Best Practices for Oversight of Foreign Assistance Programming

June 2024

We are pleased to present this report to Congress to satisfy the Further Consolidated Appropriations Act, 2024, P.L. 118-47. This act requires that a report be submitted to the appropriate congressional committees on the common set of best practices across programming carried out by the Department of State and the U.S. Agency for International Development.

This report outlines best practices across four aspects of our foreign assistance oversight: (1) maintaining a strong foundation for robust oversight, (2) promoting effective oversight from the federal agencies responsible for managing foreign assistance, (3) reinforcing implementer accountability systems, and (4) identifying fraud risks and responding to allegations that foreign assistance funds have been misused. Taken together, practices in these areas provide tiered lines of defense against fraud, waste, and abuse and promote the effectiveness and efficiency of foreign assistance implementation.

In addition to this report, we are providing Congress with a 3-page document highlighting specific aspects of our oversight best practices that are especially important for foreign assistance implementers. These practices focus on raising awareness of vulnerabilities and protecting implementer staff who report wrongdoing.

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INTRODUCTION

The Offices of Inspectors General at the Department of State (State OIG) and the U.S. Agency for International Development (USAID OIG) have primary responsibility for providing independent oversight of U.S. foreign assistance implementation.[1] Over the years, our offices have developed best practices that guide our oversight approach. This report, prepared in response to direction from Congress,[2] reflects best practices across four aspects of our foreign assistance oversight: (1) maintaining a strong foundation for oversight, (2) promoting effective oversight by the federal agencies responsible for managing foreign assistance, (3) reinforcing implementer accountability systems, and (4) identifying fraud risks and responding to allegations that foreign assistance funds have been misused. Taken together, practices in these areas provide tiered lines of defense against fraud, waste, and abuse and promote the effectiveness and efficiency of foreign assistance implementation.

State OIG and USAID OIG together oversee the Department of State (Department), USAID (Agency), U.S. Agency for Global Media, Millennium Challenge Corporation, U.S. African Development Foundation, Inter-American Foundation, and the American Section of the International Boundary and Water Commission. Collectively, these organizations were responsible for managing $37.6 billion in foreign assistance funds, or 96 percent of all assistance funds appropriated in the sections of the FY 2024 appropriation corresponding to bilateral foreign assistance.[3] When subsequently appropriated supplemental funds are included, total foreign assistance funds managed by these agencies increase to $63.8 billion.[4]

FOREIGN ASSISTANCE OVERSIGHT BEST PRACTICES

Maintaining a Strong Oversight Foundation

Driving Effective Agency Oversight

Reinforcing Implementer Accountability Systems

Responding to Fraud Risks

U.S. foreign assistance takes many forms and serves a range of purposes. Such assistance can be ascribed to three broad categories:

- *Economic and Development Assistance* advances U.S. national security by helping countries meet near-term political, economic, and development needs.

- *Humanitarian Assistance* supports disaster and emergency relief efforts, including programs that save lives, alleviate suffering, and maintain human dignity.

- *Security Assistance* fosters stability and security abroad by strengthening the military and law enforcement forces in partner countries through capacity building and training and helps countries purchase defense equipment and services produced in the United States.[5]

Foreign assistance is often project-based and channeled through an implementing partner, most often a contractor or nongovernmental organization (NGO), to complete a specific project.

Foreign assistance is also provided to United Nations agencies as implementing partners, or as assistance to host governments.[6]

The following sections highlight best practices we have identified to help ensure U.S. foreign assistance is administered effectively and efficiently. We also prepared a companion two-page document, available at oig.usaid.gov and stateoig.gov, that highlights specific aspects of these practices of particular importance to foreign assistance implementers, including awareness of fraud vulnerabilities and protecting staff who report wrongdoing.
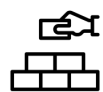
MAINTAINING A STRONG OVERSIGHT FOUNDATION

Maintaining a properly resourced, independent, and agile oversight organization is a foundational best practice for foreign assistance oversight. To effectively implement the best practices in this report, such an organization must be able to put the right oversight professionals with the right tools in the right places at the right times.

Operating from a foundation of statutory independence and rigorous standards,[7] State OIG and USAID OIG work with their agencies, Congress, and other stakeholders to ensure they are well positioned and properly resourced to provide effective independent oversight. For the unique challenges of foreign assistance oversight, the OIGs enhance agility by recruiting and retaining a technically skilled and dynamic workforce, maintaining a strategic overseas presence,[8] and using flexible hiring authorities when available. Additional enhancements include developing a robust oversight toolkit,[9] using agile reporting approaches, and coordinating regularly across the U.S. and international oversight communities.

State OIG and USAID OIG use risk-targeted planning to optimize limited resources, while considering national security and foreign policy priorities, foreign assistance funding flows, emerging programs, operations, risks, management challenges, and prior oversight observations.[10] Annual planning is supplemented by additional targeted planning sessions, as needed, for emerging oversight requirements. All planning involves extensive coordination, both internally and with other oversight entities.[11] This risk-targeted approach is informed by their decades of experience and institutional expertise as standing OIGs. Because the scope of their oversight authorities extends to all aspects of agency operations, the OIGs are positioned to trace root causes of findings to their origin, whether they result from field operations, headquarters guidance, or widespread systemic weaknesses.

> **OIG BEST PRACTICES FOR MAINTAINING A STRONG OVERSIGHT FOUNDATION**
>
> - *Maintaining a properly resourced, independent, and agile oversight organization*
> - *Performing risk-targeted work planning with extensive coordination*
> - *Communicating oversight plans and results clearly and effectively*

Effectively communicating plans and results is a key component of OIG oversight. The OIGs post workplans and reports on their websites. They also publish special products, such as information briefs and alerts about emerging areas of strategic focus, that require prompt, high-level stakeholder review. Other advisory products alert agency leadership to risks identified by oversight work that require immediate attention to mitigate harm or prevent substantial financial loss.[12] In cases of heightened oversight interest, the OIGs have developed dedicated web pages or a supplementary dedicated website to promote awareness of, and accessibility to, related work and plans.[13] They also disseminate

foreign assistance oversight information through various meetings, social media, and briefings, including those promoting fraud awareness.

DRIVING EFFECTIVE AGENCY OVERSIGHT

Oversight of foreign assistance implementers is primarily the responsibility of agency personnel. Many OIG best practices in this area pertain to OIG efforts to promote effective oversight on the part of those agency personnel involved. These efforts center on driving agencies to provide strategic direction and coordination, improve and sustain core management and support systems, and conduct effective award management and oversight.

