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and the Broadcasting Board of Governors  
Office of Inspector General

# Report of Inspection

## Office of the Coordinator for Counterterrorism

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## KEY JUDGMENTS

- The Office of the Coordinator for Counterterrorism (S/CT) has too often been viewed as marginal to the Global War on Terror (GWOT). The reasons include a lack - until recently - of leadership, insufficient resources, and the difficulty of helping to coordinate the wide scope of counterterrorism efforts. This has eclipsed the hard work of dedicated employees.
- If S/CT were rightsized, it would have additional officers in various component units.
- S/CT has suffered from a lack of management attention and insufficient administrative support. Its executive office (S/EX) is not staffed to support S/CT, which needs its own management unit.
- S/CT's problems have engendered low morale and led to difficulty in recruiting and retaining employees.
- S/CT is led by an experienced and dynamic new Coordinator who has recently recruited an experienced management team that has begun to reinvigorate S/CT and raise morale.
- The Coordinator's vision is for S/CT to engage the Department's missions in the field. S/CT plans to seek ideas and support from missions in attacking three of terrorism's strategic elements: leadership, sanctuaries, and roots. S/CT will need considerable additional resources to realize this vision.
- The Coordinator has requested 36 new domestic positions and a budget increase from \$134 million in FY 2005 to more than \$351 million in FY 2007. OIG does not make a recommendation on specific organizational structure or funding levels.
- The Coordinator has energetically and effectively engaged Congress and domestic and international publics.

- The Office of Inspector General (OIG), in this first inspection of S/CT, found significant weaknesses in S/CT's contract administration and funds management.
- S/CT has not fulfilled its oversight role in the large and important Anti-Terrorism Assistance (ATA) program. Its role needs to be clearly defined and strengthened.
- S/CT has usefully established an Office of Homeland Security Affairs to coordinate with the Department of Homeland Security (DHS), the National Security Council, the Homeland Security Council, and other executive branch agencies on homeland security issues. However, the office needs additional staff.

This report includes a classified annex that addresses S/CT's Operations Directorate and its security measures.

The inspection took place in Washington, D.C., between October 3 and November 23, 2005. Michael Senko (team leader), Richard English (deputy team leader), Kemi Adebisi, Dean Ahner, Thomas Allsbury, Alan Berenson, Thomas Carmichael, Maria Cunningham, Linda Erskine, Martha Goode, and Iris Rosenfeld conducted the inspection.

## CONTEXT

Since September 11, 2001, winning the GWOT has been the nation's highest priority. Terrorism is defined as the use of serious violent crimes, such as assassination, murder, homicide, or kidnapping or other violent acts or acts dangerous to human life, to intimidate or coerce a civilian population or the policy or conduct of any unit of government.<sup>1</sup> It has also been defined as "premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents."<sup>2</sup> According to a leading analyst, terrorism has five distinguishing characteristics: It is (1) "political in aims and motives;" (2) violent or threatens violence; (3) designed to have far-reaching psychological repercussions beyond the immediate victim or target; (4) conducted by an organization; and (5) perpetrated by a subnational group or non-state entity.<sup>3</sup> Another analyst adds that terrorism attacks deliberately target noncombatants.<sup>4</sup>

Terrorism is different from military conflict between nations and from sporadic, isolated crime. It takes place outside the framework in which nations have conducted the relations of war and peace over the past four centuries and challenges that framework. The struggle against terrorism differs both from traditional war and from traditional law enforcement. For these reasons, the GWOT puts a premium on new strategies, tactics, and techniques. Policymakers in the United States government see terrorism as a phenomenon that will haunt the international scene for many years to come.

Four years after the beginning of this worldwide struggle, U.S. officials are beginning to revisit some of the approaches developed earlier and are searching for new initiatives and ideas to revitalize the antiterrorism effort. These conditions have implications for the roles of the Coordinator and S/CT.

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<sup>1</sup>See 18 U.S.C. § 2331(1).

<sup>2</sup>U.S.C. § 2656f(d)(2).

<sup>3</sup>Bruce Hoffman, *Inside Terrorism* (New York: Columbia University Press 1998), p. 43, quoted in Daniel Byman, *Deadly Connections* (New York: Cambridge University Press, 2005), p. 8.

<sup>4</sup>Daniel Byman, *Deadly Connections* (New York: Cambridge University Press, 2005), p. 8.

The war on terrorism involves many executive branch agencies. They include the Department of Defense (DOD), DHS, the National Counterterrorism Center, the Central Intelligence Agency, and the Departments of the Treasury and Justice, and others. The Department's bureaus with important policy and program roles in the GWOT include the six regional bureaus and the Bureaus of International Security and Nonproliferation, Political Military Affairs, Intelligence and Research (INR), Diplomatic Security (DS), Economic and Business Affairs, Oceans and International Environmental and Scientific Affairs, Consular Affairs (CA), International Information Programs (IIP), Educational and Cultural Affairs, and others. Abroad, 58 percent (4,738) of the Department's employees at missions spend at least part of their time on counterterrorism, with the average Department employee spending 12 percent of the work year on counterterrorism, according to the Department's Office of Strategic and Performance Planning. Overseas missions also include officers and employees of DHS, DOD, the Departments of the Treasury and Justice, and other agencies. Including the employees of all agencies, 47 percent (8,390) of all overseas missions' employees spend part of their time on counterterrorism, and 11 percent of all staff time is devoted to efforts against terrorism. Various parts of this large array of organizations and people interact daily in myriad ways. It is the responsibility of S/CT to provide optimal coordination for the Department's implementation of the national strategy against terrorism.

S/CT should play a key role in developing the U.S. counterterrorism policy and coordinating implementation of international strategy. The Department - unlike all other agencies - has the mission of integrating policy in every facet of U.S. relations with other nations across all issue areas. Coordination of implementation implies heavy involvement in development of policy. The Department's 265 overseas missions, staffed with thousands of personnel from U.S. agencies, are an important asset in the GWOT.

Since September 11, 2001, the growth of the GWOT and the Department's role in it has placed new demands on S/CT. Old programs have expanded, and new programs have been created. The Department's programs have become more important than ever. More programs are being conducted through U.S. embassies, and the new Coordinator is determined to emphasize the importance of translating strategy into field action as never before. S/CT's role is much broader than coordination and liaison. S/CT should be a key player in the development of governmentwide policy and in coordinating implementation. S/CT is also involved in conducting key counterterrorism programs. A realistic appraisal of S/CT must recognize this reality.

