

SEMIANNUAL REPORT TO THE CONGRESS

October 1, 2017, to March 31, 2018



OIG Office of Inspector General
U.S. Department of State • Broadcasting Board of Governors



OUR VISION

To be a world-class organization and a catalyst for effective management, accountability, and positive change in the Department, the Broadcasting Board of Governors, and the foreign affairs community.

OUR MISSION

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 Broadcasting Board of Governors.

OUR VALUES

Integrity

We remain independent, striving to maintain the highest level of trust, integrity, and professionalism. Our work is fact-based, objective, and supported by sufficient, appropriate evidence in accordance with professional standards.

Teamwork

Our success depends on working together and fostering an inclusive and mutually supportive environment. Our work environment encourages collaboration, innovation, flexibility, and integration of OIG resources.

Accountability

We accept responsibility for our work products and services, upholding the highest professional standards by evaluating and measuring our results against stated performance measures and targets. We strive to ensure that our work is relevant, credible, and timely.

Communication

We clarify expectations up front and communicate openly, honestly, and accurately with our associates and our stakeholders. We look for ways to improve ourselves and our work products by seeking, giving, and using both praise and constructive feedback.

Respect

We promote diversity and equal opportunity throughout the organization. We value and respect the views of others.

OIG Summary of Performance, 10/1/2017–3/31/2018

	Issued during the reporting period	Management decision during the reporting period
Questioned Costs	\$97,918,324	\$35,493,003
Funds To Be Put to Better Use	\$31,265,467	\$15,673,338
Investigative Monetary Results	\$6,006,365	---
Total	\$135,190,156	\$51,166,341

<i>Additional monetary benefits achieved as the result of prior OIG recommendations</i>	<i>\$1,347,199</i>
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Investigative Activities

Cases Opened	31
Cases Closed	39
Criminal Actions (arrests, indictments, convictions)	37
Civil Actions	2
Administrative Actions	18
Suspensions and Debarments	27
Hotline Complaints Received	1,201

Reports

Office of Audits	33
Office of Evaluations and Special Projects	2
Office of Inspections	18
Office of the Executive Director	4
Overseas Contingency Operations Oversight	5 ^a
Total	62

^a All jointly issued with Department of Defense OIG and U.S. Agency for International Development OIG.



MESSAGE FROM THE INSPECTOR GENERAL AND EXECUTIVE SUMMARY



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 Broadcasting Board of Governors (BBG) from October 1, 2017, to March 31, 2018.

OIG is responsible for the oversight of more than \$71 billion in Department and BBG programs and operations. During this reporting period, we issued 62 reports, many with recommendations to improve the programs and operations of the Department and BBG. We also identified \$129.2 million in questioned costs and funds to be put to better use. Our investigative activity led to an additional \$6 million in monetary benefits and 27 suspensions and debarments.

Top Management and Performance Challenges

As always, much of our work focused on the top management and performance challenges facing the Department and BBG. For the Department, these challenges consist of protection of people and facilities; oversight of contracts, grants, and foreign assistance; information security and management; financial and property management; operating in contingency and critical environments; workforce management; and promoting accountability through internal coordination and clear lines of authority. For BBG, these challenges consist of information security and management, financial and property management, and grants management. For more detail on the challenges we identified as part of our annual reporting requirement, I direct you to our FY 2017 [*Inspector General Statement on the Department of State's Major Management and Performance Challenges*](#) and [*Inspector General Statement on the Broadcasting Board of Governors' Major Management and Performance Challenges*](#).

Highlights of Oversight Work

Although we summarize all of our public reports in this *Semiannual Report to the Congress*, I have included below some of our most notable work. These reports and investigations illustrate the range of issues that fall within our responsibility as well as the extent to which all OIG offices contribute to effective oversight.

Construction Management: Several reports illustrated the Department's continuing challenges in overseeing contracts, grants, and foreign assistance, and a noteworthy subset of these reports related specifically to the management of construction contracts. These projects are often long-term and complicated, and proper oversight is vital given their significant cost to the Department and their implications for the safety and security of U.S. personnel.

In our [*Audit of Bureau of Overseas Buildings Operations' Oversight of New Construction Projects at the U.S. Embassy in Kabul, Afghanistan*](#), we found that, contrary to its own

policies, the Bureau of Overseas Buildings Operations (OBO) declared two buildings substantially complete even though 25 systems were not fully commissioned in one or both buildings. In other words, OBO did not verify and document that these systems, such as emergency generators and elevators, operated within the functional performance guidelines as required by the contract. OBO also failed to ensure that it received proper documentation from the contractor and commissioning agent, and it conducted the turnover process in a manner that left facility management personnel unprepared to take over operations and maintenance of the buildings.

In *Management Assistance Report: Lapse in Oversight at Embassy Islamabad, Pakistan, Allowed Design Change To Proceed Without the Contracting Officer's Knowledge*, we reported concerns regarding the process by which certain design changes to three residential buildings being constructed at Embassy Islamabad were implemented. Contrary to Department policies, the contractor did not obtain Contracting Officer approval of those changes. We also described several other oversight weaknesses, including a lapse in designation of a Contracting Officer's Representative, which left the project temporarily without a key oversight position meant, in part, to facilitate communication between stakeholders.

Contracts, Grants, and Foreign Assistance Oversight: We issued a number of other reports related to the Department's oversight of contracts, grants, and foreign assistance. Our *Inspection of the Bureau of African Affairs' Foreign Assistance Program Management* found several deficiencies in the management and oversight of foreign assistance at the program level. We noted that programs lacked consistent direction and oversight, in part because of the Bureau of African Affairs' decentralized structure. We concluded that this inhibited effective executive-level program oversight necessary to ensure programs met bureau policy goals and complied with applicable Federal regulations and Department guidance. Additionally, in *Management Assistance Report: Although Progress Has Been Made, Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Afghanistan*, we followed up on previous recommendations to improve management and oversight of antiterrorism assistance to Afghanistan. We reported that coordination had, in fact, improved between two functional bureaus on selecting partner countries and determining the assistance to be provided, but we noted a number of persistent deficiencies related to contractually required reporting.

In *Audit of the Administration of Selected Cooperative Agreements Awarded to the Institute of International Education by the Bureau of Educational and Cultural Affairs*, we identified nearly \$40 million in questioned costs associated with 12 cooperative agreements awarded by the Bureau of Educational and Cultural Affairs. We reported that the bureau did not have adequate controls in place to ensure that staff responsible for overseeing the agreements performed appropriate financial monitoring activities.

Inspections of Geographic Bureaus: We issued several inspection reports, two of which revealed significant workforce management issues faced by geographic bureaus. In our *Inspection of the Bureau of African Affairs*, we found a bureau with dedicated and knowledgeable leadership that was consistently described as a collaborative partner in the interagency policy process. Nonetheless, we reported profound staffing gaps across the bureau's embassies and posts. For example, in the summer 2017 bidding cycle, the bureau

attracted, at most, only one Foreign Service bidder on 37 percent of its positions, leaving 143 of 385 total positions potentially unfilled. We also noted that some deficiencies related to property management and information security also found their roots in staffing gaps and an inability to fill vacancies because of the Government-wide hiring freeze announced in January 2017 and sustained by the Department in April 2017.

Similarly, our *Inspection of the Bureau of South and Central Asian Affairs* revealed that the bureau experienced challenges in filling overseas posts despite reforms to Foreign Service bidding and career development processes intended to promote service in hardship posts and bolster bureau efforts to improve recruitment. Bureau officials cited restrictions on employing eligible family members as a significant hindrance to addressing staffing gaps. Despite its challenges, we found that the bureau was seen as effective in the interagency policy formulation and implementation process.

Operations in Critical Environments: The Department operates in several contingency or critical environments, and our work has long noted that these settings pose unique difficulties for the effective implementation of programs and operations. To take but one example, our *Inspection of Yemen Affairs Unit* examined the entity that was established in Jeddah, Saudi Arabia, in March 2015, following the suspension of operations and evacuation of Embassy Sanaa. We recommended that the Department review the unit's location, functions, and size to determine whether they were aligned with current goals and conduct a cost-benefit analysis of a leased property in Sanaa to determine whether funds were being expended appropriately.

Contractor Cooperation: We issued *Management Assistance Report: Incorporation of Clause Requiring Contractor Cooperation with the Office of Inspector General* to reiterate OIG's authority to access contractor records and interview contractor employees and to recommend this authority be incorporated into contracts signed by the Department.

Financial Management: Several of our reports addressed the Department's and BBG's ongoing financial management challenges. For example, in the mandated *Audit of the Department of State's Implementation of the Digital Accountability and Transparency Act of 2014*, we noted ongoing difficulties in collecting and assessing required data. One objective of this audit was to assess the accuracy, completeness, timeliness, and quality of second quarter FY 2017 data submitted by the Department for inclusion on USASpending.gov. However, as we reported, the auditor could not assess the data related to overseas transactions because the Department did not certify that the data was valid and reliable. Additionally, for domestic data submitted and certified by the Department, the auditor found two subsets of data and portions of three other subsets that were accurate, complete, timely, and of acceptable quality. However, we also reported that almost two-thirds of the sampled transactions did not fully meet quality requirements, exhibiting errors that were within the control of the Department. The auditor concluded that, although the Department has taken steps to implement the financial data standards established under the Digital Accountability and Transparency Act, improvements—particularly related to data collection overseas—are needed.

In the *Audit of the Broadcasting Board of Governors Implementation of the Digital Accountability and Transparency Act of 2014*, we reported that BBG also did not completely

comply with the data submission requirements of the act. Although the auditor found two subsets of data to be accurate, complete, timely, and of acceptable quality, approximately 70 percent of the certified transactions tested in the remaining subsets did not meet the quality requirements.

Investigative Activity: We conducted several significant investigations involving a wide range of criminal, civil, and administrative allegations. In one case, a Federal jury convicted a former Government contractor in November 2017 for his role in a contract kickback scheme that caused a loss of more than \$3.4 million to the Department. OIG special agents determined the contractor conspired with others to inflate the lease of real property for use on a Department contract. In another case, a former Department contractor was sentenced in January 2018 to 3 years of probation for the sale of Government property. OIG special agents determined that, from March 2016 through March 2017, the contractor had unlawfully acquired ballistic vests and combat helmets valued at more than \$16,000 and sold and traded them online for other items.

Recent OIG Initiatives

In January 2018, OIG established the Office of Enterprise Risk Management. This office will identify risks that affect OIG generally and plan and execute effective strategies to mitigate those risks. By improving our ability to effectively respond to and prevent problems before they materialize, the Office of Enterprise Risk Management will help us advance our oversight mission.

Finally, I would like to highlight our participation in the new Oversight.gov website managed by the Council of the Inspectors General on Integrity and Efficiency. This site, which was launched in 2017, aggregates the work of OIGs from across the Inspector General community and provides another online source of information for our reports and other materials. Our participation in Oversight.gov reinforces our own effort to improve online availability of information related to our work. As noted in the previous *Semiannual Report to the Congress*, we continue to regularly post on our public website updated information related to particular semiannual reporting requirements, including summaries of published reports and tables of open recommendations.

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



Steve A. Linick
Inspector General
March 31, 2018

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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 Broadcasting Board of Governors (BBG) 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 BBG.

OIG's mandate is broad and comprehensive, involving oversight of the full scope of Department and BBG programs and operations, as well as of 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 \$71 billion in Department, BBG, 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 (OCO), including the

designation of a Lead Inspector General for each OCO. Currently, Inspector General Linick is the Associate Inspector General for three 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; and Operation Pacific Eagle–Philippines to defeat ISIS affiliates and other terrorist organizations in the Philippines.

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 at these sites. Domestically, in addition to its Washington, D.C., headquarters, OIG has strategically co-located investigative staff with the Department's Global Financial Services Center and Human Resource Shared Services staff in Charleston, South Carolina. Figure 1.1 shows the locations of OIG's offices.

Figure 1.1
OIG Office Locations



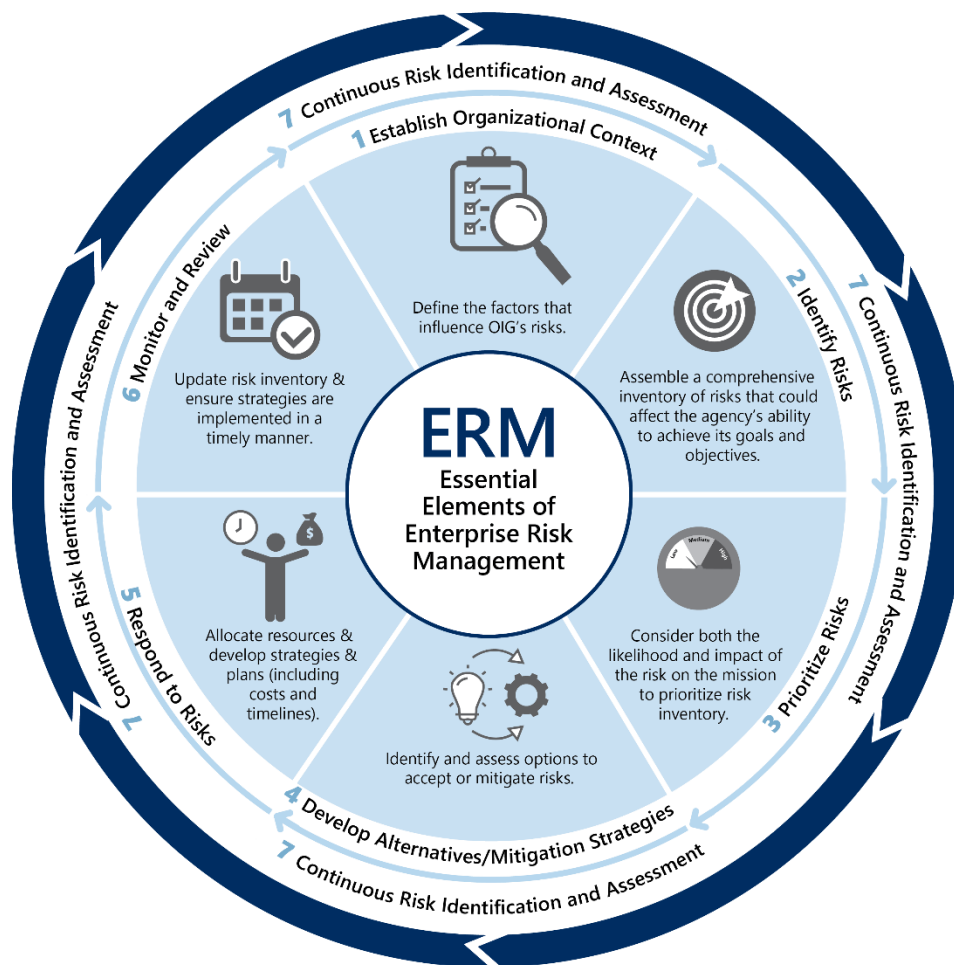
Office of Enterprise Risk Management

In July 2016, the Office of Management and Budget (OMB) updated Circular A-123 (*Management's Responsibility for Enterprise Risk Management and Internal Control*) to include a requirement that agencies implement an enterprise risk management (ERM) capability and integrate it into, and coordinate it with, an agency's strategic planning and internal control programs and processes. Risk management is a series of coordinated activities to direct and control challenges and threats to achieving an organization's goals.

In January 2018, the Inspector General established a new, permanent Office of Enterprise Risk Management in OIG. The Inspector General's purpose in creating this office and implementing an ERM strategy is to develop a blueprint that will inform and

educate OIG's internal operations and oversight in the near- and long-term. ERM is a decision-making tool that the Inspector General and OIG senior leaders can use to view risks across the organization and take appropriate action. OIG will apply the results of its ERM efforts to its long-term oversight strategy.

Although OIG is not required to establish an ERM function of its own, OIG determined that doing so would be beneficial to its own efforts to assess risk and to improve its oversight. OIG also has its own strategic planning and internal control programs and processes, and establishing ERM complements those functions. The ERM office is preparing a strategic framework for these efforts and is developing OIG's next 3- to 5-year strategic plan.



OIG Strategic Plan

OIG's FY 2016–2018 Strategic Plan affirms its commitment to providing quality oversight to the agencies it serves and informing OMB, Congress, the public, and other stakeholders how OIG safeguards

taxpayer resources. The plan also emphasizes 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 following strategic goals and objectives provide the framework that guides OIG's work and activities for FY 2018.



GOAL 1 Promote Positive Change

Strengthen the ability of Department and BBG to effectively and efficiently advance U.S. foreign policy goals and protect U.S. citizens and interests abroad

OBJECTIVE

- 1.1** Enhance the Department's ability to protect its overseas employees, facilities, and information
- 1.2** Promote effectiveness and efficiency in foreign assistance programs
- 1.3** Strengthen management of the U.S. diplomatic presence
- 1.4** Communicate OIG findings and recommendations to Department and BBG leadership, OMB, and the Congress



GOAL 2 Foster Increased Accountability and Integrity

Increase accountability in Department and BBG personnel, programs, and operations

OBJECTIVE

- 2.1** Investigate allegations of criminal activity and employee misconduct
- 2.2** Enhance investigative capabilities and analytical mechanisms
- 2.3** Engage stakeholders to increase awareness of OIG programs and operations, solicit input, and build relationships



GOAL 3 Address Core Challenges

Assist the Department and BBG to identify and address systemic challenges

OBJECTIVE

- 3.1** Improve integrity in financial, leadership, management, and support systems, and identify systemic weaknesses
- 3.2** Identify and report on major vulnerabilities and emerging issues



GOAL 4 Harness Outstanding Talent, Leadership, and Effective Operations

Develop a collaborative and talented staff, ensure clear direction from leadership, effectively manage resources, and deliver quality products and services

OBJECTIVE

- 4.1** Attract, develop, and maintain a highly qualified, motivated, results-oriented, and diverse workforce
- 4.2** Support and strengthen the independence and security of OIG information systems and physical infrastructure
- 4.3** Maintain excellent management controls and communication, improve financial management, and balance workload and oversight needs
- 4.4** Effectively communicate OIG goals and priorities and encourage collaboration across the organization

2 COMMUNICATIONS AND OUTREACH

OIG communicates its global mission to Congress, Department and BBG 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 staffs by testifying at hearings, responding to congressional requests for information, and providing briefings to congressional staff on OIG work.

Hotline Complaints

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

and telephone, as well as from various Department offices, bureaus, or posts under the Department of State Authorities Act, Fiscal Year 2017 reporting requirements. For a summary of OIG Hotline complaints received during this 6-month period, see Table 2.1.

Table 2.1
OIG Hotline Complaints, 10/1/2017–3/31/2018

Referred to Other Offices for Action	585
Held for Action Within OIG	98
No Action Required	518
Total Complaints Received	1,201

Figure 2.1 highlights the OIG Hotline's global reach. Of the 1,201 complaints received this reporting period, 46 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, 10/1/2017–3/31/2018



Source: Office of Investigations electronic case management system.

Whistleblower Protection Ombudsman Activities

The whistleblower protection ombudsman, a senior attorney in OIG's Office of Evaluations and Special Projects, educates Department and BBG employees, as well as contractor and grantee employees, on the rights and protections available to whistleblowers. As required by 41 U.S.C. § 4712, the ombudsman oversees investigations of allegations of retaliation filed by employees of contractors, subcontractors, grantees, and subgrantees, as well as personal services contractors. OIG completed two investigations under this statute during this reporting period. Activities of the OIG whistleblower protection ombudsman under 41 U.S.C. § 4712 are summarized in Table 2.2.

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

	Reporting Period 10/1/2017– 3/31/2018	Since Enactment
Complaints Received and Reviewed	5	64
Active Investigations	2	---
Investigations Completed	2	15

Additionally, the ombudsman investigates complaints under Presidential Policy Directive 19 (PPD-19), which prohibits whistleblower retaliation in the form of actions that affect an employee's eligibility to access classified information. During this reporting period, OIG completed one investigation under PPD-19.

Department of State

OIG did not substantiate any allegations of whistleblower retaliation related to Department contractors or grantees. However, OIG did substantiate an allegation of a security clearance revocation in retaliation for whistleblowing activity under PPD-19. As required by the Foreign Affairs Manual, OIG reported its findings to the Under Secretary for Management. The report recommended that the whistleblower's security clearance be reinstated.

Broadcasting Board of Governors

OIG did not substantiate any allegations of whistleblower retaliation related to BBG contractors or grantees.

