



**United States Department of State
and the Broadcasting Board of Governors
Office of Inspector General**

Office of Inspections

**Inspection of
the Bureau of Diplomatic Security,
Office of Antiterrorism Assistance**

Report Number ISP-I-12-31, June 2012

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Office of Inspector General

PURPOSE, SCOPE, AND METHODOLOGY OF THE INSPECTION

This inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2011 by the Council of Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General for the U.S. Department of State (Department) and the Broadcasting Board of Governors (BBG).

PURPOSE AND SCOPE

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

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

METHODOLOGY

In conducting this inspection, the inspectors: reviewed pertinent records; as appropriate, circulated, reviewed, and compiled the results of survey instruments; conducted on-site interviews; and reviewed the substance of the report and its findings and recommendations with offices, individuals, organizations, and activities affected by this review.



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PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, and Section 209 of the Foreign Service Act of 1980, as amended. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its responsibility to promote effective management, accountability, and positive change in the Department of State and the Broadcasting Board of Governors.

This report is the result of an assessment of the strengths and weaknesses of the office, post, or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

The recommendations therein have been developed on the basis of the best knowledge available to the OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in black ink, appearing to read "H.W. Geisel". The signature is fluid and cursive, with a large loop at the end.

Harold W. Geisel
Deputy Inspector General

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Key Judgments

- Since its beginning in 1983, the Bureau of Diplomatic Security's Office of Antiterrorism Assistance (DS/T/ATA) program has provided counterterrorism training to more than 84,000 students from 154 countries. Feedback from receiving embassies and Department of State (Department) officials regarding the quality and appropriateness of these courses is positive.
- DS/T/ATA and the Bureau of Counterterrorism (CT) have had a long, and at times contentious, relationship. Memoranda of agreement (MOA) in 1991 and 2010 have attempted to delineate their respective responsibilities in managing the program, yet ambiguities still exist, and some provisions of the current MOA are not being followed.
- DS/T/ATA has had four different directors or acting directors, all Bureau of Diplomatic Security (DS) special agents, since 2009. At the same time, the Civil Service deputy director position has been vacant for almost 2 years and has been filled by a series of DS special agents on a rotating basis. Lack of continuity in both positions has adversely affected the management of the office.
- Staffed by a mix of Foreign Service, Civil Service, and contract employees, DS/T/ATA is often described by its Civil Service employees and contractors as a "caste" system, with Foreign Service DS special agents receiving preferential treatment. Among the employees who discussed the office's work environment, more than two-thirds of the Civil Service and contract employees described it unfavorably, whereas less than 10 percent of DS special agents characterized it so.
- For most of the office's DS special agents, this is the only assignment they will have that involves project management. However, new division chiefs, branch managers, and program/project managers do not receive project manager training. DS/T/ATA managers, supervisors, and project managers should be required to attend project management courses offered by the Foreign Service Institute.
- Communication and coordination among the five DS/T/ATA divisions is lacking. Restructuring the Curriculum Oversight Committee (COC) is a step toward improving this situation. Creating working groups that include members from different divisions to discuss common issues would also help.
- DS/T/ATA is a training office, yet the training and graphics specialists in the Instructional Systems Design branch are not fully integrated into the course development process, and often their use is an exception rather than the rule. Involving DS/T/ATA's education and visual/graphics experts in the course development process could reduce costs and improve course material.
- Although DS/T/ATA's procedures for weapons end-use monitoring are adequate, the OIG team found serious problems with the accountability of other U.S. Government property. These deficiencies expose the Department to financial risk.

All findings and recommendations in this report are based on conditions observed during the on-site review and the standards and policies then in effect. The report does not comment at length on areas where OIG did not identify problems that need to be corrected. This inspection did not review the overseas activities of the Office of Antiterrorism Assistance. Also, part of this OIG team, along with other inspectors, conducted a concurrent inspection of CT and produced a separate report.

The inspection took place in Washington, DC, between January 9 and March 26, 2012.

(b) (6)



Context

In 1983, in response to terrorist attacks against U.S. interests abroad, Congress authorized the Department’s Antiterrorism Assistance Program, implemented primarily by DS/T/ATA.¹ The program’s purpose is to provide antiterrorism assistance under the Foreign Assistance Act of 1961. As stated in the legislation, its mission is to enhance the counterterrorism capacity of friendly governments through training and equipment; strengthen bilateral relationships; and increase respect for human rights by sharing modern, humane, and effective antiterrorism techniques.

In FY 2011, DS/T/ATA trained 11,025 participants from 64 countries in 537 courses. Since the program’s inception in 1983, DS/T/ATA has trained more than 84,000 students from 154 countries. The preponderance of the feedback from receiving embassies and Department officials regarding the quality and appropriateness of these courses is positive. DS/T/ATA’s FY 2011 appropriation, from the Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR) account of the foreign assistance budget, was \$186.6 million. Its FY 2012 appropriation, currently in the final allocation consultation stage with Congress, is \$176.2 million. DS/T/ATA will also receive an as-yet undetermined amount of Regional Strategic Initiative funding. DS/T/ATA’s staffing and funding is summarized in the table below.

Staffing		Budget (all NADR funding)		
			FY 2011	FY 2012 (est)
Foreign Service (DS agents)	21	Bilateral funds (country specific) and geographic bureaus’ regional counterterrorism funds	\$136,691,000	\$131,730,000
Civil Service	11	Global funds (includes Washington, DC, contract staff, curriculum development, assessments and program reviews, warehouse, and overhead)	\$45,000,000	\$44,500,000
Personal Services Contractor	2			
Contractor	75			
		Regional Strategic Initiative funds allocated to DS/T/ATA by CT	\$6,677,934	\$8,000,000*
Total staffing	109	Total funding	\$188,368,934	\$184,230,000

*CT’s total estimate for Regional Strategic Initiative funding for FY 2012 is \$16,481,000. However, as in FY 2011, only a portion is expected to be allocated to DS/T/ATA, with the remainder going to other U.S. Government agencies.

CT, formerly the Office of the Coordinator for Counterterrorism (S/CT), is the Department’s lead bureau for international counterterrorism activities, including oversight of resources and overall policy guidance. As a result, CT and DS/T/ATA have had a long, and at times contentious, relationship. MOAs in 1991 and 2010 have attempted to delineate their respective responsibilities in managing the Antiterrorism Assistance Program, yet ambiguities still exist, and some provisions of the current MOA are not being followed.

¹ Pub. L. No. 87-195, Pt. II, §571, as added by Pub. L. No. 98-151, §101(b)(2), 97 Stat. 972 (1983) (codified at 22 U.S.C. §2349aa).

In February 2008 the U.S. Government Accountability Office reviewed the Department's Antiterrorism Assistance Program.² OIG's Office of Audits reviewed the program in February 2012.³ Both reviews focused primarily on the need to establish performance goals and to measure the outcomes of antiterrorism training. To the extent that these issues overlap with this inspection, the recommendations from the latter review and report are not repeated in this report.

² GAO-08-336 (February 2008), *State Department's Antiterrorism Program Needs Improved Guidance and More Systematic Assessment of Outcomes*.

³ AUD/MERO-12-29 (April 2012), *Evaluation of the Antiterrorism Assistance Program for Countries Under the Bureaus of Near Eastern Affairs and South and Central Affairs*.

Executive Direction

DS/T/ATA is one of three offices under the DS Training directorate. The other two are the Office of Mobile Security Deployments and the Office of Training and Performance Standards. Senior DS special agents lead all three offices as well as the Training directorate. Although this brings a federal law enforcement and Foreign Service perspective to DS/T/ATA, DS's failure to leave the DS/T/ATA Foreign Service directors in place long enough to ensure continuity has adversely affected the management of the office.

DS/T/ATA has had four different directors or acting directors since 2009. The office leadership changed yet again during this inspection. In 2009, the former director was selected to be the DS principal deputy assistant secretary. The vacancy was filled from within ATA in an acting capacity by one of the office's division directors; a permanent director arrived almost a year later. Less than 12 months later, the DS/T/ATA director was again moved up, this time to become the acting assistant director for training. Again, the DS/T/ATA director position was filled in an acting capacity by moving officers up from within the office. The next permanent director is scheduled to arrive in late summer 2012. As a result of these vacancies and shifts, the acting director of ATA at the start of this inspection had been branch chief, division chief, and finally acting director over a period of approximately 30 months. Because of the needs of the director's onward assignment, DS determined that his normal 2-year DS/T/ATA assignment (with an approved 1-year extension) could be cut short by nearly 6 months.