The organizational roots of S/CT within the Department go back to 1972, when the position of Special Assistant to the Secretary and Coordinator of the Office for Counterterrorism was created. A new Coordinator arrived in early August 2005. Other events - a new set of seventh floor principals, the reorganization of the intelligence community, recent changes in the T bureaus, and changes in counterterrorism strategy - were affecting S/CT at the time of the inspection.

S/CT has the lead within the Department on diplomatic and public diplomacy engagement on counterterrorism, and the Coordinator holds the rank and status of Ambassador at large. S/CT's statutory mandate states: "The principal duty of the Coordinator shall be the overall supervision (including policy oversight of resources) of international counterterrorism activities. The Coordinator shall be the principal adviser to the Secretary of State on international counterterrorism matters. The Coordinator shall be the principal counterterrorism official within the senior management of the Department of State and shall report directly to the Secretary of State."<sup>5</sup>

S/CT's responsibilities include:

- Building and sustaining the will of foreign governments to assist in the GWOT;
- Overseeing the delivery of antiterrorism assistance and counterterrorism finance training;
- Conducting public diplomacy and public affairs related to counterterrorism;
- Coordinating counterterrorism activities and capacity building with the interagency community;
- Enhancing border security through the Terrorist Interdiction Program (TIP);
- Integrating DHS initiatives and activities with foreign policy;

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<sup>5</sup>22 U.S.C. § 2651a.

- Co-chairing with DOD the Technical Support Working Group (TSWG) to develop technology to detect, deter, and defend against terrorist attacks; and
- Providing the U.S. government's only interagency immediate-reaction team to respond to terrorist incidents overseas, the Foreign Emergency Support Team (FEST).

Although S/CT is a relatively small unit compared to the Department bureaus, its interagency relations and contacts are at least as complex and numerous as those of the typical bureau. Funding for programs not directly administered by S/CT flows through S/CT. S/CT had 48 authorized full-time equivalent positions, 30 Civil Service and 18 Foreign Service during the inspection. Detailees from other agencies, liaison officers, and contractors bring the number of staff to around 80. A principal deputy coordinator manages four deputy assistant secretary (DAS)-level deputy coordinators who head S/CT's four major directorates. The directorates are regional and trans-regional affairs, homeland security, programs, and operations.

The S/CT budget for FY 2006 is \$137 million in foreign assistance funding arising from Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR) appropriations and approximately \$8.3 million in Diplomatic and Consular Programs (D&CP) funding.



## EXECUTIVE DIRECTION

The appointment of a new Coordinator after a 10-month hiatus is reinvigorating S/CT. He has recruited a new strong team of senior managers. A new principal deputy coordinator, with strong management skills, arrived during the inspection. However, the team faces some serious challenges.

Given the priority of counterterrorism, it is paradoxical to find S/CT often described as a "marginal player" in the Department and the interagency community. Reasons for this appear to include the long vacancy in the leadership position, a lack of resources, insufficient attention to management, and the difficulty of coordinating activity on an issue in which so many other Department bureaus and other agencies are heavily involved. According to the Bureau of Resource Management (RM), 16 bureaus listed counterterrorism funding as a priority in their latest Bureau Performance Plans (BPP). These problems also resulted in difficulties in retaining and recruiting S/CT staff and in serious morale problems in much of the office.

S/CT also presents structural challenges. Since the 2001 attacks, it has grown haphazardly and without sufficient thought to organization, and it is scheduled to grow further. Operating much like a bureau, it has three DAS-level positions and has become too large to be supported adequately by the Secretariat's Executive Office (S/ES/EX). However, it is not quite large enough or properly positioned to be a separate bureau. Also like a bureau, S/CT does its own BPP.

Federal statutes place S/CT within the Secretary's office. This is probably the best arrangement, given the Coordinator's mandate to report directly to the Secretary, a chain of command needed to make the Coordinator most effective in handling top-priority, high-profile, time-sensitive issues.

OIG likewise agrees with the Department's decision to provide S/CT three Deputy Assistant Secretary-level deputy coordinators. Although the number of supervised employees may not be large, the wide interagency and interbureau nature of the work underlies the need for this number of positions. S/CT staff will usually be dealing with ranking counterparts in other agencies and will need similar status to be effective. Also, the positions must attract seasoned, ranking employees.

## Rightsizing

The Coordinator and his team requested an additional 24 positions in S/CT's FY 2007 BPP, but later increased the request to 36 positions for FY 2006 and FY 2007. The Coordinator, principal deputy coordinator, and much of the S/CT leadership are too new to have yet settled on a final organizational structure but are studying the issue methodically and realistically. The S/CT FY 2007 BPP and Senior Review Presentation tie resources and resource requests to S/CT's programs and plans, but some BPP reviewers believe S/CT needs to do a better job of establishing program baselines and more clearly showing what results will be obtained for the incremental addition of resources. However, there is nearly universal recognition within the Department and in the interagency community that S/CT needs considerably more personnel if it is to do its job effectively. OIG addresses some of these personnel needs in this report and views S/CT as generally needing considerable additional resources in order to expand its policy development, coordination, and program implementation roles.

## Morale

On questionnaires and in interviews, S/CT staff said that their morale is low, although the Operations Directorate has high morale. Reasons for the low morale included lack of resources, including travel funds to carry on S/CT's activities abroad; lack of sufficient personnel resources, which resulted in an inability to engage sufficiently in the interagency community; heavy workloads; lack of leadership; the long vacancy in the Coordinator's position; inattention to management; poor intraoffice communications; and a general feeling that S/CT's efforts have been marginalized in the interagency community, especially in comparison to the activities of military and law enforcement agencies. Employees also mentioned the stressful, time-sensitive character of the work and the lack of management recognition of their accomplishments.

The Coordinator and principal deputy coordinator are addressing the office's morale problem. The Coordinator, who is widely respected, held two town hall meetings where he laid out his vision of a more dynamic S/CT and took questions. He takes employees on his trips for assistance and their professional guidance and training. He is improving communication, has reinstated an awards program, and has taken care to bring on board a principal deputy coordinator who has a reputation as a good manager. The deputy coordinator, who is equivalent to a deputy assistant secretary, is already working closely with S/CT managers to fill staffing gaps, bring job descriptions and evaluations up to date, and address other personnel

problems. OIG found that morale has improved due to the expectations of the new S/CT leadership. However, there are lingering questions about how the Coordinator will translate his vision into reality. The Coordinator and his senior managers will need to provide more regular information and feedback to bureau employees.

