

**Office of Audits**  
**FY 2014 Performance Plan**



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

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## Message From the Assistant Inspector General for Audits

I am pleased to present the Office of Audits performance plan for fiscal year (FY) 2014. This strategic performance plan sets forth our pathway to promote positive change, maximize efficiency and value in our work, and lead by example in creating a model organization within the Office of Inspector General (OIG) and the Department of State (Department). It further provides the means and strategies by which we will achieve these priorities and the standards by which we will measure our success. This is an evolving document, which will be updated as necessary to ensure that our work remains relevant, timely, and responsive to global developments and the priorities of the foreign affairs community. I want to express my gratitude to all the staff who have assisted in the development of this plan and my profound appreciation to those who will implement it.

*Evelyn R. Klemstine, Assistant Inspector General, June 2013*

### *Introduction*

The Office of Audits has a leading role in helping the Department and the Broadcasting Board of Governors (BBG) improve management; strengthen integrity and accountability; and ensure the most efficient, effective, and economical use of resources. Our activities are global in scope, supporting the highest priorities of the Department. Our oversight extends to the Department's and BBG's 70,000+ employees and more than 280 missions and other facilities worldwide, funded through a combined annual appropriation of more than \$15 billion and \$3 billion in fee-based resources. We also provide oversight for the United States Section,

International Boundary and Water Commission (IBWC). We remain at the forefront of efforts to identify potential savings and cost efficiencies for the Department and BBG, and we strive to provide timely, relevant, and useful feedback on the progress of their programs and initiatives. Our mandate includes the traditional areas of emphasis for the Department and BBG—including diplomatic and consular affairs, security, international broadcasting, administrative and financial management, and information technology—as well as new initiatives and priorities.

“OIG’s bottom line is that we earn our pay by telling our agencies and the Hill the truths that they need to hear—which is not always what they want to hear.” —  
*Harold W. Geisel, Deputy Inspector General, February 2011*

## *Our Mission, Vision, and Core Values*

The mission of the Office of Audits is to conduct and direct independent audits and program evaluations to promote effective management, accountability, and positive change in the Department, BBG, and the foreign affairs community. We provide leadership to:

- Promote integrity, efficiency, effectiveness, and economy;
- Prevent and detect waste, fraud, abuse, and mismanagement;
- Identify vulnerabilities and recommend constructive solutions;
- Offer expert assistance to improve Department and BBG operations;
- Communicate timely, useful information that facilitates decisionmaking and achieves measurable gains; and
- Keep the Department, BBG, and the Congress fully and currently informed.

Our vision is to be a world-class organization promoting effective management, accountability, and positive change in the Department, BBG, and the foreign affairs community. Our core values are as follows:

- **Credibility:** We are committed to the highest standards of accountability, independence, integrity, and professionalism.
- **Objectivity:** As an independent agent for positive change, our reports and other products are factual, accurate, informative, and reliable.
- **Relevance:** Our work is directed at Department and BBG priorities, with an emphasis on global issues; the effectiveness of foreign assistance programs; resource-intensive programs and operations; and the Department's coordination with other U.S. Government agencies.
- **Usefulness:** Our products assist decisionmakers in improving programs and making the most effective spending decisions in an environment of constrained financial resources.
- **Timeliness:** Our audits and evaluations are conducted in a timely manner and are distributed broadly to ensure recommended actions promptly result in savings, cost recoveries, prevention of losses, and improved efficiencies and security.

## *Our Statutory Responsibilities*

The 1978 Inspector General Act, the 1980 Foreign Service Act, and the 1998 Foreign Affairs Reform and Restructuring Act charge the OIG with oversight responsibility for the Department and BBG. These responsibilities include detecting and preventing waste, fraud, and mismanagement and assessing whether U.S. foreign policy goals are being achieved, resources are used to maximum efficiency, and all elements of U.S. overseas missions are coordinated. We are also responsible for evaluating compliance with other legislation – such as the Chief Financial Officers Act, the Federal Managers’ Financial Integrity Act, and the Federal Information Security Management Act – all of which is designed to enhance management performance.

“During this marked time of fiscal challenge, we must remain ever-vigilant of our grave obligation to American taxpayers to ensure the most economic, efficient, and effective use of Department resources. In FY 2014, as in years past, we will continue to devote our best efforts in pursuit of this goal and in furtherance of our mission to promote ‘effective management, accountability, and positive change.’” – *Harold W. Geisel, Deputy Inspector General, April 18, 2013, Testimony.*

The Office of Audits follows generally accepted government auditing standards, as outlined in our *Office of Audits Manual*. We incorporate applicable standards into our planning process and, where appropriate, into the procedures used by others on our behalf. These standards are designed to set the tone for the use of professional judgment in performing work on a wide variety of assignments. It is our policy to review annually the procedures and practices we follow and to initiate prompt action when necessary to ensure compliance with governing standards and improve internal efficiency and effectiveness.

