure of selected open unclassified Office of Audits recommendations by bringing them to the attention of the Under Secretary for Management (Under Secretary). As of June 10, 2019, 22 unclassified Office of Audits report recommendations—made to 9 Department entities that had not responded to OIG’s prior inquiries concerning the status of actions to implement those recommendations—remained open. In each instance, a response from the Department entity was overdue by 4 months or longer. Furthermore, 6 of the 22 recommendations had been previously reported in a 2018 management assistance report.

The recommendations concerned deficiencies related to contract and grant oversight, the Department’s travel card program, conference reporting, the armored vehicle program, the Antiterrorism Assistance program, fee-setting methodologies for consular services, data published on public websites, and the administration of working capital funds.

On the basis of responses from two bureaus, OIG closed 4 of the outstanding 22 recommendations. OIG made 1 new recommendation to the Under Secretary to intervene and monitor the status of corrective actions for the 18 remaining recommendations until the actions have been completed and the recommendations have been closed.

### **Contracts, Grants, and Infrastructure**

*Management Assistance Report: Outstanding Construction Deliverables and Deficiencies Need Attention at New Embassy Compound The Hague, the Netherlands*  
(AUD-CGI-19-38, 8/2019)

This management assistance report provided early communication of deficiencies that OIG identified at a newly constructed embassy compound in The Hague, the Netherlands, during an audit of the Bureau of Overseas Buildings Operations (OBO) construction closeout process. Specifically, OIG identified outstanding deliverables owed by the contractor 19 months after the project had been certified as substantially complete.

Other deficiencies that OIG identified included issues with an irrigation system, exterior walkway lights that could pose a tripping hazard to pedestrians, and stainless-steel exterior façades that were rusting. OIG made recommendations to correct the deficiencies before final acceptance of the contractor’s work on the project.

## Financial Management

### *Audit of Department of State FY 2018 Compliance With Improper Payments Requirements (AUD-FM-19-29, 5/2019)*

In accordance with the Improper Payments Information Act of 2002, as amended, an independent external auditor, acting on behalf of OIG, conducted an audit of the Department's FY 2018 compliance with improper payments requirements. The auditor found that the Department performed the required risk assessments using criteria defined by OMB Circular A-123 for all programs meeting minimum thresholds and published its FY 2018 agency financial report with all the required improper payment disclosures. Overall, the auditor found that the Department complied with improper payments requirements for FY 2018.

### *Audit of the Office of Nonproliferation and Disarmament Fund Financial and Contract Activities During FY 2016 and FY 2017 (AUD-FM-19-22, 4/2019)*

In response to a request from the Office of Nonproliferation and Disarmament Fund (NDF), an independent external auditor acting on behalf of OIG conducted this audit to determine whether NDF implemented effective funds control and contract administration during FY 2016 and FY 2017. The audit found that NDF generally implemented effective funds control during that period. For example, NDF projects were appropriately approved, obligations were approved and supported, and expenditures were properly authorized and did not exceed authorized funding levels. However, the audit found that NDF should regularly monitor external obligations to

keep abreast of the status of obligations and expenditures. The audit also found that NDF's administration of its contracts was generally effective. For example, NDF properly completed procurement request packages, and NDF complied with requirements for approving and documenting requests to modify contracts. However, the audit found that contract closeout controls could be improved.

### *Management Letter Related to the Audit of the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2018 Financial Statements (AUD-FM-19-21, 4/2019)*

During the audit of USIBWC 2018 financial statements, an independent external auditor, acting on behalf of OIG, identified weaknesses relating to timeliness and accuracy of personal property acquisitions and disposals, and abnormal construction-in-progress balances.

### *Management Letter Related to the Audit of the U.S. Department of State's 2018 Financial Statements (AUD-FM-19-16, 4/2019)*

During the audit of the Department's 2018 financial statements, an independent external auditor, acting on behalf of OIG, identified weaknesses related to the controls over reconciliation of accounts held by the Department of the Treasury, personnel records and actions, accounting for Federal advances, accounting for real property transactions, supporting data used for an asbestos remediation estimate, vendor invoice approvals, accounting for prepaid education expenses, and segregation of duties in the Global Employment Management System.

*Independent Auditor's Report on the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2018 and 2017 Financial Statements*  
(AUD-FM-19-05, 4/2019)

An independent external auditor, working on behalf of OIG, audited USIBWC annual financial statements as of, and for the years ended, September 30, 2018 and 2017. The auditor found the consolidated financial statements present fairly, in all material respects, the financial position of USIBWC as of September 30 for both 2018 and 2017, and its net cost of operations, changes in net position, and budgetary resources for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The auditor found significant deficiencies in internal control over the manual preparation of the financial statements, obligation validity and accuracy, and information technology. The results of the auditor's tests disclosed no instances of noncompliance that are required to be reported.

### **Information Technology**

*Audit of the Department of State's Local Configuration Control Boards*  
(AUD-IT-19-36, 7/2019)

Configuration change control is a process used to ensure that changes to an information system are formally requested, evaluated, tested, and approved before they are implemented. OIG conducted this audit to determine whether local Configuration Control Boards (CCB) were controlling changes to the Department's information systems in accordance with Federal requirements and Department policy. OIG found that local CCBs at selected posts were complying with some but not all Federal requirements and Department policies governing IT configuration change control that affect local networks.

Local CCBs did not perform testing or a security impact analysis for any of the 83 change requests selected by OIG for detailed review. OIG also identified weaknesses in records management and irregularities in some of the change requests. Insufficient guidance to local CCBs, inadequate oversight by officials with the Bureau of Information Resource Management, and a lack of standardized tools to perform configuration change control contributed to these weaknesses. Specifically, local CCBs lacked guidance on testing requirements prior to implementing a change, on documentation required to support a change request, and on how to perform and document a security impact analysis.

OIG made recommendations to the Bureau of Information Resource Management to improve guidance and oversight of IT configuration change control affecting local networks.

### **Middle East Region Operations**

*Audit of the Execution of Security-Related Construction Projects at U.S. Embassy Kabul, Afghanistan*  
(AUD-MERO-19-40, 9/2019)

OIG conducted this audit to determine whether OBO and the Bureau of Diplomatic Security (DS) had addressed previously identified limitations in executing security-related construction projects at U.S. Embassy Kabul.

In response to prior OIG recommendations, OBO took steps to respond to the needs of high-threat posts, including establishing mechanisms to increase collaboration with DS on urgent physical security upgrade projects. However, OBO continues to face challenges in expediting physical security projects in Kabul. The Regional Security Office, acting under the authority of DS, has also managed some security-related construction projects in Kabul, in part because of the need to complete physical security upgrades quickly.

However, OIG found that the Regional Security Office, despite successes with relatively simple security projects, lacks construction expertise and that some projects undertaken have faced deficiencies as a result. OIG also found the Department has not developed standardized designs for temporary physical security structures in conflict environments and has been inconsistent in its approach to planning for the development of the Embassy Kabul compound and surrounding properties since 2010.

OIG made 13 recommendations to address the deficiencies identified in this report.

*Audit of Monitoring and Evaluating Department of State Foreign Assistance in the Philippines*  
(AUD-MERO-19-39, 9/2019)

OIG conducted this audit to determine whether Department-funded foreign assistance programs implemented in the Philippines were monitored and evaluated in accordance with Federal and Department requirements. OIG found that, although the Bureau of Counterterrorism and Countering Violent Extremism (CT), the Bureau of International Narcotics and Law Enforcement Affairs (INL), and the Office to Monitor and Combat Trafficking in Persons (J/TIP) generally monitored performance and conducted financial monitoring for their funded awards, deficiencies with some elements require improvement.

OIG also found that CT, INL, and J/TIP did not comply with policies for defining the programs subject to evaluation. Furthermore, the Office of U.S. Foreign Assistance Resources allowed the bureaus and office to deviate from the Foreign Affairs Manual when they defined their programs and did not verify that these entities were implementing required elements of the guidance.

As a result of the identified deficiencies, OIG questioned costs totaling \$527,527 for CT and J/TIP awards. In addition, OIG made 28

recommendations intended to improve the monitoring and evaluating of foreign assistance in the Philippines.

*Audit of Cost Management of Embassy Air in Afghanistan and Iraq*  
(AUD-MERO-19-33, 9/2019)

OIG conducted this audit to determine the extent to which Embassy Air services were managed to effectively support embassy operations and mission. OIG found that despite the authority to operate on either a reimbursable (i.e., full cost recovery) or a non-reimbursable basis, the Aviation Governing Board incrementally increased Embassy Air ticket fees with the goal of covering a larger percentage of operational costs. That is, it sought to achieve full cost recovery via ticket fees.

OIG assessed Embassy Air services by reviewing data to determine whether the rising ticket fees affected ridership levels. OIG found that, when the Aviation Governing Board increased Embassy Air ticket fees, ridership declined and Embassy Air services became significantly underused. Moreover, the high cost of ticket fees harmed embassy operations. For example, some officials told OIG that their bureaus could not afford ticket fees and that, as a result, they were unable to travel to conduct site visits of Government projects and programs under their purview.

OIG also found that the frequency of Embassy Air flights and the number of aircraft in country were not routinely adjusted to align with demand. OIG made three recommendations to address the deficiencies identified in the report.

*Audit of the Bureau of Overseas Buildings Operations Commissioning of Diplomatic Housing at U.S. Embassy Kabul, Afghanistan*  
(AUD-MERO-19-37, 8/2019)

OIG conducted this audit to determine whether (1) OBO's commissioning of Staff Diplomatic

Apartment-2 (SDA-2) and Staff Diplomatic Apartment-3 (SDA-3) was done in accordance with all applicable policies and procedures, (2) documentation associated with the commissioning process was maintained in accordance with Department requirements, and (3) Integrated Systems Tests for both buildings were conducted in accordance with Department guidance.

OIG found that OBO adhered to its policies and procedures in commissioning SDA-2 and SDA-3 due to the latitude it has in deciding when buildings can be declared substantially complete, which is required before occupancy. OIG concluded that, if OBO had managed SDA-2 and SDA-3 to its earlier contract completion date of May 2018 rather than as a single project with one completion date for the entire project, SDA-2 and SDA-3 could have been fully commissioned prior to occupancy. OIG also reviewed commissioning documentation and found that most construction and commissioning agent contract requirements were fulfilled, but some were not. Finally, OIG found that Integrated Systems Tests were not conducted for SDA-2 and SDA-3 in accordance with OBO's Construction Alerts.

OIG made five recommendations to OBO to improve the commissioning process and strengthen contract administration.

*Management Assistance Report: Modernizing Processes To Maintain Overseas Buildings Operations Commissioning Documentation Is Needed*  
(AUD-MERO-19-31, 6/2019)

During an ongoing audit of OBO commissioning of staff diplomatic apartments at Embassy Kabul, Afghanistan, OIG identified weaknesses related to the manner in which OBO maintains commissioning documentation. First, commissioning agents typically complete commissioning tests in hard-copy format. However, completing and storing commissioning

tests in a hard-copy format and uploading the commissioning tests and related documentation at the end of the construction project is problematic because it is inefficient and creates a risk that important commissioning tests and related documentation involving thousands of pages may be inadvertently lost or not uploaded. Second, OBO's Construction Management Guidebook designates OBOLink as the repository to retain records for completed construction projects, but OBO is not using OBOLink because the platform cannot accommodate voluminous construction project files.

OIG made six recommendations in this report that are intended to modernize OBO's processes to maintain commissioning documentation.

*Audit of the Department of State Implementation of Policies Intended To Counter Violent Extremism*  
(AUD-MERO-19-27, 6/2019)

OIG conducted this audit to determine whether the Department developed goals and objectives for its strategy to counter violent extremism (CVE), achieved desired results, and monitored funds provided to support those goals and objectives. OIG affirmed that the Department has developed goals and objectives for its CVE strategy and documented them in joint strategies with the U.S. Agency for International Development, congressionally mandated strategies and spend plans, as well as internal guidance. OIG could not affirm that the Department achieved desired results because CT, the lead coordinating bureau for CVE, had not ensured that the strategic plans and activities of Department bureaus were aligned with higher-level Department CVE strategies. OIG also found that the Department's reported spending on CVE efforts was inaccurate and incomplete because it included awards that did not align with Department CVE goals and objectives and excluded public diplomacy spending that supported CVE efforts.

OIG made nine recommendations to ensure programmatic alignment with the Department's CVE goals and objectives across Department bureaus and funding streams, as well as accurate and complete reporting of Department expenditures supporting CVE efforts.

*Management Assistance Report: Noncompliance with Federal and Department Procurement Policy at U.S. Embassy Kabul, Afghanistan, Needs Attention*  
(AUD-MERO-19-25, 4/2019)

During an ongoing audit of construction projects at Embassy Kabul, OIG discovered that the embassy used a Justification for Other Than Full and Open Competition to limit competition of construction contracts to local Afghan contractors. The 2016 justification was a measure to address the need for urgent security upgrades; however, the justification was improperly renewed by Kabul procurement staff two more times, in 2017 and 2018. OIG recommended that the embassy establish a mechanism, such as an indefinite-delivery/indefinite-quantity contract, to help promote timely execution of security-related construction projects.

Embassy staff members also reported that they experienced long delays in the procurement process when submitting projects to Department acquisition offices. OIG recommended that the Department establish and implement a process to prioritize and expedite procurements in support of security construction projects at Embassy Kabul and other high-threat posts. OIG also found that the embassy did not consistently record accurate procurement data in the Federal Procurement Data System. OIG recommended that Embassy Kabul develop detailed guidance for entering data into the Federal Procurement Data System, provide additional training to Kabul procurement staff, and conduct periodic management reviews of the data to ensure its accuracy.

*Management Assistance Report: Results of 2014 Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Orders 2, 9, and 11*  
(AUD-MERO-19-23, 4/2019)

In 2013, OIG conducted an audit of Task Orders 2, 9, and 11 awarded under the Department's Worldwide Protective Services contract to contractor International Development Solutions, LLC (IDS), to provide movement and static security services in Jerusalem and Afghanistan. OIG suspended the audit to investigate with the Department of Justice after receiving allegations of potential violations of Federal law. The case was closed after the Department and the parent company of IDS reached an administrative settlement in 2018. However, OIG did not receive confirmation that the settlement fully addressed Defense Base Act (DBA) workers' compensation insurance charges for \$454,578, questioned as unallowable. OIG recommended that the Department determine whether the overhead and general and administrative expenses charged by IDS for DBA insurance were allowable and to seek reimbursement for unallowable costs. In addition, OIG recommended that the Department review similar contracts and seek reimbursement for all such DBA insurance costs deemed unallowable.

*Lessons Learned from Office of Inspector General Audits Concerning the Review and Payment of Contractor Invoices Supporting Overseas Contingency Operations*  
(AUD-MERO-19-19, 4/2019)

In its series of audits involving the Bureau of Near Eastern Affairs (NEA), INL, the Bureau of South and Central Asian Affairs, and DS, OIG identified three common challenges that confronted these bureaus during the invoice review process. First, OIG found that NEA, INL, and DS experienced staffing shortages, which hampered their efforts to thoroughly review invoices. Second, OIG found that NEA and INL were not fully prepared to

monitor contractor performance, which increased the risk that the Department paid for services that did not meet contract requirements. Third, OIG found that the use of cost reimbursable contracts had a significant effect on the workload of the invoice reviewers because of the complexity of the invoices. In addition, OIG identified two best practices that, if adopted Department-wide, could improve the invoice review process and the accuracy of such reviews. First, the Bureau of the Comptroller and Global Financial Services independently conducts periodic quality control reviews to verify the accuracy of bureau invoices approved for payment. Second, NEA developed and implemented contract-specific training that improved the accuracy of its invoice review process. DS also implemented training for its invoice review personnel specific to the Worldwide Protective Service contract. OIG made seven recommendations to strengthen the invoice review process throughout the Department.

### Security and Intelligence

*Audit of Cooperative Agreement Sub-Award Recipients Supporting the U.S. President's Emergency Plan for AIDS Relief*  
(AUD-SI-19-43, 9/2019)

The U.S. President's Emergency Plan for AIDS Relief is the U.S. Government's program focused on combating human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS). In 2016, the Department awarded a cooperative agreement to JSI Research and Training Institute, Inc., valued at \$78,572,270. OIG conducted this audit to determine whether six sub-award recipients (1) accurately reported performance information and achieved performance goals, (2) accurately reported financial information, and (3) expended funds in accordance with requirements. OIG found that, of the six sub-award recipients, four generally achieved project goals. However, OIG found that four sub-award recipients did not always report

accurate performance information to JSI. OIG also found that the six sub-award recipients accurately reported financial information but did not always submit timely financial reports. Finally, OIG found that the sub-award recipients generally expended funds in accordance with Federal requirements. OIG identified only \$23,851 of a sample of \$1,897,334 as unallowable. OIG made recommendations to address issues identified during the audit.

*Management Assistance Report: Embassy Vienna, Austria, Should Strengthen Internal Controls Over Motor Vehicle Keys and Fuel Credit Cards*  
(AUD-SI-19-42, 9/2019)

During an audit of the Department's overseas motor vehicle fleet, OIG discovered that Embassy Vienna had not established adequate internal controls over vehicle keys and the fuel credit cards associated with its fleet. For example, OIG found that embassy personnel left vehicle keys in unlocked and unattended vehicles on embassy property. The deficiency occurred, in part, because post failed to follow Department policy and because of logistical difficulties associated with limited space and the motor pool office location.

Similarly, OIG discovered that fuel credit cards had identical personal identification numbers and that the fuel credit cards were left in unlocked and unattended vehicles. Furthermore, post officials did not collect or regularly review fuel purchase receipts to ensure the fuel purchased was for official purposes. This deficiency occurred, in part, because Embassy Vienna had not designated a credit card control officer to ensure that fuel credit cards are used appropriately.

OIG made recommendations to improve controls over motor vehicle keys and fuel credit cards.

*Audit of the Bureau of Diplomatic Security's Expenditures for Third-Party Contractors and Personal Services Contractors Supporting the Office of Training and Performance Standards (AUD-SI-19-30, 6/2019)*

OIG performed the audit to determine, for the period October 1, 2015, through March 31, 2017, whether DS's Office of Training and Performance Standards (TPS) expended funds to selected third-party contractors for training-related activities in accordance with Federal regulations, Department guidance, and contract terms and whether TPS selected, employed, and paid personal services contractors (PSC) in accordance with Department guidance and contract terms.

OIG verified that TPS expended funds totaling about \$48 million to selected third-party contractors for training-related activities as specified. OIG did not identify any exceptions because of TPS's effective system of internal controls in overseeing expenditures in the areas identified.

TPS also selected, employed, and paid PSCs \$3.4 million in accordance with Department policies and contract terms. OIG identified no exceptions because TPS had strong management controls in place for hiring and vetting PSCs, reviewing timekeeping records, and paying PSCs in accordance with the Office of Personnel Management general schedule.

## 7 OFFICE OF EVALUATIONS AND SPECIAL PROJECTS

The Office of Evaluations and Special Projects strengthens OIG's oversight of the Department and improves OIG's capabilities to educate employees regarding whistleblower protections. This office also reviews allegations of administrative misconduct by senior officials and issues management alerts and management assistance reports to highlight urgent needs for corrective actions, as well as capping reports on thematic areas of concern. It also conducts special evaluations and reviews, including responses to congressional inquiries. This office's work complements the work of OIG's Offices of Audits, Inspections, and Investigations by developing a capacity to focus on broader systemic issues.

From April 1, 2019, to September 30, 2019, the Office of Evaluations and Special Projects issued three unclassified reports on Department programs and operations. During this period, the office also issued three whistleblower reports, which are discussed in Section 2 of this report.

*Evaluation of the Antiterrorism Assistance Explosive Detection Canine Program – Health and Welfare*  
(ESP-19-06, 9/2019)

In response to an OIG hotline complaint alleging that the Department was providing Explosive Detection Canines (EDCs) to foreign partner nations without the proper follow-up to ensure they were receiving adequate healthcare, OIG conducted an evaluation to determine whether the Department effectively managed the health and welfare of dogs in the Explosive Detection Canine Program. OIG found that there was an overall lack of policies and standards governing the EDC program and that the Department routinely provides dogs to foreign partners without signed written agreements that outline standards for minimum care, retirement, and use of the canines.

Furthermore, the Department conducts health and welfare follow-ups infrequently and inconsistently.

OIG confirmed ongoing concerns regarding the program in Jordan, where health and welfare problems have persisted for years. Nonetheless, the Department provided EDCs to this nation before those concerns were resolved. Additionally, the Department did not adequately plan to ensure that Jordan's canine program could become self-sustaining or that funding will be consistently available to protect the dogs already provided. Finally, the Department could not provide detailed information about dogs in programs other than Jordan.

OIG made five recommendations to the Department to address the deficiencies identified in this report.

*Review of Allegations of Politicized and Other Improper Personnel Practices in the Bureau of International Organization Affairs*  
(ESP-19-05, 8/2019)

In response to a referral from the Department and congressional inquiries, OIG reviewed allegations of politicized and other improper personnel practices by political appointees in the Bureau of International Organization Affairs (IO). OIG found evidence of leadership and management deficiencies and mistreatment of career employees in the bureau that included disrespectful and hostile treatment of employees, accusations against and harassment of career employees premised on claims that they were "disloyal" based on their perceived political views, and retaliation associated with conflicts of interest. OIG also found that numerous employees raised concerns about the IO leadership to Department management officials outside of IO and that Department officials counseled IO leadership; however, IO leadership did not take

significant action to respond to such concerns. During the course of this review, OIG also identified two personnel actions that were undertaken by IO leadership for improper motives.

OIG made two recommendations to the Department: to develop a corrective action plan to address the leadership and management deficiencies within IO and to consider other appropriate action, including disciplinary action. The Department concurred with both recommendations.

*Evaluation of the Bureau of Diplomatic Security's Aegis Construction Contract at Camp Eggers, Afghanistan*  
(ESP-19-04, 7/2019)

OIG conducted an evaluation of a 2014 construction project at Camp Eggers near U.S. Embassy Kabul procured using an existing security contract with Aegis Defense Services, LLC, and managed by DS. DS estimated the project would be completed by March 2016, but delays began almost immediately and persisted throughout. Although it is responsible for contract administration, the Bureau of Administration failed to take meaningful corrective action against Aegis, even as it missed milestones and disregarded contract requirements. Multiple changes sought by the Department further contributed to delays and cost overruns. In January 2017, the Department terminated the project for convenience after very little work had been accomplished, and the design was never completed.

OIG found that concerns about urgency frequently dominated decision-making to the exclusion of other considerations, and the Department did not effectively use what leverage it had. This led to expenditures of \$103.2 million without any discernible benefit to the Department or the people it intended to protect.

OIG made three recommendations to the Department to ensure that the security contract used for this project is utilized appropriately, to ensure remedies for inadequate contractor performance, and to review the decision to expend \$103.2 million on the project. The Department did not concur with the first two recommendations but agreed to assess the necessity of the \$103.2 million expended.

## 8 OFFICE OF INSPECTIONS

The Office of Inspections conducts independent assessments of the operations of the Department, its posts abroad, and related activities. OIG inspects each post and domestic bureau as required by the Foreign Service Act of 1980, which sets forth three broad areas for inspections: policy implementation, resource management, and management controls.

The office also conducts targeted reviews of Department programs and operations and compliance follow-up reviews on some posts, offices, and bureaus previously inspected to ensure implementation of key recommendations. From April 1, 2019, to September 30, 2019, the Office of Inspections issued 25 reports on Department programs and operations, 12 of which were unclassified and are summarized below. The *Department of State Classified Annex to the Semiannual Report to the Congress* includes the 13 Sensitive But Unclassified and classified reports the Office of Inspections issued during this reporting period.

### Program Reviews and Special Reports

*Review of the Effects of the Department of State Hiring Freeze*  
(ISP-I-19-23, 8/2019)

OIG undertook this inspection in response to the Joint Explanatory Statement for the Consolidated Appropriations Act, 2018, which instructed OIG to review the effects of the Department's hiring freeze on domestic and overseas operations. Specifically, Congress asked OIG to determine the current status of the hiring freeze; its impact on day-to-day operations during 2017 on the safety, morale, and welfare of Department personnel and on personnel costs; and the impact of suspending eligible family member employment on overseas operations. OIG found that the hiring freeze particularly affected the eligible family member

and Civil Service workforce; employment levels declined by 20.7 and 7.1 percent, respectively. In addition, Civil Service staffing in security, medical, and life safety positions, which ensure the protection of Department employees, declined by 7.6 percent. Comparatively, Foreign Service employment levels dropped by 1 percent.

OIG found that staffing reductions were not guided by strategic goals linked to the Department's organizational reform effort to improve economy and efficiency of Department operations. In addition, Department personnel consistently described procedures to request exemptions as cumbersome, time-consuming, and inefficient and said the Department did not fully communicate hiring freeze policies and procedures. Even after the Secretary lifted the freeze, Department personnel told OIG the reduction in employment ceilings to December 31, 2017, levels and retention of other freeze processes impeded their ability to fill positions. OIG determined the freeze had a broad and significant effect on overall Department operations, particularly on its ability to address its most significant management challenges.

OIG did not make any recommendations because the hiring freeze concluded prior to the review.

