



Office of Inspector General United States Department of State

Critical Management Issues – U.S. Diplomatic and Development Agencies

STATEMENT BY
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BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON
STATE, FOREIGN OPERATIONS, AND RELATED PROGRAMS

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Chairman Lee, Ranking Member Rogers, and Members of the Subcommittee, thank you for inviting me to testify about the work of the Office of Inspector General (OIG) for the Department of State (Department) and the U.S. Agency for Global Media (USAGM). We appreciate your interest in and support of OIG's work.

In my testimony today, I will highlight OIG's recent work, top management challenges facing the Department and USAGM, and the impact of our work.

MISSION AND OVERSIGHT EFFORTS

It is my honor to have led OIG in an acting capacity for the past four months. OIG's mandate requires us to oversee both Department and USAGM programs and operations, which include more than 76,000 employees and over 270 overseas missions and domestic entities. We are responsible for the oversight of more than \$76 billion in Department and USAGM programs and operations.

Due to the effects of the Coronavirus (COVID-19) pandemic, the Department and OIG have had to make adjustments to their work plans over the past year. Additionally, the pandemic has presented difficulties and delays in OIG's ability to obtain some of the information needed to conduct our work, which impacted the scope and timing of some of our reports. Despite these challenges, our work has resulted in significant monetary and non-monetary benefits for the Department, USAGM, and the American public. I will discuss this work in more detail below.

Management and Performance Challenges

In FY 2020, we outlined seven key challenges for the Department: the 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.¹ While the Department has made progress in some of these areas, such challenges continue to manifest in both familiar and new contexts.

Protecting People and Facilities

One of OIG's top priorities is overseeing the protection of the Department's greatest asset, its people. Although the Department prioritizes the safety and security of its personnel and facilities, all U.S. diplomatic facilities face some level of risk. Additionally, natural disasters, environmental hazards, and ordinary crime continually pose risks to the health and safety of Department personnel and their families serving abroad.

The Department has made improvements in overseas safety and security since the 2012 attacks on various diplomatic facilities in Benghazi, Libya, but our inspection and audit work continues to identify vulnerabilities that put our people at risk. Given the sensitive nature of OIG's work in

¹ OIG, *Inspector General Statement on the Department of State's Major Management and Performance Challenges: Fiscal Year 2020* (OIG-EX-21-01, November 2020).

this area, many of the reports related to safety and security are classified. As these reports pertain to some of our most important work—including, for example, setback and perimeter issues at overseas posts; employees working in unprotected spaces, such as warehouses; and emergency medical supplies at some posts—I encourage Members to review those materials in an appropriate setting. This testimony includes only information that is publicly available, much of which relates to the day-to-day work Department employees perform, including the safety and appropriateness of the facilities in which they work, the vehicles they drive, and the places where they live.

Constructing and maintaining safe and secure diplomatic facilities has been an ongoing challenge, which is compounded in regions affected by conflict and humanitarian crises. OIG continues to recommend steps the Department can take to improve adherence to its own policies and procedures. In one particular review, OIG found that work on a new embassy compound in Ashgabat, Turkmenistan, had been significantly delayed because the Bureau of Overseas Buildings Operations (OBO) started construction in a location that violated the city's standards.² Although the crux of our review related to contract management deficiencies and the significant financial cost to the Department to address the situation, we also noted that there were security implications. For example, as a result of the delays, embassy operations continued from multiple locations and facilities that did not meet the Department's security criteria, including setback requirements and standards for seismic activity.

A major construction project in London illustrated this challenge as well.³ OIG found that inadequate attention to major systems design and local requirements led to design flaws in a semicircular pond that serves partly as a security barrier. And major building systems related to security, fire safety, and elevators had not been verified to meet performance guidelines despite the facility having been declared substantially complete, a designation intended to indicate that a building is safe to occupy.

Our oversight work has also found that conditions at many of the residences occupied by Department employees and their families abroad are inconsistent with Department safety standards. For example, OIG found several deficiencies at mission residences throughout South Africa.⁴ These included a lack of smoke detectors, interior and balcony railings that did not meet safety standards, gates around pools at some residences that did not self-close, and locks that did not meet safe height requirements to prevent children from gaining access.