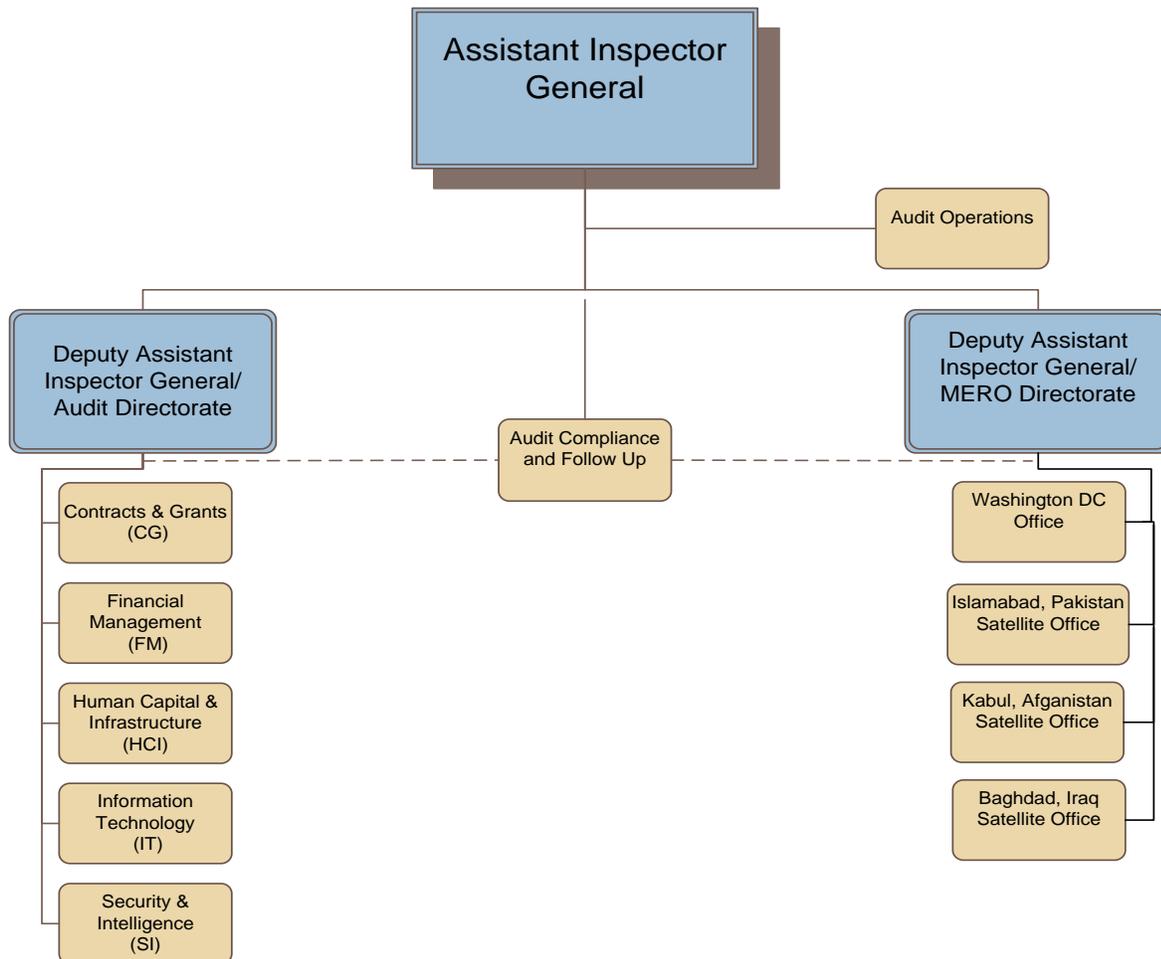
## *Our Organization*

The Office of Audits consists of two Directorates: an audit operations division and an audit compliance and followup division. The Deputy Assistant Inspector General for Audits is responsible for the Audit Directorate, charged with conducting audits and program evaluations of the management and financial operations of the Department and BBG, including those entities’ audited financial statements, information security, internal operations, and external activities funded by the Department through contracts or financial assistance. The Deputy Assistant Inspector General for the Middle East Region Operations (MERO) Directorate is responsible for performing engagements within the Middle East Region covering the Bureaus of Near Eastern Affairs (NEA) and South and Central Asian Affairs (SCA), in addition to the general operation of our overseas offices located in Kabul, Afghanistan; Islamabad, Pakistan; and Baghdad,

Iraq.<sup>1</sup> The MERO Directorate is also responsible for coordinating our oversight efforts with the Southwest Asia Planning Group (SWA-JPG) and the Afghanistan and Pakistan (AF-PAK) subgroup.

The Audit Operations Division and the Audit Compliance and Followup Division (ACFD) report directly to the Assistant Inspector General for Audits. Audit Operations is responsible for our quality control operations; performing workforce planning and analysis; developing and managing our budget; and recruiting, training, and retaining qualified auditors and analysts. ACFD is responsible for coordinating, tracking, and reporting compliance with the recommendations we offer to further demonstrate the degree to which our oversight efforts have resulted in more effective, efficient, and/or economical operations.

## Office of Audits



<sup>1</sup>A MERO Satellite Office currently operating in Cairo, Egypt, will be closed by October 1, 2013, and therefore is not depicted in this Performance Plan as an overseas office location.

## *Our Stakeholders*

Our products are directed to and used by a wide range of public and private sector entities to include the Congress; the Secretary of State and other Department officials, managers, and staff; the Board of BBG and BBG management and staff; the Council of Inspectors General on Integrity and Efficiency; other U.S. Government agencies; and members of the general public – especially the U.S. taxpayer. We continually seek input from our stakeholders in planning our work to accommodate special requests received outside of the planning process, and we welcome feedback on our products, processes, and services.