### Domestic Bureaus

*Inspection of the U.S. Mission to the Organization of American States*  
(ISP-I-19-37, 9/2019)

OIG found that the Ambassador and the Deputy Chief of Mission led the U.S. Mission to the Organization of American States in a positive and professional manner. Under the Ambassador's leadership, the mission significantly advanced U.S. policy goals for the Organization of American States; however, the mission lacked a formal

strategic planning process. The mission did not systematically report to the Department on Organization of American States negotiations and policy meetings, putting the Department at risk of losing information on important deliberations essential to the mission's function. Furthermore, the mission did not have a records management program and was not properly retaining or disposing its files and records. The mission did not align its staffing and structure with the Department's organizational planning and position management policies, which led to unbalanced workload distribution among employees.

OIG made recommendations to improve the U.S. Mission to the Organization of American States' operations, including one to develop a strategic plan.

*Inspection of the Bureau of Consular Affairs, Kentucky Consular Center (ISP-I-19-36, 8/2019)*

OIG found the Kentucky Consular Center was generally successful in meeting its mission to deliver timely and accurate products and services in support of overseas visa operations and domestic passport production. However, persistent vacancies and high attrition rates among the center's contract staff will affect its ability to take on additional programmatic responsibilities in support of administration and Department priorities. The center's Director did not have supervisory authority over all Department direct-hire employees, which created management challenges. Various issues related to the Kentucky Consular Center's two contracts needed attention, including oversight, invoice tracking, clear delineation of contractor and Contracting Officer's Representative responsibilities, and contract file maintenance. In addition, the 2,000-square-foot server room was underused and costly to maintain, while the center suffered from a shortage of useable production space.

OIG made recommendations to improve the Kentucky Consular Center's contract management and oversight.

**Spotlight on Success:** The Kentucky Consular Center added prescreening of complicated resource- and time-consuming Treaty Trader and Treaty Investor visas to its fraud prevention programs in support of the overseas visa process.

*Inspection of the Office of Foreign Missions (ISP-I-19-21, 5/2019)*

OIG found that officials in the Department and other Federal agencies praised the Office of Foreign Missions acting Director for his expertise and institutional knowledge, which enabled him to successfully use reciprocity to ensure that U.S. staff serving overseas receive treatment equivalent to that of their foreign counterparts based in the United States. However, lengthy gaps in key leadership positions, including the Director and Deputy Director, overburdened the acting Director and contributed to internal management and communication deficiencies. Additionally, development of the office's information system had been underway for two decades, at an approximate cost of \$48 million. Significant issues with the system's development—including an invalid authorization to operate, an inability to verify data accuracy, and inadequate user access controls—warranted urgent management attention. Moreover, the system's contract administration did not comply with Department requirements. The office had neither a strategic planning process nor a Functional Bureau Strategy, and its organizational structure was poorly aligned, resulting in an uneven workload and unclear lines of supervision.

OIG made recommendations to improve the office's operations, including in the development and deployment of IT systems and information systems security.

## Overseas Missions

### **Bureau of African Affairs**

#### *Inspection of Embassy Libreville, Gabon (ISP-I-19-16, 6/2019)*

OIG found that the Ambassador and the Deputy Chief of Mission did not set a positive and professional tone for Embassy Libreville and did not form an effective leadership team. The Deputy Chief of Mission may have violated anti-nepotism guidelines when he urged embassy staff to identify a job for his spouse. Additionally, the embassy did not comply with Department guidelines on accepting gifts, including those from a U.S. company for which the Ambassador advocated, or on producing cables. Although the Ambassador reestablished contact with the host government, he did not formally report on meetings and commercial advocacy or effectively use public diplomacy outreach to advance U.S. goals. The Ambassador and the Deputy Chief of Mission did not adequately supervise embassy employees. The embassy lacked an ongoing management controls program and did not properly prepare its annual Chief of Mission Management Control Statement of Assurance. In addition, the Department never formally authorized the embassy's office in the island nation of São Tomé and Príncipe. Also, the USAGM São Tomé transmitting station lacked a perimeter fence, which created a potential public safety hazard.

OIG made recommendations to address embassy leadership concerns and to improve operations and management controls.

### **Bureau of European and Eurasian Affairs**

#### *Inspection of Embassy Tirana, Albania (ISP-I-19-26, 8/2019)*

OIG found that the Chargé d'Affaires and acting Deputy Chief of Mission formed a collaborative team committed to developing a positive working

atmosphere for the embassy. However, they did not adjust their working relationship and division of labor to better share policy management responsibilities when their roles became long-term rather than temporary. Embassy section and agency heads reported that interagency collaboration and cooperation were excellent. Foreign assistance activities were well aligned with priority policy goals, and the embassy was taking steps to strengthen coordination and manage the effect of a U.S. Agency for International Development drawdown in Albania. The Consular Section's strong teamwork allowed it to maintain high performance despite staff shortages, but some improvements were needed to the section's accessibility, line-of-sight control, and signage. The embassy lacked seismic and safety mitigation plans for some chancery and residential properties.

OIG made recommendations to improve operations in the Consular and Management Sections.

#### *Inspection of Embassy Ljubljana, Slovenia (ISP-I-19-25, 7/2019)*

OIG found that the Deputy Chief of Mission, who had been acting as Chargé d'Affaires for 8 months, led a collaborative and motivated embassy team. Embassy Ljubljana generally implemented processes and procedures in accordance with applicable laws and Department guidance. However, some internal control deficiencies existed in the embassy's general services, financial management, human resources, and information management operations. The embassy's Marine Security Guard residence did not have a central fire alarm system. The embassy corrected several minor internal control deficiencies during the inspection.

OIG made recommendations to improve Embassy Ljubljana management and information management operations.

***Bureau of Western Hemisphere Affairs******Inspection of Embassy Nassau, The Bahamas***  
(ISP-I-19-19, 8/2019)

Embassy Nassau had been without a permanent, confirmed ambassador since November 2011, leaving a series of deputy chiefs of mission to serve as chargé d'affaires, while section heads were assigned the collateral duty of acting deputy chief of mission. OIG found that this inconsistent executive leadership resulted in significant internal control deficiencies and local employee morale issues throughout the embassy. Staffing gaps also affected the embassy's Management Section, as nine temporary-duty management officers, supplemented with support from the Florida Regional Center, have run the section since 2014. Due to this shifting and uneven leadership, the embassy's management and information management platforms suffered. In addition, the embassy lacked adequate metrics to measure progress for INL projects or to conduct required joint evaluations with the Government of The Bahamas. Embassy Nassau did not document grants files in accordance with Department standards.

OIG made recommendations to address staffing gaps in leadership roles at Embassy Nassau and to improve INL and management operations, as well as internal controls.

***Inspection of Embassy Paramaribo, Suriname***  
(ISP-I-19-20, 7/2019)

OIG found that Embassy Paramaribo, between ambassadors at the time of the inspection, was led by a chargé d'affaires who was accessible and visible throughout the embassy, set a positive tone, and communicated his priorities well. OBO had not repaired leaks in the chancery and warehouse roofs, which created a health hazard for employees due to mold. The Management Section had multiple internal control deficiencies.

Additionally, the embassy did not meet requirements for its local compensation plan, which resulted in incorrect salaries and retirement contributions for 32 locally employed staff. The embassy operated two wireless networks without the security controls necessary to protect the Department's networks and prevent the potential compromise of information.

OIG made recommendations to improve Embassy Paramaribo's policy and program implementation, management operations, and internal controls.

**Spotlights on Success:** Embassy Paramaribo hosted a conference for all International Law Enforcement Academy course graduates from the previous year to provide feedback on what they learned and how they put their new skills to work. In addition, the embassy's Public Diplomacy Section successfully used a film festival to reach a large audience on issues ranging from religious freedom to civil rights to women in science-related fields and other aspects of U.S. society and culture.

***Inspection of Embassy Santo Domingo, Dominican Republic***  
(ISP-I-19-17, 7/2019)

OIG found that the Ambassador and the Deputy Chief of Mission effectively engaged the Government of the Dominican Republic while also supporting the embassy's personnel and programs. However, coordination among the embassy's 11 different U.S. Government agencies and sections conducting law enforcement activities needed to be strengthened. Embassy Santo Domingo did not follow requirements to review unliquidated obligations, resulting in a potential \$1.3 million in U.S. Government funds that could be put to better use. The training program for consular officers providing services to American citizens was inadequate, and consular managers did not properly complete all visa case reviews. Internal control deficiencies in the Management Section, primarily in financial

management and general services, were exacerbated by staffing gaps in key positions.

OIG made recommendations to improve coordination among the embassy's U.S. Government agencies and sections conducting law enforcement activities, as well as policy and program implementation, management, and information management operations.

**Spotlight on Success:** Embassy Santo Domingo partnered with the Government of Colombia under the U.S.-Colombia Action Plan to deliver law enforcement training to Dominican Government officials, strengthening regional collaboration and significantly reducing training costs.

*Inspection of Embassy Port-au-Prince, Haiti (ISP-I-19-18, 6/2019)*

OIG found the Ambassador and the Deputy Chief of Mission led Embassy Port-au-Prince in a professional and collaborative manner and effectively engaged the Government of Haiti. Staff praised the Ambassador and the Deputy Chief of Mission for supporting embassy personnel and programs. However, multiple internal control deficiencies existed across the embassy's resource management and information management operations. In addition, the Consular Section accepted more immigrant visa cases than it had the capacity to process, leading to an uneven distribution of workload and low morale. Embassy Port-au-Prince had the highest number of motor vehicle mishaps in the Department, with 379 collisions from FY 2012 through FY 2018, 62 percent of which were categorized as preventable. In addition, the embassy did not conduct required seismic safety assessments of 25 leased residential units despite Haiti's location in a high-risk seismic area. The embassy also lacked IT contingency planning to efficiently respond to system outages.

OIG made recommendations to improve Embassy Port-au-Prince's INL Section and public diplomacy, consular, resource management, and information management operations.

*Inspection of Embassy Bogota, Colombia (ISP-I-19-14, 4/2019)*

OIG found the Ambassador and the Deputy Chief of Mission led Embassy Bogota in a professional and collaborative manner. However, Consular Section leadership focused on visa adjudication speed to the detriment of other priorities. The INL Section needed to improve its end-use monitoring of Department of Defense articles. In addition, the embassy ranked second highest in the Department for total number of motor vehicle collisions overseas, with 265 incidents from FY 2012 through FY 2017. The Information Management Section did not properly protect personally identifiable information or comply with all Department information security standards. Also, the Bureau of Consular Affairs needed to determine and correct the cause of a persistent shortfall in nonimmigrant visa application fees.

OIG made recommendations to improve operations in the Political, INL, Public Diplomacy, Consular, Management, and Information Management Sections.

**Spotlight on Success:** The embassy's Regional Security Office created an innovative map of Colombia that consolidated up-to-date threat information and security incidents in areas visited by embassy personnel.

## 9 OFFICE OF INVESTIGATIONS

The Office of Investigations conducts worldwide investigations of criminal, civil, and administrative misconduct related to programs and operations of the Department.

The office refers investigative results to the Department of Justice for prosecution and to the Department's Bureau of Human Resources, the Bureau of Diplomatic Security, the Office of the Procurement Executive, and other entities for administrative or other appropriate action. OIG's involvement in complex investigations of crimes

affecting Department employees, programs, and operations has resulted in significant actions—including convictions, settlements, recoveries, suspensions, and debarments—and continues to promote integrity and accountability of personnel and programs.

For a summary of OIG investigative activity related to Department of State programs and operations this reporting period, see Table 9.1. For a breakdown of cases closed this reporting period, see Figure 9.1.

**Table 9.1**  
**OIG Investigative Activity Related to Department of State Programs and Operations,**  
**4/1/2019–9/30/2019**

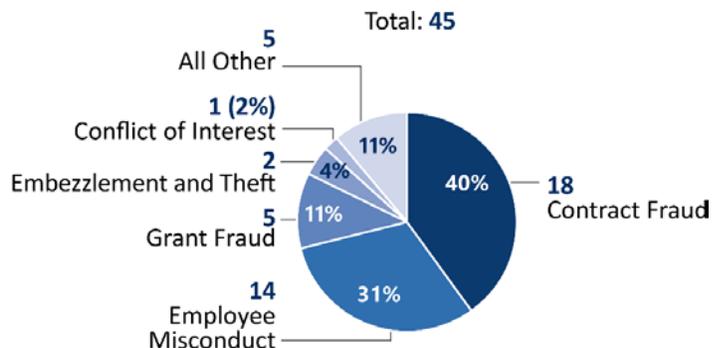
<b>Preliminary Inquiries</b>	
Opened	42
Closed	57
<b>Investigations</b>	
Opened	47
Closed	45
Pending (9/30/2019)	39
Reports Issued <sup>a</sup>	15
<b>Criminal and Civil Actions</b>	
Referrals to the Department of Justice	15
Referrals to Foreign, State, and Local Prosecuting Authorities	2
Arrests	10
Indictments/Informations <sup>b</sup>	11
Convictions	8
Civil Judgments/Settlements	1
<b>Administrative Actions</b>	
Removals (Resignation & Termination)	8
Suspensions/Revocations (Employee & Security Clearance)	4
Reprimands/Admonishments/Other	5
<b>Investigative Monetary Results</b>	
Civil Settlement	\$3,388,568
Cost Recovery	\$229,884
Criminal Forfeiture	\$330,829
Fines and Penalties	\$1,125
Funds Put to Better Use (Cost Savings)	\$3,252,642
Restitution	\$787,459
<b>Suspension and Debarment</b>	
Contractors/Grantees Suspended	13
Employees/Contractors/Grantees Debarred	27
<b>Fraud Awareness Briefings</b>	
	43

**Note:** The figures in this table were derived from a defined search of the Office of Investigations' electronic case management system for the period from April 1, 2019, through September 30, 2019, based upon specific administrative action categories.

<sup>a</sup> The number represents final Reports of Investigation issued during the reporting period. The same Report of Investigation may have been issued to more than one Department bureau or office and may include multiple subjects for possible administrative actions.

<sup>b</sup> The number represents all indictments and criminal informations that occurred during the reporting period. All indictments and criminal informations result from referral to prosecuting authorities. The referral may have occurred in a prior reporting period.

**Figure 9.1**  
**OIG Investigations Closed, 4/1/2019–9/30/2019**



**Note:** Figures may not equal 100 percent due to rounding.

OIG’s investigative efforts span the globe. As shown in Figure 9.2 and Table 9.2, of the 102 cases and preliminary inquiries closed this reporting

period, 51 percent concerned activity in the United States, and 49 percent concerned activity in other countries.

**Figure 9.2**  
**Department-Related Cases and Preliminary Inquiries Closed, by Country, 4/1/2019–9/30/2019**



**Source:** Office of Investigations electronic case management system.

**Table 9.2**  
**Preliminary Inquiries and Cases Closed, 4/1/2019–9/30/2019**

Type	Domestic	Overseas
Preliminary Inquiries Closed	26	31
Cases Closed	26	19

**Source:** Office of Investigations electronic case management system.

**Investigations Involving Senior Government Employees**

During the reporting period, OIG conducted a number of investigations involving senior Government employees. Table 9.3 details each

such investigation where OIG substantiated allegations of misconduct. Other than the investigations described in Table 9.3, OIG has no investigations to report involving senior Government employees that were substantiated and closed during the reporting period but not disclosed to the public.

**Table 9.3  
Investigations Involving Senior Government Employees Where Allegations Were Substantiated, 4/1/2019–9/30/2019**

Description	Status	DOJ Referral & Response	Closed Date
<b>Case #C2014-002</b>			
In October 2013, OIG opened an investigation based on information that a Special Government Employee may have submitted false or inaccurate time records.	The investigation revealed that the employee failed to submit a Request for Leave or Approved Absence, Office of Personnel Management Form 71. Subsequently, OIG identified another potential overpayment to the employee related to travel expenses and, in December 2016, referred the matter to the Department for any appropriate action.	08/2015 – The Department of Justice declined the case in lieu of administrative action. In February 2016, the employee paid in full \$4,664 to the Bureau of Comptroller and Global Financial Services. In August 2019, the Department determined that the second potential overpayment to the employee related to travel expenses was not a valid debt and accordingly took no action.	8/2019
<b>Case #C2018-046</b>			
In May 2018, OIG opened an investigation based on information received by the Department that an employee may have improperly transmitted procurement sensitive documents to a non-Government email address.	The investigation did not substantiate allegations that the employee improperly disclosed procurement-sensitive information. However, OIG developed evidence the employee failed to disclose private business ownership on his confidential Financial Disclosure Report from 2013 through 2017.	06/2018 – The Department of Justice declined the case in lieu of administrative action. In August 2019, the employee received a letter of reprimand.	9/2019

### **Contract Fraud**

In August 2019, a former Department official pleaded guilty to disclosing confidential bid proposal information in an effort to help a furniture company executive win a lucrative contract. In June, the furniture company executive pleaded guilty to obtaining such bid proposals to win the contract to furnish a new U.S. embassy being constructed overseas. OIG special agents determined he had knowingly obtained bid prices and design plans of at least three competitors from two Department employees to achieve a competitive advantage. The information provided by the Department employees enabled the executive and his company to win the contract with a bid of approximately \$1.56 million.

In April 2019, a Department contracting officer (CO) was arrested and charged with conspiracy, bribery, honest services fraud, and making false statements. OIG and Federal Bureau of Investigation special agents determined that, from November 2012 to early 2017, the CO and the owner of a Turkish construction firm allegedly engaged in a bribery and procurement fraud scheme in which the CO received at least \$239,300 in cash payments from the business owner. In return, the CO supervised multimillion-dollar construction contracts awarded to the owner's business partners. The CO allegedly concealed the unlawful relationship by making false statements on financial disclosure forms and during background reinvestigations. The Bureau of Diplomatic Security has suspended the employee's security clearance.

### **Embezzlement and Theft**

In July 2019, a grantee organization agreed to pay almost \$3.4 million to resolve allegations that it misused award funds from 2012 through 2016. Allegations included deliberately misrepresenting costs, fabricating records of expenditure, and

diverting U.S. taxpayer funds. OIG and U.S. Agency for International Development OIG special agents investigated the case.

In May 2019, an employee of a Department grantee was ordered to pay \$23,000 in restitution and sentenced to probation and 50 hours of community service after entering a pre-trial diversion program through the State of New Jersey's Office of the Attorney General. OIG special agents determined that the employee altered scholarship grantee payment information in a grant program database from October 2017 to April 2018. She then had payment checks mailed to herself, forged the grantees' names, and endorsed the checks to herself.

### **Employee Misconduct**

In August 2019, a former Foreign Service Officer was sentenced to 40 years in Federal prison, followed by lifetime supervised release, for sexually abusing minors to produce child pornography and transporting those images to the United States. OIG and Homeland Security Investigations special agents, working with several law enforcement partners, determined the Department employee used an online file-sharing network from October 2014 to March 2018 to distribute child pornography. He also participated in online chats where he provided tips to others about how to meet and abuse minors in the Philippines.

### **Other Cases**

In April 2019, the U.S. District Court ordered a forfeiture in the amount of \$312,734 to recover the illegal proceeds of wire fraud, to which a former employee had pleaded guilty. In January 2019, the former Department employee was sentenced to 15 months in prison followed by a 3-year term of supervised release and ordered to pay \$244,884 in restitution for fraudulently discharging more than \$250,000 in student loan

debt. The former employee applied through the Department of Education for a Total and Permanent Disability discharge of student loan debt, affirming that he was disabled and unable to work. OIG special agents determined, however, that he earned more than \$331,000 from two full-time jobs from May 2013 to October 2016.

**Suspensions and Debarments**

In June 2019, the Department debarred a total of seven vendors and individuals for systematically defrauding the U.S. Government. OIG special agents found that several companies and individuals associated with \$241,901 worth of Department contracts provided false information and improperly certified information in their System for Award Management and FedBid registrations.

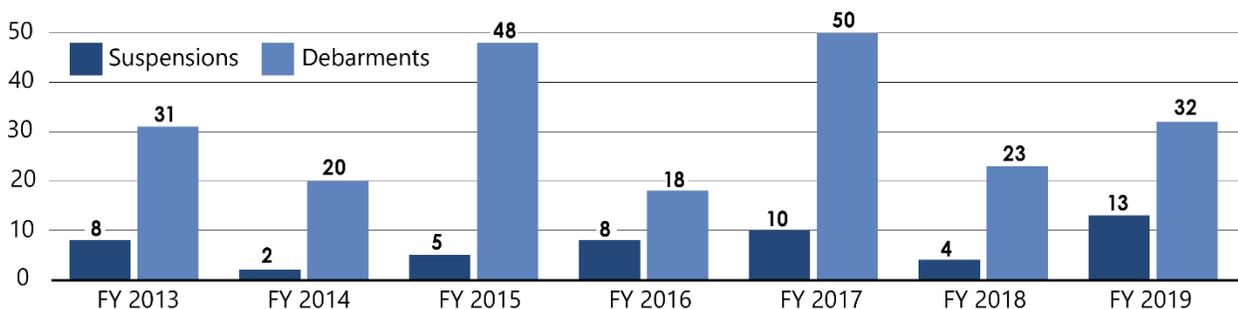
Also in June 2019, the Department debarred two former locally engaged staff employees as well as two companies and their owners. OIG and DS special agents determined that, from 2013 through 2016, the employees used their official positions as procurement agents for personal gain when they accepted gratuities and cash payments of thousands of dollars in exchange for procuring particular products. The employees were terminated from their positions in 2016.

In May 2019, a Department purchasing agent and a vendor, as well as his company, were debarred by the Department for 3 years after a joint OIG and DS investigation determined that the purchasing agent accepted gifts from the vendor on multiple occasions in 2016 and 2017. In addition, special agents determined the vendor submitted a fictitious company procurement bid to improve his company’s odds of winning another Government contract.

In April 2019, a Department grant recipient and former professor at several major U.S. academic institutions was debarred for failure to perform in accordance with multiple grant provisions. OIG auditors and special agents determined that, while managing multiple awards, the grant recipient subcontracted work to both his spouse and stepson. In addition, while managing a separate award supporting the exchange of American, Tanzanian, and Kenyan trainers working on sports programs for young adults with disabilities, approximately \$38,288 worth of receipts submitted by the recipient were unsupported by proper documentation. The unallowable costs were returned in full to the Department.

Figure 9.3 shows suspension and debarment action taken by the Department as a result of OIG referrals from FY 2013 to FY 2019.

**Figure 9.3**  
**Suspension and Debarment Action Taken by the Department as a Result of OIG Referrals, FY 2013–2019**



Source: Office of Investigations electronic case management system.

## 10 FINANCIAL RESULTS OF OIG WORK RELATED TO THE DEPARTMENT OF STATE

In the reports it issued this reporting period, OIG identified approximately \$114.3 million in potential monetary benefits to the Department. Also during this reporting period, the Department made management decisions on approximately \$66 million in recommendations involving questioned costs or funds that could be put to better use. At the close of this reporting period, the Department had not yet made a management decision on nearly \$766 million in questioned costs or funds that could be put to better use, as identified by OIG. OIG determines that a management decision on questioned costs and funds put to better use has been made and reports such a determination when OIG receives and accepts sufficient, specific evidence during the compliance process.

For the status of recommendations involving questioned costs in OIG reports on Department programs and operations, see Table 10.1. For the status of recommendations involving funds that could be put to better use, see Table 10.2. For a summary of consolidated Department and USAGM totals of potential monetary benefits identified by OIG during this reporting period, see Section 5 of this report.

### OIG Financial Lexicon

#### Questioned Costs

Costs that are questioned by OIG because of an alleged violation of a provision; costs not supported by adequate documentation; or a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

**Allowed:**

A cost questioned by OIG that management has decided should be charged to the Government.

**Disallowed:**

A cost questioned by OIG that management has agreed should not be charged to the Government.

#### Funds Put to Better Use

Funds that could be used more efficiently if management took actions to implement and complete the recommendation.

**Agreed:**

The dollar value of recommendations that management agreed to implement.

**Disagreed:**

The dollar value of recommendations that management disagreed with implementing.

**Table 10.1**  
**Status of OIG Recommendations to the Department of State Including Questioned Costs,**  
**4/1/2019–9/30/2019**

		# Reports	Questioned Costs (\$ Thousands <sup>b</sup> )	Unsupported Costs <sup>a</sup> (\$ Thousands <sup>b</sup> )
A.	No management decision made by start of the reporting period	16	\$141,221	\$56,575
B.	Issued during the reporting period			
	<i>Audit of Cooperative Agreement Sub-Award Recipients Supporting the U.S. President's Emergency Plan for AIDS Relief</i>		\$438	\$2
	<i>Audit of Monitoring and Evaluating Department of State Foreign Assistance in the Philippines</i>		\$528	\$14
	<i>Management Assistance Report: Results of 2014 Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Orders 2, 9, and 11<sup>c</sup></i>		\$455	\$0
	<i>Evaluation of the Bureau of Diplomatic Security's Aegis Construction Contract at Camp Eggers, Afghanistan</i>		\$103,200	\$0
	<i>Inspection of Embassy Nassau, The Bahamas</i>		\$245	\$245
	<i>Inspection of Embassy Port-au-Prince, Haiti</i>		\$147	\$0
	<i>Inspection of Embassy Santo Domingo, Dominican Republic</i>		\$55	\$55
	<i>Inspection of Embassy Libreville, Gabon</i>		\$273	\$0
	<i>Inspection of Embassy Bogota, Colombia</i>		\$1,452	\$0
	Total issued during the reporting period	9	\$106,791	\$315
	<b>Total (A+B)</b>	<b>25</b>	<b>\$248,012</b>	<b>\$56,890</b>
C.	Management decision made during the reporting period			
	(i) Disallowed costs		\$463	\$5
	(ii) Costs not disallowed		\$37,274	\$10,062
	<b>Subtotal</b>	<b>6</b>	<b>\$37,737</b>	<b>\$10,067</b>
D.	Total remaining for decision as of the end of the reporting period [(A+B) – Subtotal C]	20 <sup>d</sup>	\$210,275	\$46,823
E.	Additional monetary benefits achieved as the result of prior OIG recommendations	1	\$0 <sup>e</sup>	\$0

<sup>a</sup> "Unsupported Costs" is a subset of "Questioned Costs."