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 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. 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 four quarterly reports to Congress and one special report. 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, 10/1/2017–3/31/2018

Completed Projects	Date
<i>Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan</i> (AUD-MERO-18-33)	3/2018
<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
<i>Inspection of the Bureau of South and Central Asian Affairs</i> (ISP-I-18-11)	2/2018
<i>Audit of the Bureau of Diplomatic Security’s Management and Oversight of Explosives Detection Canine Services in Afghanistan</i> (AUD-MERO-18-29) ^a	2/2018
<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
<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
<i>Management Assistance Report: DynCorp Intelligence Analysts Supporting the Embassy Air Program Lack Access to the Information Needed To Fully Identify Risks and Mitigate Threats</i> (AUD-SI-18-23) ^a	1/2018
<i>Management Assistance Report: Lapse in Oversight at Embassy Islamabad, Pakistan, Allowed Design Change to Proceed Without the Contracting Officer’s Knowledge</i> (AUD-MERO-18-01)	12/2017
<i>Management Assistance Report: Although Progress Has Been Made, Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Afghanistan</i> (AUD-MERO-18-16)	11/2017
<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
Joint Completed Projects	
<i>Lead Inspector General Special Report: Observations from Travel to Iraq, Afghanistan, and Qatar</i>	3/2018
<i>Operation Freedom’s Sentinel: Report to the United States Congress, October 1, 2017–December 31, 2017</i>	2/2018

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<i>Operation Inherent Resolve and Operation Pacific Eagle–Philippines: Report to the United States Congress, October 1, 2017–December 31, 2017</i>	2/2018
<i>Operation Freedom's Sentinel: Report to the United States Congress, July 1, 2017–September 30, 2017</i>	11/2017
<i>Operation Inherent Resolve: Report to the United States Congress, July 1, 2017–September 30, 2017</i>	11/2017
Ongoing/Planned Projects	
Audit of Assistance to Internally Displaced Persons in Iraq	
Audit of Baghdad Life Support Services (BLISS) Food Safety	
Audit of Baghdad Life Support Services (BLISS) Operational/Cost Controls for Food Services	
Audit of Construction of the New Embassy Compound - Islamabad	
Audit of Costs Invoiced Under the Afghanistan Life Support Services Contracts	
Audit of the Bureau of Diplomatic Security's Invoice Review Process - Middle East	
Audit of Embassy Kabul Fire Safety	
Audit of Embassy Kabul Physical Security Features	
Audit of Grants and Cooperative Agreements to Counter Violent Extremism in the Middle East	
Audit of Selection and Management of Contracting Officer's Representatives in Iraq	
Audit of the Bureau of International Narcotics and Law Enforcement Affairs Aviation Program	
Audit of Worldwide Protective Services Task Orders for Iraq	
Capping Report Related to Audits of Bureaus' Invoice Reviews	
Evaluation of Camp Eggers Guard Housing Contract Termination	
Inspection of Department of State Governance and Stabilization Programs in Iraq and Syria Funded Under the Further Continuing and Security Assistance Appropriations Act, 2017	
Inspection of the Bureau of Democracy, Human Rights, and Labor	
Inspection of Bureau of Democracy, Human Rights, and Labor Foreign Assistance Program Management	
Audit of Assistance to Afghanistan Refugees in Pakistan	
Audit of the Armored Vehicle Procurement Process	
Audit of Selection and Management of Contracting Officer's Representatives in Afghanistan	
Audit of Embassy Baghdad Power Plant Construction Cost Increases	
Audit of Iraq's Post-Conflict Development and Sustainment	
Audit of Logistics and Freight Forwarding Operations Provided by Pacific Architects and Engineers, Inc., in Iraq	
Audit of New Consulate Construction - Erbil, Iraq	
Audit of Overseas Refugee Processing for Applicants to the U.S. Refugee Admissions Program	
Audit of the Administration and Oversight of Grants Within the Office to Monitor and Combat Trafficking in Persons (J/TIP)	
Audit of the Aviation Working Capital Fund Cost Center	
Audit of the Office of Overseas Buildings Operations Construction and Commissioning of the Staff Diplomatic Apartment 2 and Staff Diplomatic Apartment 3 in Kabul, Afghanistan	
Audit of Turkey Fuel Acquisition and Distribution	
Follow-up Review of Construction and Commissioning of Embassy Kabul Facilities (New Office Annex and Diplomatic Apartment-1)	
Follow-up Review of Oversight of Assistance Provided in Syria	

^aReport 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 October 1, 2017, through March 31, 2018. 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 *Broadcasting Board of Governors 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 October 1, 2017, through March 31, 2018.

During this reporting period, OIG identified no incidents in which the Department or BBG 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 U.S. taxpayers through its audits, evaluations, inspections, and investigations. During this reporting period, OIG issued 62 reports and identified \$129.2 million in potential monetary benefits to the Department and BBG. Additionally, OIG's criminal, civil, and administrative investigations resulted in more than \$6 million in monetary benefits this reporting period.

From October 1, 2017, to March 31, 2018, the Department and BBG made management decisions on approximately \$51.2 million in potential monetary benefits identified by OIG during the current and prior reporting periods. At the close of the reporting period, the Department and BBG had not yet taken action on OIG recommendations totaling \$591.4 million. This is an increase of \$78.0 million from the \$513.4 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 of Afghanistan, Iraq, and Pakistan. From October 1, 2017, to March 31, 2018, the Office of Audits issued 28 reports on Department programs and operations, 22 of which were unclassified.

The *Department of State Classified Annex to the Semiannual Report to the Congress* summarizes the Sensitive But Unclassified and classified reports the Office of Audits issued during this reporting period.

Contracts, Grants, and Infrastructure

Management Assistance Report: Process Used by the Department of State To Prepare the Joint Purchase and Integrated Card Violation Report Requires Improvement (AUD-CGI-18-26, 2/2018)

During an audit of the Department's purchase card program, OIG discovered that the Department's semiannual Joint Purchase and Integrated Card Violations Reports submitted to OMB from April 2014 to March 2017 were incomplete and untimely. Specifically, the reports contained only OIG component information and were not submitted within the 120-day requirement.

The incomplete and untimely submissions occurred, in part, because the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (A/LM/AQM), had not developed and implemented a process to obtain and compile the Department-wide information needed for inclusion in the report. In addition, neither the Department nor OIG established processes to ensure that OIG reviewed the final report before the Department submitted it to OMB. As a result, the Department was not in full compliance with the requirement to report employee purchase or integrated card violations to OMB in accordance with OMB Memorandum M-13-21.

OIG made one recommendation to A/LM/AQM intended to help ensure that all relevant information concerning purchase and integrated card violations are reported to OMB, as required.

Audit of the Administration of Selected Cooperative Agreements Awarded to the Institute of International Education by the Bureau of Educational and Cultural Affairs (AUD-CGI-18-15, 2/2018)

OIG conducted this audit to determine whether the Bureau of Educational and Cultural Affairs (ECA) monitored cooperative agreements awarded to the Institute of International Education (IIE) from FY 2014 to FY 2016 in accordance with Federal regulations and Department policy, and whether IIE complied with the terms and conditions of the cooperative agreements and incurred expenses related to the Fulbright Program in accordance with Federal regulations and Department policy.

OIG found that ECA officials did not monitor the 12 cooperative agreements awarded to IIE from FY 2014 to FY 2016 in accordance with Federal regulations and Department policy. OIG also found that IIE did not always comply with the terms and conditions of the cooperative agreements or support incurred expenses in accordance with Federal regulations and Department policy.

OIG made 20 recommendations for ECA to improve its monitoring of IIE's cooperative agreements and to determine whether \$39.5 million in questioned costs were supported and allowable.

Information Report: International Boundary and Water Commission, United States and Mexico, U.S. Section, 2017 Charge Card Risk Assessment (AUD-CGI-18-21, 12/2017)

OIG conducted this project on the USIBWC purchase card program to assess the risk associated with the program.

OIG reviewed USIBWC's FY 2016 purchase card data and concluded that the risk of illegal, improper, or erroneous use in the USIBWC purchase card program is "low." This conclusion was based on USIBWC purchase card program size, internal controls, training, previous audits, and OIG Office of Investigations observations.

Based on the results of this assessment, OIG did not recommend an audit of USIBWC's purchase card program be included in OIG's FY 2019–FY 2020 work plan. However, OIG encouraged the USIBWC purchase card program manager to continue prudent oversight of the purchase card program and ensure that internal controls intended to safeguard taxpayer funds are fully implemented and followed among USIBWC purchase cardholders.

Information Report: Department of State 2017 Charge Card Risk Assessment
(AUD-CGI-18-19, 12/2017)

OIG initiated an audit of the Department's purchase card program in September 2017. Because the audit is designed to identify illegal, improper, or erroneous purchases and payments, OIG did not conduct a risk assessment of the purchase card program in 2017. OIG did, however, conduct a project on the Department's travel card program to assess the risk associated with that program.

OIG reviewed the Department's FY 2016 travel card data and concluded that the risk of illegal, improper, or erroneous use in the Department's travel card program is "medium." This conclusion was based on the Department's travel card program size, internal controls, training, previous audits, and OIG Office of Investigations observations.

Based on the results of this assessment, OIG did not recommend an audit of the Department's travel card program be included in OIG's FY 2019–FY 2020 work plan. However, OIG encouraged the Department's travel card program manager to fully implement the recommendations made in OIG's *Audit of the Department of State Travel Card Program* (AUD-CGI-16-48, 9/2016), conduct prudent oversight of the travel card program, and ensure that internal controls intended to safeguard taxpayer funds are fully implemented and followed among Department travel cardholders.

Financial Management

Independent Review of the U.S. Department of State Accounting of FY 2017 Drug Control Funds and Related Performance Report
(AUD-FM-18-25, 3/2018)

The Office of National Drug Control Policy requires National Drug Control Program agencies, including the Department, to provide a detailed accounting and authentication of all funds expended on National

Drug Control Program activities and to set and report on performance measures, targets, and results associated with those activities. OIG is required to express a conclusion about the reliability of each management assertion. On the basis of its review, OIG is not aware of any material modifications that should be made to management's assertions in order to be fairly stated in the report.

Management Letter Related to the Audit of the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2017 Financial Statements
(AUD-FM-18-09, 3/2018)

During the audit of the USIBWC 2017 financial statements, an independent external auditor, working on behalf of OIG, identified weaknesses related to the recording of personal property and equipment and recognition of contingent liabilities.

Independent Auditor's Report on the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2017 and 2016 Financial Statements
(AUD-FM-18-08, 2/2018)

An independent external auditor, working on behalf of OIG, audited the USIBWC consolidated financial statements as of, and for the years ended, September 30, 2017, and 2016. The auditor found the consolidated financial statements present fairly, in all material respects, the financial position of USIBWC as of September 30, 2017, and 2016, 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 two significant deficiencies in internal control over financial reporting—specifically, in the manual preparation of the Statement of Budgetary Resources and in the information systems that support USIBWC's reporting of financial data. The auditor reported no instances of reportable noncompliance with laws, regulations, and contracts tested.

Management Letter Related to the Audit of the U.S. Department of State 2017 Financial Statements
(AUD-FM-18-07, 2/2018)

During the audit of the Department's 2017 financial statements, an independent external auditor, acting on behalf of OIG, identified matters involving internal

control that it brought to the Department's attention. These matters related to the controls over material adjustments to budgetary accounts for financial reporting, reconciliation of accounts held by the Department of the Treasury (Treasury), personnel records and actions, payroll bonus liabilities accrual, accounting for Federal advances, accounting for real property transactions, supporting data used for the asbestos remediation estimate, reporting of voluntary contributions, and vendor invoice approvals.

Management Assistance Report: The Department of State Properly Addressed Invalid Unliquidated Obligations Identified During the FY 2016 Financial Statements Audit
(AUD-FM-18-27, 1/2018)

The Department reported more than \$19 billion in unliquidated obligations (ULOs) as of September 30, 2016. Those ULOs covered a broad range of budgetary authority, including annual, multiyear, and no-year appropriations. In FY 2016, an independent external auditor, working on behalf of OIG, identified 34 invalid ULOs, totaling \$10.4 million, on the basis of expired periods of performance, inactivity, lack of supporting documentation, or the Department's inability to support a bona fide need. OIG conducted this audit to determine whether these invalid ULOs were properly addressed and found that the Department properly addressed and appropriately deobligated all 34 invalid ULOs. Consequently, OIG did not make any recommendations to the Department.

Audit of the National Endowment for Democracy and Its Core Institutes' Use of Grant Funds During FYs 2015 and 2016
(AUD-FM-18-24, 1/2018)

The National Endowment for Democracy (NED) is a nonprofit organization that received \$148 million in grant awards from the Department in FY 2015 and \$185 million in FY 2016. Acting on behalf of OIG, an independent external auditor conducted this audit to determine whether NED's FYs 2015 and 2016 financial transactions and operations, as well as those of its four core institutes, complied with the NED Act, applicable Federal regulations, and grant agreements.

OIG reported that NED's financial transactions and operations generally complied with the NED Act, Federal regulations, and grant agreements. OIG also reported that NED generally had controls in place to ensure that its discretionary grantees (non-

governmental organizations that are awarded NED grants) complied with key requirements. However, NED did not always comply with its internal policy on reviewing invoices or daily transaction ledgers for discretionary grantees. In general, NED had implemented a strong internal control environment for the oversight of the discretionary grantees, but its policies should be updated to require NED officials to reassess the level of monitoring required when additional funds are added to an existing award. In addition, OIG reported that, on the whole, expenditures made by NED's four core institutes complied with the NED Act, Federal regulations, and grant agreements. This occurred because each core institute had generally implemented an effective system of internal controls over financial reporting and document retention.

OIG made four recommendations to the Department related to NED's operations or to address questioned costs.

Independent Auditor's Report on the U.S. Department of State 2017 Closing Package Financial Statements
(AUD-FM-18-06, 11/2017)

An independent external auditor, working on behalf of OIG, audited the Department's closing package financial statements as of, and for the year ended, September 30, 2017. The auditor found the closing package financial statements present fairly, in all material respects, the financial position of the Department as of September 30, 2017, and its net costs and changes in net position for the year then ended, in accordance with accounting principles generally accepted in the United States of America. The auditor identified no material weaknesses in internal control over the financial reporting process for the closing package financial statements, and its tests of compliance with Treasury requirements disclosed no instances of noncompliance that were required to be reported.

Independent Auditor's Report on the U.S. Department of State 2017 and 2016 Financial Statements
(AUD-FM-18-05, 11/2017)

An independent external auditor, working on behalf of OIG, audited the Department's annual financial statements as of, and for the years ended, September 30, 2017, and 2016. The auditor found the consolidated financial statements present fairly, in all material respects, the financial position of the Department as of September 30 for both 2017 and

2016, 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 certain reportable deficiencies in internal control. Specifically, the auditor found significant deficiencies in the internal control over property and equipment, budgetary accounting, ULOs, and IT. The auditor also found three instances of reportable noncompliance with laws, regulations, contracts, and grant agreements tested—specifically, the Antideficiency Act, the Prompt Payment Act, and the Federal Financial Management Improvement Act of 1996.

Audit of the Department of State's Implementation of the Digital Accountability and Transparency Act of 2014
(AUD-FM-18-03, 11/2017)

In accordance with the Digital Accountability and Transparency Act of 2014 (DATA Act), an independent external auditor, acting on behalf of OIG, conducted this audit to assess (1) the accuracy, completeness, timeliness, and quality of second-quarter FY 2017 data submitted by the Department for publication on USASpending.gov and (2) the Department's implementation and use of the Government-wide financial data standards established by OMB and Treasury.

The auditor found that the Department submitted and certified data of adequate quality for DATA Act Files A (Appropriations Account Detail) and B (Object Class and Program Activity Detail) and for some data elements for domestic data in DATA Act Files C (Award Financial Data), D1 (Procurement Award and Awardee Attributes), and D2 (Financial Assistance Award and Awardee Attributes). However, the auditor also found that the Department did not certify overseas transactions and identified issues with the accuracy, completeness, timeliness, and quality of the data submitted and certified in DATA Act Files C, D1, and D2. Specifically, the auditor found 64.4 percent of the domestic transactions that were tested did not fully meet the quality requirements. Most of the errors identified can be attributed in part to delays by the Department in adding information to Government-wide systems. In addition, the auditor concluded that the Department did take steps to implement and use the data element standards established by OMB and Treasury.

OIG made four recommendations to the Department to improve the quality of the data submitted for publication on the USASpending.gov website.

Independent Accountant's Report on the Application of Agreed-Upon Procedures: Employee Benefits, Withholdings, Contributions, and Supplemental Semiannual Headcount Reporting Submitted to the Office of Personnel Management
(AUD-FM-18-02, 10/2017)

Working on behalf of OIG, an independent external auditor performed agreed-upon procedures as required by OMB. These procedures were performed to assist the Office of Personnel Management (OPM) in assessing the reasonableness of retirement, health benefits, and life insurance withholdings and contributions, as well as enrollment information submitted via the Semiannual Headcount Report to OPM by the Department. In addition, the procedures were performed to assist OPM in identifying and correcting errors related to processing and distributing Combined Federal Campaign (CFC) payroll deductions. In general, the auditor identified no reportable differences as a result of applying the majority of the procedures. However, the auditor reported some differences as a result of applying procedures related to life insurance withholdings, life insurance enrollment, CFC location codes, and the official duty stations of employees with CFC deductions.

Middle East Region Operations

Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan
(AUD-MERO-18-33, 3/2018)

In this audit, OIG found that the Department did not implement adequate controls for the acquisition of fuel at Embassy Amman, Jordan. Specifically, embassy personnel engaged in unauthorized commitments, did not close purchase orders once they were completed, and inappropriately destroyed contract files. As a result, the Department lost the ability to use funds that were not deobligated from completed contracts, and the embassy could not provide complete contract files to support procurement decisions. OIG also found that oversight of fuel contractors needs improvement. Specifically, Contracting Officer's Representatives (CORs) did not always develop and implement quality assurance surveillance plans that ensured contract requirements were met, implement effective procedures to accept fuel, maintain

complete COR files, and obtain the required oversight certifications. As a result, Embassy Amman may have accepted fuel that did not meet the contract's quality requirements and may have paid for fuel that it did not receive. Finally, OIG found that Embassy Amman officials did not follow Federal regulations and Department guidance when approving invoices submitted by fuel contractors. Therefore, OIG questioned \$8.3 million paid by Embassy Amman for fuel purchases from October 2012 through January 2017.

OIG made 25 recommendations to Embassy Amman intended to improve contracting procedures, oversight of fuel acquisition, and invoice review processes and three recommendations to the Bureau of Administration, Office of the Procurement Executive, to determine whether ratification is required for the unauthorized commitments OIG identified.

Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention
(AUD-MERO-18-31, 3/2018)

OIG is conducting an audit to determine whether A/LM/AQM established and implemented controls that successfully controlled costs over the life of task order SAQMMA14F0721 under the Baghdad Life Support Services contract and whether A/LM/AQM and the Bureau of Near Eastern Affairs held the contractor accountable for complying with contractually established cost controls.

During the ongoing audit, OIG found that A/LM/AQM did not effectively implement contractually established cost controls to protect the financial interests of the Department. Specifically, CORs approved contractor invoices for payments that exceeded the \$20 Basic Daily Food Allowance (BDFA) by \$3.25 per person per day during the base year. OIG also found that the Contracting Officer (CO) increased the BDFA for option years 1, 2, and 3 by \$7 per person per day without performing required analysis to establish that the Department received a fair and reasonable price. As a result, OIG questioned \$3.55 million in BDFA costs paid from base year operations and \$37.4 million in BDFA costs paid for option years 1, 2, and 3. In addition, OIG found that the CO did not implement three other contractually established cost controls, including a requirement to limit Department-subsidized meals, plans to convert food services to a fixed-price task order, and plans to implement a point-of-sale cafeteria system. As a result, cost risk for

food services in Iraq remained on the Government, and the Department paid approximately \$4.1 million for unauthorized meals.

OIG made 14 recommendations to the Department to address identified questioned costs totaling approximately \$45 million and noncompliance with the contract terms and conditions.

Audit of the Bureau of International Narcotics and Law Enforcement Affairs Invoice Review Process for Contracts in Afghanistan
(AUD-MERO-18-30, 2/2018)

The Bureau of International Narcotics and Law Enforcement Affairs (INL) followed Federal regulations, Department guidance, and its own standard operating procedure when reviewing contract invoices supporting operations in Afghanistan. However, the number of CORs in Afghanistan available to support INL decreased through much of 2017, and INL faced challenges filling these positions. According to INL, this decrease in CORs has, in turn, created oversight challenges for the Afghanistan contracts. In addition, OIG found that COR documentation of contractor performance was not completed in accordance with requirements. Specifically, inspection reports prepared by INL were often incomplete, with no indication that the CORs had reviewed contractor-prepared reports to verify that the contractor was performing in accordance with contract terms and conditions.

Audit of Bureau of Overseas Buildings Operations' Oversight of New Construction Projects at the U.S. Embassy in Kabul, Afghanistan
(AUD-MERO-18-17, 1/2018)

In September 2011, the Bureaus of Overseas Buildings Operations (OBO) and Administration contracted with Caddell Construction, Inc., to build the New Office Annex (NOX) and Staff Diplomatic Apartment-1 (SDA-1) at the U.S. Embassy in Kabul, Afghanistan. OBO is responsible for overseeing the commissioning process, verifying that buildings are substantially complete, and ensuring that the turnover of buildings to the post facility manager and transition to occupancy are efficient.

OIG found that OBO's oversight of commissioning, substantial completion, and turnover of the NOX and SDA-1 was inconsistent with Department policies and procedures. OBO's Project Director in Kabul declared both buildings substantially complete and proceeded with occupancy before a number of key project milestones had been met. Although OBO policies

state that commissioning of all major building systems must be done before a project is declared substantially complete, OIG identified 25 systems that were not fully commissioned in one or both buildings prior to the declaration of substantial completion. The decision to accept the buildings without completing the commissioning process contributed to a range of building deficiencies after occupancy described in previously issued OIG reports.

In addition, OBO did not ensure that key project documents were prepared and submitted before substantial completion and occupancy. Further, OBO did not follow established procedures or best practices in planning for the buildings' turnover from construction management to the facility manager. As a result, facility management personnel were not fully prepared to accept responsibility for operations and maintenance of the NOX and SDA-1 following substantial completion and occupancy.

OIG made 10 recommendations to address identified deficiencies in OBO's oversight of commissioning, substantial completion, and turnover of the NOX and SDA-1.

