



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

Office of Inspections

**Inspection of
the Bureau of Counterterrorism**

Report Number ISP-I-12-32A, June 2012

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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 dark ink, appearing to read "H. W. Geisel".

Harold W. Geisel
Deputy Inspector General

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Key Judgments

- The Bureau of Counterterrorism (CT) is doing a commendable job overall in shaping and executing the counterterrorism policy objectives of the Department of State (Department).
- The bureau's leaders are highly regarded in the Department and the large interagency counterterrorism community for their expertise, teamwork, and policy innovation. The Coordinator's and his principal deputy's working relationship with Department principals is particularly strong.
- Elevation of the Office of the Coordinator for Counterterrorism (S/CT) to a bureau with its own executive office promises to solve its long-standing and most pressing problem of inadequate management support. Staffing the executive office is the bureau's highest personnel priority.
- CT has approval to add 31 new direct-hire positions, subject to availability of funding. The OIG team agrees that the bureau needs additional staff, in part to replace some contractors, but has made recommendations on adjusting the allocation of certain new positions.
- CT's reorganization plan, intended to enhance collaboration between program and policy staff, is improving communication across directorates. The bureau now has to clarify the new roles of offices and individuals handling programs.
- CT leadership has taken a number of actions to improve communication with bureau staff but could still strengthen engagement with units carrying out important programs that do not regularly require high-level attention.
- CT is taking steps to improve management of foreign assistance programs by establishing an Office of Strategic Plans and Policy, hiring additional program staff, and installing an electronic project management system. CT needs to arrange training for all program officers as soon as possible. Like the rest of the Department, CT is in the process of upgrading its performance assessment capabilities.
- CT and the Bureau of Diplomatic Security's Office of Antiterrorism Assistance (DS/T/ATA) should improve their cooperation in managing the global Antiterrorism Assistance Program. Although additional staff is helping CT fulfill its responsibilities, the mechanisms of cooperation spelled out in a memorandum of agreement (MOA) need to be followed and improved.
- With the creation of its executive office, CT should take direct control of the total funding for its Regional Strategic Initiative (RSI). By doing so, CT would increase its influence over the distribution of RSI funds now allocated to the Antiterrorism Assistance Program (approximately \$18 million in FY 2011).

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. A classified annex deals with the more sensitive areas of the report. Also, part of this OIG team, along with other inspectors, conducted a concurrent inspection of DS/T/ATA and produced a separate report.

The inspection took place in Washington, DC, between January 28 and March 26, 2012. Ambassador Richard Hecklinger (team leader), George M. Frederick (deputy team leader),

(b) (6)



Context

For decades, responsibility for counterterrorism policy in the Department resided with an office within the Office of the Secretary: the Office of the Coordinator for Counterterrorism (S/CT). In 2010, S/CT leadership suggested to the Secretary that, to fulfill its mission in the interagency community and in policy formulation, the office should become a bureau. In December 2010, the Department's Quadrennial Diplomacy and Development Review recommended the creation of a new bureau, the Bureau of Counterterrorism (CT), to replace the S/CT office. The new organization, announced by Secretary Clinton on January 4, 2012, was created to "elevate the Office of the Coordinator for Counterterrorism, expand State's capabilities in an issue critical to U.S. national security, and allow more effective coordination with other agencies, including the Department of Defense, the Department of Justice, the Department of Homeland Security, and the intelligence community."

CT will build on and expand S/CT's activities in three areas. First, CT will play a key role in the Department's efforts to counter violent extremism, including working closely with the Under Secretary for Public Diplomacy and Public Affairs and the new Center for Strategic Counterterrorism Communications. Second, the bureau will strengthen the Department's ability to assist partner countries in building their counterterrorism capabilities. Third, it will engage in multilateral and bilateral diplomacy to advance U.S. counterterrorism goals. CT will report through the Under Secretary for Civilian Security, Democracy, and Human Rights for its regular programs and business and to the Secretary, Deputy Secretary, and the Under Secretary for Political Affairs on terrorist incidents and threats, operations, and related issues.

The inspection took place as CT was establishing itself as a bureau and implementing a major internal reorganization. This process entails creating an executive office to take over management support of the new bureau and adding staff to develop new capabilities, particularly in program management, and to provide needed reinforcement to hard-pressed units. Thus, many of the problems identified by the OIG team are in the process of being addressed and may be resolved by the time this report is published.

Executive Direction

The CT front office consists of the Coordinator, a principal deputy coordinator, and three deputy coordinators. (The titles will change to Assistant Secretary and deputy assistant secretaries following congressional action to create another Assistant Secretary position and Senate confirmation of the nominee.) The Coordinator has extensive experience in counterterrorism issues both in government, as a member of the National Security Staff, and in the think-tank community. He and the principal deputy, a former ambassador and deputy assistant secretary, have developed a close working relationship. The Coordinator focuses primarily on policy innovation, relations with the Department's leadership, the interagency process, and foreign governments. The principal deputy, while acting as the alter ego to the Coordinator on policy and the interagency process, has primary responsibility for managing the bureau.

In 2010, the Coordinator led the development of a new strategic counterterrorism program designed to stem terrorist radicalization and recruitment while providing other nations with the capabilities to deal with terrorist threats. The Secretary and the Coordinator briefed the President and key Cabinet officials on the strategy and secured their approval. CT has made substantial progress in implementing this strategy, including creating a 29-country Global Counterterrorism Forum (GCTF), and helping to create an interagency Center for Strategic Counterterrorism Communications within the Department to coordinate governmentwide foreign communications activities that target terrorism and violent extremism.

The Coordinator and the principal deputy are highly regarded by Department principals and other bureaus for their policy advice and execution and are trusted to represent the Department in senior-level White House meetings, including those at the National Security Council deputies level and with the President. Both are also well regarded by their interagency counterparts, who view them as knowledgeable, cooperative, and collegial. They are seen as strong advocates for Department views but able to work with other agencies to achieve consensus. The OIG team also received positive feedback on the other deputy coordinators from counterparts in Department bureaus and the interagency counterterrorism community, both for their expertise and ability to work cooperatively to achieve common goals. Thus, in the critically important areas of policy leadership and working relationships within the Department and in the large interagency counterterrorism community, CT does very well despite having fewer staff members and less resources than other agencies.

The management challenges CT leadership faces are to provide an acceptable level of management and administrative support for the bureau, to ensure adequate staffing, and to improve communication and engagement between the front office and bureau staff. The biggest (b) (5) problem in CT and its predecessor, S/CT, has been inadequate management and administrative support, particularly for human resources management, from the Office of the Executive Secretariat, Executive Office (S/ES-EX). This problem was also identified in the 2006 OIG inspection of S/CT (ISP-I-06-25A). The situation has not improved largely because S/ES-EX is spread too thin to service an entity as large as CT and meet its other responsibilities. The current CT leadership pressed for the creation of an executive office and finally accomplished it in the context of transforming S/CT into a bureau. According to CT staff, the new executive

director has already made significant improvements. She and the front office are staffing up the executive office and working with S/ES-EX and the Bureau of Human Resources (HR) on the transition. This process is a high priority for CT leadership and is discussed in more detail in the Creating an Executive Office section of this report.