<sup>b</sup> Dollar amount may be affected by rounding.

<sup>c</sup> Some of the \$454,758 in monetary benefits associated with this report were also reflected in Table 10.4 Defense Contract Audit Agency Audit Reports With Questioned Costs of the Semiannual Report to the Congress for the reporting period October 1, 2018, to March 31, 2019.

<sup>d</sup> Count of remaining reports cannot be directly derived from the preceding report counts above because some reports include more than one recommendation with monetary benefits.

<sup>e</sup> Value is less than \$1,000 in additional monetary benefits achieved.

**Table 10.2**  
**Status of OIG Recommendations to the Department of State Recommending Funds Be Put to Better Use, 4/1/2019–9/30/2019**

	# Reports	Funds Put to Better Use (\$ Thousands <sup>a</sup> )
A. No management decision made by start of the reporting period	17	\$576,411
B. Issued during the reporting period		
<i>Inspection of Embassy Nassau, The Bahamas</i>		\$2,300
<i>Inspection of Embassy Port-au-Prince, Haiti</i>		\$3,111
<i>Inspection of Embassy Santo Domingo, Dominican Republic</i>		\$1,694
<i>Inspection of Embassy Bogota, Colombia</i>		\$186
<i>Classified Inspection of Embassy Bogota, Colombia</i>		\$205
Total issued during the reporting period	5	\$7,497
<b>Total (A+B)</b>	<b>22</b>	<b>\$583,908</b>
C. Management decision made during the reporting period		
(i) Dollar value of recommendations agreed to by management		\$3,905
(ii) Dollar value of recommendations not agreed to by management		\$24,325
Subtotal	2	\$28,230
D. Total remaining for decision as of the end of the reporting period [(A+B) – Subtotal C]	20	\$555,679
E. Additional monetary benefits achieved as the result of prior OIG recommendations	1	\$5

<sup>a</sup> Dollar amount may be affected by rounding.

**Office of Management and Budget Single Audits**

OMB’s *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 200) establishes audit requirements for state and local governments, colleges and universities, and nonprofit organizations receiving Federal awards. Under 2 CFR Part 200, covered entities that expend \$750,000 or more a year in Federal funds must obtain an annual organization-wide “single audit” that includes the entity’s financial statements and compliance with Federal award requirements. These audits are conducted by non-Federal auditors, such as public accounting firms and state auditors.

OIG reviews selected audit reports for findings and questioned costs related to Department awards to ensure that the reports comply with the requirements of OMB related to single audits. OIG’s oversight of non-Federal audit activity informs Federal managers about the soundness of the management of Federal programs and identifies any significant areas of internal control weaknesses, noncompliance, and questioned costs for resolution or follow-up.

During this reporting period, the Office of Audits conducted follow-up on prior year’s questioned costs of \$29,690 referred to Department program officials for resolution in prior periods. Table 10.3 summarizes the Department’s decisions during this period to allow or disallow the questioned costs.

**Table 10.3  
Inspector General-Referred Single Audit Reports With Questioned Costs**

	# Reports	Questioned Costs (\$ Thousands <sup>a</sup> )
A. For which no management decision had been made by the commencement of the reporting period	2	\$30
B. Issued during the reporting period	0	\$0
<b>Subtotal Questioned Costs (A+B)</b>	<b>2</b>	<b>\$30</b>
C. For which a management decision was made during the reporting period		
(i) Disallowed costs	0	\$0
(ii) Costs not disallowed	0	\$0
<b>Total Management Decisions</b>	<b>0</b>	<b>\$0</b>
D. For which no management decision has been made by the end of the reporting period [(A+B) – Subtotal C]	2	\$30

<sup>a</sup> Dollar amount may be affected by rounding.

**Defense Contract  
Audit Agency Audits**

The Bureau of Administration’s Office of Acquisitions Management (AQM) provided OIG information concerning Department contract awards. The bureau’s Business Operations Division initiates and coordinates audits with the Defense Contract Audit Agency (DCAA) to support Contracting Officers. Questioned costs

that are identified represent the total of all questioned dollars in DCAA audit reports issued during this reporting period. The management decision captures the resolution of audit reports made by the Contracting Officer during this reporting period to allow or disallow questioned costs. OIG did not verify, or otherwise audit, the values shown in Table 10.4 for the information AQM provided.

**Table 10.4  
Defense Contract Audit Agency Audit Reports With Questioned Costs**

Recommendation Status	# Reports	Questioned Costs (\$ Thousands <sup>a</sup> )
A. For which no management decision had been made by the commencement of the reporting period	14 <sup>b</sup>	139,683 <sup>c</sup>
B. Issued during the reporting period		
<i>Independent Audit Report on Aegis Defense Services, LLC’s Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Years (FYs) 2017 and 2018 (2018R10100008, April 30, 2019)</i>		6,851
<i>Independent Audit Report on Constellis, LLC’s Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year 2017 (2017A10100016, May 30, 2019)</i>		3,310
<i>Independent Audit Report on Arisa Aviation, LLC’s Proposed Amounts on Unsettled Flexibly Priced Contracts for FY 2017 (2017A10100003, June 13, 2019)</i>		741
Total issued during the reporting period	3 <sup>d</sup>	10,902
Subtotal Questioned Costs (A+B)	17	150,585
C. For which management decision was made during the reporting period		
(i) Disallowed costs		40,993
(ii) Costs not disallowed		0
Total Management Decisions	8 <sup>e</sup>	40,993
D. For which no management decision has been made by the end of the reporting period [(A+B) – Subtotal C]	9	109,591

<sup>a</sup> Dollar amount may be affected by rounding.

<sup>b</sup> This number excludes one audit report that OIG issued in a prior period on behalf of the Bureau of Administration and that was pending a management decision. This report and any respective decisions are accounted for in Table 10.1, “Status of OIG Recommendations to the Department of State Including Questioned Costs.”

<sup>c</sup> The opening balance is adjusted for four reports DCAA issued in August 2018. AQM originally reported the four reports as having no questioned costs but has since stated that DCAA had identified in these four reports amounts that were not in cost compliance and had been pending a management decision.

<sup>d</sup> This number excludes one additional DCAA report issued during the reporting period that AQM reported as not having questioned costs.

<sup>e</sup> This number includes the number of reports with full management decisions on all remaining questioned costs and excludes the number of reports with pending questioned costs.

## 11 COMPLIANCE

OIG tracks and documents the status of OIG report recommendations and agency follow-up actions. OMB Circular A-50 requires prompt resolution and corrective action on OIG recommendations. Specifically, the circular states that resolution shall be made within 6 months after the final report is issued, with corrective action proceeding as rapidly as possible.

The tables in Appendix D provide detailed information about the status of OIG recommendations. Tables D.1 through D.4 identify resolved but unimplemented recommendations associated with unclassified reports issued prior to April 1, 2019.

These tables also identify recommendations designated as significant and associated potential monetary benefits. Table D.5 identifies recommendations that have been without management decision for more than 6 months.

Table D.6 shows reports issued in the previous reporting period that did not receive comments within 60 days of issuance. Table D.7 shows previous significant management decisions that the Department revised during this reporting period, and Table D.8 identifies significant management decisions with which OIG disagreed. Lastly, Table D.9 highlights a number of recommendations that were closed during the reporting period.



# OVERSIGHT OF U.S. AGENCY FOR GLOBAL MEDIA PROGRAMS AND OPERATIONS

## 12 OFFICE OF AUDITS

The Office of Audits supports the U.S. Agency for Global Media (USAGM) by auditing its programs and operations and making recommendations to improve management, strengthen integrity and accountability, and ensure the most efficient, effective, and economical use of resources. Audit work focuses on such areas of concern as financial management and information security and management practices. From April 1, 2019, to September 30, 2019, the Office of Audits issued one audit report related to USAGM programs and operations, which is summarized below.

### **Financial Management**

*Audit of United States Agency for Global Media FY 2018 Compliance With Improper Payments Requirements*  
(AUD-FM-IB-19-28, 5/2019)

OIG conducted an audit to determine whether USAGM was in compliance with improper payments requirements and found that USAGM was in compliance with improper payments requirements for the FY 2018 reporting period. Specifically, USAGM published on its website its FY 2018 performance and accountability report, which included all required payment integrity disclosures. In addition, USAGM complied with the requirement to perform program-specific risk assessments.

## 13 OFFICE OF INSPECTIONS

The Office of Inspections inspects USAGM programs and operations to help identify systemic issues, use resources efficiently, and ensure the safety of personnel. Areas of specific concern include the allocation of financial resources and compliance with Federal regulations. From April 1, 2019, to September 30, 2019, OIG issued one inspection report related to USAGM programs and operations, which is summarized below.

### **Program Reviews and Special Reports**

*Targeted Inspection of the Governance of the United States Agency for Global Media*  
(ISP-IB-19-22, 4/2019)

OIG found that the governance structure in place at USAGM since 2015—led by a Chief Executive Officer supported by a more-advisory bipartisan board—was a significant improvement over the previous board-led structure. Serving concurrently as the board for its three grantee organizations allowed the agency's board to meet its responsibilities and mitigate favoritism problems. The Chief Executive Officer respected editorial

independence, but agency personnel expressed concerns that amendments to the 2017 governing statute potentially reduced protection for this independence. While the Chief Executive Officer actively shared his vision and priorities, not all information reached employees, and the shifting governance structure since 2015 contributed to uncertainty about the agency's direction. The agency lacked a formal system for executive information and decision management and did not effectively implement a new procedure for Voice of America editorials. The agency improved internal controls, but key policy and procedural documents were out of date. The agency made progress on some persistent workforce issues, including performance management, but failed to provide all required performance reviews. Some provisions in the agency's governing statute relating to future board compensation, composition, and authorities are unclear or inconsistent.

OIG made recommendations to improve the agency's operations and internal controls.

## 14 OFFICE OF INVESTIGATIONS

The Office of Investigations conducts worldwide investigations of criminal, civil, and administrative misconduct related to USAGM programs and operations. From April 1, 2019, to September 30, 2019, the office's work resulted in one arrest, one conviction, and two administrative actions. Additionally, the office opened one preliminary inquiry and closed one investigation, which is summarized below.

### **Employee Misconduct**

In June 2019, a former Senior Executive Service official serving as Chief Strategy Officer at USAGM pleaded guilty to stealing more than \$40,000 in Government funds in 2018. After being alerted by USAGM leadership, OIG special agents investigated and confirmed the employee fraudulently obtained thousands of dollars by submitting falsified hotel invoices and inflated

taxi and Uber receipts and by billing the government for personal travel and travel that had already been paid by third parties. Additionally, he admitted to creating a falsified letter that claimed he needed to fly business class because of medical reasons, resulting in costly business class upgrades at Government expense.

### **Investigations Involving Senior Government Employees**

During the reporting period, OIG conducted no investigations involving senior Government employees in USAGM where OIG substantiated allegations of misconduct. OIG also has no investigations to report involving senior Government employees that were substantiated and closed during the reporting period but not disclosed to the public.

## 15 FINANCIAL RESULTS OF OIG WORK RELATED TO THE U.S. AGENCY FOR GLOBAL MEDIA

In the reports it issued this reporting period, OIG did not identify potential monetary benefits to USAGM, and the agency made no management decisions on recommendations involving questioned costs or funds that could be put to better use. At the close of this reporting period, USAGM had not yet made a management decision on \$6.2 million in funds that could be put to better use, as identified by OIG. USAGM had no open recommendations involving questioned costs from this reporting period or previous reporting periods that

required management decision. OIG determines that a management decision on questioned costs and funds put to better use has been made and reports such a determination when OIG receives and accepts sufficient, specific evidence during the compliance process. For the status of recommendations involving funds that could be put to better use, see Table 15.1. For a summary of consolidated Department and USAGM totals of potential monetary benefits identified by OIG during this reporting period, see Section 5 of this report.

### OIG Financial Lexicon

#### Questioned Costs

Costs that are questioned by OIG because of an alleged violation of a provision; costs not supported by adequate documentation; or a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

#### Allowed:

A cost questioned by OIG that management has decided should be charged to the Government.

#### Disallowed:

A cost questioned by OIG that management has agreed should not be charged to the Government.

#### Funds Put to Better Use

Funds that could be used more efficiently if management took actions to implement and complete the recommendation.

#### Agreed:

The dollar value of recommendations that management agreed to implement.

#### Disagreed:

The dollar value of recommendations that management disagreed with implementing.

**Table 15.1**  
**Status of OIG Recommendations to the United States Agency for Global Media Recommending Funds Be Put to Better Use, 4/1/2019–9/30/2019**

	# Reports	Funds Put to Better Use (\$ Thousands <sup>a</sup> )
A. No management decision made by start of the reporting period	1	\$6,227
B. Issued during the reporting period		
Total issued during the reporting period	0	\$0
<b>Total (A+B)</b>		
C. Management decision made during the reporting period		
(i) Dollar value of recommendations agreed to by management		\$0
(ii) Dollar value of recommendations not agreed to by management		\$0
Subtotal		\$0
D. Total remaining for decision as of the end of the reporting period [(A+B) – Subtotal C]	1	\$6,227
E. Additional monetary benefits achieved as the result of prior OIG recommendations	0	\$0

<sup>a</sup> Dollar amount may be affected by rounding.

### Office of Management and Budget Single Audits

OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 200) establishes audit requirements for state and local governments, colleges and universities, and nonprofit organizations receiving Federal awards. Under 2 CFR Part 200, covered entities that expend \$750,000 or more a year in Federal funds must obtain an annual organization-wide "single audit" that includes the entity's financial

statements and compliance with Federal award requirements. These audits are conducted by non-Federal auditors, such as public accounting firms and state auditors.

During this reporting period, there were no audit reports with findings and questioned costs for which USAGM was required to issue management decisions.

## 16 COMPLIANCE

OIG tracks and documents the status of OIG report recommendations and agency follow-up actions. OMB Circular A-50 requires prompt resolution and corrective action on OIG recommendations. Specifically, the circular states that resolution shall be made within 6 months after the final report is issued, with corrective action proceeding as rapidly as possible.

The tables in Appendix E provide detailed information about the status of OIG recommendations. Tables E.1 and E.2 identify resolved but unimplemented recommendations associated with unclassified reports issued prior

to April 1, 2019. These tables also identify recommendations designated as significant and associated potential monetary benefits. Table E.3 identifies recommendations that have been without management decision for more than 6 months.

Table E.4 shows reports issued in the previous reporting period that did not receive comments within 60 days of issuance. Table E.5 shows previous significant management decisions that USAGM revised during this reporting period, and Table E.6 identifies significant management decisions with which OIG disagreed.



# APPENDICES

## APPENDIX A: OIG REPORTS RELATED TO DEPARTMENT OF STATE PROGRAMS AND OPERATIONS

**Table A.1**  
**OIG Reports Related to Department of State Programs and Operations, 4/1/2019–9/30/2019**

<b>Report #</b>	<b>Report Title</b>	<b>Date Issued</b>
<b>Office of Audits</b>		
AUD-SI-19-43	<i>Audit of Cooperative Agreement Sub-Award Recipients Supporting the U.S. President’s Emergency Plan for AIDS Relief</i>	9/2019
AUD-SI-19-42	<i>Management Assistance Report: Embassy Vienna, Austria, Should Strengthen Internal Controls Over Motor Vehicle Keys and Fuel Credit Cards</i>	9/2019
AUD-MERO-19-40	<i>Audit of the Execution of Security-Related Construction Projects at U.S. Embassy Kabul, Afghanistan</i>	9/2019
AUD-MERO-19-39	<i>Audit of Monitoring and Evaluating Department of State Foreign Assistance in the Philippines</i>	9/2019
AUD-MERO-19-33	<i>Audit of Cost Management of Embassy Air in Afghanistan and Iraq</i>	9/2019
AUD-AOQC-19-35	<i>Management Assistance Report: Open Audit Recommendations Awaiting Final Action and Closure</i>	9/2019
AUD-CGI-19-38	<i>Management Assistance Report: Outstanding Construction Deliverables and Deficiencies Need Attention at New Embassy Compound The Hague, the Netherlands</i>	8/2019
AUD-MERO-19-37	<i>Audit of the Bureau of Overseas Buildings Operations Commissioning of Diplomatic Housing at U.S. Embassy Kabul, Afghanistan</i>	8/2019
AUD-IT-19-36	<i>Audit of the Department of State’s Local Configuration Control Boards</i>	7/2019
AUD-MERO-19-27	<i>Audit of the Department of State Implementation of Policies Intended To Counter Violent Extremism</i>	6/2019
AUD-SI-19-30	<i>Audit of the Bureau of Diplomatic Security’s Expenditures for Third-Party Contractors and Personal Services Contractors Supporting the Office of Training and Performance Standards</i>	6/2019
AUD-MERO-19-31	<i>Management Assistance Report: Modernizing Processes To Maintain Overseas Buildings Operations Commissioning Documentation Is Needed</i>	6/2019
AUD-FM-19-29	<i>Audit of Department of State FY 2018 Compliance With Improper Payments Requirements</i>	5/2019
AUD-MERO-19-23	<i>Management Assistance Report: Results of 2014 Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Orders 2, 9, and 11</i>	4/2019

<b>Report #</b>	<b>Report Title</b>	<b>Date Issued</b>
AUD-FM-19-16	<i>Management Letter Related to the Audit of the U.S. Department of State's 2018 Financial Statements</i>	4/2019
AUD-MERO-19-25	<i>Management Assistance Report: Noncompliance with Federal and Department Procurement Policy at U.S. Embassy Kabul, Afghanistan, Needs Attention</i>	4/2019
AUD-FM-19-21	<i>Management Letter Related to the Audit of the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2018 Financial Statements</i>	4/2019
AUD-FM-19-05	<i>Independent Auditor's Report on the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2018 and 2017 Financial Statements</i>	4/2019
AUD-FM-19-22	<i>Audit of the Office of Nonproliferation and Disarmament Fund Financial and Contract Activities During FY 2016 and FY 2017</i>	4/2019
AUD-MERO-19-19	<i>Lessons Learned from Office of Inspector General Audits Concerning the Review and Payment of Contractor Invoices Supporting Overseas Contingency Operations</i>	4/2019
<b>Office of Enterprise Risk Management</b>		
OIG-ERM-19-03	<i>Work Plan Fiscal Years 2020-2021</i>	9/2019
OIG-ERM-19-02	<i>Work Plan Fiscal Years 2019-2020</i>	4/2019
<b>Office of Evaluations and Special Projects</b>		
ESP-19-06	<i>Evaluation of the Antiterrorism Assistance Explosive Detection Canine Program – Health and Welfare</i>	9/2019
ESP-19-05	<i>Review of Allegations of Politicized and Other Improper Personnel Practices in the Bureau of International Organization Affairs</i>	8/2019
ESP-19-04	<i>Evaluation of the Bureau of Diplomatic Security's Aegis Construction Contract at Camp Eggers, Afghanistan</i>	7/2019
<b>Office of Inspections</b>		
ISP-I-19-37	<i>Inspection of the U.S. Mission to the Organization of American States</i>	9/2019
ISP-I-19-36	<i>Inspection of the Bureau of Consular Affairs, Kentucky Consular Center</i>	8/2019
ISP-I-19-26	<i>Inspection of Embassy Tirana, Albania</i>	8/2019
ISP-I-19-23	<i>Review of the Effects of the Department of State Hiring Freeze</i>	8/2019
ISP-I-19-19	<i>Inspection of Embassy Nassau, The Bahamas</i>	8/2019
ISP-I-19-25	<i>Inspection of Embassy Ljubljana, Slovenia</i>	7/2019
ISP-I-19-20	<i>Inspection of Embassy Paramaribo, Suriname</i>	7/2019
ISP-I-19-17	<i>Inspection of Embassy Santo Domingo, Dominican Republic</i>	7/2019
ISP-I-19-18	<i>Inspection of Embassy Port-au-Prince, Haiti</i>	6/2019
ISP-I-19-16	<i>Inspection of Embassy Libreville, Gabon</i>	6/2019

Report #	Report Title	Date Issued
ISP-I-19-21	<i>Inspection of the Office of Foreign Missions</i>	5/2019
ISP-I-19-14	<i>Inspection of Embassy Bogota, Colombia</i>	4/2019

**Table A.2**  
**OIG Reports Related to Department of State Programs and Operations Summarized in the**  
***Department of State Classified Annex to the Semiannual Report to the Congress,***  
**4/1/2019–9/30/2019**

Report #	Report Title	Date Issued
<b>Office of Audits</b>		
AUD-IT-19-44	<i>(U) Audit of the Information Security Program for Sensitive Compartmented Information Systems at the Department of State</i>	9/2019
AUD-IT-19-41	<i>(U) Audit of Selected Post Efforts To Track and Remediate Vulnerabilities Identified During Blue Team Risk Assessments</i>	9/2019
AUD-MERO-19-34	<i>(U) Management Assistance Report: Safety and Security Infractions at U.S. Embassy Beirut, Lebanon, Require Immediate Attention</i>	7/2019
AUD-MERO-19-32	<i>(U) Compliance Follow-Up Audit of the Emergency Action Plan for U.S. Embassy Baghdad</i>	6/2019
AUD-MERO-19-26	<i>(U) Management Assistance Report: Mission Turkey Safety and Security Infractions Require Immediate Attention</i>	5/2019
<b>Office of Inspections</b>		
ISP-S-19-30	<i>(U) Classified Inspection of Embassy Mbabane, Eswatini</i>	9/2019
ISP-S-19-29	<i>(U) Classified Inspection of Embassy Maseru, Lesotho</i>	9/2019
ISP-S-19-36	<i>(U) Classified Inspection of the Bureau of Consular Affairs, Kentucky Consular Center</i>	8/2019
ISP-S-19-26	<i>(U) Classified Inspection of Embassy Tirana, Albania</i>	8/2019
ISP-S-19-25	<i>(U) Classified Inspection of Embassy Ljubljana, Slovenia</i>	8/2019
ISP-S-19-19	<i>(U) Classified Inspection of Embassy Nassau, The Bahamas</i>	7/2019
ISP-S-19-20	<i>(U) Classified Inspection of Embassy Paramaribo, Suriname</i>	6/2019
ISP-S-19-18	<i>(U) Classified Inspection of Embassy Port-au-Prince, Haiti</i>	6/2019
ISP-S-19-17	<i>(U) Classified Inspection of Embassy Santo Domingo, Dominican Republic</i>	5/2019
ISP-S-19-16	<i>(U) Classified Inspection of Embassy Libreville, Gabon</i>	5/2019
ISP-S-19-15	<i>(U) Classified Inspection of Embassy Kigali, Rwanda</i>	4/2019
ISP-S-19-14	<i>(U) Classified Inspection of Embassy Bogota, Colombia</i>	4/2019

**Note:** One additional report (title Sensitive But Unclassified) can be found in the *Department of State Classified Annex to the Semiannual Report to the Congress*.

## APPENDIX B: OIG REPORTS RELATED TO U.S. AGENCY FOR GLOBAL MEDIA PROGRAMS AND OPERATIONS

**Table B.1**  
**OIG Reports Related to U.S. Agency for Global Media Programs and Operations,**  
**4/1/2019–9/30/2019**

<b>Report #</b>	<b>Report Title</b>	<b>Date Issued</b>
<b>Office of Audits</b>		
AUD-FM-IB-19-28	<i>Audit of United States Agency for Global Media FY 2018 Compliance With Improper Payments Requirements</i>	5/2019
<b>Office of Inspections</b>		
ISP-IB-19-22	<i>Targeted Inspection of the Governance of the United States Agency for Global Media</i>	4/2019

## APPENDIX C: PEER REVIEWS

The Office of Inspector General (OIG) conducts oversight activities to help ensure that the Department of State and the United States Agency for Global Media manage and execute programs and operations as efficiently and effectively as possible. To underscore the importance of operational efficiency and effectiveness, OIG is measured by industry standards and best practices set forth by the oversight community, represented by the Council of the Inspectors General on Integrity and Efficiency (CIGIE). As part of this shared internal control system, CIGIE requires OIGs to conduct and undergo periodic external peer reviews, and the Inspector General Act of 1978 requires the results of these peer reviews to be published in this *Semiannual Report to the Congress*.

### Office of Audits

The Office of Audits did not undergo a peer review during this reporting period. The date of the most recent peer review was February 12, 2019. In that review, the Office of Audits received a peer review rating of pass, the best possible rating.

### Office of Investigations

The Office of Investigations did not undergo a peer review during this reporting period. The Office of Investigations was last peer reviewed in July 2018 and has no outstanding recommendations.

## APPENDIX D: DEPARTMENT OF STATE COMPLIANCE

Tables D.1 through D.9 report the status of open Office of Inspector General (OIG) recommendations to the Department of State

(Department) as of September 30, 2019, as well as certain recommendations that were closed during the reporting period.