## Mission and Future Direction

A major part of the Coordinator's vision is for S/CT to engage the Department's missions in the field. For example, the Coordinator plans to hold three regional conferences with Ambassadors to achieve greater geographic coordination in implementation of counterterrorism strategies. He plans to seek ideas and support from chiefs of mission and country teams in confronting three of terrorism's strategic elements: leadership, sanctuaries, and roots. He wants S/CT to read embassy communications traffic and answer the mail.

OIG polled the Department's overseas missions to gain staff perceptions of S/CT. The survey cable (see appendix) that OIG used received 49 responses. Fifteen of the respondents noted little or no substantive contact with S/CT and little awareness of S/CT's mission. A somewhat higher number of missions, mostly large posts and those in front-line states in the GWOT, reported good support from S/CT. The majority of these posts, however, and many of the others, called for additional S/CT support. About a quarter of respondents would like regular cables from S/CT on counterterrorism developments in Washington and around the world and on the availability of counterterrorism training programs for host nations. A good number of respondents would welcome additional information and engagement tailored to the posts, such as visits to posts and briefings in Washington.

## Coordination Role

The Coordinator is also intent on improving coordination of crosscutting counterterrorism issues within the Department and in the interagency community. Given the amount of counterterrorism activity throughout the Department and the interagency community, his goal of "unity of effort, not of command" is realistic and helpful. S/CT will not try to replace existing channels of communication between Department and other agency offices; instead it wants to play a role where coordination clearly adds value. For example, S/CT has established a Directorate for Homeland Security under an able and energetic deputy coordinator. The deputy coordinator has established a Departmental Homeland Security Coordinating Committee to serve as an inhouse forum to address crosscutting homeland security

issues that involve or otherwise impact the work of the Department. The committee has been well received and has garnered widespread participation within the Department.

Underpinning the Coordinator's efforts is a belief that the Department must play a more active role in interagency counterterrorism efforts by offering ideas and better utilizing the knowledge and capabilities of overseas missions. This is particularly important in relations with the larger and more operational military components and law enforcement agencies.

As reported in the press, there has been some friction at upper levels between DOD and the Department over counterterrorism issues. However, OIG found that the myriad relations between the Department and DOD at the daily working levels are not impeded by the debate and can even be considered good. This is particularly true in the case of S/CT's operations office and in the TSWG, which S/CT and DOD cochair. The Coordinator intends to further strengthen this relationship by keeping DOD better informed about the range of the Department's daily efforts in the GWOT.

There is also friction between the Department and the Department of the Treasury over the nature of efforts to combat counterterrorism finance. Treasury believes, for example, that it can provide counterterrorism finance training in a more timely and flexible manner than the Department, which Treasury sees as hampered by a lengthy planning process. The Department worries that Treasury's solo efforts are not in sync with Department and international practice and standards. S/CT's efforts to reinvigorate the TSWG may help improve coordination.

Concern also surfaces in Department relations with DHS over managing the rapid growth of its positions overseas and increasing its engagement in foreign affairs. (DHS now reportedly has over 1,500 positions overseas.) The Coordinator and his team are well informed on interagency issues, and their goal is to coordinate overall U.S. foreign affairs activity to make it as effective as possible, but they will need the resources to do so. S/CT's Office of Homeland Security currently consists of only three permanent employees, a fraction of the size of DHS's Office of International Affairs alone.

## Outreach

The Coordinator sees public affairs and public diplomacy as important to the GWOT and engages in regular and effective outreach domestically and internationally. He takes his duty to speak to the press seriously, and his recent speeches in Indonesia and Vienna garnered widespread international press coverage. He also did an interview for the Al Jazeera television network. He has set a goal of speaking domestically at least once every four to six weeks and is off to a good start. He recently spoke before the Pacific Council on International Policy in Los Angeles and met with the *Los Angeles Times* editorial board. The Coordinator and deputy coordinator also encourage other bureau officials to do public outreach.

The Coordinator has also actively engaged Congress. He believes Congress should take a leadership role in the GWOT, and he wants to provide the information that members of Congress need to do so. This could facilitate the more robust congressional oversight envisioned in the report of the National Commission on Terrorist Attacks Upon the United States. The Coordinator has already briefed several committees, and OIG attended as he testified before the House International Relations Committee.

## Front Office

S/CT's size and nature require it to have a front office staff assistant structure, but the office has only one unfilled Foreign Service staff assistant position. This situation impedes workflow and has also contributed to a lack of intrabureau communication, which is contributing to S/CT's morale problems. S/CT has had difficulty filling the staff position, and the rotation of Foreign Service officers has led to lack of continuity and little institutional knowledge of process. Foreign Service officers, however, do bring important experience and fresh ideas by serving in the front offices of bureaus and other units that manage policies and programs.

The Coordinator has asked an employee from S/CT's Regional Affairs Office to serve in the front office as special assistant. The employee also serves as staff assistant and covers both shifts in the office's 12-to-14-hour days. The special assistant position is working well, but the incumbent cannot continue filling three jobs. In addition, the loss of his position has hurt the already under-staffed Regional Affairs Office. OIG therefore recommends that S/CT, in coordination with Bureau of Human Resources, establish and fill one special assistant position (for the current incumbent) and one staff assistant positions and arrange for the special assistant to supervise the work of the staff assistant.

**Recommendation 1:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of Human Resources, should establish a front office staff assistant unit. (Action: S/CT, in coordination with DGHR)

S/CT employees support S/CT management's attention to Equal Employment Opportunity issues. The Coordinator and senior managers are committed to Equal Employment Opportunity goals. Two of the three deputy coordinators are women. S/CT leadership also focuses on career development for Civil and Foreign Service employees and is establishing a steering committee on the issue.

OIG found no substantiated allegations of waste, fraud, or mismanagement.

S/CT management is determined to comply with the President's intent that all U.S. government information technology (IT) databases be appropriately shared and sufficiently accessible to be searched effectively. S/CT leadership is properly engaged, by means of written exchanges of memoranda, with INR in trying to obtain more timely access to database information for the Coordinator and for S/CT officials working on terrorist designations.

OIG found that the Coordinator and new S/CT managers should regularly stress to employees the need for careful and proper handling of classified material, and OIG made an informal recommendation to that effect.

## POLICY AND PROGRAM IMPLEMENTATION

### S/CT'S OPERATIONS DIRECTORATE

See classified annex.