CT leadership secured authorization to establish and fill 31 new positions, subject to the availability of funds. The OIG team confirmed that certain CT units are inadequately staffed and that the additional positions could reinforce these units and strengthen the bureau's capabilities in key areas. See the Program and Policy Office Staffing section of this report for further discussion.

(b) (5)

CT leadership has launched a reorganization that is designed, in part, to address this problem. As noted in the Bureau Reorganization section of this report, the reorganization carries its own challenges. However, it has already increased communication among directorates and provided more structure to the flow of information throughout the bureau.

CT leadership and staff need to make further improvements in internal communication. For example, a number of employees see the Coordinator as focused primarily on a few issues and insufficiently engaged in some of the important but more routine bureau programs and functions. They appreciate his talents and accomplishments but would welcome more contact and guidance. The Coordinator has instituted a weekly all-hands meeting and a weekly meeting with office directors. He meets with deputy coordinators daily and expects them to communicate his priorities to their staff. The front office has broadened the distribution of information such as the Coordinator's schedule, a bureauwide task list, a weekly activity report, and a compilation of cable reporting. Still, more direct engagement would be beneficial. The OIG team made several suggestions to the Coordinator on ways he could improve engagement with staff and still maintain his demanding schedule, and he was taking steps to do so during the inspection.

The principal deputy is generally accessible and has an open-door policy. Although much of his time is spent on policy issues, operations, and the interagency process, he also oversees the management of the bureau and is leading the transition process and reorganization. Bureau personnel were consulted on the reorganization through meetings and other mechanisms, but a number of employees told inspectors they would have welcomed more involvement. The reorganization has flattened the management structure by having all deputy coordinators report directly to the Coordinator and eliminating one deputy position. The principal deputy is striving to ensure that cross-directorate communication and coordination is improved through informal as well as formal arrangements.

The other deputies are respected by staff for their substantive skills and commitment to the work of the bureau. (b)(5)(b)(6)

The inspectors also found that some office directors could help improve internal communication by bringing the concerns of their staff to the attention of the front office.

Informal Recommendation 1: The Bureau of Counterterrorism should consult with staff to develop a plan for improving communication, including guidance and feedback, between the front office and the rest of the bureau.

There are two Civil Service appointee senior advisors in CT. One is responsible for the GCTF, and the other handles a series of issues, including counterterrorism finance. Although both make important contributions, there is some concern in the bureau about coordination and lines of authority. Now that the GCTF has been launched and the senior advisors are nearing the end of their tours, it is a good time for the bureau to institutionalize the senior advisors' functions in the directorates and use the new permanent positions to bring any necessary expertise into the bureau.

CT leadership's most enduring legacy may well be the creation of a bureau that has the structure, staffing, procedures, management support, and facilities to support and sustain CT's now high-profile roles in the Department, the interagency community, and the global counterterrorism effort.

Policy and Program Implementation

CT does a commendable job overall in the formulation and execution of counterterrorism policy and programs. With approximately 120 employees (including contractors and detailees from other agencies), the bureau performs policy, foreign assistance, and operational functions along the broad spectrum of U.S. Government counterterrorism activities. The bureau works to gain the cooperation of foreign governments and multilateral organizations as well as funds and manages assistance programs to build their capacity to combat terrorism. CT prepares terrorist designations that carry legal sanctions, undertakes focused public diplomacy efforts to counter narratives that promote terrorism, funds and manages foreign assistance programs, supports interdiction of terrorist travel, and responds to terrorism-related crises. The bureau devotes considerable time and effort to coordinating virtually all of its work with the National Security Staff and with large agencies such as the Department of Defense, Department of Homeland Security, Federal Bureau of Investigation, National Counterterrorism Center, and Department of Treasury.

Although CT has a positive record in carrying out these responsibilities, there is room for improvement. For example, the bureau does not have the right number of people with the right training in some offices, and it must strengthen its management of foreign assistance programs.¹ Overlapping mandates to CT and DS/T/ATA for the antiterrorism training assistance program present challenges for management of that program. Furthermore, the bureau's RSI is now 6 years old and due for a thorough review to ensure that it is aligned with current priorities. These issues are discussed later in the report. The bureau is aware of these and other areas for improvement and is addressing them.

Field Survey

The OIG team surveyed U.S. embassies to learn their views on CT performance in defining and implementing counterterrorism policy priorities. The survey also evaluated CT and DS/T/ATA on program management in host countries.

Sixty-three embassies from all regions replied to the survey. Although several embassies suggested areas for improvement that applied to programs in their host countries, the survey revealed no widely observed weaknesses. Average scores on a scale of 1 (poor) to 5 (excellent) ranged from 3.6 to 4.2, with results slightly higher for program management than for policy. There were no reported instances of waste, fraud, or mismanagement. Many embassies in countries with antiterrorism training assistance programs considered the training to be effective in strengthening host country capabilities and law enforcement authorities' relations with the embassy and the U.S. Government.

¹ The bureau manages foreign assistance funds and programs under four subaccounts of the Nonproliferation, Antiterrorism, Demining, and Related Programs account. They are antiterrorism assistance, counterterrorism finance, terrorist interdiction, and counterterrorism engagement.

Bureau Reorganization

As noted previously, CT is undergoing a major reorganization in connection with its transition to a bureau. Its goals include improving communication and coordination through measures such as integrating policy and program staff and creating a more efficient and transparent flow of information, including through a new tasking and tracking system. The reorganization also involves adding direct-hire staff, creating an executive office, eliminating one deputy position, and securing additional and upgraded facilities.

Under the reorganization, CT will be divided into four directorates, each led by a deputy coordinator (see Figure 1). One directorate, led by the principal deputy, includes the executive office and the Office of Strategic Plans and Policy (SPP). The Regional Affairs and Programs (RAP) directorate includes two offices, each of which covers three geographic regions. The offices in the Homeland Security and Multilateral Affairs directorate handle multilateral organizations, terrorist designations, terrorist screening, and homeland security. The Operations directorate is discussed in the classified annex to this report.