This lack of permanent directors has adversely affected the management of DS/T/ATA. No sooner do DS/T/ATA personnel adjust to the management style and priorities of one director/acting director than he/she is replaced by someone with a different focus. Furthermore, no director/acting director since 2009 has held the position long enough to see the full effect of his/her management of the office. This issue was raised repeatedly during staff interviews with inspectors. The team discussed this issue with senior DS management, who acknowledged the negative effect the frequent change in DS/T/ATA leadership has had on the management of the program.

Recommendation 1: The Bureau of Diplomatic Security should implement a policy that, except in truly extraordinary circumstances, the Office of Antiterrorism Assistance director be required to complete an entire 2-year tour. (Action: DS)

Exacerbating this situation, the office's Civil Service deputy director position has been vacant for nearly 2 years while the incumbent has been on detail to other positions. During the inspection, DS officials told inspectors they do not know when the incumbent would return. They later indicated that they expect the incumbent to return in summer 2012. The deputy director would normally provide needed continuity during staffing gaps of the Foreign Service directors, who serve 2 years or less. Rather than temporarily assigning a Civil Service employee to the position to provide stability, DS/T/ATA has filled it with DS special agents on a rotating basis.

Recommendation 2: The Bureau of Diplomatic Security, in coordination with the Bureau of Human Resources, should fill the deputy office director position in the Office of Antiterrorism Assistance with a Civil Service employee. (Action: DS, in coordination with DGHR)

(b) (5)



Informal Recommendation 1: (b) (5)



Office of Antiterrorism Assistance/Bureau of Counterterrorism Relationship

DS/T/ATA has had a close and sometimes strained relationship with CT, formerly S/CT. In very broad terms, CT provides policy guidance, including country-specific strategic objectives, to DS/T/ATA, which then translates this guidance into programmatic objectives and specific antiterrorism training courses. In actual fact, however, the relationship is much more complicated.

Foreign Affairs Manual regulation 1 FAM 261.1 b. (17) states that the Assistant Secretary for Diplomatic Security is responsible for “[m]anaging and developing antiterrorism assistance programs to assist foreign government security training that are administered by the Department under chapter 8 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa et seq.).” However, 22 U.S.C. 2651a states that “[t]he principal duty of the [S/CT, now CT] Coordinator shall be the overall supervision (including policy oversight of resources) of international counterterrorism activities.”

In an attempt to define DS’s and S/CT’s specific responsibilities for the Department’s Antiterrorism Assistance Program, then-acting Secretary of State Lawrence Eagleburger in 1991 approved a joint DS-S/CT paper that delineated their respective responsibilities. In 2005 and again in 2006, OIG recommended that the 1991 paper be updated to improve S/CT oversight and policy guidance.⁴ In response to that recommendation, DS and S/CT signed a new MOA in May 2010 that attempted to define more clearly their respective responsibilities. Although an improvement, the current MOA still falls short of its stated purpose of making the program a “cooperative partnership.”

The principal shortcomings of the CT–DS/T/ATA relationship, which the MOA has not corrected, are the overlapping authorities and lack of communication and full cooperation. For example, one of the key aspects of the foreign assistance funding process is the congressional notification (CN), which CT and DS/T/ATA must complete jointly before the majority of appropriated antiterrorism assistance monies can be obligated. CNs can take 3–6 months to be written, cleared, and approved, which delays implementation of the country’s counterterrorism program and shortens the time frame within which these 2-year monies must be obligated. Hence, reducing CN clearance to the shortest time possible is important to the success of the Department’s antiterrorism program. Both CT and DS/T/ATA have proposed ways to reduce this time, but they do not appear to have collaborated successfully on this issue, nor do they have a good understanding of each other’s CN process. (See the Resource Management section of this report for further discussion.)

Neither CT nor DS/T/ATA is following other provisions of the MOA intended to facilitate communication and cooperation. The MOA calls for monthly operational meetings between CT and DS/T/ATA. Although one was held in February 2012, during this inspection, the previous meeting was held 6 months before. Triannual meetings between CT and DS/T/ATA principals have not been held for nearly 20 months. In addition, DS/T/ATA and CT have different perceptions of each other’s role in the Department’s antiterrorism program and their overlapping responsibilities. DS/T/ATA sees the relationship as one in which “...S/CT is responsible for policy formulation and DS for program administration and implementation,” as stated in the opening paragraph of the MOA, whereas CT believes it must have overall control over the program, a view that is supported by 22 U.S.C. 2651a. Although the MOA assigns specific responsibilities to each office, it does not fully address these overarching, overlapping responsibilities.

⁴ OIG report SIO-A-05-11 (January 2005), *Program Management Review (Phase 1) of the Anti-Terrorism Assistance Program*, Recommendation 1; OIG report ISP-I-06-25A (March 2006), *Inspection of the Office of the Coordinator for Counterterrorism*, Informal Recommendation 3.

CT's recent elevation from an office to a bureau presents an excellent opportunity to correct the MOA's shortcomings. In the concurrent CT inspection, the OIG team recommends that both bureaus comply with those provisions of the MOA that improve coordination and cooperation. The report also recommends that the MOA be revised to correct its shortcomings and more clearly define both bureaus' duties and responsibilities, within the overarching legal provisions.⁵

DS/T/ATA staff members voiced concern that now it has become a bureau, CT would want to move the Antiterrorism Assistance Program from DS to CT. The OIG team considered alternative organizational arrangements, including giving CT full control of the program. Given that the program is performing well, though it needs some improvements; that the DS connection ensures participation by regional security officers and their law enforcement counterparts, which enhances security cooperation where it is needed; and that CT is not set up to take over the program, the OIG team concluded that DS should continue to implement the program in cooperation with CT and that a radical change in structure is not warranted at this time.

Training Directorate/Office of Antiterrorism Assistance Relationship

In 2004, the DS Assistant Secretary created the DS Training directorate to oversee DS/T/ATA, the Office of Training and Performance Standards, and the Office of Mobile Security Deployment. Prior to this reorganization, DS/T/ATA was under the DS Office of Professional Development.

DS/T/ATA has minimal interaction with the other two offices in the Training directorate. Few commonalities exist other than occasional informal sharing of information on similar course material or comparing visual information techniques. The development of courses and instruction is also different. DS/T/ATA contracts with outside vendors, whereas the other two offices develop courses internally. DS/T/ATA's targeted audience is foreign law enforcement personnel. Its courses are generic, designed for worldwide application, and are developed at the equivalent of the U.S. eighth grade reading level. The other two offices focus primarily on training DS personnel and providing security training for the Department. Their courses incorporate training on the constitutional rights of U.S. persons and are written at a higher educational level. Most important, different categories of funding legally prevent mutual course development.

Internal Communication

DS/T/ATA management uses the weekly division chiefs' meeting and an email collective to disseminate information to its staff. During the past several years, the office has rarely had officewide, town hall meetings. Although interviewees reported that some division chiefs do an adequate job of informing their staff about issues raised by the front office, others do not. Of the 82 emails sent to the DS/T/ATA staff through the email collective, only 3 dealt with substantive matters. The majority were about building issues, arriving and departing employees, and upcoming briefings on security and computers. Messages sent to the email collective did not provide information on issues that affect operations, such as the effect CT reorganization will

⁵ OIG report ISP-I-12-32A (June 2012), *Inspection of the Bureau of Counterterrorism*, Recommendation 4.

have on DS/T/ATA operations, or the change in passport procedures. Keeping employees informed about upcoming changes—even if it is to report that the information is still sketchy—would help improve morale, reduce rumors, and alleviate employee frustration.

Informal Recommendation 2: The Bureau of Diplomatic Security should implement procedures for the Office of Antiterrorism Assistance to communicate more actively with its staff.

Interviewees repeatedly said that DS/T/ATA operations are “stove piped” and that there is little communication among divisions. (b) (5)



Informal Recommendation 3: The Bureau of Diplomatic Security should establish working groups in the Office of Antiterrorism Assistance that are made up of direct-hire and contract employees from different divisions to work on common issues and topics.