### S/CT'S PROGRAMS AND PUBLIC DIPLOMACY DIRECTORATE

The Programs and Public Diplomacy Directorate is responsible for four major programs and for public diplomacy and public affairs. Its ability to perform its mission has been impeded by a lack of personnel and lack of travel funds. Rightsizing of the directorate would mean adding a few more positions, and this report later recommends that S/CT add a new full-time position as program manager to oversee the ATA program. The directorate should also move its public affairs officer and the legislative management assistant to the front office.

The Programs and Public Diplomacy Directorate's responsibilities are weighty. It oversees programs that build the counterterrorism capacity of friendly foreign governments. These include the ATA program, counterterrorism finance (CTF) training for governments implementing counterterrorism financial regimes, and the TIP, which is establishing an international computer database network aimed at traveling terrorists. In addition, it provides oversight as co-chair of the TSWG, which provides interagency support in development of technology for U.S. and international counterterrorism and antiterrorism efforts. The directorate is also responsible for S/CT's public affairs and public diplomacy activities, including the *Country Reports on Terrorism* (CRT).<sup>6</sup> Finally, the directorate also includes S/CT's legislative support function.

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<sup>6</sup>OIG has recently produced two reports on the *Country Reports on Terrorism*, as discussed later in this report.

The directorate's personnel are in flux, and some of its programs have no Department personnel to provide management oversight. The directorate contains seven Civil Service employees; three Foreign Service employees, including one DS officer on detail; three contractors; interns; and a contracted management consultant. A deputy coordinator for programs leads the directorate. A new incumbent for the position is expected soon. His deputy, the office director for programs, joined S/CT several months before the inspection. Two of the three employees in the Counterterrorism Finance training program, a Schedule B employee and a General Schedule employee, will soon leave.

Staffing levels are problematic for the Programs Directorate because of the need for personnel to attend Washington meetings and to participate in overseas delegations and due to the pace of ongoing work. Because travel money has been inadequate to allow S/CT to participate in some overseas meetings, this factor has not been as critical as it could be, were there additional travel funds for travel.

## Oversight of the Anti-Terrorism Assistance Program

S/CT is required by a 1991 memorandum to provide policy oversight of the ATA program, the largest of the Programs Directorate's three capacity-building programs. The Congressionally mandated ATA program has long been the flagship program for counterterrorism support to foreign countries.<sup>7</sup> The program is designed to enhance the antiterrorism skills of friendly nations, strengthen bilateral ties, and increase respect for human rights.

Since its inception in 1983, the ATA program has grown. It has trained more than 48,000 students from 141 countries, primarily in law enforcement. After September 11, 2001, participants grew from 3,300 students from 45 countries in 2001 to nearly 5,000 students from 67 countries in 2004. The topics training focuses on are crisis management and response, cyber-terrorism, dignitary protection, bomb protection, airport security, border control, kidnap intervention, hostage negotiation and rescue, response to incidents involving weapons of mass destruction, terrorist finance, and interdiction of terrorist organizations.

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<sup>7</sup>22 U.S.C. § 2349aa et seq. .



S/CT submits its budget request for the ATA program with its BPP. S/CT's FY 2006 funding is \$133.5 million, and S/CT requested \$356 million for FY 2007. Using the Program Assessment Rating Tool (PART) the Office of Management and Budget rated the ATA program as "effective" for FY 2005.

OIG found that S/CT does not have real, effective administrative control over the ATA funds it ostensibly oversees, making it difficult for S/CT to exercise its policy authority. The resource management section of this report provides a recommendation to overcome this shortcoming.

S/CT and DS delineated responsibilities for managing the ATA program in a memorandum approved by Acting Secretary of State Lawrence Eagleburger in 1991. According to the memorandum, S/CT provides policy guidance for the ATA program, and DS manages all operational aspects of the program, including fiscal management. The memorandum stipulates that ATA policy guidance and management is a cooperative effort, and all aspects of the program must be closely coordinated between the two elements. According to the memorandum, DS's ATA program budget formulation relies on S/CT's policy input on regional, country, and training priorities and general fiscal parameters. Program implementation can later be adjusted in accordance with written S/CT policy updates. S/CT's guidance is to include suggested categories of training in consultation with DS. DS is then to develop country-specific proposals reflecting S/CT's guidance, training requirements, location, and budget. DAS-level officials at S/CT and DS are to arbitrate differences on the translation of policy to specific programs.

OIG found that, in practice, S/CT's policy guidance has been increasingly incomplete when judged by criteria in the 1991 memorandum. Earlier years' memoranda of ATA policy guidance from the S/CT Coordinator to DS contained prioritized tier lists of ATA recipients as well as the rationale for support and suggested areas for training. After September 11, 2001, S/CT sent DS increasingly abbreviated and eventually inadequate guidance in the yearly memos to which OIG had access. For FY 2005, S/CT sent DS an email with a tier list only. When OIG asked for these historical guidance documents, S/CT had to retrieve them with the help of DS.

Although the S/CT management has recently failed to maintain the intended stream of these policy guidance documents for DS, S/CT has maintained some semblance of guidance at the working level. The deputy coordinator for programs and public diplomacy, S/CT's DS/ATA liaison officer, and the Regional and

Transregional Directorate officers have consulted actively on policy and operational issues. The recently arrived acting deputy coordinator for programs and public diplomacy has facilitated communication between S/CT's regional offices and DS/ATA, but this does not substitute for higher-level guidance.

Problems in communication and coordination have affected a range of issues, including S/CT's participation in assessment visits. Additional instances of communication and coordination problems are noted in this report's discussion of S/CT regional officers' relations with DS/ATA. However, communication and coordination are said to be improving. S/CT's lack of personnel and travel funds has undoubtedly made it more difficult to improve coordination and to participate more fully in assessments.

The OIG report titled *Program Management Review (Phase I) of the Anti-terrorism Assistance Program* (SIO-A-05-11, January 2005) formally recommended that S/CT and DS/ATA reassess their appropriate responsibilities for managing the ATA program and update the 1991 memorandum. This inspection supports that finding. This inspection found that DS/ATA had sent S/CT for comment a revised version of the memorandum, but S/CT did not respond. Revisions of the memorandum should address strengthening S/CT's oversight beyond general policy guidance and empowering S/CT to oversee more fully DS/ATA's assessment of the ATA program. Meanwhile, S/CT should reassert its role under the conditions of the existing memorandum. OIG made two informal recommendations addressing these matters.