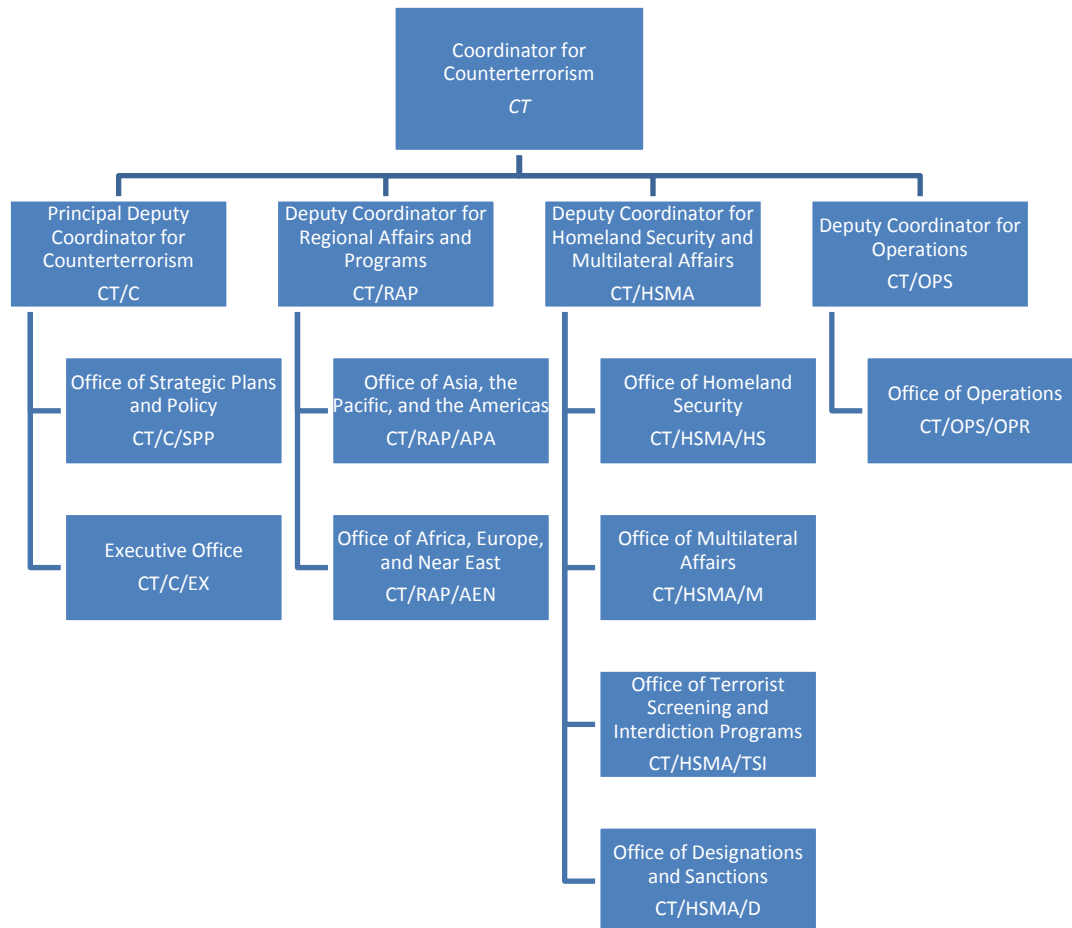


Figure 1: CT Reorganization Chart.

(Above: The CT Coordinator is in charge of four directorates: Counterterrorism, Regional Affairs and Programs, Homeland Security and Multilateral Affairs, and Operations. The principal deputy coordinator for the Counterterrorism directorate oversees the Office of Strategic Plans and Policy and the Executive Office. The deputy coordinator for the Regional

Affairs and Programs directorate oversees the Office of Asia, the Pacific, and the Americas and the Office of Africa, Europe, and the Near East. The deputy coordinator for the Homeland Security and Multilateral Affairs directorate oversees the Office of Homeland Security, the Office of Multilateral Affairs, the Office of Terrorist Screening and Interdiction Programs, and the Office of Designations and Sanctions. The deputy coordinator for the Operations directorate oversees the Office of Operations.)

Partial integration of foreign assistance program and regional affairs staff represents the most controversial aspect of the reorganization. The plan aims to promote collaboration that will better inform both programs and policy and resolve differences between program and regional affairs staff members about their respective responsibilities.

The reorganization moves some of the foreign assistance program employees from the former program office to RAP, where they are to oversee implementation of programs in their regions. Senior program managers and a few additional program staff members will remain in SPP to ensure a whole-of-program perspective on planning, budgeting, and implementation. Dividing program staff between RAP and SPP, with senior program staff retained in SPP, has raised concern among employees in the affected offices about reporting relationships and means of coordination. Bureau leadership has asked offices to define their objectives and commitments and specify what they need from other offices in the bureau. CT plans to hold a series of facilitated, off-site meetings to address these and other issues.

CT can use this process to clarify the respective roles of each office and its staff and ensure that the reporting relationships and coordination mechanisms are worked out. This process could entail specifying discrete actions required at each phase of the foreign assistance planning cycle—strategic planning, budgeting, implementation, and evaluation—and assigning responsibility for those actions to offices and individuals. Defining responsibilities by office and position will reduce ambiguity but will not necessarily produce the most effective structure. Only time will tell whether the planned structure meets bureau needs or requires modification.

Recommendation 1: The Bureau of Counterterrorism should conduct an assessment of the effectiveness of its reorganization 1 year after implementation, report its findings to bureau staff, and make adjustments based on its findings and feedback from staff. (Action: CT)

The OIG team sees a good case for moving responsibility for the GCTF to RAP, reporting to that directorate's deputy coordinator. The GCTF currently falls under a senior advisor who reports to the Coordinator. RAP is focused on promoting U.S. strategic goals through diplomacy with foreign governments and is configured to support the coalition building that the GCTF entails. The directorate can also mobilize the regional CT coordinators that it directs in the field (including the regional coordinator based in Turkey, which cochairs the GCTF with the United States) to work with host governments on GCTF events and programs. Finally, putting the GCTF under the deputy coordinator for regional affairs will appropriately broaden that position's span of control. CT has given considerable thought to this issue and can also make a credible case for placing responsibility for the GCTF in the Homeland Security and Multilateral Affairs directorate, which handles other multilateral organizations.

Both the OIG team and some missions in the field observed a lack of accessible information on the GCTF. CT has posted a factsheet and other materials on its intranet site and produced meeting reports but could provide more information on its achievements, status, and work plan going forward. The bureau is creating a GCTF Web site with information for the public as well as password-protected information for member countries; however, there is no intranet site to keep U.S. embassies in the loop.

Informal Recommendation 2: The Bureau of Counterterrorism should post the Global Counterterrorism Forum briefing papers and reports of activities on its unclassified and classified intranet sites.

Foreign Assistance Program Management

The bureau has taken steps to improve management of program funds. CT also shares responsibility with DS/T/ATA for approximately \$200 million of antiterrorism assistance delivered to more than 60 countries in the form of training and equipment. In past years, CT struggled to manage its foreign assistance resources, which, together with delays in the legislative appropriations process, often led to the hasty obligation of funds at the end of the fiscal year. The new executive office gives CT its own financial management capability and ends reliance on S/ES-EX. CT is adding program analysts and managers as well as new project accounting management software. The bureau's reorganization is also designed to improve its management of foreign assistance by improving collaboration between program and policy staff.

Several bureau program managers, including regional counterterrorism coordinators, lack training in program monitoring and evaluation, creating vulnerabilities in program implementation and oversight of funds. In October 2010, the Under Secretary for Management issued a memo titled "Department of State Program Evaluation Policy," which instructs all bureaus to institute a systemic evaluation and performance management system. In February 2012, the Department issued an updated evaluation policy. Not all program managers have attended the Overview of Federal Assistance Financial Management course at the Foreign Service Institute. Distance learning courses are available as well, and the Department's Office of Foreign Assistance Resources Web site contains useful information and links.