Performance Measurement

As noted earlier, DS/T/ATA’s methodology for assessing the outcomes of its antiterrorism training has been the subject of recent reviews by the Government Accountability Office and OIG’s Office of Audits. Both reports contain recommendations for DS/T/ATA, in coordination with CT, to improve the measurement of the outcomes of its Antiterrorism Assistance Program. Since the issuance of the 2008 Government Accountability Office report, DS/T/ATA has been making steady progress in establishing performance objectives, targets, and indicators. However, there are still unresolved issues in this area.

The two key documents related to DS/T/ATA’s performance measurements are its annual country assistance plans and its capability assessments. Drawing primarily from the CT-provided policy and strategic objectives for the country, input from the post and the bureau, prior DS/T/ATA assessment(s), and available funding, country assistance plans set forth the country training objectives and proposed courses. Capability assessments are conducted every 2–3 years and contain 23 key areas of counterterrorism capability. However, DS/T/ATA reviews only those areas where training has been, or is planned to be, conducted. The first assessment is conducted when a country is selected for DS/T/ATA training to establish a counterterrorism capability baseline and every 2–3 years thereafter while the country remains in the program.

In 2010, DS/T/ATA started to include specific performance objectives, targets, and indicators in country assistance plans. Inspectors randomly sampled 12 FY 2012 country assistance plans from among the 62 countries currently in the program. All have specific performance objectives and targets and one or more indicators for each area of training. However, there is no mechanism in place to systematically verify the achievement of these performance targets. Because the assessments are conducted every 2–3 years, it can be several years between the establishment of a performance target and an assessment review. Furthermore, although these assessments review a country’s counterterrorism capability in areas where

training was received or is planned, they do not necessarily examine whether a prior year's performance targets have been achieved.

According to DS/T/ATA officials, the outcomes of its antiterrorism training are being measured through its assessments. However, as noted in the 2008 Government Accountability Office report and the 2012 OIG Office of Audits report cited previously, this methodology does not specifically measure the results of DS/T/ATA training. Improvement in a country's counterterrorism capability could be the result of its own efforts, another country's training, or any one of a number of other factors. However, given that the only way of specifically measuring the results of DS/T/ATA training would be to eliminate all other factors, which is beyond the U.S. Government's control, the only practical measure of the results of DS/T/ATA training may be these assessments.

The 2012 OIG Office of Audits report contains an all-encompassing recommendation for DS/T/ATA, in coordination with CT, to establish a system for measuring its program outcomes that links to strategic goals and programmatic objectives, including how, when, and by whom performance data will be collected, analyzed, and reported. Hence, this inspection report contains no recommendations in this area.⁶

Orientation and Training

DS/T/ATA has a successful and comprehensive orientation program for all new direct-hire and contract employees. However, one complaint inspectors heard repeatedly was the length of time—often as long as 6 months—that it can take for DS special agents to become effective in their positions. For the majority of the agents, DS/T/ATA is the only assignment they will have that involves project management. However, DS/T/ATA does not provide them with project management training. The Foreign Service Institute has courses in managing Department projects and programs for both project managers and executives. Interviewees reported that two employees attended the Foreign Service Institute course on project management within the past several years. Although these trainees reported back to DS/T/ATA management that the course was useful, no effort was made to require new DS/T/ATA managers, supervisors, or project managers to attend these courses. Because of space limitations and Foreign Service Institute enrollment policies, it can be difficult for contract employees to attend courses at the Foreign Service Institute. However, similar training also exists elsewhere. Project management courses would benefit all project managers, be they Foreign Service, Civil Service, or contractors.

Recommendation 3: The Bureau of Diplomatic Security should implement a policy requiring that all new Office of Antiterrorism Training managers, supervisors, and project managers either start the job with the necessary project management experience or take the appropriate training at either the Foreign Service Institute or another venue as soon after their arrival as possible, with the bureau sponsoring and funding these courses as necessary. (Action: DS)

TMD recently instituted an effective, formalized mentoring program for its new program managers that is a management best practice worthy of emulation. Under this program, three experienced program managers have been designated as mentors. Rather than being assigned a

⁶ AUD/MERO-12-29, Recommendation 1.

specific mentor, new program managers are encouraged to ask the mentors for assistance as needed. The branch chiefs and division chief monitor the program to ensure that new employees are using the mentors and that no one mentor is overburdened. A formalized mentoring program will help shorten the time it takes employees to learn their jobs and improve performance.

Recommendation 4: The Bureau of Diplomatic Security should institute a formal mentoring program for all new project and program managers in Office of Antiterrorism Assistance divisions. (Action: DS)

Contracting

Approximately two-thirds of DS/T/ATA employees are contractors who work alongside direct-hire Foreign Service and Civil Service employees. These contract employees often do the same work as their direct-hire counterparts but are prohibited from performing inherently governmental functions. The contract employees also do not have an employer-employee relationship with the Department. Instead, all personnel actions must go through the contracting company. The vendors do not have on-site representatives but have offices a short distance away and visit the facility frequently. The current contract will expire in September 2012. As work has not yet begun on a new contract, DS/T/ATA and the contracting officer anticipate that a bridge contract will be needed until a new contract is awarded. All DS/T/ATA mid- and upper-level management, including operations coordinators, branch chiefs, and division chiefs, are direct-hire employees, as are the office director and deputy director.

In a few recent instances, DS/T/ATA management decided to promote or move contract employees without first consulting the vendor for whom the contractor actually works. In other cases, employees reportedly were promised salary increases, also without prior discussion with the vendor. DS/T/ATA employees indicated that the supervisors and front office either were unaware that contractors do not have a direct employment relationship with the U.S. Government or simply ignored it. Failure to discuss employee-related issues with the vendor before raising it with the contract employee can imply an employer-employee relationship when one does not actually exist, as well as cause morale and other personnel issues should the vendor not agree with management's proposal.

Recommendation 5: The Bureau of Diplomatic Security should implement a policy requiring that all direct-hire Office of Antiterrorism Assistance employees receive initial and periodic refresher information regarding the proper management of contract employees. (Action: DS)

DS/T/ATA currently maintains blanket purchase agreements with five vendors to provide instructors for the overseas courses ATA conducts each year. During this inspection, the Office of Acquisitions Management was in the process of replacing these blanket purchase agreements with a single contract with three vendors. Under this contract, the courses will be divided by country and the three vendors will compete annually to provide instructors for all courses to be given in a specific country. This arrangement should increase accountability over the instructors' work and streamline the contracting process.

Contract solicitations for curriculum development and revisions are posted on the General Services Administration's eBuy site. Once DS/T/ATA receives the vendor proposals, a

review panel evaluates them against the statement of work and a DS/T/ATA-developed cost estimate. The Training Curriculum division (TCD) chief and Curriculum Management branch chief review the vendor selection before the contract is issued. The curriculum project managers work closely with vendors to ensure that they meet all contract requirements. Interviewees reported only one instance in which a vendor did not perform to TCD standards. The matter was resolved quickly at no additional cost. The OIG team found no other instances of vendors not meeting contract requirements.

(b) (5)

DS/T/ATA Foreign Service and Civil Service employees are required to take the Department's annual ethics training. The vendor for whom the majority of DS/T/ATA contract employees work also requires annual ethics training for its contractors. The Office of Acquisitions Management and its contracting officer sitting at the DS/T/ATA facility have taken steps to reduce the number of sole-source procurements, although some still remain. Interviewees reported that although there is still some resistance to these changes, management controls for procurements have improved overall.

DS/T/ATA has two contracting officer's representatives (COR), both of whom have completed the required training. One is responsible for the hiring contract for the local DS/T/ATA contract employees; the other handles the new instructor contract as well as a contract to manage DS/T/ATA's overseas training facilities. DS/T/ATA has no CORs overseas, where much of the work is actually conducted. This issue and a related recommendation are discussed in the previously mentioned OIG 2012 audit report.

CORs are responsible for monitoring and evaluating the vendor's performance, which includes, among other things, reviewing invoices in sufficient detail to ensure that they are accurate and that the U.S. Government is paying only for work that is actually performed. The COR for the overseas training facility contract receives monthly reports from the vendor and meets with him monthly. The COR also plans to meet with the vendors on the new instructor contract prior to their beginning work in order to develop monitoring procedures. Inspectors determined, however, that the CORs do not adequately review the invoices and supporting documentation, including timesheets and overtime payments, for the hiring contract for the local DS/T/ATA contract employees. *Foreign Affairs Handbook* regulation 14 FAH-2 H-520 details the procedures a COR should follow to monitor a vendor's performance.