## *Our General Means and Strategies*

The fundamental means for the Office of Audits to achieve its strategic and performance goals will be the audits and program evaluations we perform and direct. In addition to fulfilling mandatory requirements and responding to Congressional and Department requests, we strive to react to the priorities and demands of the foreign affairs community and proactively review new programs and potential problem areas identified in the course of our work. We direct the work of select Certified Public Accounting firms to augment our oversight efforts within the Department and BBG. We work closely with our colleagues in the Offices of Inspections and Investigations to build expert knowledge of the Department's operations; share information to deter, detect, and prosecute fraud; and develop strategies that advance our oversight mission. We will continue to review and, as appropriate, revise our processes and methodologies to get the most value from our resources, better serve our customers and other interested parties, and ensure the achievement of our strategic and performance goals.

In addition, we will continue to pursue authorization for the personnel authorities and financial incentives needed to recruit the staff and skill sets needed to fulfill our work assignments throughout the world, as well as promote professional development of our staff with a variety of educational and career development opportunities to include both formal training at high-quality institutions and on-the-job experiences internally.

Finally, we will focus discretionary audits and evaluations on high-priority areas to help decisionmakers within the Department, BBG, and the Congress manage scarce financial resources. In planning our audits and evaluations, we will target high-cost programs, key management challenges, and vital operations to provide Department and BBG managers with information that will assist them in making operational decisions. Our FY 2014 plan recognizes the Department's High Priority Performance Goals to include Global Security; Management-Building-Civilian Capacity; Democracy, Good Governance, and Human Rights; and Overseas Contingency Operations in the front-line states of Iraq, Afghanistan, and Pakistan.

## *Our Strategic Goals, Strategies, and Performance Indicators*

### **Goal One: Positive Change**

*Support and assist the Department and BBG in strengthening management and consular capabilities and program effectiveness.*

#### **Strategies**

- Ensure audits and evaluations address issues of concern to our stakeholders, and periodically reassess areas of emphasis to reflect changing priorities of the Administration, Congress, the Department, and BBG.
- Utilize an informed risk management approach to identify mission-critical systems and operations, major management challenges, potential vulnerabilities, and priority areas for evaluation.
- Through our audits, evaluations, and compliance followup reviews, assess Department and BBG progress in correcting identified management control weaknesses.
- Identify systemic issues and best practices found in the course of individual audits and evaluations, and recommend global solutions to strengthen Department and BBG management and programs.
- Deploy integrated, multifunctional teams of auditors, evaluators, information technology specialists, and security professionals to leverage OIG resources in addressing high priority work.

#### **Performance Indicators**

##### **1-1. Percentage of recommendations resolved within nine months.**

Recommendations are the primary outputs of our audits and program evaluations, and they serve as the vehicle for correcting vulnerabilities and realizing positive change in the Department and BBG. Resolution of recommendations reflects management's willingness to take the actions we recommended to correct identified problems and improve programs and operations. The percentage of recommendations resolved within nine months for audits and evaluations indicates to what extent management has agreed to take timely action to correct identified problems in line with our recommendations or has identified acceptable alternatives that are expected to result in improved programs and operations. **Our FY 2014 target is 87 percent.**

## **1-2. Percentage of Office of Audits reports that focus on Department and BBG management challenges.**

Our audits and program evaluations assess Department and BBG efforts to achieve results-oriented management, identify major management challenges, and recommend improvements. The percentage of our work related to agency management challenges demonstrates the degree to which we are focused on improving the areas of greatest vulnerability in agency operations. **Our FY 2014 target is 97 percent.**

### **Goal Two: Efficiency and Value**

*Produce timely, quality work and products with relevant, credible, reliable information that is useful to Department, BBG, and Congressional decisionmakers, particularly in managing resources.*

#### **Strategies**

- Perform risk assessments when planning audits and evaluations to identify opportunities for cost savings and the avoidance of costs.
- Review and recommend internal control improvements in programs and functions of the Department and BBG that are vulnerable to misappropriation, loss, or waste of resources.
- Assess the economy, efficiency, and effectiveness of interagency program support services, including whether the most cost-effective means are used in providing services to foreign affairs agencies overseas.
- Maintain internal quality assurance and review programs to ensure reliability and credibility of Office of Audits products.
- Maintain transparency in conducting and reporting the results of audits and evaluations.
- Maximize the use of appropriate technologies to start jobs sooner, finish them faster, disseminate the results broadly, and facilitate the storage and retrieval of reports.

#### **Performance Indicator**

**2-1. Monetary benefits: questioned costs, funds put to better use, cost savings, recoveries, and efficiencies.**

Our audits and evaluations result in potential and actual cost savings and efficiencies to the Department and BBG. Monetary benefits from our work result in more effective and efficient use of U.S. taxpayer dollars and are a primary mandate of the Office of Audits. **Our FY 2014 target is \$16.5 million.**

### **Goal Three: People**

*Lead by example in providing a model work environment that facilitates timely, quality work and products.*

#### **Strategies**

- Focus recruitment efforts on requisite skill sets and individuals who possess the knowledge, skills, and abilities to masterfully perform audits and evaluations.
- Encourage all employees to complete Individual Development Plans, ensure that all employees fulfill mandatory training requirements, and support employees in their pursuit of developmental training.
- Encourage and support employees' efforts to achieve appropriate professional certifications, such as the designation of Certified Public Accountant, Certified Internal Auditor, and Certified Information Systems Auditor.
- Provide the support structure and technological tools and equipment that will assist employees in producing quality and timely products.