Management Assistance Report: Lapse in Oversight at Embassy Islamabad, Pakistan, Allowed Design Change to Proceed Without the Contracting Officer's Knowledge
(AUD-MERO-18-01, 12/2017)

In September 2010, the Bureau of Administration, on behalf of OBO, awarded a firm-fixed-price, design-build contract to BL Harbert International, LLC, to build several structures at Embassy Islamabad, including three staff diplomatic apartment buildings. During fieldwork for an ongoing audit of the contract to design and build the \$852.8 million New Embassy Compound and Housing Project in Islamabad, Pakistan, OIG learned that BL Harbert was planning to make adjustments or alterations to the building materials on the facade of three buildings. BL Harbert set forth this change, among others, in an April 2016 internal document titled Bulletin 29. OIG alerted the Bureau of Administration and OBO in a draft of this report that a substitution of materials requires the CO's approval. OIG based its findings on the fact that the materials BL Harbert was planning to use for the facade of the apartment buildings deviated from the final design documents that the contractor prepared under the terms of the contract and that were approved by OBO and the CO in December 2012.

Leaving aside that the changes made in this project were, in OIG's view, inconsistent with the governing contract, OBO's handling of the issue increase the risk that other changes may go unnoticed by the Department. OIG is also troubled by the timing of OBO's contention that the changes were made to conform the project to the request for proposal: none of the several individuals with whom OIG spoke during fieldwork and none of the documents that OIG reviewed suggested that this was the rationale. This in and of itself suggests a significant lack of communication. OIG also notes that the use of stucco in other buildings has prompted the Department to file warranty claims with the contractor.

To ensure that the oversight of the New Embassy Compound and Housing Project in Islamabad, Pakistan, is robust, OIG made five recommendations to the Bureau of Administration, four of which were in coordination with OBO.

Management Assistance Report: Although Progress Has Been Made, Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Afghanistan
(AUD-MERO-18-16, 11/2017)

OIG initiated this compliance follow-up review to determine whether the closed recommendations from OIG's April 2012 audit report *Evaluation of the Antiterrorism Assistance Program for Countries Under the Bureaus of Near Eastern Affairs and South and Central Asian Affairs* (AUD-MERO-12-29, 4/2012) had improved management and oversight of the Antiterrorism Assistance (ATA) program. OIG examined the six recommendations from its 2012 report that applied to the Afghanistan program and found that the actions taken to address those recommendations had incrementally improved the management and oversight of the Afghanistan program. Specifically, OIG found that ATA program sustainment by the Afghan Government had progressed; consultation with the Bureau of Democracy, Human Rights, and Labor on Afghanistan's eligibility for participation in the ATA program had increased; the database for tracking equipment was current and was being periodically validated; and a process for ensuring equipment compatibility had been implemented.

However, because of competing priorities, a robust ATA program monitoring and evaluation system to assess program progress has not been established and implemented as recommended in 2012. In

addition, required reports that are necessary to provide information on program progress were not being prepared, in part, because the CO elected to receive weekly phone conferences rather than formal, written reports. Finally, in-country oversight was lacking because the individual assigned to oversee ATA activities in Afghanistan was not formally designated to report to the CO on the quality of contractor performance; however, this issue was corrected in September 2016.

OIG made one recommendation to the Bureau of Diplomatic Security to address the deficiencies identified in this report. In addition, OIG previously offered recommendations that will benefit the ATA program in Afghanistan. Specifically, four of the five recommendations made in the OIG report *Management Assistance Report: Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Pakistan* (AUD-MERO-17-37, 5/2017), when fully implemented, will also address deficiencies identified with the ATA program in Afghanistan.

Management Assistance Report: Contract Terms and Guidance for Approving Student Training Expenses Relating to the Justice and Corrections Programs in Afghanistan Require Attention (AUD-MERO-18-14, 10/2017)

During OIG's ongoing audit of the INL invoice review process for contracts in Afghanistan, OIG noted that some student training expenses were being paid in support of its Justice Sector Support Program (JSSP) and Corrections Systems Support Program (CSSP) contracts even though such expenses are not explicitly authorized in the contracts. Although OIG's overall audit was still underway, OIG issued a management assistance report to promptly inform A/LM/AQM and INL of these findings.

OIG found that INL approved approximately \$5 million in payments for student training expenses between 2011 and 2016. A/LM/AQM officials told OIG that INL did intend to pay these training expenses but acknowledged that the contracts did not explicitly state that these expenses were authorized for reimbursement. OIG also found that INL paid invoices for student training without complete supporting documentation. The Department requires such supporting documentation to ensure that all payments are authorized, accurate, legal, correct, and that the goods were actually received or services actually performed.

OIG made six recommendations to both A/LM/AQM and INL, and the bureaus have taken steps to implement them. In particular, A/LM/AQM modified the follow-on JSSP and CSSP contracts to specify the extent to which student training expenses are allowable. A/LM/AQM also stated that it would review the costs questioned by OIG and make a decision regarding any part of the \$5 million paid that should be recovered.

Security and Intelligence

Management Assistance Report: Contract Administration Practices Involving the Construction of the New Office Compound Taipei, Taiwan, Require Attention (AUD-SI-18-34, 3/2018)

During an audit of OBO's management of construction materials destined for controlled access areas, OIG identified contract administration deficiencies at the New Office Compound in Taipei, Taiwan. Specifically, OIG found that the issuance to the contractor of a final Notice to Proceed (NTP) to complete construction was significantly delayed. The contractor first submitted a request to the CO for a final NTP in May 2014, but the final NTP was not issued until August 2017 because the COR did not recommend that the final NTP be executed. The contractor, however, continued to perform work from 2014 until 2017 without a final NTP, which placed additional risk on both the Department and the contractor.

Additionally, OIG found that the Department did not comply with the Federal Acquisition Regulation, which "requires contractor performance evaluations be prepared, at least annually." On the basis of the contract award date, the Department should have prepared five annual performance evaluations. However, the COR only prepared one performance evaluation, which was approved by the CO in June 2016. This failure to ensure that the contractor's performance was recorded annually occurred, in part, because the Department does not have a process to notify COs and CORs when evaluations are due. The timely recording of contractor performance information is essential to ensure that the U.S. Government has all available information necessary to make informed decisions about procurement source selections. OIG made two recommendations to A/LM/AQM to address the contract administration deficiencies identified.

Ongoing Audit Work

At the close of this reporting period, among other projects, the Office of Audits' Middle East Region Operations continued to focus attention on construction projects in Kabul and Islamabad and on the oversight of voluntary contributions and grants to assist internally displaced persons in South Sudan and Iraq. In addition, the Office of Audits was performing work related to the Department's aviation program, the value engineering program used for construction projects, the sanitization of IT equipment before disposal, and the purchase card program. The office also plans to perform work on the process used to set foreign per diem rates.

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 provide 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, Investigations, and Inspections by developing a capacity to focus on broader systemic issues.

From October 1, 2017, to March 31, 2018, the Office of Evaluations and Special Projects issued two unclassified reports on Department programs and operations. During this period, the office also completed three investigations related to its whistleblower protection activities, which are discussed in Section 2 of this report.

Management Assistance Report: Incorporation of Clause Requiring Contractor Cooperation with the Office of Inspector General
(ESP-18-02, 3/2018)

The Foreign Affairs Manual grants OIG the authority to access contractor records and interview contractor employees. However, this authority is not

incorporated into contracts signed by the Department, which has occasionally led to resistance or confusion on the part of contractors as to their duty to cooperate with OIG. In this report, OIG recommended that the Department amend the Department of State Acquisition Regulation to require COs to insert a clause into all contracts requiring contractors to grant OIG access to records and employees.

Management Assistance Report: Cultural Property Advisory Committee Reporting Under the Federal Advisory Committee Act
(ESP-18-01, 3/2018)

In response to a request from Congress, OIG reviewed compliance with various reporting requirements by the Cultural Property Advisory Committee, a statutory advisory committee established to advise the Department on the actions the United States should take in response to requests from certain countries for assistance in protecting cultural property by enacting import restrictions. OIG found that the committee complied with all of these reporting requirements except for a provision in the Federal Advisory Committee Act that requires it to issue an annual comprehensive report that summarizes the activities of closed meetings. In the report, OIG recommended that the Department issue an annual report that summarizes these activities in order to comply with the Federal Advisory Committee Act.

Ongoing Evaluations and Special Projects Work

At the close of this reporting period, the Office of Evaluations and Special Projects was performing evaluations of the Bureau of Diplomatic Security's construction contract at Camp Eggers in Kabul, Afghanistan; the use of Schedule B hiring authority by the Department; and the handling of sexual harassment and sexual assault reports by the Department.

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 under 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 compliance follow-up reviews on some posts, offices, and bureaus previously inspected to ensure implementation of key recommendations. From October 1, 2017, to March 31, 2018, the Office of Inspections issued 18 reports on Department programs and operations, 9 of which were unclassified.

The *Department of State Classified Annex to the Semiannual Report to the Congress* summarizes the classified reports the Office of Inspections issued during this reporting period.

Domestic Bureaus

Inspection of the Bureau of South and Central Asian Affairs (ISP-I-18-11, 2/2018)

In its inspection, OIG found that stakeholders from Federal agencies and Department offices described the Bureau of South and Central Asian Affairs as effective in the interagency policy formulation and implementation process. The bureau successfully integrated the Special Representative for Afghanistan and Pakistan Office, but the bureau's reorganization plan required further refinement. Leadership, structure, and staffing were in transition throughout the inspection as the reorganization plan took effect over several months. The bureau addressed chronic problems in filling its overseas positions, but recruiting for positions at Embassy Dhaka remained especially difficult. The bureau lacked senior-level oversight of strategic planning and foreign assistance and a process to measure policy and program performance against goals. OIG made recommendations to build on the bureau's reorganization plan and to improve strategic planning and foreign assistance tracking. OIG also made recommendations to train all Government Technical Monitors and complete Civil Service employee performance appraisals.

Spotlight on Success: The bureau's Office of Press and Public Diplomacy multitrack training and support program helped maintain effective grants administration in Afghanistan and Pakistan despite high turnover of U.S. and local staff. In addition, the bureau's customized risk assessment template for overseas grants monitoring merited consideration for Department-wide replication.

Inspection of the Bureau of Diplomatic Security's Office of Mobile Security Deployments (ISP-I-18-05, 10/2017)

In its inspection, OIG found that the Bureau of Diplomatic Security's Office of Mobile Security Deployments successfully accomplished its mission by addressing embassy and consulate support needs, providing effective assistance to protective details, and delivering high-quality training to personnel overseas. However, office leadership faced challenges in recruitment, mentoring, and the establishment of policies for personnel unable or unwilling to deploy on the office's overseas missions. Some internal controls for the office's resource management needed to be improved, including property-tracking procedures. In addition, the office lacked a permanent position that would provide unified, high-level oversight for its administrative functions and procedures, including internal controls. OIG recommended that the Bureau of Diplomatic Security make the office's temporary administrative chief position permanent in order to strengthen personal property management and internal controls.

Inspection of the Bureau of African Affairs' Foreign Assistance Program Management (ISP-I-18-02, 10/2017)

In its inspection, OIG found that the Bureau of African Affairs led or participated in at least 25 distinct political, security, and economic initiatives, which created a complex planning and program management environment. The bureau had not strategically reviewed its foreign assistance programs to reduce administrative fragmentation and duplication among offices and to ensure that programs clearly aligned with current policy priorities. In addition, the bureau returned \$4.96 million in canceled foreign assistance funds to Treasury in FY 2016 despite having statutory authority to extend the availability for most foreign assistance appropriations. The bureau had not

established policies and procedures to identify, assess, and mitigate terrorist financing risks in countries where terrorist organizations, such as Al-Shabaab and Boko Haram, operate. The bureau also continued payments to Somali National Army units during two periods of several months each despite a lapse in Leahy human rights vetting approvals. OIG made 10 recommendations to improve the bureau's management of foreign assistance programs, including recommendations to consolidate duplicative administrative functions, standardize foreign assistance business processes, and improve risk management.

Inspection of the Bureau of African Affairs
(ISP-I-18-01, 10/2017)

In its inspection, OIG found that stakeholders from other Federal agencies and Department offices and bureaus described the Bureau of African Affairs as a collaborative partner in the interagency policy process. The bureau faced challenges in managing foreign assistance programs and aligning resources with strategic priorities. Its program management structure failed to evolve sufficiently to keep pace with an increasingly diversified portfolio of foreign assistance programs that have developed over the past decade. In addition, the bureau's difficulties in filling its overseas positions were profound. It attracted, at most, only one Foreign Service bidder on 37 percent of its positions in the summer 2017 assignments cycle, leaving 143 of 385 total positions potentially unfilled. The bureau's policy, public diplomacy, and administrative offices effectively supported overseas missions. OIG made recommendations to improve the Bureau of African Affairs' financial management controls, personnel programs, and IT operations.

Spotlight on Success: OIG identified best practices related to crisis management and collaborative leadership.

Overseas Missions

Bureau of European and Eurasian Affairs

Inspection of Embassy Nicosia, Cyprus
(ISP-I-18-03, 10/2017)

In its inspection of Embassy Nicosia, OIG found that the Ambassador navigated a challenging environment in difficult negotiations on Cyprus reunification and pursued bilateral relations to advance U.S. foreign policy goals and business interests. Sections were generally well managed, and resources were used to

pursue Integrated Country Strategy goals. However, the annual management controls statement of assurance did not include the Political-Economic and Public Affairs Sections. In addition, the embassy lacked standardized procedures to monitor and document Federal assistance grants. Although there was no evidence of waste or misuse of supplies or equipment, the embassy's internal controls did not appropriately mitigate such risks, nor did the embassy comply with the Prompt Payment Act for vendor payments. The embassy had not conducted proper seismic evaluations of its leased properties, nor had it tested its IT contingency plan. The embassy's North Office lacked a central fire alarm system and means to restrict access to consular work space. OIG made recommendations to improve embassy operations, internal controls, and grants management. OIG also made a recommendation regarding seismic evaluations of embassy housing.

Spotlight on Success: Monthly crisis management tabletop exercises prepared the embassy to perform well in actual emergencies.

Bureau of East Asian and Pacific Affairs

Inspection of Embassy Beijing and Constituent Posts, China
(ISP-I-18-04, 12/2017)

In its inspection, OIG found that the Chargé d'Affaires ad interim and acting Deputy Chief of Mission led Mission China in a professional and collaborative manner, providing input to the new administration as it engaged China. However, the embassy leadership's oversight of internal controls lacked rigor. Review processes did not identify deficiencies in management operations and grant and contract oversight. Media and internet controls, as well as Chinese Government interference, impeded professional and academic exchanges, civil society engagement, and outreach to universities. Embassy Beijing's \$5.1 million American Cultural Center grants program was ineffective and required a formal evaluation. OIG made recommendations to improve embassy operations and address internal control deficiencies. OIG also made recommendations to the Department regarding the Regional Educational Advising Program, CO warrants, residential building seismic surveys, and advisory opinions.

Spotlight on Success: Embassy Beijing created an intranet platform for U.S. missions to collaborate in developing information and analyzing China's use of

economic tools to achieve political objectives. In addition, Consulate General Guangzhou's fraud prevention unit developed a protocol to improve nonimmigrant visa applicant prescreening, Consulate General Shanghai developed procedures to better deploy nonimmigrant visa unit resources, and mission consular officers worked together to improve consular crisis readiness.

Inspection of Consulate General Hong Kong, China
(ISP-I-18-06, 11/2017)

In its inspection of Consulate General Hong Kong, OIG found that the Consul General demonstrated policy leadership and proactive engagement in official and public spheres but did not pay adequate attention to Consulate General Hong Kong's security, information management, internal controls, and staffing challenges. Consulate General Hong Kong had internal control deficiencies in consular management, facilities, and fee collections. It also lacked sufficient internal controls related to its motor vehicle program, including driver and vehicle safety requirements. OIG made recommendations to Consulate General Hong Kong to improve operations and internal controls. OIG also made a recommendation to the Bureau of East Asian and Pacific Affairs regarding language-designated positions.

Spotlight on Success: The General Services Office reduced warehouse lease costs by modernizing shelving and using analytical tools to reduce holdings, while the Financial Management Section developed a pocket-size manual and an application that explained the management platform to customers. The Information Management Section used text messages, flyers, and an art contest to enhance customer service and engagement.

Bureau of Near Eastern Affairs

Inspection of Yemen Affairs Unit
(ISP-I-18-21, 3/2018)

The Yemen Affairs Unit was established in March 2015 at the consulate general compound in Jeddah, Saudi Arabia, following the suspension of operations and evacuation of Embassy Sanaa, Yemen, in February 2015. Because of the ongoing civil war in Yemen, the embassy has been unable to resume operations in Sanaa. Although the Yemen Affairs Unit's operating environment has changed considerably since it was established, OIG found the Department had not reviewed the unit's functions or structure to determine

whether they were aligned with current goals and whether funds expended were appropriate. OIG recommended that the Department reassess the Yemen Affairs Unit's location, function, and size; conduct a cost-benefit analysis of a leased property in Sanaa; and review the embassy's outstanding unliquidated obligations. OIG noted that prompt attention to these recommendations is particularly important in light of the ongoing U.S. policy debates on Yemen and the upcoming relocation of U.S. Consulate General Jeddah.

Bureau of Western Hemisphere Affairs

Inspection of Embassy Managua, Nicaragua
(ISP-I-18-12, 3/2018)

In its inspection of Embassy Managua, Nicaragua, OIG found that employees credited the Ambassador with providing a clear strategic vision of U.S. priorities in Nicaragua focused on the prosperity, security, and governance pillars in the U.S. Strategy for Engagement in Central America. Section chiefs generally managed their sections well and used resources to support the Integrated Country Strategy. However, information management operations needed better information security and contingency planning and testing. In addition, the embassy lacked mechanisms to measure the American Space's performance to ensure public diplomacy programs achieved objectives. (American Spaces are Department-operated or -supported public diplomacy facilities that host programs and use digital tools to engage foreign audiences in support of U.S. foreign policy objectives.) Embassy sections met Department standards for crisis preparedness but needed additional planning because of elevated earthquake and hurricane risks. OIG made recommendations to improve public diplomacy, general services, and information management operations. OIG also recommended that OBO conduct a cost-benefit analysis of Embassy Managua's solar power contract, which the embassy estimated could cost \$1.76 million in unanticipated costs over 5 years.

Spotlight on Success: The embassy's commercial promotion activities and its initiative for regional coordination on export promotion generated noteworthy results. In addition, the Consular Section developed an innovative training program for wardens that improved its ability to assist American citizens who are victims of crime.

Ongoing Inspection Work

At the close of this reporting period, the Office of Inspections was completing inspections of Embassies Copenhagen, Denmark; Dublin, Ireland; and Lisbon, Portugal; the Bureau of Diplomatic Security, Office of Domestic Facilities Protection; the Bureau of Consular Affairs, Office of Policy Coordination and Public Affairs; and the Bureau of Administration, Office of Logistics Management Critical Environment Contract Analysis Staff's counterterrorism vetting function. The office also was completing a management assistance report on oversight of CORs; a compliance follow-up review of the Department's armored vehicle training program; and an information report on the Department's stabilization programs in Syria funded under the Further Continuing and Security Assistance Appropriations Act 2017.

Additionally, it was finalizing inspection work on six embassies—Addis Ababa, Ethiopia; Djibouti, Djibouti; Georgetown, Guyana; Guatemala City, Guatemala; Riyadh, Saudi Arabia; and San Jose, Costa Rica—as well as on the U.S. Mission to the African Union in Addis Ababa and the Bureau of Information Management's Office of Governance, Resource, and Performance Management.

Finally, the office had just begun inspections of seven embassies—Banjul, The Gambia; Dakar, Senegal; Kolonia, Micronesia; Koror, Palau; Majuro, Marshall Islands; Nairobi, Kenya; and New Delhi, India—as well as inspections of the Bureau of Democracy, Human Rights, and Labor and the Bureau of Consular Affairs' Fraud Prevention Programs.

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 Department entities for administrative or other appropriate action. OIG's growing 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, 10/1/2017–3/31/2018

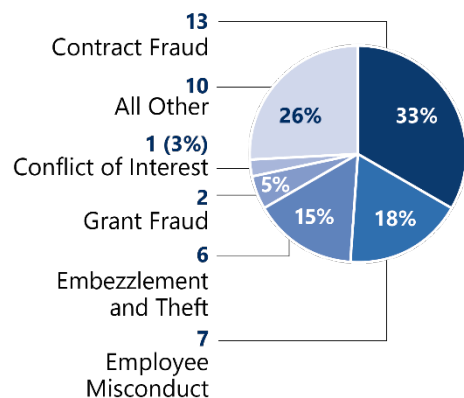
Preliminary Inquiries	
Opened	68
Closed	57
Investigations	
Opened	31
Closed	39
Pending (9/30/2017)	35
Reports Issued ^a	18
Criminal and Civil Actions	
Referrals to the Department of Justice	17
Referrals to Foreign, State, and Local Prosecuting Authorities	0
Arrests	12
Indictments/Informations ^b	18
Convictions	7
Civil Judgments/Settlements	2
Administrative Actions	
Removals (Resignation & Termination)	9
Suspensions/Revocations (Employee & Security Clearance)	4
Reprimands/Admonishments/Other	5
Investigative Monetary Results	
Civil Settlement	\$105,000
Cost Recovery	\$2,935,800
Criminal Forfeiture	\$945,130
Fines and Penalties	\$178,600
Funds Put to Better Use (Cost Savings)	\$973,531
Restitution	\$868,304
Suspension and Debarment	
Contractors/Grantees Suspended	4
Employees/Contractors/Grantees Debarred	23
Fraud Awareness Briefings	28

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 October 1, 2017, through March 31, 2018, based on specific administrative action categories.

^a 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.

^b 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, 10/1/2017–3/31/2018



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 96 cases and preliminary inquiries closed this reporting period, 49 percent concerned activity in the United States, and 51 percent concerned activity in other countries.

Figure 9.2
Department-Related Cases and Preliminary Inquiries Closed, by Country, 10/1/2017–3/31/2018



Source: Office of Investigations electronic case management system.