Recommendation 2: The Bureau of Counterterrorism should implement a policy that requires all program managers and employees with program oversight responsibilities to attend the Overview of Federal Assistance Management course (PP 425) offered by the Foreign Service Institute. (Action: CT)

Regional Strategic Initiative

Launched in 2006, RSI is designed to strengthen the capability and will of foreign governments to combat terrorism through regional cooperation. CT established RSIs for eight regions and periodically convenes meetings of bureau principals with chiefs of mission, senior U.S. Government officials, and senior representatives of regional combatant commands to assess threats, devise strategies and policy recommendations, and develop program initiatives. Six regional counterterrorism coordinators—mid-level officers posted in embassies—support implementation from the field.

RSI suffered from weak execution at its inception. Since then, S/CT, and now CT, has made substantial management improvements. Regional coordinators work with embassies to generate projects that CT funds. Examples include specialized training for police, prosecutors, and financial regulators. CT is encouraging regional coordinators and embassies to align proposed projects with GCTF goals as much as possible. Funded, staffed, and operating with established processes, RSI constitutes a substantial part of the bureau's ongoing work.

RSI's regional concept remains sound and complements the GCTF. As a legacy initiative that has evolved over several years, however, it is due for reassessment. The inspection brought to light several issues—specified below—that merit consideration from bureau leadership, including the relationships of RSI and the GCTF, budgeting, the RSI country groups, and regional coordinator training and responsibilities.

Global Counterterrorism Forum: Determine how to make effective use of the RSI process and resources to support the GCTF.

RSI country groupings: Review the relevance of regional country groups to threats and prospects for collaboration; locations for regional coordinators; and the possibility of managing one or more regional coordinator portfolios more economically from Washington, as CT has already done with the regional coordinator for Latin America.

Regional coordinators: Review whether to negotiate additional conditions with host embassies, specifically support from locally employed staff or professional associates, the balance of time spent on countries in the region, and travel funding; provide basic language training for regional coordinators before going to post; and determine regional coordinator program monitoring and evaluation responsibilities.

Informal Recommendation 3: The Bureau of Counterterrorism should arrange for regional coordinators to take Foreign Service Institute training in managing foreign assistance, project monitoring and evaluation, and other training appropriate for their duties.

Budgeting: Review whether RSI spending aligns with regional counterterrorism priorities and adjust if necessary by setting regional planning levels. Review whether to consolidate RSI and non-RSI budget lines, given that projects funded under both lines can be indistinguishable, and whether to establish the GCTF as a separate line item in lieu of RSI.

Informal Recommendation 4: The Bureau of Counterterrorism should reassess the Regional Strategic Initiative and make adjustments accordingly, including addressing how the initiative fits with the Global Counterterrorism Forum; the initiative's budget structure; country groupings; and the terms, conditions, and training for regional coordinators.

The Bureau of Resource Management allots funds to DS/T/ATA for the portion of CT's RSI program that is dedicated to antiterrorism assistance projects. To make use of the funds—for example, to fund implementers other than DS/T/ATA or to send CT personnel on assessment teams—CT must request the transfer of funds from DS. This impractical system is a vestige of a

time when S/CT did not have a financial management staff. Now that CT is a bureau with its own executive office, direct allotment of funds is both possible and practical.

Recommendation 3: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, should request that the Bureau of Resource Management allot all Regional Strategic Initiative funds directly to the Bureau of Counterterrorism. (Action: CT, in coordination with DS)

Antiterrorism Assistance Program

In operation since 1983, the Antiterrorism Assistance Program is a well-regarded program that trains foreign law enforcement personnel in essential skills needed to combat terrorism. DS/T/ATA, with a staff of 109, manages the program. DS/T/ATA has a unique function in DS and operates with considerable autonomy. Within CT, one GS-14 program manager and four newly hired action officers provide policy direction and share some management responsibilities with DS/T/ATA.

The division of responsibilities between CT and DS/T/ATA stems from overlapping authorities for managing the Antiterrorism Assistance Program. A 2010 MOA between S/CT and DS/T/ATA (replacing a 1991 agreement) assigns specific responsibilities to each bureau, but it does not fully address these overarching, overlapping authorities. As a result, the two organizations continue to have different perceptions of their roles. CT's view is that it should have overall control of the program, whereas DS/T/ATA believes the relationship to be 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.

CT's recent elevation from an office to a bureau presents an excellent opportunity to correct the MOA's shortcomings and to define more clearly the roles of CT and DS/T/ATA in the Department's Antiterrorism Assistance Program. Should this effort be unsuccessful, CT and DS could seek a redelegation of authority from the Secretary.

Recommendation 4: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security and the Office of the Legal Adviser, should revise the memorandum of agreement between the two bureaus to modify or eliminate those elements that are no longer applicable and to delineate more clearly their respective duties and responsibilities within the agreement's overarching legal provisions. (Action: CT, in coordination with DS and L)

In the meantime, there is room for improving cooperation and coordination within the existing structure. For example, the two bureaus are not observing the MOA's requirement for monthly operational meetings or triannual meetings between CT and DS/T/ATA principals, which have not been held for nearly 20 months

Recommendation 5: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, should hold monthly and operation meetings and triannual senior-level meetings according to the provisions of the memorandum of agreement. (Action CT, in coordination with DS)

There are other steps that CT and DS/T/ATA can take to improve cooperation and coordination. DS/T/ATA holds a monthly Curriculum Oversight Committee meeting to discuss course updates, new course development, and anticipated course revisions. This committee could serve as an important communications link with CT as well as among the DS/T/ATA divisions. The decisions the committee makes also define the future of DS/T/ATA course development. However, CT attendance at these meetings is sporadic at best. The DS/T/ATA inspection report contains a recommendation regarding attendance by that office's staff.²

Informal Recommendation 5: The Bureau of Counterterrorism should incorporate mandatory attendance at Curriculum Oversight Committee meetings into the work requirements statements and performance elements of its program managers who work with the Bureau of Diplomatic Security's Office of Antiterrorism Assistance.

CT and DS/T/ATA also do not coordinate effectively on the congressional notification process, which is required to allocate Antiterrorism Assistance Program funds. This problem stems from lack of clarity on the congressional notification process and inadequate feedback on the status of pending notifications. The absence of an agreed-upon procedure impedes the efficient distribution of funds and delays program implementation.

Recommendation 6: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, should form a joint working group to streamline and expedite the congressional notification process for antiterrorism training funding. (Action: CT, in coordination with DS)

The planned increase in CT program staff will help the bureau fulfill its oversight role to provide strategic direction to ATA programs and shape the annual budget request. Additionally, achieving greater continuity in DS/T/ATA leadership, as recommended in the concurrent DS/T/ATA inspection report, together with adding CT staff with antiterrorism assistance-related responsibilities, will facilitate improved cooperation and communication between the two bureaus. In light of CT's increased staffing and creation of an executive office, this report recommends the allotment of RSI antiterrorism assistance funds directly from the Bureau of Resource Management to CT (see Recommendation 3). Whether CT should be allotted additional antiterrorism assistance-related funding as it develops the capacity to handle it is a question that can be resolved in the context of clarifying the respective responsibilities of CT and DS/T/ATA (see Recommendation 4 in this report).