According to the 1991 memorandum, responsibilities evaluating the ATA program were divided between DS and ATA. DS was to be responsible for "evaluating training effectiveness and progress toward training objectives." S/CT was to be responsible for "evaluating the extent to which ATA programs are furthering overall U.S. counterterrorism goals." The memorandum stipulated that overseas evaluations should involve personnel from both offices whenever possible and be conducted simultaneously and that each office would ensure that the other could participate in overseas evaluations. DS and ATA additionally agreed that each would "share with the other the reports and findings of all evaluations." As previously noted, OIG in 2005 recommended that S/CT and DS reassess their respective responsibilities for DS/ATA and update the 1991 memorandum. OIG then also recommended that DS, in coordination with S/CT, assess the objectivity of

having DS/ATA be responsible for assessing a country's training needs and developing the training program and also for performing the subsequent program evaluation. OIG had found S/CT unable to fulfill the intentions of the 1991 memorandum, particularly due to the lack of the staff to review the materials from DS/ATA's assessments or to accompany assessment teams sent to review progress. Lack of personnel also prevents closer, more direct communications between S/CT and regional security officers and political officers in countries receiving aid.

Simply put, S/CT does not have sufficient personnel to oversee the ATA program. Other than the deputy coordinator for programs and public diplomacy, there is only one S/CT official dedicated to this complex \$117 million program. That official is the DS officer stationed in S/CT since the summer of 2004 as the S/CT-DS/ATA liaison. The lack of an officer to oversee DS's implementation of the ATA program has left the program without the guidance to ensure that its operations conform to the Department's counterterrorism policies. Although the DS officer provides useful liaison, if S/CT is to reassert control over the ATA program, it should seek the creation of an S/CT position with program management responsibilities. S/CT and DS/ATA will continue to need improved communication and coordination at the managerial and operational levels, but an effective officer in this position could promote more effective relations between the two bureaus.

The officer would track ATA program budgets and expenditures and keep management and regional and transregional officers informed of overall budget implications for their regional policy prioritizations. The officer would provide input on DS/ATA's use of funds, monitor DS assessment of training programs, review DS contractor reports, maintain contact with regional security officers, and gain input from embassies' political sections.

**Recommendation 2:** The Office of the Coordinator for Counterterrorism should request the Bureau of Human Resources to create a new Civil Service program management and coordinator position in the Office of the Coordinator for Counterterrorism or reprogram another position to have responsibility for monitoring the adherence of the Anti-Terrorism Assistance program to the Coordinator's policy guidance and country and regional budgets and the thoroughness and objectivity of the Anti-Terrorism Assistance program's course and program assessments. (Action: S/CT, in coordination with DGHR and S/ES)

Too little travel funding has prevented S/CT's field oversight of the ATA program. S/CT staff members also have not been able to travel to support or oversee implementation of DS/ATA training programs in the last year due to a lack of staff to cover their responsibilities while away. For example, S/CT has not been able to provide officers to lead delegations for initial country training program assessments, as specified in the 1991 memorandum. Until recently, S/CT was forced to limit travel in accordance with RM guidelines that prohibit S/CT from using NADR funds to finance the travel of U.S. direct-hire government employees. (However, interpretations of regulations have permitted S/CT routinely to use NADR funds to send to the field contract staff hired to manage or implement NADR programs.) S/CT understands that RM now believes NADR funds may be used for the travel of U.S. direct-hire government employees as well. S/CT is likely to benefit from this changed interpretation and to be able to do the travel needed to meet its obligation to oversee DS/ATA programs. To accommodate such travel, S/CT management is committed to finding ways to cover staffing gaps, which may remain for some time.

S/CT, however, will still need higher travel funding levels of its own to effectively oversee the ATA program. According to the 1991 memorandum, S/CT must lead delegations for initial country training program assessments and presentation of ATA training packages to foreign governments. If, under a renegotiated memorandum, S/CT continues to have the responsibility to participate in the making of initial country program assessments and the presentation of training packages, S/CT needs sufficient travel funds to accomplish these objectives. In its BPP, S/CT requested an additional \$200,000 for international and domestic travel for FY 2007, compared to its request for FY 2006. OIG counseled S/CT that, if it receives the requested travel funds, it should allocate adequate sums to oversee the ATA program.

## Counterterrorism Finance Training

After the September 11, 2001, attacks, S/CT established a CTF unit to assist other countries in creating financial regimes that prevent them from serving as conduits for terrorism financing. The program provides training and technical assistance to priority countries to reinforce the countries' capacities to detect, dismantle, and deter terrorist financing networks. The CTF unit faces such challenges as ensuring that oversight of budgetary and contracting is shared most efficiently with the Bureau for International Narcotics and Law Enforcement Affairs (INL), maintaining clarity of the Department's foreign policy leadership in the field, conducting business with limited travel funds, dealing with personnel issues, and receiving appropriate S/CT support.

S/CT's CTF training program complements the work of the Office of Terrorism Finance and Economic Sanctions Policy in the Bureau of Economic and Business Affairs. This office supports the implementation of sanctions imposed for many purposes, including combating terrorism. It works to support the submission to the United Nations (UN) of the names of individuals and groups linked to terrorism, which then requires member nations to freeze their assets and ban travel and arms sales. The office also networks with terrorist finance coordinating officers in overseas missions. Its sanctions unit works to deny nations that sponsor terrorism the economic benefits of trade with the United States.

The CTF unit and INL manage capacity building programs on counterterrorism finance and anti-money laundering and cochair the Terrorism Financing Working Group. The Terrorism Financing Working Group meets biweekly to receive intelligence briefings, schedule assessment trips, review country reports, and discuss program implementation. The group prioritizes countries needing assistance, evaluates their counterterrorist financing regimes, prepares vulnerability assessments, develops training plans, provides training and technical assistance, and encourages burden sharing.

Prior to the September 11 attacks, INL was the principal Department element for planning, coordination, and funding of bilateral and regional training in fighting money laundering. The program is funded by appropriations under the International Narcotics, Crime, and Law Enforcement Account. S/CT's CTF unit was created when the 2001 attacks elevated the importance of CTF training. S/CT now works with INL under memoranda of agreement and the two entities in turn work within the Department and with DHS and the Departments of Justice and the Treasury to implement the training programs.

Today, the CTF unit's bilateral program budget far exceeds INL's anti-money laundering budget. Funding for CTF's programs comes from NADR funds. The unit's budget for FY 2005 was \$7.19 million, and for FY 2006 and FY 2007 its requests were \$7.5 million and \$40.5 million, respectively. The increase would expand training course curriculum and deploy 20 resident advisors into the field to provide direct legal, law enforcement, and financial intelligence assistance to foreign counterparts. The increased funds would also expand operations, deal with security costs, and fund equipment such as IT hardware and software.