Table 9.2
Preliminary Inquiries and Cases Closed,
10/1/2017–3/31/2018

Type	Domestic	Overseas
Preliminary Inquiries Closed	28	29
Cases Closed	19	20

Source: Office of Investigations electronic case management system.

During the reporting period, OIG conducted several investigations involving senior Government employees that were closed during the reporting period. Table 9.3 details each such investigation in which 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,
10/1/2017–3/31/2018

Description	Status	Department of Justice Referral & Response	Closed Date
Case #C2015-039			
In March 2015, OIG opened an investigation based on information from another Federal agency that an employee was suspected of engaging in money laundering.	The investigation revealed that the employee was involved in a fictitious purchase and sales scheme to earn points by defrauding credit card reward programs.	11/2015 – The U.S. Attorney's Office declined the case in lieu of administrative action. In July 2017, the employee was suspended for 12 days.	01/2018
Case #C2017-051			
In August 2017, OIG opened an investigation based on information from another Federal agency that an employee had made inappropriate comments and unwanted physical contact with another Government employee.	The investigation revealed that the employee made comments that were perceived as inappropriate and made unwanted physical contact with another Government employee.	8/2017 – The U.S. Attorney's Office declined prosecution, as there were no criminal violations. In November 2017, the employee received a written admonishment.	01/2018
Case #C2017-055			
In September 2017, OIG conducted a joint investigation into numerous allegations, including claims that an employee created a hostile, abusive, and threatening work environment.	The investigation revealed that the employee frequently acted in a manner that was perceived to have had an adverse impact on the mission personnel's ability to carry out their assigned duties.	No referral to the Department of Justice was made, as there was no criminal violation. In November 2017, the employee received a proposal for discipline and subsequently retired, effective November 2017.	01/2018

Contract Fraud

In October 2017, a Department contract company agreed to pay a \$975,576 administrative settlement to resolve allegations that it knowingly provided false information to the Department. OIG special agents determined the company did not comply with contractual obligations to ensure that U.S. embassy local guard force personnel were adequately trained to contract specifications.

Embezzlement and Theft

In February 2018, six individuals were charged for their roles in an elaborate international advance fee and money-laundering scheme. It is alleged that the defendants impersonated bank executives and deceived victims into believing they would receive millions of dollars in investment funding as part of joint ventures with U.S. banks. To convince victims that the opportunities were legitimate, the perpetrators allegedly recruited U.S. citizens to pose as bank representatives at in-person meetings around the

world, including having the impostors make sham visits to the local U.S. embassy and fabricating U.S. Government documents to give the appearance that the U.S. Government was sponsoring the investment agreements. The scheme allegedly resulted in losses of more than \$7 million from victims in more than 20 countries. To date, approximately \$446,000 in assets, all directly traceable to victims' payments, have been seized. This total includes a house in Richmond, Texas, a 2014 Land Rover Range Rover, and almost \$50,000 in cash.

In January 2018, a former Department contractor was sentenced to 3 years of probation for the sale of Government property. Previously, in September 2017, the former contractor pled guilty to the theft and sale of Government property. OIG special agents determined that, from March 2016 through March 2017, the contractor unlawfully acquired ballistic vests and combat helmets valued at more than \$16,000 and sold and traded them online for other items.

In December 2017, the former owner of a transportation company that contracted with the Department pled guilty in the U.S. District Court for the Eastern District of Virginia to a charge of stealing approximately \$17,335 in Federal grant funds intended for a Department-maintained foreign exchange program. OIG and Federal Bureau of Investigation special agents determined the owner conspired with a Department official to steal portions of the \$247,200 grant by submitting false invoices for nonexistent vendors and inflated invoices for legitimate vendor services. Sentencing is scheduled for April 2018.

Employee Misconduct

In February 2018, a former Department employee was sentenced to 1 year of home confinement, 300 hours of community service, and 3 years of probation and was ordered to pay \$416,020 in restitution and an additional \$53,000 in a forfeiture judgment. The defendant pled guilty in November 2017 to a charge of conspiracy to commit theft of Government property and wire fraud. In January 2017, the manager of an auto restoration and collision center pled guilty to the same charges. OIG and Federal Bureau of Investigation special agents determined the individuals conspired to misappropriate and illicitly resell Department vehicles. From approximately 2011 to 2015, under a legitimate contract to provide fleet services to the Department's Defensive Equipment and Armored Vehicle Division, the individuals

misappropriated Department vehicles, totaling at least \$512,420 in value, and resold them while splitting the profits. As an additional result of the investigation, the two individuals—along with two companies and a third individual—were debarred from doing business with the U.S. Government for a period of 3 years.

In December 2017, a former Department employee was sentenced to 1 year of probation and ordered to pay a \$125,000 fine for knowingly and willfully making false statements in his SF-86 Questionnaire for National Security Positions. Previously, in September 2017, the former employee pled guilty to false statements. The plea came after special agents from OIG and the Bureau of Diplomatic Security's Office of Special Investigations determined that the employee deliberately minimized the frequency of his gambling and extent of his losses, which from 2012 through 2015 amounted to hundreds of thousands of dollars. He also concealed a number of contacts with non-U.S. citizens living overseas. In addition to being sentenced and fined, he was court-ordered to attend mandatory gambling addiction classes and submit to random drug testing.

A Department employee, who was previously suspended for 8 days without pay and issued a warning letter, was ordered in October 2017 to repay \$2,726 in shipping costs for abusing Unaccompanied Air Baggage policies while transferring to a new duty post. OIG special agents determined that the employee attempted to ship as household effects 496 handbags and 78 handbag straps that were actually intended for a personally owned business. The employee did so to avoid paying shipping charges and customs duty on these commercial items.

Grant Fraud

In March 2018, a German citizen living in the United States was indicted and arrested on a charge related to a scheme to defraud the Department of \$1.2 million. The individual's company had been awarded a grant to support and promote U.S. global internet freedom efforts under the guise that it was a 501(c)(3) nonprofit organization. OIG special agents determined the company was not a nonprofit organization and, thus, not eligible to apply for the grant. OIG also determined that much of the grant funds were spent on personal expenses.

Visa Fraud/Other

In December 2017, a U.S. citizen agreed to pay a \$25,000 civil settlement to resolve allegations that he knowingly submitted false information to the Department. OIG special agents determined that a U.S. embassy issued 13 immigrant work visas based on information submitted by the individual. However, none of the visa recipients actually worked for the sponsoring organization during their time in the United States.

Updates to Prior Cases

In February 2018, a Romanian citizen, who previously served as a Department contractor, was sentenced to 3 years in prison for his role in a Government contract kickback scheme that caused a loss of more than \$3.4 million to the Department. Previously, in November 2017, this former Government contractor was convicted in the U.S. District Court for the Eastern

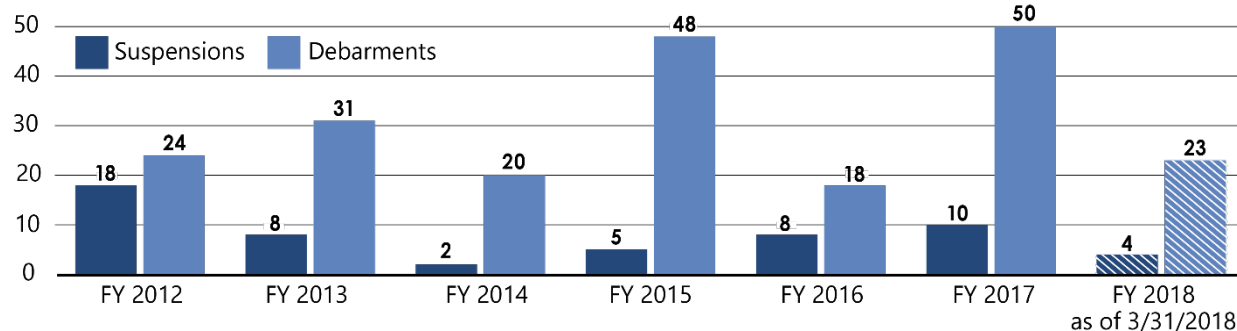
District of Virginia for conspiring to violate the Anti-Kickback Act. OIG special agents determined the contractor conspired with others in 2011 to inflate the lease of real property in Iraq for use on a Department contract. The contractor's role included opening a bank account that was used to pay kickbacks directly to two other contractors, who earlier in 2017 were sentenced to prison—one for 4 years, the other for 3 years—for their roles in the conspiracy.

Suspensions and Debarments

OIG has enhanced its efforts to identify and refer appropriate cases to the Department for suspension and debarment. Because of OIG referrals, during the first half of FY 2018, 4 grantees were suspended from conducting business with the Federal Government. In addition, 22 contractors and grantees, as well as 1 employee, were debarred. For suspension and debarment activity over the last several years, see Figure 9.3.

Figure 9.3

Suspension and Debarment Action Taken by the Department As a Result of OIG Referrals, FY 2012–2018



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

In the reports it issued this reporting period, OIG identified approximately \$129 million in potential monetary benefits to the Department. Also during this reporting period, the Department made management decisions on \$51.1 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 more

than \$585.2 million in questioned costs or funds that could be put to better use, as identified by OIG.

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 BBG 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.

OVERSIGHT OF DEPARTMENT OF STATE PROGRAMS AND OPERATIONS

Table 10.1

**Status of OIG Recommendations to the Department of State Including Questioned Costs,
10/1/2017–3/31/2018**

		# Reports	Questioned Costs (\$ Thousands ^b)	Unsupported Costs ^a (\$ Thousands ^b)
A.	No management decision made by start of the reporting period	15	\$156,457 ^c	\$69,398
B.	Issued during the reporting period			
	<i>Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan</i>		\$8,300	\$8,300
	<i>Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention</i>		\$45,050	\$0
	<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>		\$39,516	\$39,516
	<i>Audit of the National Endowment for Democracy and Its Core Institutes' Use of Grant Funds During FYs 2015 and 2016</i>		\$53	\$52
	<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>		\$5,000	\$0
	Total Issued During the Reporting Period	5	\$97,918	\$47,868
	Total (A+B)	20	\$254,376	\$117,266
C.	Management decision made during the reporting period			
	(i) Disallowed Costs		\$218	\$191
	(ii) Costs Not Disallowed		\$35,275	\$31,222
	Subtotal	6	\$35,493	\$31,413
D.	Total remaining for decision as of the end of the reporting period [(A+B) – C]	17^d	\$218,883	\$85,853
E.	Additional monetary benefits achieved as the result of prior OIG recommendations	2	\$47	\$47

^a "Unsupported Costs" is a subset of "Questioned Costs."

^b Dollar amounts may be affected by rounding.

^c The Line D figure reported in the September 2017 *Semiannual Report to Congress* (\$156,340,000) differs from this figure because of an adjustment based on updated information.

^d 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. The 17 reports noted in the table contain 60 recommendations without a management decision at the end of the period.

OVERSIGHT OF DEPARTMENT OF STATE PROGRAMS AND OPERATIONS

Table 10.2

Status of OIG Recommendations to the Department of State Recommending Funds Be Put to Better Use, 10/1/2017–3/31/2018

	# Reports	Funds Put to Better Use (\$ Thousands ^a)
A. No management decision made by start of the reporting period	13	\$350,720
B. Issued during the reporting period		
<i>Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan</i>		\$260
<i>Inspection of Yemen Affairs Unit</i>		\$28,390
<i>Inspection of Embassy Beijing and Constituent Posts, China</i>		582
<i>Inspection of Consulate General Hong Kong, China</i>		\$2,000
Total Issued During the Reporting Period	4	\$31,231
Total (A+B)	17	\$381,951
C. Management decision made during the reporting period		
(i) Dollar Value of Recommendations Agreed to by Management		\$10,306
(ii) Dollar Value of Recommendations Not Agreed to by Management		\$5,333
Subtotal	4	\$15,639
D. Total remaining for decision as of the end of the reporting period [(A+B) – C]	13	\$366,312
E. Additional monetary benefits achieved as the result of prior OIG recommendations	1	\$1,300

^a Dollar amounts 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.

In this reporting period, OIG's Office of Audits reviewed 10 single audit reports covering \$1.5 billion in Federal funds. Of this amount, Department funds totaled \$832 million. Four of the 10 reports documented the awardee's noncompliance with Federal requirements. Deficiencies related to the use of an indirect costs rate that was not the rate approved by the agency, inaccurate program financial status reports, expenditures charged to the incorrect program, and late reporting of financial information to the U.S. Government. OIG referred questioned costs of at least \$92,102 to Department program officials for resolution or follow-up as identified in one of the reports. Table 10.3 summarizes the Department's decisions during this period to allow or disallow the questioned costs.

Table 10.3
Inspector General-Referred A-133 Audit Reports With Questioned Costs

	# Reports	Questioned Costs (\$ Thousands ^a)
A. For which no management decision had been made by the commencement of the reporting period	6	\$245
B. Issued during the reporting period	1	\$92
Subtotal Questioned Costs (A+B)	7	\$337
C. For which a management decision was made during the reporting period		
(i) Disallowed Costs		\$0
(ii) Costs Not Disallowed		\$0
Total Management Decisions		\$0
D. For which no management decision has been made by the end of the reporting period [(A+B) – C]	7	\$337

^a Dollar amounts may be affected by rounding.

Defense Contract Audit Agency Audits

The Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, 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

COs. 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 CO 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 the Office of Acquisitions Management provided.

Table 10.4
Defense Contract Audit Agency Audit Reports With Questioned Costs

	# Reports	Questioned Costs (\$ Thousands ^a)
A. For which no management decision had been made by the commencement of the reporting period	9 ^b	\$137,007
B. Issued during the reporting period		
<i>Independent Audit Report on PAE Government Services Inc.'s Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year Ended December 31, 2012 (2012P10100030, December 21, 2017)</i>		\$1,368
<i>Independent Audit Report on PAE Government Services Inc.'s Proposed Amounts on Unsettled Flexibly Priced Contracts for Fiscal Year Ended December 31, 2013 (2013P10100001, December 21, 2017)</i>		\$1,959
Total Issued During the Reporting Period	2 ^c	\$3,327
Subtotal Questioned Costs (A+B)	11	\$140,334
C. For which management decision was made during the reporting period		
(i) Disallowed Costs		\$1,416
(ii) Costs Not Disallowed		\$297
Total Management Decisions	2	\$1,713
D. For which no management decision has been made by the end of the reporting period [(A+B) – C]	9	\$138,621

^a Dollar amounts may be affected by rounding.

^b Number excludes audit reports OIG issued in a prior period in collaboration with the Bureau of Administration that were pending management decision. Those reports and respective decisions are accounted for in Table 10.1 Status of OIG Recommendations to the Department of State Including Questioned Costs.

^c Number excludes four additional DCAA reports issued during the reporting period that did not have 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 issued prior to October 1, 2017. 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.

In addition to the significant management decisions with which OIG disagreed listed in Table D.8, there is one additional unresolved recommendation where OIG and Department officials disagreed. OIG did not classify the recommendation as significant and continues to work with Department officials to resolve and close the recommendation.

OVERSIGHT OF BROADCASTING BOARD OF GOVERNORS PROGRAMS AND OPERATIONS

12 OFFICE OF AUDITS

The Office of Audits supports the Broadcasting Board of Governors 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 October 1, 2017, to March 31, 2018, the Office of Audits issued five reports on BBG programs and operations, four of which were unclassified. The *Broadcasting Board of Governors Sensitive But Unclassified Annex to the Semiannual Report to the Congress* summarizes the Sensitive But Unclassified report the Office of Audits issued during this reporting period.

Contracts, Grants, and Infrastructure

Information Report: Broadcasting Board of Governors 2017 Charge Card Risk Assessment
(AUD-CGI-IB-18-20, 12/2017)

OIG conducted this project on the BBG purchase card program to assess the risk associated with the program. OIG reviewed BBG's FY 2016 purchase card data and concluded that the risk of illegal, improper, or erroneous use in the BBG purchase card program is "very low." This conclusion was based on BBG purchase card program size, internal controls, training, previous audits, and OIG Office of Investigations observations.

Based on the results of this assessment, OIG did not recommend an audit of BBG's purchase card program be included in OIG's FY 2019–FY 2020 work plan. However, OIG encouraged the BBG purchase card program manager to continue prudent oversight of the purchase card program and ensure that internal controls intended to safeguard taxpayer funds are fully implemented and followed among BBG purchase cardholders.

Financial Management

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)

OIG conducted this audit to determine whether invalid unliquidated obligations identified during the audit of BBG's FY 2016 financial statements were properly addressed. An external auditor, working on behalf of OIG, identified 27 invalid ULOs, totaling \$612,164, in FY 2016.

BBG did not fully address the invalid ULOs identified. Specifically, BBG reviewed and deobligated 24 of 27 ULOs (89 percent), totaling \$577,962. The ULOs were not fully addressed because some BBG personnel were not responsive to Office of the Chief Financial Officer monthly reports to the allotment holders requesting that they research and review the invalid ULOs and, if appropriate, deobligate them. In addition, although BBG had drafted standard operating procedures for monitoring ULOs, BBG management had not approved and issued the procedures.

Because BBG deobligated most of the invalid ULOs, OIG observed improvements in the accuracy of BBG's reporting of budgetary resources in its FY 2017 financial statements. OIG made recommendations for BBG to improve its ULO deobligation process and to make invalid ULOs available for other authorized purposes to benefit U.S. taxpayers.

Independent Auditor's Report on the Broadcasting Board of Governors 2017 and 2016 Financial Statements
(AUD-FM-IB-18-10, 11/2017)

An independent external auditor, working on behalf of OIG, audited the BBG annual consolidated financial statements as of, and for the years ended, September 30, 2017, and 2016. The auditor found the consolidated financial statements present fairly, in all material respects, the financial position of BBG as of September 30, 2017, and 2016, 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 three significant deficiencies in internal control over financial reporting. Specifically, the auditor identified internal control issues with the validity and accuracy of ULOs, grantee monitoring, and IT. The auditor also identified one instance of substantial noncompliance with provisions of laws, regulations, contracts, and grant agreements regarding Federal grant regulations.

*Audit of the Broadcasting Board of Governors
Implementation of the Digital Accountability and
Transparency Act of 2014*
(AUD-FM-IB-18-04, 11/2017)

In accordance with the Digital Accountability and Transparency Act of 2014, an independent external auditor, acting on behalf of OIG, conducted this audit to assess (1) the accuracy, completeness, timeliness, and quality of second quarter FY 2017 data submitted by BBG for publication on USASpending.gov and (2) BBG's implementation and use of the Government-wide financial data standards established by OMB and Treasury.

The auditor found that BBG submitted and certified data of adequate quality for DATA Act Files A (Appropriations Account Detail) and B (Object Class and Program Activity Detail) and for some data

elements in DATA Act Files C (Award Financial Data) and D1 (Procurement Award and Awardee Attributes). However, the auditor also identified exceptions related to the accuracy, completeness, timeliness, and quality of data included in DATA Act Files C, D1, and D2 (Financial Assistance Award and Awardee Attributes). A number of factors contributed to the BBG data errors. One reason was that BBG officials did not add information to Government-wide systems efficiently. In addition, BBG officials did not perform sufficient quality assurance reviews of the data submitted. The auditor also noted that BBG did not comply with OMB's requirements for the positioning of the Senior Accountable Official within the organization. The auditor concluded that BBG had taken only limited steps to implement and use the data element standards established by OMB and Treasury.

OIG made four recommendations to BBG to improve the quality of the data submitted for publication on the USASpending.gov website.

Ongoing Audit Work

The Office of Audits plans to perform work on BBG's financial statements and information security program.

13 OFFICE OF INVESTIGATIONS

The Office of Investigations conducts worldwide investigations of criminal, civil, and administrative misconduct related to BBG programs and operations. From October 1, 2017, to March 31, 2018, the office opened three preliminary inquiries, closed four preliminary inquiries, opened three investigations, and closed two investigations. OIG had no monetary recoveries and no administrative actions from investigations of BBG programs and operations to report during this reporting period.

During the reporting period, OIG conducted one investigation involving a senior Government employee that was closed during the reporting period but did not substantiate any allegations of misconduct. 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.

14 FINANCIAL RESULTS OF OIG WORK RELATED TO THE BROADCASTING BOARD OF GOVERNORS

In the reports it issued this reporting period, OIG identified approximately \$34,000 in potential monetary benefits to BBG. Also during this reporting period, BBG made management decisions on \$34,000 in recommendations involving funds that could be put to better use.

At the close of this reporting period, BBG had not yet made a management decision on \$6.2 million in funds that could be put to better use, as identified by OIG.

BBG had no open recommendations involving questioned costs from this reporting period or previous reporting periods that required management decision.

For the status of recommendations involving funds that could be put to better use, see Table 14.1. For a summary of consolidated Department and BBG 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 14.1

Status of OIG Recommendations to the Broadcasting Board of Governors Recommending Funds Be Put to Better Use, 10/1/2017–3/31/2018

	# Reports	Funds Put to Better Use (\$ Thousands ^a)
A. No management decision made by start of the reporting period	1	\$6,227
B. Issued during the reporting period		
<i>Management Assistance Report: The Broadcasting Board of Governors Did Not Fully Address Invalid Unliquidated Obligations Identified During the FY 2016 Financial Statements Audit</i>		\$34
Total Issued During the Reporting Period	1	\$34
Total (A+B)	2	\$6,261
C. Management decision made during the reporting period		
(i) Dollar Value of Recommendations Agreed to by Management		\$8
(ii) Dollar Value of Recommendations Not Agreed to by Management		\$26
Subtotal	1	\$34
D. Total remaining for decision as of the end of the reporting period [(A+B) – C]	1	\$6,227

^a Dollar amounts 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's Office of Audits also reviewed two single audit reports covering \$213 million in Federal funds to BBG. During this reporting period, there were no audit reports with findings and questioned costs for which BBG was required to issue management decisions.