Given the strained relationship between CT and DS/T/ATA, and DS/T/ATA's high degree of autonomy within DS, the OIG team considered alternative organizational arrangements, including giving CT full control of the program. However, because information from the field survey of embassies indicates that the program is performing well (though it needs some improvements), the DS connection ensures the participation of regional security officers, and CT is not set up to take over the program, the OIG team concluded that a radical change in structure is not warranted at this time.

² OIG report ISP-I-12-31 (June 2012), *Inspection of the Bureau of Diplomatic Security, Office of Antiterrorism Assistance*, Informal Recommendation 6.

Countering Violent Extremism

The Coordinator has made countering violent extremism a principal objective of the bureau and has created a team within CT that is devoted to this effort. Working through embassies, local partners abroad, and the interagency community, the team has successfully created a broad coalition of partners working to curtail recruitment into terrorist organizations. The bureau has issued informational reports and cables to describe its view of what constitutes countering violent extremism programming. The Coordinator has said that “the primary goal of countering violent extremism is to stop those most at risk of radicalization from becoming terrorists. Its tools are noncoercive and include social programs, counterideology initiatives, and working with civil society to delegitimize the al-Qaeda narrative and, where possible, provide positive alternative narratives.”

In the field, countering violent extremism programming proposals vary. Some embassies have indicated confusion as to what constitutes such programming and how it differs from development assistance programming. Clarity on the Department’s policy and criteria for countering violent extremism programming is vital to achieving the team’s objectives.

Informal Recommendation 6: The Bureau of Counterterrorism should reissue its guidance on the goals and nature of approved countering violent extremism programming annually.

Public Affairs

The bureau public affairs officer reports directly to the principal deputy coordinator. At the time of the inspection, her duties included preparing press guidance, drafting public addresses, and clearing public diplomacy documents submitted by other bureaus. Additionally, the public affairs officer is responsible for organizing and editing the congressionally mandated annual country report on terrorism.³ This document is respected within the counterterrorism community and is useful to embassies in their conversations with host countries and partners. The public affairs officer manages too large a portfolio, and the bureau plans to provide her with extra help.

The most recent report to Congress, due on April 30, 2011, was issued in August 2011 because it remained in the front office awaiting clearance. This was not the first time the report was late. Reporting posts and regional bureaus complied with deadlines set by CT. The OIG inspectors could find no substantive reason for the 4-month delay in releasing the report.

Recommendation 7: The Bureau of Counterterrorism should comply with the deadline established by law for release of the country report on terrorism. (Action: CT)

Program and Policy Office Staffing

The bureau plans to add 28 new direct-hire positions (among 31 total positions) to program and policy offices. (The remaining three positions are for the executive office.) A still

³Available at <http://www.state.gov/j/ct/rls/crt/>.

undetermined number will replace contractors. Properly deployed, additional program and policy staff will strengthen the bureau's capacity for timely, efficient, and effective program management. The OIG team observed imbalances between current or prospective workload and staffing in several offices. As discussed below, the team recommends some adjustments to the bureau's proposed timing and allocation of new positions to meet the most urgent priorities.

Office of Terrorist Screening and Interdiction Programs

The Office of Terrorist Screening and Interdiction Programs negotiates terrorist information-sharing agreements with visa waiver program partner countries, pursuant to Homeland Security Presidential Directive 6. The office is under a tight deadline to negotiate 36 agreements by summer 2012 as a condition for countries' continued eligibility for the Visa Waiver Program. In addition, in January 2012 the President proposed expanding the program, thereby increasing the number of information-sharing arrangements that must be negotiated. As a part of the bureau reorganization, the Office of Terrorist Screening and Interdiction Programs will take over managing the Terrorist Interdiction Program's Personal Identification Secure Comparison and Evaluation System, a computer database provided to selected foreign governments. The office is in the process of filling two positions but likely needs more. The OIG team agrees that the office is understaffed.

Recommendation 8: The Bureau of Counterterrorism should allocate at least one more analyst position to the Office of Terrorist Screening and Interdiction Programs in 2012 from the list of already approved direct-hire positions. (Action: CT)

Office of Designations and Sanctions

The Office of Designations and Sanctions prepares recommendations to the Secretary for designations that carry legal sanctions against state sponsors of terrorism, foreign terrorist organizations, entities and individuals, and countries not fully cooperating with U.S. counterterrorism efforts. In FY 2011, the office processed the highest number of new terrorist designations ever under existing authorities (b) (5)

CT management recognizes the importance of this work, as the designations trigger U.S. sanctions that then facilitate international sanctions through the United Nations. The office currently has six employees, including five Civil Service staff members and one part-time employee. Under the reorganization plan, CT proposes adding four new positions in FYs 2013 and 2014. The office has difficulty managing its workload at current staffing levels.

Recommendation 9: The Bureau of Counterterrorism should fill the positions proposed for the Office of Designations and Sanctions in FYs 2012 and 2013. (Action: CT)

Office of Strategic Plans and Policy

SPP's Counterterrorism Finance unit engages in the crucial work of building foreign governments' capacities to detect and cut off funding to terrorists. The unit manages an annual assistance budget of approximately \$20 million, provided to offices within the Departments of Homeland Security, Justice, and Treasury, as well as the Federal Bureau of Investigation and the Federal Deposit Insurance Corporation. In turn, these agencies furnish technical assistance to

foreign governments. In FY 2011, the Counterterrorism Finance unit funded training for approximately 2,000 persons in 29 countries.

CT and the Bureau of International Narcotics and Law Enforcement Affairs cochair the interagency terrorist finance working group. This group coordinates training and technical assistance provided to countries judged as vulnerable to terrorist financing. Currently, agencies represented on the working group provide assistance to 44 countries in the form of resident advisors, information technology equipment, law enforcement and financial intelligence development programs, and specialized training in financial investigative techniques. The interagency terrorist finance working group, which meets monthly, is an effective mechanism for coordinating these programs. The Counterterrorism Finance unit oversees the interagency financial services assessment teams (FSAT), which conduct field assessments to determine what types of assistance are needed in countries that the working group has identified as priorities.

The Counterterrorism Finance unit is understaffed. A GS-14 Civil Service unit chief manages a staff of four full-time contractors and one part-time contractor. The number of countries that the interagency terrorist finance working group has identified as priorities has grown by 50 percent in the past 3 years, with a related increase in the backlog of countries on the roster for FSAT assessments. Because contractors are not U.S. Government employees, they cannot lead FSAT teams. As part of the CT reorganization, two Counterterrorism Finance unit contractors will move to RAP. The bureau plans to use a new position for a Civil Service deputy and, if necessary, retain a contractor position. The unit is also engaging the Bureau of International Narcotics and Law Enforcement Affairs to increase the latter's capacity to colead FSAT trips. The Counterterrorism Finance unit nonetheless needs sufficient staff, particularly direct-hire employees, to carry out its responsibilities.

Informal Recommendation 7: The Bureau of Counterterrorism should continue to assess and meet staffing requirements for the Counterterrorist Finance unit.