The CTF unit has depended upon INL to manage its program funds. In FY 2002, when S/CT began its work with \$10 million supplemental funding, its CTF unit was not yet staffed and had no one to carry out financial management. S/CT therefore allowed INL's financial management infrastructure to have this responsibility, including obligating funds. The relationship is maintained today.

The CTF unit likewise continues to depend upon INL to support program management. The procedure begins when S/CT and INL agree on a project, which is developed through an implementation plan provided by an interagency assessment team. The proposed implementing agency provides a substantive and budgetary training project proposal. INL consults with S/CT and the agency and prepares an interagency agreement for each agency's approval. INL's budget officer reviews the agreement and obligates the funds. INL confirms that the agreed-on program activities have been performed, once the agency submits a trip report with an expense accounting and, ideally, a training assessment.

S/CT wants more control over its NADR funds and program implementation. It cites a desire for efficiency rather than strictly asserting its authority. Both S/CT and INL feel that INL has insufficient staff to support S/CT fully - a situation that will worsen if S/CT funds are increased as requested.

Tensions have arisen over S/CT's access to financial data. Both S/CT and INL officials say tensions arise in INL's handling of funds for counterterrorism finance training. S/CT believes that INL has not provided information in a timely manner. INL believes that S/CT did not have enough staff to manage the funds itself. Both agree that the work required to manage the funds, including preparation of memoranda of agreement and supervising expenditures, is intensive. S/CT believes that having the CTF unit work directly with implementing agencies would ensure that more current budget information would be closer at hand throughout the year. Greater availability of data would allow S/CT to adjust its programs and schedule and respond to Congressional queries more quickly and effectively. This year's continuing resolution from Congress delayed the management cycle, and the writing of the memoranda of agreement and the gathering of signatures from agencies competed with other INL management obligations. This situation exacerbated the problems of managing the CTF unit. In any event, the lack of staff has made it difficult to supervise the expenditure of these funds in a timely manner. Lack of staff has also made it difficult to obtain financial data.

It may be possible, if not prohibited by law, to use some of the NADR funds that S/CT transfers to INL to hire a contractor dedicated to managing the S/CT CTF account. Alternatively, S/CT could hire a contractor for a detail assignment in INL. These alternatives would ease tensions and keep INL engaged in CTF, a function to which INL has much expertise to contribute. S/CT and INL are said to work well together, and maintaining this productive working relationship in modified form would benefit both sides.

**Recommendation 3:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, should hire a contractor dedicated solely to providing support for the office's counterterrorism finance program including writing interagency agreements; obligating, distributing, and tracking funds; and monitoring agency financial reports and program assessments. (Action: S/CT, in coordination with INL)

S/CT and the Department work with the Department of the Treasury on the Terrorism Financing Working Group. However, an October 2005 Government Accountability Office (GAO) report,<sup>8</sup> said the Treasury does not accept the Department's leadership or the Terrorism Financing Working Group's procedures for the delivery of training and technical assistance abroad. Department officials have voiced strong resistance to the use of Treasury contractors in various situations. During this inspection, S/CT was responding to the GAO report and had asked that GAO more fully capture all of S/CT's CTF activities and more accurately portray its technical assistance. Repeating that he seeks unity of mission, not unity of command, the Coordinator acknowledges that S/CT needs to establish better the areas of its authority in working with other agencies but said he is comfortable with Treasury using its resources on CTF.

The CTF unit representatives shared several personnel concerns. For example, it has a Schedule B director, two Civil Service program managers (who also provide subject matter expertise), and a contractor serving as assistant to the director and as conference coordinator. The director will be leaving her position, however, and

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<sup>8</sup>Terrorist Financing: Greater Strategic Planning and Coordination Needed to Improve U.S. Government Efforts to Combat Terrorist Financing Abroad (GAO-06-29).

one of the two experts has already left for another position. In addition, the contractor's services were being used more and more by the front office. The staff is hard pressed to cover meetings, even on such important issues as the foreign assistance budget. Finally, the CTF division expressed a need for more specialized training.

People inside and out of S/CT and the Department said the CTF unit's mission suffers from a lack of travel funds. For S/CT to be a player in CTF training and technical assistance, it must be able to make initial assessment trips to a country, be present at important meetings, and conduct program oversight. Without traveling, the CTF unit loses the benefit of making itself known and being considered a serious player. S/CT had been told that its lack of participation in conferences suggests a lack of U.S. commitment - and therefore of the moral authority to persuade others to engage in CTF reforms. The importance of S/CT's presence has led agencies outside the Department to provide S/CT with the funds to travel to important meetings.

The CTF unit's programs need good metrics to measure success. As with intelligence operations, the CTF program cannot measure the terrorist financing that did not occur because of the program's training and technical assistance. Some interviewees told OIG that the true benefit of antiterrorist financing was in the paper trail that helps identify and track terrorists - a result not reflected in the amount of assets seized or frozen. Some embassies like the program primarily because it bolsters a country's financial regime and suggests a lawful and regulated investment climate. OIG counseled the CTF unit that it should explore a range of ideas for metrics that would indicate the degrees of success or failure of the program.

## Terrorist Interdiction Program

TIP is the third of the Programs Directorate's capacity-building programs and provides countries with important antiterrorism capabilities. Established in 2000,<sup>9</sup> it bolsters the border security of countries at high risk of terrorist transit.

S/CT's Programs Directorate conceived TIP and searched the foreign affairs community for a mechanism to realize its goals. TIP aims to prevent terrorist activities by enhancing foreign law enforcement agencies' ability to identify and

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<sup>9</sup>PL. 87-195.







bly for development of overall U.S. policy on terrorism to the Interdepartmental Working Group on Terrorism chaired by the Department. The TSWG was an original subgroup of that working group.

The TSWG's mission is to conduct the national interagency research and development (R&D) program for combating terrorism and conduct and influence longer-term R&D initiatives for a balanced, offensive strategy addressing antiterrorism, counterterrorism, intelligence support, and consequence management. In 1993, it initiated joint international R&D efforts with selected allies from the North Atlantic Treaty Organization and partner nations, and it now conducts research through bilateral agreements with Canada, Israel, and the United Kingdom. It is adding Singapore and Australia soon to its bilateral research relationships.