15 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 through E.3 identify resolved but unimplemented recommendations issued prior to October 1, 2017.

These tables also identify recommendations designated as significant and associated potential monetary benefits. Table E.4 identifies recommendations that have been without management decision for more than 6 months.

Table E.5 shows reports issued in the previous reporting period that did not receive comments within 60 days of issuance. Table E.6 shows previous significant management decisions that BBG revised during this reporting period, and Table E.7 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, 10/1/2017–3/31/2018

Report #	Report Title	Date Issued
Office of Audits		
AUD-SI-18-34	<i>Management Assistance Report: Contract Administration Practices Involving the Construction of the New Office Compound Taipei, Taiwan, Require Attention</i>	3/2018
AUD-MERO-18-33	<i>Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan</i>	3/2018
AUD-MERO-18-31	<i>Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention</i>	3/2018
AUD-FM-18-25	<i>Independent Review of the U.S. Department of State Accounting of FY 2017 Drug Control Funds and Related Performance Report</i>	3/2018
AUD-FM-18-09	<i>Management Letter Related to the Audit of the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2017 Financial Statements</i>	3/2018
AUD-MERO-18-30	<i>Audit of the Bureau of International Narcotics and Law Enforcement Affairs Invoice Review Process for Contracts in Afghanistan</i>	2/2018
AUD-CGI-18-26	<i>Management Assistance Report: Process Used by the Department of State To Prepare the Joint Purchase and Integrated Card Violation Report Requires Improvement</i>	2/2018
AUD-CGI-18-15	<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>	2/2018
AUD-FM-18-08	<i>Independent Auditor's Report on the International Boundary and Water Commission, United States and Mexico, U.S. Section, 2017 and 2016 Financial Statements</i>	2/2018
AUD-FM-18-07	<i>Management Letter Related to the Audit of the U.S. Department of State 2017 Financial Statements</i>	2/2018
AUD-FM-18-27	<i>Management Assistance Report: The Department of State Properly Addressed Invalid Unliquidated Obligations Identified During the FY 2016 Financial Statements Audit</i>	1/2018
AUD-FM-18-24	<i>Audit of the National Endowment for Democracy and Its Core Institutes' Use of Grant Funds During FYs 2015 and 2016</i>	1/2018
AUD-MERO-18-17	<i>Audit of Bureau of Overseas Buildings Operations' Oversight of New Construction Projects at the U.S. Embassy in Kabul, Afghanistan</i>	1/2018
AUD-CGI-18-21	<i>Information Report: International Boundary and Water Commission, United States and Mexico, U.S. Section, 2017 Charge Card Risk Assessment</i>	12/2017
AUD-CGI-18-19	<i>Information Report: Department of State 2017 Charge Card Risk Assessment</i>	12/2017
AUD-MERO-18-01	<i>Management Assistance Report: Lapse in Oversight at Embassy Islamabad, Pakistan, Allowed Design Change To Proceed Without the Contracting Officer's Knowledge</i>	12/2017
AUD-MERO-18-16	<i>Management Assistance Report: Although Progress Has Been Made, Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Afghanistan</i>	11/2017

Report #	Report Title	Date Issued
AUD-FM-18-06	<i>Independent Auditor's Report on the U.S. Department of State 2017 Closing Package Financial Statements</i>	11/2017
AUD-FM-18-05	<i>Independent Auditor's Report on the U.S. Department of State 2017 and 2016 Financial Statements</i>	11/2017
AUD-FM-18-03	<i>Audit of the Department of State's Implementation of the Digital Accountability and Transparency Act of 2014</i>	11/2017
AUD-MERO-18-14	<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>	10/2017
AUD-FM-18-02	<i>Independent Accountant's Report on the Application of Agreed-Upon Procedures: Employee Benefits, Withholdings, Contributions, and Supplemental Semiannual Headcount Reporting Submitted to the Office of Personnel Management</i>	10/2017
Office of Evaluations and Special Projects		
ESP-18-02	<i>Management Assistance Report: Incorporation of Clause Requiring Contractor Cooperation with the Office of Inspector General</i>	3/2018
ESP-18-01	<i>Management Assistance Report: Cultural Property Advisory Committee Reporting Under the Federal Advisory Committee Act</i>	3/2018
Office of the Executive Director		
OIG-EX-18-01	<i>Work Plan FY 2018–FY 2019</i>	12/2017
OIG-EX-18-04	<i>Advisory Notice: Considerations for the Department of State's Ongoing Reform and Redesign Plans</i>	11/2017
OIG-EX-18-02	<i>Inspector General Statement on the Department of State's Major Management and Performance Challenges</i>	11/2017
Office of Inspections		
ISP-I-18-21	<i>Inspection of Yemen Affairs Unit</i>	3/2018
ISP-I-18-12	<i>Inspection of Embassy Managua, Nicaragua</i>	3/2018
ISP-I-18-11	<i>Inspection of the Bureau of South and Central Asian Affairs</i>	2/2018
ISP-I-18-04	<i>Inspection of Embassy Beijing and Constituent Posts, China</i>	12/2017
ISP-I-18-06	<i>Inspection of Consulate General Hong Kong, China</i>	11/2017
ISP-I-18-03	<i>Inspection of Embassy Nicosia, Cyprus</i>	10/2017
ISP-I-18-02	<i>Inspection of the Bureau of African Affairs' Foreign Assistance Program Management</i>	10/2017
ISP-I-18-01	<i>Inspection of the Bureau of African Affairs</i>	10/2017
ISP-I-18-05	<i>Inspection of the Bureau of Diplomatic Security's Office of Mobile Security Deployments</i>	10/2017

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, 10/1/2017–3/31/2018*

Report #	Report Title	Date Issued
Office of Audits		
AUD-MERO-18-29	<i>Audit of the Bureau of Diplomatic Security's Management and Oversight of Explosives Detection Canine Services in Afghanistan</i>	2/2018
AUD-SI-18-23	<i>Management Assistance Report: DynCorp Intelligence Analysts Supporting the Embassy Air Program Lack Access to Information Needed To Fully Identify Risks and Mitigate Threats</i>	1/2018
AUD-SI-18-22	<i>Audit of the Bureau of Overseas Buildings Operations' Management of Construction Materials Destined for Controlled Access Areas</i>	1/2018
AUD-IT-18-18	<i>Management Assistance Report: The IT Network Supporting the Colombian Aviation Program Requires Attention To Ensure Compliance With Federal Standards</i>	1/2018
AUD-MERO-18-11	<i>Audit of Emergency Action Plan for U.S. Embassy Kyiv, Ukraine</i>	12/2017
AUD-IT-18-12	<i>Audit of the Department of State Information Security Program</i>	10/2017
Office of Inspections		
ISP-S-18-12	<i>Classified Inspection of Embassy Managua, Nicaragua</i>	3/2018
ISP-S-18-09	<i>Classified Inspection of Consulate General Curacao, Kingdom of the Netherlands</i>	1/2018
ISP-S-18-04	<i>Classified Inspection of Embassy Beijing and Constituent Posts, China</i>	12/2017
ISP-S-18-08	<i>Inspection of Construction Security for New Embassy Compound Jakarta, Indonesia</i>	11/2017
ISP-S-18-06	<i>Classified Inspection of Consulate General Hong Kong, China</i>	11/2017

Note: Four additional reports (titles classified) can be found in the *Department of State Classified Annex to the Semiannual Report to the Congress*.

APPENDIX B: OIG REPORTS RELATED TO BROADCASTING BOARD OF GOVERNORS PROGRAMS AND OPERATIONS

Table B.1

OIG Reports Related to Broadcasting Board of Governors Programs and Operations, 10/1/2017–3/31/2018

Report #	Report Title	Date Issued
Office of Audits		
AUD-FM-IB-18-28	<i>Management Assistance Report: The Broadcasting Board of Governors Did Not Fully Address Invalid Unliquidated Obligations Identified During the FY 2016 Financial Statements Audit</i>	2/2018
AUD-CGI-IB-18-20	<i>Information Report: Broadcasting Board of Governors 2017 Charge Card Risk Assessment</i>	12/2017
AUD-FM-IB-18-10	<i>Independent Auditor's Report on the Broadcasting Board of Governors 2017 and 2016 Financial Statements</i>	11/2017
AUD-FM-IB-18-04	<i>Audit of the Broadcasting Board of Governors Implementation of the Digital Accountability and Transparency Act of 2014</i>	11/2017
Office of the Executive Director		
OIG-EX-18-03	<i>Inspector General Statement on the Broadcasting Board of Governors' Major Management and Performance Challenges</i>	11/2017

Table B.2

OIG Reports Related to Broadcasting Board of Governors Programs and Operations Summarized in the *Broadcasting Board of Governors Sensitive But Unclassified Annex to the Semiannual Report to the Congress*, 10/1/2017–3/31/2018

Report #	Report Title	Date Issued
Office of Audits		
AUD-IT-IB-18-13	<i>Audit of the Broadcasting Board of Governors Information Security Program</i>	10/2017

APPENDIX C: PEER REVIEWS

The Office of Inspector General (OIG) conducts oversight activities to help ensure that the Department of State and the Broadcasting Board of Governors 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 Office of Audits was last peer reviewed March 18, 2016, and has no outstanding recommendations.

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 on April 20, 2015. No formal findings resulted from that review. There are, therefore, 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 as of March 31, 2018, as well

as certain recommendations that were closed during the reporting period.

OIG Compliance Lexicon

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

Table D.1
Open Office of Audits Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 3/31/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Audit of the Department of State's Information Technology Configuration Control Board</i> (AUD-IT-17-64, 9/2017)	
Recommendation 1: 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.	N/A
Recommendation 5: 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.	N/A
<i>Audit of Invoices Submitted by Torres Advanced Enterprise Solutions, LLC, for Select Local Guard Force Contracts</i> (AUD-CGI-17-63, 9/2017)	
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, (a) determine whether the \$26,744 in questioned costs (all of which was considered unsupported as listed in Table B.1 of Appendix B) identified during the review of invoices for the Embassy Islamabad Torres Advanced Enterprise Solutions, LLC, local guard force contract (SAQMMA12C0109) are supported, and (b) recover any costs determined to be unsupported.	\$26,744

Report Recommendation	Potential Monetary Benefits
Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, (a) determine whether the \$40,277 in questioned costs (all of which was considered unsupported as listed in Table B.2 of Appendix B) identified during the review of invoices for the Embassy Kampala Torres Advanced Enterprise Solutions, LLC, local guard force contract (SAQMMA13C0130) are supported, and (b) recover any costs determined to be unsupported.	\$40,277
Recommendation 6: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, (a) determine whether the \$17,082 in questioned costs (consisting of \$16,496 in unsupported costs and \$586 in unallowable costs as listed in Table B.3 of Appendix B) identified during the review of invoices for the Embassy Lima Torres Advanced Enterprise Solutions, LLC, local guard force contract (SAQMMA12C0103) are supported and allowable, and (b) recover any costs determined to be unsupported or unallowable.	\$17,082
Recommendation 7: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, (a) determine whether the \$22,687 in questioned costs (consisting of \$19,381 in unsupported costs and \$3,306 in unallowable costs as listed in Table B.4 of Appendix B) identified during the review of invoices for the Embassy Panama City Torres Advanced Enterprise Solutions, LLC, local guard force contract (SAQMMA13C0033) are supported and allowable, and (b) recover any costs determined to be unsupported or unallowable.	\$22,687
<i>Audit of the Department of State's Efforts to Detect and Address the Use of Unapproved Portable Devices (AUD-IT-17-61, 9/2017)</i>	
Recommendation 3: OIG recommends that the Bureau of Information Resource Management enforce its authority to administer the use of portable devices in the Department of State, as well as the policies, standards, and procedures related to portable devices.	N/A
Recommendation 6: OIG recommends that the Bureau of Information Resource Management develop and implement formal, standardized procedures for regularly performing an analysis of the Symantec Endpoint Protection Application and Device Control reports. At a minimum, the procedures should provide guidance for analysts on how to review the Symantec reports, how to identify high risk exceptions for follow-up, what actions should be taken during follow-up, and how to document the follow-up and the remediation taken.	N/A
Recommendation 7: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Diplomatic Security, develop and implement formal procedures to identify and remediate cybersecurity policy violations created when employees connect unapproved portable devices to OpenNet. The formal procedures should include a description of each bureau's roles and responsibilities in the process.	N/A
<i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services (AUD-FM-17-53, 9/2017)</i>	
Recommendation 1: OIG recommends that the Bureau of Consular Affairs immediately set the fee amounts charged for Machine Readable Visas in accordance with Office of Management and Budget Circular A-25 and applicable fee statutes.	N/A
Recommendation 3: 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
<i>Audit of Select Cost-of-Living Allowances for American Employees Stationed in Foreign Areas (AUD-FM-17-51, 8/2017)</i>	
Recommendation 1: 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

Report Recommendation	Potential Monetary Benefits
Recommendation 2: 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
Recommendation 10: OIG recommends that the Bureau of Administration review and update voluntary and involuntary separate maintenance allowance rates in accordance with its internal standard operating procedures and update the rates in the Department of State Standardized Regulations accordingly.	N/A
Recommendation 14: 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
<i>Management Assistance Report: The Process to Authorize and Track Information Technology Systems Needs Improvement</i> (AUD-IT-17-56, 8/2017)	
Recommendation 5: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Information Resource Management, fully comply with Department policy by completing the Systems Authorization Process with an authorization memorandum for the Classified Investigative Management System.	N/A
Recommendation 6: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Information Resource Management, fully comply with Department policy by completing the Systems Authorization Process with an authorization memorandum for the SY Namecheck.	N/A
Recommendation 7: 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>Compliance Follow-Up Audit of Bureau of International Narcotics and Law Enforcement Affairs Programs in Pakistan</i> (AUD-MERO-17-46, 7/2017)	
Recommendation 2: OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs develop and implement new program descriptions, goals, objectives, and performance measures for the Law Enforcement and Border Security program to be inserted as Amendments to the Letter of Agreement and the Project Implementation Letters between the U.S. Government and the Government of Pakistan.	N/A
Recommendation 3: OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs develop and implement new program descriptions, goals, objectives, and performance measures for the Counternarcotics and Rule of Law Programs for future Amendments to the Letter of Agreement and Project Implementation Letters between the U.S. Government and the Government of Pakistan.	N/A
<i>Management Assistance Report: Building Deficiencies Identified at U.S. Embassy Kabul, Afghanistan Need Prompt Attention</i> (AUD-MERO-17-44, 6/2017)	
Recommendation 8: OIG recommends that the Bureau of Overseas Buildings Operations develop and implement protocols to verify that its water treatment programs are in compliance with industry best practices, including (a) determining the best possible treatment to effectively protect copper piping, (b) conducting regular testing based on the specialized requirements of each system, (c) conducting quarterly quality-assurance testing performed by an independent industrial	N/A

Report Recommendation	Potential Monetary Benefits
water treatment lab, and (d) installing a corrosion testing system.	
Recommendation 16: OIG recommends that the Bureau of Overseas Buildings Operations establish and implement standards for quality assurance and oversight for construction projects, including (a) a minimum number of staff members assigned to provide management oversight, administration, and quality assurance on the basis of the size and complexity of the project and (b) minimum requirements for quality assurance staff regarding years of experience and technical qualifications.	N/A
<i>Audit of Baghdad Diplomatic Support Center Task Orders Awarded Under Operations and Maintenance Support Services Contract SAQMMA12D0165</i> (AUD-MERO-17-45, 6/2017)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$1,746,116 in unsupported costs related to task order SAQMMA14F0096 as identified by OIG in Appendix B, Table B.2 is supported and (b) recover any costs determined to be unsupported.	\$1,746,116
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether total questioned costs of \$451,495, of which \$451,291 are considered unsupported and \$204 are considered unallowable, related to task order SAQMMA13F3862 as identified by OIG in Appendix B, Table B.1 is supported and allowable and (b) recover any costs determined to be unsupported and unallowable.	\$451,495
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$117,789 in unallowable costs related to task order SAQMMA14F0096 as identified by OIG in Appendix B, Table B.2 is allowable and (b) recover any costs determined to be unallowable.	\$117,789
<i>Management Assistance Report: Challenges Remain in Monitoring and Overseeing Antiterrorism Assistance Program Activities in Pakistan</i> (AUD-MERO-17-37, 5/2017)	
Recommendation 1: OIG recommends that the Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, implement a monitoring and evaluation system to include measuring performance in accordance with the requirements outlined in the Department's Performance Management Guidebook and the Memorandum of Agreement executed between the Bureaus of Counterterrorism and Diplomatic Security's Office of Antiterrorism Assistance.	N/A
Recommendation 3: OIG recommends that the Bureau of Diplomatic Security develop and implement procedures to verify that the contracting officer's representative has appropriate documentation to support the receipt and payment of goods or services prior to approving invoices for payment in accordance with the Foreign Affairs Handbook.	N/A
<i>Audit of the Department of State's Contract To Monitor Foreign Assistance Programs in Iraq</i> (AUD-MERO-17-41, 5/2017)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management determine whether the \$3,053,893 OIG questioned in unsupported costs (as identified in Table 2) under the indefinite-delivery, indefinite-quantity contract SAQMMA11D0119 are adequately supported and recover, as appropriate, all costs determined to be unsupported and unallowable.	\$3,053,893
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management review the remaining invoiced costs associated with all task orders awarded under the indefinite delivery, indefinite quantity contract SAQMMA11D0119 that were not included in OIG's sample to determine whether all costs were supported and allowable and recover, as appropriate, all costs determined to be unsupported and unallowable.	N/A

Report Recommendation	Potential Monetary Benefits
<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)	
Recommendation 2: 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.	N/A
Recommendation 6: OIG recommends that the Bureau of Near Eastern Affairs develop and implement a process to a) track and ensure that contracting officer's representative inspections are completed in accordance with the inspection schedule; b) document the inspection results, including deficiencies found; and c) report the inspection results to the Contract Management Office-Frankfurt in a timely manner.	N/A
Recommendation 7: 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.	N/A
Recommendation 8: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, develop and implement a) a methodology to calculate the cost associated with the contractor not meeting performance metrics and b) a process to reduce payment to the contractor when contractual requirements are not being met. This methodology and process should be included in all current and future Bureau of Near Eastern Affairs Iraq contracts.	N/A
<i>Audit of the Bureau of Diplomatic Security's Administration of the Armored Vehicle Program</i> (AUD-SI-17-21, 2/2017)	
Recommendation 1: OIG recommends that the Bureau of Diplomatic Security develop and implement a detailed armored vehicle program plan, with clear goals and obtainable objectives. The program plan should implement internal controls within all facets of the armored vehicle program, and define areas of authority and responsibility.	N/A
Recommendation 2: OIG recommends that the Bureau of Diplomatic Security establish and fill a program manager position who, in conjunction with security personnel, will manage the Department's armored vehicle fleet. Specifically, this person should be an experienced program manager who has an expert knowledge of internal controls and vehicle fleet management experience.	N/A
Recommendation 3: OIG recommends that the Bureau of Diplomatic Security develop an action plan to implement and track a restructuring of the armored vehicle program. The action plan must have measurable goals and milestones, and include the development of detailed processes, policies, and procedures on the operations of the office and program.	N/A
Recommendation 4: OIG recommends that the Bureau of Diplomatic Security develop and implement a strategy to address records management deficiencies related to the armored vehicle program.	N/A
Recommendation 5: 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.	N/A
Recommendation 6: 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.	N/A
Recommendation 8: 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.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 9: 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 maintain a complete list of requests and the status of the efforts to fulfill the requests.	N/A
Recommendation 10: OIG recommends that the Bureau of Diplomatic Security develop, document, and implement a formal process for allocating armored vehicles to posts based upon need, request date, and threat levels.	N/A
Recommendation 11: OIG recommends that the Bureau of Diplomatic Security develop a utilization plan for the entire armored vehicle fleet that currently resides at domestic storage facilities, in order to prevent the unnecessary expenditure of funds, as that of the \$24.9 million in costs wasted as a result of unused armored vehicles. The utilization plan should include estimated costs for repairing all armored vehicles that are currently not operational.	\$24,906,990
Recommendation 12: OIG recommends that the Bureau of Diplomatic Security develop and implement policy and procedures for the transfer of armored vehicles to other U.S. Government agencies, in order to prevent unnecessary expenditure of funds, as that of the \$26.4 million in armored vehicles transferred to other U.S. government agencies at no cost. The policy should provide guidance to ensure that, to the extent possible, the Department receives reimbursement for the transfer of unused armored vehicles.	\$26,440,294
Recommendation 14: OIG recommends that the Bureau of Diplomatic Security implement bureau-specific policies and procedures for conducting an annual physical inventory of armored vehicles, including a documented reconciliation process.	N/A
Recommendation 20: 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
Recommendation 21: 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
Recommendation 34: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a specific policy and implementing guidance on the process for overseas armored vehicle disposal, which should include an update to the required forms and clear instructions on the appropriate forms to be used to document the disposal, post Regional Security Officer approval, and Bureau of Diplomatic Security approval of the method of destruction.	N/A
Recommendation 36: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a specific policy and implementing guidance on the process for overseas and domestic armored vehicle transfers to another agency, which should include an update to the required forms and clear instruction on the appropriate forms to be used to document the disposal, required approvals, and instructions for recording the transfers in the Integrated Logistics Management System.	N/A
<i>Management Assistance Report: Health and Safety Concerns Identified Related to Armored Vehicle Disposals (AUD-SI-17-20, 1/2017)</i>	
Recommendation 1: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Directorate for Operations, Bureau of Overseas Buildings Operations, Office of Safety, Health, and Environmental Management, develop and implement specific safety guidance for the disposal of armored vehicles overseas. The guidance should reference obligatory occupational health and safety standards, instruct how to conduct an Activity Hazard Analyses in accordance with Overseas Buildings Operations requirements, specify that Activity Hazard Analyses must be performed during the pre-award contract phase, and mandate specialized health and safety training for post personnel involved in armored vehicle disposals in order that they may verify contractor compliance with required occupational health and safety standards.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 2: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Directorate for Operations, Bureau of Overseas Buildings Operations, Office of Safety, Health, and Environmental Management, develop a contract template for overseas posts to use for armored vehicle disposal contracts. The template should include specific contract clauses relating to occupational health and safety standards for contractors performing vehicle disposals.	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)	
Recommendation 5: 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
Recommendation 9: OIG recommends that the Bureau of Near Eastern Affairs, a) in coordination with the contracting officer in the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, contractually require PAE Government Services, Inc., to obtain operation and maintenance manuals for all fuel storage and distribution equipment and machinery, to include the manufacturers' recommended maintenance schedules; and b) include steps for inspecting these requirements in the corresponding quality assurance surveillance plans.	N/A
<i>Management Assistance Report: Department of State Conference Reporting</i> (AUD-CGI-17-07, 10/2016)	
Recommendation 1: 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
Recommendation 3: 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)	
Recommendation 1: 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
Recommendation 3: OIG recommends that the Office of the Director General for Human Resources, in conjunction with the Bureau of the Comptroller and Global Financial Services, develop and implement administrative and disciplinary procedures related to the Travel Card Program to include misuse, non-usage, and abuse.	N/A
Recommendation 4: 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