Regional Affairs and Programs Directorate

On a day-to-day basis, CT leadership turns to RAP to draft the majority of its briefing materials for interagency meetings and bureau and Department principals' travel. The directorate also oversees the work of five (soon to be six) regional coordinators based in the field⁴ and participates in the bureauwide review of project proposals funded under the RSI. Officers travel to their regions in support of bureau principals' travel and to assess programs and conditions on the ground. Under the reorganization, the directorate will have two offices rather than one. The current office director is an excellent manager who has the confidence of staff and bureau leadership.

The OIG team identified two staffing issues in RAP that deserve bureau management review. CT's staffing plan for RAP calls for five additional Civil Service positions and one additional Foreign Service position between FYs 2012 and 2014. The staffing plan identifies all of these positions for work on counterterrorism assistance programs. Until the bureau decides how to divide program responsibilities between RAP and SPP, it is difficult to estimate RAP's

⁴ Ankara, Athens, Kuala Lumpur, Nairobi, and New Delhi, with a new position in Algiers effective in 2012.

workload. In addition, the bureau has not decided whether these new positions will replace or add to contract staff transferred from SPP.

Recommendation 10: The Bureau of Counterterrorism should defer establishing new proposed direct-hire positions for the Regional Affairs and Programs directorate pending clarification of the roles of the directorate and the Office of Strategic Plans and Policy in managing programs, justification of total (including contractor) directorate requirements, and consideration of competing priorities in the bureau. (Action: CT)

Two FS-01 positions in the office appear to be overgraded. Their portfolios are virtually identical in terms of content and responsibilities to those of Civil Service officers with lower comparable grades.

Informal Recommendation 8: The Bureau of Counterterrorism should review the position descriptions of the two FS-01 positions in the Regional Affairs and Programs directorate and, if appropriate, request their reclassification.

Resource Management

Staffing		Budget (in millions)	
			FY 2011
Foreign Service	15	Diplomatic and Consular Programs	\$12.0
Civil Service	55	Nonproliferation, Antiterrorism, Demining, and Related Programs	\$274.5*
Contractors	30	Economic Support Funds	\$2.0
Detailees	18		
When Actually Employed	1		
Total staffing	119	Total budget	\$288.5

*Of this amount, \$200 million is allotted by the Department directly to DS (\$137 million for DS/T/ATA bilateral programs, \$45 million for DS/T/ATA support and administration, and \$18 million for RSI programs that are implemented by DS/T/ATA or other agencies). Funds allotted directly to CT amount to \$74.5 million.

Creating an Executive Office

As part of the Office of the Secretary, S/CT received management support services from S/ES-EX. As far back as OIG's 2006 inspection, S/ES-EX had been unable to meet S/CT needs in a timely and efficient fashion. With CT's establishment as a bureau, all management and administrative services for which S/ES-EX has been responsible are devolving to CT's new executive office (CT/EX). The transformation of S/CT's skeletal administrative unit to CT's stand-alone executive office has been a complex and difficult process. Multiple bureaus and offices are working to complete more than 100 actions needed to officially create the new bureau. Some actions require implementing organizational changes and processes that will take months to complete. The majority of actions fall to HR and the Bureau of Resource Management. CT managers have been especially anxious about how long it is taking HR's Shared Services Provider (HRSP) to classify and fill vacant and new positions.

Officials of each bureau participating in the transition, including CT, believe it would have been more efficient and less exasperating had the process begun earlier. Ideally, creating a functional executive office would have been the first priority, as this office is responsible for implementing the transition and reorganization. The principal deputy coordinator advocated for an executive office in 2009, prior to the decision to make S/CT a bureau. In 2011, the Under Secretary for Management approved the creation of CT/EX. An executive director was hired in September 2011. At the time of the inspection, the executive office was woefully understaffed and did not have the resources to carry out the transition while maintaining daily operations. The most urgent need is for a human resources officer. CT recently hired an experienced contractor to assist the office's new human resources specialist, and the reorganization plan calls for the creation of a human resources officer position before the end of FY 2012.

Informal Recommendation 9: The Bureau of Counterterrorism should establish and fill the human resources position as quickly as possible and by no later than the end of FY 2012.

Following the transition, CT will become a client of HRSP, which, as stated earlier, will perform position classification, staffing, and recruitment functions for CT. HRSP and CT/EX are negotiating a service level agreement that will outline a phased approach for the transfer of these responsibilities from S/ES-EX. The success of the new partnership will depend on the ability of CT/EX's human resources unit to liaise effectively with HRSP and perform routine human resources actions and address employee questions. Should HRSP not meet the terms of the service level agreement, CT has the option of requesting a different provider.

The transfer of all functions from S/ES-EX to CT/EX should be completed by fall 2012. Staff from other bureaus and CT/EX staff hold regular meetings, and although coordination appears good, progress is slow. S/ES-EX will continue to support CT for functions CT/EX cannot yet perform.

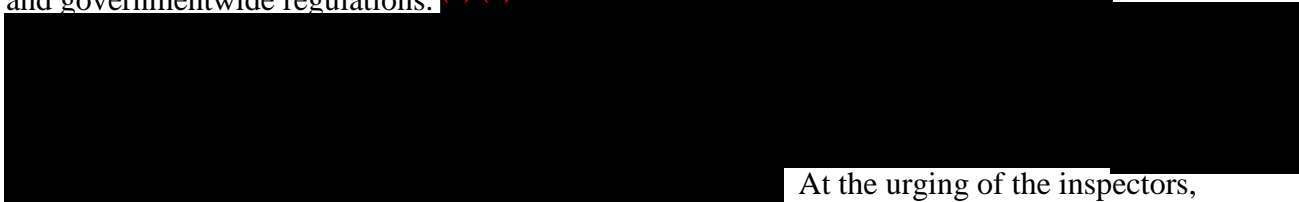
The responsibility to carry out the transition and reorganization without adequate resources has created an enormous burden on the executive director. CT leadership and employees commended her efforts and accomplishments. After years of frustration, CT employees are delighted to have their own executive office staffed by a competent director. However, employees now expect, overnight, to see excellent customer service and the resolution of lingering issues, and one of CT leadership's challenges will be to manage these unrealistic expectations. The executive director is inundated with requests for assistance. The principal deputy coordinator and executive director are prioritizing the CT/EX workload and asking employees to understand the need for patience.

Executive Office Staffing

As CT/EX takes on new responsibilities and staff, office workload and portfolios will need realignment to increase efficiency and meet bureau needs. The executive director has begun this effort. She will need to ensure that the staff is carrying out all new operations in accordance with *Foreign Affairs Manual* (FAM) and regulatory requirements. For example, currently there is only one direct-hire employee in the budget section; the other employees are contractors. CT's first-ever budget officer, a direct-hire employee, is arriving shortly. One of her initial tasks will be to assess the proper mix of direct-hire and contractor staff. When CT/EX assumes all financial management functions from S/ES-EX, there will be some functions and transactions, such as obligating funds, that contractors cannot perform. The bureau plans to establish and fill a new position for a direct-hire budget analyst by the end of FY 2012.

Providing Bureauwide Training

Some managers and supervisors have little or no experience in their roles. Some are first-time supervisors or employees who are managers due to their subject-matter or technical expertise. They have little knowledge of personnel management responsibilities and Department and governmentwide regulations. (b) (5)



At the urging of the inspectors,

managers contacted the Department's Office of Employee Relations for guidance; the supervisors did not know this resource was available.