Recommendation 6: The Bureau of Diplomatic Security should implement procedures for the Office of Antiterrorism Assistance contracting officer's representatives to monitor contractor performance and review all invoices and supporting documentation in a timely manner. (Action: DS)

DS/T/ATA direct-hire supervisors sign contract employee timesheets. DS/T/ATA officials told inspectors that supervisors were acknowledging, rather than approving, the hours worked. Contract employees use a different form when submitting their timesheets to their companies. The Department discourages direct-hire supervisors from signing contract employee timesheets, as it could be taken as approval of the hours worked should there be a dispute with

the vendor on this point. The Office of Acquisitions Management suggests other methods of tracking time worked, including sign-in sheets, which DS/T/ATA could consider.

Informal Recommendation 4: The Bureau of Diplomatic Security should cease the practice of allowing direct-hire supervisors in the Office of Antiterrorism Assistance to sign contract employee timesheets and develop alternate methods of tracking hours worked.

Office of Antiterrorism Assistance Divisions

Assessment, Review, and Evaluation Staff

The Assessment, Review, and Evaluation (ARE) staff consists of subject-matter experts in various fields of security and law enforcement, an intelligence analyst, and a historian/technical writer. ARE's primary function is evaluation of each partner nation's counterterrorism capability, which is conducted prior to the onset of DS/A/ATA training to establish a baseline of the country's capability and every 2–3 years thereafter. These reports, combined with other sources, including analyses by the ARE intelligence analyst, help the TMD program managers develop programmatic objectives and select specific training courses for the country.

Training Curriculum Division

TCD consists of two branches: the Curriculum Management branch and the Instructional Systems Design branch. The division has a total of 7 direct-hire and 18 contract positions. TCD oversees new course development from initial concept to final approval of the finished product, ensuring that the vendors used to develop instruction have the required subject-matter experts and adhere to DS/T/ATA standards. The division is also responsible for revising the course material, which is conducted in house and/or by an outside vendor. Curriculum project managers are also subject-matter experts, and their specific law enforcement experience mirrors courses in their portfolio. TCD currently has 52 active courses and 2 workshop/consultations. One cyber security course is retired but continually updated in house for immediate use, if needed.

Three-Year Course Review

DS/T/ATA reviews all of its courses every 3 years so that material reflects new technologies and changes in cultural and world events. Feedback, including curriculum project manager periodic reviews, external vendor independent reviews, internal audits, student critiques, and the cost to provide each course, determines whether to retire, modify, or completely revise a course.

DS/T/ATA courses range in complexity from simple PowerPoint presentations to those requiring considerable instruction, logistics, and hands-on training. Over time, DS/T/ATA has determined that 3 years is the best time frame in which to begin a systematic review. This structured lifecycle also allows DS/T/ATA to project and identify future funding. The OIG team agrees that 3 years is a proper benchmark for course review. Most recently, out of 52 active courses, DS/T/ATA contracted with a vendor to revise 46 of them. Another three were revised completely in house, while three revisions were conducted in house but required minor contract assistance related to subject-matter expertise and design. DS/T/ATA also developed two workshops (which are not formal courses) in house after consulting with the Training Delivery division (TDD). Curriculum project managers, with the support of the Instructional Systems Design branch, oversee the 46 vendor-contracted course revisions, which can be extremely expensive. DS/T/ATA has in-house subject-matter and design/visual experts who could revise course materials.

Informal Recommendation 5: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to use, when practicable, in-house resources for revising courses.

In addition to the 3-year reviews, TCD continually scrutinizes courses to make minor changes or adjustments. For example, CT may add to the DS/T/ATA training program another country that has unique cultural, religious, or political sensitivities that require tailoring of a particular course. Emerging terrorism trends may also require adjustments to the curriculum. Examples since the beginning of 2012 include an added jungle scenario for many courses offered to the Philippines because of its counterterrorism efforts in the south of the country. DS/T/ATA efficiently conducts this course maintenance in house, saving money and time.

The specialists in the Instructional Systems Design branch have the professional expertise in education, design, and visual/graphics support to conduct quality course development and revisions that meet DS/T/ATA's instructional standards. For example, graphics specialists can sometimes produce better visual aids for course instruction than a vendor can, at no additional cost. However, the education and graphics/visual specialists are not fully integrated into the development process, and often their use is an exception rather than the rule. Project managers in TCD's Curriculum Management branch are ultimately responsible for proper oversight of the vendor. Properly using DS/T/ATA's education and visual/graphics experts in the course development process could simultaneously reduce costs and improve course material.

Recommendation 7: The Bureau of Diplomatic Security should fully integrate the Instructional Systems Design branch into the Office of Antiterrorism Assistance course development and revision process. (Action: DS)

The Instructional Systems Design branch is producing a style guide to be used internally and distributed to vendors contracted for course development or revision. The time frame for completion is mid-2012. The style guide clarifies DS/T/ATA design and graphic standards and should facilitate greater uniformity among vendor products and reduce in-house hours dedicated to tailoring vendor course material.

TCD has built-in check-and-balance mechanisms to ensure that the same vendor does not conduct an external, independent review and rewrite a course, if DS/T/ATA determines such a rewrite is needed. The inspectors reviewed this process and found it to be working well.

Curriculum Oversight Committee

The TCD division chief chairs the COC, which holds monthly meetings. Key DS/T/ATA personnel, including the executive office, division management, project/program managers, and design specialists, are invited. Agenda items include course updates, new course development, and anticipated course revisions.

The COC is extremely important, serving as the formal communications link among the DS/T/ATA divisions. The decisions the committee makes also define the future of DS/T/ATA course development. However, attendance at COC meetings is sporadic at best.

Informal Recommendation 6: The Bureau of Diplomatic Security should implement a policy requiring all Office of Antiterrorism Assistance principal officers, including the executive office and division and branch chiefs, to attend Curriculum Oversight Committee meetings.

Topics discussed and decisions made at COC meetings affect all DS/T/ATA divisions and directly involve CT. Therefore, it is more appropriate for the director of DS/T/ATA, rather than a division chief, to have primary responsibility for and oversight of the COC and to preside over meetings. This arrangement would also lead to more informal but rapid consensus between CT and DS/T/ATA.

Recommendation 8: The Bureau of Diplomatic Security should transfer the responsibility for and oversight of the Office of Antiterrorism Assistance Curriculum Oversight Committee from the Training Curriculum division to the executive office. (Action: DS)

Although TCD asks other DS/T/ATA divisions for agenda items well in advance of COC meetings, the division does not distribute agenda-related documentation beforehand unless a division or branch requests it. Instead, COC attendees receive the documentation at the meeting itself, which makes it difficult for them to make informed decisions. Furthermore, TCD does not routinely provide this information to all interested parties either via email or as a link to the DS/T/ATA's internal SharePoint site where the information is stored.

Informal Recommendation 7: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to release all supporting material and documentation for agenda items prior to Curriculum Oversight Committee meetings to give attendees sufficient time to review the material and prepare for the meeting.

There is limited communication between divisions when determining whether to revise courses. Currently, curriculum project managers make this decision based on the feedback discussed earlier, but with little involvement from other divisions. Including other staff, such as TDD training delivery officers, property staff members who know what equipment is available, TMD program managers, and other employees involved with the course or with knowledge of the specific country or region, would help ensure that such decisions take into account all available information before they are brought to the COC for approval. This level of involvement would allow DS/T/ATA to give greater consideration to all associated costs, including translation and additional instructor preparation, when deciding whether to revise a course.

Informal Recommendation 8: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to include all relevant divisions and staff when discussing initial proposals regarding the revision of training courses.

Trip Reports

Curriculum project managers conduct on-site pilot reviews of DS/T/ATA courses during initial course implementation. Trip reports and project manager feedback—if prepared at all—are not standardized. There is no requirement to share the information with other DS/T/ATA personnel. Trip reports are one of many valuable tools used when evaluating the success of a

course and therefore must be available for all employees to review. The OIG team discussed this matter with the TCD division chief during the inspection. The Curriculum Management branch chief promptly created a trip report template that all curriculum project managers are required to complete and uploaded it to the office's SharePoint site for general access.