### OIG Compliance Lexicon

<b>Open</b>
<p><b>Unresolved:</b> No agreement between OIG and management on the recommendation or proposed corrective action.</p> <p><b>Resolved:</b> Agreement on the recommendation and proposed corrective action but implementation has not been completed.</p>
<b>Closed</b>
<p>Agreed-upon corrective action is complete.</p>

**Table D.1**  
**Open Office of Audits Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2019**

Significant Open Recommendations	Potential Monetary Benefits
<p><i>Audit of the Bureau of Near Eastern Affairs Selection and Management of Contract Oversight Personnel in Iraq (AUD-MERO-19-10, 11/2018)</i></p> <p><b>Recommendation 5:</b> OIG recommends that the Bureau of Administration, Office of the Procurement Executive create, organize, and lead a multi-bureau working group with the goal of remedying identified shortfalls with the current and future Contracting Officer’s Representative (COR) workforce. The working group should, at a minimum: (a) explore building a roster of certified Federal Acquisition Certification for Contracting Officer’s Representatives and their technical expertise and a mechanism to keep this roster current, (b) research the inclusion of CORs in the strategic human capital plan with the goal of addressing current and future COR needs and developing plans Department-wide to alleviate identified shortfalls, (c) study other alternatives for feasibility of implementation, such as using special pay incentives or a new COR skill code or employment track within the Foreign Service, and (d) provide its documented results and recommendations to the Under Secretary for Management for his awareness and consideration.</p>	<p>N/A</p>

Significant Open Recommendations	Potential Monetary Benefits
<i>Audit of the Department of State’s Administration of its Aviation Program (AUD-SI-18-59, 9/2018)</i>	
<b>Recommendation 1:</b> OIG recommends that the Under Secretary for Management develop and implement a plan to enforce the centralized management and oversight of all Department aviation programs and assets, including oversight of and approval by the Aviation Governing Board, on all decisions related to providing aviation services, in accordance with the Foreign Affairs Manual.	N/A
<b>Recommendation 3:</b> OIG recommends that the Aviation Governing Board, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, develop and implement a detailed strategic plan for all of the Department of State’s aviation needs, including medical needs and country-specific needs like those of Embassy Bogota. The plan should have clear goals and attainable objectives, both at the headquarters level and for each country of operation.	N/A
<b>Recommendation 8:</b> OIG recommends that the Aviation Governing Board (AGB), in coordination with the Bureau of International Narcotics and Law Enforcement Affairs (INL), revise Volume 2 of the Foreign Affairs Manual (FAM) 800 to clarify that INL is the sole provider of aviation services for the Department of State and any requests for exceptions to, or waiver of this policy, along with a written justification, must be submitted to and approved by the AGB. The FAM revision should include a requirement for a periodic review of the decision to determine whether it remains beneficial.	N/A
<b>Recommendation 9:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs (INL) update the “INL Financial Management Handbook” to include guidance related to recording assets purchased with INL project funding or transferred to INL from another agency that are not being donated to a host government in the Integrated Logistics Management System.	N/A
<b>Recommendation 10:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs (INL) implement a process to ensure it performs Property Management System Analysis inspections of INL operations in all countries with aviation programs.	N/A
<b>Recommendation 22:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs develop and implement policies and procedures requiring that all country-specific aviation programs use SeeSOR for quality assurance oversight.	N/A
<b>Recommendation 23:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs develop and implement policies and procedures requiring that all foreign assistance aviation programs have documented nationalization plans with clear goals and attainable objectives, both at the headquarters level and for each country of operation.	N/A

Significant Open Recommendations	Potential Monetary Benefits
<p><i>Audit of Cost Controls Within the Baghdad Life Support Services Contract Food Services Task Order SAQMMA14F0721</i> (AUD-MERO-18-55, 8/2018)</p>	
<p><b>Recommendation 2:</b> OIG recommends that the Bureau of Near Eastern Affairs incorporate requirements for food services cost controls and a contractor cost control plan into the new worldwide support services contract and develop an acquisition plan that addresses their implementation and comprehensive oversight.</p>	N/A
<p><i>Management Assistance Report: Department of State Has Not Implemented the Required Value Engineering Program for Contracts Exceeding \$5 Million</i> (AUD-CGI-18-52, 8/2018)</p>	
<p><b>Recommendation 2:</b> OIG recommends that the Office of the Under Secretary for Management, once it has designated a Senior Accountable Official (Recommendation 1), consult with the designated official to develop and implement a Department-wide value engineering program and develop and implement guidelines and policies and procedures for the program, in accordance with Office of Management and Budget Circular A-131 requirements.</p>	N/A
<p><i>Audit of the Bureau of European and Eurasian Affairs Administration and Oversight of Selected Contracts and Grants</i> (AUD-CGI-18-50, 8/2018)</p>	
<p><b>Recommendation 5:</b> OIG recommends that the Bureau of European and Eurasian Affairs, develop and implement procedures detailing the required use of COR eFiling.</p>	N/A
<p><b>Recommendation 17:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement procedures to verify that Grants Officers are monitoring Grants Officer Representatives oversight activities and reviewing grant files to verify completeness, retention, and accessibility of required documentation within the grant file in accordance with the Department of State's Federal Assistance Directive.</p>	N/A
<p><i>Management Assistance Report: The Bureau of Diplomatic Security's Office of Training and Performance Standards Should Improve Property Management Over Equipment Provided During High-Threat Training</i> (AUD-SI-18-49, 8/2018)</p>	
<p><b>Recommendation 3:</b> OIG recommends that the Bureau of Diplomatic Security, Training Directorate, Office of Training and Performance Standards (TPS), in coordination with the Bureau of Diplomatic Security, Countermeasures Directorate, Office of Physical Security Programs, Defensive Equipment and Armored Vehicle Division, complete its joint effort to develop and implement a process to manage accountable property in the high-threat kits in accordance with requirements in Volume 14 of the Foreign Affairs Manual, Sections 420 and 426, and the Property Accountability requirements in Section 5-25 of TPS's Standard Operating Procedures. This process should (a) identify and record all accountable property in high-threat kits when the kits have been received and issued and returned and (b) provide steps for performing annual inventories.</p>	N/A

Significant Open Recommendations	Potential Monetary Benefits
<i>Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention</i> (AUD-MERO-18-31, 3/2018)	
<b>Recommendation 1:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$3.55 million in questioned basic daily food allowance costs that OIG identified under the base year of Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 was allowable per the contract terms and conditions, and (b) recover all costs determined to be unallowable.	\$3,550,000
<b>Recommendation 2:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$37.4 million in questioned basic daily food allowance costs paid to PAE Government Services, Inc. during option years 1, 2, and 3 of Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 as identified by OIG are allowable, and (b) recover any costs determined to be unallowable.	\$37,400,000
<b>Recommendation 8:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management use contractual remedies under Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 and seek adjustment from PAE Government Services, Inc. for relieving them of the requirement to implement the point-of-sale cafeteria system, pending the viability assessment from Recommendation 6.	N/A
<b>Recommendation 12:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$4.1 million in questioned costs for unauthorized meals paid to PAE Government Services, Inc. under Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721 as identified by OIG are allowable and (b) recover any costs determined to be unallowable.	\$4,100,000
<b>Recommendation 13:</b> OIG recommends that, if the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management does not seek reimbursement for \$4.1 million in unauthorized meals paid to PAE Government Services, Inc. in response to Recommendation 12, the Procurement Executive at the Bureau of Administration, Office of the Procurement Executive implement ratification procedures in accordance with Department of State Acquisition Regulations 601.602-3-70, “[Ratification] Procedures,” for Baghdad Life Support Services contract SAQMMA13D0120 food services task order SAQMMA14F0721.	N/A

Significant Open Recommendations	Potential Monetary Benefits
<p><i>Audit of the Bureau of International Narcotics and Law Enforcement Affairs Invoice Review Process for Contracts in Afghanistan</i> (AUD-MERO-18-30, 2/2018)</p>	
<p><b>Recommendation 1:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs fill the permanent Contracting Officer’s Representative vacancies in Kabul, Afghanistan, to ensure adequate oversight of its Afghanistan contracts.</p>	N/A
<p><i>Audit of the Administration of Selected Cooperative Agreements Awarded to the Institute of International Education by the Bureau of Educational and Cultural Affairs</i> (AUD-CGI-18-15, 2/2018)</p>	
<p><b>Recommendation 4:</b> OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the unsupported cost-sharing contributions of \$14,829,120 for cooperative agreement S-ECAGD-14-CA-1017 (October 1, 2013, through September 30, 2016) are supported and (b) reduce, for any cost-sharing contribution determined to be unsupported, the Department of State’s funding for the agreement accordingly, as stipulated in the agreement.</p>	\$14,829,120
<p><b>Recommendation 6:</b> OIG recommends that the Bureau of Educational and Cultural Affairs (a) determine whether the unsupported cost-sharing contributions of \$19,153,955 for cooperative agreement S-ECAGD-15-CA-1015 (December 11, 2014, through September 30, 2016) are supported and (b) reduce, for any cost-sharing contribution determined to be unsupported, the Department of State’s funding for the cooperative agreement accordingly, as stipulated in the agreement.</p>	\$19,153,955
<p><i>Audit of Bureau of Overseas Buildings Operations’ Oversight of New Construction Projects at the U.S. Embassy in Kabul, Afghanistan</i> (AUD-MERO-18-17, 1/2018)</p>	
<p><b>Recommendation 2:</b> OIG recommends the Bureau of Overseas Buildings Operations require project directors to certify that all required building equipment and systems are fully commissioned prior to issuing the certificate of substantial completion.</p>	N/A
<p><i>Audit of the Department of State’s Information Technology Configuration Control Board</i> (AUD-IT-17-64, 9/2017)</p>	
<p><b>Recommendation 1:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a detailed program plan for the Information Technology Configuration Control Board process that includes clear goals and attainable objectives and defines areas of authority and responsibility.</p>	N/A
<p><b>Recommendation 5:</b> OIG recommends that the Bureau of Information Resource Management remove the default proceed ability for Technical Reviewers in the Virtual Information Technology Configuration Control Board application.</p>	N/A

Significant Open Recommendations	Potential Monetary Benefits
<i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services (AUD-FM-17-53, 9/2017)</i>	
<b>Recommendation 3:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services determine whether the Bureau of Consular Affairs violated the Antideficiency Act, 31 U.S. Code § 1341, for each year in which it spent funds from any fee collections in excess of cost, and report any violations as required by 31 U.S. Code § 1351 and in accordance with Office of Management and Budget Circular A-11, Section 145.	N/A
<b>Recommendation 6:</b> OIG recommends that the Bureau of Consular Affairs remit unobligated balances that exceed the carry forward threshold (Recommendation 4), which OIG reported as \$284 million in funds that could be put to better use for FY 2017, to the Department of the Treasury.	\$284,000,000
<i>Management Assistance Report: The Process to Authorize and Track Information Technology Systems Needs Improvement (AUD-IT-17-56, 8/2017)</i>	
<b>Recommendation 7:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a corrective action plan that addresses how the Department will comply with Department policy on the Systems Authorization Process. The corrective action plan should identify the root cause of compliance failures, action steps to resolve such compliance failures, improvement benchmarks and a timeframe for completion, and an escalation process to hold system owners accountable.	N/A
<i>Audit of Select Cost-of-Living Allowances for American Employees Stationed in Foreign Areas (AUD-FM-17-51, 8/2017)</i>	
<b>Recommendation 1:</b> OIG recommends the Bureau of Administration develop and implement a plan to use independent economic data to determine post allowance rates where such data for post exist.	N/A
<b>Recommendation 2:</b> OIG recommends the Bureau of Administration re-determine and update by the end of FY 2018 post allowance rates using independent economic data where such data for post exist. Once the rates have been updated, the Bureau of Administration should determine the amount saved by implementing the new rates. OIG determined that using independent, economic data would have saved the Department approximately \$18.2 million between FY 2013 and FY 2015 for six posts tested (that is, funds that could have been put to better use).	\$18,200,000
<b>Recommendation 14:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement uniform guidance for use by overseas posts to identify education allowance payments by student to comply with Department of State Standardized Regulations. This process, at a minimum, should include setting up individual obligations by student for the education allowance and include documentation requirements. The process instructions should be disseminated to all posts and then formalized in relevant Foreign Affairs Manual or Foreign Affairs Handbook sections, accordingly.	N/A

Significant Open Recommendations	Potential Monetary Benefits
<p><i>Management Assistance Report: Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Pakistan</i> (AUD-MERO-17-37, 5/2017)</p>	
<p><b>Recommendation 1:</b> OIG recommends that the Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, implement a monitoring and evaluation system to include measuring performance in accordance with the requirements outlined in the Department’s Performance Management Guidebook and the Memorandum of Agreement executed between the Bureaus of Counterterrorism and Diplomatic Security’s Office of Antiterrorism Assistance.</p>	N/A
<p><i>Aspects of the Invoice Review Process Used by the Bureau of Near Eastern Affairs to Support Contingency Operations in Iraq Need Improvement</i> (AUD-MERO-17-33, 3/2017)</p>	
<p><b>Recommendation 2:</b> OIG recommends that the Bureau of Near Eastern Affairs, in coordination with the Bureau of Administration, provide sufficient resources to the Contract Management Office-Frankfurt to ensure all unallowable costs are identified and recovered in a timely manner. This review should begin with those invoices provisionally approved beginning in September 2014 and already identified as awaiting post-payment review and then going back to identify and review those provisionally approved invoices submitted before September 2014 that did not receive full review.</p>	N/A
<p><b>Recommendation 7:</b> OIG recommends that the Bureau of Near Eastern Affairs, develop reliable, objective, clear, and measurable performance metrics and include these metrics in all current and future Bureau of Near Eastern Affairs Iraq contracts.</p>	N/A
<p><i>Audit of the Bureau of Diplomatic Security’s Administration of the Armored Vehicle Program</i> (AUD-SI-17-21, 2/2017)</p>	
<p><b>Recommendation 5:</b> OIG recommends that the Bureau of Diplomatic Security develop a methodology to determine the recommended number of armored vehicles needed at overseas posts. This guidance should provide baselines established using a variety of factors, such as the number of individuals under Chief of Mission authority and local threat ratings.</p>	N/A
<p><b>Recommendation 6:</b> OIG recommends that the Bureau of Diplomatic Security develop and implement a process to periodically perform an independent validation of the adequacy of each post’s armored vehicle fleet size.</p>	N/A
<p><b>Recommendation 8:</b> OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a methodology to facilitate the armored vehicle request process. The methodology should include metrics relating to response times, fulfillment of requests, and status updates for the requesting post or bureau.</p>	N/A
<p><b>Recommendation 9:</b> OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a centralized tool to track requests for armored vehicles. This tool should be able to</p>	N/A

Significant Open Recommendations	Potential Monetary Benefits
maintain a complete list of requests and the status of the efforts to fulfill the requests.	
<b>Recommendation 20:</b> OIG recommends that the Bureau of Diplomatic Security, in conjunction with the Overseas Security Policy Board, develop an action plan to modify or replace the non-Overseas Security Policy Board standard armored vehicles currently in use at overseas posts so that the vehicles meet Overseas Security Policy Board standards.	N/A
<b>Recommendation 21:</b> OIG recommends that the Bureau of Diplomatic Security develop and implement a policy requiring Regional Security Officers to perform and document a review of all armored vehicles arriving at post, regardless of agency, to ensure that each one meets Overseas Security Policy Board standards.	N/A
<i>Audit of the Oversight of Fuel Acquisition and Related Services Supporting Department of State Operations in Iraq</i> (AUD-MERO-17-16, 12/2016)	
<b>Recommendation 5:</b> OIG recommends that the Bureau of Near Eastern Affairs conduct a study to determine the appropriate numbers of trained, technically experienced, and certified oversight personnel required to oversee the Baghdad Life Support Services and Operations and Maintenance Support Services contracts, to include specific consideration of 2-year assignments, required Federal Acquisition Certification for Contracting Officer's Representatives certification levels, and appointment of additional assistant contracting officer's representatives.	N/A
<i>Management Assistance Report: Department of State Conference Reporting</i> (AUD-CGI-17-07, 10/2016)	
<b>Recommendation 1:</b> OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and disseminate formal guidance regarding registering, approving, and reporting conferences in compliance with Federal requirements.	N/A
<b>Recommendation 3:</b> OIG recommends that the Under Secretary for Management, Office of Management Policy, Rightsizing, and Innovation, develop and implement a communications strategy to periodically keep Department of State personnel informed of conference registration, approval, and reporting requirements to ensure the integrity of the data is accurately reported and errors are corrected in a timely manner.	N/A
<i>Audit of the Department of State Travel Card Program</i> (AUD-CGI-16-48, 9/2016)	
<b>Recommendation 1:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services develop, implement, and publish policies in the Foreign Affairs Manual and/or Foreign Affairs Handbook governing cash advances on Department-issued travel cards, specifically regarding the timing and dollar value of cash advances that may be obtained.	N/A
<b>Recommendation 3:</b> OIG recommends that the Office of the Director General for Human Resources, in conjunction with the Bureau of the Comptroller and Global	N/A

Significant Open Recommendations	Potential Monetary Benefits
Financial Services, develop and implement administrative and disciplinary procedures related to the Travel Card Program to include misuse, non-usage, and abuse.	N/A
<b>Recommendation 4:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services establish controls to identify Department employees eligible to receive a travel card who travel more than two times in a 12-month period and verify that they obtain and use a Department-issued travel card for all official travel-related expenses.	N/A
<b>Recommendation 5:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement split disbursement procedures as required by the Office of Management and Budget for all Department-issued travel card holders.	N/A
<i>Improvements Needed To Strengthen Vehicle-Fueling Controls and Operations and Maintenance Contract at Embassy Kabul, Afghanistan</i> (AUD-MERO-16-35, 4/2016)	
<b>Recommendation 6:</b> OIG recommends that Embassy Kabul procure a new vehicle-fueling system (hardware and software) to replace the current outdated system.	N/A
<i>Audit of the Department of State Process To Select and Approve Information Technology Investments</i> (AUD-FM-16-31, 3/2016)	
<b>Recommendation 11:</b> OIG recommends that the Bureau of Information Resource Management develop and implement policies and procedures to oversee and enforce requirements for bureaus and offices to avoid duplicative IT investments.	N/A
<b>Recommendation 12:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a process to perform periodic, but no less than annual, reviews of the entire agency IT portfolio to enforce bureau accountability and identify potential duplicative systems.	N/A
<b>Recommendation 13:</b> For duplicative systems that are identified by the new process implemented to perform periodic reviews of the entire agency IT portfolio (Recommendation 12), OIG recommends that the Bureau of Information Resource Management develop and implement a strategy to combine, eliminate, or replace duplicative systems, as practicable.	N/A
<b>Recommendation 25:</b> OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, develop and implement a process to validate the completeness of the data in iMatrix. At a minimum, this process should include an analysis of IT expenditures in the financial management system to ensure expenditures are reported in iMatrix, as needed.	N/A
<b>Recommendation 26:</b> OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, develop and implement a process to validate the accuracy of data in iMatrix. This could include developing and implementing analytical procedures to identify anomalies in iMatrix data.	N/A

Significant Open Recommendations	Potential Monetary Benefits
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 3 — Baghdad Embassy Security Force</i> (AUD-MERO-16-28, 2/2016)	
<b>Recommendation 1:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, recover the \$13.6 million in deferred assessments from SOC.	\$13,600,000
<b>Recommendation 2:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine the allowability of and recover, as appropriate, the \$652,061 in unallowed costs identified in this report.	\$252,855*
<b>Recommendation 3:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine whether unsupported costs are allowable and recover, as appropriate, the \$6.5 million in unsupported costs identified in this report.	\$247,539*
<i>Compliance Follow-up Audit of the Process To Request and Prioritize Physical Security-Related Activities at Overseas Posts</i> (AUD-ACF-16-20, 12/2015)	
<b>Recommendation 7:</b> OIG recommends that the Bureau of Overseas Buildings Operations, in coordination with the Bureau of Diplomatic Security, develop and implement formal standardized processes to prioritize physical security-related deficiencies at posts by category, such as major physical security upgrades, forced-entry/ballistic-resistant projects, and minor physical security upgrades. The prioritizations should be performed based on a comprehensive list of all physical security needs and should be periodically updated based on changes in risk factors or posts' needs. The processes used to perform the prioritizations should be documented and repeatable. In addition, in developing the processes, consideration should be given to how the Overseas Security Policy Board standards will be utilized, what risk factors will be considered, and what impact upcoming major rehabilitation projects or new construction would have on the prioritized rankings.	N/A
<i>Management Assistance Report—Termination of Construction Grants to Omran Holding Group</i> (AUD-CG-14-37, 9/2014)	
<b>Recommendation 3:</b> OIG recommends that the Bureau of South and Central Asian Affairs require the grants officer to determine the allowability of \$502,890 in potentially unallowable costs identified by OIG, direct Omran Holding Group to refund the Department any costs determined to be unallowable, and verify that funds have been refunded.	\$502,890
<i>Audit of the Contract Closeout Process for Contracts Supporting the U.S. Mission in Iraq</i> (AUD-MERO-14-06, 12/2013)	
<b>Recommendation 9:</b> OIG recommends that the Bureau of Administration, Office of the Procurement Executive, in conjunction with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and	N/A

Significant Open Recommendations	Potential Monetary Benefits
<p>implement an e-Filing policy and document management system to provide effective contract file inventory control and documentation standards while allowing for ready accessibility through a central locator system. The policy should include minimum guidance over the completeness of data contained in the files and a schedule of milestones identifying mandatory implementation dates.</p>	
<p><i>Audit of Bureau of East Asian and Pacific Affairs Compliance With Trafficking in Persons Requirements (AUD-IP-12-02, 10/2011)</i></p>	
<p><b>Recommendation 1:</b> We recommend that the Office to Monitor and Combat Trafficking in Persons include, in the Foreign Affairs Manual, the U.S. Government policy regarding trafficking in persons (TIP) to include the definition of TIP activity and information on the prohibition against involvement in acts of TIP for Department of State personnel and contractors, the associated penalties for violations, and the mechanism to report such violations.</p>	<p>N/A</p>
<p><b>Recommendation 2:</b> We recommend that the Office to Monitor and Combat Trafficking in Persons, in consultation with the Office of the Legal Adviser and the Director General of Human Resources, develop and include a trafficking in persons policy in the Department of State Standards of Conduct.</p>	<p>N/A</p>
Other Open Recommendations	Potential Monetary Benefits
<p><i>Audit of the Department of State Purchase Card Program (AUD-CGI-19-24, 3/2019)</i></p>	
<p><b>Recommendation 1:</b> OIG recommends that the Bureau of Administration clarify and reissue policy guidance in the Department of State Worldwide Purchase Card Program Manual to describe specifically when purchase cards may be used to pay for “light refreshments” at restaurants and caterers.</p>	<p>N/A</p>
<p><b>Recommendation 3:</b> OIG recommends that the Bureau of Administration clarify and reissue policy guidance in the Department of State Worldwide Purchase Card Program Manual to identify the required frequency of “refresher training” for program participants.</p>	<p>N/A</p>
<p><b>Recommendation 4:</b> OIG recommends that the Bureau of Administration compare all policy guidance for the Purchase Card Program as promulgated in the Department of State Worldwide Purchase Card Program Manual with the requirements set forth in the Foreign Affairs Manual to ensure consistency between these documents.</p>	<p>N/A</p>