Another area of OIG focus has been the operation of official vehicles overseas. Several FY 2020 OIG reports identified a lack of compliance with motor vehicle safety standards in the operation of official vehicles overseas. OIG found lapses in medical clearances for drivers, outdated or

² OIG, *Review of Delays Encountered Constructing the New Embassy Compound in Ashgabat, Turkmenistan* (AUD-MERO-20-20, February 2020).

³ OIG, *Audit of the Bureau of Overseas Buildings Operations Process to Execute Construction Closeout Procedures for Selected Capital Construction Projects* (AUD-CGI-20-43, September 2020).

⁴ OIG, *Inspection of Embassy Pretoria and Constituent Posts, South Africa* (ISP-I-20-09, January 2020).

absent safety training for operators of armored vehicles or other official vehicles, and drivers working excessive hours—a practice that increases the risk of motor vehicle accidents caused by driver fatigue. OIG found that nearly 50 drivers of armored vehicles at the U.S. Embassy in Mauritania lacked required armored vehicle training.⁵ And numerous drivers had not taken the required training or did not hold the necessary medical certifications.

Lastly, in FY 2020, OIG found that several overseas consular sections were not adequately prepared for a crisis, as required by Department standards. One Consulate General did not have a consular crisis preparedness plan, did not conduct crisis management exercises, or have a disaster emergency kit.⁶ Another embassy’s consular section had not tested its American Liaison Network, a critical tool for communicating with U.S. citizens during a crisis, in more than a year.⁷ Failure to meet crisis preparedness requirements can put U.S. citizens and consulate staff at risk in an emergency or disaster. OIG also identified emergency preparedness issues in security and information management areas in embassy inspections.

Oversight of Contracts, Grants, and Foreign Assistance

The Department expends substantial resources on contracts and grants—approximately \$8 billion annually. OIG has accordingly made contracts and grants a key focus of our oversight work. OIG has found that, domestically and abroad, Department entities did not consistently and adequately ensure that foreign assistance programs achieved intended objectives and policy goals, monitor and document contractor performance, conduct thorough invoice reviews, and properly oversee construction contracts, especially those being implemented in contingency environments. Problems with contract and grant oversight can often be traced to inexperienced and untrained personnel, who, in some instances, may also have an inadequate level of technical knowledge.

OIG identified systemic weaknesses related to the administration and oversight of Department contracts and foreign assistance from FY 2017 through FY 2019.⁸ An analysis of 96 reports issued during that period found multiple examples of Contracting Officers (CO) and Grants Officers (GO) failing to adequately educate and support Contracting Officer’s Representatives (COR) and Grants Officer Representatives (GOR) or enforce Federal regulations and Department policy through effective and vigilant monitoring. We made 528 recommendations in these reports related to improving contract and foreign assistance administration and oversight. Collectively, these reports identified \$217.8 million in potential monetary benefits.⁹ During the

⁵ OIG, *Inspection of Embassy Nouakchott, Mauritania* (ISP-I-20-04, November 2019).

⁶ ISP-I-20-09, January 2020.

⁷ OIG, *Inspection of Embassy Windhoek, Namibia* (ISP-I-20-32, September 2020).

⁸ OIG, *Information Report: Systemic Weaknesses Related to the Administration and Oversight of Department of State Contracts and Foreign Assistance From 2017 to FY 2019* (AUD-CGI-20-44).

⁹ Benefits arising from audits can be expressed in monetary terms. Potential monetary benefits are classified as “Questioned Costs” or “Funds Put To Better Use.” Costs are questioned by OIG because of an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; a finding that, at the time of the project, such cost is not supported by adequate documentation (an unsupported cost); or a

same period, OIG's Office of Investigations (INV) conducted investigations involving a wide range of criminal, civil, and administrative allegations related to contract and Federal assistance fraud. INV efforts to address these allegations resulted in 5 convictions, 87 debarments, 15 suspensions, and recoveries totaling over \$17.9 million.