Technical Writer Position

Placement of the technical writer position within the TCD Instructional Systems Design branch conflicts with the position's job description and TCD organizational chart, both of which show the technical writer reporting to the TCD division chief, not the Instructional Systems Design branch chief. The position's responsibilities include maintaining historical documents on course feedback, updating TCD standard operating procedures, maintaining the course catalog, administering the evaluation database, and managing the TCD SharePoint content. These responsibilities are related to quality assurance and have little to do with the duties of the Instructional Systems Design branch. This arrangement prevents the technical writer from realizing her full potential and from receiving proper supervision from the TCD division chief.

Recommendation 9: The Bureau of Diplomatic Security should place the technical writer position directly under the Training Curriculum division chief in the Office of Antiterrorism Assistance. (Action: DS)

Training Delivery Division

TDD consists of two branches—Special Programs and Delivery Operations—as well as a Cyber Security section and Office of Language Services liaison. TDD is responsible for all instructional, administrative, and logistical preparations and coordination for DS/T/ATA's overseas training courses. TDD training delivery officers review the DS/T/ATA courses during site visits and provide curriculum recommendations to TCD.

Interpreters

TDD obtains interpreters for its domestic and some overseas courses through the Office of Language Services, as required by 6 FAM 1523.2. The office has a special program to support DS/T/ATA. The Office of Language Services ensures that its interpreters are properly trained and meet the necessary qualifications. DS/T/ATA courses require between two and six interpreters.

For most overseas courses, the embassies provide the interpreters for DS/T/ATA courses. DS/T/ATA management does not know how posts select these interpreters nor whether they have been appropriately vetted and trained. DS/T/ATA management believed that the Foreign Service Institute tested these interpreters via the Internet. However, inspectors were told that this was not the case. Although the inspection did not uncover any instances where embassy interpreters had performed inadequately, a vulnerability exists if these interpreters have not been properly trained and vetted to ensure they meet the required standards.

Recommendation 10: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to obtain from overseas embassies credentials and vetting

information for interpreters hired to interpret training courses and to review this documentation for compliance with required standards. (Action: DS)

Trip Reports

Training delivery officers travel to overseas missions to attend portions of the courses for which they are responsible to ensure that posts are delivering courses in accordance with the country assistance plan. They also ensure that the training equipment is functioning properly, course materials are adequate, and interpreters and instructors are performing appropriately. If they find issues, the training delivery officers will, upon their return, write a trip report for TDD management; otherwise, they provide only an email or verbal report. There is no standardized trip report for these officers to report their findings. Trip reports are valuable in evaluating the effectiveness of course delivery, and the OIG team suggested that they be made available to all DS/T/ATA personnel. TDD management concurred with this suggestion. During the inspection, TCD developed a trip report template that will be incorporated into the DS/T/ATA SharePoint site. TDD could modify this template for its trip reports.

Informal Recommendation 9: The Bureau of Diplomatic Security should implement a policy requiring training delivery officers in the Office of Antiterrorism Assistance to prepare trip reports upon their return from course visits, using the Training Curriculum division's trip report template.

Training Management Division

TMD consists of country and regional program managers who are responsible for the overall management of each partner nation's antiterrorism training and assistance. They manage DS/T/ATA's bilateral, regional, and multilateral antiterrorism programs, including the annual country assistance plan review for each partner nation, the master training schedule, and equipment grants. Because of the complexities of the DS/T/ATA program, such as the required CNs and the foreign assistance funding process, it can take as long as 6 months for newly assigned personnel to learn their jobs thoroughly. The ability to come up to speed quickly is particularly critical for DS special agents on 2-year assignments. Although the division has an excellent mentoring program, newly assigned personnel would benefit from having a program manager's guidebook to use as a reference. There is such a guidebook for resident program managers who are permanently assigned to the partner nation, but work has only begun on a similar guidebook for DS/T/ATA headquarters personnel.

Informal Recommendation 10: The Bureau of Diplomatic Security should complete the guidebook for its Training Management division's program managers in the Office of Antiterrorism Assistance.

Resource Management

Resources, Budget, and Support Staff Section

The name of this section has become somewhat of a misnomer since May 2011, when the procurement and logistics section moved to TDD. Currently, the Resources, Budget, and Support Staff (RBS) section includes a one-person information technology support function and the Budget and Finance unit. The division chief also coordinates other management issues for DS/T/ATA, including human resources matters, with the bureau's executive office.

Budget and Finance Unit

The Budget and Finance unit does a good job of serving managerial needs for DS/T/ATA and the DS executive office. The unit chief supervises a staff of seven contract employees who provide budget information to division and program managers and assist the DS chief financial officer in monitoring transactions. The unit neither creates obligations nor makes payments; these functions are the purview of the DS executive office and the Charleston Financial Service Center. The unit devotes significant resources to assisting the bureau in clearing DS/T/ATA program-related unliquidated obligations. By all accounts, the unit has been instrumental in improving the bureau's performance in this area. The staff provides monthly reports on obligations and payments to CT to assist with program oversight.

Budget Formulation and Financial Execution

DS/T/ATA's NADR funding has two components. The first, for bilateral and regional program funds, includes CT's Regional Strategic Initiative program. The other component, referred to as the global fund, pays the costs of administering the program in Washington, DC.

NADR funding is 2-year money. Funds not obligated at the end of year one are returned to the Department for carryover, which results in funds being reallocated incrementally to the bureau in year two. The mechanics of working with the 2-year appropriation makes the Budget and Finance unit's work challenging. Because of the complicated and time-consuming budget formulation process, funding is generally unavailable until close to the end of year one of the 2-year cycle, which skews program activity toward fiscal year end. For example, program funds for FYs 2011 and 2012 were allotted to DS/T/ATA in August 2011, less than 2 months before the end of FY 2011.

NADR funding comes from the Department's foreign assistance account. This complex process requires CNs before foreign assistance obligations can be approved for countries identified in legislation, as well as in certain other instances. A number of Department offices must vet the CNs before their delivery to Congress. This often lengthy process can hinder the efficient distribution of program resources. Although DS/T/ATA drafts the CN justifications, CT coordinates and monitors the clearance and congressional approval process. DS/T/ATA program managers indicated that they are unclear about the CN process and receive inadequate feedback from CT on the status of pending CNs. A recommendation regarding this is included in the concurrent CT inspection report.

Under the current process, DS/T/ATA prepares CNs for all regional bureau obligations. DS/T/ATA believes that reducing the number of CNs would free up needed resources and improve program effectiveness. To accomplish this, DS/T/ATA has proposed that individual country distributions be included in congressional budget justifications and allocation reports. Under this approach, DS/T/ATA would need to prepare CNs only when an obligation deviates from a documented country distribution. CT and regional bureaus have resisted this approach. See the OIG team's Recommendation 6 on this issue in the concurrent CT inspection report.

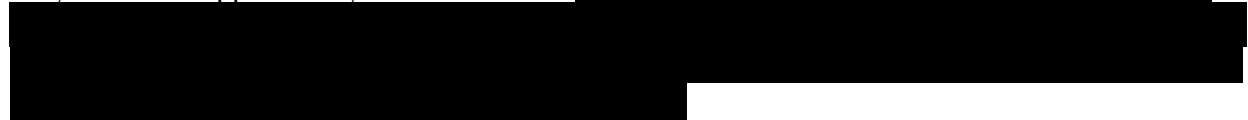
The Department transfers Regional Strategic Initiative funds intended for CT use to DS/T/ATA's account. To make use of the funds, CT must request the transfer from DS/T/ATA. This impractical system was devised when CT was within the Office of the Secretary and had limited staffing. As a bureau with its own resources, CT should receive these transfers directly. See the OIG team's Recommendation 3 in the concurrent CT inspection report.

Human Resources

The DS executive office handles the human resources function for DS/T/ATA. The bureau denied the office's recent request for a human resources position. The RBS chief is responsible for working with DS and the Bureau of Human Resources on DS/T/ATA human resources issues. He chairs the DS/T/ATA Civil Service employee hiring panels and recently assumed a similar role for personal services contractor selection. Other activities include assisting the bureau executive office on questions relating to position descriptions, personal services contract statements of work, Equal Employment Opportunity (EEO) matters, training, and discipline.