Other Open Recommendations	Potential Monetary Benefits
<i>Audit of Humanitarian Assistance Cooperative Agreements Supporting Internally Displaced Persons in Iraq (AUD-MERO-19-20, 3/2019)</i>	
<b>Recommendation 1:</b> OIG recommends that the Bureau of Population, Refugees, and Migration develop and implement a process to confirm that GOAL and Norwegian Refugee Council have put in place internal controls, per 2 C.F.R. Part 200, to prevent unsupported and unallowable expenditures on their respective cooperative agreements.	N/A
<b>Recommendation 2:</b> OIG recommends that the Bureau of Population, Refugees, and Migration develop and implement procedures for Grants Officers and Grants Officer Representatives to randomly select specific expenditures for review and request that recipients submit documentation related to those specific expenditures.	N/A
<i>Audit of Department of State Directorate of Defense Trade Controls Export Licensing Processes (AUD-SI-19-07, 2/2019)</i>	
<b>Recommendation 1:</b> OIG recommends that the Office of Defense Trade Controls Licensing update its license application review standard operating procedures to provide uniform guidance to Licensing Officers for their review of export license applications.	N/A
<b>Recommendation 2:</b> OIG recommends that, once its license application review standard operating procedures have been updated (Recommendation 1), the Office of Defense Trade Controls Licensing (a) train all Licensing Officers in the new procedures and (b) develop and implement an annual refresher training program for its Licensing Officers on the procedures.	N/A
<b>Recommendation 3:</b> OIG recommends that the Office of Defense Trade Controls Licensing develop and implement a process to annually review and update its license application review standard operating procedures.	N/A
<b>Recommendation 4:</b> OIG recommends that the Office of Defense Trade Controls Licensing (a) determine the capacity of its Licensing Officers to meet the license application workload, (b) establish the appropriate Licensing Officer staffing level needed to meet that workload, and (c) develop and implement an action plan to attain the established Licensing Officer staffing level and related resources needed to be successful.	N/A
<b>Recommendation 5:</b> OIG recommends that the Office of Defense Trade Controls Licensing develop and implement a “second signature” process for licenses in all Divisions to segregate duties and reduce the risk of errors.	N/A
<b>Recommendation 6:</b> OIG recommends that the Office of Defense Trade Controls Licensing develop and implement a process to assign Licensing Officers license applications that correspond with their levels of authority.	N/A
<b>Recommendation 7:</b> OIG recommends that the Office of Defense Trade Controls Licensing establish a central repository to document Licensing Officers’ signature authority.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 8:</b> OIG recommends that the Office of Defense Trade Controls Licensing develop and implement controls for license applications that are referred to other Department bureaus and offices, as required.	N/A
<b>Recommendation 9:</b> OIG recommends that the Office of Defense Trade Controls Licensing develop and implement a process to document, keep current, and communicate referral guidance to all Licensing Officers.	N/A
<b>Recommendation 10:</b> OIG recommends that the Office of Defense Trade Controls Policy (a) establish and maintain a database of all current Blue Lantern Officers, their expected arrival and departure dates from assigned posts, and the date when they received Blue Lantern Program training and (b) develop and implement a process to notify posts when a Blue Lantern Officer will be departing in order to begin the reassignment process.	N/A
<b>Recommendation 11:</b> OIG recommends that the Office of Defense Trade Controls Policy develop and implement a training program for new Blue Lantern Officers.	N/A
<i>Audit of the Bureau of Near Eastern Affairs Selection and Management of Contract Oversight Personnel in Iraq</i> (AUD-MERO-19-10, 11/2018)	
<b>Recommendation 1:</b> OIG recommends that the Bureau of Near Eastern Affairs (a) analyze all contracts for which it assigns Contracting Officer's Representatives and Government Technical Monitors and determine the appropriate level of Federal Acquisition Certification for Contracting Officer's Representatives, the technical expertise, and other qualifications required; (b) document the analysis and determinations; (c) and provide the determinations to the Contracting Officers assigned to those contracts.	N/A
<b>Recommendation 2:</b> OIG recommends that the Bureau of Near Eastern Affairs compare Contracting Officer's Representative and Government Technical Monitor nominee qualifications to the analysis conducted for the Bureau's contracts as noted in Recommendation 1 and only nominate those with the necessary technical expertise and level of Federal Acquisition Certification for Contracting Officer's Representatives to oversee the contract and hold contractors accountable for quality and cost performance in accordance with contract terms.	N/A
<b>Recommendation 4:</b> OIG recommends that the Bureau of Near Eastern Affairs discontinue the practice of nominating Contracting Officer's Representatives and Government Technical Monitors who do not meet Level III Federal Acquisition Certification for Contracting Officer's Representatives and technical expertise requirements for its contracts or obtain a temporary waiver from the Bureau of Administration, Office of the Procurement Executive, as required by Procurement Information Bulletin No. 2012-15.	N/A
<b>Recommendation 8:</b> OIG recommends that the Bureau of Near Eastern Affairs develop and implement a process that requires Contracting Officer's Representatives and Government Technical Monitors whose contract	N/A

Other Open Recommendations	Potential Monetary Benefits
<p>administration and oversight duties entail 25 percent or more of their workload to establish work commitments in annual performance evaluations that are aligned with their delegated contracting administration and oversight responsibilities and consistent with 14 Foreign Affairs Handbook-2 H-114, "COR Work Commitments."</p>	
<p><b>Recommendation 9:</b> OIG recommends that the Bureau of Near Eastern Affairs develop and implement procedures that require rating officials of Contracting Officer's Representatives to solicit performance input from the Contracting Officer via email or memorandum for related work commitments when the Contracting Officer's Representatives' duties entail 25 percent or more of their workload, as required by 14 Foreign Affairs Handbook-2 H-114, "COR Work Commitments."</p>	N/A
<p><i>Audit of the Department of State's Administration of its Aviation Program (AUD-SI-18-59, 9/2018)</i></p>	
<p><b>Recommendation 12:</b> OIG recommends that Embassy Lima, Peru, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, identify all Department-owned aviation assets in Peru that meet the definition of accountable property and record them in the Integrated Logistics Management System.</p>	N/A
<p><b>Recommendation 13:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, develop updated formal policies, procedures, and implementing guidance to ensure that Department of State aviation assets, including assets donated by other agencies, are accurately valued when initially obtained and the correct value is recorded in the accounting system.</p>	N/A
<p><b>Recommendation 14:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, develop policies, procedures, and implementing guidance to update the valuation of an aircraft after undergoing other-than-routine maintenance, including both programmed depot maintenance and phase maintenance.</p>	N/A
<p><b>Recommendation 15:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, develop and implement policies, procedures, and implementing guidance to determine when an aircraft should be considered "In Service" and "Not in Service" and to update the status of the aircraft in the Integrated Logistics Management System.</p>	N/A
<p><b>Recommendation 16:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, review and update all aircraft valuations, including accumulated depreciation, taking into account the acquisition value, the</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
amount of any refurbishments, and the impact of any periods the aircraft was not in service.	
<b>Recommendation 17:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Bureau of Administration, develop and implement a policy and implementing guidance on the process for overseas aviation asset disposal, which should include clear instructions on the appropriate forms and approvals that are needed.	N/A
<b>Recommendation 18:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Bureau of Administration, develop and implement a policy and implementing guidance on the process for domestic aviation asset disposal, which should include clear instructions on the appropriate forms and approvals that are needed.	N/A
<b>Recommendation 20:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs, in coordination with the Bureau of the Comptroller and Global Financial Services, develop and implement guidance to use proceeds of sale from aviation assets for replacement property.	N/A
<b>Recommendation 21:</b> OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs develop and implement a methodology for obtaining systematic input from each Senior Aviation Advisor and Government Technical Monitor when developing statements of requirements, performance standards, and the quality assurance plan for contractors performing maintenance of aircraft and incorporating, as appropriate, the input into the new worldwide aviation support services contract.	N/A
<b>Recommendation 24:</b> OIG recommends that Embassy Panama City, Panama, develop and implement a documented nationalization plan with clear goals and attainable objectives for the aviation program.	N/A
<b>Recommendation 25:</b> OIG recommends that Embassy Lima, Peru, develop and implement a documented nationalization plan with clear goals and attainable objectives for the aviation program.	N/A
<i>Audit of Foreign Assistance for Internally Displaced Persons in Iraq (AUD-MERO-18-56, 8/2018)</i>	
<b>Recommendation 1:</b> OIG recommends that the Bureau of Population, Refugees, and Migration provide training to its program officers responsible for managing voluntary contributions for internally displaced persons in Iraq on adhering to its guidance on uploading and managing files in the State Assistance Management System Domestic.	N/A
<b>Recommendation 2:</b> OIG recommends that the Bureau of Population, Refugees, and Migration develop and implement a process to validate periodically, at least annually, that the required documentation associated with the voluntary contributions for internally displaced persons in Iraq is recorded and maintained in the State Assistance Management System Domestic.	N/A

Other Open Recommendations	Potential Monetary Benefits
<i>Audit of the Bureau of Overseas Buildings Operations' Value Engineering Program (AUD-CGI-18-54, 8/2018)</i>	
<b>Recommendation 1:</b> OIG recommends that the Bureau of Overseas Buildings Operations develop and implement a communications strategy to periodically keep Bureau of Overseas Buildings Operations personnel informed of the purpose and requirements of the value engineering program and respective roles in maintaining value engineering program data.	N/A
<b>Recommendation 2:</b> OIG recommends that the Bureau of Overseas Buildings Operations (a) develop standards to assess adherence to value engineering program requirements and (b) insert those standards into the work commitments and annual performance evaluations of all personnel substantially involved with the value engineering program.	N/A
<b>Recommendation 3:</b> OIG recommends that the Bureau of Overseas Buildings Operations develop and implement a quality assurance process to periodically (and no less than bi-annually) validate that it is: (a) implementing value engineering study recommendations that are considered reasonable and that offer a potential for cost savings, cost avoidances, and expenditures; (b) considering all value engineering study recommendations offered and documenting the basis for rejecting recommendations; and (c) informing the Director of the Bureau of Overseas Buildings Operations about the results of the quality assurance review.	N/A
<b>Recommendation 4:</b> OIG recommends that the Bureau of Overseas Buildings Operations develop and implement procedures to verify that the current value engineering database is updated with accurate and current value engineering information when value engineering documentation and data are received.	N/A
<b>Recommendation 5:</b> OIG recommends that the Bureau of Overseas Buildings Operations develop and implement a central repository to maintain complete and accurate value engineering program information to include, at a minimum: value engineering studies, implementation spreadsheets, implementation memoranda, requests for and approval of waivers, calculations regarding value engineering cost savings and cost avoidances for recommendations implemented, and the justifications for rejecting value engineering study recommendations.	N/A
<i>Audit of the Bureau of European and Eurasian Affairs Administration and Oversight of Selected Contracts and Grants (AUD-CGI-18-50, 8/2018)</i>	
<b>Recommendation 2:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement procedures to verify that Contracting Officers are monitoring Contracting Officer's Representatives files in accordance with Procurement Information Bulletin No. 2014-10.	N/A

Other Open Recommendations	Potential Monetary Benefits
<p><b>Recommendation 3:</b> OIG recommends that the Bureau of European and Eurasian Affairs, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement a communications strategy to ensure that Contracting Officer’s Representatives are aware that a quality assurance surveillance plan is required for contracts and task orders.</p>	N/A
<p><b>Recommendation 7:</b> OIG recommends that the Bureau of European and Eurasian Affairs develop and implement procedures to ensure that it complies with the Bureau of Administration, Office of the Procurement Executive’s guidance to nominate eligible Federal Acquisition Certification for Contracting Officer’s Representative candidates to the Contracting Officer (CO) for official designation as a Contracting Officer’s Representative (COR), Alternate Contracting Officer’s Representative (A/COR), and Government Technical Monitor (GTM) and ensure that other COR, A/COR, or GTM candidates do not fulfill this role without the CO’s concurrence and written designation.</p>	N/A
<p><b>Recommendation 8:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement procedures to verify the formal designation and authorization of Contracting Officer’s Representatives (COR) and Alternate CORs or Government Technical Monitors as necessary for each task order in writing and that the designation memoranda are tailored, as necessary, to identify specific duties, responsibilities, and limitations for each contract or task order administered.</p>	N/A
<p><b>Recommendation 9:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, require Contracting Officers to use the Contracting Officer’s Representative Certification and Appointment Criteria Matrix in Volume 14 of the Foreign Affairs Handbook (FAH)-2 Exhibit H-143 to document their analyses of the training and experience of Contracting Officer’s Representative nominees and their decision of the appropriateness of the Federal Acquisition Certification for Contracting Officer’s Representative level needed for oversight of the Bureau of European and Eurasian Affairs task orders, as required by 14 FAH-2 H-143(b).</p>	N/A
<p><b>Recommendation 11:</b> OIG recommends that the Bureau of European and Eurasian Affairs develop and implement standard operating procedures to require and verify that grant awards include appropriate and clearly defined performance indicators with all required components to measure the progress of a grant award in accordance with the Department of State’s Federal Assistance Directive.</p>	N/A
<p><b>Recommendation 12:</b> OIG recommends that the Bureau of European and Eurasian Affairs develop and implement a process to verify that Grants Officer Representatives develop and use monitoring plans that include all required elements to conduct surveillance activities in accordance with the Department of State’s Federal Assistance Directive.</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
<p><b>Recommendation 13:</b> OIG recommends that the Bureau of European and Eurasian Affairs develop and implement a process to verify Grants Officer Representatives compliance with requirements to perform and document reviews of performance and financial reports within 30 days of receipt of reports, which is consistent with the Department of State’s Federal Assistance Directive.</p>	N/A
<p><b>Recommendation 14:</b> OIG recommends that the Bureau of European and Eurasian Affairs develop and implement a process to require and verify that Grants Officer Representatives perform and document site visits for each grant recipient commensurate with the complexity and value of the grant and as outlined in the monitoring plan for the grant.</p>	N/A
<p><b>Recommendation 15:</b> OIG recommends that the Bureau of European and Eurasian Affairs, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement guidelines requiring supervisors of Grants Officer Representatives (GOR) to obtain formal feedback from Grants Officers regarding GOR performance and incorporate this feedback into GOR performance evaluations.</p>	N/A
<p><i>Management Assistance Report: The Bureau of Diplomatic Security’s Office of Training and Performance Standards Should Improve Property Management Over Equipment Provided During High-Threat Training (AUD-SI-18-49, 8/2018)</i></p>	
<p><b>Recommendation 1:</b> OIG recommends that the Bureau of Diplomatic Security, Training Directorate, Office of Training and Performance Standards, in coordination with the Bureau of Diplomatic Security, Countermeasures Directorate, Office of Physical Security Programs, Defensive Equipment and Armored Vehicle Division, complete and implement an action plan to record accountable property contained in the high-threat kits that are on hand, along with any new kits delivered, into the Department’s Integrated Logistics Management System-Asset Management application, as required by Volume 14 of the Foreign Affairs Manual, Section 421.1(c), within 30 days after this Management Assistance Report has been issued.</p>	N/A
<p><b>Recommendation 2:</b> OIG recommends that the Bureau of Diplomatic Security, Training Directorate, Office of Training and Performance Standards, perform a physical inventory of its accountable property, as required by Volume 14 of the Foreign Affairs Manual, Section 426, once an action plan for recording this property (Recommendation 1) has been completed.</p>	N/A
<p><b>Recommendation 4:</b> OIG recommends that the Bureau of Diplomatic Security, Training Directorate, Office of Training and Performance Standards, in coordination with the Bureau of Diplomatic Security, Countermeasures Directorate, Office of Physical Security Programs, Defensive Equipment and Armored Vehicle Division, develop and implement an action plan to develop procedures that require property issued to employees for an extended period of time comply with charge out policies included in Volume 14 of the Foreign Affairs Manual, Section 425.3-4(c). At a minimum, these procedures should include</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
<p>recording data related to issuing the property (e.g., the date of issuance, the name and signature of the individual responsible for the property, and the item serial numbers, as appropriate) and factors related to performing periodic checks on location or condition of the property and on returning the equipment (e.g., the date of return and the condition of the property).</p>	
<p><b>Recommendation 5:</b> OIG recommends that the Bureau of Diplomatic Security, Training Directorate, Office of Training and Performance Standards (TPS), develop and implement an action plan to identify and record accountable property previously purchased and charged out or issued to employees from October 2015 to the present. This plan should include a reconciliation of the items to the invoices of items purchased to ensure completeness and should detail how TPS will update the asset management systems with information on accountable property.</p>	N/A
<p><i>Audit of the Bureau of Overseas Buildings Operations Process for Reviewing Invoices for the Construction of the U.S. Embassy in Islamabad, Pakistan</i> (AUD-MERO-18-46, 6/2018)</p>	
<p><b>Recommendation 3:</b> OIG recommends that the Bureau of Overseas Buildings Operations develop and implement a Standard Operating Procedure similar to those promulgated by the U.S. Army Corps of Engineers for reviewing invoices for multi-year, multi-million-dollar construction projects.</p>	N/A
<p><i>Audit of the Department of State's Process to Identify and Transfer Excess Working Capital Funds</i> (AUD-FM-18-44, 6/2018)</p>	
<p><b>Recommendation 4:</b> OIG recommends that the Bureau of Administration, as part of its annual review of the Working Capital Fund cost centers and in coordination with the Bureau of Budget and Planning, determine the amount of excess earnings in the Working Capital Fund for FY 2018, report the results to OIG, and remit the identified excess to the U.S. Department of the Treasury, as required by 22 U.S. Code § 2684.</p>	N/A
<p><i>Audit of Food Safety Controls Under Baghdad Life Support Services Task Order SAQMMA14F0721</i> (AUD-MERO-18-38, 5/2018)</p>	
<p><b>Recommendation 2:</b> OIG recommends that the Bureau of Near Eastern Affairs review the Hazard Assessment and Critical Control Point plans developed by PAE Government Services, Inc. and Taylors International Services, Inc. referenced in Recommendation 1. The review should, at a minimum, use the Food and Drug Administration's Hazard Assessment and Critical Control Point Verification Inspection Checklist to verify that the plans for each site comply with Food and Drug Administration guidance based on Hazard Assessment and Critical Control Point principles. The review should also ensure the plans are revised, as needed, for any deficiencies identified.</p>	N/A
<p><b>Recommendation 3:</b> OIG recommends that the Bureau of Near Eastern Affairs, within 60 days of its approval of the Hazard Assessment and Critical Control Point</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
plans, incorporate the plans' requirements into the Baghdad Life Support Service food service inspection checklist.	
<b>Recommendation 4:</b> OIG recommends that the Bureau of Near Eastern Affairs develop and implement food safety training for all current and future personnel assigned to conduct oversight of food services in Iraq, including training on Hazard Analysis and Critical Control Point principles.	N/A
<i>Audit of Costs Invoiced Under the Afghanistan Life Support Services Contracts (AUD-MERO-18-35, 4/2018)</i>	
<b>Recommendation 1:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine the allowability of questioned costs of \$507,940 OIG identified in Tables 4 and 5 and Appendices B, C, and D as not being in accordance with contract requirements and recover all costs determined to be unallowable.	\$507,940
<b>Recommendation 2:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine the allowability of questioned costs of \$314,303 OIG identified in Tables 3 and 4 and Appendices B, C, and D as lacking supporting documentation and recover all costs determined to be unallowable.	\$314,303
<i>Management Assistance Report: Contract Administration Practices Involving the Construction of the New Office Compound Taipei, Taiwan, Require Attention (AUD-SI-18-34, 3/2018)</i>	
<b>Recommendation 1:</b> OIG recommends that the Office of Acquisitions Management develop a plan to issue an annual reminder to Contracting Officers that, if a contractor requests the issuance of a Limited or final Notice to Proceed, the Contracting Officer should consult with the Contracting Officer's Representative and formally respond to the contractor's request by either authorizing the construction project to proceed or notify the contractor in writing the reasons why the Notice to Proceed is being withheld and the actions the contractor needs to complete before the Notice to Proceed can be granted.	N/A
<b>Recommendation 2:</b> OIG recommends that the Office of Acquisitions Management develop and implement a process that notifies Assessing Officials and Assessing Official Representatives when contractor performance evaluations are due and ensures the evaluations are recorded and approved in the Contractor Performance Assessment Reporting System in accordance with the Federal Acquisition Regulation.	N/A
<i>Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan (AUD-MERO-18-33, 3/2018)</i>	
<b>Recommendation 5:</b> OIG recommends that Embassy Amman develop and implement procedures that safeguard Embassy Amman against unauthorized commitments when processing all types of requests for fuel.	N/A
<b>Recommendation 8:</b> OIG recommends that Embassy Amman develop and implement training on contract file retention requirements as defined in Federal	N/A

Other Open Recommendations	Potential Monetary Benefits
Acquisition Regulation 4.805, "Storage, Handling, and Contract Files," and the Foreign Affairs Handbook (FAH), 14 FAH-2 H-573.3, "Government Contract Files," and provide this training annually to all personnel within the General Services Office.	
<b>Recommendation 18:</b> OIG recommends that Embassy Amman provide training to Contracting Officers regarding their obligations to verify that all Contracting Officer's Representative (COR) candidates are certified at the appropriate level of the Federal Acquisition Certification for Contracting Officer's Representatives prior to appointing candidates as a COR.	N/A
<b>Recommendation 20:</b> OIG recommends that Embassy Amman review all invoices submitted by fuel contractors from October 2012 through January 2017 for contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 to (a) determine whether the \$1.9 million paid against those invoices and identified by OIG as unsupported costs are allowable, and (b) recover any costs determined to be unallowable.	\$1,900,000
<b>Recommendation 21:</b> OIG recommends that Embassy Amman review all invoices submitted by fuel contractors from October 2012 through January 2017 for contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 to (a) determine whether the \$6.4 million paid against those invoices and projected by OIG as unsupported costs are allowable, and (b) recover any costs determined to be unallowable.	\$6,400,000
<b>Recommendation 24:</b> OIG recommends that Embassy Amman review all invoices paid against contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 and (a) determine the dates by which to start the prompt payment clock, (b) compare those dates to the dates the invoices were paid, (c) calculate interest penalties for those invoices that were paid after the 30-day requirement, and (d) determine if interest penalties should be paid to the contractors in accordance with prompt payment requirements in 5 Code of Federal Regulations § 1315.	N/A
<b>Recommendation 28:</b> OIG recommends that Embassy Amman (1) perform a reconciliation of all invoices submitted and paid against contracts SJO10013D0001, SJO10015D0003, and SJO10016D0017 to determine whether the contractors were overpaid or underpaid, and (2) either pursue reimbursement or pay any additional amounts owed to the contractors.	N/A
<i>Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention (AUD-MERO-18-31, 3/2018)</i>	
<b>Recommendation 11:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management establish a contractual requirement for PAE Government Services, Inc. to maintain records of dining facility access by individuals not serving under chief of mission authority in Iraq.	N/A

Other Open Recommendations	Potential Monetary Benefits
<p><i>Audit of Bureau of Overseas Buildings Operations' Oversight of New Construction Projects at the U.S. Embassy in Kabul, Afghanistan</i> (AUD-MERO-18-17, 1/2018)</p>	
<p><b>Recommendation 1:</b> OIG recommends that the Bureau of Overseas Buildings Operations issue a Construction Alert defining which building equipment and systems must be fully commissioned prior to substantial completion and update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&amp;PD CM 01) to include those requirements.</p>	N/A
<p><b>Recommendation 3:</b> OIG recommends that the Bureau of Overseas Buildings Operations establish and implement internal controls to verify that all required documentation in support of commissioning testing is completed prior to substantial completion. This should include all pre-functional checks, functional performance tests, and integrated systems tests to ensure that building equipment and systems are functioning as intended.</p>	N/A
<p><b>Recommendation 5:</b> OIG recommends that the Bureau of Overseas Buildings Operations update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&amp;PD CM 01) to include procedures for identifying and approving instances in which it is appropriate to issue the certificate of substantial completion before commissioning has been fully completed. Specifically, these protocols should include mechanisms that (a) require a formal waiver be issued by the construction executive to proceed with substantial completion and occupancy even though commissioning is not yet complete, (b) establish milestones for completing the commissioning process after substantial completion and occupancy, and (c) execute a contract modification requiring the contractor to grant an extended warranty for those systems that were not commissioned at the time of substantial completion.</p>	N/A
<p><b>Recommendation 6:</b> OIG recommends that the Bureau of Overseas Buildings Operations update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&amp;PD CM 01) as well as its Guide to Excellence in Diplomatic Facilities to ensure that references to the commencement of the warranty period are consistent with FAR 52.246-21, Warranty of Construction. Specifically, existing policies and procedures should be updated to indicate that the warranty period either begins at final acceptance unless the Government takes possession of any part of the work before final acceptance, in which case, the warranty shall begin at the date the Government takes possession. The Bureau of Overseas Buildings Operations should also explicitly define when the Government officially takes possession of the completed work, including whether possession occurs at substantial completion or at the time of occupancy.</p>	N/A
<p><b>Recommendation 7:</b> OIG recommends that the Bureau of Overseas Buildings Operations establish requirements in its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&amp;PD CM 01)</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
<p>for the preparation and submission of key project documents for newly constructed facilities, including (a) owner’s project requirements, (b) a Basis of Design document, (c) systems manuals, (d) a commissioning plan, and (e) a final commissioning report. These documents should be prepared and submitted at the appropriate interval of construction for each building or facility constructed by the Bureau of Overseas Buildings Operations. Additionally, the requirements should indicate the parties responsible for preparation, review, and approval of each of the key project documents.</p>	
<p><b>Recommendation 8:</b> OIG recommends that the Bureau of Overseas Buildings Operations update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&amp;PD CM 01) to require its project directors and facility managers to establish a memorandum of agreement 9 months prior to the estimated substantial completion target date to facilitate the building turnover process. This memorandum of agreement should, at a minimum, (a) define the type of access that Facility Management personnel and operations and management contractors should be given to new buildings prior to substantial completion; (b) specify relevant documentation, such as punch lists, lists of equipment to be maintained, and commissioning documentation that should be provided to facility managers and operations and management contractors; and (c) establish timelines for providing building access and documentation to facility personnel and operations and management contractors prior to substantial completion and occupancy.</p>	N/A
<p><b>Recommendation 9:</b> OIG recommends that the Bureau of Overseas Buildings Operations update its Policy and Procedures Directive for the Commissioning and Transition to Occupancy of Overseas Facilities (P&amp;PD CM 01) to require its project directors and facility managers to hold a pre-turnover meeting approximately 60 days prior to substantial completion. The entire project team should be included in this meeting with participants discussing the status of construction, commissioning, required turnover documentation, and the planned schedule and outstanding actions required to ensure a smooth and successful turnover of facilities.</p>	N/A
<p><b>Recommendation 10:</b> OIG recommends that the Bureau of Overseas Buildings Operations develop requirements mandating the use of a phased approach for projects that involve the construction of multiple buildings or facilities. This approach should outline specific phasing requirements for each building or facility constructed, including separate and distinctive commissioning, substantial completion, turnover, and acceptance requirements. This approach should also include protocols for a phased operations and management turnover process, requiring the contractor to provide key operations and management deliverables at the completion of each building if multiple buildings or facilities are being constructed under a single Bureau of Overseas Buildings Operations construction contract.</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
<i>Audit of the Department of State's Implementation of the Digital Accountability and Transparency Act of 2014</i> (AUD-FM-18-03, 11/2017)	
<b>Recommendation 1:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services complete the implementation of system interfaces and new procedures that are designed to improve financial data collection overseas.	N/A
<b>Recommendation 2:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Administration, update and issue guidance for Contracting Officers and Grants Officers related to entering accurate and complete procurement and financial assistance award transaction data into the Federal Procurement Data System – Next Generation and the Award Submission Portal.	N/A
<b>Recommendation 3:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Administration, modify existing quality control procedures to include a requirement to verify the accuracy of data contained in DATA Act Files D1 and D2 generated from the Federal Procurement Data System – Next Generation and the Award Submission Portal.	N/A
<b>Recommendation 4:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement procedures to verify that the quarterly DATA Act File C submission includes only transactions that occurred within the applicable quarter.	N/A
<i>Management Assistance Report: Contract Terms and Guidance for Approving Student Training Expenses Relating to the Justice and Corrections Programs in Afghanistan Require Attention</i> (AUD-MERO-18-14, 10/2017)	
<b>Recommendation 3:</b> OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management review and, as appropriate, take action to recover that part of the \$5 million in student travel and venue rental expense payments that is determined to be unallowable.	\$5,000,000
<i>Audit of the Department of State's Information Technology Configuration Control Board</i> (AUD-IT-17-64, 9/2017)	
<b>Recommendation 2:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a process to establish and periodically update a list of system, product, or software owners who will be authorized to make change requests for their system, product, or software. The list should be made available to users and members of the Information Technology Configuration Control Board through the Information Technology Configuration Control Board website or applicable policies and procedures outlined in Recommendation 12.	N/A
<b>Recommendation 3:</b> OIG recommends that the Bureau of Information Resource Management determine what documentation is needed to support a change request and modify the policies and procedures outlined in Recommendation 12	N/A