STRATEGIC DIRECTION AND COORDINATION

State OIG, USAID OIG, and the broader oversight community have concentrated oversight on Department and USAID foreign assistance strategic planning and coordination activities because of their importance and complexity. The Department and USAID have leading roles in setting foreign assistance strategy, promoting needed coordination of effort, and aligning foreign assistance activity for the U.S. government.[14]

U.S. foreign assistance is administered by a number of entities in support of a range of objectives in the context of wider national security and foreign policy goals. The Secretary of State and Chiefs of Mission are charged with responsibilities for coordination of U.S. foreign assistance under the Foreign Assistance Act of 1961, Arms Export Control Act, President's Letter of Instruction to Chiefs of Mission, and Foreign Affairs Manual (FAM).[15] Federal guidance on internal controls calls for clearly defined objectives, and the FAM states that objectives should be linked to the Department's strategic priorities and reflect the outcomes the Department seeks to achieve.[16] The

FAM also requires strategic planning at the agency, bureau, and mission levels to allocate resources and ensure accountability.[17] Accordingly, to achieve maximum effectiveness, foreign assistance activities must be closely aligned with recognized objectives and account for other assistance efforts.

OIG BEST PRACTICES FOR DRIVING EFFECTIVE AGENCY OVERSIGHT

- *Encouraging agency strategic planning and direction*
- *Prompting effective internal and external coordination of assistance*
- *Promoting agency improvements to staffing and training for foreign assistance management*
- *Driving effective agency adaptations to security conditions*
- *Identifying vulnerabilities in agency award agreements*
- *Encouraging effective agency award design, bidding, and selection practices*
- *Recommending appropriate agency award risk assessment and mitigation measures as well as monitoring and evaluation*

State and USAID OIGs have concentrated oversight efforts to promote effective strategic direction of foreign assistance activities. In the context of the Ukraine response effort, State OIG recommended Embassy Kyiv complete an update of its Integrated Country Strategy (ICS)—the whole-of-government strategic planning document that establishes goals and objectives for related assistance activities—to provide Department bureaus and other agencies with current guidance for designing programs aligned with common strategic goals.[18] The ICS had last been updated in 2018, prior to Russia's full-scale invasion of Ukraine. Previously, State OIG found that the Department's Bureau of African

Affairs lacked a strategic approach in its foreign assistance program; thus, staff members were unclear about how the bureau's strategic priorities related to country-specific and regional foreign assistance priorities. State OIG recommended the bureau conduct a strategic review to ensure policy, planning, resources, and program decision making were clearly aligned with current policy priorities.[19] Similarly, State OIG reported that the Bureau of Counterterrorism had not ensured that its strategic plans and activities aligned with the Department's overall goals for countering violent extremism. As a result, it was unclear whether grants and cooperative agreements awarded to counter violent extremism were achieving desired results.[20]

State OIG and USAID OIG have likewise targeted work to improve foreign assistance coordination. In Iraq, State OIG recommended the embassy implement a formal coordination process when it found that—although more than 20 of the mission's ICS objectives were dependent on foreign assistance programs—Mission Iraq did not coordinate assistance efforts with all Washington-based bureaus and did not maintain a record of the mission's foreign assistance-related discussions and decisions.[21] Similarly, State OIG recommended prompt clarification of lines of responsibility when an inspection of the Afghanistan Affairs Unit (AAU) found that a lack of coordination on some foreign assistance efforts arose from an unclear division of responsibilities between the nascent AAU, operating remotely from Qatar, and the multiple Department offices that had a role in managing U.S. Afghanistan programs in the wake of Embassy Kabul's closure.[22] State OIG's inspection of the U.S. Mission to Nigeria found that the mission lacked a foreign assistance working group or other foreign assistance coordination mechanism and that resulting coordination deficiencies had adverse effects on foreign assistance programing.[23]

USAID OIG found that USAID faced significant policy, coordination, and strategic planning challenges in designing and implementing humanitarian and development programs in its response to the Venezuela regional crisis. Although the Agency's humanitarian programs were subject to foreign policy guidance from the National Security Council and the Department, USAID OIG found that USAID lacked a process for documenting directives on implementing that guidance, particularly when it deviated from humanitarian principles and exceeded risk tolerance levels. Further, USAID and the Department struggled to coordinate the U.S. government's humanitarian response to the crisis, with progress impeded by weak strategic planning, programming overlap, and competing interests.[24]

CORE MANAGEMENT AND SUPPORT SYSTEMS

The success of foreign assistance implementation depends on the effectiveness of the agencies' core management and support systems. Department and USAID challenges with managing foreign assistance efforts often stem from issues of staffing, training, inconsistent practices, and operating in restrictive or remote environments. As a result, State OIG and USAID OIG have focused attention on encouraging improvements in these areas.

State OIG has found that staffing gaps, frequent turnover, poor supervision, and inexperienced or undertrained staff frequently contribute to other Department management challenges. In addition, posts operating in contingency and critical environments have been exposed to dramatic swings in personnel levels that have compromised their effectiveness. Furthermore, State OIG has found difficulties stemming from the overlay of staffing limitations on top of responsibility for administering complex, large-scale awards.

For example, State OIG inspections of embassies in South Sudan and Sudan highlighted the need to address longstanding and pervasive staffing challenges for these posts.[25] Elsewhere, managers

in the Department's Bureau of East Asian and Pacific Affairs told State OIG that U.S. direct-hire staffing constraints, the large number of temporary staff and the associated turnover of these staff after 1-year assignments, and an increasing workload undercut institutional memory and subject matter expertise and reduced the bureau's ability to properly monitor foreign assistance.[26]

Similarly, USAID OIG has identified staffing as a top management challenge as systemic workforce planning challenges are hindering USAID's ability to fulfill its mission and respond to new priorities. USAID has acknowledged staffing and hiring as challenge areas, noting that continued reliance on personal services contractors and institutional support contractors is an impediment to the Agency's core business and response functions. As the Agency looks to increase the number of direct hires, USAID OIG's work has pointed to the ongoing need for a formal staffing plan and improved data to inform staffing needs. For example, USAID OIG recommended that USAID increase support staff and strengthen guidance on recruitment, onboarding, strategic workforce planning, and skill-gap tracking.[27] A subsequent evaluation found that USAID's Bureau for Africa continues to rely on internal discussions and prior experience to gauge staffing needs. Without guidance or tools for conducting staff assessments, officials found it hard to determine whether the bureau was adequately staffed.[28] Furthermore, although contractors fill critical short-term needs and help USAID rapidly respond to emergencies around the world, a USAID OIG evaluation showed that the lack of contractor data is impeding efforts to build a sustainable workforce and achieve employee diversity, equity, and inclusion goals.[29]

Training deficiencies and inconsistent practices have often been linked to contract and grant oversight weaknesses in foreign assistance administration. For example, one State OIG inspection found that an embassy's contracting officer's representative program did not comply with Department standards, and none of the five officials overseeing contracts had completed mandatory training.[30] In another case, a State OIG inspection found the offices managing foreign assistance programs in one bureau did not communicate and lacked clearly defined roles and responsibilities related to the management of foreign assistance. These issues resulted in inconsistent management practices.[31] USAID OIG's inspection of the U.S. Mission in South Sudan, conducted in coordination with State OIG, similarly found an absence of essential guidance and procedures, as well as partially trained Foreign Service Nationals performing support functions. In response, USAID OIG made recommendations to address training gaps and formalize orientation and transition processes given the high turnover at the post.[32]