Report Recommendation	Potential Monetary Benefits
Recommendation 5: 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>Compliance Follow-up Review of the Department of State's Implementation of Executive Order 13526, Classified National Security Information</i> (AUD-SI-16-43, 9/2016)	
Recommendation 1: OIG recommends that the Bureau of Administration develop and disseminate guidance to all Department of State (Department) bureaus and offices regarding how the bureaus should meet their responsibilities outlined in the Foreign Affairs Manual for monitoring and enforcing the mandatory classification training requirements for all Department employees. The guidance should specify, at a minimum, how the bureaus should identify their staff members who require classification training to comply with Executive Order 13526, when each bureau's initial list of individuals who must take the required training is due to the Bureau of Administration, and how often the lists need to be updated. The guidance should also specify the procedures that each bureau must follow to sanction security-cleared individuals who do not take the required training.	N/A
Recommendation 2: OIG recommends that the Bureau of Administration, in coordination with the Bureau of Diplomatic Security, develop and disseminate guidance to Department of State bureaus and offices that describes when a security-cleared contractor must take classification training required by Executive Order 13526, who will pay for the training, and how the suspension of classification authority will apply to security-cleared contractors who do not complete the required training.	N/A
<i>Audit of the Aeromedical Biological Containment Evacuation Contracts Within the Bureau of Medical Services</i> (AUD-CGI-16-40, 8/2016)	
Recommendation 4: OIG recommends the Bureau of Medical Services develop and implement procedures for processing invoices, billing, and collecting reimbursements for non-Department of State medical evacuations.	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)	
Recommendation 1: OIG recommends that Embassy Kabul (a) update the embassy's vehicle inventory systems (Integrated Logistics Management System and Fleet Management Information System) to fully account for all vehicles authorized to access the embassy's vehicle-fueling system; and (b) establish procedures to periodically review and update the inventory systems.	N/A
Recommendation 6: 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)	
Recommendation 5: OIG recommends that the Bureau of Information Resource Management develop and implement a strategy to enforce the requirement that bureaus and offices must consult with and receive guidance from the Bureau of Information Resource Management prior to initiating an IT investment.	N/A
Recommendation 11: 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
Recommendation 12: 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
Recommendation 13: 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

Report Recommendation	Potential Monetary Benefits
Recommendation 25: 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
Recommendation 26: 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
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 8 — Security Services at U.S. Consulate Erbil</i> (AUD-MERO-16-30, 3/2016)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (a) determine whether the \$10.8 million in questioned costs related to Worldwide Protective Services Task Order 8 expenses as identified in this audit are allowable or supported and (b) recover any costs determined to be unallowable or unsupported.	\$10,800,000
<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)	
Recommendation 1: 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
Recommendation 2: 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.	\$652,061
Recommendation 3: 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.	\$6,543,189
<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)	
Recommendation 7: 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>Audit of the Bureau of International Narcotics and Law Enforcement Affairs Aviation Support Services Contract in Iraq</i> (AUD-MERO-15-35, 7/2015)	
Recommendation 9: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management provide to the OIG its rationale and all documentation (e.g., written legal opinions, written business cases, emails, meeting minutes, and decision papers and memos) used to support the decisions to authorize and obligate \$25,886,861 for reimbursements to DynCorp International (DynCorp) for (1) the payment of DynCorp's employees' personal income and Social Security tax liabilities to the Government of Iraq and (2) DynCorp's employer contributions to Iraq Social Security.	\$25,886,861

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Department of State Implementation and Oversight of Active Directory</i> (AUD-IT-15-05, 10/2014)	
Recommendation 2: OIG recommends that the Bureau of Information Resource Management update and implement Volumes 5 and 12 of the Foreign Affairs Manual to specifically address the deficiencies in Active Directory account management.	N/A
Recommendation 3: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureaus of Human Resources and Diplomatic Security, develop and implement guidance that describes a sustainable and repeatable process for determining how to identify and then disable or remove unneeded OpenNet accounts, including users that are not Department of State employees, such as contractors and other Federal agencies.	N/A
Recommendation 4: OIG recommends that the Bureau of Information Resource Management develop and implement a process to ensure that Information Systems Security Officers conduct monthly reviews of audit logs for security anomalies, as prescribed by Volume 12, Section 629.2-7, of the Foreign Affairs Manual.	N/A
Recommendation 5: OIG recommends that the Bureau of Information Resource Management develop and implement a process directing Organizational Unit Administrators to update their Active Directory organizational unit structure, in accordance with the Department of State Global Address List and Active Directory Standardization Guidelines.	N/A
Recommendation 6: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureaus of Diplomatic Security and Human Resources, implement the use of Personal Identity Verification cards—as detailed in the Chief Information Officer’s implementation plan for logical access—for all Department employees who are eligible for a National Agency Check and Inquiry, as required by Homeland Security Presidential Directive 12.	N/A
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 10 Kabul Embassy Security Force</i> (AUD-MERO-15-03, 10/2014)	
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, review the \$1,726,155 in costs OIG identified as possibly unallowable and recover any funds deemed unallowable.	\$882,612*
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, conduct a comprehensive review of all contractor invoices and supporting documentation to determine whether the contractor submitted adequate supporting documentation for all costs, including the \$6,916,330 identified in this report. If the documentation was not submitted, the contracting officer should request supporting documentation from the contractor and determine whether the costs were allowable under the contract terms. If the reimbursable costs cannot be supported or are not allowable under the terms of the contract, these funds should be recovered.	\$8,901*
<i>Management Assistance Report—Termination of Construction Grants to Omran Holding Group</i> (AUD-CG-14-37, 9/2014)	
Recommendation 1: OIG recommends that the Bureau of South and Central Asian Affairs immediately terminate grant agreements S-AF200-13-CA-012 and S-AF200-13-CA-014 with Omran Holding Group and deobligate the \$5,092,874 in remaining funds.	\$5,092,874
Recommendation 2: OIG recommends that the Bureau of South and Central Asian Affairs direct Omran Holding Group to reimburse the Department for the \$1,203,426 in unspent funds related to grant agreements S-AF200-13-CA-012 and S-AF200-13-CA-014, and verify that the Department has received reimbursement for all unspent funds.	\$1,203,426
Recommendation 3: 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

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Contract Closeout Process for Contracts Supporting the U.S. Mission in Iraq</i> (AUD-MERO-14-06, 12/2013)	
Recommendation 9: 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 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.	N/A
<i>Audit of Bureau of East Asian and Pacific Affairs Compliance With Trafficking in Persons Requirements</i> (AUD-IP-12-02, 10/2011)	
Recommendation 1: 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.	N/A
Recommendation 2: 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.	N/A
Other Open Recommendations	
<i>Audit of the Department of State's Information Technology Configuration Control Board</i> (AUD-IT-17-64, 9/2017)	
Recommendation 2: 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
Recommendation 3: 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 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.	N/A
Recommendation 4: 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.	N/A
Recommendation 6: 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.	N/A
Recommendation 7: 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.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 8: OIG recommends that the Bureau of Information Resource Management verify, no later than 30 days after the final issuance of this report, that all Technical Reviewers and Voters that participate in the Information Technology Configuration Control Board process are formally appointed.	N/A
Recommendation 9: OIG recommends that the Bureau of Information Resource Management develop and implement a process to formally appoint new Technical Reviewers and Voters who participate in the Information Technology Configuration Control Board process.	N/A
Recommendation 10: 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.	N/A
Recommendation 11: 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.	N/A
Recommendation 12: 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.	N/A
Recommendation 13: 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.	N/A
Recommendation 14: 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.	N/A
Recommendation 15: 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.	N/A
Recommendation 16: 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.	N/A
Recommendation 17: 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.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of Invoices Submitted by Torres Advanced Enterprise Solutions, LLC, for Select Local Guard Force Contracts</i> (AUD-CGI-17-63, 9/2017)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Diplomatic Security, develop and implement a communications strategy including but not limited to ensuring that local guard force Contracting Officer's Representatives review and understand the contract requirements when assigned to that position. This communications strategy should underscore the critical importance of reviewing the contract for specific requirements, obtaining and reviewing required monthly supporting documentation related to local guard force invoices, and the timeframes associated with approving invoices.	N/A
<i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services</i> (AUD-FM-17-53, 9/2017)	
Recommendation 2: OIG recommends that the Bureau of Consular Affairs, in coordination with the Bureau of Budget and Planning, (a) propose legislative changes, as suggested by Office of Management and Budget Circular A-25, to allow it to retain all consular fees collected or (b) seek appropriated funds during the annual budgeting process for any projected funding shortfalls created by not being allowed to retain all consular fees collected.	N/A
Recommendation 4: 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.	N/A
Recommendation 5: 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 adjusted. The procedure should include a process to determine the effect of excess revenue and carry forward balances on the fee levels.	N/A
Recommendation 7: OIG recommends that the Bureau of Consular Affairs develop and implement policies and procedures that standardize the documentation used to determine consular fees and develop retention guidance for the supporting documentation to ensure historical source files and other information supporting consular fee calculations are available. The policy and procedures should include guidance on documenting changes made to data before the data are entered into the Bureau of Consular Affairs Cost of Service Model.	N/A
Recommendation 8: OIG recommends that the Bureau of Consular Affairs develop and implement a quality control program to ensure data entered into the Cost of Service Model are complete and accurate. This program should include processes to validate data obtained from one source by comparing it to data maintained in other systems or databases.	N/A
Recommendation 9: OIG recommends that the Bureau of Consular Affairs develop standardized reports within the Travel Documents Issuance System and Consular Consolidated Database to ensure the complete, accurate, and consistent generation of workload counts related to providing consular services.	N/A
Recommendation 10: 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
Recommendation 11: OIG recommends that the Bureau of Consular Affairs, in coordination with the Bureau of the Comptroller and Global Financial Services, obtain read-only access within the Department's financial management system to all financial information related to the Consular and Border Security Program fund codes, including revenue and expenditure information from other Department of State bureaus.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of Select Cost-of-Living Allowances for American Employees Stationed in Foreign Areas</i> (AUD-FM-17-51, 8/2017)	
Recommendation 3: 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
Recommendation 4: 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
Recommendation 5: 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
Recommendation 6: 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
Recommendation 7: OIG recommends that the Bureau of Administration develop and implement standard operating procedures to specify how analysts maintain and update the base schools list.	N/A
Recommendation 9: OIG recommends that the Bureau of Administration develop and implement standard operating procedures to maintain and update an independent list of the conclusions related to the adequacy of Department of State-assisted schools.	N/A
Recommendation 11: OIG recommends that the Bureau of Administration develop and implement internal controls to ensure separate maintenance allowance rates are reviewed annually, as required.	N/A
Recommendation 12: OIG recommends that the Bureau of Administration develop and implement internal controls to ensure analysts document the results of their reviews and supervisors validate the procedures used to determine separate maintenance allowance rates.	N/A
Recommendation 13: OIG recommends that the Bureau of Administration, in coordination with the Bureau of the Comptroller and Global Financial Services, determine and report to OIG the amount saved for the first pay period after the recalculated separate maintenance allowance rates is applied [Recommendation 10], which OIG estimated would have been \$1.7 million from FY 2013 through FY 2015.	\$1,700,000
<i>Management Assistance Report: Department Attention Needed to Address Overdue Responses on Selected Open Recommendations</i> (AUD-ACF-17-55, 7/2017)	
Recommendation 1: OIG recommends that, for recommendations considered resolved, the Under Secretary for Management direct the applicable bureau to notify OIG of the status of actions taken to implement the recommendations identified in this report and provide evidence demonstrating that the bureau has taken actions that justify closing the recommendations. Bureaus are to submit the status of actions taken and documented evidence to support closing the recommendations to audcompliance@stateoig.gov within 30 days.	N/A
<i>Audit of the Process To Approve, Disburse, and Report Rewards for Justice Payments</i> (AUD-SI-17-48, 7/2017)	
Recommendation 1: OIG recommends that the Bureau of Diplomatic Security, in conjunction with the Bureau of Legislative Affairs, (a) identify the detailed steps and action entities needed to	N/A

Report Recommendation	Potential Monetary Benefits
prepare and submit reports on reward payments made within 30 days of the payment of such rewards; (b) determine the amount of time for each step, including the amount of time the Bureau of Legislative Affairs needs to finalize and send each report to Congress; and (c) redesign the flow and processes to meet the 30-day reporting requirement.	
Recommendation 2: OIG recommends that the Bureau of Diplomatic Security (a) develop and implement a process to follow up with the nominating agencies on the status of the reward payment receipts to help expedite the submittal of Reward Payment Reports within the mandated 30-day reporting timeline and (b) consider entering into formal agreements (that is, Letters of Agreement) with the nominating agencies to strengthen the joint commitments toward timely submissions of reports to Congress.	N/A
Recommendation 3: 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 the requirement to submit the annual report no later than 60 days after the end of each fiscal year.	N/A
<i>Management Assistance Report: Additional Measures Needed at Embassy Amman to Safeguard Against Residential Fuel Loss</i> (AUD-MERO-17-50, 7/2017)	
Recommendation 1: OIG recommends that Embassy Amman purchase and install a real-time monitoring system at all of the embassy residences to monitor diesel fuel use.	N/A
Recommendation 2: OIG recommends that Embassy Amman establish and implement policies and procedures to use the real-time fuel monitoring system at the embassy residences, once installed, to alert the Regional Security Officer of potential fuel theft and to prompt immediate intervention by local police for the purpose of deterring fuel theft.	N/A
Recommendation 3: OIG recommends that Embassy Amman, in the interim before it installs a real-time monitoring system at the embassy residences, lower the diesel fuel levels maintained in residential fuel tanks in accordance with seasonal requirements to mitigate residential fuel theft.	N/A
<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)	
Recommendation 1: 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
Recommendation 2: 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>Management Assistance Report: Building Deficiencies Identified at U.S. Embassy Kabul, Afghanistan Need Prompt Attention</i> (AUD-MERO-17-44, 6/2017)	
Recommendation 2: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to replace and correct all plumbing installations in the Staff Diplomatic Apartment-1 found not to conform to the contract requirements.	N/A
Recommendation 3: OIG recommends that the Bureau of Overseas Buildings Operations have a qualified professional experienced in the installation of electrical systems conduct a full inspection, analysis, and recommissioning of electrical systems in both the New Office Annex and Staff Diplomatic Apartment-1. This inspection should include a comprehensive review of all submittals, plans, and specifications, as well as all installation methods and materials.	N/A
Recommendation 4: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to replace and correct all electrical system installations in the New Office Annex and Staff Diplomatic Apartment-1 found not to conform to the contract requirements.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 5: OIG recommends that, prior to issuing the certificate of final acceptance for the New Office Annex and Staff Diplomatic Apartment-1, the Bureau of Overseas Buildings Operations establish guidance for hydronic water systems in both buildings, including specifying recommended concentrations of tolytriazole (40–50 parts per million) and nitrite (600–1,000 parts per million).	N/A
Recommendation 6: OIG recommends that, prior to issuing the certificate of final acceptance for the New Office Annex and Staff Diplomatic Apartment-1, the Bureau of Overseas Buildings Operations require Caddell to conduct an examination of existing copper pipe in both buildings by removing samples of the piping or by ultrasound testing and submit the results for independent laboratory analysis to verify whether scaling, corrosion, or other life-expectancy impacts are detected from the high pH operating conditions.	N/A
Recommendation 7: OIG recommends that if the independent laboratory analysis verifies the existence of pipe scaling or corrosion in the New Office Annex or Staff Diplomatic Apartment-1, the Bureau of Overseas Buildings Operations implement actions to remedy any damage to hydronic pipes.	N/A
Recommendation 9: OIG recommends that the Bureau of Overseas Buildings Operations have a qualified technician conduct an inspection of the New Office Annex and Staff Diplomatic Apartment-1 to identify poor workmanship and incorrect installations affecting heating, ventilation, and air conditioning systems. This inspection should include a comprehensive review of all submittals, plans, and specifications, as well as all installation methods and materials.	N/A
Recommendation 10: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to correct all heating, ventilation, and air conditioning system installations in the New Office Annex and Staff Diplomatic Apartment-1 that do not conform to the contract requirements, including the specific examples OIG cited in this report.	N/A
Recommendation 11: OIG recommends that the Bureau of Overseas Buildings Operations identify and relocate all inaccessible smoke detectors in the New Office Annex and Staff Diplomatic Apartment-1 so that they can be accessed for periodic testing and maintenance.	N/A
Recommendation 12: OIG recommends that the Bureau of Overseas Buildings Operations have a qualified professional experienced in the certification of fire safety systems conduct a full inspection of the New Office Annex and Staff Diplomatic Apartment-1 elevator lobby fire doors and the Staff Diplomatic Apartment-1 efficiency suite connector door frames to determine whether they meet National Fire Protection Association code standards. This inspection should include a comprehensive review of all submittals, plans, and specifications, as well as all installation methods and materials.	N/A
Recommendation 13: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to replace and correct all elevator lobby doors and efficiency suite connector doors in the New Office Annex and Staff Diplomatic Apartment-1 found not to conform to the contract requirements or National Fire Protection Association standards.	N/A
Recommendation 14: OIG recommends that the Bureau of Overseas Buildings Operations have a qualified professional experienced in the certification of elevators to meet EN 81 standards conduct a full inspection, analysis, and recertification of the New Office Annex and Staff Diplomatic Apartment-1 elevator sets. This inspection should include a comprehensive review of all submittals, plans, and specifications, as well as all installation methods and materials.	N/A
Recommendation 15: OIG recommends that the Bureau of Overseas Buildings Operations implement actions to correct all work related to the elevator sets in the New Office Annex and Staff Diplomatic Apartment-1 found not to conform to the contract requirements.	N/A
Recommendation 17: OIG recommends that the Bureau of Overseas Buildings Operations assign a project manager to oversee all efforts related to the inspection, analysis, recommissioning, and required repairs of existing installations in the New Office Annex and Staff Diplomatic Apartment-1. This project manager should help to prioritize corrective actions to address identified deficiencies and coordinate with key stakeholders in order to ensure that they are completed in a timely, cost-effective, and efficient manner.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 18: OIG recommends that the Bureau of Overseas Buildings Operations either a) require Caddell Construction, Inc. to replace and correct all work in the New Office Annex and Staff Diplomatic Apartment-1 found to be defective or non-conforming to contract requirements or b) seek an appropriate adjustment in contract price for all instances where, in the public interest, the Bureau of Overseas Buildings Operations consents to accept work that is defective or does not conform to contract requirements.	N/A
Recommendation 19: OIG recommends that, in all cases where the Bureau of Overseas Buildings Operations conducts an inspection, analysis, or recommissioning of existing installations in the New Office Annex and Staff Diplomatic Apartment-1 and finds the work to be defective or nonconforming in any material respect due to the fault of the contractor or its subcontractors, the Bureau of Overseas Buildings Operations should a) determine the cost of all inspections, analysis, or recommissioning of existing installations and b) recover this amount from Caddell Construction, Inc.	N/A
<i>Audit of Department of State Grants and Cooperative Agreements Awarded to Kennesaw State University</i> (AUD-SI-17-43, 6/2017)	
Recommendation 1: OIG recommends that the Bureau of South and Central Asian Affairs (a) determine whether the \$229,405 in unallowable costs and \$565,046 in unsupported costs related to awards SAF20013CA024, SPK33013CA051, and SIN65014GR053 (see tables B.1, B.5 and B.6 in Appendix B) are allowable and supported, and (b) recover any costs determined to be unallowable or unsupported.	\$794,451
<i>Audit of Department of State FY 2016 Compliance With Improper Payments Requirements</i> (AUD-FM-17-42, 5/2017)	
Recommendation 1: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement additional quality control procedures requiring that a supervisor review determinations regarding the improper payments impact of audit findings and recommendations for the applicable fiscal year during the risk assessment process.	N/A
Recommendation 2: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a method to obtain information regarding the collection status of improper payments identified in OIG reports for the applicable fiscal year.	N/A
Recommendation 3: OIG recommends that the Bureau of the Comptroller and Global Financial Services develop and implement a method to obtain information regarding the collection status of improper payments identified in Defense Contract Audit Agency reports for the applicable fiscal year.	N/A
Recommendation 4: 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
Recommendation 5: 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>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)	
Recommendation 3: OIG recommends that the Bureau of Near Eastern Affairs report the status of the backlog to the Office of Inspector General, Assistant Inspector General for Audits, including the number of invoices reviewed and the dollar value of questioned costs, quarterly until such time as it has been eliminated.	N/A
Recommendation 4: OIG recommends that the Bureau of Near Eastern Affairs direct its invoice review staff to fully document sampling done in each applicable checklist and to follow the checklist guidance.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Bureau of Diplomatic Security's Administration of the Armored Vehicle Program</i> (AUD-SI-17-21, 2/2017)	
Recommendation 13: OIG recommends that the Bureau of Diplomatic Security determine the location or disposition of the five vehicles that OIG could not locate during its April 2016 physical inventory and adjust its inventory records accordingly.	\$536,159
Recommendation 16: OIG recommends that the Bureau of Diplomatic Security establish a system that documents requests for repair and maintenance of armored vehicles that are not "in service" and captures the data necessary for updating maintenance records until the Fleet Management Information System module is implemented (Recommendation 14).	N/A
Recommendation 17: OIG recommends that the Bureau of Administration update the Foreign Affairs Manual and the Foreign Affairs Handbook to require the use of the Fleet Management Information System for all armored vehicles.	N/A
Recommendation 18: 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
Recommendation 22: 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
Recommendation 26: OIG recommends that the Bureau of Administration develop guidance for posts to require that responsible officials at overseas posts periodically check that motor pool personnel are performing the daily and weekly routine checks of armored vehicles.	N/A
Recommendation 27: OIG recommends that the Bureau of Administration update the Foreign Affairs Manual to include a requirement for all overseas posts to develop and implement a mission policy to ensure that armored vehicles receive the required preventative maintenance.	N/A
Recommendation 28: 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
Recommendation 32: 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
Recommendation 33: OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, develop and implement a process to ensure that appropriate Regional Security Office and General Service Office personnel receive training, including periodic refresher training, regarding the maintenance 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)	
Recommendation 6: 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
Recommendation 10: OIG recommends that the Bureau of Near Eastern Affairs review all requirements included in the fuel-related task orders under the Baghdad Life Support Services and Operations and Maintenance Support Services contracts, and develop and implement quality assurance surveillance plans that address key requirements and high-risk areas related to all fuel acquisition and services.	N/A
Recommendation 11: OIG recommends that the Bureau of Near Eastern Affairs develop and implement training for contracting officer's representatives that emphasizes contractor responsibilities for inspecting goods prior to delivery and focuses on limitations of authority for contracting officer's representatives to accept nonconforming goods.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Department of State Vetting Process for Syrian Non-Lethal Assistance</i> (AUD-MERO-17-01, 11/2016)	
Recommendation 1: 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
Recommendation 2: 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
Recommendation 3: 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
Recommendation 4: OIG recommends that the Bureau of Near Eastern Affairs include in future award agreements the vetting requirements for Syria programs.	N/A
Recommendation 5: 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
Recommendation 6: 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
Recommendation 7: 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</i> (AUD-FM-16-47, 9/2016)	
Recommendation 10: OIG recommends that the Bureau of Administration, in coordination with the Strategic Sourcing Council (Recommendation 1), develop and implement a process to track bureau and office compliance with Department requirements to use strategic sourcing initiatives.	N/A
Recommendation 11: 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>Audit of Task Orders for the Union III Compound Awarded Under the Operations and Maintenance Support Services Contract</i> (AUD-MERO-16-41, 7/2016)	
Recommendation 2: OIG recommends that the Bureau of Near Eastern Affairs develop and implement a Quality Assurance Surveillance Plan in accordance with Federal Acquisition Regulation 46.4, "Government Contract Quality Assurance," and the revised Performance Work Statements, to guide oversight of all ongoing and future revitalization, transition, and sustainment requirements for task orders SAQMMA15F0567 and SAQMMA15F1245.	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)	
Recommendation 2: OIG recommends that once Embassy Kabul updates its vehicle inventory, including all vehicles that fall under Chief of Mission authority, the embassy (a) direct PAE Government Services, Inc., to update the listing of authorized vehicle identification numbers in the vehicle-fueling system; and (b) verify that PAE Government Services, Inc. updated the vehicle-fueling system by periodically testing the system.	N/A
Recommendation 3: OIG recommends that Embassy Kabul (a) direct PAE Government Services, Inc., to reprogram the agency personal identification number to connect the personal identification number to a specific vehicle identification number in the fueling system; and (b) verify that PAE Government Services, Inc. updated the vehicle-fueling system by periodically testing the system.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 4: OIG recommends that Embassy Kabul update its control related to the odometer reading entered into the vehicle-fueling system so that (1) zero cannot be entered as a valid mileage amount and (2) the driver cannot enter an odometer reading that is lower than one previously entered for that vehicle.	N/A
Recommendation 5: OIG recommends that Embassy Kabul update its control specific to the personal badge number entered into the vehicle-fueling system so that only embassy staff with a mission requirement to access fuel are programmed into the fueling system.	N/A
Recommendation 7: 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>	
Recommendation 1: OIG recommends that the Bureau of Information Resource Management update the Capital Planning and Investment Control Program Guide to comply with Office of Management and Budget requirements. Specifically, the definition of an IT investment should be modified and a requirement to perform a review for duplicative investments across the agency, Federal Government, and private sector should be included.	N/A
Recommendation 3: OIG recommends that the Bureau of Information Resource Management develop and implement a process to increase the transparency of IT spending related to existing investments, including operations and maintenance costs.	N/A
Recommendation 4: OIG recommends that the Bureau of Information Resource Management, in coordination with the Bureau of Budget and Planning, develop and implement a process for the Bureau of Budget and Planning to provide detailed information to the Bureau of Information Resource Management on bureaus' IT budgeting and spending.	N/A
Recommendation 8: 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
Recommendation 10: 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 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.	N/A
Recommendation 14: 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
Recommendation 17: 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
Recommendation 18: OIG recommends that the Bureau of Information Resource Management develop and implement controls in iMatrix to require that the investment manager and budget analyst revalidate data when financial information for an investment in iMatrix is modified.	N/A
Recommendation 20: 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