Other Open Recommendations	Potential Monetary Benefits
<p>or other guidance, such as the submitters guide, provided to change request submitters to reflect the documentation that is required for a complete and accurate change request submission.</p>	
<p><b>Recommendation 4:</b> OIG recommends that the Bureau of Information Resource Management develop and implement guidance for change requests to require and include: (a) minimum testing standards for change requests, (b) instructions that testing be performed in advance of the change request being submitted and that the testing documentation be submitted as part of the change request process, and (c) a clearly defined technical review of the testing documentation that is submitted to verify the documentation complies with minimum standards.</p>	N/A
<p><b>Recommendation 6:</b> OIG recommends that the Bureau of Information Resource Management formally notify all Technical Reviewers that default proceeds are no longer allowed and that all Technical Reviewers must review all change requests and either approve, stop, or reject the change request. Policies and procedures outlined in Recommendation 12 or other guidance should be updated to reflect this change to the process.</p>	N/A
<p><b>Recommendation 7:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a quality assurance assessment process for all change requests going through the enterprise-wide Information Technology Configuration Control Board. At a minimum, the quality assurance process should include periodic evaluation of open “stops,” reviews to ensure retention of all relevant documentation, and a final check prior to adding change to the baseline to ensure all pertinent process controls occurred at a minimum.</p>	N/A
<p><b>Recommendation 10:</b> OIG recommends that the Bureau of Information Resource Management define the roles, responsibilities, and technical skillsets for each technical review and voting area and develop and implement a vetting process to verify Technical Reviewers and Voters have the knowledge, skills, and abilities to perform their assigned duties related to the Information Technology Configuration Control Board process.</p>	N/A
<p><b>Recommendation 11:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a process to verify that Technical Reviewers and Voters have formally appointed alternatives.</p>	N/A
<p><b>Recommendation 12:</b> OIG recommends that the Bureau of Information Resource Management develop and implement complete and consistent policies and procedures and supplemental guidance, such as a Submitter’s Guide, for the Information Technology Configuration Control Board process. The policies, procedures, and guidance should, at a minimum, include guidance on roles and responsibilities, detailed procedure steps for submitters, minimum testing requirements, instructions on how Technical Reviewers and Voters should conduct their review, the appropriate use of “stops,” and established timelines for the process.</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
<p><b>Recommendation 13:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a process to periodically review and validate the accuracy and completeness of the data in the Virtual Information Technology Configuration Control Board database and to correct data integrity, omissions and inaccuracies existing between the new and old databases and when identified going forward. As part of this effort, the Bureau of Information Resource Management should ensure that the old database is available solely as a read-only reference resource and that new data cannot be entered into that database.</p>	N/A
<p><b>Recommendation 14:</b> OIG recommends that the Bureau of Information Resource Management develop and implement required, periodic, training for Information Technology Configuration Control Board management and personnel, Bureau Sponsors, Technical Reviewers, Voters, and change request submitters involved in the Information Technology Configuration Control Board process.</p>	N/A
<p><b>Recommendation 15:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a formal process to (a) monitor the status of all change requests throughout each stage of the change request process and (b) notify stakeholders when a request is nearing the end of a deadline or when an event occurs that may affect the deadline for a change request.</p>	N/A
<p><b>Recommendation 16:</b> OIG recommends that the Bureau of Information Resource Management develop and implement policies and procedures to hold officials accountable for failure to meet established deadlines in the Information Technology Configuration Control Board change request process. Once completed, the policies, procedures, and supplemental guidance discussed in Recommendation 12 should be updated.</p>	N/A
<p><b>Recommendation 17:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a formal process to periodically gather, assess, and report on its change request review process timeliness metrics and to make those results available to its stakeholders and customers in addition to appropriate bureau officials.</p>	N/A
<p><i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services (AUD-FM-17-53, 9/2017)</i></p>	
<p><b>Recommendation 4:</b> OIG recommends that the Bureau of Consular Affairs conduct an analysis to determine and formally document in its procedures, a reasonable maximum threshold for carry forward balances for each consular fee. Carry forward balances should be adequately precise and adequately explained estimates of actual costs. This determination should consider known and anticipated Consular and Border Security Program costs.</p>	N/A
<p><b>Recommendation 5:</b> OIG recommends that the Bureau of Consular Affairs design, implement, and formally document a procedure to review prior-year net financial results annually to determine whether the fee-setting methodology should be</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
adjusted. The procedure should include a process to determine the effect of excess revenue and carry forward balances on the fee levels.	
<b>Recommendation 10:</b> OIG recommends that the Bureau of Consular Affairs develop and implement procedures to include only actual expenditures in the Cost of Service Model and eliminate non-expenditure items (such as obligations and allotments) from the cost inputs entered into the model.	N/A
<i>Audit of Select Cost-of-Living Allowances for American Employees Stationed in Foreign Areas (AUD-FM-17-51, 8/2017)</i>	
<b>Recommendation 3:</b> For cases in which independent cost-of-living indexes are not available to establish post allowance rates, OIG recommends that the Bureau of Administration revise and distribute updated policies and procedures to posts related to the post allowance rate methodology that provide detailed procedures for (a) collecting and summarizing living pattern questionnaires in eAllowances, and (b) collecting prices that reflect the requirements outlined in the Department of State Standardized Regulations on the retail price schedule Parts 3 and 4.	N/A
<b>Recommendation 4:</b> For cases in which independent cost-of-living indexes are not available to establish post allowance rates, OIG recommends that the Bureau of Administration revise and distribute updated internal procedures for calculating post allowances to include detailed instructions to (a) verify post living pattern questionnaire summary information in eAllowances with hard copies provided by post, and (b) remove inappropriate or unreasonable prices from the retail price schedule in a consistent manner across all subcategories of goods, including the use of independent data when available.	N/A
<b>Recommendation 5:</b> For cases in which independent cost-of-living indexes are not available to establish post allowance rates, OIG recommends that the Bureau of Administration conduct and formally document an analysis to determine how to make the Washington, DC, prices used in the post allowance rate calculations reflective of the consumption patterns of the average salary level for a post employee stationed in a foreign area so that data are comparable between Washington, DC, and the overseas post. The Bureau of Administration should implement changes as necessary as a result of its analysis.	N/A
<b>Recommendation 6:</b> OIG recommends the Bureau of Administration revise the Department of State Standardized Regulations for changes in the post allowance methodology as a result of implementing recommendations from this report.	N/A
<i>Audit of the Process To Approve, Disburse, and Report Rewards for Justice Payments (AUD-SI-17-48, 7/2017)</i>	
<b>Recommendation 3:</b> OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Legislative Affairs, establish and implement a process to (a) identify the expenses necessary to operate the Rewards for Justice Program, (b) compile and accumulate data on operating expenses annually, (c) prepare the annual report, and (d) submit the report to the Bureau of Legislative Affairs within timeframes as agreed to by the Bureau of Legislative Affairs to meet	N/A

Other Open Recommendations	Potential Monetary Benefits
the requirement to submit the annual report no later than 60 days after the end of each fiscal year.	
<i>Audit of the Bureau of South and Central Asian Affairs Invoice Review Process for the Afghanistan Life Support Services Contract</i> (AUD-MERO-17-47, 6/2017)	
<b>Recommendation 1:</b> OIG recommends that the Bureau of South and Central Asian Affairs direct its Afghanistan Life Support Services contract contracting officers' representatives to record performance for each distinct performance standard in the Afghanistan Life Support Services contract food services task order quality assurance report to further ensure that each performance standard is satisfactorily achieved and any identified deficiencies are addressed accordingly.	N/A
<b>Recommendation 2:</b> OIG recommends that the Bureau of South and Central Asian Affairs develop and implement training to fully prepare and familiarize newly assigned contracting officer's representatives charged with overseeing the Afghanistan Life Support Services contract with the unique features of the contract.	N/A
<i>Audit of Department of State FY 2016 Compliance With Improper Payments Requirements</i> (AUD-FM-17-42, 5/2017)	
<b>Recommendation 4:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a method to obtain information on improper payments identified and recovered by other Department of State bureaus and offices through contract and grant oversight activities, such as contract and grant closeout procedures, during the applicable fiscal year.	N/A
<b>Recommendation 5:</b> OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a process to report all improper payments identified by sources outside payment recapture audits for the applicable period in the annual Agency Financial Report. The process should require the Bureau of the Comptroller and Global Financial Services to present this information even if corresponding collection information is not readily available, unless written instructions advising otherwise is obtained from the Office of Management and Budget.	N/A
<i>Audit of the Bureau of Diplomatic Security's Administration of the Armored Vehicle Program</i> (AUD-SI-17-21, 2/2017)	
<b>Recommendation 18:</b> OIG recommends that the Bureau of Diplomatic Security, in conjunction with the Overseas Security Policy Board, update the Foreign Affairs Handbook to include a policy that mandates the use of armored vehicles that meet Overseas Security Policy Board standards for all individuals under Chief of Mission authority.	N/A
<b>Recommendation 22:</b> OIG recommends that the Bureau of Diplomatic Security develop and provide training for all Regional Security Officers related to identifying whether armored vehicles meet required standards.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 28:</b> OIG recommends that the Bureau of Diplomatic Security develop and implement guidance for overseas posts on the construction and use of shelters for armored vehicles.	N/A
<b>Recommendation 32:</b> OIG recommends that the Bureau of Diplomatic Security update the current armored vehicle policy to define specifically what types of maintenance must be performed under an embassy employee’s observation.	N/A
<b>Recommendation 37:</b> OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a process to ensure that all Regional Security Office personnel receive training, including periodic refresher training, regarding the disposal requirements for armored vehicles.	N/A
<b>Recommendation 38:</b> OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a process to ensure that all General Services Office personnel receive training, including periodic refresher training, regarding the disposal requirements for armored vehicles.	N/A
<i>Audit of the Oversight of Fuel Acquisition and Related Services Supporting Department of State Operations in Iraq</i> (AUD-MERO-17-16, 12/2016)	
<b>Recommendation 6:</b> OIG recommends that the Bureau of Near Eastern Affairs use the results of the study from Recommendation 5 to nominate appropriate personnel so contracting officers with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, can assign qualified oversight personnel for those contracts and task orders.	N/A
<i>Audit of the Department of State Vetting Process for Syrian Non-Lethal Assistance</i> (AUD-MERO-17-01, 11/2016)	
<b>Recommendation 1:</b> OIG recommends that the Under Secretary for Management consolidate and codify all current Syria vetting policies issued by the Department and bureaus into one detailed guidance explaining specifically how the vetting process should be carried out for Syrian awards. This consolidated guidance should be distributed to all bureaus once completed.	N/A
<b>Recommendation 2:</b> OIG recommends that the Bureau of Near Eastern Affairs distribute the consolidated vetting guidance from Recommendation 1 to implementing partners to make them aware of Department vetting requirements.	N/A
<b>Recommendation 3:</b> OIG recommends that the Bureau of Near Eastern Affairs develop and implement internal controls to verify that its implementing partners are submitting information on required individuals for vetting in accordance with the consolidated vetting guidance from Recommendation 1.	N/A
<b>Recommendation 4:</b> OIG recommends that the Bureau of Near Eastern Affairs include in future award agreements the vetting requirements for Syria programs.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 5:</b> OIG recommends that the Bureau of Democracy, Human Rights, and Labor distribute the consolidated vetting guidance from Recommendation 1 to implementing partners to make them aware of Department vetting requirements.	N/A
<b>Recommendation 6:</b> OIG recommends that the Bureau of Democracy, Human Rights, and Labor develop and implement internal controls to verify that its implementing partners are submitting information on required individuals for vetting in accordance with the consolidated vetting guidance from Recommendation 1.	N/A
<b>Recommendation 7:</b> OIG recommends that the Bureau of Democracy, Human Rights, and Labor include in future award agreements the vetting requirements for Syria programs.	N/A
<i>Audit of Department of State Strategic Sourcing Efforts (AUD-FM-16-47, 9/2016)</i>	
<b>Recommendation 11:</b> OIG recommends that the Bureau of Administration, in coordination with the Strategic Sourcing Council (Recommendation 1), develop and implement controls to prohibit users from ordering office supplies from vendors other than the approved Federal Strategic Sourcing Initiative office supply vendors without obtaining a valid waiver.	N/A
<i>Improvements Needed To Strengthen Vehicle-Fueling Controls and Operations and Maintenance Contract at Embassy Kabul, Afghanistan (AUD-MERO-16-35, 4/2016)</i>	
<b>Recommendation 7:</b> OIG recommends that the Embassy Kabul motor pool manager review and reconcile the vehicle fuel transactions and the vehicle usage reports on a monthly basis to determine if any theft or improper use of fuel has occurred, in accordance with the Foreign Affairs Handbook, 14 FAH-1, H-814.2-2, "Motor Pool Manager Review."	N/A
<i>Audit of the Department of State Process To Select and Approve Information Technology Investments (AUD-FM-16-31, 3/2016)</i>	
<b>Recommendation 8:</b> OIG recommends that the Bureau of Information Resource Management establish and implement a plan to review IT investment reorganizations that occurred since FY 2010 to ensure that the investments resulting from the reorganizations comply with Office of Management and Budget requirements for information technology investments.	N/A
<b>Recommendation 10:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a process to (a) identify and review all bureau-specific IT investment methodologies (ones currently in place as well as ones that will be developed in the future); (b) determine whether the bureau-specific IT investment methodologies comply with Office of Management and Budget Circular A-130; and, if they do not comply, (c) provide bureaus with guidance regarding the modifications needed to fully comply and verify that the methodologies were modified as necessary. This effort should include reviewing	N/A

Other Open Recommendations	Potential Monetary Benefits
the standard forms used by each bureau during the IT selection process to ensure consistency and compliance with Office of Management and Budget Circular A-130.	
<b>Recommendation 14:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a strategy to perform semiannual or more frequent reviews of bureau-funded IT contracts to identify new IT investments developed as part of the contracts.	N/A
<b>Recommendation 17:</b> OIG recommends that the Bureau of Information Resource Management (a) develop and implement a policy requiring bureaus and offices to provide details of IT investments, programs, and projects in iMatrix and (b) develop and disseminate guidance specifying the level of detail necessary for each investment, including general descriptions and technical capabilities.	N/A
<b>Recommendation 20:</b> OIG recommends that the Bureau of Information Resource Management develop and issue a policy stating that bureaus must update the information on non-major investments in iMatrix quarterly, rather than only when the reports are due to be submitted to the Office of Management and Budget.	N/A
<b>Recommendation 22:</b> OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, develop and implement a process to verify that all bureau and office IT investment managers and budget analysts complete the respective training courses related to IT capital planning and reporting that are provided annually.	N/A
<b>Recommendation 23:</b> OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, include information on reporting reimbursable costs in the annual training provided to investment managers and budget analysts on how to report IT investment data in iMatrix.	N/A
<b>Recommendation 27:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a policy requiring bureaus and offices to submit source documents to support the information entered into iMatrix.	N/A
<b>Recommendation 28:</b> OIG recommends that the Bureau of Information Resource Management develop and implement a process to verify that bureaus and offices are submitting source documents to support the information entered into iMatrix in accordance with the policy developed that requires bureaus and offices to submit source documents that support the information entered into iMatrix.	N/A
<b>Recommendation 29:</b> OIG recommends that the Bureau of Information Resource Management determine the information for non-major investments that should be included in iMatrix and develop a policy to implement that determination.	N/A

Other Open Recommendations	Potential Monetary Benefits
<i>Management Assistance Report: Action Still Needed To Update the Department's Standards of Conduct as They Relate to Trafficking in Persons and To Comply With a Related Recommendation</i> (AUD-ACF-15-43, 9/2015)	
<b>Recommendation 2:</b> OIG recommends that the Under Secretary for Civilian Security, Democracy, and Human Rights provide a plan of action to complete corrective actions, including appropriate milestones, to address Recommendations 1 and 2 from Audit Report AUD/IP-12-02.	N/A
<i>Audit of the Administration and Oversight of Contracts and Grants Within the Bureau of African Affairs</i> (AUD-CG-14-31, 8/2014)	
<b>Recommendation 5:</b> OIG recommends that the Bureau of African Affairs discontinue the use of site coordinators in locations that allow Government personnel to work within that country and develop and implement processes to ensure that contracting officer's representatives and government technical monitors with the appropriate levels of Federal Acquisition Certification for Contracting Officer's Representatives are officially delegated to conduct oversight of their assigned contracts.	N/A
<b>Recommendation 24:</b> OIG recommends that Bureau of African Affairs Grants Officer Representatives (GOR) assess the risk of ongoing grants and identify and re-classify high-risk grant recipients. For each high-risk recipient, GORs should develop a risk mitigation strategy that includes changes to oversight and a corrective action plan.	N/A
<i>Audit of Department of State Selection and Positioning of Contracting Officer's Representatives</i> (AUD-CG-14-07, 1/2014)	
<b>Recommendation 2:</b> OIG recommends that the Bureau of African Affairs not use contractors to perform contract administration and oversight tasks to avoid assigning inherently governmental, critical, or closely related functions to contractors, as prohibited by the Federal Acquisition Regulation.	N/A

\* Potential monetary benefits associated with these recommendations differ from values reflected in the final report due to management decision.

**Table D.2**  
**Open Office of Evaluations and Special Projects Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2019**

Significant Open Recommendations	Potential Monetary Benefits
<i>Review of Allegations of Improper Passport Seizures at Embassy Sana'a, Yemen</i> (ESP-19-01, 10/2018)	
<b>Recommendation 1:</b> The Bureau of Consular Affairs, Office of Passport Services, in conjunction with the Bureau of Diplomatic Security, should develop centralized, searchable databases to track and manage passport revocation cases, as well as retentions of passports and other documents seized on suspicion of fraud when citizens	N/A

Significant Open Recommendations	Potential Monetary Benefits
apply for consular services, or under other circumstances, and to track confiscations of such documents if they are seized on grounds other than retention authority.	
<b>Recommendation 2:</b> The Secretary of State should clarify the role of the Office of the Legal Adviser as the senior legal authority for the Department and consider whether attorneys in other offices should report directly to the Legal Adviser.	N/A
<b>Recommendation 3:</b> The Bureau of Consular Affairs should coordinate with the Office of the Legal Adviser to issue guidance and, if necessary, amend the Foreign Affairs Manual to clarify (1) The differences between retention and confiscation of a passport and any other authority that exists to take a passport, the circumstances under which each is authorized, the types of documentation or data entries the Department must create and maintain in exercising each authority, the notifications and advisements that must be given to the document holders in each case, and the fact that retentions must be limited to a specific temporary period. (2) The circumstances in which individuals whose passports are retained, confiscated, or revoked while overseas are entitled to limited validity passports to return to the United States.	N/A
Other Open Recommendations	Potential Monetary Benefits
<i>Management Assistance Report: Use of Personal Social Media Accounts to Conduct Official Business (ESP-19-02, 2/2019)</i>	
<b>Recommendation 1:</b> The Office of Policy, Planning and Resources, in coordination with the Bureau of Public Affairs and the Bureau of International Information Programs, should clarify the distinction in the Foreign Affairs Manual between personal and official social media postings and give examples of each type.	N/A
<b>Recommendation 2:</b> The Office of Policy, Planning and Resources should issue periodic, regular notices to Department employees to remind them of the Department’s policies regarding the use of personal social media accounts.	N/A
<b>Recommendation 3:</b> The Office of Policy, Planning and Resources, in coordination with the Bureau of Public Affairs and the Bureau of International Information Programs, should review the personal Twitter accounts of ambassadors and other senior Department officials and take appropriate action to remedy any violations of Department policy.	N/A
<i>Review of Allegations of Improper Passport Seizures at Embassy Sana’a, Yemen (ESP-19-01, 10/2018)</i>	
<b>Recommendation 4:</b> The Bureau of Consular Affairs and the Bureau of Diplomatic Security should ensure that all Assistant Regional Security Officer- Investigators receive appropriate training on the clarifications described in Recommendation 3 and identify a single point of contact for ARSO-Is and other DS agents seeking legal guidance.	N/A
<i>Management Assistance Report: Incorporation of Clause Requiring Contractor Cooperation with the Office of Inspector General (ESP-18-02, 3/2018)</i>	
<b>Recommendation 1:</b> The Bureau of Administration, Office of the Procurement Executive, should amend the Department of State Acquisition Regulation to require contracting	N/A

Other Open Recommendations	Potential Monetary Benefits
<p>officers to include a provision requiring contracting officers to insert a clause in all current and future contracts stating:</p> <p>“(a) This contract incorporates by reference 1 FAM 053.2-5, which mandates the contractor’s and/or any subcontractor’s duty to cooperate fully with Office of Inspector General personnel.</p> <p>(b) Cooperation includes:</p> <p>(1) Complete, prompt, and free access to all files (in any format), documents, premises, and employees, except as limited by law, including access to records, premises, and employees;</p> <p>(2) Statements, both oral and written, including statements under oath or affirmation;</p> <p>(3) Technical consultation, examination, and assistance regarding information or evidence being collected or developed;</p> <p>(4) Such other information and assistance as may be requested in order to complete the OIG activity.”</p>	
<p><i>Evaluation of the Department of State’s Security Clearance Process</i> (ESP-17-02, 7/2017)</p>	
<p><b>Recommendation 2:</b> The Bureau of Diplomatic Security, Office of Personnel Security and Suitability, in coordination with the Bureau of Human Resources, should establish clear responsibilities for the processing of security clearance requests in order to reduce or eliminate unnecessary delays in the clearance process and require appropriate training for all Human Resources personnel involved in the process.</p>	N/A
<p><b>Recommendation 3:</b> The Bureau of Diplomatic Security should perform a workforce analysis of its employees who perform security clearance work to ensure that it has the proper staffing levels in place to meet its timeliness goals.</p>	N/A
<p><b>Recommendation 5:</b> The Bureau of Diplomatic Security, Office of Personnel Security and Suitability should determine the actual cost of the security clearance work it performs for other Government agencies in order to fully recoup its expended funds, in accordance with the Economy Act and Department policy.</p>	N/A
<p><i>Department of State Has Administrative Leave Policies but Lacks Complete and Accurate Data on the Use of Leave</i> (ESP-16-04, 9/2016)</p>	
<p><b>Recommendation 1:</b> The Bureau of the Comptroller and Global Financial Services, in conjunction with the Bureau of Human Resources, should ensure that its new payroll systems have the ability to collect information regarding the justification for why administrative leave is granted.</p>	N/A
<p><b>Recommendation 2:</b> The Bureau of Human Resources, in conjunction with the Bureau of the Comptroller and Global Financial Services, should identify and remedy the causes of the discrepancy with its administrative leave records.</p>	N/A

**Table D.3**  
**Open Office of Inspections Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2019**

Significant Open Recommendations	Potential Monetary Benefits
<i>Inspection of Embassy New Delhi and Constituent Posts, India</i> (ISP-I-19-10, 12/2018)	
<b>Recommendation 26:</b> Embassy New Delhi should submit design plans to the Bureau of Overseas Buildings Operations for the unapproved modifications to property numbers X9990, X9991, X9992, X9993, X9999, and X29001 in Kolkata, and R1007 and R1012 in Mumbai.	N/A
<b>Recommendation 27:</b> The Bureau of Overseas Buildings Operations should conduct a technical review of the design plans for property numbers X01021 in New Delhi; X9990, X9991, X9992, X9993, X9999, and X29001 in Kolkata; and R1007 and R1012 in Mumbai, in accordance with Department standards, and work with Embassy New Delhi to remedy any modifications that OBO is unable to retroactively approve.	N/A
<i>Targeted Review of Leadership and Management at the National Passport Center</i> (ISP-I-19-13, 11/2018)	
<b>Recommendation 1:</b> The Bureau of Consular Affairs should, within 60 days, develop a corrective action plan to address the leadership and management deficiencies at the National Passport Center. At a minimum, the corrective action plan should address Recommendations 2 through 12 and include milestones and target implementation dates for the resolution of each. In addition, the action plan should be reviewed and approved by the Under Secretary for Management.	N/A
<b>Recommendation 2:</b> The Bureau of Consular Affairs, in coordination with the Office of Civil Rights, should investigate the expressed concerns within the National Passport Center workforce of sexual harassment and discrimination.	N/A
<i>Inspection of U.S. Mission to Somalia</i> (ISP-I-19-09, 10/2018)	
<b>Recommendation 3:</b> The Bureau of Administration, in coordination with the U.S. Mission to Somalia and the Bureau of African Affairs, should finalize all risk mitigation plans for third-party contracts as required by Department guidance.	N/A
<i>Inspection of Embassy Nairobi, Kenya</i> (ISP-I-19-08, 10/2018)	
<b>Recommendation 3:</b> The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with Embassy Nairobi, should designate a contracting officer representative with the appropriate technical experience required to review and certify construction work in Kenya in accordance with Department standards.	N/A
<i>Inspection of Embassy Guatemala City, Guatemala</i> (ISP-I-18-16, 5/2018)	
<b>Recommendation 2:</b> Embassy Guatemala City, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, should develop and monitor benchmarks for its Bureau of International Narcotics and Law Enforcement Affairs	N/A