Adaptations to security requirements and movement restrictions have presented challenges in some Department and USAID response efforts, often with significant operational effects. Specifically, State and USAID OIGs identified project oversight issues arising from limitations on the Department's and USAID's ability to conduct monitoring and evaluation activities because staff could not perform site visits due to security concerns. In addition, State OIG has found that exercising Chief of Mission responsibilities remotely is challenging when mission operations are distributed across multiple countries. For example, State OIG reported that restrictions on travel in Somalia limited the mission's monitoring and evaluation of foreign assistance, a particular concern because of risks that assistance could be misused.[33]

With USAID providing assistance in conflict areas and during complex emergencies, personnel are not always able to directly observe Agency programming and implementers due to security constraints and movement restrictions. For example, USAID's staffing footprint in Ukraine was significantly reduced after Russia's full-scale

invasion in February 2022 while USAID programming in the country increased exponentially.[34] Further, USAID has contracted with third-party monitors as an oversight method because stated security restrictions and the number of programs needing oversight have made it difficult for Agency staff to monitor programs directly. However, in several instances, USAID OIG has identified challenges in USAID's management of such monitors. For example, in Iraq, USAID's management of third-party monitoring left some observations without timely follow-up or resolution.[35]

State OIG and USAID OIG will continue to focus attention on core management and support systems as they drive the Department and USAID to improve their efforts in these critical areas.

AWARD MANAGEMENT AND OVERSIGHT

Effective steps to properly establish and monitor assistance awards are integral to the success of Department and USAID programs that rely on contractors and grantees for execution. Weaknesses in award design and initial implementation can lead to delays, have significant cost implications, undermine advancement of policy goals, hinder agency and OIG oversight, and restrict accountability remedies. Once foreign assistance awards are in place, agencies must perform effective monitoring and follow up to ensure that recipients' programmatic performance and financial management are adequate and that they are accomplishing intended goals, objectives, and activities. State OIG and USAID OIG have pressed those responsible for overseeing contracts, grants, and agreements to monitor and document performance; confirm that work has been conducted in accordance with the award terms and conditions; hold partners accountable for nonperformance; and ensure that costs are effectively contained.[36] Accordingly, driving improvements in Department and USAID

performance in this area is a best oversight practice.

State OIG has identified the Department's award management as a major management challenge for each of the past 5 years, and it remains a continuing concern in the context of the Department's wider resource stewardship.[37] For several years, USAID OIG has likewise identified the need to improve program monitoring as a top management challenge and made thousands of recommendations aimed at strengthening USAID's award management to better ensure the Agency achieves intended outcomes.[38]

State OIG has encouraged the Department to promote full and open competition in award processes where possible. For example, State OIG assessed eight large overseas construction projects and found that the relevant bureaus involved had not fully complied with the acquisition planning and market research requirements in federal and Department guidance, depriving the Department of opportunities for increased competition that could have enhanced its ability to obtain quality construction services at reasonable prices.[39] To safeguard USAID programming from corrupt actors, USAID OIG identified improvements to USAID's pre-award certification process to capture information about whether prospective award recipients engaged with actors sanctioned by the U.S. government due to corrupt activity.[40] Such certification would also improve Agency and OIG access to implementer information and expand available fraud remedies for foreign-based NGOs.

Developing appropriate overall goals and objectives that help measure an award's progress is another key step in successful award management. After finding that none of four grants reviewed in a State OIG audit included well-defined and measurable performance indicators to measure and assess whether the grants' purposes were being achieved, OIG recommended that the relevant bureau develop and implement standard operating

procedures to require and verify that grant awards include appropriate and clearly defined performance indicators.[41] Similarly, USAID OIG's audit of USAID's procurement and management of the Global Health Supply Chain - Procurement and Supply Management project identified weaknesses in planning and evaluation processes that hindered USAID's ability to fully support key decisions made in the design and award of the contract. The report contained 14 recommendations to strengthen USAID's award design and procurement processes and improve management of this project and the follow-on award.[42]

State OIG's work has also sought to reinforce the Department's risk assessment and mitigation activities. For example, State OIG reported that the Department's processes for identifying, assessing, and responding to risks before awarding funds to public international organizations (PIOs) did not align with the Government Accountability Office's (GAO) *Standards for Internal Control in the Federal Government*. State OIG made four recommendations to improve the Department's ability to assess risks and monitor these voluntary contributions.[43] Furthermore, in an audit of assistance to Ukraine, State OIG reported that the relevant bureau based the risk assessments for its Ukraine activities on some subjective considerations and conditions that had since changed. State OIG recommended that the bureau reassess risks and develop mitigating strategies to address new or changed risks. An updated assessment would place the bureau in a better position to apply appropriate mitigation measures in response to identified risks.[44]

As USAID continues to operate in some of the most complex response environments, risk mitigation likewise remains a key concern for the Agency. For example, USAID OIG's audit of humanitarian assistance in Yemen—recognized by the United Nations as the world's worst humanitarian crisis from 2018 to 2021—identified opportunities for USAID to strengthen its risk management

process.[45] In an audit of USAID's Mission for West Bank and Gaza, USAID OIG found that the Agency did not identify certain risks related to security, legal, fiduciary, or information technology after the resumption of funding and programming to the Palestinian people. Nor did USAID document its internal deliberative process when identifying and assessing risks.[46]

The OIGs and the broader oversight community have also worked to promote effective oversight of contracts, grants, and foreign assistance once they are in place, an area that has been a longstanding challenge in foreign assistance. A State OIG audit of federal assistance awards to for-profit organizations provides an example. The audit found that Department officials did not consistently conduct and document performance and financial monitoring, complete annual updates to risk assessments and monitoring plans, obtain audit reports, or conduct annual reviews when applicable. In addition, State OIG found that oversight personnel were maintaining key documentation in "unofficial" award files that included personal computer drives, shared drives, or bureau-specific systems, contrary to Department policy. State OIG recommended improvements to internal controls related to the oversight of grants and cooperative agreements.[47]

State OIG reported similar issues in a recent audit of the Department's humanitarian response to support Ukraine. State OIG found that the Department's monitoring plan for this assistance did not track progress against measurable objectives and performance indicators. As a result, OIG could not independently determine whether these activities were achieving intended objectives. State OIG recommended several changes to strengthen the Department's oversight of these activities.[48]

Persistent weaknesses in planning, monitoring, and evaluation undermine the timeliness and impact of USAID programs, especially in the nonpermissive environments in which the Department and USAID frequently work. In a broad look at USAID's award oversight, USAID OIG found that although USAID policies provide detailed guidance on managing awards, execution of the award management process lacked the rigor needed to ensure results are achieved.[49] In Egypt, for example, USAID OIG found that the mission had challenges in documenting targets, tracking performance, and explaining why some targets were not reached in its higher education program.[50]

REINFORCING IMPLEMENTER ACCOUNTABILITY SYSTEMS

Foreign assistance implementers themselves have a central role in effective delivery of such assistance. Accordingly, both State and USAID OIGs have also focused attention on implementer compliance with award requirements.