Additionally, the Department has faced challenges in designing foreign assistance programs to ensure they achieve desired program results. For example, an audit of oversight of the President's Emergency Plan for AIDS Relief (PEPFAR) examined, in part, whether the Office of the U.S. Global AIDS Coordinator and Health Diplomacy had overseen selected missions' performance toward achieving PEPFAR goals.¹⁰ OIG found that across the missions examined, PEPFAR teams expressed concerns regarding performance targets and the yearly operational planning process. PEPFAR teams consistently expressed the belief that their input was not considered during the planning process, especially regarding the attainability of performance targets. OIG noted that the lack of effective communication may affect PEPFAR program implementation efforts.

In another example involving foreign assistance management, OIG found that, since FY 2016, the Bureau of Counterterrorism (CT) had made substantial progress in setting up strategic planning and business operations processes to support an expansion of its foreign assistance program funding, although the bureau had not yet developed a fully integrated internal planning process to incorporate the range of its programs and those of partner agencies.¹¹ The bureau's monitoring and evaluation framework did not fully comply with Department standards, and the bureau relied too heavily on third-party contractors to help with foreign assistance program oversight—including inherently governmental functions. Federal agency implementing partners did not submit quarterly performance and financial reports or submitted fewer than required, which contributed to weaknesses in funds control and program management, and the bureau also faced challenges in closing out its interagency agreements. Additionally, the bureau returned \$51.9 million in expired and canceled funds from FY 2016 to FY 2019, partly as a result of the weaknesses in funds control.

OIG found that the Department took several steps to improve its ability to track foreign assistance funds since the issuance of a 2017 OIG report that highlighted limited progress in this area.¹² These steps included making changes to the Department's enterprise IT systems used to track foreign assistance and standardizing award titles and descriptions to improve the quality of publicly reported foreign assistance data. However, despite a plan to implement additional IT systems modifications to collect more detailed foreign assistance data, OIG found the

finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable. OIG also identifies funds that could be used more efficiently if management took actions to implement and complete the recommendation.

¹⁰ OIG, *Audit of the Department of State's Coordination and Oversight of the U.S. President's Emergency Plan for AIDS Relief* (AUD-SI-20-17, February 2020).

¹¹ OIG, *Inspection of the Bureau of Counterterrorism* (ISP-I-20-13, May 2020).

¹² OIG, *Review of Department of State Foreign Assistance Tracking Capabilities* (ISP-I-21-09, December 2020); OIG, *Compliance Follow-Up Review: Department of State is Still Unable to Accurately Track and Report on Foreign Assistance Funds* (ISP-C-17-27, June 2017).

Department did not assess the full range of potential effects these changes would have on bureaus that manage foreign assistance, nor did it identify sufficient measures to mitigate such effects. OIG also found that the Department did not adequately communicate and train bureaus on how to implement its proposed changes to improve foreign assistance tracking. Such a lapse risks the continued production of unreliable data on the Department's foreign assistance portfolio.

Poor contract and construction oversight can also result in waste, as was the case with the construction of the Turkman Embassy's New Office Building (NOB), mentioned above.¹³ The initiation of construction in violation of local standards occurred, in part, because OBO personnel failed to follow internal procedures that guide the planning of construction projects, including appropriately filing and sharing a legal assessment that described the building permit approval process and local building codes. At the time of OIG's report, OBO estimated it would cost the Department between \$90 million and \$125 million to rebuild the structure in an approved location, approximately twice what was originally budgeted for the project.

Finally, in recent reports, inspectors and auditors have noted that routine contract management tasks, such as validating performance metrics to assess contractor performance and maintaining complete and accurate contract files, were not being performed in compliance with Department guidance and Federal regulations. As noted above, OIG's audit and inspection reports from the period from FY 2017 to FY 2019 also highlighted circumstances in which CORs served without proper training or without proper designation, which could affect their ability to ensure adequate oversight of contractors.¹⁴ Moreover, OIG investigated 15 cases pertaining to contract fraud, including cases related to kickback schemes, willful noncompliance with contractual obligations, and conspiracy to defraud the government—underscoring the importance of adequate contract administration and oversight. The Department recovered approximately \$14.5 million related to these cases.