S/CT's director for R&D and his deputy represent the Department on the TSWG. The deputy is also the office's science and technology advisor. S/CT's FY 2005 budget for TSWG totaled \$1.7 million in D&CP funds -- including project support. This is a contraction of support from the Department's contribution of \$3 million when it was the sole TSWG member. DOD now provides \$50 million to \$60 million. This funding is leveraged among all participating agencies to total approximately \$165 million for development projects.

S/CT provides TSWG with policy oversight, and DOD's Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict provides TSWG with executive direction, including management and technical oversight. DOD, DHS, the Department of Energy, and the Federal Bureau of Investigation serve as TSWG's technical chairs. DOD's Combating Terrorism Technology Support Office provides program management.

Nearly all of the officials that OIG interviewed strongly support the TSWG and appreciate S/CT's oversight. S/CT is proud of TSWG achievements and its reputation as an action-oriented, bottom-up, user-driven mechanism to identify appropriate counterterrorism technologies and to evaluate needs and products and then fast track them for use by member agencies and others.

Several agency officials firmly said much of TSWG's success is based on this approach. TSWG is successful precisely because its user orientation ensures that a market exists for the products it fast tracks to completion. TSWG, however, does not support basic research; it only supports research on specific products for a known set of users whose needs were defined through the TSWG process. TSWG carefully assesses the requirements that potential users bring and works with the private and public technical community to find the appropriate technology for further development or modification.

TSWG does not seek to control all R&D, and member agencies can have an energetic development program of their own and may choose to use the TSWG for only partial elements of the program.

Officials praised the Department's chairmanship of TSWG. S/CT's TSWG director helped establish TSWG and is considered an ambassador for the program. Several officials emphasized that the Department's leadership gave the TSWG an international viewpoint and an appreciation of the country-specific diplomatic and political conditions associated with its products. That perspective balanced purely military considerations. Furthermore, no other agency but the Department can support TSWG work logistically in foreign countries.

Embassy cooperation is crucial to ensuring that appropriate bilateral contacts are made between U.S. agency representatives attending TSWG meetings overseas and their foreign counterparts. This cooperation is necessary for the TSWG project and for additional cooperative projects that can piggyback on these meetings and contacts. TSWG bilateral projects are carried out with their partners on a shared-cost basis, ensuring a shared commitment to the project.

OIG questioned U.S. embassies in several TSWG partner countries about TSWG's profile in the field and was told of the professional nature of these overseas trips. One embassy emphasized the teams' dedication to their work and gave them top marks for cooperation with the mission, which includes bringing the missions into contact with the high-quality host-country experts needed to develop additional working relationships. Another embassy official praised TSWG's openness to ideas while staying on task.

TSWG has fast-tracked to development important counterterrorism products that have saved American lives and have won awards. For instance, *Research and Development Magazine* chose the TSWG's Self-Indicating Instant Radiation Alert Dosimeter and Biological Aerosol Mass Spectrometry systems as two of the 100 most technologically significant products introduced in 2005.

The Department has reduced its financial contributions to the TSWG during the years when it has led the group with great success. The Department has demonstrated a very impressive ability to leverage program funds. For instance, it contributes \$1.7 million of TSWG's \$165 million total project funding. One official said TSWG's achievement of cooperation between the Department and DOD is unique and demonstrates "what all government cooperation should be." Another official said the universally recognized accomplishments of the S/CT's

cochair make it difficult for other agencies to seek a change in the group's leadership. Nevertheless, another official said the Department, for its commitment to the TSWG to be taken seriously, must increase (if only modestly) its contribution to the group, particularly in light of additional expense of expanded bilateral partners and projects.

## Coordination and Contributions to Public Diplomacy

S/CT provides official information about terrorism, U. S. policy regarding terrorism, and U.S. efforts to combat terrorism. S/CT engages in public diplomacy with key international partners to enhance political will, build a global alliance against terrorism, and foster partners' counterterrorism capacities.

The Coordinator is strategic in his view of public diplomacy, sees it as a high priority, and implements that view in meetings and speeches domestically and overseas. S/CT also has an appropriate policy advisory role with public diplomacy entities within and outside of the Department. SCT's public affairs officer and the Coordinator work well with the Office of the Under Secretary for Public Diplomacy and Public Affairs and the Bureaus of Education and Cultural Affairs (ECA), Public Affairs, and IIP and with public affairs offices in the regional bureaus. S/CT has a particularly good working relationship with IIP. In general, S/CT respects the Department's public diplomacy professionals and has sought to advise but not direct them. S/CT officers have briefed International Visitor program groups and participated in IIP digital videoconferences. In addition, S/CT is a member of IIP's Fusion Team, in which team members meet weekly from across office, bureau, and agency boundaries to offer or seek support for their strategic communication plans and activities. Often these pertain to counterterrorism.

The Coordinator possesses a sophisticated understanding of S/CT's unclassified Internet web site as a strategic tool to present the international public with the President's vision of the counterterrorism struggle and engage its audiences. The Coordinator has asked his staff for proposals to improve that web site and establish a classified web site that would serve as an operational "knowledge tool" for coordinating interagency updates of operationally-relevant country-specific information.

After consultation with the Bureau of Public Affairs, an S/CT team put together a proposal for parallel web sites under which public release of information would be done via the Internet site. The parallel, classified site would create an interagency counterterrorism community for the U.S. government and private sector by putting the spotlight on embassies and chiefs of missions. The Coordinator wanted to involve the embassies in this dialogue and enthusiastically endorsed the web site proposal, which awaits a funding decision.

## Public Affairs

S/CT's new senior management is equally serious about public affairs and has advised its personnel of the importance of publicizing the Department's role through outreach to the American public. Employees are encouraged to participate. The public affairs officer created an extensive calendar for public outreach in 2005 that included speaking engagements by the Coordinator and other S/CT senior managers. This was accomplished despite the shortage of officers in the section. Speaking venues included universities, government training programs, newspapers, news magazines, and associations. The public affairs officer also created a media outreach plan that was broken down by U.S. and foreign media, think tanks, academic institutions, and Arab-American organizations.

The public affairs officer tailors a daily briefing to the Coordinator's needs (unclassified and classified versions) based on foreign media sources, including the Internet and blogs. In addition, the public affairs officer e-mails the summary to S/CT and other interested officials in the Department, another way to keep S/CT's issues before the Department.

Public diplomacy falls under the programs directorate and has one staff person, the public affairs officer, who was hired to work on the *Country Reports on Terrorism* but whose duties are evolving. Tentative plans at the time of this inspection were for her to function primarily as the Coordinator's foreign press officer and speechwriter and to turn over the public diplomacy function temporarily to the acting deputy coordinator for programs.