Specifically, State and USAID OIGs have focused oversight activities on ensuring implementer compliance with requirements designed to protect foreign assistance personnel and recipients of assistance. Both offices have done work, for example, on compliance with counter-trafficking in persons (C-TIP) requirements. USAID OIG's audit of USAID's C-TIP efforts in Asia found that the Agency did not consistently monitor and enforce awardee compliance with TIP prevention and detection requirements.[51]

USAID OIG has also focused on preventing sexual exploitation and abuse (SEA) perpetrated against beneficiaries of foreign assistance programs. Through related work, USAID OIG has engendered improvements in controls for preventing and responding to SEA of beneficiaries.[52] USAID OIG is currently assessing how USAID is working to ensure

> **OIG BEST PRACTICES FOR REINFORCING IMPLEMENTER ACCOUNTABILITY SYSTEMS**
>
> - *Promoting implementer adherence to requirements for protecting personnel and recipients*
> - *Reinforcing implementer responsiveness to financial statement and award compliance audits*
> - *Assessing the accuracy and completeness of required implementer data submissions*
> - *Engaging with implementers on accountability requirements and practices*
> - *Reinforcing oversight bodies' access to implementer systems, documentation, and personnel*

that implementers receiving assistance awards for Ukraine response efforts meet and operationalize SEA prevention-related pre-award requirements. USAID OIG has supplemented these engagements with participation in the NGO Counsels Forum where USAID OIG leaders meet with attorneys from various NGOs to discuss expectations concerning reporting of misconduct, including issues related to SEA, in the performance of USAID awards.

Contractors and grantees play an important role in ensuring that foreign assistance funds are utilized honestly, efficiently, and accountably.[53] These organizations must comply with mandatory disclosure requirements in reporting allegations of fraud and misconduct.[54] In addition, Congress has passed laws to protect employees of federal contractors and grantees who report potential wrongdoing from retaliation.[55] In response, the OIGs have taken steps to raise awareness about these protections[56] and to timely investigate reports of retaliation for protected disclosures on the part of employees of contractors and grantees engaged in foreign assistance programs and activities.

> **OVERSIGHT OF INTERNATIONAL ORGANIZATIONS**
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> *International organizations such as UN agencies and the World Bank play a key role in foreign assistance implementation. The distinctive character of these organizations and the U.S. government's historical approach to working with them have limited OIG access and authorities.*
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> *In response to the situation, in the Further Consolidated Appropriations Act, 2024, § 7048(h) (P.L. 118-47, March 23, 2024), Congress required the Department and USAID to seek to enter into written agreements with international organizations receiving U.S. funds appropriated by this Act to ensure the agencies' respective OIGs and the U.S. Comptroller General have timely access to financial data and other information relevant to the U.S.'s contributions. State and USAID OIGs are working with Department and Agency representatives and congressional stakeholders to provide the basis for such access going forward.*

Most foreign assistance implementers are subject to regular audits of their financial statements and compliance with federal award requirements. These routine audits are conducted by independent public accounting firms, the Defense Contract Audit Agency, and host governments' supreme audit institutions. State and USAID OIG review select audit reports of this kind to ensure compliance with requirements.[57]

U.S. government agencies are required to report financial and award data to the public through USAspending.gov.[58] In line with this requirement, State and USAID OIGs have both assessed the completeness, accuracy, timeliness, and quality of the financial and award data submitted for publication on USAspending.gov. In 2021, auditors reviewed the Department's submitted financial and award data and identified exceptions related to completeness, accuracy, and timeliness of the data. The auditors found that these issues were caused, in part, by insufficient quality assurance reviews of the data submitted. Further, the auditors identified that overseas transactions data was not certified and therefore was unable to be assessed.[59]

Unique provisions of federal law and international arrangements enable PIOs, such as UN agencies and the World Bank, to receive federal funds with less U.S. government oversight or fewer restrictions than NGOs and contractors. In 2018, USAID OIG found that USAID's approach to overseeing PIOs had not included comprehensively identifying, assessing, and managing related risks, such as those posed by terrorist groups that seek to benefit from USAID assistance.[60] Similarly, in 2021, State OIG found that six of eight bureaus failed to properly formulate objectives or assess risk prior to making voluntary contributions to PIOs and that five of eight bureaus failed to consistently document related monitoring activities.[61] State OIG has subsequently examined the Department's humanitarian assistance awards to PIOs in the Ukraine response,[62] while USAID OIG has issued a related information brief[63] and is conducting follow-on reviews of the USAID's due diligence, risk assessment, and PIO monitoring.

International organizations typically maintain internal audit and investigative functions. The OIGs have established peer-to-peer exchange with international organizations' oversight counterparts and, in a number of cases, set a framework to promote information sharing.[64] Both the State and USAID OIGs have established memoranda of understanding with oversight bodies of international organizations. To promote related exchanges, both offices attend related conferences and forums, and USAID OIG continues to host the Complex Emergencies Working Group, a regular

gathering of oversight entities from major bilateral and multilateral foreign assistance donors. During working group sessions, participants share lessons learned and best practices related to investigations, procurement fraud, and working in complex, crisis, and nonpermissive environments. To promote future accountability in U.S. foreign assistance delivered through international organizations, the OIGs are currently working with GAO, the Department, and USAID on means for increasing oversight access to implementer systems, personnel, and documentation associated with U.S. government funding.

⚠ RESPONDING TO FRAUD RISKS

Together, the State and USAID OIGs oversee many of the most critical, high-profile U.S. foreign assistance programs. In complex environments, all too often criminals seek opportunities to defraud foreign assistance programs for personal gain, so much of the OIGs' investigative work occurs in these environments. Beyond the individual investigations, audits, inspections, and evaluations performed, the OIGs proactively conduct outreach and issue publications to educate and warn their agencies and stakeholders of these risks.