Information Security and Management

IT security and management is a longstanding and significant management challenge for the Department. The Department depends on information systems and electronic data to carry out essential functions that are critical to its mission. The Department is entrusted with sensitive information, both classified and unclassified, which it processes and stores on those systems. The security of these systems is vital to protecting national and economic security, public safety, and the flow of commerce.

In a recent review, OIG found that the Department took steps to improve its organization-wide information security program during FY 2020; however, it has not fully developed and implemented an effective program.¹⁵ More than 20 percent of the Federal Information Security

¹³ AUD-MERO-20-20, February 2020.

¹⁴ AUD-CGI-20-44.

¹⁵ OIG, *Audit of the Department of State FY 2020 Information Security Program* (AUD-IT-21-25, April 2021),

Management Act (FISMA) metric maturity levels improved during FY 2020 and the Department's incident response program was determined to be effective. However, seven of eight IG FISMA metric domains—risk management, configuration management, identity and access management, data protection and privacy, security training, information security continuous monitoring, and contingency planning—were operating below the acceptable maturity level of 4, "Managed and Measurable." In fact, overall, the Department was operating at a Level 2, "Defined," maturity level. Until an effective information security program is in place, the Department will remain vulnerable to IT-focused attacks and threats to its critical mission-related functions.

We also found deficiencies related to records management throughout FY 2020. For example, one domestic bureau did not establish a records management program to institute controls over records creation, maintenance, and disposition, while another embassy had not retired political, economic, and public diplomacy program files since 2013.¹⁶ The lack of an effective records management program could result in the loss of important data for historical insight into policy analysis, decision-making, and archival research.

Financial and Property Management

Financial management has also been a challenge for the Department over many years. This is due, in large part, to overall internal control issues—namely, the Department's inability to identify internal control weaknesses and comply with relevant standards. As with oversight of contracts and grants, attention to this challenge is particularly important to ensure that the Department appropriately uses and oversees public resources.

An independent audit of the Department's FY 2019 and FY 2020 consolidated financial statements identified certain matters that were considered noteworthy.¹⁷ Weaknesses in property and equipment management were initially reported in the audit of the Department's FY 2005 consolidated financial statements and have been reported in each subsequent audit. In FY 2019, the Department's internal control structure continued to exhibit several deficiencies that negatively affected the Department's ability to account for real and personal property in a complete, accurate, and timely manner.

For example, auditors found that the Department did not record numerous overseas real property acquisitions and disposals in a timely manner. The untimely processing of real property acquisitions and disposals resulted in misstatements in the Department's asset and expense balances. For personal property, auditors found that the acquisition value for numerous tested items could not be supported or was incorrect, and the gain or loss recorded for some personal property disposals was not recorded properly. In addition, auditors identified a significant number of personal property transactions from prior years that were not recorded

¹⁶ OIG, *Inspection of the Bureau of Counterterrorism's Foreign Assistance Program Management* (ISP-I-20-14, June 2020); OIG, *Inspection of Embassy Vilnius, Lithuania* (ISP-I-20-29, April 2020).

¹⁷ OIG, *Independent Auditor's Report on the U.S. Department of State FY 2020 and FY 2019 Financial Statements* (AUD-FM-21-08, November 2020).

in the correct fiscal year. The Department's internal control structure and monitoring activities failed to identify these errors, which resulted in misstatements in the financial statements and increased the risk of theft and waste.

Warehouse, inventory, and property transfer controls were also a challenge for several overseas posts and, as in previous years, internal control issues related to the management of bulk fuel and the Department's motor vehicle fleet persist. For example, in Mauritania¹⁸ the receiving clerk was not present for fuel deliveries, as required; fuel pump meters were not calibrated, as required; and embassy staff did not test fuel tanks for water before and after delivery, in accordance with the Department's Motor Pool Procedures Overseas guide. Further, in Chad, OIG found inconsistencies in information about mileage and fuel consumption in the Fleet Management Information System, which increases the risk of mismanagement of vehicles and fuel.¹⁹

Inadequate acquisition planning is also an issue. For instance, we found that the Bureau of Western Hemisphere Affairs did not have adequate management controls in place for the procurement of IT equipment.²⁰ This resulted in unnecessary purchases, including the purchase of 300 computer monitors that were incompatible with existing IT equipment and could not be used or returned.