Compressed Work Schedule

The compressed work schedule policy is a sensitive topic in the office. DS/T/ATA requires that all such schedules be approved by division chiefs and the front office. Most requests for such schedules are denied by the DS/T/ATA front office. In December 2011, the front office required that all employees with compressed schedules reapply. Of the nine requests submitted, only two were approved by the front office. (b) (5)



DS/T/ATA management told inspectors that there was a need to have sufficient staff in the office at all times. Department policy (3 FAM 2334.2) allows management to limit flexible work schedules if it determines such schedules are not in the best interest of the organization.

Telework

DS/T/ATA discourages telework. This approach conflicts with Department policy in 3 FAM 2362 a., which states: "The Department supports the broadest use of telework consistent with the needs of the Department by eligible agency employees to include supervisors, managers, and executive leadership. When properly implemented, telework benefits both the employee and the Department by increasing work/life effectiveness."

DS/T/ATA has not set up a telework program, nor does it have a written policy regarding telework. Thus the office is obliged to follow Department policy. On the surface, it appears that some telework arrangements are appropriate for DS/T/ATA. Many employees expressed an interest in telework but felt powerless to pursue the matter. Employees also indicated that they did not understand how the office's programmatic requirements would disqualify all positions from telework. As a result of discouraging this important work/life program, DS/T/ATA loses the opportunity to benefit its employees and the office through higher morale, reduced costs, and support of emergency preparedness and continuity of operations.

Recommendation 11: The Bureau of Diplomatic Security should issue and implement a written telework policy for the Office of Antiterrorism Assistance that conforms to Department of State policy. (Action: DS)

Performance Management

DS does not ensure that employee evaluation reports for DS/T/ATA direct-hire employees are completed in a timely manner. For the 2011 Foreign Service rating cycle, the bureau submitted 13 of 16 DS/T/ATA special agent employee evaluation reports late to the Bureau of Human Resources. The DS executive office also reported that two Civil Service evaluations were late. The performance evaluation function is important for employee morale and advancement and in administering the Foreign Service promotion board. In general, DS/T/ATA employees, raters, and reviewers met their responsibilities to complete evaluations on time. Delays were identified mostly in the review phase and were related to lack of coordination between the DS executive office and review panels.

Recommendation 12: The Bureau of Diplomatic Security should implement procedures to facilitate the timely completion of all employee evaluation reports. (Action: DS)

Equal Employment Opportunity

The Department's Office of Civil Rights provided EEO training to the DS/T/ATA staff in January 2012. Other DS/T employees also attended. (b) (5)

At the time of this inspection, DS/T/ATA had not posted information about the EEO program in the building or on its SharePoint site, nor had it publicized the name of the bureau's EEO counselors. DS/T/ATA posted this information throughout the building and on its internal SharePoint site shortly after it was brought to management's attention.

DS has EEO counselors, but they are located in a separate annex approximately 10 miles from the DS/T/ATA facility. None of the other DS/T offices in the DS/T/ATA building complex has an EEO counselor. Because of the number of DS/T/ATA employees, its distance from the main DS facility, and the issues raised in this report, inspectors suggested that it would be helpful to have an EEO counselor located in DS/T/ATA. Shortly afterward, DS/T/ATA nominated an EEO counselor and enrolled her in the March 2012 training.

Information Technology

DS/T/ATA has one contract employee to handle all information technology questions and maintain the office's information management equipment. The Bureau of Information Resource Management provides additional support as needed. DS/T/ATA's information technology infrastructure is in good condition. The disposition of outdated computer equipment has been handled and recorded properly. Inventories of all equipment such as computers, BlackBerry devices, and thumb drives are correct and current. Cyber security test requirements for all employees are monitored and up to date. During the OIG inspection, DS/T/ATA updated, edited, and streamlined global address lists.

Information Systems Security Officer Duties and Responsibilities

According to employee interviews, few people know who the information systems security officer is for DS/T/ATA, as the employee who performs this function is located in a neighboring building. The information systems security officer also is responsible for at least five other Department annexes in the Washington, DC, area as well as all domestic DS field offices within the United States. Although the information systems security officer is performing his duties, the OIG team suggested he take a more proactive role by, for example, introducing himself via email, outlining his responsibilities, and providing helpful hints in quarterly emails.

Informal Recommendation 11: The Bureau of Diplomatic Security should provide Office of Antiterrorism Assistance staff with the name and contact information for the office's information systems security officer.

(b) (5)



Informal Recommendation 12: (b) (5)



Procurement and Logistics Section

The Procurement and Logistics section handles travel, property management and warehousing, vehicle fleet management, and the procurement of equipment for training courses. As noted previously, the section was moved from RBS to TDD in May 2011. DS/T/ATA indicated that this action was taken to increase communication between the procurement and logistics staff and that of TDD, improve management oversight, and reduce the pressure some

procurement employees felt to make specific equipment purchases. However, problems still remain.

Equipment Procurement

The Procurement and Logistics section is responsible for purchasing the equipment used in DS/T/ATA's training courses. Because the procurement employees are contractors, all purchases are finalized by direct-hire staff. The procurements are based on a list of equipment developed by the TCD project managers, who oversee course development and revisions, and the TDD training delivery officers, who develop the list of equipment based on the course curriculum. Once the project manager and training delivery officer agree on the equipment list, it goes to the procurement staff for processing. In most cases, this process works fine. At times, however, the project manager and delivery officer are unable to reach an agreement on specific equipment. When this occurs, the strongest personality makes the decision. DS/T/ATA has taken steps to mitigate this problem by requiring that the TCD project manager and branch manager, the TDD delivery officer and branch manager, and the budget office approve all procurements. Interviewees reported that problems still remain, however, as there is no clear procedure in place to involve supervisors in resolving these differences.

Informal Recommendation 13: The Bureau of Diplomatic Security should implement standard operating procedures to resolve differences between Office of Antiterrorism Assistance divisions regarding the type of equipment required for training programs.

The DS/T/ATA executive office moved the Procurement and Logistics section from RBS to TDD in 2011 in part to reduce the pressure that some TCD staff members placed on procurement employees to make specific purchases. DS/T/ATA staff told inspectors that the move has succeeded in this regard. Others, however, indicated that some in the procurement section now feel that, when there is a conflict between TCD and TDD over equipment purchases, they should follow the TDD recommendation, as they are now under this division. The requirement that all purchases be approved in writing by TCD, TDD, and the budget office should help mitigate this issue. Although DS/T/ATA officials also told inspectors that employees know to bring any such issues to the attention of their supervisor, some employees are hesitant to do this. DS/T/ATA has yet to issue standardized operating procedures regarding these purchases.

Informal Recommendation 14: The Bureau of Diplomatic Security should implement standard operating procedures regarding the procurement of Office of Antiterrorism Assistance equipment and post this information on the office's SharePoint site.

Travel and Passports

DS/T/ATA has strengthened its travel oversight during the past year to reduce costs and ensure that all direct-hire and contract employees are following the Department's travel rules. Direct-hire and personal services contract employees are required to use the U.S. Government's contract fares and follow all Department guidelines. DS/T/ATA authorizes business class travel only for the office director and for employees with documented medical issues. The OIG team spot-checked several authorizations and found them to be properly justified and approved. A

sampling of travel vouchers showed no prohibited expenses. However, DS/T/ATA issued its last policy on travel for direct-hire employees in September 2009.

Informal Recommendation 15: The Bureau of Diplomatic Security should update and reissue the travel policy for Office of Antiterrorism Assistance direct-hire employees.

Contract employees who are hired through a third-party contractor are not covered by Department travel regulations described in the FAM, nor are they eligible for U.S. Government contract air fares. Under Federal Acquisition Regulations (FAR 31.205-46(a)(2)(b)), however, they are required to use the lowest cost, customary air fare available. During the inspection, DS/T/ATA issued a new travel policy that requires its full-time contract employees to purchase the most direct and least expensive flight. DS/T/ATA estimates that this requirement could save as much as \$750,000 per year.

DS/T/ATA does not require that third-party contractors hired temporarily as instructors for overseas courses follow Federal Acquisition Regulations, nor does the office's travel policy apply to these contractors. A sampling of vendor invoices shows that vendors often purchase more expensive, unrestricted tickets, the cost of which is then charged back to DS/T/ATA. Requiring that third-party vendors follow Federal Acquisition Regulations could save an estimated \$1.3 million annually.