USAID OIG and State OIG educate USAID and Department staff and implementers on fraud prevention and reporting. OIGs regularly provide fraud awareness briefings, with more than 150 conducted from April 1 to September 30, 2023. These briefings reached over 5,000 participants worldwide, including agency officials, aid organization representatives, and awardee staff. In addition to educating attendees, these in-person engagements can build trust between implementers and U.S. law enforcement and provide opportunities to develop sources and gather investigative information. As of February 2024, the USAID Bureau for Humanitarian Assistance, which coordinates the U.S. government humanitarian response to declared disasters abroad, requires all staff to attend annual OIG fraud awareness training.[65]

As part of these ongoing education efforts, the USAID and State OIGs' public websites also outline red flags that may signal misconduct in agency activities or the implementation of assistance awards.[66] In line with GAO's *A Framework for Managing Fraud Risks in Federal Programs,*[67] State OIG and USAID OIGs have helped identify and assess fraud risks and, in select cases, have developed related, customized guidance. For example, USAID OIG issued guidance for COVID-19 fraud awareness and reporting.[68] Furthermore, as noted earlier, following Russia's full-scale invasion of Ukraine, both USAID OIG and State OIG issued guidance regarding key considerations to inform the response in Ukraine. These publications outlined key lessons from prior oversight work that are relevant to USAID's and the Department's response in Ukraine, in areas such as procurement, monitoring, and coordination.[69] In November 2023, USAID OIG issued an alert to implementers receiving or seeking humanitarian assistance in Gaza that underscored the importance of reporting instances of diversion to U.S.-designated foreign terrorist organizations, including Hamas, and identified several risks to programming in nonpermissive environments.[70] In May 2024, USAID OIG issued an alert to implementers affirming their obligation to report instances of prohibited funding to the UN Relief and Works Agency (UNRWA).[71]

> **OIG BEST PRACTICES FOR RESPONDING TO FRAUD RISKS**
>
> - *Raising awareness of fraud risks and reporting responsibilities*
> - *Preparing customized guides for fraud risks in specific contexts*
> - *Issuing fraud alerts to help agencies and implementers identify, detect, report, and prevent misconduct*
> - *Promoting awareness and accessibility of hotlines*
> - *Emphasizing whistleblower protections*
> - *Appropriately exercising the full range of investigative authorities*
> - *Working with authorities to deliver consequences for wrongdoing*

The OIGs maintain and publicize hotlines to provide a mechanism for individuals to confidentially report fraud, waste, abuse, or misconduct and safeguard the government and public against wrongdoing relating to the foreign assistance programs and operations they oversee.[72] Whistleblowers perform an essential service in helping keep government-funded activities and operations honest, efficient, and accountable and are protected from retaliation when reporting potential wrongdoing.[73] To help foster an environment in which whistleblowers can come forward without fear of retribution, the OIGs have designated whistleblower protection coordinators who educate covered individuals about their right to safely disclose allegations of wrongdoing in foreign assistance.[74] When allegations of retaliation against whistleblowers arise, the OIGs work swiftly to investigate.

The OIGs' overall program of investigative work focuses on programs that face high risks from fraud and other abuse while also promoting integrity among organizations responsible for delivering U.S. foreign assistance. For example, in coordination with the Department of Defense OIG, the State and USAID OIGs produced joint posters in both English

and Ukrainian to encourage people to report corruption, TIP, SEA, fraud, waste, abuse, and mismanagement to the OIGs' hotlines.[75] The State and USAID OIGs have also held meetings with key Ukrainian anti-corruption officials and international investigative counterparts. These meetings resulted in the development of memoranda of understanding with the National Anti-Corruption Bureau of Ukraine, Ukraine's State Bureau of Investigation, and Ukraine's Specialized Anti-Corruption Prosecutor.

In addition, the OIGs have sought to identify trends and alert their respective agencies to various fraud risks and vulnerabilities. For example, in September 2023, USAID OIG released a fraud alert regarding business email compromise schemes—frequently orchestrated by international organized crime syndicates—targeting individuals and entities that routinely wire transfer payments to awardees, vendors, and suppliers. The fraud alert outlined examples of vulnerabilities to USAID, its awardees, and program beneficiaries, as well as precautionary measures that USAID can adopt.[76] In 2021 and 2023, USAID OIG alerted USAID to vulnerabilities in informal currency exchange systems used to convert U.S. dollars into local currency, including the risk that Agency programs will be subject to embezzlement, fund diversion, and fraudulent invoicing.[77]

Since Russia's full-scale invasion of Ukraine in February 2022, USAID OIG and State OIG have published targeted fraud awareness resources, notices, and alerts regarding known and potential schemes affecting the Ukraine response. For example, in March 2023, State OIG issued a fraud awareness brochure that highlighted common fraud indicators and mitigation practices and addressed risks such as collusive bidding and fraudulent invoicing.[78] In another case, in December 2023, USAID OIG issued a fraud alert related to conflicts of interest in USAID's Ukraine response. This alert, published in both English and Ukrainian, highlighted reports concerning

undisclosed conflicts of interest involving USAID-funded organizations operating in Ukraine and identified steps that grantees and contractors can take to mitigate the risk.[79]

Investigators from the State and USAID OIGs actively participate in several law enforcement task and strike forces to further the global reach of finite investigative resources. USAID OIG special agents, for example, participate in task forces aimed at combating gangs and transnational human smuggling and trafficking networks in Central America and Mexico, as well as global efforts to respond to risks of SEA. Meanwhile, both State OIG and USAID OIG investigators have long been engaged in law enforcement task forces targeting international contract corruption and procurement fraud.

In conducting investigations to respond to fraud risks, the State and USAID OIGs are responsible for properly applying available investigative authorities and techniques. This involves the application of recognized investigative processes and techniques by trained special agents and analysts, notification and coordination with other law enforcement authorities with shared jurisdiction, and consultation with prosecutors. In certain cases, this may also include the application of digital forensics, undercover operations, confidential informants, electronic surveillance, and subpoena or arrest authorities consistent with guidelines from the U.S. Attorney General and the Council of the Inspectors General on Integrity and Efficiency, host nation laws, and guidance from specialized prosecutors in the U.S. Attorney's Office of International Affairs.[80] Recent peer reviews of both State OIG and USAID OIG investigative functions have affirmed that both maintain the systems needed to provide assurance that they are conforming with standards in planning, executing, and reporting investigations and using law enforcement powers.[81] To promote accountability for substantiated violations, the OIGs engage with a range of officials in executing and reporting on investigative work

relating to foreign assistance implementation. They work closely with prosecutors when criminal and civil violations are accepted for prosecution, and USAID OIG employs a dedicated Special Assistant U.S. Attorney with authority to prosecute cases on behalf of the Department of Justice.[82] When applicable and appropriate, to protect the integrity of federal funds and operations, the OIGs also provide the results of their investigative work to executive branch officials with responsibility for administrative remedies, such as those related to procurement and supervision. The OIGs maintain active suspension and debarment referral programs for reporting those who have perpetrated fraud or serious mismanagement for possible U.S. government-wide exclusion from future funding.[83] To deter future wrongdoing, the OIGs publicize significant investigative results as well as statistics on the administrative, civil, and criminal consequences stemming from their investigative work.[84]

CONCLUSION

State OIG and USAID OIG have established a solid framework for promoting effective oversight of federal foreign assistance. Maintaining independence, ensuring access to necessary information, and supporting a strong workforce formed the basis of the approach. The foundation has been expanded with frequent coordination throughout the oversight and foreign assistance communities, extensive communication of plans and results, and the flexibility to adapt to the unique and often challenging circumstances encountered when delivering foreign assistance. Building on this foundation, the OIGs encourage change and improvement within the Department and USAID. In particular, the results of State OIG's and USAID OIG's work over many years have led to a focus on strengthening the Department and USAID's strategic planning and coordination, basic management systems, and improved award design, implementation, and monitoring. Additionally, the OIGs assess the Department's and USAID's efforts

to monitor compliance and prevent or address serious issues such as sexual exploitation and abuse. All of this is done while the OIGs continue to prevent and respond to fraud through education of staff and implementers and outreach throughout the foreign assistance community.