On a positive note, the Department took various actions in response to OIG findings and recommendations that resulted in funds being put to better use. For instance, the Bureau of African Affairs consolidated its monitoring and evaluation contracts for security assistance programs, which will improve the bureau's oversight of the programs and result in \$6.5 million being put to better use over a 4-year period.²¹ In another example, in response to a 2017 OIG audit recommendation, the Bureau of Administration implemented a new methodology using independent economic data to calculate cost-of-living allowances (COLA) for U.S. Government civilian employees living in foreign areas.²² The new rates were published in October 2020, and the Department estimated that it saved \$2.5 million using the new methodology. Moreover, Department officials said that the amount "does not reflect the savings realized by posts in time or money to monitor, report, and submit the COLA survey." In addition, because the Department's rates are used by all Federal civilian agencies, other agencies will also benefit from the new COLA methodology.

¹⁸ OIG, ISP-I-20-04, November 2019.

¹⁹ OIG, *Inspection of N'Djamena, Chad* (ISP-I-20-02, November 2019).

²⁰ OIG, *Inspection of the Bureau of Western Hemisphere Affairs* (ISP-I-20-05, November 2019).

²¹ OIG, *Compliance Follow-Up Review: Bureau of African Affairs' Foreign Assistance Program Management* (ISP-C-20-23, May 2020).

²² OIG, *Audit of Select Cost-of-Living Allowances for American Employees Stationed in Foreign Areas* (AUD-FM-17-51, August 2017).

Operating in Contingency and Critical Environments

We recognize the particular difficulties the Department faces in managing posts and programs in environments characterized by contingency operations or other types of conflict or instability. These programs and posts must adapt to constant change, pervasive security concerns, dramatic swings in personnel and funding, and widespread reliance on contractors and grantees. In addition to the overall challenge of protecting its people and facilities, the Department faces a much more specific challenge in managing contracts and foreign assistance programs in these locations.

For example, OIG evaluated a construction project in Kabul for housing for the embassy security force that was terminated with little-to-no work completed despite costing the Department \$103.2 million.²³ Department construction projects are typically managed by OBO; however, this project—the Camp Eggers project—was awarded using an existing security contract managed by DS. Neither the contractor (a security company) nor the DS officials overseeing the contract had any construction experience, which likely led to the failure of the project. Likewise, the Department’s contracting officials failed to exercise the Department’s right to take meaningful corrective action against the contractor for missing construction milestones and disregarding contract requirements. OIG acknowledges that the Department faced difficult choices and, at certain points, had few options. However, concerns about urgency frequently dominated decision-making to the exclusion of other considerations, ultimately resulting in expenditures of \$103.2 million without any discernible benefit to the Department.

A recent OIG report on rightsizing also found that staffing reviews in Afghanistan and Iraq were conducted in an expedited manner because the missions were directed to immediately reduce staff.²⁴ However, the foreign policy priorities and strategic diplomatic objectives for each mission were not changed to reflect staffing adjustments. For example, preventing the recurrence of a terrorist threat emanating from Afghanistan and countering malign influence in Iraq remained stated policy objectives even though personnel who advanced these objectives were significantly reduced. Just as the short time frame and limited resources affected staffing decisions overall, these same factors precluded either mission from fully assessing and adjusting its strategic objectives to align with the staff reductions prescribed.

A recent OIG audit of the special immigrant visa (SIV) program in Afghanistan identified delays in processing visa applications and other issues that put SIV applicants at considerable risk of harm, an ongoing and serious threat as a result of their employment with the U.S. Government.²⁵ The Afghan SIV program is designed to protect eligible Afghans who are in imminent danger; however, applicants who are located outside of Afghanistan and who are seeking protection through the SIV program face delays well beyond the 9-month timeframe

²³ OIG, *Evaluation of the Bureau of Diplomatic Security’s Aegis Construction Contract at Camp Eggers, Afghanistan* (ESP-19-04, July 2019).

²⁴ OIG, *Audit of the Department of State’s Approach To Adjust the Size and Composition of U.S. Missions Afghanistan and Iraq* (AUD-MERO-20-38, August 2020).