Significant Open Recommendations	Potential Monetary Benefits
aviation program to improve administrative, technical, and operational capabilities of Guatemala's aviation operations.	
<i>Inspection of Yemen Affairs Unit</i> (ISP-I-18-21, 3/2018)	
<b>Recommendation 3:</b> The Yemen Affairs Unit should review Embassy Sanaa's balance of \$4.89 million in unliquidated obligations and validate or de-obligate the funds to put them to better use as applicable.	\$4,890,000
<i>Inspection of the Bureau of Consular Affairs, Office of Consular Systems and Technology</i> (ISP-I-17-04, 12/2016)	
<b>Recommendation 24:</b> The Bureau of Consular Affairs should direct the Office of Consular Systems and Technology to review the \$18.54 million of unliquidated obligations for contracts that require close out and document justifications of remaining prior year balances.	\$18,540,000
Other Open Recommendations	Potential Monetary Benefits
<i>Inspection of Embassy Kigali, Rwanda</i> (ISP-I-19-15, 3/2019)	
<b>Recommendation 5:</b> Embassy Kigali should use property grants to document all property transferred by the Public Diplomacy Section to the American Corners in Kigali and Rubavu.	N/A
<b>Recommendation 7:</b> Embassy Kigali, in coordination with the Bureau of Overseas Buildings Operations, should implement a corrective action plan to bring the residential safety program into compliance with Department standards.	N/A
<i>Inspection of Embassy Majuro, Republic of the Marshall Islands</i> (ISP-I-19-07, 2/2019)	
<b>Recommendation 1:</b> Embassy Majuro should update and test its warden system in accordance with Department standards.	N/A
<b>Recommendation 10:</b> Embassy Majuro should relocate the telecommunications demarcation point outside the information systems server room in accordance with Department standards.	N/A
<i>Inspection of Embassy Koror, Republic of Palau</i> (ISP-I-19-06, 2/2019)	
<b>Recommendation 1:</b> Embassy Koror should implement a standard operating procedure for conducting supervisory reviews of nonimmigrant visa adjudications in accordance with Department standards.	N/A
<b>Recommendation 2:</b> Embassy Koror should take actions to prepare for a consular crisis according to Department guidance.	N/A
<b>Recommendation 3:</b> Embassy Koror should assess and test its warden system in accordance with Department standards.	N/A
<b>Recommendation 9:</b> Embassy Koror, in coordination with the Bureau of Administration, should request authorization to maintain the additional vehicles or	N/A

Other Open Recommendations	Potential Monetary Benefits
dispose of three vehicles according to Department guidelines and put proceeds of sale to better use.	
<b>Recommendation 11:</b> Embassy Koror, in coordination with Embassy Manila, should review all unliquidated obligations, deobligate any funds that are no longer needed, and put up to \$823,547 to better use.	\$823,547
<b>Recommendation 13:</b> Embassy Koror, in coordination with Embassy Manila, should update and conduct annual information technology contingency plan testing of the unclassified and classified networks in accordance with Department standards.	N/A
<b>Recommendation 18:</b> Embassy Koror should apply labels on the electrical panels according to Department standards.	N/A
<b>Recommendation 19:</b> Embassy Koror should install a temperature monitoring device in its unclassified server room in accordance with Department standards.	N/A
<b>Recommendation 20:</b> Embassy Koror, in coordination with Embassy Manila, should establish a records management program in accordance with Department standards.	N/A
<b>Recommendation 21:</b> Embassy Koror, in coordination with Embassy Manila, should implement standard operating procedures for managing its unclassified networks.	N/A
<i>Inspection of Embassy Kolonia, Federated States of Micronesia (ISP-I-19-05, 2/2019)</i>	
<b>Recommendation 1:</b> Embassy Kolonia should implement an Equal Employment Opportunity program that is in accordance with Department standards.	N/A
<b>Recommendation 5:</b> Embassy Kolonia, in coordination with the Bureau of Consular Affairs, should obtain a general authorization from the Bureau of Consular Affairs to issue travel letters to U.S. citizens in emergency situations.	N/A
<b>Recommendation 9:</b> Embassy Kolonia, in coordination with Embassy Manila, should review \$707,000 in unliquidated obligations and deobligate any funds that are no longer needed.	\$707,000
<b>Recommendation 11:</b> Embassy Kolonia should complete all overdue employee performance reports in accordance with Department standards.	N/A
<b>Recommendation 12:</b> Embassy Kolonia, in coordination with Embassy Manila, should update and test the annual information technology contingency plan for its unclassified and classified networks in accordance with Department standards.	N/A
<b>Recommendation 15:</b> Embassy Kolonia should install a temperature monitoring device in the unclassified server room in accordance with Department standards.	N/A
<i>Inspection of Embassy New Delhi and Constituent Posts, India (ISP-I-19-10, 12/2018)</i>	
<b>Recommendation 1:</b> Embassy New Delhi should implement functional training plans for incumbent and incoming staff in the mission's Political Sections.	N/A
<b>Recommendation 2:</b> Embassy New Delhi, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, should develop and implement an end-use monitoring plan to conduct required end-use monitoring checks in accordance with Department standards.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 3:</b> Embassy New Delhi, in coordination with the Bureau of Counterterrorism and Countering Violent Extremism and the Bureau of South and Central Asian Affairs, should prepare a position description for the regional counterterrorism coordinator position, number 10262001, that contains an accurate statement of responsibilities.	N/A
<b>Recommendation 4:</b> The Office of Policy, Planning, and Resources for Public Diplomacy and Public Affairs, in coordination with Embassy New Delhi and the Bureau of South and Central Asian Affairs, should update all public diplomacy position descriptions by implementing the Public Diplomacy Locally Employed Staff Initiative at Mission India in FY 2019.	N/A
<b>Recommendation 5:</b> Embassy New Delhi should implement an annual training plan to prioritize and fund mission-wide training needs for all Public Affairs Section positions.	N/A
<b>Recommendation 6:</b> Embassy New Delhi, in coordination with the Office of Policy, Planning, and Resources for Public Diplomacy and Public Affairs and the Bureau of International Information Programs, should develop audience and impact metrics for the Public Affairs Section's magazine, SPAN.	N/A
<b>Recommendation 7:</b> Embassy New Delhi should integrate SPAN into the Public Affairs Section's broader digital media activities.	N/A
<b>Recommendation 10:</b> Embassy New Delhi should provide a closed-circuit TV monitoring system or other means to enable consular managers to visually observe activities at nonimmigrant and immigrant visa windows within the Consular Section.	N/A
<b>Recommendation 12:</b> Embassy New Delhi should reconcile transactions in the Suspense Deposit Abroad account in accordance with Department guidelines, and put funds of \$65,772 to better use.	\$65,772
<b>Recommendation 13:</b> Embassy New Delhi should clear overdue travel advances in accordance with Department guidelines, and put funds up to \$52,385 to better use.	\$52,385
<b>Recommendation 14:</b> Embassy New Delhi, in coordination with the Bureau of South and Central Asian Affairs and the Bureau of the Comptroller and Global Financial Services, should reprogram additional Diplomatic and Consular Program-funded Information Management positions to International Cooperative Administrative Support Services-funded positions in order to put funds of \$81,331 per position to better use.	\$81,331
<b>Recommendation 18:</b> Embassy New Delhi should require that all chauffeurs and incidental drivers under Chief of Mission authority comply with applicable Department overseas motor vehicle safety requirements.	N/A
<b>Recommendation 19:</b> Embassy New Delhi should bring its motor vehicle fleet into compliance with Department standards.	N/A
<b>Recommendation 23:</b> Embassy New Delhi, in coordination with the Bureau of South and Central Asian Affairs and the Bureau of Administration, should ratify all unauthorized commitments in accordance with Department standards.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 25:</b> Embassy New Delhi, in coordination with the Bureau of Overseas Buildings Operations, should implement an action plan to resolve the mission’s safety, health, and environmental management deficiencies and bring the program into full compliance with Department standards.	N/A
<b>Recommendation 29:</b> Embassy New Delhi should bring its method and procedures for procuring fuel from the American Community Support Association into compliance with the Federal Acquisition Regulation.	N/A
<b>Recommendation 30:</b> Embassy New Delhi should establish roles and responsibilities for the mission’s Information Systems Security Officers in accordance with Department standards.	N/A
<b>Recommendation 35:</b> Embassy New Delhi should implement a detailed plan that includes a cost-benefit analysis to consolidate its two print and graphics operations.	N/A
<b>Recommendation 36:</b> Embassy New Delhi should assign roles and responsibilities for management of the centralized classified networks.	N/A
<b>Recommendation 38:</b> Embassy New Delhi should annually test the information technology contingency plans for the unclassified and classified networks in the embassy and Consulate General Hyderabad in accordance with Department standards.	N/A
<b>Recommendation 39:</b> Embassy New Delhi should implement a plan to conduct initial and annual refresher information technology contingency training for employees with information technology contingency planning responsibilities in the embassy and Consulate General Hyderabad.	N/A
<i>Targeted Review of Leadership and Management at the National Passport Center (ISP-I-19-13, 11/2018)</i>	
<b>Recommendation 3:</b> The Bureau of Consular Affairs should assess the skills, knowledge, abilities, and conduct of the National Passport Center’s current senior and mid-level management staff to determine whether they should remain in their positions.	N/A
<b>Recommendation 5:</b> The Bureau of Consular Affairs should develop a consistent method to document, communicate, and retain passport adjudication policy and procedure updates and guidance for employee reference.	N/A
<b>Recommendation 7:</b> The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should conduct an organizational assessment of the National Passport Agency’s structure and responsibilities and implement appropriate recommendations.	N/A
<b>Recommendation 8:</b> The Bureau of Consular Affairs should implement an effective model for providing human resource services to National Passport Center management and staff.	N/A
<b>Recommendation 9:</b> The Bureau of Consular Affairs should require the National Passport Center to develop and publish policies, in compliance with applicable Department standards, that cover shift hours/core hours, flexible work schedules, awards program, and leave without pay.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 10:</b> The Bureau of Consular Affairs should review the National Passport Center’s use of the second shift and institute changes to provide for greater supervision of employees and minimize premium pay costs.	N/A
<i>Inspection of Embassy Banjul, The Gambia</i> (ISP-I-19-04, 11/2018)	
<b>Recommendation 1:</b> Embassy Banjul should nominate an Equal Employment Opportunity Counselor in accordance with Department guidance.	N/A
<b>Recommendation 2:</b> The Bureau of Overseas Buildings Operations, in coordination with Embassy Banjul and the Bureau of Consular Affairs, should renovate Embassy Banjul’s Consular Section to comply with Department standards.	N/A
<b>Recommendation 5:</b> Embassy Banjul, in coordination with the Bureau of the Comptroller and Global Financial Services, should collect outstanding salary advances of \$2,000 due from former employees and put those funds to better use.	\$2,000
<b>Recommendation 6:</b> The Bureau of Administration, in coordination with Embassy Banjul, should conduct a staff assistance visit to address contract administration deficiencies.	N/A
<b>Recommendation 11:</b> Embassy Banjul should issue cell phones to locally employed staff members in accordance with Department standards.	N/A
<b>Recommendation 13:</b> Embassy Banjul should implement knowledge management procedures for capturing, sharing, transferring, and retaining information related to its information management programs.	N/A
<b>Recommendation 14:</b> Embassy Banjul should test the information technology contingency plans for unclassified and classified networks in accordance with Department guidance.	N/A
<b>Recommendation 15:</b> Embassy Banjul should implement a plan for conducting information technology contingency training for appropriate employees, in accordance with Department standards.	N/A
<i>Inspection of the Bureau of Democracy, Human Rights, and Labor’s Foreign Assistance Program Management</i> (ISP-I-19-12, 10/2018)	
<b>Recommendation 3:</b> The Bureau of Democracy, Human Rights, and Labor, in coordination with the Bureau of Administration, should finalize a service level agreement clarifying the Bureau of Administration’s responsibilities for grants support.	N/A
<b>Recommendation 5:</b> The Bureau of Democracy, Human Rights, and Labor should modify its grants processes to accurately record expenditures in the Department’s financial system.	N/A
<b>Recommendation 6:</b> The Bureau of Democracy, Human Rights, and Labor, in coordination with the Bureau of the Comptroller and Global Financial Services and the Office of the Legal Adviser, should determine whether grants payment irregularities identified for award number S-LMAQM-17-CA-1232 constitute a violation of the Anti-Deficiency Act and, if so, report the violation.	N/A

Other Open Recommendations	Potential Monetary Benefits
<i>Inspection of the Bureau of Democracy, Human Rights, and Labor</i> (ISP-I-19-11, 10/2018)	
<b>Recommendation 1:</b> The Bureau of Democracy, Human Rights, and Labor should institute a formal, periodic process to develop policy goals, monitor results, and align resources with priorities.	N/A
<b>Recommendation 3:</b> The Bureau of Democracy, Human Rights, and Labor should develop internal control procedures for the Leahy program and monitor compliance with the procedures.	N/A
<b>Recommendation 5:</b> The Bureau of Democracy, Human Rights, and Labor should identify and train dedicated staff to fulfill its statutory responsibilities to provide timely human rights assessments in connection with visa processing.	N/A
<i>Inspection of Embassy Nairobi, Kenya</i> (ISP-I-19-08, 10/2018)	
<b>Recommendation 5:</b> Embassy Nairobi should close out its outstanding grants awards in compliance with Department standards.	N/A
<b>Recommendation 7:</b> Embassy Nairobi, in coordination with the Bureau of African Affairs and the Bureau of the Comptroller and Global Financial Services, should reprogram one program-funded information management position to an International Cooperative Administrative Support Services-funded position in accordance with Department guidelines and put \$81,331 to better use.	\$81,331
<b>Recommendation 8:</b> Embassy Nairobi should prepare an annual acquisition plan and obtain input from the U.S. Mission to Somalia on its plan.	N/A
<b>Recommendation 9:</b> Embassy Nairobi should require all contracting officer representatives to administer their contracts in accordance with Department standards.	N/A
<b>Recommendation 10:</b> Embassy Nairobi should clear its electronic filing backlog in accordance with Department guidelines.	N/A
<b>Recommendation 13:</b> Embassy Nairobi should establish a comprehensive corrective action plan to certify all residences for occupancy in accordance with Department standards.	N/A
<b>Recommendation 14:</b> Embassy Nairobi should renegotiate all residential leases that do not comply with Department guidance and use the model lease as required by Department standards.	N/A
<b>Recommendation 16:</b> Embassy Nairobi should conduct a utilization survey and sell or dispose of excess inventory in accordance with Department standards, and put up to \$14 million to better use.	\$14,000,000
<b>Recommendation 18:</b> Embassy Nairobi should ensure that all residential inventories are accounted for and documented in its files in accordance with Department guidelines.	N/A
<b>Recommendation 19:</b> Embassy Nairobi should terminate official payments for private domestic staff without legally obligating documentation.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 21:</b> Embassy Nairobi should bring the subcashing program into compliance with Department requirements.	N/A
<b>Recommendation 23:</b> Embassy Nairobi should review all unliquidated obligations with no activity for over one year, deobligate those that are no longer valid in accordance with Department standards, and put up to \$1.7 million to better use.	\$1,700,000
<b>Recommendation 25:</b> Embassy Nairobi should submit the hotel and restaurant report for all listed localities in Kenya to the Office of Allowances.	N/A
<b>Recommendation 27:</b> Embassy Nairobi, in coordination with the Bureau of Diplomatic Security and the Bureau of Information Resource Management, should remediate all physical cybersecurity recommendations from Department reviews.	N/A
<b>Recommendation 28:</b> Embassy Nairobi should implement a records management program that complies with Department standards.	N/A
<b>Recommendation 32:</b> Embassy Nairobi should implement its standard operating procedures for managing and tracking mobile devices and encrypted flash drives, as required by Department standards.	N/A
<b>Recommendation 33:</b> Embassy Nairobi should dispose of obsolete sensitive information processing equipment, in accordance with Department guidance.	N/A
<i>Inspection of the Bureau of Consular Affairs' Office of Fraud Prevention Programs (ISP-I-18-42, 8/2018)</i>	
<b>Recommendation 6:</b> The Bureau of Consular Affairs should perform an assessment to determine the security categorization of the Office of Fraud Prevention Programs' case management system and implement required security controls in accordance with Federal standards.	N/A
<i>Management Assistance Report: Dispersal of Contracting Officer Representatives Creates Oversight Challenges (ISP-I-18-33, 8/2018)</i>	
<b>Recommendation 1:</b> The Bureau of Administration should issue guidance to require contracting officer representatives to maintain contract files in the electronic contracting officer representative filing system within 180 days of the final issuance of this report.	N/A
<i>Inspection of Embassy Lisbon and Consulate Ponta Delgada, Portugal (ISP-I-18-22, 5/2018)</i>	
<b>Recommendation 3:</b> The Bureau of Human Resources should respond to Embassy Lisbon's request for proposed changes to the local compensation plan.	N/A
<i>Inspection of Embassy Georgetown, Guyana (ISP-I-18-19, 5/2018)</i>	
<b>Recommendation 23:</b> Embassy Georgetown should vacate the U.S. Government-owned warehouse and notify the Bureau of Overseas Buildings Operations so it can be sold.	N/A
<i>Inspection of Embassy Addis Ababa, Ethiopia (ISP-I-18-18, 5/2018)</i>	

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 11:</b> Embassy Addis Ababa, in coordination with the Bureau of Administration, should implement property management internal controls, in accordance with Department standards.	N/A
<b>Recommendation 12:</b> Embassy Addis Ababa should implement a real property management program that is fully compliant with Department requirements.	N/A
<b>Recommendation 19:</b> The Bureau of Overseas Buildings Operations, in coordination with Embassy Addis Ababa, should implement a plan to address the embassy's safety, health, and environmental management deficiencies.	N/A
<b>Recommendation 21:</b> Embassy Addis Ababa, in coordination with the Bureau of African Affairs, should conduct a detailed and thorough review of locally employed staff position descriptions.	N/A
<b>Recommendation 22:</b> Embassy Addis Ababa, in coordination with the Bureau of Human Resources, should update and translate its Local Employee Handbook in accordance with Department guidance.	N/A
<b>Recommendation 24:</b> Embassy Addis Ababa should discontinue its support of the Lake Langano facility, put \$74,457 to better use, and require the American Employees' Recreation Association to assume full responsibility for the operation of the site.	\$74,457
<b>Recommendation 26:</b> Embassy Addis Ababa should conduct annual information technology contingency plan testing of the unclassified and classified networks, in accordance with Department standards.	N/A
<b>Recommendation 29:</b> Embassy Addis Ababa should stop managing personal internet service for embassy employees and collect \$99,324 from employees who had internet service at their residences that was paid by the embassy in FY 2017 and put those funds to better use.	\$99,324
<i>Inspection of Embassy Riyadh and Constituent Posts, Saudi Arabia (ISP-I-18-17, 5/2018)</i>	
<b>Recommendation 16:</b> Embassy Riyadh, in coordination with the Bureau of the Comptroller and Global Financial Services, should implement procedures to require U.S. direct-hire employees to comply with Department of State Standard Regulation 532 a)2) and collect overpayments made in cases of non-compliance.	N/A
<b>Recommendation 18:</b> Embassy Riyadh, in coordination with the Bureau of Near Eastern Affairs, and the Bureau of the Comptroller and Global Financial Services, should reprogram at least one program-funded information management position to an International Cooperative Administrative Support Services-funded position to realize funds put to better use of up to \$153,480.	\$153,480
<b>Recommendation 23:</b> Embassy Riyadh, in coordination with the Bureau of Human Resources, should determine the per employee cost of the homeward passage benefit and pay it to eligible employees through the payroll system to realize funds put to better use of \$361,773.	\$361,773

Other Open Recommendations	Potential Monetary Benefits
<i>Inspection of Embassy Guatemala City, Guatemala</i> (ISP-I-18-16, 5/2018)	
<b>Recommendation 9:</b> Embassy Guatemala City, in coordination with the Bureau of Human Resources, should complete updates to the local compensation plan.	N/A
<b>Recommendation 11:</b> Embassy Guatemala City, in coordination with the Bureau of Overseas Buildings Operations, should perform seismic evaluations of its residential properties in accordance with Department standards.	N/A
<b>Recommendation 17:</b> Embassy Guatemala City should inventory, secure, monitor, and register its dedicated internet networks with the Bureau of Information Resource Management.	N/A
<b>Recommendation 18:</b> Embassy Guatemala City should conduct an assessment of the Bureau of International Narcotics and Law Enforcement Affairs' wireless dedicated internet network based on the National Institute of Standards and Technology Risk Management Framework and implement appropriate controls to protect the information stored on the network.	N/A
<b>Recommendation 19:</b> Embassy Guatemala City should manage its classified and unclassified Active Directory groups in accordance with Department standards.	N/A
<b>Recommendation 20:</b> Embassy Guatemala City should implement standard operating procedures for managing its classified and unclassified networks.	N/A
<b>Recommendation 21:</b> Embassy Guatemala City should conduct annual tests of the information technology contingency plans for unclassified and classified networks in accordance with Department standards.	N/A
<b>Recommendation 22:</b> Embassy Guatemala City should implement a plan for conducting initial and annual refresher information technology contingency training for employees with information technology contingency planning responsibilities.	N/A
<i>Inspection of Embassy Copenhagen, Denmark</i> (ISP-I-18-23, 4/2018)	
<b>Recommendation 7:</b> Embassy Copenhagen, in coordination with the Bureaus of Diplomatic Security and Overseas Buildings Operations, should complete the installation of the mail screening facility and implement a procedure for processing incoming local mail in accordance with Department standards.	N/A
<i>Inspection of the Bureau of Information Resource Management's Office of Governance, Resource, and Performance Management</i> (ISP-I-18-15, 4/2018)	
<b>Recommendation 2:</b> The Bureau of Information Resource Management, in coordination with the Bureau of Human Resources, should update all employee-supervisor assignments to reflect current roles and responsibilities within the Office of Governance, Resource, and Performance Management.	N/A
<b>Recommendation 6:</b> The Bureau of Information Resource Management should require that Contracting Officer's Representatives in the Office of Governance, Resource, and Performance Management receive proof of receipt of goods from overseas posts prior to approving invoices for payments.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 8:</b> The Bureau of Information Resource Management should implement a tool to centrally track information technology software acquisitions Department-wide.	N/A
<b>Recommendation 9:</b> The Bureau of Information Resource Management should implement procedures to centrally authorize and register Dedicated Internet Networks.	N/A
<b>Recommendation 10:</b> The Bureau of Information Resource Management should implement procedures to ensure regularly scheduled reviews and updates to the Department’s information technology management policies and procedures in Volume 5 of the Foreign Affairs Manual and its associated Foreign Affairs Handbooks.	N/A
<b>Recommendation 11:</b> The Bureau of Information Resource Management should revise and promulgate the bureau process for timely handling of responses to U.S. Government Accountability Office recommendations.	N/A
<b>Recommendation 12:</b> The Bureau of Information Resource Management should update all Department guidance to reflect the Office of Governance, Resource, and Performance Management’s responsibility for the Information Technology Configuration Control Board.	N/A
<b>Recommendation 13:</b> The Bureau of Information Resource Management should require the Office of Governance, Resource, and Performance Management to perform its bureau records coordinator responsibilities in accordance with Department standards.	N/A
<i>Inspection of Embassy Djibouti, Djibouti (ISP-I-18-14, 4/2018)</i>	
<b>Recommendation 1:</b> The Bureau of African Affairs, in coordination with Embassy Djibouti, should restructure the staffing of the Political-Economic Section to more effectively support the embassy’s Integrated Country Strategy goals.	N/A
<b>Recommendation 6:</b> Embassy Djibouti, in coordination with the Bureau of Consular Affairs and the Bureau of Overseas Buildings Operations, should renovate the Consular Section to expand consular processing capabilities, improve management controls, and accommodate anticipated increased staffing.	N/A
<b>Recommendation 7:</b> Embassy Djibouti, in coordination with the Bureau of Administration and the Bureau of African Affairs, should bring the embassy’s property program into full compliance with Department standards.	N/A
<b>Recommendation 8:</b> Embassy Djibouti should implement a comprehensive residential fuel delivery program that complies with Department standards.	N/A
<b>Recommendation 10:</b> Embassy Djibouti should update its vehicle policy to be compliant with Department standards.	N/A
<b>Recommendation 12:</b> Embassy Djibouti should prohibit locally employed staff mechanics from repairing personally owned vehicles on U.S. Government property or with U.S. Government equipment.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 14:</b> Embassy Djibouti, in coordination with Bureau of African Affairs, should implement a comprehensive program for updating locally employed staff position descriptions in accordance with Department standards.	N/A
<b>Recommendation 16:</b> Embassy Djibouti should implement a comprehensive policy outlining the requirements for vehicle third party liability coverage in accordance with Department standards.	N/A
<b>Recommendation 18:</b> Embassy Djibouti should charge agencies and personnel appropriately for official and personal phone calls.	N/A
<b>Recommendation 19:</b> Embassy Djibouti should use electronic funds transfer for taxi and medical reimbursements over \$25 to local employees.	N/A
<b>Recommendation 21:</b> Embassy Djibouti, in coordination with the Bureau of Overseas Buildings Operations, should train its local staff in preventive maintenance or establish appropriate preventive maintenance contracts.	N/A
<b>Recommendation 22:</b> Embassy Djibouti, in coordination with the Bureau of Overseas Buildings Operations, should establish and implement a plan to appropriately store flammable materials.	N/A
<b>Recommendation 25:</b> Embassy Djibouti should conduct annual information technology contingency plan testing of the unclassified and classified networks in accordance with Department standards.	N/A
<i>Inspection of Embassy San Jose, Costa Rica (ISP-I-18-13, 4/2018)</i>	
<b>Recommendation 7:</b> Embassy San Jose, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Consular Affairs, should provide a wheelchair-accessible interview window for consular applicants.	N/A
<b>Recommendation 12:</b> Embassy San Jose should implement a corrective action plan to bring all professional drivers and incidental operators under Chief of Mission authority into compliance with the Department's Motor Vehicle Safety Management Program for Overseas Posts.	N/A
<b>Recommendation 25:</b> Embassy San Jose should implement a call accounting system and procedures to accurately bill for monthly telephone services.	N/A
<i>Inspection of the Bureau of South and Central Asian Affairs (ISP-I-18-11, 2/2018)</i>	
<b>Recommendation 7:</b> The Bureau of South and Central Asian Affairs should complete the nine remaining Civil Service performance appraisals for the 2016 rating cycle.	N/A
<i>Inspection of Embassy Beijing and Constituent Posts, China (ISP-I-18-04, 12/2017)</i>	
<b>Recommendation 11:</b> Embassy Beijing, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Consular Affairs, should provide a wheelchair-accessible interview window for consular applicants at Consulate General Chengdu.	N/A