Informal Recommendation 10: The Bureau of Counterterrorism should implement a policy requiring that all managers and supervisors attend the Department of State's mandatory leadership skills seminars as well as complementary personnel management classes at the Foreign Service Institute.

Given the training deficits identified in this report, the OIG team suggested that each employee have an individual development plan. CT management agreed that this would be a priority once CT has sufficient human resources staff to designate a training officer.

Equal Employment Opportunity

As a newly established bureau, CT does not yet have an Equal Employment Opportunity (EEO) program. The executive director plans to establish a program and ensure that there is at least one trained EEO counselor in the bureau and that information about the EEO program, including the name of the counselor, is posted prominently throughout the bureau. CT leadership has not publicized its commitment to EEO principles and ensured that all managers take the Department's EEO and diversity training classes. The Office of Civil Rights can assist CT in creating an EEO program and can conduct briefings for managers and employees.

Recommendation 11: The Bureau of Counterterrorism, in coordination with the Office of Civil Rights, should establish an Equal Employment Opportunity program and designate and provide training for at least one employee as counselor. (Action: CT, in coordination with S/OCR)

Orientation

Many employees stated that CT's orientation program for new employees, including contractors, is not comprehensive in that it does not provide information about the bureau and their individual jobs at the start of their assignments or about Department operations for detailees from other agencies and new hires. Although the CT orientation handbook is useful, employees suggested that new staff be introduced to all division directors, receive a briefing on the foreign affairs budget process, and participate in informal mentoring. Orientation and mentoring programs shorten the time it takes employees to learn their jobs and improve performance.

Informal Recommendation 11: The Bureau of Counterterrorism should enhance its orientation program for new employees, especially those coming from outside the Department of State.

Information Technology

At the time of the inspection, S/ES-EX was providing information technology services. CT/EX and the S/ES-EX information technology division have a solid plan to transfer information technology responsibilities to CT and the Department's Bureau of Information Resource Management. Officials in both bureaus will monitor the transition to ensure it meets CT's requirements.

Very few CT employees know who the bureau's information systems security officer is. As part of the transition, the current information systems security officer (in S/ES-EX) will be replaced by an employee within CT. No matter who fills this position, the OIG team recommends a more proactive role regarding information systems security duties.

Informal Recommendation 12: The Bureau of Counterterrorism should provide its employees with the name of and contact information for the bureau's information systems security officer.

Security

A DS-provided Civil Service bureau security officer effectively manages the CT security program. She is responsible for developing, inspecting, and advising on procedures and controls for safeguarding classified and administratively controlled information and for enforcing all associated security regulations. The bureau has two newly assigned primary unit security officers for two of its office suites. Confirmation of unit security officers for two other office suites is pending. The bureau security officer has developed a comprehensive notebook to assist the unit security officers in carrying out their duties.

During this inspection, several major security responsibilities were in transition and still under the purview of S/ES-EX, including the Top Secret document inventory. The Office of the Secretary and CT are in the process of reviewing the inventory to determine how control of CT's Top Secret documents should be shifted from the Office of the Secretary to CT. Upon separation of the Top Secret holdings, CT will be responsible for assigning a primary and alternate Top Secret control officer, producing a new inventory, and submitting the Top Secret inventory control form (OF-123) to DS. In addition, CT does not have a bureau emergency action plan and currently follows the Office of the Secretary's emergency evacuation procedures. The Bureau of Administration assists bureaus in developing, maintaining, and exercising their emergency action plans.

CT and the Office of the Secretary are also in the process of establishing property accountability and control for General Services Administration-approved containers used to store classified material, based on each bureau's needs. CT will change combinations and adhere to other classified storage requirements upon completion of the property transfer.

Security Awareness Training

In accordance with 12 FAM 564.2, all Department bureaus must provide, at a minimum, annual security refresher training for personnel having continued access to classified information. All CT personnel will receive the training in the near future. The bureau security officer has exceeded this requirement by assembling a comprehensive folder that is distributed to attendees. The folder contains security-related documents that employees should have on hand, including information on security compliance and closing hours security checklists; pertinent 12 FAM security-related citations, including classification management and Top Secret storage accountability; and media and equipment labeling requirements. Also enclosed are Department notices, forms, pamphlets, and quick reference guides.

Information Security Incident

Since its inception as a bureau in January 2012, CT has had one information security incident involving the inadvertent introduction of a classified document onto the unclassified system. The bureau security officer and DS officials are handling adjudication of this incident properly.

Annual Purge of Classified and Sensitive But Unclassified Hardcopy Material

CT does not currently have a policy for reviewing and purging unneeded Secret and below classified and Sensitive But Unclassified records. Accumulation of unneeded hard-copy documents and correspondence can result in an inadvertent compromise of national security information and is not good security practice. In accordance with 5 FAM 433 a. and e., Department offices must develop an active and continual retirement program to identify records for immediate disposal.

Informal Recommendation 13: The Bureau of Counterterrorism should dedicate time to allow all employees to review and identify classified and Sensitive But Unclassified material in their holdings for destruction.

Management Controls

As part of an independent bureau, CT management will be responsible for implementing and reporting on the bureau's management controls. Until now, this has been the responsibility of S/ES-EX. The Coordinator will now be required to submit to the Secretary the annual management control statement of assurance as mandated by the Federal Managers' Financial Integrity Act.⁵ Although the principal deputy coordinator and executive director acknowledge that management controls need to be strengthened, the bureau has yet to designate a management controls officer per 2 FAM 022.8.

Recommendation 12: The Bureau of Counterterrorism should designate a management controls coordinator in accordance with Department of State regulations. (Action: CT)

CT funds programs via four acquisition vehicles: interagency agreements, grants, contracts, and direct transfers to posts. The vast majority of funds are spent via interagency agreements with seven Federal agencies. In FY 2011, the interagency agreements totaled approximately \$65 million. CT awards grants (approximately \$5.1 million for FY 2011) to multilateral organizations, such as the Organization of American States and components of the United Nations. CT also awards contracts for the services of 30 contractor employees, who constitute one-third of CT's workforce.

Accountability and controls for grants are inadequate. A single budget specialist in the executive office is designated as the grants program manager, grants officer's representative, and grants officer, with a warrant up to \$200,000. Having the same person perform all these duties is a clear violation of internal controls and separation of duties. In addition, grants officer's representative duties are the purview of managers who oversee program implementation. Given the relatively small number of CT grants and the fact that most are for more than \$200,000, there is no need for CT to have a grants officer.

Informal Recommendation 14: The Bureau of Counterterrorism should have the Bureau of Administration, Office of Acquisitions Management, continue performing all grants officer functions.

The OIG team had difficulty locating documents due to the lack of a uniform filing system and the disorganized and incomplete state of many files. Although the Bureau of Administration maintains the Department's official files, other bureaus maintain their own files so that program managers and financial management staff can carry out their roles and responsibilities.

Informal Recommendation 15: The Bureau of Counterterrorism should implement an organized and uniform filing system for grants awards so that all files contain complete documentation.