Recommendation 13: The Bureau of Diplomatic Security, in coordination with the Bureau of Administration, should implement a policy requiring Office of Antiterrorism Assistance third-party contractors to follow Federal Acquisition Regulations regarding the purchase of low-cost airline tickets. (Action: DS, in coordination with A)

In fall 2011, the Bureau of Consular Affairs began enforcing regulations more strictly, limiting the use of diplomatic and official passports by contractors. Under these regulations (7 FAM 1391.7), contractors with current diplomatic or official passports can continue to use them until they expire, after which contractors must use regular, or blue, passports, unless the bureau executive office can demonstrate that their duties require an official or diplomatic passport. The Bureau of Consular Affairs issued a Department notice and cable to overseas posts regarding these regulations in February 2011 and followed up with a second notice that provided much-needed clarification in March 2012. DS/T/ATA staff members objected repeatedly during this inspection to what they saw as a policy change. DS/T/ATA made the case that its contract employees and third-party contractors, as well as contractors throughout the Department, travel on official business to dangerous locations, including Iraq, Afghanistan, and Pakistan, where DS/T/ATA contends that diplomatic passports offer a measure of protection. In addition, there are some countries that do not allow visitors to conduct business on regular passports.

Informal Recommendation 16: The Bureau of Diplomatic Security should survey recently returned contract personnel at the end of 2012 to determine whether the new policy on official passports has been detrimental on the Office of Antiterrorism Assistance training program and, if necessary, raise any issues with the Bureau of Consular Affairs.

Security

(b) (5)

[REDACTED] a physical security survey conducted by the DS Office of Physical Security Programs, Facilities Security division in August 2011 did not recommend any security upgrades.

(b) (5)

[REDACTED] The unit security officer for DS/T/ATA is a DS special agent for whom this is an additional duty. He has received the required training.

(b) (5)

Top Secret Control Officer

The Top Secret control officer for DS/T/ATA recently retired, leaving this position vacant. DS/T/ATA has not reassigned these duties.

Informal Recommendation 17: The Bureau of Diplomatic Security should designate a new Top Secret control officer in the Office of Antiterrorism Assistance and provide that employee with the required training.

Facility Emergency Action Plan

The facility emergency action plan (FEAP) for DS/T/ATA is posted on the office's internal SharePoint site and describes actions taken to ensure the safety of Department employees and to protect property in and buildings where the Department occupies space. Numerous DS/T/ATA employees indicated that they did not have a copy of the FEAP or know where they could locate one and that information on FEAP contents was not provided in any DS/T/ATA new employee briefings. In addition, the FEAP was not posted on the Office of Emergency Management's Web site. The last update to the FEAP was in December 2010. A draft revision was submitted to the DS/T/ATA executive office for approval in August 2011. After the OIG team raised this matter with the DS/T/ATA executive office, the revision was approved and provided to the Office of Emergency Management, and a management notice was sent to DS/T/ATA employees to tell them where they could find the latest plan.

(b) (5)



Management Controls

The DS Assistant Secretary memorandum regarding assurance on management controls, dated August 26, 2011, states that the bureau's systems of management controls, taken as a whole, comply with the U.S. Comptroller General's standards and the Department's objectives. It also states that assets are safeguarded against waste, loss, unauthorized use, or misappropriation. Exceptions were not reported. DS/T/ATA management controls are included in the scope of the assurance. DS/T/ATA evaluates its management controls each year and reports results to the bureau executive office.

The OIG team found exceptions related to property management and overtime authorization procedures, which are explained below. Program property accountability issues rise to the level of a potential material weakness and expose the Department to financial risk. Bureau of Resource Management guidelines require that potential material weaknesses be reported in the annual management control statement of assurance.

Program Property Management

DS/T/ATA is responsible for a considerable amount of program property, including weapons, which it uses in its training classes. Typically, when DS/T/ATA completes a training activity, it donates the related equipment to the host country government. DS/T/ATA has stringent accountability requirements for the weapons it purchases, uses, and donates in the course of its training activities. This accountability, including supervision by DS special agents, was found to be performed satisfactorily in the 2012 OIG audit report referenced earlier.

Significant U.S. Government program property is warehoused in northern Virginia in preparation for sending it overseas. At the time of this inspection, DS/T/ATA valued the inventory at \$25 million for more than 5,000 stock items. DS/T/ATA views the warehouse as a distribution center.

A third-party contractor provides warehouse space and complete property management services for program property. DS/T/ATA has exclusive use of the warehouse, including the storage area and its work force. The contractor handles all aspects of property management from receiving weapons and equipment to shipping property to the training locations. The contractor records property movements and employs an automated record keeping system, which includes real-time inventory reporting.

Although DS/T/ATA performs adequate procedures for weapons end-use monitoring, it does not follow Department policy on significant aspects of property management accountability. For the most part, the warehouse operates outside the influence of the Bureau of Administration's Office of Logistics Management, which, under 14 FAM 425.5 a., has responsibility for the management and control of all domestic warehouse operations. Without this supervision, the Department does not have assurance that property management procedures conform to its policies. For example, the procedures and record keeping for government property used at the DS/T/ATA warehouse are those proposed by the contractor, rather than those dictated by Department standards.

Annual inventories for other program personal property, required by 14 FAM 425.5 g., have not been conducted for several years. As a result, the Department does not have added assurance that nonweapon property listed in inventory records is actually on hand. In addition, DS/T/ATA did not include its program inventory in its annual property report to the Department, as required by 14 FAM 429.1. As a result, the Department understated this asset class in its general ledger accounts.

Recommendation 14: The Bureau of Administration, in coordination with the Bureau of Diplomatic Security, should conduct a property assistance visit to the Office of Antiterrorism Assistance and issue a trip report, including findings and recommendations. (Action: A, in coordination with DS)

Recommendation 15: The Bureau of Diplomatic Security, in coordination with the Bureau of Administration, should conduct an inventory of the Office of Antiterrorism Assistance Program property in accordance with Department of State policy and submit an amended inventory report, form DS-1875, to the Bureau of Administration. (Action: DS, in coordination with A)

Recommendation 16: The Bureau of Diplomatic Security should amend and reissue its 2011 management control statement of assurance, citing failure to monitor, control, and report under Department of State policies on \$25 million worth of Office of Antiterrorism Assistance Program property as a potential material weakness, and include a corrective action plan. (Action: DS)

Some property has been stored in the DS/T/ATA warehouse with no foreseeable shipping destination. This lapse occurred when training courses were canceled after the equipment was ordered but before it could be delivered to the training sites overseas. This property includes approximately \$866,000 worth of weapons, some of which have been stored for more than 5 years. DS/T/ATA has not determined which items to put to better use in other training activities and which to dispose of. During the inspection, the DS/T/ATA front office approved a moratorium on procuring new weapons until those in the warehouse have been used as well as a standard operating procedure specifying processes to enhance DS/T/ATA's ability to meet future program needs with property on hand. However, neither the moratorium nor the standard operating procedure addresses the need to dispose of property that is unsuitable for future program use.

Recommendation 17: The Bureau of Diplomatic Security should implement a written plan for the disposal of unusable property in the Office of Antiterrorism Assistance. (Action: DS)

Prior Authorization of Overtime

DS/T/ATA requires that all overtime for direct-hire and contract employees on travel status be authorized in advance by including the estimated overtime on the office's travel authorization form. Inspectors compared a sample of the amount of overtime authorized against the amount of overtime claimed. In all cases, the authorized amount far exceeded the amount actually claimed. In several cases, DS/T/ATA approved 40 or more hours of overtime, while none was claimed by the traveler. Other authorizations for trips yet to be taken include 80 hours of estimated overtime for an 11-day trip. The OIG team understands that overtime hours listed on

the travel authorization form are estimates. However, inaccurate authorized hours increases the possibility of abuse.

Informal Recommendation 18: The Bureau of Diplomatic Security should implement procedures so that the overtime authorized for trips for Office of Antiterrorism Assistance direct-hire and contract employees more accurately reflects the actual overtime worked.

