

training and despite generally following Federal requirements, NEA possessed a significant backlog of invoices that were approved for expedited provisional payment but had not received the required post-payment review.³⁶ The bureau also failed to properly document its invoice reviews in many cases.³⁷ Similarly, in an audit of a contract for monitoring services in Iraq, OIG found inadequate supporting documentation for 77 percent of the total amount billed in its sample of invoices.³⁸ In another example, in an audit of six IT contracts administered by the Bureau of Consular Affairs (CA), Office of Consular Systems and Technology, OIG found that 85 percent of the invoices it reviewed were not approved by the designated Contracting Officer's Representative.³⁹

Staffing shortages, high turnover, and a lack of internal controls played a role in these deficiencies, and a number of OIG's recommendations addressed these concerns. For example, OIG recommended that NEA develop and implement a process to periodically review and address staffing requirements in its contract management offices; this recommendation was intended to ensure that invoice oversight staff levels are sufficient to complete effective and timely invoice reviews that comply with Federal requirements and Department guidance.⁴⁰ Likewise, OIG recommended that CA's Office of Consular Systems and Technology develop and implement training for its contract oversight staff and put into place internal policies and procedures governing contract administration that specifically include guidance on reviewing and approving invoices.⁴¹

Monitoring and Documenting Contractor Performance

Over the past several years, OIG has provided the Department with numerous recommendations to improve its oversight of contractor performance, and a 2017 audit report specifically noted that a 2014 management alert had "prompted the Department to improve guidance and training for contract oversight."⁴² OIG identified in its FY 2017 reports several instances in which the Department engaged in appropriate oversight. For example, OIG found that Bureau of South and Central Asian Affairs oversight of the Afghanistan Life Support Services contract was effective. Oversight staff identified and resolved performance issues and reduced invoice payments when contractual requirements were not being fulfilled.⁴³ The report specifically noted that the Contracting Officers Representatives, "who are Department civil service employees rather than Foreign Service Officers, are dedicated full time to overseeing the . . . contract."⁴⁴ Also, OIG reported that CA's Office of Consular Systems and Technology had identified and resolved significant contractor performance issues with some of the contracts OIG audited.⁴⁵ In a third report, OIG determined that the Contracting Officers Representatives within DS had made "significant improvements" in file maintenance practices since 2015.⁴⁶

OIG continued to find, however, inadequacies in the monitoring and documentation of contractor performance pertaining to contracts and foreign assistance programs.

³⁶ OIG, *Aspects of the Invoice Review Process Used by the Bureau of Near Eastern Affairs to Support Contingency Operations in Iraq Need Improvement* (AUD-MERO-17-33, March 2017).

³⁷ *Ibid.*

³⁸ OIG, *Audit of the Department of State's Contract To Monitor Foreign Assistance Programs in Iraq* (AUD-MERO-17-41, May 2017).

³⁹ OIG, *Audit of the Bureau of Consular Affairs, Office of Consular Systems and Technology, Administration of Selected Information Technology Contracts* (AUD-CGI-17-38, May 2017).

⁴⁰ AUD-MERO-17-33, March 2017.

⁴¹ AUD-CGI-17-38, May 2017.

⁴² OIG, *Audit of Invoices Submitted by Torres Advanced Enterprise Solutions, LLC, for Select Local Guard Force Contracts* (AUD-CGI-17-63, September 2017) (citing to OIG, *Management Alert (Contract File Management Deficiencies)*, MA-A-0002, March 2014).

⁴³ AUD-MERO-17-47, June 2017.

⁴⁴ *Ibid.*

⁴⁵ AUD-CGI-17-38, May 2017.

⁴⁶ AUD-CGI-17-63, Sept. 2017.