#### **Performance Indicator**

##### **3-1. Annual rate of attrition for Civil Service employees.**

Office of Audits products and services are possible only through its people. Our success is predicated on attracting and retaining highly qualified employees with functional and/or subject-matter expertise in auditing, program evaluation, foreign policy, information technology, security, and public diplomacy. Employee retention is measured in terms of annual attrition of Civil Service employees. Since the end of FY 2010, the Office of Audits has successfully recruited and hired 52 employees to fill all of its authorized positions.

#### ***Our Methodology for Investing Resources***

The methodology we use to guide the investment of our resources is predicated on the performance goals and strategies noted above and on four additional factors: (1) Congressional and executive **mandated audits**; (2) the Department's **High Priority**

**Performance Goals**, program risk, and Government Accountability Office (GAO) High Risk Issues for FY 2014; (3) the Department's **allocation of resources by strategic goal**; and (4) **holistic audit attention** to all bureaus and offices charged with advancing the Department's and BBG's mission.

### Mandated Assignments

The Office of Audits currently has 13 Congressional and executive mandated assignments. These assignments are generally conducted annually, and many relate to financial management and information technology security requirements stemming from the Chief Financial Officers Act and the Federal Information Security Management Act (FISMA). A listing of mandatory assignments and the division responsible for conducting them follows:

1. Financial Statement Audit of the Department of State [Financial Management Division]
2. Financial Statement Audit of the Broadcasting Board of Governors [Financial Management Division]
3. Financial Statement Audit of the International Boundary and Water Commission [Financial Management Division]
4. Audit of Broadcasting Board of Governors Compliance With the Improper Payments Information Act [Financial Management Division]
5. Audit of Department of State Compliance With the Improper Payments Information Act [Financial Management Division]
6. FISMA Audit of the Department of State Information Security Program [Information Technology Division]
7. FISMA Audit of the Broadcasting Board of Governors Information Security Program [Information Technology Division]
8. FISMA Audit of the Intelligence Community's Information Security Program [Information Technology Division]
9. FISMA Audit of the International Boundary and Water Commission Information Security Program [Information Technology Division]
10. Annual Attestation of the Department of State Bureau of International Narcotics and Law Enforcement Affairs Drug Control Funds and Related Performance Report [Financial Management Division]
11. OMB Circular A-133 – Quality Control Review of Single Audits [Contracts and Grants Division]
12. OMB Circular A-133 – Single Audit Act Initial (Desk) Reviews [Contracts and Grants Division]
13. Audit of the National Endowment for Democracy [Contracts and Grants Division]

## Priorities of the Department of State and BBG

We organized the Department's top priorities to align with the themes of the Quadrennial Diplomacy and Development Review (QDDR). The QDDR is intended to offer guidance on how the Department can work better and smarter by setting clear foreign affairs priorities, managing for results, promoting accountability, and unifying efforts to ensure the effective execution of solutions. Figure 1 depicts the four QDDR themes and our associated placement of High Performance Goals within each QDDR theme: the Department's High Priority Performance Goals and Government Accountability Key Issues. Our investment of resources also recognizes Strategic Communications and Technology employed by BBG.

Since I became Secretary of State, I have talked about the new conversation we need to have at home – as a country – about the importance of our foreign policy and national security investments. I do so well aware – as a "recovering politician" – that there is no greater guaranteed applause line than to promise to cut the State Department and USAID's budget. I am equally aware, however, that underfunding American diplomacy does nothing to guarantee our security, build a sounder economy, or ensure that another young American in uniform will not die fighting a preventable war. I reject the excuse that Americans are just not interested in what America does overseas. In fact, the real domestic constituency for what we do, if we connect the dots for them as an Administration and a Congress, should be the 314 million Americans whose lives are better every day because of what America does overseas, and who know that our investment abroad actually makes them and our nation safer. It is our job to connect those dots, to connect, for the American people, how what we do "over there" has an enormous impact "over here."

John F. Kerry  
*Secretary of State*  
*April 2013*

**Figure 1**

<p>QDDR Themes: <i>Leading Through Civilian Power</i></p>	<p><u>High Priority Performance Goals/</u> <u>GAO Key Issues</u></p>	<p>Lead Bureaus/ Offices</p>
<p><b>1. Diplomacy for the 21<sup>st</sup> Century</b></p> <p>Leading the implementation of global civilian operations, Adapting U.S. diplomacy to meet new challenges, Engaging beyond the State, and Supporting our diplomats as they take on new missions.</p>	<ul style="list-style-type: none"> <li>• <u>Global Health</u></li> <li>• <u>Global Security-Nuclear Nonproliferation</u></li> <li>• Terrorism-Related Information Sharing</li> <li>• <u>Climate Change</u></li> <li>• <u>Afghanistan and Pakistan</u></li> <li>• <u>Iraq</u></li> <li>• <u>Economic Statecraft</u></li> <li>• <i>Strategic Communications and Technology</i></li> </ul>	<p>S/GAC, OES, S/GWI</p> <p>ISN, PM, AVC, INL, S/CT</p> <p>CA, DS, S/CT</p> <p>S/SECC, OES, EEB</p> <p>S/SRAP, DRL, INL, NEA, OBO</p> <p>EB</p> <p>BBG</p>
<p><b>2. Transforming Development To Deliver Results</b></p> <p>Focusing our investments, Practicing High-Impact Development, Rebuilding United States Agency for International Development as the preeminent global development institution, and Transforming the Department’s support for development.</p>	<ul style="list-style-type: none"> <li>• <u>Democracy, Good Governance, and Human Rights</u></li> <li>• Countering Overseas Threats</li> </ul>	<p>DRL, S/GWI, J/TIP, EEB, INL, OES, F</p> <p>S/CT, DS</p>
<p><b>3. Preventing and Responding to Crises and Conflicts</b></p> <p>Embracing and executing conflict prevention and response as a core civilian mission and Building capability to reform security and justice sectors</p>	<ul style="list-style-type: none"> <li>• <u>Food Security</u></li> <li>• International Food Assistance</li> </ul>	<p>S/P, RM, EEB, OES</p> <p>GFS</p>
<p><b>4. Working Smarter</b></p> <p>Building a 21<sup>st</sup> Century Workforce, Managing contracting and procurement better to achieve our missions, and Planning and budgeting for results.</p>	<ul style="list-style-type: none"> <li>• <u>Management-Building Civilian Capacity</u></li> </ul>	<p>HR/RMA, S/CRS, INL, RM, S/CT</p>