List of Recommendations

Recommendation 1: The Bureau of Diplomatic Security should implement a policy that, except in truly extraordinary circumstances, the Office of Antiterrorism Assistance director be required to complete an entire 2-year tour. (Action: DS)

Recommendation 2: The Bureau of Diplomatic Security, in coordination with the Bureau of Human Resources, should fill the deputy office director position in the Office of Antiterrorism Assistance with a Civil Service employee. (Action: DS, in coordination with DGHR)

Recommendation 3: The Bureau of Diplomatic Security should implement a policy requiring that all new Office of Antiterrorism Training managers, supervisors, and project managers either start the job with the necessary project management experience or take the appropriate training at either the Foreign Service Institute or another venue as soon after their arrival as possible, with the bureau sponsoring and funding these courses as necessary. (Action: DS)

Recommendation 4: The Bureau of Diplomatic Security should institute a formal mentoring program for all new project and program managers in Office of Antiterrorism Assistance divisions. (Action: DS)

Recommendation 5: The Bureau of Diplomatic Security should implement a policy requiring that all direct-hire Office of Antiterrorism Assistance employees receive initial and periodic refresher information regarding the proper management of contract employees. (Action: DS)

Recommendation 6: The Bureau of Diplomatic Security should implement procedures for the Office of Antiterrorism Assistance contracting officer's representatives to monitor contractor performance and review all invoices and supporting documentation in a timely manner. (Action: DS)

Recommendation 7: The Bureau of Diplomatic Security should fully integrate the Instructional Systems Design branch into the Office of Antiterrorism Assistance course development and revision process. (Action: DS)

Recommendation 8: The Bureau of Diplomatic Security should transfer the responsibility for and oversight of the Office of Antiterrorism Assistance Curriculum Oversight Committee from the Training Curriculum division to the executive office. (Action: DS)

Recommendation 9: The Bureau of Diplomatic Security should place the technical writer position directly under the Training Curriculum division chief in the Office of Antiterrorism Assistance. (Action: DS)

Recommendation 10: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to obtain from overseas embassies credentials and vetting information for interpreters hired to interpret training courses and to review this documentation for compliance with required standards. (Action: DS)

Recommendation 11: The Bureau of Diplomatic Security should issue and implement a written telework policy for the Office of Antiterrorism Assistance that conforms to Department of State policy. (Action: DS)

Recommendation 12: The Bureau of Diplomatic Security should implement procedures to facilitate the timely completion of all employee evaluation reports. (Action: DS)

Recommendation 13: The Bureau of Diplomatic Security, in coordination with the Bureau of Administration, should implement a policy requiring Office of Antiterrorism Assistance third-party contractors to follow Federal Acquisition Regulations regarding the purchase of low-cost airline tickets. (Action: DS, in coordination with A)

Recommendation 14: The Bureau of Administration, in coordination with the Bureau of Diplomatic Security, should conduct a property assistance visit to the Office of Antiterrorism Assistance and issue a trip report, including findings and recommendations. (Action: A, in coordination with DS)

Recommendation 15: The Bureau of Diplomatic Security, in coordination with the Bureau of Administration, should conduct an inventory of the Office of Antiterrorism Assistance Program property in accordance with Department of State policy and submit an amended inventory report, form DS-1875, to the Bureau of Administration. (Action: DS, in coordination with A)

Recommendation 16: The Bureau of Diplomatic Security should amend and reissue its 2011 management control statement of assurance, citing failure to monitor, control, and report under Department of State policies on \$25 million worth of Office of Antiterrorism Assistance Program property as a potential material weakness, and include a corrective action plan. (Action: DS)

Recommendation 17: The Bureau of Diplomatic Security should implement a written plan for the disposal of unusable property in the Office of Antiterrorism Assistance. (Action: DS)

List of Informal Recommendations

Informal recommendations cover operational matters not requiring action by organizations outside the inspected unit and/or the parent regional bureau. Informal recommendations will not be subject to the OIG compliance process. However, any subsequent OIG inspection or on-site compliance review will assess the mission's progress in implementing the informal recommendations.

Informal Recommendation 1: The Bureau of Diplomatic Security should establish working groups in all Office of Antiterrorism Assistance divisions, using the working group already created in the Training Management division as a model, to give nonmanagerial personnel a role in division management and operation.

Informal Recommendation 2: The Bureau of Diplomatic Security should implement procedures for the Office of Antiterrorism Assistance to communicate more actively with its staff.

Informal Recommendation 3: The Bureau of Diplomatic Security should establish working groups in the Office of Antiterrorism Assistance that are made up of direct-hire and contract employees from different divisions to work on common issues and topics.

Informal Recommendation 4: The Bureau of Diplomatic Security should cease the practice of allowing direct-hire supervisors in the Office of Antiterrorism Assistance to sign contract employee timesheets and develop alternate methods of tracking hours worked.

Informal Recommendation 5: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to use, when practicable, in-house resources for revising courses.

Informal Recommendation 6: The Bureau of Diplomatic Security should implement a policy requiring all Office of Antiterrorism Assistance principal officers, including the executive office and division and branch chiefs, to attend Curriculum Oversight Committee meetings.

Informal Recommendation 7: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to release all supporting material and documentation for agenda items prior to Curriculum Oversight Committee meetings to give attendees sufficient time to review the material and prepare for the meeting.

Informal Recommendation 8: The Bureau of Diplomatic Security should implement a policy requiring the Office of Antiterrorism Assistance to include all relevant divisions and staff when discussing initial proposals regarding the revision of training courses.

Informal Recommendation 9: The Bureau of Diplomatic Security should implement a policy requiring training delivery officers in the Office of Antiterrorism Assistance to prepare trip reports upon their return from course visits, using the Training Curriculum division's trip report template.

Informal Recommendation 10: The Bureau of Diplomatic Security should complete the guidebook for its Training Management division's program managers in the Office of Antiterrorism Assistance.

Informal Recommendation 11: The Bureau of Diplomatic Security should provide Office of Antiterrorism Assistance staff with the name and contact information for the office's information systems security officer.

Informal Recommendation 12: (b) (5)



Informal Recommendation 13: The Bureau of Diplomatic Security should implement standard operating procedures to resolve differences between Office of Antiterrorism Assistance divisions regarding the type of equipment required for training programs.

Informal Recommendation 14: The Bureau of Diplomatic Security should implement standard operating procedures regarding the procurement of Office of Antiterrorism Assistance equipment and post this information on the office's SharePoint site.

Informal Recommendation 15: The Bureau of Diplomatic Security should update and reissue the travel policy for Office of Antiterrorism Assistance direct-hire employees.

Informal Recommendation 16: The Bureau of Diplomatic Security should survey recently returned contract personnel at the end of 2012 to determine whether the new policy on official passports has been detrimental on the Office of Antiterrorism Assistance training program and, if necessary, raise any issues with the Bureau of Consular Affairs.

Informal Recommendation 17: The Bureau of Diplomatic Security should designate a new Top Secret control officer in the Office of Antiterrorism Assistance and provide that employee with the required training.

Informal Recommendation 18: The Bureau of Diplomatic Security should implement procedures so that the overtime authorized for trips for Office of Antiterrorism Assistance direct-hire and contract employees more accurately reflects the actual overtime worked.

Principal Officials

	Name	Arrival Date
Director	Stephen Rice (Acting)	2/2012
Deputy Director	Noelle Licari (Acting)	2/2012
Chiefs of Sections:		
Assessment, Review, and Evaluation	Derrick Tolliver (Acting)	03/2012
Resources, Budget, and Support	Gary Cabbage	3/2008
Training Curriculum Division	Thomas Evans	04/2006
Training Delivery Division	Matt Renner (Acting)	2/2012
Training Management Division	Noelle Licari	07/2011

Abbreviations

ARE	Assessment, Review, and Evaluation division
CN	Congressional notification
COC	Curriculum Oversight Committee
COR	Contracting officer's representative
CT	Bureau of Counterterrorism
Department	U.S. Department of State
DS	Bureau of Diplomatic Security
DS/T/ATA	Bureau of Diplomatic Security, Office of Antiterrorism Assistance
EEO	Equal Employment Opportunity
FAM	<i>Foreign Affairs Manual</i>
FEAP	Facility emergency action plan
MOA	Memorandum of agreement
NADR	Nonproliferation, Antiterrorism, Demining, and Related Programs
RBS	Resources, Budget, and Support Staff division
S/CT	Office of the Coordinator for Counterterrorism
TCD	Training Curriculum division
TDD	Training Delivery division
TMD	Training Management division

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