END NOTES

1 The Government Accountability Office, Special Inspector General for Afghanistan Reconstruction, as well as the OIGs for other agencies with foreign assistance activities operations also make significant contributions in this oversight area, while the broader oversight community helps inform State and USAID OIG norms and practices.

2 In particular, House Report 118-146, page 40, accompanying the Further Consolidated Appropriations Act, 2024, P.L. 118-47, provided that "Not later than 90 days after the date of enactment of this Act, the Inspectors General of the Department of State and USAID shall jointly submit a report to the appropriate congressional committees on the common set of best practices that will be utilized to oversee implementing partners, including international organizations, across programming carried out by the Department of State and USAID."

3 Further Consolidated Appropriations Act, 2024 (P.L. 118-47, March 23, 2024).

4 Making emergency supplemental appropriations for the fiscal year ending September 30, 2024, and for other purposes (P.L. 118-50, April 24, 2024).

5 Department of State, Office of Foreign Assistance, "About Us," https://www.state.gov/about-us-office-of-foreign-assistance/ (last visited May 6, 2024).

6 Congressional Research Service, *Foreign Assistance: An Introduction to U.S. Programs and Policy* (R40213, Updated January 10, 2022), page 15.

7 The Inspector General Act of 1978, as amended (5 U.S.C., Chapter 4), established OIGs to create organizationally independent and objective units. This statutory independence is intended to ensure the integrity and objectivity of OIG activities. OIGs operate in accordance with the Council of Inspector General for Integrity and Efficiency (CIGIE) *Quality Standards for Federal Offices of Inspector General* and are responsible for conducting, supervising, and coordinating (i) audits in line with the U.S. Government Accountability Office's (GAO) Government Auditing Standards, (ii) inspections and evaluations in line with CIGIE *Quality Standards for Inspection and Evaluation*, and (iii) investigations in line with CIGIE *Quality Standards for Investigations*, and case law. Additionally, OIG audit, inspection, evaluation, and investigative work are subject to regular peer review by other OIGs.

8 State and USAID OIGs have stationed U.S. direct hire personnel and retained local employed staff in field offices in Asia, Africa, Europe, the Middle East, and Central America, and have adjusted their overseas footprint to meet evolving oversight requirements. The OIGs initially handled Ukraine response oversight responsibilities, for example, through their regional offices and the use of temporary duty assignments before assigning personnel permanently to Embassy Kyiv in 2023.

9 In addition to conducting performance audits, financial audits, inspections, evaluations, and reviews, as well as criminal, civil, and administrative investigations, both State and USAID OIG have authority to access all systems, documents, and personnel associated with their respective agencies' foreign assistance implementation. Both also exercise subpoena powers and conduct investigations in furtherance of their oversight mandates. See 5 U.S. Code §§ 404, 406.

10 For guidance and information on OIG planning activities, see CIGIE, *Quality Standards for Federal Offices of Inspector General*, August 2012, pages 30-34.

11 In response to major new emerging oversight requirements and priorities, State and USAID OIG have supplemented established coordination mechanisms by designating office leads for a given oversight response and setting up dedicated working groups and coordination teams. State OIG did this, for example, for its oversight response to the war in Ukraine. [See *Joint Oversight of the Ukraine Response*, March 2023.] State and USAID OIGs also coordinate extensively with counterpart oversight organizations, such as other OIGs and GAO, during work planning processes.

12 See, for example, State OIG, *Management Assistance Report: The Bureau of African Affairs Should Improve Performance Work Statements and Increase Subject Matter Expertise for Trans-Sahara Counterterrorism Partnership Projects,* (AUD-MERO-

20-29, April 2020); State OIG, *Management Assistance Report: Internal Controls Are Needed to Safeguard Inherently Governmental Functions at the Global Engagement Center* (AUD-MERO-22-19, February 2022).

[13] See, for example, State OIG, "Ukraine Response Oversight," https://www.stateoig.gov/ukraine-response-oversight; USAID OIG, "Ukraine Oversight," https://oig.usaid.gov/our-work/ukraine-oversight/; "Ukraine Oversight," https://www.ukraineoversight.gov/; and State OIG, "Afghanistan Oversight," https://www.stateoig.gov/afghanistan-oversight.

[14] Note that the Department's leadership and management principles include planning strategically and collaborating as key areas of focus. See 3 FAM 1214b(2),(7) "Leadership and Management Principles for Department Employees."

[15] 1 FAM 012a, "The Secretary of State's Authority"; 1 FAM 013.2a, k(6), "Responsibilities of Chiefs of U.S. Missions"; 2 FAM 111.3, "Authorities"; 2 FAM 113.1, "Chief of Mission and Principal Officer."

[16] GAO, *Standards for Internal Control in the Federal Government*, page 35 (GAO-14-704G, September 2014); 18 FAM 301.2-4(A)(2), "Key Elements and Standards for Core Strategy Documents"; 18 FAM 301.2-1b, "Purpose"; and 18 FAM 301.2-4b, "Strategic Planning Process Requirements and Hierarchy."

[17] 18 FAM 301.2-1a and b, "Purpose."

[18] State OIG, *Review of Ukraine Foreign Assistance Coordination and Oversight,* pages 6-8 (ISP-I-23-18, July 2023).

[19] State OIG, *Inspection of the Bureau of African Affairs' Foreign Assistance Program Management*, pages 2-4 (ISP-I-18-02, October 2017).

[20] State OIG, *Audit of the Department of State Implementation of Policies Intended To Counter Violent Extremism*, page 6 (AUD-MERO-19-27, June 2019).

[21] State OIG, *Inspection of Embassy Baghdad and Constituent Post, Iraq,* pages 17-18 (ISP-I-24-06, January 2024).

[22] State OIG, *Inspection of the Afghanistan Affairs Unit*, pages 6-7 (ISP-I-23-05, November 2022).

[23] State OIG, *Inspection of Embassy Abuja and Constituent Post, Nigeria*, page 19 (ISP-I-23-09, June 2023).