²⁵ OIG, *Review of the Afghan Special Immigrant Visa Program* (AUD-MERO-20-35, June 2020).

established by Congress. As a result, SIV applicant protection could be enhanced by improving the efficiency of SIV applicant processing. Furthermore, the U.S. Government could examine the type of protection available for SIV applicants and their family members affected by processing delays whose lives are in “imminent danger.”

Finally, health and welfare concerns first raised in a September 2019 OIG report persist for antiterrorism assistance explosive detection canines.²⁶ An FY 2020 report confirmed that additional canines beyond those described in the initial evaluation had died from non-natural (that is, preventable) causes in Jordan in 2019 after OIG concluded its fieldwork.²⁷ The death of two canines from non-natural causes—hyperthermia and poisoning—since June 2019 raises serious questions about the Department’s contention that it has taken adequate steps to protect their health and safety. OIG is particularly concerned that the deaths of the two additional Jordanian dogs occurred while four Department-funded personnel were in-country to monitor the care of the dogs. On a positive note, the Department quickly acted on OIG’s recommendations, adopting policies and procedures for canine health, safety, and retirement and rapidly increasing inspections within months of the report’s issuance.

Workforce Management

People are the Department’s greatest asset and it accordingly expends substantial resources on trying to recruit, train, and retain a diverse, talented workforce capable of carrying out U.S. foreign policy goals and priorities. However, OIG’s work has found that staffing gaps, frequent turnover, poor leadership, and inexperienced and undertrained staff frequently contribute to the Department’s other management challenges. Workforce management issues are pervasive, affecting programs and operations domestically and overseas and across functional areas and geographic regions.

OIG continues to encounter domestic offices and overseas posts that experience difficulty maintaining staffing levels. Embassy Dhaka, Bangladesh, was among those posts that faced difficulty in filling mid-level positions.²⁸ Many managerial positions had long staffing gaps that exacerbated workload pressures on the remaining staff. Meanwhile, Consular Section staff routinely worked long hours in an effort to manage a growing backlog of immigrant visa work. Shortages of consular workers have also compounded the difficult situation for the Afghan SIV program mentioned earlier.²⁹ A review of that program showed that staffing levels across various offices that process SIVs have generally remained constant since 2016 and are insufficient to keep pace with the volume of applications or reduce the SIV application backlog.

²⁶ OIG, *Evaluation of the Antiterrorism Assistance Explosive Detection Canine Program — Health and Welfare* (ESP-19-06, September 2019).

²⁷ OIG, *Management Assistance Report: Continued Health and Welfare Concerns for Antiterrorism Assistance Explosive Detection Canines* (ESP-20-02, December 2019).

²⁸ OIG, *Inspection of Embassy Dhaka, Bangladesh* (ISP-I-20-17, June 2020).

²⁹ AUD-MERO-20-35, June 2020

The Global Engagement Center (GEC) also suffered from a lack of experienced personnel to issue, manage, and monitor its cooperative agreements. During an OIG audit, GEC hired additional staff members and planned to adopt internal policies, processes, and procedures.³⁰ OIG noted that without adequate contract management staff, GEC will not be in a position to ensure award recipients are using funds as intended or be able to fully demonstrate that the awards being implemented are fulfilling GEC's statutory mandate to coordinate efforts in countering propaganda and disinformation efforts aimed at undermining U.S. national security interests.

Effective leadership is generally an area of strength for the Department. There are numerous examples of good leadership within the Department, and our inspection work frequently highlights embassy leadership that strives to set the appropriate tone at the top. However, our work has also uncovered examples that have negatively impacted some employees' trust in leadership. In the inspection of Embassy Helsinki, OIG found the Ambassador and the Deputy Chief of Mission did not manage conflict between themselves in an appropriate manner, which resulted in a breakdown of trust and communication that complicated the chain of command and contributed to a stressful work environment for Embassy Helsinki staff. At Embassy London, OIG learned through employee questionnaires and interviews that the Ambassador sometimes made inappropriate or insensitive comments on topics generally considered Equal Employment Opportunity (EEO)-sensitive, such as religion, sex, or color.