Report Recommendation	Potential Monetary Benefits
Recommendation 21: OIG recommends that the Bureau of Information Resource Management develop and implement a process to identify bureaus or offices that have not certified investment information in iMatrix and take action to ensure that the information is certified before the report is submitted to the Office of Management and Budget.	N/A
Recommendation 22: 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
Recommendation 23: 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
Recommendation 24: OIG recommends that the Bureau of Information Resource Management develop guidance on reporting reimbursable costs in iMatrix and distribute that guidance to bureau investment managers and budget analysts.	N/A
Recommendation 27: 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
Recommendation 28: 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
Recommendation 29: 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
<i>Audit of Bureau of Diplomatic Security Worldwide Protective Services Contract Task Order 8 — Security Services at U.S. Consulate Erbil (AUD-MERO-16-30, 3/2016)</i>	
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of Diplomatic Security, conduct a comprehensive review of all Task Order 8 contractor invoices and supporting documentation to determine whether all costs, including those identified in this report, are allowable and supported.	N/A
<i>Compliance Follow-up Audit of the Process To Request and Prioritize Physical Security-Related Activities at Overseas Posts (AUD-ACF-16-20, 12/2015)</i>	
Recommendation 8: OIG recommends that the Bureau of Overseas Buildings Operations, in coordination with the Bureau of Diplomatic Security, develop and issue a Long-Range Physical Security Plan.	N/A
Recommendation 9: OIG recommends that the Bureau of Overseas Buildings Operations develop and implement a process to respond to posts' formal requests for physical security-related funding, which should include commitments to respond within certain timeframes.	N/A
<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 (AUD-ACF-15-43, 9/2015)</i>	
Recommendation 2: 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

Report Recommendation	Potential Monetary Benefits
<i>Audit of the Bureau of International Narcotics and Law Enforcement Affairs Aviation Support Services Contract in Iraq</i> (AUD-MERO-15-35, 7/2015)	
Recommendation 1: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine whether the questioned costs of \$140,627 pertaining to flight labor hours and base operations identified by OIG under contracts SAQMPD05C1103 and SAQMMA12C1103, Task Orders 3616 and 2643, are allowable and recover any costs determined to be unallowable from DynCorp International.	\$140,627
Recommendation 2: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, determine whether the questioned costs of \$789,416 pertaining to flight labor hours and base operations and the potentially misapplied costs of \$2,601 pertaining to materials identified by OIG under contracts SAQMPD05C1103 and SAQMMA12C1103, Task Orders 3616 and 2643, are allowable and supportable and recover any costs determined to be unsupported or misapplied from DynCorp International.	\$789,416
Recommendation 3: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, conduct a comprehensive review of all cost reimbursable contractor invoices related to Embassy Air-Iraq to determine whether the charges were allocable, allowable, and supportable.	N/A
Recommendation 4: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation, require DynCorp International to provide documentation to INL that clearly, accurately, and completely supports all costs submitted on its invoices.	N/A
Recommendation 7: OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, Office of Aviation, develop a contract definitization process that identifies all scope of work requirements in advance of the period of performance and ensures that the contractor submits accurate price and technical proposals that incorporate the requirements in advance of the period of performance.	N/A
<i>Audit of Department of State Oversight Responsibilities, Selection, and Training of Grants Officer Representatives</i> (AUD-CG-15-33, 6/2015)	
Recommendation 6: OIG recommends that the Bureau of South and Central Asian Affairs develop and implement a process to track grants officer representatives' compliance with requirements to perform and document their reviews of performance and financial reports consistent with Grants Policy Directive 16, "Designation of Grants Officer Representatives," and Grants Policy Directive 42, "Monitoring Assistance Awards."	N/A
<i>Audit of Department of State Humanitarian Assistance in Response to the Syrian Crisis</i> (AUD-MERO-15-22, 3/2015)	
Recommendation 2: OIG recommends that the Bureau of Population, Refugees and Migration develop and implement internal control procedures that ensure that grants officers follow Department guidance for monitoring a grant that has been issued to a public international organization, such as selecting the appropriate type of assistance instrument and tracking funds and grant activities, in compliance with Grants Policy Directive 54, Grants and Voluntary Contributions to Public International Organizations.	N/A
<i>Audit of Bureau of International Narcotics and Law Enforcement Affairs Counternarcotics Assistance to Afghanistan</i> (AUD-MERO-15-02, 11/2014)	
Recommendation 1: OIG recommends that the Bureau of International Narcotics and Law Enforcement Affairs implement Performance Measurement Plans for all initiatives in Afghanistan that measure and manage program performance and communicate program results.	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)	
Recommendation 5: 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	N/A

Report Recommendation	Potential Monetary Benefits
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.	
Recommendation 8: OIG recommends that the Bureau of African Affairs develop guidance that requires contracting officer's representatives to perform site visits for each contract recipient at least once during the life of the contract or annually for those recipients identified as high-risk.	N/A
Recommendation 24: 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)	
Recommendation 2: 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
<i>Audit of the Contract Closeout Process for Contracts Supporting the U.S. Mission in Iraq</i> (AUD-MERO-14-06, 12/2013)	
Recommendation 5: OIG recommends that the Bureau of Administration, Office of the Procurement Executive, revise the Department of State Acquisition Regulation to reflect the interagency agreement between the Department of State and the Defense Contract Audit Agency for conducting incurred cost audits.	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 3/31/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Office of the Secretary: Evaluation of Email Records Management and Cybersecurity Requirements</i> (ESP-16-03, 5/2016)	
Recommendation 7: The Bureau of Information Resource Management should issue regular notices to remind Department employees of the risks associated with the use of non-Departmental systems; provide periodic briefings on such risks to staff at all levels; and evaluate the cost and feasibility of conducting regular audits of computer system usage to ascertain the degree to which Department employees are following the laws and policies concerning the use of personal email accounts.	N/A
<i>Evaluation of the Department of State's FOIA Processes for Requests Involving the Office of the Secretary</i> (ESP-16-01, 1/2016)	
Recommendation 1: The Bureau of Administration should identify necessary permanent personnel as part of FOIA [Freedom of Information Act] workforce planning efforts and quickly acquire those resources so the Department can comply with applicable law and improve the timeliness of FOIA searches and responses.	N/A
Other Open Recommendations	
<i>Evaluation of the Department of State's Security Clearance Process</i> (ESP-17-02, 7/2017)	
Recommendation 1: The Bureau of Diplomatic Security, Office of Personnel Security and Suitability, should inform the Office of the Director of National Intelligence of the inaccuracies identified by OIG and the steps it is taking to correct these errors. These steps should increase the accuracy of data for the time it takes to process both initial and reciprocal clearances, specifically by	N/A

Report Recommendation	Potential Monetary Benefits
measuring the time it takes for clearances to move through the initiation stage rather than relying upon a blanket estimate, removing cancelled cases from its data, making corrections to its timeliness formula, and reconciling any data discrepancies in its case management systems.	
Recommendation 2: 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.	N/A
Recommendation 3: 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.	N/A
Recommendation 5: 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.	N/A
Recommendation 6: The Bureau of Diplomatic Security should seek reimbursement for funds it expended for work performed for other Government agencies from 2009 through 2016, in accordance with the Economy Act and Department policy.	N/A
<i>Department of State Has Administrative Leave Policies but Lacks Complete and Accurate Data on the Use of Leave (ESP-16-04, 9/2016)</i>	
Recommendation 1: 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.	N/A
Recommendation 2: 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.	N/A

Table D.3

Open Office of Inspections Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 3/31/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Compliance Follow-up Review: Department of State is Still Unable to Accurately Track and Report on Foreign Assistance Funds (ISP-C-17-27, 6/2017)</i>	
Recommendation 1: The Deputy Secretary should issue clear requirements for the data needs of senior Department policymakers and prioritize efforts to create the capability for the Department of State to address foreign assistance management and legal and regulatory oversight needs as well as external reporting requirements.	N/A
<i>Inspection of the Bureau of Consular Affairs, Office of Consular Systems and Technology (ISP-I-17-04, 12/2016)</i>	
Recommendation 24: 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
<i>Management Assistance Report: Annual Purchase Card Program Reviews (ISP-I-16-04, 1/2016)</i>	
Recommendation 1: The Bureau of Administration should require bureaus and posts to submit the results of annual purchase card reviews to allow the Bureau of Administration to monitor compliance.	N/A

Report Recommendation	Potential Monetary Benefits
Other Open Recommendations	
<i>Inspection of Embassy Valletta, Malta</i> (ISP-I-17-43, 9/2017)	
Recommendation 1: Embassy Valletta should dispose of the Chief of Mission backup armored vehicle according to Department guidelines for disposing of armored vehicles and put \$18,000 to better use.	\$18,000
Recommendation 3: Embassy Valletta, in coordination with the Bureau of Overseas Buildings Operations, should identify and dispose of excess property, and put up to \$650,000 to better use.	\$650,000
Recommendation 5: Embassy Valletta, in coordination with the Regional Information Management Center in Frankfurt, should provide an emergency and evacuation very high frequency radio network through which all residences can communicate directly with the embassy.	N/A
<i>Inconsistent Guidance Governing Property Controls Over Mobile Devices Left Department at Risk of Wasteful Spending</i> (ISP-17-31, 8/2017)	
Recommendation 1: 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
Recommendation 2: The Bureau of Administration, in coordination with the Bureau of Information Resource Management, should issue comprehensive guidance mandating the use of the Office of Mobile and Remote Access for procurement of mobile devices and service plans.	N/A
<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)	
Recommendation 1: 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
Recommendation 2: 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>Capital Security Cost Sharing Program: Inconsistent Criteria for Managing Vacant Positions Resulted in Inaccurate Counts</i> (ISP-I-17-30, 8/2017)	
Recommendation 1: 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: Department Can Take Steps Toward More Effective Executive Direction of Overseas Missions</i> (ISP-17-38, 7/2017)	
Recommendation 2: The Foreign Service Institute should develop and include training on management control responsibilities in its classes for Chief of Mission candidates and Deputy Chief of Missions.	N/A
<i>Management Assistance Report: Deficiencies Reported in Cyber Security Assessment Reports Remain Uncorrected</i> (ISP-17-39, 7/2017)	
Recommendation 1: 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

Report Recommendation	Potential Monetary Benefits
<i>Management Assistance Report: Improved Oversight Needed to Standardize the Use of Risk Assessments and Monitoring Plans for Overseas Grants</i> (ISP-17-33, 7/2017)	
Recommendation 1: The Bureau of Administration, in coordination with the Foreign Service Institute, should accelerate development of updated online training that adequately explains risk assessment and monitoring plan requirements for grants and cooperative agreements.	N/A
<i>Inspection of Consulate General Jerusalem</i> (ISP-I-17-18, 6/2017)	
Recommendation 4: The Bureau of Overseas Buildings Operations, in coordination with Consulate General Jerusalem, should bring the General Services Annex/Warehouse into compliance with Department standards.	N/A
Recommendation 5: Consulate General Jerusalem should enforce Department motor vehicle standards for all personnel under Chief of Mission authority.	N/A
Recommendation 9: Consulate General Jerusalem should document that security upgrades were performed on all residences in accordance with Department standards.	N/A
Recommendation 12: Consulate General Jerusalem should bring all high-rise residential properties into compliance with Department fire safety standards.	N/A
Recommendation 14: Consulate General Jerusalem should schedule semiannual safety, health and environmental management committee meetings and maintain all related meeting minutes.	N/A
Recommendation 17: Consulate General Jerusalem should update and test the information technology contingency plans for the unclassified and the classified networks and develop a process for periodically updating the plans as systems environments and resources change.	N/A
Recommendation 18: Consulate General Jerusalem should conduct initial and annual refresher contingency training for personnel based on their classified and unclassified information technology contingency planning roles and responsibilities.	N/A
Recommendation 22: Consulate General Jerusalem should implement standard operating procedures to manage, track, and register its dedicated internet networks.	N/A
Recommendation 24: Consulate General Jerusalem should relocate the telecommunication demarcation point outside the controlled access telephone frame room in the Post One facility.	N/A
Recommendation 25: Consulate General Jerusalem should establish safe and secure diplomatic mail and pouch sorting spaces.	N/A
<i>Inspection of Embassy Accra, Ghana</i> (ISP-I-17-17, 6/2017)	
Recommendation 2: Embassy Accra should close out all FY 2015 grants in accordance with the Department's Federal Assistance Policy Directive.	N/A
Recommendation 5: 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 Embassy Luanda, Angola</i> (ISP-I-17-19, 6/2017)	
Recommendation 6: Embassy Luanda, in coordination with the Bureau of Overseas Buildings Operations, should relocate employees to residences that meet Department fire standards.	N/A
Recommendation 7: 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
Recommendation 8: Embassy Luanda, in coordination with the Bureau of Overseas Buildings Operations, should construct an unclassified server room that meets physical security requirements.	N/A
Recommendation 9: Embassy Luanda should repair or replace the high-frequency radio at the alternate command center.	N/A

Report Recommendation	Potential Monetary Benefits
<i>Inspection of Embassy Monrovia, Liberia</i> (ISP-I-17-12, 5/2017)	
Recommendation 1: Embassy Monrovia should implement formal standard operating procedures for conducting merit reviews and risk assessments of all grants proposals in accordance with Department guidance.	N/A
Recommendation 3: Embassy Monrovia should comply with Department standards for consular crisis preparedness.	N/A
Recommendation 4: Embassy Monrovia, in coordination with the Bureaus of Overseas Buildings Operations and Diplomatic Security, should provide accommodations to visa applicants in accordance with Department standards.	N/A
Recommendation 5: The Bureau of Overseas Buildings Operations, in coordination with Embassy Monrovia, should take prompt corrective action to treat sewage and waste water in accordance with Department guidelines.	N/A
Recommendation 6: Embassy Monrovia should conduct a safety, health, environmental management inspection in accordance with Department guidelines and correct any deficiencies identified.	N/A
Recommendation 7: Embassy Monrovia should clear outstanding travel advances of \$54,403 in accordance with Department guidelines.	\$54,403
Recommendation 10: The Bureau of Comptroller and Global Financial Services should conduct an audit to determine how much Embassy Monrovia overpaid for airline tickets and, as appropriate, collect the overpayments from the employees who benefitted.	N/A
Recommendation 11: Embassy Monrovia should nominate, appoint, and train contracting officer's representatives in accordance with Department guidelines.	N/A
Recommendation 13: Embassy Monrovia should sell or dispose of excess inventory in accordance with Department guidelines.	N/A
Recommendation 14: Embassy Monrovia should conduct an annual property utilization survey in accordance with Department standards.	N/A
Recommendation 16: 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
Recommendation 17: Embassy Monrovia should request a comprehensive legal review and opinion from the Office of the Legal Adviser about whether a building on the embassy compound can be used to operate a medical clinic for locally employed staff.	N/A
Recommendation 18: Embassy Monrovia should submit a retail price survey to the Bureau of Administration.	N/A
Recommendation 20: Embassy Monrovia should encrypt all laptops in accordance with Department guidance.	N/A
Recommendation 24: Embassy Monrovia, in coordination with the Bureau of Diplomatic Security, should train Information Management staff in accordance with Department guidance.	N/A
Recommendation 25: Embassy Monrovia should review, update, and test the IT Contingency Plan in accordance with Department standards.	N/A
<i>Inspection of the Bureau of Near Eastern Affairs</i> (ISP-I-17-22, 5/2017)	
Recommendation 2: The Bureau of Near Eastern Affairs should institute formal processes to measure performance against strategic goals in accordance with Department standards.	N/A
<i>Inspection of Emergency Preparedness at Consulate General Hamilton, Bermuda</i> (ISP-I-17-26, 5/2017)	
Recommendation 2: Consulate General Hamilton should test its high-frequency radio network in accordance with Department standards.	N/A
Recommendation 3: 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