[24] USAID OIG, *Enhanced Processes and Implementer Requirements Are Needed to Address Challenges and Fraud Risks in USAID's Venezuela Response,* page 3 (9-000-21-005-P, April 2021).

[25] State OIG, *Inspection of Embassy Juba, South Sudan* (ISP-I-23-12, April 2023); State OIG, *Inspection of Embassy Khartoum, Sudan* (ISP-I-23-13, March 2023).

[26] State OIG, *Inspection of the Bureau of East Asian and Pacific Affairs,* page 11 (ISP-I-22-06, December 2021).

[27] USAID OIG, *Strategic Workforce Planning: Challenges Impair USAID's Ability to Establish a Comprehensive Human Capital Approach*, page 18 (9-000-22-001-P, May 25, 2022).

[28] USAID OIG, *USAID Bureau for Africa's Approach to Strategic Workforce Management Reflected Agency-Wide Challenges*, page 4 (E-698-23-001-M, February 21, 2023).

[29] USAID OIG, *Contractor Use for Disaster and Stabilization Responses: USAID Is Constrained by Funding Structure but Better Data Collection Could Improve Workforce Planning*, pages 7-11, 14-15 (E-000-22-002-M, September 29, 2022).

[30] State OIG, *Inspection of Embassy Santiago, Chile*, page 12 (ISP-I-22-10, March 2022).

[31] State OIG, *Inspection of the Bureau of Oceans and International Environmental and Scientific Affairs*, page 10 (ISP-I-21-23, August 2021).

[32] USAID OIG, *Inspection of USAID/South Sudan's ICASS Service Provisions in Juba,* pages 22-23 (E-668-23-002-M, September 28, 2023).

[33] State OIG, *Inspection of U.S. Mission to Somalia,* page 6 (ISP-I-19-09, October 2018).

[34] USAID OIG, *Information Brief: USAID's Ukraine Staffing,* page 1 (E-121-23-001-A, September 2023).

[35] USAID OIG, *Enhanced Guidance and Practices Would Improve USAID's Transition Planning and Third-Party Monitoring in Iraq,* page 9 (9-266-21-003-P February 19, 2021).

[36] State OIG, *Inspector General Statement on the Department of State's Major Management and Performance Challenges Fiscal Year 2023*, pages 6-7 (OIG-24-01, November 2023). USAID OIG, *Top Management Challenges Facing USAID in Fiscal Year 2024*, pages 7-10 (November 16, 2023).

[37] State OIG, *Inspector General Statement on the Department of State's Major Management and Performance Challenges Fiscal Year 2023*, page 6 (OIG-24-01, November 2023); State OIG, *Inspector General Statement on the Department of State's Major Management and Performance Challenges Fiscal Year 2022*, page 5 (OIG-EX-23-02, November 2022); State OIG, *Inspector General Statement on the Department of State's Major Management and Performance Challenges Fiscal Year 2021*, page 5 (OIG-EX-22-01, November 2021); State OIG, *Inspector General Statement on the Department of State's Major Management and Performance Challenges Fiscal Year 2020*, page 4 (OIG-EX-21-01, November 2020); State OIG, *Inspector General Statement on the Department of State's Major Management and Performance Challenges Fiscal Year 2019,* page 6 (OIG-EX-20-02 January 2020).

[38] USAID OIG, *Top Management Challenges Facing USAID in Fiscal Year 2024,* pages 7-10 (November 16, 2023); USAID OIG, *Top Management Challenges Facing USAID in Fiscal Year 2023,* pages 14-16 (November 16, 2022); USAID OIG, *Top Management Challenges Facing USAID in Fiscal Year 2022,* pages 9-10 (November 12, 2021); USAID OIG *Top Management Challenges Facing USAID in Fiscal Year 2021,* pages 12-18 (November 13, 2020); USAID OIG, *Top Management Challenges Facing USAID in Fiscal Year 2020,* pages 9-13, 21 (November 20, 2019).

[39] State OIG, *Audit of Department of State Efforts to Promote Competition for Overseas Construction Projects,* page 9 (CGI-22-34 August 2022).

[40] USAID OIG, *Vulnerabilities in USAID's Ability to Assess Award Applicants' Relationships with Corrupt Actors*, January 13, 2022.

[41] State OIG, *Audit of the Bureau of European and Eurasian Affairs Administration and Oversight of Selected Contracts and Grants*, pages 23, 31 (AUD-CGI-18-50, August 2018).

[42] USAID OIG, *Award Planning and Oversight Weaknesses Impeded Performance of USAID's Largest Global Health Supply Chain Project*, pages 10, 40-41 (9-000-21-004-P, March 2021).

[43] State OIG, *Audit of the Department of State's Risk Assessments and Monitoring of Voluntary Contributions to Public International Organizations,* pages 5, 18 (AUD-MERO-21-18, March 2021).

[44] State OIG, *Audit of the Bureau of International Security and Nonproliferation Administration of Assistance to Ukraine,* pages 11-15 (AUD-GEER-24-14, March 2024).

[45] USAID OIG, *Humanitarian Assistance in Yemen: Opportunities Exist for USAID to Further Strengthen Its Risk Management Process* (8-199-22-003-P, August 23, 2022).

[46] USAID OIG, *West Bank and Gaza: USAID Did Not Document Its Deliberative Process for Identifying and Assessing Risks in Programming* (8-294-23-003-P, September 18, 2023).

[47] State OIG, *Audit of the Department of State Management and Monitoring of Federal Assistance Awards to For-Profit Organizations,* pages 5, 21-22 (AUD-CGI-22-26, May 2022).

[48] State OIG, *Audit of the Department of State Humanitarian Assistance Response to Support Ukraine,* pages 7, 29-30 (AUD-GEER-24-16, May 2024).

[49] USAID OIG, *USAID's Award Oversight is Insufficient to Hold Implementers Accountable for Achieving Results*, page 2 (9-000-19-006-P, September 2019).

[50] USAID OIG, *Higher Education Programs: USAID/Egypt Could Better Use Information to Set Performance Indicator Targets and Gauge Results*, page 2 (8-263-23-002-P, March 29, 2023).

[51] USAID OIG, *Counter-Trafficking in Persons: Improved Guidance and Training Can Strengthen USAID's C-TIP Efforts in Asia*, page 3 (5-000-23-001-P, September 2023). See also State OIG, *Audit of Department of State Actions to Prevent Unlawful Trafficking in Persons Practices When Executing Security, Construction, and Facility and Household Services Contracts at Overseas Posts* (AUD-MERO-22-28, May 2022).

[52] USAID OIG, *USAID Should Implement Additional Controls to Prevent and Respond to Sexual Exploitation and Abuse of Beneficiaries* (9-000-21-006-P, May 2021).