## Allocation of Department Resources by Strategic Goal

Figure 2 depicts the Department and United States Agency for International Development (USAID) Joint Strategic Goals with the percentage and amount of financial resources requested by the Department in FY 2014 to support each goal.<sup>2</sup> Twenty four percent of the FY 2014 budget request supports Strategic Goal 1. Strategic Goal 1 combined with Strategic Goal 7 account for 72 percent of the Department's FY 2014 operations request.<sup>3</sup>

**Figure 2**

<b>Department of State-USAID Joint Strategic Goals</b>	<b>Percent of Total Requested*</b>	<b>Amount Requested (\$ in thousands)</b>
<b>Strategic Goal 1: Counter threats to the United States and the international order, and advance civilian security around the world.</b>	24	\$3,718,885
<b>Strategic Goal 2: Effectively manage transitions in the front-line states.</b>	12	\$1,829,024
<b>Strategic Goal 3: Expand and sustain the ranks of prosperous, stable, and democratic states by promoting effective, accountable, democratic governance; respect for human rights; and sustainable, broad-based economic growth and well-being.</b>	5	\$727,909
<b>Strategic Goal 4: Provide humanitarian assistance and support disaster mitigation.</b>	.005	\$70,993
<b>Strategic Goal 5: Support American prosperity through economic diplomacy.</b>	2	\$388,529
<b>Strategic Goal 6: Advance U.S. interests and universal values through public diplomacy and programs that connect the United States and Americans to the world.</b>	9%	\$1,365,019
<b>Strategic Goal 7: Build a 21<sup>st</sup> Century workforce; achieve U.S. Government operational and consular efficiency and effectiveness, transparency, and accountability, and maintain a secure U.S. Government presence internationally.</b>	48	\$7,604,902
		<b>\$15,705,261</b>
* Percentages may not add up to 100% because of numerical rounding.		

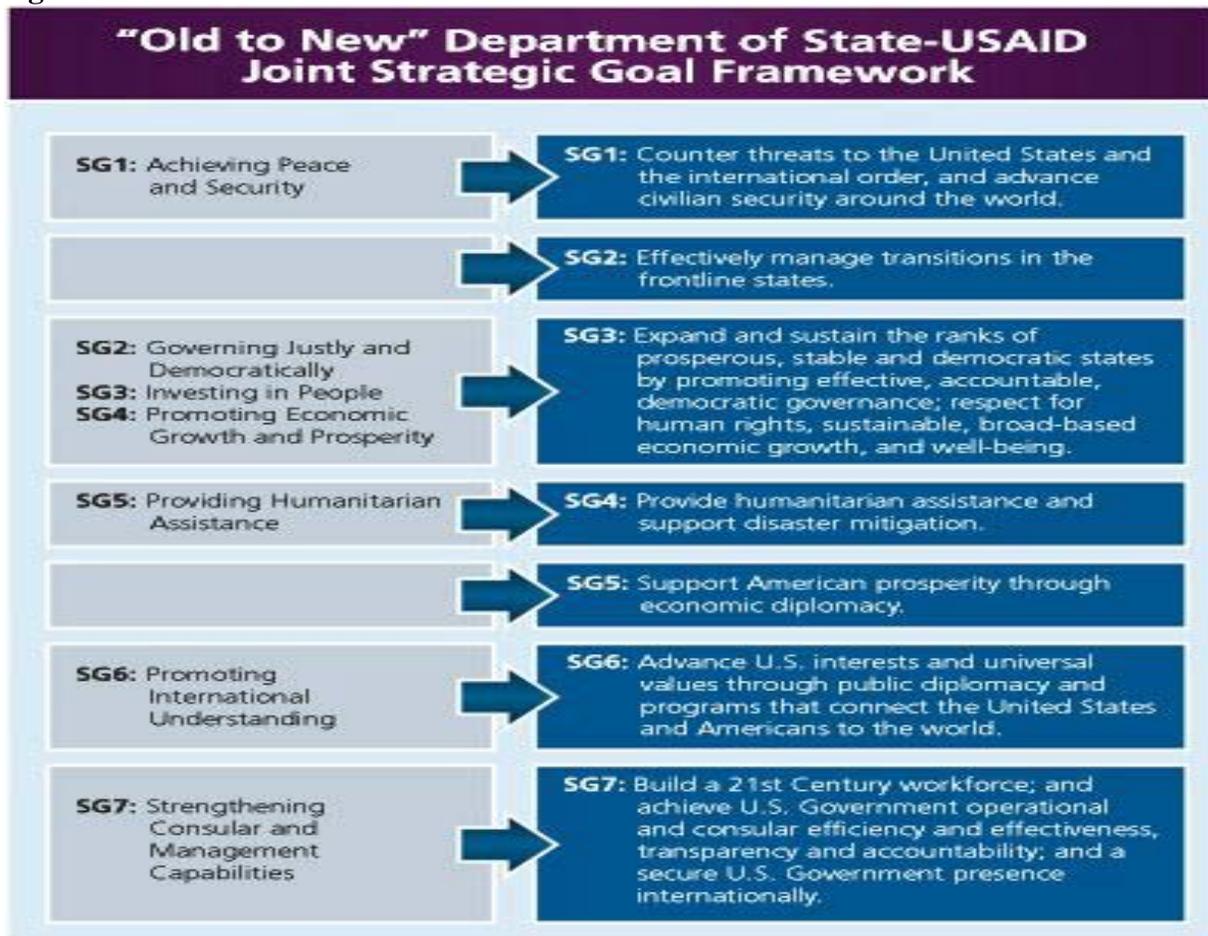
<sup>2</sup> Source: Department of State FY 2014 Congressional Budget Justification, Vol. 1: Department of State Operations.