There is no governmentwide template for drafting interagency agreements, and the Department's Office of the Procurement Executive has not developed a model for such

⁵ 31 U.S.C. 3512.

agreements. Because interagency agreements are considered internal bureau actions rather than Department actions, they are not reviewed by the Office of Acquisitions Management. The OIG team reviewed a sample of agreements and found that the level of detail varied widely. The Office of the Procurement Executive encourages bureaus to write interagency agreements with the specificity of contracts, and the OIG team concurs with this approach.

S/ES-EX currently acts as CT's contracting officer's representative. CT will assume acquisition responsibilities upon completion of the transition. There is only one certified contracting officer's representative in CT who is performing this function. The executive director is a certified contracting officer's representative but cannot assume those duties until the transition workload decreases. The OIG team, as well as the Office of Acquisitions Management and the Office of the Procurement Executive, believe that each bureau requires more than one grants officer's representative and contracting officer's representative to manage the workload.

Informal Recommendation 16: The Bureau of Counterterrorism should determine how many grants officer's representatives and contracting officer's representatives are necessary to achieve effective oversight of and accountability and compliance with acquisition laws and regulations.

Only three employees, two contracting officer's representatives and one grants officer's representative mentioned earlier, have the training and certification required to perform those functions. In January 2012, the Office of Management and Budget issued a policy revising competency requirements for contracting officer's representatives. Requirements for grants officer's representatives are documented in Department Grants Policy Directive 16, Revision 2 (September 2010) and 14 FAH-2 H-140, December 2011.

Recommendation 13: The Bureau of Counterterrorism should provide all employees involved in acquisition management with the required training and certifications as outlined in Department of State guidelines. (Action: CT)

The travel, purchase card, and asset management functions have not yet transferred from S/ES-EX; therefore, the OIG team did not review them. S/ES-EX and CT/EX staff are coordinating on the transition of these functions.

List of Recommendations

Recommendation 1: The Bureau of Counterterrorism should conduct an assessment of the effectiveness of its reorganization 1 year after implementation, report its findings to bureau staff, and make adjustments based on its findings and feedback from staff. (Action: CT)

Recommendation 2: The Bureau of Counterterrorism should implement a policy that requires all program managers and employees with program oversight responsibilities to attend the Overview of Federal Assistance Management course (PP 425) offered by the Foreign Service Institute. (Action: CT)

Recommendation 3: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, should request that the Bureau of Resource Management allot all Regional Strategic Initiative funds directly to the Bureau of Counterterrorism. (Action: CT, in coordination with DS)

Recommendation 4: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security and the Office of the Legal Adviser, should revise the memorandum of agreement between the two bureaus to modify or eliminate those elements that are no longer applicable and to delineate more clearly their respective duties and responsibilities within the agreement's overarching legal provisions. (Action: CT, in coordination with DS and L)

Recommendation 5: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, should hold monthly and operation meetings and triannual senior-level meetings according to the provisions of the memorandum of agreement. (Action CT, in coordination with DS)

Recommendation 6: The Bureau of Counterterrorism, in coordination with the Bureau of Diplomatic Security, should form a joint working group to streamline and expedite the congressional notification process for antiterrorism training funding. (Action: CT, in coordination with DS)

Recommendation 7: The Bureau of Counterterrorism should comply with the deadline established by law for release of the country report on terrorism. (Action: CT)

Recommendation 8: The Bureau of Counterterrorism should allocate at least one more analyst position to the Office of Terrorist Screening and Interdiction Programs in 2012 from the list of already approved direct-hire positions. (Action: CT)

Recommendation 9: The Bureau of Counterterrorism should fill the positions proposed for the Office of Designations and Sanctions in FYs 2012 and 2013. (Action: CT)

Recommendation 10: The Bureau of Counterterrorism should defer establishing new proposed direct-hire positions for the Regional Affairs and Programs directorate pending clarification of the roles of the directorate and the Office of Strategic Plans and Policy in managing programs, justification of total (including contractor) directorate requirements, and consideration of competing priorities in the bureau. (Action: CT)

Recommendation 11: The Bureau of Counterterrorism, in coordination with the Office of Civil Rights, should establish an Equal Employment Opportunity program and designate and provide training for at least one employee as counselor. (Action: CT, in coordination with S/OCR)

Recommendation 12: The Bureau of Counterterrorism should designate a management controls coordinator in accordance with Department of State regulations. (Action: CT)

Recommendation 13: The Bureau of Counterterrorism should provide all employees involved in acquisition management with the required training and certifications as outlined in Department of State guidelines. (Action: CT)

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 Counterterrorism should consult with staff to develop a plan for improving communication, including guidance and feedback, between the front office and the rest of the bureau.

Informal Recommendation 2: The Bureau of Counterterrorism should post the Global Counterterrorism Forum briefing papers and reports of activities on its unclassified and classified intranet sites.

Informal Recommendation 3: The Bureau of Counterterrorism should arrange for regional coordinators to take Foreign Service Institute training in managing foreign assistance, project monitoring and evaluation, and other training appropriate for their duties.

Informal Recommendation 4: The Bureau of Counterterrorism should reassess the Regional Strategic Initiative and make adjustments accordingly, including addressing how the initiative fits with the Global Counterterrorism Forum; the initiative's budget structure; country groupings; and the terms, conditions, and training for regional coordinators.

Informal Recommendation 5: The Bureau of Counterterrorism should incorporate mandatory attendance at Curriculum Oversight Committee meetings into the work requirements statements and performance elements of its program managers who work with the Bureau of Diplomatic Security's Office of Antiterrorism Assistance.

Informal Recommendation 6: The Bureau of Counterterrorism should reissue its guidance on the goals and nature of approved countering violent extremism programming annually.

Informal Recommendation 7: The Bureau of Counterterrorism should continue to assess and meet staffing requirements for the Counterterrorist Finance unit.

Informal Recommendation 8: The Bureau of Counterterrorism should review the position descriptions of the two FS-01 positions in the Regional Affairs and Programs directorate and, if appropriate, request their reclassification.

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Principal Officials

	Name	Arrival Date
Coordinator	Daniel Benjamin	05/09
Principal Deputy Coordinator	Robert F. Godec	09/09
Deputy Coordinator for Regional Affairs and Programs	Sharon Villarosa	09/08
Deputy Coordinator for Homeland Security and Multilateral Affairs	Ann Witkowsky	12/09
Deputy Coordinator for Operations	Mark Thompson	06/06
Executive Director	Carmen Cantor	09/11

Abbreviations

CT	Bureau of Counterterrorism
CT/EX	Bureau of Counterterrorism, Executive Office
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>
FSAT	Financial services assessment teams
GCTF	Global Counterterrorism Forum
HR	Bureau of Human Resources
HRSP	Bureau of Human Resources, Shared Services Provider
MOA	Memorandum of agreement
RAP	Directorate of Regional Affairs and Programs
RSI	Regional Strategic Initiative
S/CT	Office of the Coordinator for Counterterrorism
S/ES-EX	Office of the Executive Secretariat, Executive Office
SPP	Office of Strategic Plans and Policy

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