[53] See, for example, Oversight.gov, "Whistleblower Information for Employees of Federal Contractors and Grantees," https://www.oversight.gov/content/whistleblower-information-employees-federal-contractors-and-grantees.

[54] See Federal Acquisition Regulation 52.203-13, 2 Code of Federal Regulations § 200.113.

[55] See 41 U.S. Code § 4712.

[56] See, for example, State OIG, "Whistleblower Protection," https://www.stateoig.gov/whistleblower-protection; USAID OIG, "Whistleblower Protection Laws: Employees of Contractors, Grantees, and Personal Services Contractors," https://oig.usaid.gov/node/1505.

[57] USAID OIG performs desk reviews of these audits as well as quality control reviews of supporting workpapers for select audits to determine whether these audits meet professional standards for reporting and other applicable laws, regulations, or requirements. USAID OIG issues transmittal memos based on those reviews, which may include recommendations to the Agency. State OIG reviews selected audit reports for findings and questioned costs to ensure that the reports comply with Office of Management and Budget requirements related to single audits. State OIG's oversight of this audit activity informs federal managers about the soundness of the management of federal programs and identifies any significant areas of internal control weaknesses, noncompliance, and questioned costs for resolution or follow-up.

[58] Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282, September 26, 2006) and Digital Accountability and Transparency Act of 2014 (PL 113-101, May 9, 2014), codified at 31 U.S. Code § 6101, note, "Purposes" and "Federal Funding Accountability and Transparency."

[59] State OIG, *Audit of the Department of State's Implementation of the Digital Accountability and Transparency Act of 2014*, pages 8-9 (AUD-FM-22-08, November 2021). See also, for example, USAID OIG, *USAID Complied in Fiscal Year 2021 With the Digital Accountability and Transparency Act of 2014* (0-000-22-002-C, November 6, 2021).

[60] USAID OIG, *Insufficient Oversight of Public International Organizations Puts U.S. Foreign Assistance Programs at Risk,* page 10 (8-000-18-003-P, September 25, 2018).

[61] State OIG, *Audit of the Department of State's Risk Assessments and Monitoring of Voluntary Contributions to Public International Organizations,* pages 5, 12 (AUD-MERO-21-18, March 2021).

[62] State OIG, *Audit of the Department of State's Humanitarian Response to the Ukraine Crisis* (AUD-GEER-24-16, May 2024).

[63] USAID OIG, *Information Brief: USAID Due Diligence Practices for Working with United Nations Agencies and Other Public International Organizations* (D-000-23-001-A, July 17, 2023).

[64] Related exchanges have included, for example, OIG leadership meetings with UN agencies that receive U.S. funding to convey expectations for transparency, oversight, and accountability for U.S. funding.

[65] GAO, *Foreign Assistance: USAID Should Strengthen Risk Management in Conflict Zones,* page 24 (GAO-24-106192, April 2024).

[66] Fraud Indicators (stateoig.gov); Fraud Awareness and Indicators | Office of Inspector General (usaid.gov)

[67] GAO, *A Framework for Managing Fraud Risks in Federal Programs* (GAO-15-593SP, July 2015).

[68] USAID OIG, *OIG Office of Investigations and COVID-19 Fraud Reporting* (undated).

[69] USAID OIG, *Advisory Notice: Key Considerations to Inform USAID's Response in Ukraine* (July 2022); State OIG, *Information Brief: Oversight Observations to Inform the Department of State Ukraine Response* (OIG-23-01, December 2022).

[70] USAID OIG, *Gaza Response – Fraud Awareness November 2023*: *Responsibility to Identify and Report Potential Diversion of U.S. Humanitarian Aid to Hamas and Other Foreign Terrorist Organizations* (November 2023).

[71] USAID OIG, *USAID Office of Inspector General Alert: Promptly report all information or allegations that USAID funds have been distributed or otherwise transmitted to the United Nations Relief and Works Agency (UNRWA)* (May 30, 2024).

[72] State OIG, "About the Hotline," https://www.stateoig.gov/about-hotline; USAID OIG, "Report Fraud," https://oig.usaid.gov/report-fraud.

[73] Whistleblower Protection Act, as amended, codified at 5 U.S. Code § 2302; 41 U.S. Code § 4712; Presidential Policy Directive-19, "Protecting Whistleblowers with Access to Classified Information."

[74] State OIG, "Whistleblower Protection," https://www.stateoig.gov/whistleblower-protection; USAID OIG, "Whistleblower Protection," https://oig.usaid.gov/node/20.

[75] The OIGs developed joint hotline posters in English and Ukrainian to promote accessibility for those with information on potential fraud, waste, abuse, or mismanagement affecting the Ukraine response effort. "Inspector General Hotline," https://www.stateoig.gov/uploads/media/files/ukraine-response_ig-hotline-information-sheet_dos-dod-usaid_003132024_sml.pdf; https://www.stateoig.gov/uploads/media/files/ukraine-response_ig-hotline-information-sheet_dos-dod-usaid_ukranian_003132024_sml.pdf.

[76] USAID OIG, "Fraud Alert: Business Email Compromise Scheme Alert." *(September 2023).*

[77] USAID OIG, "Fraud Alert Pertaining to Conversion of U.S. Dollars to Local Currencies in Conjunction with Complex Emergencies" (April 2021); USAID OIG, "Situation Alert: Update: Conversion of U.S. Dollars into Local Currencies in Conjunction with Complex Emergencies" (September 2023).

[78] State OIG, "Ukraine Response Oversight: Fraud Awareness" (March 2023).

[79] USAID OIG, "Fraud Alert: Conflicts of Interest in USAID's Ukraine Response" (December 2023).

[80] See U.S. Department of Justice, *Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority* (December 2003); U.S. Department of Justice, *The Attorney General's Guidelines Regarding the Use of Confidential Informants* (May 2002); CIGIE, *Quality Standards for Digital Forensics* (June 2019); and CIGIE, *Quality Standards for Investigations* (November 2011).

[81] U.S. Department of Commerce OIG, *Report on the Qualitative Assessment Review of the Investigative Operations of the Office of Inspector General for the U.S. Department of State and Broadcasting Board of Governors (Final Report)* (September 2018); and Special Inspector General for Afghanistan Reconstruction, *Report on Quality Assessment Review of the U.S. Agency for International Development – Office of Inspector General (USAID – OIG)* (January 2023).

[82] USAID OIG, "USAID OIG's Role in Safeguarding Foreign Assistance from Corruption" (2022).

[83] USAID OIG, "USAID OIG's Role in Safeguarding Foreign Assistance from Corruption" (2022); State OIG, *Semiannual Report to the Congress October 1, 2023, to March 31, 2024*, page 21 (May 2024).

[84] See, for example State OIG Semiannual Report to the Congress October 1, 2023, to March 31, 2024, pages 21 – 27; USAID OIG Semiannual Report to Congress October 1, 2023, to March 31, 2024, pages 27 – 33.