<sup>3</sup> Resources allocated by strategic goal include all appropriated funds (Enduring and Overseas Contingency Operations [OCO] funds) except for \$240,018 million for the following: Office of Inspector General, International Commissions, Buying Power Maintenance, Foreign Service National Separation Liability Trust Fund Payment, and Foreign Service Retirement and Disability Fund.

## Holistic Audit Attention

In FY 2014, we are initiating oversight activities in a number of bureaus that are integral to advancing the Department's High Priority Performance Goals to include the Bureaus of Educational and Cultural Affairs (ECA); Administration (A); Diplomatic Security (DS); Counterterrorism (CT); International Security and Nonproliferation (ISN); and Democracy, Human Rights and Labor (DRL). This focus reflects our desire to add value to the Department's mission while meeting the demands of the Congress and foreign affairs community to proactively review new programs and deter waste, fraud, and mismanagement. Figure 3 depicts the Department of State's transition from the Old to the New Strategic Goal Framework. Our holistic oversight approach corresponds with this revised framework, as well as the Department's continuing mission in the front-line states of Iraq, Afghanistan, and Pakistan.

**Figure 3**



Source: U.S. Department of State FY 2011 Agency Financial Report.

*Our Fiscal Year 2014 Performance Plan*

**Audit Directorate**

**Contracts and Grants**

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
ECA, AQM /CG	Audit of J. William Fulbright Scholarship Fund Grants in Selected Countries	To determine whether (1) Fulbright Scholarship Fund grants are effectively and efficiently administered and monitored within established policies and procedures and (2) mechanisms are in place to track and perform remedial actions for identified deficiencies.	High Priority Performance Goal Management-Building Civilian Capacity	October 2013
AQM, Selected Bureaus /CG	Department Oversight and Accountability of Selected Grants to Public International Organizations (PIO)	To determine whether the Department is overseeing and holding PIOs accountable for complying with the terms and conditions of grant agreements and taking appropriate action when deficiencies are identified.	High Priority Performance Goal Management-Building Civilian Capacity	January 2014
AQM, FSI, Selected Bureaus /CG	Audit of Department of State Placement and Training of Grants Officer Representatives	To determine whether the Department's Grants Officer Representatives have been selected and positioned to successfully perform their assigned grants administration and oversight responsibilities.	High Priority Performance Goal Management-Building Civilian Capacity	March 2014
AQM, DRL /CG	Audit of the National Endowment for Democracy for Fiscal Years 2008-2012	To determine whether the National Endowment for Democracy had adequately accounted for Federal funds and complied with applicable laws, regulations, policies, grant terms, and conditions.	Mandatory National Endowment for Democracy Act	June 2014

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
Domestic and Overseas Bureaus, BBG /CG	Quality Control Review of Selected Single Audits for the Department and BBG	Pursuant to the requirements of Office of Management and Budget (OMB) Circular A-133, to provide selected Single Audit Act Desk Reviews that may identify questioned costs for repayment to the Department and BBG.	Mandatory Single Audit Act	August 2014

### Financial Management

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
INL /FM	Audit of the Department of State Counternarcotics Initiatives	To determine (1) the full cost of the counternarcotics initiatives; (2) whether the Department is appropriately using performance indicators to measure and report program results; and (3) the associated cost of achieving the desired results for each performance indicator (return on investment).	GAO Key Issue Countering Overseas Threats	December 2013
Department /FM	Department of State Compliance With the Improper Payments Information Act	To determine whether the Department is in compliance with the Improper Payments Information Act, as amended.	Mandatory Improper Payments and Information Act	December 2013
BBG /FM	BBG Compliance With the Improper Payments Information Act	To determine whether BBG is in compliance with the Improper Payments Information Act, as amended.	Mandatory Improper Payments Information Act	December 2013