Report Recommendation	Potential Monetary Benefits
<i>Inspection of Embassy Tel Aviv, Israel</i> (ISP-I-17-20, 5/2017)	
Recommendation 3: Embassy Tel Aviv should comply with Federal records management policies for the Middle East Regional Cooperation program.	N/A
Recommendation 11: 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
Recommendation 16: 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
Recommendation 18: Embassy Tel Aviv should update all outdated locally employed staff position descriptions.	N/A
Recommendation 20: Embassy Tel Aviv should complete and test the information technology contingency plans for the unclassified and the classified networks and develop a process for periodically updating the plans as systems environments and resources change.	N/A
<i>Inspection of Embassy Freetown, Sierra Leone</i> (ISP-I-17-16, 5/2017)	
Recommendation 4: Embassy Freetown should clear outstanding travel advances of \$67,098 in accordance with Department guidelines.	\$67,098
<i>Management Assistance Report: Cost of Information Management Staff at Embassies Should Be Distributed to Users of Their Services</i> (ISP-17-23, 4/2017)	
Recommendation 1: The Office of the Under Secretary for Management, in coordination with the Bureau of Budget and Planning and the Bureau of the Comptroller and Global Finance Services, should 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 of \$4.23 million.	\$4,230,000
<i>Inspection of the Bureau of Consular Affairs, Office of Consular Systems and Technology</i> (ISP-I-17-04, 12/2016)	
Recommendation 4: The Bureau of Consular Affairs should create a system security plan for ConsularOne.	N/A
Recommendation 5: The Bureau of Consular Affairs should create a contingency plan for ConsularOne.	N/A
Recommendation 7: The Bureau of Consular Affairs should publish scheduled system maintenance outages, including weekly maintenance windows and periodic longer outages, in which the Office of Consular Systems and Technology has complete authority to take systems offline.	N/A
<i>Inspection of Embassy Quito, Ecuador</i> (ISP-I-16-27, 9/2016)	
Recommendation 3: Embassy Quito, in coordination with the Bureau of Consular Affairs, should replace the automatic queuing system in Consulate General Guayaquil.	N/A
<i>Inspection of Embassy Kinshasa, Democratic Republic of the Congo</i> (ISP-I-16-19A, 6/2016)	
Recommendation 5: Embassy Kinshasa, in coordination with the Bureau of International Information Programs and the Bureau of Educational and Cultural Affairs, should bring the appearance of the Information Resource Center into conformity with Department standards.	N/A

Table D.4

Open Office of Investigations Recommendations Issued in Previous Periods, Pending Final Department of State Action, as of 3/31/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
None	
Other Open Recommendations	
<i>Management Assistance Report: Bureau of International Security and Nonproliferation, Nonproliferation and Disarmament Fund Invoice Submission Process</i> (INV-17-02, 9/2017)	
Recommendation 1: OIG recommends that ISN [Bureau of International Security and Nonproliferation] coordinate with the Department to create a policy within 14 Foreign Affairs Manual 730 requiring all Department employees to receive official Department business information and correspondence at an official Department mailing address to ensure the proper screening and receipt of official correspondence and to eliminate any perception of inappropriate employee activity.	N/A
<i>Management Assistance Report: U.S. Embassy Tbilisi Employee Association Commissary Accounting Controls</i> (INV-17-01, 6/2017)	
Recommendation 1: OIG recommends that the Board Chair of the Tbilisi Embassy Employee Association develop and implement policies and procedures in accordance with 6 Foreign Affairs Manual (FAM) 531.2 to document, support and control the deleting of accounting transactions in the commercial off-the-shelf accounting software. At a minimum, those procedures should include monthly reviews of deleted transactions, comparisons of opening and closing balances, and review of documentation to support the deletion of transactions.	N/A
Recommendation 2: OIG recommends that the Board Chair of the Tbilisi Embassy Employee Association develop and implement procedures in accordance with 6 FAM 531.2 to verify that: a) Daily cash receipts and deposits are reconciled monthly. b) Bank reconciliations are conducted. c) Monthly reconciliations are performed between the cash register sales and commercial off-the-shelf accounting software systems.	N/A
Recommendation 3: OIG recommends the Board Chair of the Tbilisi Embassy Employee Association develop and implement cash management procedures in accordance with the internal controls prescribed for cash collection and handling by embassy cashiers in 4 Foreign Affairs Handbook (FAH)-3 H- 396.1 (g) and 4 FAH-3 H-390. Specifically, these procedures should include requirements to: a) Prepare daily deposit slips for cash and negotiable instruments. b) Deposit cash daily, or as often as needed, to avoid excess "cash on hand" as defined by local accounting and cash management procedures.	N/A
Recommendation 4: OIG recommends that the Board Chair of the Tbilisi Embassy Employee Association develop and implement policies and procedures to restrict access to the accounting system by: a) Requiring individual user IDs and strong passwords for all users. b) Restricting Administrator rights to appropriate staff.	N/A
Recommendation 5: 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 3/31/2018

Office of Audits
<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>OIG recommended 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. The Bureau of Diplomatic Security neither agreed nor disagreed in its response to the draft report and in subsequent responses did not fully respond to the recommendation. Therefore, Recommendation 38 is considered unresolved.</p>
<p><i>Compliance Followup Review of Department of State Actions To Reduce the Risk of Trafficking in Persons Violations in Four States in the Cooperation Council for the Arab States of the Gulf</i> (AUD-MERO-12-47, 09/2012)</p> <p>OIG recommended Embassy Abu Dhabi establish and implement a monitoring process for service contracts to ensure compliance with host-country labor laws and contractor-provided housing plans. In response to the draft report, Embassy Abu Dhabi did not concur with recommendation 1; however, based on information provided in the Embassy's response to recommendation 2, OIG considered recommendation 1 resolved. OIG also recommended that Embassy Abu Dhabi establish a process to ensure that statements of work for service contracts include requirements that contractors should provide detailed descriptions of housing accommodations for foreign workers; provide workers with standard contracts in English and workers' native languages that include policies on wages, overtime rates, allowances, salary increases, the contract term, leave accrual, and other personnel matters; provide workers with written information, in workers' native languages, on relevant United Arab Emirates labor laws; and provide workers with written information, in workers' native languages, about the U.S. Government's zero tolerance policy toward trafficking in persons. In response to the draft report, Embassy Abu Dhabi concurred with Recommendation 2, stating that it would include language in future solicitations that follows A/LM/AQM guidance. The embassy also stated it would provide information to contractors on the U.S. Government's zero tolerance policy once the Department provides these documents to post in the required languages. Based on the Embassy's concurrence and information provided in its response to the draft report, OIG also considered the recommendation 2 resolved. Because Embassy Abu Dhabi never responded to the final report or compliance correspondence requesting overdue status updates on or evidence of implementation, in June 2016 OIG changed the status for Recommendations 1 and 2 from resolved to unresolved. OIG continues to work with the Department to resolve and close the recommendations.</p>
Office of Inspections
<p><i>Management Assistance Report: Department Can Take Steps Toward More Effective Executive Direction of Overseas Missions</i> (ISP-17-38, 7/2017)</p> <p>OIG recommended that the Director General of the Foreign Service and Director of Human Resources provide more regular feedback to Chiefs of Mission on their performance, and enhance First- and Second –Tour employee programs. The Bureau of Human Resources has never responded to the final report for Recommendations 1 and 3. Therefore, Recommendations 1 and 3 are unresolved.</p>

Table D.6

Reports Issued in Prior Reporting Period That Did Not Receive Comment Within 60 Days of Issuance, as of 3/31/2018

None

Table D.7

Department of State Significant Revised Management Decisions, 10/1/2017–3/31/2018

None

Table D.8

Department of State Significant Management Decisions With Which OIG Disagreed, 10/1/2017–3/31/2018

Office of Audits
<i>Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services</i> (AUD-FM-17-53, 9/2017)
<p>OIG recommended that the Bureau of Consular Affairs (CA) remit unobligated balances that exceed the carry-forward threshold, which OIG reported as \$284 million in funds that could be put to better use for FY 2017, to the Department of Treasury. CA did not concur with the recommendation, stating that it believes that consular fees were established in accordance with regulatory authorities and, therefore, there is no requirement to remit the \$284 million to Treasury. OIG disagreed and noted that the report shows that the Department collected fees above the levels authorized by Congress, and therefore the Department is not permitted to retain those fees until expended. CA's subsequent compliance responses to OIG continued to nonconcur and indicated that it had not yet completed an analysis of the carry-forward balance, but that it believed that the analysis would show that it was unlikely that carry-forward balances would exceed any realistic target threshold that may be established and that it is highly unlikely the bureau would have excess cash reserves available to remit to Treasury for the foreseeable future. CA also reiterated its position that no legal authority exists to return funds to Treasury that Congress has authorized the Department to retain and that attempts to remit funds to Treasury would severely restrain CA from meeting its core responsibilities for the U.S. Government and U.S. citizens at home and abroad. OIG continues to disagree with CA's position as OIG stated in its final report. Therefore, Recommendation 6 is considered unresolved.</p>
<i>Management Assistance Report: Improvements Needed to the Security Certification Process To Ensure Compliance With Security Standards at Embassy Kabul, Afghanistan</i> (AUD-MERO-17-28, 3/2017)
<p>OIG recommended that the Bureau of Overseas Buildings Operations (OBO), in coordination with the Bureau of Diplomatic Security (DS), revise the physical security certification process to include a follow-up inspection by DS to confirm that OBO took actions to address all identified deficiencies in accordance with physical security standards prior to occupancy. OBO did not concur, stating that DS documents all critical issues and that either DS returns to the site to verify compliance or the OBO Project Director responds with a front-channel cable, usually paired with emailed photos. OIG disagreed and noted in its report that it found that OBO informed DS that identified deficiencies had been mitigated when they had not, and the reason the unmitigated deficiency was noticed was because the original DS security inspection officer conducted an informal follow-up inspection. OBO's subsequent compliance responses continued to nonconcur, stating that it believed that the process in place meets the intent of the recommendation and the cost and time delays of requiring DS to conduct a second inspection would be neither cost-effective nor sustainable under current workforce and funding conditions and would leave thousands of Department employees in more vulnerable facilities for longer periods of time than absolutely necessary. OIG continues to believe that the lack of the second inspection leaves employees in those facilities unnecessarily at risk. Therefore, Recommendation 2 is considered unresolved.</p>
Office of Evaluations and Special Projects
<i>Review of Selected Internal Investigations Conducted by the Bureau of Diplomatic Security</i> (ESP-15-01, 10/2014)
<p>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.</p>

Table D.9

Department of State Management Success in Implementing Recommendations, 10/1/2017–3/31/2018

Office of Audits
<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>OIG recommended that the Bureau of Diplomatic Security complete a review of the \$4.2 million in weapons and equipment currently being stored for the Pakistan Antiterrorism Assistance program within 90 days and determine if the weapons and equipment can be used in other ATA programs. The Bureau of Diplomatic Security transferred more than \$5.5 million in equipment (\$1.3 million more than the \$4.2 million in equipment identified in the report) from the Pakistan program to other programs as a result of this recommendation.</p>
<p><i>Audit of Atlas Service Corps, Inc., Grant Expenditures and Program Income</i> (AUD-CGI-17-32, 3/2017)</p> <p>As a result of OIG recommendations to review and recover costs related to the grantee, the Department recovered \$171,318 from the grantee by reducing the amount owed.</p>
<p><i>Management Assistance Report: Incorrect Post Allowance Rate for Embassy Berlin, Germany</i> (AUD-FM-17-06, 11/2016)</p> <p>As a result of OIG recommendations, the Department revised post allowances for Berlin and Dusseldorf from 35% to 25%. Based on that revision, the Department will save \$658,944 over two years.</p>
<p><i>Audit of the Bureau of Near Eastern Affairs Financial Management of Grants and Cooperative Agreements Supporting the Middle East Partnership Initiative</i> (AUD-MERO-16-42, 7/2016)</p> <p>As a result of OIG's recommendations to review grantee costs questioned by OIG and recover from the grantee any costs determined to be unallowable, the Department reviewed grantee costs and determined that \$191,086 was unallowable.</p>
<p><i>Compliance Followup Audit of Department of State Actions To Address Weaknesses in the Ownership, Award, Administration, and Transfer of Overseas Construction Funded by the President's Emergency Plan for AIDS Relief</i> (AUD-ACF-14-32, 8/2014)</p> <p>As a result of OIG's recommendation to review unexpended amounts in obligations for the President's Emergency Plan for AIDS Relief (PEPFAR), the Department reviewed these amounts and deobligated \$365,863, releasing the funds to be available to be directed to other PEPFAR priorities.</p>
Office of Inspections
<p><i>Inspection of Embassy Beijing and Constituent Posts, China</i> (ISP-I-18-04, 12/2017)</p> <p>OIG recommended that Embassy Beijing de-obligate unliquidated obligations totaling \$581,634 and put the funds to better use. Embassy Beijing reported that during the inspection the Financial Management Officer successfully de-obligated all the invalid prior-year obligations and provided evidence showing that \$581,634 was de-obligated as a result of this recommendation.</p>
<p>Note: The recommendations described in this table do not include all recommendations that were closed as implemented during the reporting period. The recommendations in this table were selected by OIG based on a variety of factors, including the significance of the recommendation, cost savings or program improvements that resulted from implementation, or other considerations.</p>

APPENDIX E: BROADCASTING BOARD OF GOVERNORS COMPLIANCE

Tables E.1 through E.7 report the status of open Office of Inspector General (OIG) recommendations to the Broadcasting Board of Governors as of March 31,

2018, as well as certain recommendations that were closed during the reporting period.

OIG Compliance Lexicon

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

Table E.1

Open Office of Audits Recommendations Issued in Previous Periods, Pending Final Broadcasting Board of Governors Action, as of 3/31/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Management Assistance Report: Broadcasting Board of Governors Incident Response and Reporting (AUD-IT-IB-16-25, 1/2016)</i>	
Recommendation 1: 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.	N/A
<i>Audit of the Broadcasting Board of Governors Administration and Oversight of Acquisition Functions (AUD-CG-IB-14-26, 6/2014)</i>	
Recommendation 5: OIG recommends that the International Broadcasting Bureau, Office of Contracts, in coordination with the Office of the Chief Financial Officer, develop and implement policies and procedures to ensure that funds are available at the beginning of the period of performance for each contract, which should include the tracking of contract period of performance and the maintenance of appropriate documentation within the contract file. If funds are not available for the entire term of a contract because of a continuing resolution, a subject to availability clause should be included in the terms and conditions of the contract, per the Federal Acquisition Regulation.	N/A
Recommendation 6: OIG recommends that the International Broadcasting Bureau develop and implement fund control regulations, obtain approval from the Office of Management and Budget for the fund control regulations, and post the fund control regulations on its Web site, as required by Office of Management and Budget Circular A-11.	N/A

Report Recommendation	Potential Monetary Benefits
Recommendation 8: OIG recommends that the International Broadcasting Bureau, Office of Contracts, develop policies and procedures and implementation guidance for conducting market research, in accordance with the Federal Acquisition Regulation. Specifically, criteria should be established to dictate the type and extent of market research to be performed for each procurement action and what types of documentation should be maintained in the contract file.	N/A
Other Open Recommendations	
<i>Audit of Radio Free Asia Expenditures</i> (AUD-FM-IB-15-24, 6/2015)	
Recommendation 1: OIG recommends that the Broadcasting Board of Governors define its grant monitoring structure, formally document the roles and responsibilities of all parties involved in the grant monitoring process, and revise its Grantee Handbook accordingly.	N/A
Recommendation 2: OIG recommends that the Broadcasting Board of Governors develop and implement a comprehensive grant oversight program and revise its Grantee Handbook to document the specific procedures for the grant oversight program.	N/A
Recommendation 3: OIG recommends that the Broadcasting Board of Governors (BBG) develop and implement a training plan for all employees involved in grant oversight as determined in response to Recommendation 1. This training plan should cover both Government-wide requirements for grant oversight and also BBG's internal grants policies and procedures. BBG should revise its Grantee Handbook to include the training plan.	N/A
Recommendation 14: OIG recommends that the Broadcasting Board of Governors require Radio Free Asia to revise its processes to include an assessment of the continued need for funds that are either unexpended or committed and to take action to deobligate funds that are no longer needed.	N/A
Recommendation 15: OIG recommends that the Broadcasting Board of Governors require Radio Free Asia to annually report on the amount of unused funds.	N/A
Recommendation 16: OIG recommends that the Broadcasting Board of Governors develop and implement a process to oversee Radio Free Asia's unused funds.	N/A
Recommendation 21: 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
<i>Audit of Radio Free Europe/Radio Liberty After-employment Benefits</i> (AUD-FM-IB-14-34, 9/2014)	
Recommendation 2: OIG recommends that the Broadcasting Board of Governors design and implement procedures to perform routine reviews of Radio Free Europe/Radio Liberty (RFE/RL) financial activity. At a minimum, these procedures should include periodic reviews of significant events and transactions and analyses of RFE/RL's financial statements and actuarial reports.	N/A
Recommendation 3: OIG recommends that the Broadcasting Board of Governors develop a process to review and approve significant contracts over \$350,000 for Radio Free Europe/Radio Liberty.	N/A
Recommendation 4: OIG recommends that the Broadcasting Board of Governors develop policies and procedures to ensure that information needed to oversee grantees is maintained in the grant files and to ensure that the relevant information is available for at least 7 years.	N/A
Recommendation 5: OIG recommends that the Broadcasting Board of Governors (BBG) review and revise its policies and procedures to clearly define the roles and responsibilities of the officials within BBG who are responsible for monitoring and overseeing Radio Free Europe/Radio Liberty.	N/A
Recommendation 9: OIG recommends that the Broadcasting Board of Governors (BBG) design detailed annual budget submission formats and financial planning documents that will allow BBG to obtain details on unfunded liabilities at Radio Free Europe/Radio Liberty.	N/A
Recommendation 10: OIG recommends that the Broadcasting Board of Governors develop and implement a standardized process to produce effective comparability studies. The process should ensure that the studies are performed at prescribed intervals, include all benefits offered by Radio Free Europe/Radio Liberty to its domestic and overseas employees, and contain data and analyses that support conclusions.	N/A

Table E.2

Open Office of Evaluations and Special Projects Recommendations Issued in Previous Periods, Pending Final Broadcasting Board of Governors Action, as of 3/31/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
<i>Management Alert: Broadcasting Board of Governors Significant Management Weaknesses</i> (MA-15-01, 5/2015)	
Recommendation 2: OIG recommends that the Broadcasting Board of Governors develop a plan to monitor and sustain actions previously taken (i.e. closed recommendations) to address the concerns discussed in this alert.	N/A
Other Open Recommendations	
None	

Table E.3

Open Office of Inspections Recommendations Issued in Previous Periods, Pending Final Broadcasting Board of Governors Action, as of 3/31/2018

Report Recommendation	Potential Monetary Benefits
Significant Open Recommendations	
None	
Other Open Recommendations	
<i>Inspection of Radio Free Europe/Radio Liberty</i> (ISP-IB-17-21, 5/2017)	
Recommendation 2: The Broadcasting Board of Governors should finalize its draft grantee handbook and implement the grant close-out provisions contained therein for RFE/RL.	N/A
Recommendation 5: The Broadcasting Board of Governors should include internal controls standards for its information security program in the grant agreement with Radio Free Europe/Radio Liberty.	N/A
Recommendation 6: 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
Recommendation 7: 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</i> (ISP-IB-17-09, 2/2017)	
Recommendation 1: 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
Recommendation 2: 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
Recommendation 4: The Broadcasting Board of Governors should require the Middle East Broadcasting Networks to report and reconcile property records from the last two inventories and document the cause and value for its missing property items.	N/A
Recommendation 8: 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.4
Report Recommendations Without Management Decision by the Broadcasting Board of Governors for More Than 6 Months, as of 3/31/2018

None

Table E.5
Reports Issued in Prior Reporting Period That Did Not Receive Comment Within 60 Days of Issuance, as of 3/31/2018

None

Table E.6
Broadcasting Board of Governors Significant Revised Management Decisions, 10/1/2017–3/31/2018

None

Table E.7
Broadcasting Board of Governors Significant Management Decisions With Which OIG Disagreed, 10/1/2017–3/31/2018

None

APPENDIX F: ABBREVIATIONS

Abbreviation	Full Name
A/LM/AQM	Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management
ATA	Antiterrorism Assistance
BBG	Broadcasting Board of Governors
BDFA	Basic Daily Food Allowance
CA	Bureau of Consular Affairs
CFC	Combined Federal Campaign
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CO	Contracting Officer
COR	Contracting Officer's Representative
CSSP	Corrections Systems Support Program
DATA Act	Digital Accountability and Transparency Act of 2014
DCAA	Defense Contract Audit Agency
DS	Bureau of Diplomatic Security
ECA	Bureau of Educational and Cultural Affairs
ERM	enterprise risk management
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FOIA	Freedom of Information Act
GOR	Grants Officer Representative
IIE	Institute of International Education
INL	Bureau of International Narcotics and Law Enforcement Affairs
ISIS	Islamic State of Iraq and Syria
JSSP	Justice Sector Support Program
NED	National Endowment for Democracy
NOX	New Office Annex
NTP	Notice to Proceed
OBO	Bureau of Overseas Buildings Operations
OCO	overseas contingency operation
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PEPFAR	President's Emergency Plan for AIDS Relief
RFA	Radio Free Asia
RFE/RL	Radio Free Europe/Radio Liberty
SDA-1	Staff Diplomatic Apartment-1
TIP	trafficking in persons
Treasury	Department of the Treasury
ULO	unliquidated obligation
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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Broadcasting Board of Governors