Other Open Recommendations	Potential Monetary Benefits
<b>Recommendation 12:</b> Embassy Beijing, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Consular Affairs, should provide a privacy booth in the consular waiting room at Consulate General Chengdu.	N/A
<i>Inspection of Consulate General Hong Kong, China</i> (ISP-I-18-06, 11/2017)	
<b>Recommendation 9:</b> The Bureau of East Asian and Pacific Affairs, in coordination with Consulate General Hong Kong and the Bureau of Human Resources, should determine the number and levels for language designated positions at Consulate General Hong Kong in accordance with Department standards, and put up to \$2 million to better use.	2,000,000
<i>Inspection of the Bureau of African Affairs' Foreign Assistance Program Management</i> (ISP-I-18-02, 10/2017)	
<b>Recommendation 3:</b> The Bureau of African Affairs should document its foreign assistance business processes, including administrative responsibilities and internal control procedures for project planning, funds management, human resources, contract and grants management, and risk management.	N/A
<b>Recommendation 4:</b> The Bureau of African Affairs should identify duplicative and fragmented administrative functions related to monitoring and evaluation, invoice reviews, and procurement, and consolidate functions to improve program efficiency.	N/A
<b>Recommendation 5:</b> The Bureau of African Affairs should develop a bureau-wide process to reclassify foreign assistance funds before the funds cancel.	N/A
<b>Recommendation 6:</b> The Bureau of African Affairs should implement mechanisms to track information on foreign assistance programs and provide financial and program reports to the bureau's senior leadership on core program management responsibilities.	N/A
<b>Recommendation 7:</b> The Bureau of African Affairs should implement risk management policies and procedures for foreign assistance that incorporate measures to further reduce the likelihood that foreign assistance will inadvertently finance terrorist activities.	N/A
<b>Recommendation 9:</b> The Bureau of African Affairs, in coordination with the Bureau of Administration, should develop a customized risk assessment template for Federal financial assistance to accurately assess and mitigate risks specific to programs in Africa.	N/A
<b>Recommendation 10:</b> The Bureau of African Affairs should complete required monitoring and evaluation reports, as specified in individual Federal assistance monitoring plans.	N/A
<i>Inspection of the Bureau of African Affairs</i> (ISP-I-18-01, 10/2017)	
<b>Recommendation 2:</b> The Bureau of African Affairs, in coordination with the Office of the U.S. Global AIDS Coordinator and Health Diplomacy, should update the	N/A

Other Open Recommendations	Potential Monetary Benefits
President's Emergency Plan for AIDS Relief agreement to define roles and responsibilities for funds control, staffing, and financial reporting.	
<i>Compliance Follow-up Review: Department of State Has Not Implemented Recommendations Pertaining to Official Residence Expense Staff Salaries</i> (ISP-C-17-32, 8/2017)	
<b>Recommendation 1:</b> The Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Human Resources, should issue consistent guidance to overseas missions on the proper procedures for paying Official Residence Expense staff salaries within 30 days of the issuance of this report.	N/A
<b>Recommendation 2:</b> The Bureau of the Comptroller and Global Financial Services, in coordination with the Bureau of Human Resources, should revise and reissue consistent Foreign Affairs Manual and Foreign Affairs Handbook guidance on paying Official Residence Expense staff salaries within 6 months of the issuance of this report.	N/A
<i>Inconsistent Guidance Governing Property Controls Over Mobile Devices Left Department at Risk of Wasteful Spending</i> (ISP-17-31, 8/2017)	
<b>Recommendation 1:</b> The Bureau of Administration should publish specific, clear and consistent guidance and procedures for the management, inventory, and tracking of smart phones and similar mobile devices.	N/A
<i>Capital Security Cost Sharing Program: Inconsistent Criteria for Managing Vacant Positions Resulted in Inaccurate Counts</i> (ISP-I-17-30, 8/2017)	
<b>Recommendation 1:</b> The Under Secretary for Management, in coordination with the Bureau of Human Resources, should implement consistent criteria for managing vacant positions overseas.	N/A
<i>Management Assistance Report: Deficiencies Reported in Cyber Security Assessment Reports Remain Uncorrected</i> (ISP-17-39, 7/2017)	
<b>Recommendation 1:</b> The Bureau of Diplomatic Security, in coordination with the Bureau of Information Resource Management and regional bureaus, should require implementation of Cyber Security Assessment report recommendations and establish a process to track and verify that overseas posts comply with those recommendations.	N/A
<i>Management Assistance Report: Department Can Take Steps Toward More Effective Executive Direction of Overseas Missions</i> (ISP-17-38, 7/2017)	
<b>Recommendation 3:</b> The Director General of the Foreign Service and Director of Human Resources should issue additional Foreign Assistance Manual and Foreign Affairs Handbook guidance requiring all chiefs of mission and deputy chiefs of mission to implement structured First- and Second-Tour employee programs in collaboration with First- and Second-Tour employees at their posts.	N/A

Other Open Recommendations	Potential Monetary Benefits
<i>Inspection of Embassy Luanda, Angola</i> (ISP-I-17-19, 6/2017)	
<b>Recommendation 6:</b> Embassy Luanda, in coordination with the Bureau of Overseas Buildings Operations, should relocate employees to residences that meet Department fire standards.	N/A
<b>Recommendation 7:</b> Embassy Luanda should strengthen its controls over residential fuel deliveries in accordance with Department standards to include establishing a receiving clerk to oversee deliveries.	N/A
<i>Inspection of Embassy Accra, Ghana</i> (ISP-I-17-17, 6/2017)	
<b>Recommendation 5:</b> Embassy Accra, in coordination with the Bureau of Overseas Buildings Operations, should reconfigure the Consular Section and neighboring office space in accordance with Department standards.	N/A
<i>Inspection of Emergency Preparedness at Consulate General Hamilton, Bermuda</i> (ISP-I-17-26, 5/2017)	
<b>Recommendation 3:</b> Consulate General Hamilton, in coordination with the Regional Information Management Center in Ft. Lauderdale, should repair or replace the high-frequency radio at its alternate command center.	N/A
<i>Inspection of Embassy Tel Aviv, Israel</i> (ISP-I-17-20, 5/2017)	
<b>Recommendation 11:</b> Embassy Tel Aviv, in coordination with the Bureau of Overseas Buildings Operations, should sell the Hassadot property and put the \$8 million in estimated sales proceeds to better use.	\$8,000,000
<b>Recommendation 16:</b> Embassy Tel Aviv should comply with the Department's Motor Vehicle Safety Management Program policy to not exceed the daily 10-hour limit on duty shifts.	N/A
<b>Recommendation 18:</b> Embassy Tel Aviv should update all outdated locally employed staff position descriptions.	N/A
<i>Inspection of Embassy Monrovia, Liberia</i> (ISP-I-17-12, 5/2017)	
<b>Recommendation 16:</b> Embassy Monrovia, in coordination with the Bureau of Human Resources, should update its local employee staff human resources handbook and local compensation plan to reflect the Government of Liberia's labor law.	N/A
<b>Recommendation 24:</b> Embassy Monrovia, in coordination with the Bureau of Diplomatic Security, should train Information Management staff in accordance with Department guidance.	N/A

**Table D.4**  
**Open Office of Investigations Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 9/30/2019**

Significant Open Recommendations	Potential Monetary Benefits
None	
<b>Other Open Recommendations</b>	
<i>Management Assistance Report: U.S. Embassy Tbilisi Employee Association Commissary Accounting Controls (INV-17-01, 6/2017)</i>	
<b>Recommendation 5:</b> OIG recommends that the Management Officer at the U.S. Embassy Tbilisi develop and implement on-going monitoring and conduct annual reviews of the Tbilisi Embassy Employee Association's management of the program.	N/A

**Table D.5**  
**Report Recommendations Without Management Decision by the Department of State for More Than 6 Months, as of 9/30/2019**

None
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**Table D.6**  
**Reports Issued in Prior Reporting Period That Did Not Receive Comment Within 60 Days of Issuance, as of 9/30/2019**

None
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**Table D.7**  
**Department of State Significant Revised Management Decisions, 4/1/2019–9/30/2019**

None
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**Table D.8**  
**Department of State Significant Management Decisions With Which OIG Disagreed, 4/1/2019–9/30/2019**

Office of Audits
<i>Management Assistance Report: Modification and Oversight of the Bureau of Medical Services' Contract for Aeromedical Biocontainment Evacuation Services Violated Federal Requirements (AUD-SI-19-11, 12/2018)</i>
OIG recommended that the Deputy under Secretary for Management direct that all Department of State aviation services, except those for logistics support of nonrecurring and unpredictable requirements managed by the Bureau of Administration, be assigned to the Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation (INL/A), to support Department of State compliance with applicable Federal aviation regulations and requirements. In the most recent response, the Deputy under Secretary for Management stated that the Department has taken alternative actions to ensure that

**Office of Audits**

Commercial Aviation Services in support of Mission Somalia are performed safely and that oversight is consistent with government-wide best practices, leveraging existing safety management systems utilized by other Federal agencies and the Kenyan Civil Aviation Authority. OIG concludes that the Deputy Under Secretary may have misunderstood the intent of this recommendation (Recommendation 7) and is confusing it with Recommendation 6 in this report, which is specific to the air shuttle services between Kenya and Somalia.

The intent of Recommendation 7 is to clearly establish that INL is the sole provider of aviation services for the Department. That being said, OIG also acknowledges the need for a mechanism to request and approve exceptions. Accordingly, in a separate report, the Audit of the Department of State's Administration of its Aviation Program (AUD-SI-18-59), OIG included Recommendation 8, which states: "OIG recommends that the Aviation Governing Board (AGB), in coordination with the Bureau of International Narcotics and Law Enforcement Affairs (INL), revise Volume 2 of the Foreign Affairs Manual (FAM) 800 to clarify that INL is the sole provider of aviation services for the Department of State and any requests for exceptions to, or waiver of this policy, along with a written justification, must be submitted to and approved by the AGB. The FAM revision should include a requirement for a periodic review of the decision to determine whether it remains beneficial."

In its May 13, 2019, compliance response to Recommendation 8, the Bureau stated, "Although a thorough update of 2 FAM 800 will be conducted, per discussions with and guidance from the Office of the Under Secretary for Management (M), at this time the AGB does not intend to include language to require that INL be the sole provider of aviation services." That is, the Department's response to AUD-SI-18-59's Recommendation 8 relates directly to the position set forth in response to Recommendation 7 of OIG's Management Assistance Report on Modification and Oversight of the Bureau of Medical Services' Contract for Aeromedical Biocontainment Evacuation Services (AUD-SI-19-11).

OIG reiterates that the focus of Recommendation 7 in AUD-SI-19-11 is not the specific Bureau of Medical Services aviation services contract but rather the overall responsibility of INL/A for all aviation services, except those for logistics support of nonrecurring and unpredictable requirements managed by the Bureau of Administration. Based on these compliance responses, OIG considers Recommendation 7 to be unresolved. This recommendation will be considered resolved when the Deputy Under Secretary for Management provides a plan of action for addressing this recommendation or provides an acceptable alternative that meets the intent of this recommendation. Furthermore, this recommendation will be closed when OIG receives and accepts documentation demonstrating that the Deputy Under Secretary for Management either directed that all Department aviation services, except those for logistics support of nonrecurring and unpredictable requirements managed by the Bureau of Administration, be assigned to INL/A or enacted an acceptable alternative.

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**Office of Audits***Audit of the Bureau of European and Eurasian Affairs Administration and Oversight of Selected Contracts and Grants*

(AUD-CGI-18-50, 8/2018)

OIG recommended that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (A/LM/AQM), develop and implement procedures to verify that Contracting Officers are developing quality assurance surveillance plans for all service contracts and monitoring Contracting Officers Representatives' adherence to the quality assurance surveillance plans (QASPs). A/LM/AQM requested that the recommendation be reassigned to the Bureau of European and Eurasian Affairs (EUR) because QASPs should be developed by program offices, in coordination with A/LM/AQM. A/LM/AQM also stated that once EUR developed the QASP, it would monitor adherence to QASPs as part of the Contracting Officer's Representative annual file reviews. OIG disagreed, stating that the intent of the recommendation is to verify that Contracting Officers ensure the development and implementation of QASPs for all service contracts and monitor Contracting Officer's Representative adherence to the QASPs for each bureau in the Department, not only EUR. According to the Federal Acquisition Regulation, Contracting Officers are responsible for ensuring the performance of all necessary actions for effective contracting. In its most recent response, A/LM/AQM again stated that it needed more time to analyze its options to address this recommendation; however, it did not provide a specific plan of action to address the recommendation or an acceptable alternative to fulfill this recommendation. Therefore, OIG considers Recommendation 4 to be unresolved.

**Office of Evaluations and Special Projects***Review of Selected Internal Investigations Conducted by the Bureau of Diplomatic Security*

(ESP-15-01, 10/2014)

OIG recommended that the Department take steps—as previously recommended in OIG's report on the 2012 inspection (ISP-I-13-18)—to enhance the integrity of the Bureau of Diplomatic Security internal investigations process by implementing safeguards to prevent the appearance of, or actual, undue influence and favoritism by Department officials. In its response to Recommendation 1, the Department told OIG that it made an organizational change to the reporting chain for the Special Investigations Division in order to fulfill OIG's recommendation. OIG does not consider this recommendation to be resolved because the organizational change substantially pre-dated the report and is an insufficient step based on OIG's detailed findings. OIG also recommended that the Department clarify and revise the Foreign Affairs Manual and promulgate and implement additional protocols and procedures to ensure that allegations of misconduct concerning Chiefs of Mission and other senior Department officials are handled fairly, consistently, and independently. In its response to Recommendation 2, the Department did not agree with OIG's recommendation and stated that a directive that specifies the handling of allegations involving Chiefs of Mission and other senior Department officials might interfere with the ability of investigators to recommend what they believe is the appropriate disposition of a case. Therefore, Recommendations 1 and 2 remain unresolved.

**Table D.9**  
**Department of State Management Success in Implementing Recommendations,**  
**4/1/2019–9/30/2019**

*Management Assistance Report: Building Deficiencies Identified at U.S. Embassy Kabul, Afghanistan Need Prompt Attention (AUD-MERO-17-44, 6/2017)*

This report made 19 recommendations to address weaknesses in the quality assurance process that allowed deficiencies related to plumbing systems, electrical systems, hydronic water systems, fire safety systems, elevator systems, and heating, ventilation, and air condition systems to go unaddressed during the construction of the New Office Annex and Staff Diplomatic Apartment-1 at U.S. Embassy Kabul, Afghanistan. Failure to adequately address these deficiencies would have resulted in increased costs to the Department in carrying out corrective actions as well as in conducting additional medium- and long-term maintenance, repairs, and replacement in response to shortened life cycles of building equipment and systems. The Bureau of Overseas Buildings Operations took corrective actions between June 2017 and September 2019 to address both the quality assurance process weaknesses and construction deficiencies. This resulted in the closing of all 19 recommendations.

*Management Assistance Report: Cost of Information Management Staff at Embassies Should Be Distributed to Users of Their Services (ISP-17-23, 04/2017)*

OIG recommended that the Office of the Under Secretary for Management reprogram 52 information management staff positions to the International Cooperative Administrative Support Services Working Capital Fund in order to realize annual funds put to better use. In response to the recommendation, the Department reported that all 52 posts cited in OIG's report are now in compliance with the Foreign Affairs Handbook policy on the distribution of costs for information management staff, resulting in annual funds put to better use of \$3.9 million.

*Aspects of the Invoice Review Process Used by the Bureau of Near Eastern Affairs to Support Contingency Operations in Iraq Need Improvement (AUD-MERO-17-33, 3/2017)*

This report recommended A/LM/AQM develop and implement a methodology to calculate the cost associated with the contractor's failure to meet performance metrics and a process to reduce payment to the contractor when contractual requirements are not met. Also, it recommended A/LM/AQM include this methodology and process in all current and future Bureau of Near Eastern Affairs Iraq contracts. In response, A/LM/AQM developed a methodology to calculate the costs associated with the contractor's failure to meet performance metrics and created and implemented a process to reduce (or deduct) payment from the contractor when its performance metrics were rated as less than "Satisfactory." This deduction process has been included in all current A/LM/AQM contracts in Iraq and will be included in future contracts.

## APPENDIX E: U.S. AGENCY FOR GLOBAL MEDIA COMPLIANCE

Tables E.1 through E.6 report the status of open Office of Inspector General (OIG) recommendations to the U.S. Agency for Global Media (USAGM) as of September 30, 2019. Prior to August 22, 2018, USAGM was known as the Broadcasting Board of Governors.

### OIG Compliance Lexicon

Open
<p><b>Unresolved:</b> No agreement between OIG and management on the recommendation or proposed corrective action.</p> <p><b>Resolved:</b> Agreement on the recommendation and proposed corrective action but implementation has not been completed.</p>
Closed
<p>Agreed-upon corrective action is complete.</p>

**Table E.1**  
**Open Office of Audits Recommendations Issued in Previous Periods, Pending Final United States Agency for Global Media Action, as of 9/30/2019**

Significant Open Recommendations	Potential Monetary Benefits
<p><i>Management Assistance Report: Broadcasting Board of Governors Incident Response and Reporting (AUD-IT-IB-16-25, 1/2016)</i></p> <p><b>Recommendation 1:</b> OIG recommends that the Broadcasting Board of Governors Office of Technology, Services, and Innovation amend and implement the Computer Security Incident Response Policy and the Computer Security Incident Response Procedure to reflect all elements of an effective incident response and reporting program in accordance with National Institute of Standards and Technology Special Publication 800-61, Revision 2.</p>	N/A
Other Open Recommendations	Potential Monetary Benefits
<p><i>Management Assistance Report: The Broadcasting Board of Governors Did Not Fully Address Invalid Unliquidated Obligations Identified During the FY 2016 Financial Statements Audit (AUD-FM-IB-18-28, 2/2018)</i></p> <p><b>Recommendation 1:</b> OIG recommends that the Broadcasting Board of Governors develop and implement annual training for allotment holders emphasizing their responsibility to monitor and deobligate invalid unliquidated obligations, as prescribed in the Broadcasting Administrative Manual.</p>	N/A

Other Open Recommendations	Potential Monetary Benefits
<i>Audit of the Broadcasting Board of Governors Implementation of the Digital Accountability and Transparency Act of 2014</i> (AUD-FM-IB-18-04, 11/2017)	
<b>Recommendation 1:</b> OIG recommends that the Broadcasting Board of Governors improve guidance and procedures in the Broadcasting Administrative Manual for Contracting Officers related to entering accurate and complete procurement award transaction data into the Federal Procurement Data System–Next Generation.	N/A
<b>Recommendation 2:</b> OIG recommends that the Broadcasting Board of Governors develop and issue guidance and procedures in the Broadcasting Administrative Manual for personnel responsible for entering accurate and complete financial assistance award transaction data into the Award Submission Portal.	N/A
<b>Recommendation 3:</b> OIG recommends that the Broadcasting Board of Governors formally document quality control procedures to include (a) explaining how the Digital Accountability and Transparency Act Files are created, (b) recording reconciliation results, and (c) reviewing of the accuracy of data contained in DATA Act Files D1 and D2 generated from the Federal Procurement Data System–Next Generation and the Award Submission Portal.	N/A
<i>Audit of Radio Free Asia Expenditures</i> (AUD-FM-IB-15-24, 6/2015)	
<b>Recommendation 21:</b> OIG recommends that the Broadcasting Board of Governors (BBG) work collaboratively with Radio Free Asia (RFA) to perform a comparability study of RFA salaries and benefits and determine whether the salaries and benefits offered by RFA violate the requirements of the grant agreement. If they do, BBG should direct RFA to bring salaries and benefits into compliance with the grant agreement.	N/A

**Table E.2**  
**Open Office of Inspections Recommendations Issued in Previous Periods, Pending Final United States Agency for Global Media Action, as of 9/30/2019**

Significant Open Recommendations	Potential Monetary Benefits
None	

Other Open Recommendations	Potential Monetary Benefits
<i>Inspection of Radio Free Europe/Radio Liberty (ISP-IB-17-21, 5/2017)</i>	
<b>Recommendation 6:</b> The Broadcasting Board of Governors should revise its grant agreement with Radio Free Europe/Radio Liberty to include specific requirements for security policies.	N/A
<b>Recommendation 7:</b> The International Broadcasting Bureau, in coordination with Radio Free Europe/Radio Liberty, should establish a written protocol on background investigations to comply with the grant agreement.	N/A
<i>Inspection of the Broadcasting Board of Governors’ Middle East Broadcasting Networks (ISP-IB-17-09, 2/2017)</i>	
<b>Recommendation 1:</b> The International Broadcasting Bureau Office of the Chief Financial Officer, in coordination with the Middle East Broadcasting Networks, should implement a schedule to review the approximately \$6,226,940 in unliquidated obligations and deobligate those funds that are no longer required.	\$6,226,940
<b>Recommendation 2:</b> The International Broadcasting Bureau Office of Chief Financial Officer should implement an action plan to close out expired Middle East Broadcasting Networks grants.	N/A
<b>Recommendation 8:</b> The International Broadcasting Bureau Office of Security, in coordination with the Middle East Broadcasting Networks, should establish a written protocol to comply with Article X of the grant agreement.	N/A

**Table E.3**  
**Report Recommendations Without Management Decision by the United States Agency for Global Media for More Than 6 Months, as of 9/30/2019**

None
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**Table E.4**  
**Reports Issued in Prior Reporting Period That Did Not Receive Comment Within 60 Days of Issuance, as of 9/30/2019**

None
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**Table E.5**  
**United States Agency for Global Media Significant Revised Management Decisions, 4/1/2019–9/30/2019**

None
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**Table E.6**  
**United States Agency for Global Media Significant Management Decisions With Which OIG Disagreed, 4/1/2019–9/30/2019**

None
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## APPENDIX F: ABBREVIATIONS

<b>Abbreviation</b>	<b>Full Name</b>
AQM	Office of Acquisitions Management
CCB	Configuration Control Board
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CO	Contracting Officer
CT	Bureau of Counterterrorism and Countering Violent Extremism
CVE	counter violent extremism
DBA	Defense Base Act
DCAA	Defense Contract Audit Agency
DS	Bureau of Diplomatic Security
EDC	Explosive Detection Canine
IDS	International Development Solutions, LLC
INL	Bureau of International Narcotics and Law Enforcement Affairs
IO	Bureau of International Organization Affairs
ISIS	Islamic State of Iraq and Syria
J/TIP	Office to Monitor and Combat Trafficking in Persons
NDF	Office of Nonproliferation and Disarmament Fund
NEA	Bureau of Near Eastern Affairs
OBO	Bureau of Overseas Buildings Operations
OCO	overseas contingency operation
OIG	Office of Inspector General
OMB	Office of Management and Budget
PSC	personal services contractor
SDA-2	Staff Diplomatic Apartment-2
SDA-3	Staff Diplomatic Apartment-3
TPS	Office of Training and Performance Standards
USAGM	United States Agency for Global Media
USIBWC	International Boundary and Water Commission, United States and Mexico, U.S. Section

## APPENDIX G: INDEX OF REPORTING REQUIREMENTS UNDER THE INSPECTOR GENERAL ACT OF 1978

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