However, OIG's work has documented meaningful improvements undertaken by the Department to address leadership issues. For instance, in a compliance follow-up review to a 2018 report that found long-standing and widespread leadership and management deficiencies at the National Passport Center, OIG found that the Bureau of Consular Affairs (CA) and, specifically, the passport center, undertook various initiatives to implement OIG recommendations.³¹ Among the actions undertaken, the bureau referred discrimination and harassment complaints for investigation, instituted coaching and training, conducted an organizational assessment, and enhanced internal communication regarding passport issuance procedures and workplace policies. At the conclusion of the review, OIG issued six recommendations and determined that CA was making progress toward full implementation. As of this date, four of the recommendations have been successfully closed; the remaining two recommendations are open and resolved.

Promoting Accountability Through Internal Coordination and Clear Lines of Authority

OIG has found that poor coordination and vague or dispersed authority are at the root of some of the Department's other deficiencies. This is a concern that affects a wide range of Department functions: it is often implicated in problems particular to certain Department programs or projects, and it is likewise relevant to some of the Department's more long-standing and systemic difficulties, including ensuring physical and information security.

³⁰ OIG, *Audit of Global Engagement Center Federal Assistance Award Management and Monitoring* (AUD-MERO-20-26, April 2020).

³¹ OIG, *Compliance Follow-Up Review: Targeted Review of Leadership and Management at the National Passport Center* (ISP-C-20-27, June 2020).

Accountability also suffers as a result of this challenge; where there are unclear lines of authority, responsibilities may be undefined or poorly defined.

For example, in a recent evaluation concerning the Department's handling of sexual harassment complaints, OIG found that the Department lacks coordination and guidance on the investigative and disciplinary processes for these types of complaints.³² However, the Department took action to update its sexual assault policies to ensure that such assaults were properly reported and that agents specially trained in investigating sexual assault were assigned to such cases.

OIG also found that two bureaus—DS and CT—with responsibilities related to the Department's Antiterrorism Assistance (ATA) program consistently failed to coordinate in ways that hampered the monitoring, evaluation, and sustainability of the program. OIG noted that DS and CT have not clearly delegated oversight duties related to ATA projects, which makes it difficult for the bureaus to fully measure ATA program performance or demonstrate that intended ATA country program goals and objectives are being achieved.

IMPACT OF OIG'S WORK

Through our audits, evaluations, inspections, and investigations, OIG returns substantial value to U.S. taxpayers. In FY 2020 alone, we issued 111 reports and identified more than \$193 million in questioned costs and funds put to better use. This amounts to a twofold potential return to taxpayers for every dollar appropriated to OIG.

Beyond the monetary impact resulting from OIG's work, non-monetary impacts—including ensuring protection of the Department's people, facilities, and information—add enormous value that cannot be measured in dollars and cents. By helping the Department improve its security, OIG's work safeguards the lives of the thousands of people who work in or visit our posts abroad. Our security work is a source of immense pride.

In addition, our investigative work has consistently held Department and USAGM employees, contractors, and grantees responsible to the American taxpayer. From fiscal years 2018 to 2020, OIG obtained 51 indictments or informations and 20 convictions. In that same time period, contractor and grantee debarments increased, on average, 19 percent per year. Meanwhile, only halfway through FY 2021, despite the challenges of conducting worldwide law enforcement operations in the middle of a global pandemic, OIG has already obtained 5 indictments and 12 convictions and returned over \$9 million to the Government.

I am incredibly proud of the work done by OIG and the value we provide to the Department of State, Congress, and the American taxpayer. We have a talented and committed team of professionals dedicated to helping the Department and USAGM successfully accomplish their respective missions through robust oversight and solution-oriented recommendations. I want

³² OIG, *Evaluation of the Department's Handling of Sexual Harassment Reports* (ESP-20-06, September 2020).

to thank our team for their resilience, ingenuity, integrity, and leadership.

CONCLUSION

In conclusion, I want to again thank Chairman Lee, Ranking Member Rogers, and Members of the Subcommittee for inviting my testimony. I take my statutory requirement to keep Congress fully and currently informed seriously, and I appreciate your interest in our work.