



*Consular Services.*¹ As explained in that report, the Bureau of Consular Affairs risks noncompliance with the Antideficiency Act by expending funds collected in excess of the cost of providing certain services (amounts available for expenditure in that case). Conditions impacting the Department's compliance with the Antideficiency Act have been reported annually since our FY 2009 audit.

- *Prompt Payment Act.* This act requires Federal agencies to make payments in a timely manner, pay interest penalties when payments are late, and take discounts only when payments are made within the discount period. We found that the Department did not always pay interest penalties for overdue payments to overseas vendors, certain international organizations, utility providers, or nonprofit entities. The Department was unable to provide legal justification exempting the Department from paying interest penalties for payments to these types of entities. Conditions impacting the Department's compliance with the Prompt Payment Act have been reported annually since our FY 2009 audit.

Under FFMIA, we are required to report whether the Department's financial management systems substantially comply with Federal financial management systems requirements, applicable Federal accounting standards, and the U.S. Standard General Ledger (USSGL) at the transaction level. Although we did not identify any instances of substantial noncompliance with Federal accounting standards, we did identify instances, when combined, in which the Department's financial management systems and related controls did not comply substantially with certain Federal financial management system requirements and the USSGL at the transaction level.

Federal Financial Management Systems Requirements

- The Department has long-standing weaknesses in its financial management systems regarding its capacity to account for and record financial information. For instance, the Department has significant deficiencies relating to property and equipment, budgetary accounting, and unliquidated obligations.
- During its annual evaluation of the Department's information security program, as required by the Federal Information Security Modernization Act (FISMA), the Department's Office of Inspector General reported control weaknesses in all seven Inspector General FISMA metric domains.²
- The Department did not maintain effective administrative control of funds. Specifically, obligations were not created in a timely manner or were recorded in advance of an executed obligating document. We identified systemic issues in the Department's use of allotment overrides that allowed officials to exceed allotments.
- The Department did not always minimize waste, loss, unauthorized use, or misappropriation of Federal funds. For example, the Office of Inspector General

¹ OIG, *Audit of the Bureau of Consular Affairs Fee-Setting Methodology for Selected Consular Services* (AUD-FM-17-53, September 2017).

² OIG, *Audit of the Department of State Information Security Program* (AUD-IT-18-12, October 2017).