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
INL /FM	Review of FY 2013 Accounting and Authentication of Drug Control Funds and Related Performance Report for the Office of National Drug Control Policy (ONDCP)	To authenticate the Department of State FY 2013 accounting of drug control funds and related performance in compliance with ONDCP guidance.	Mandatory ONDCP Circular	December 2013
Department /FM	Audit of Department of State FY 2014 Financial Statements	To determine whether the financial statements and related notes are presented fairly, in all material respects, in conformity with the accounting principles generally accepted in the United States.	Mandatory Chief Financial Officers Act	January 2014
BBG /FM	Audit of BBG FY 2014 Financial Statements	To determine whether the financial statements and related notes are presented fairly, in all material respects, in conformity with the accounting principles generally accepted in the United States.	Mandatory Chief Financial Officers Act	January 2014
IBWC /FM	Audit of International Boundary and Water Commission's (IBWC) FY 2014 Financial Statements	To determine whether the financial statements and related notes are presented fairly, in all material respects, in conformity with the accounting principles generally accepted in the United States.	Mandatory Chief Financial Officers Act	May 2014
BBG /FM	Audit of Expenditures Made by Radio Free Asia	To determine to what extent expenditures made by Radio Free Asia were used for mission priorities and were supported.	High Priority Performance Goal Strategic Communications and Technology	July 2014

## Human Capital and Infrastructure

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
MED /HCI	Audit of Foreign Service Medical Officers Internal Controls of Medical Supplies, Controlled Substances, and Prescription Drugs at Selected Posts (Carryover)	To determine to what extent the Department's medical health units are effectively administering internal controls over the ordering, receipt, storage, and disposition of medical supplies, controlled substances, and prescription drugs.	High Priority Performance Goal Management-Building Civilian Capacity	October 2013
A /HCI	Audit of Department of State Expedited Logistics Program (Carryover)	To determine to what extent the Expedited Logistics Program has been effective in providing posts with easy, fast, and cost-effective methods to obtain commonly used items.	High Priority Performance Goal Management-Building Civilian Capacity	November 2013
DS, OBO /HCI	Audit of Residential Security at Selected Overseas Posts	To determine whether residential security measures at selected overseas posts meet current Department guidance and standards.	GAO High Risk Countering Overseas Threats	July 2014
A /HCI	Audit of Excess Personal Property Management at Domestic Locations	To determine whether excess personal property at domestic locations is managed and disposed of in accordance with Federal and Department regulations and guidelines.	High Priority Performance Goal Management-Building Civilian Capacity	August 2014

## Information Technology

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
IRM /IT	Audit of Department of State Implementation and Oversight of Active Directory (Carryover)	To determine whether the Department has consistently implemented and overseen active directory domain services and active directory rights management across the enterprise environment.	Program Risk	October 2013

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
DS,INR /IT	Audit of the Information Security Program for Sensitive Compartmented Information (SCI) Systems at the Department of State	To evaluate the effectiveness of security controls and techniques for SCI systems and compliance with Office of the Director of National Intelligence directives and related information security policies, procedures, standards and guidelines.	Mandatory  Federal Information Security Management Act (FISMA)	February 2014
IRM /IT	Audit of Department of State Data Center Security and Consolidation Efforts (Carryover)	To determine whether the Department has instituted security controls that are appropriate to its data centers and has made progress with data center consolidation.	Program Risk	April 2014
IRM /IT	Audit of the Information Security Program at the Department of State	To evaluate the effectiveness of security controls and techniques for selected information systems and compliance with related information security policies, procedures, standards, and guidelines.	Mandatory  Federal Information Security Management Act (FISMA)	March 2014
IBWC /IT	Audit of the Information Security Program at the International Boundary and Water Commission (IBWC)	To evaluate the effectiveness of security controls and techniques for selected information systems and compliance with related information security policies, procedures, standards, and guidelines.	Mandatory  Federal Information Security Management Act (FISMA)	March 2014
BBG /IT	Audit of the Information Security Program at the Broadcasting Board of Governors (BBG)	To evaluate the effectiveness of security controls and techniques for selected information systems and compliance with related information security policies, procedures, standards, and guidelines.	Mandatory  Federal Information Security Management Act (FISMA)	April 2014
IRM, DS, /IT	Audit of the Department of State Security Program for Wireless Networks	To determine whether the Department has implemented a security program for wireless networks to guard against cyber attacks and unauthorized access.	Program Risk	May 2014

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
IRM /IT	Audit of Department of State System Development Life Cycle (SDLC) Process (Carryover)	To determine whether the Department's System Development Life Cycle (SDLC) policies and procedures adequately address Federal requirements and information technology best practices.	High Priority Performance Goal  Management-Building Civilian Capacity	July 2014

IRM, DS /IT	Audit of Department of State Contingency Plans for the Information Technology Enterprise System	To determine whether the Office of Chief Information Officer has implemented and subsequently tested contingency plans across the Department's information technology enterprise system to ensure operability during an interruption.	High Priority Performance Goal  Management-Building Civilian Capacity	September 2014
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### Security and Intelligence

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
DRL, INL, CSO /SI	Audit of Department of State Integration of Security and Justice Sector Assistance for the Merida Initiative (Carryover)	To determine to what extent the Department has progressed in integrating security and justice sector assistance and has linked Merida Initiative assistance to development by emphasizing host nation's ownership of programs.	High Priority Performance Goal  Democracy, Good Governance, and Human Rights	February 2014

ISN, CT /SI	Audit of Department of State Administration of Nonproliferation and Threat Reduction Programs (Carryover)	To determine whether the Department has implemented internal controls to effectively monitor and measure the results of nonproliferation and threat reduction assistance concerning weapons of mass destruction.	High Priority Performance Goal  Global Security-Nonproliferation	February 2014
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ISN /SI	Audit of Department of State Assistance to Foreign Export Control and Enforcement Agencies	To determine to what extent the Department's deployment of detection equipment and training assistance to foreign export control and enforcement agencies has achieved desired results in combating the proliferation of advanced conventional weapons.	High Priority Performance Goal  Global Security-Nonproliferation	August 2014
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Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
CT/ SI	Audit of Department of State Terrorist Screening and Interdiction Programs	To determine to what extent the Department has strengthened its screening capabilities to detect terrorist and secure borders.	High Priority Performance Goal  Terrorist Related Information Sharing	September 2014

## Middle East Region Operations Directorate

### Iraq

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
Embassy Baghdad, NEA, MED, AQM /MERO	Audit of Department of State Management of Medical Operations Supporting Personnel Assigned to Iraq (Carryover)	To determine whether the Department is effectively managing the medical operations contract in Iraq.	High Priority Performance Goal  Iraq	October 2013
Embassy Baghdad, NEA /MERO	Audit of Administration of the Residual Iraq Reconstruction Projects	To determine whether the Department is properly administering the completion and turnover of the residual U.S. Government-funded Iraq reconstruction projects.	High Priority Performance Goal  Iraq	October 2013
Embassy Baghdad, DS, AQM /MERO	Audit of Department of State Management of the Worldwide Protective Services (WPS) Task Order for Erbil and Basrah	To determine whether the Department is effectively managing the WPS Task Order for Erbil and Basrah.	High Priority Performance Goal  Iraq	April 2014
Embassy Baghdad, NEA, AQM /MERO	Audit of the Baghdad Life Support Services (BLISS) Contract	To determine whether the Department is effectively managing the BLISS contract.	High Priority Performance Goal  Iraq	September 2014

## Afghanistan

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
SCA, INL, Embassy Kabul /MERO	Audit of Closeout Process for Contracts Supporting the U.S. Mission in Afghanistan (Carryover)	To determine whether the Department is closing Afghanistan-related contracts in accordance with Federal and Department guidance.	High Priority Performance Goal Afghanistan	November 2013
SCA, Embassy Kabul /MERO	Audit of Implementation of the Department of State Plan for the Transition From a Military-Led to a Civilian-Led Mission in Afghanistan	To determine whether the Department is effectively implementing its Afghanistan Transition plan.	High Priority Performance Goal Afghanistan	November 2013
Embassy Kabul, SCA, INL /MERO	Audit of Bureau of International Narcotics and Law Enforcement Affairs (INL) Counternarcotics Programs in Afghanistan	To determine whether INL is achieving intended and sustainable results through its Counternarcotics Programs in Afghanistan. (Second in a series of audits to be conducted on the Counternarcotics Programs in Afghanistan.)	High Priority Performance Goal Afghanistan	January 2014
SCA, Embassy Kabul /MERO	Audit of Property Accountability at U.S. Mission Afghanistan	To determine whether U.S. Mission Afghanistan has adequate controls in place over Embassy property to ensure that property is accurately recorded, monitored, and dispositioned.	High Priority Performance Goal Afghanistan	May 2014
SCA, INL /MERO	Audit of the Aviation Working Capital Fund – Afghanistan Cost Center	To determine whether the Aviation Working Capital Fund for Afghanistan is effectively administered to ensure that costs and fees are distributed in an equitable manner.	High Priority Performance Goal Afghanistan	July 2014

## Pakistan

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
PM, Embassy Islamabad, SCA /MERO	Audit of Administration and Oversight of the Pakistan Counterinsurgency Capability Fund (Carryover)	To determine the effectiveness of the Department's administration and oversight of the programs and projects funded by the Pakistan Counterinsurgency Capability Fund.	High Priority Performance Goal Pakistan	October 2013
Embassy Islamabad, SCA, OBO /MERO	Audit of Construction of the New Embassy Compound - Islamabad	To determine whether the Department is effectively administering the construction contracts for the New Embassy Compound in Islamabad.	High Priority Performance Goal Pakistan	March 2014
Embassy Islamabad, SCA, INL /MERO	Audit of Bureau of International Narcotics and Law Enforcement Affairs (INL) Counternarcotics Programs in Pakistan	To determine whether the Bureau of International Narcotics and Law Enforcement Affairs is achieving intended and sustainable results through its Counternarcotics Programs in Pakistan.	High Priority Performance Goal Pakistan	April 2014

## Other Locations

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
PRM, NEA, EUR, IO /MERO	Audit of Department of State Assistance to Syrian Refugees	To determine the Department's effectiveness in managing and coordinating the humanitarian response for Syrian refugees.	High Priority Performance Goal Democracy, Good Governance, Human Rights	October 2013
NEA, MEPI /MERO	Audit of the Middle East Partnership Initiative (Carryover)	To determine whether the Department's administration and oversight of the Middle East Partnership Initiative has been effective and whether the Program is achieving its stated objectives.	High Priority Performance Goal Democracy, Good Governance, Human Rights	October 2013

Bureau/OIG Division	Engagement Title	Primary Objective	Justification	Initiate Month/Year
PM, NEA, SCA, Selected Embassies /MERO	Audit of the Conventional Weapons Destruction Program for Countries Under the Bureaus of Near Eastern Affairs and South and Central Asian Affairs.	To determine whether the Bureau of Political-Military Affairs is achieving intended results through its Conventional Weapons Destruction Program.	High Priority Performance Goal  Global Security-Nonproliferation	April 2014