OIG agrees with S/CT's preliminary plans to transfer the public diplomacy position to its front office. The responsibilities of the public affairs officer require close contact with the Coordinator, attendance at many of his meetings, and a first-hand knowledge of what is happening in the front office and throughout S/CT. The officer is likely to give incomplete information or information that does not reflect fully the policy if he or she does not have this closer exposure to the Coordinator's policies and activities.

**Recommendation 4:** The Office of the Coordinator for Counterterrorism should reassign its public affairs officer position from the Programs Directorate to the front office. (Action: S/CT)

## Production of the Country Reports on Terrorism

S/CT's deputy, office director of the Division of Programs and Public Diplomacy and S/CT's public affairs officer are responsible for the publication of the CRT.

S/CT's production of *Patterns of Terrorism - 2003 and Country Reports on Terrorism - 2004*, resulted in two consecutive controversies that tarnished the Department's reputation as a source of objective information for Congress and the U.S. and international publics on U.S. counterterrorism efforts. S/CT must now demonstrate that it can produce a credible product through a rigorous and defensible process.

The Secretary under law must provide Congress by April 30 of each year a full annual report on terrorism for countries and groups meeting the criteria of the law.<sup>11</sup> Until 2003 S/CT fulfilled the mandate with production of the report *Patterns of Global Terrorism*. Since 1982, the Central Intelligence Agency helped write the report and the Counterterrorist Center (CTC) and the Terrorist Threat Integration Center (TTIC) provided statistics for the report's Appendix A, titled the "Chronology of Significant Terrorist Incidents."

On April 29, 2004, the Department released its annual report, titled *Patterns of Terrorism - 2003*, which erroneously indicated there had been a decrease in terrorist incidents. In response to a Congressional request, OIG conducted a review that concluded that poor database management by the entities providing statistics for Appendix A and a lack of supervision and oversight by the Department during the report's compilation led to the errors.<sup>12</sup>

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<sup>11</sup> 22 U.S.C. § 2656f

<sup>12</sup> OIG/SIO Report SIO-S-04-18

On April 27, 2005, the Department released a reformatted, renamed report called *Country Reports on Terrorism - 2004* that fulfilled Congress's mandates but had no Appendix A. The National Counterterrorism Center (NCTC) simultaneously released Appendix A-type statistics in its *Chronology of Significant International Terrorism in 2004*. Officials at the NCTC and the Department say they intend this division of reporting responsibilities to remain. However, the Department did not, until a few days before the release of the reports, inform Congress about the format changes or the increase in counted terrorist events resulting from the changed methodology. S/CT is now negotiating its data requirements with NCTC through an exchange of letters, a procedure it believes will give it greater flexibility to respond to changing congressional requests. S/CT did not receive a full-time employee position for the second public affairs officer position OIG has recommended in its reports on the matter, but S/CT has been seeking an intern or other employee for production support. Although the CRTs no longer will have an Appendix A, S/CT will credit NCTC for all the statistics NCTC provides for the CRT. In this inspection, OIG learned that S/CT understands the necessity for closer coordination on this project between the Department and Congress. S/CT plans to keep Congress informed on developments regarding the CRT.

### Legislative Management Officer

S/CT's legislative management officer coordinates S/CT's activities with Congress as part of the Coordinator's efforts to keep Congress informed of the Department's counterterrorism activities. During this inspection, the legislative management officer was promoted within the Department, and the position became vacant.

The legislative management officer coordinates with all parts of S/CT to gather information for such uses as preparing testimony, Congressional responses, and other papers. The incumbent works most closely with the front office and receives most supervision from the Coordinator and the principal deputy coordinator. The front office would thus seem to be the most appropriate location for the function.

**Recommendation 5:** The Office of the Coordinator for Counterterrorism should reassign its legislative management officer position from the Programs Directorate to the front office. (Action: S/CT)



During the inspection, the Coordinator testified before the House International Relations Committee and met with representatives of several other committees. Officials from the Bureau of Legislative Affairs told OIG that S/CT coordinates its legislative interactions well.

## REGIONAL AND TRANSREGIONAL AFFAIRS DIRECTORATE

S/CT's Directorate for Regional and Transregional Affairs is the Department's primary link to the interagency community on counterterrorism issues and its the Department's liaison, through the Department's geographic bureaus, to overseas posts. The directorate also represents the Department on international and multi-lateral organizations, such as the United Nations and the Group of Eight (G-8) nations. The directorate also carries out the Secretary's statutory authority to designate terrorists and terrorist organizations and their supporters. Overall, the directorate carries out its functions well but has been hampered by resource shortages. Employees work hard and often keep long hours in an effort to keep up with their ample responsibilities and fast-paced taskings. As a result, they have not devoted enough attention to policy coordination, guidance and travel to posts, and participation in interagency and international discussions. The directorate has a regional affairs office and a transregional affairs office.

## REGIONAL AFFAIRS OFFICE

The Regional Affairs Office links S/CT with the Department's geographic bureaus, foreign affairs agencies, and posts. It also coordinates counterterrorism policy and monitors worldwide developments. A strong team of officers, who work long hours at an intense pace, staff the office. The regional action officers function as integrators and coordinators who provide advice and guidance on counterterrorism policy and methods of incorporating strategies into U.S. foreign policy to advance U.S. counterterrorism objectives.

Regional officers act as the principal S/CT liaisons to monitor terrorism-related developments for their assigned regions. They analyze reports, formulate policy recommendations, develop strategies, attend CTF meetings, nominate individuals or groups for designation as terrorists, and participate in Department and inter-agency working groups. They also write issue papers, background memos, talking points, and testimony to prepare principals to engage in interagency, bilateral, and multilateral meetings at the highest levels of government.

Sometimes the line is unclear between the responsibilities of the regional officers and the counterterrorism officers in the Department's geographic bureaus. The geographic bureaus do policy coordination at the post level, with the S/CT regional officers providing focus and counterterrorism policy direction. Regional officers believe they should spend more time on broader policy issues and strategy, but in reality, staffing constraints force them to spend much time on important but time-consuming staff work. Much of the work is driven by taskings from Department and S/CT senior management, and time for policy coordination is thereby reduced. Urgent problems often trump important issues, and a pattern of short deadlines and insufficient turnaround time plagues work flow. The staff cited communication from the top down as a problem; Regional Affairs Office management has addressed this concern through regular meetings and weekly action items. OIG also made an informal recommendation to address this.

The regional officers make every effort to work on strategic initiatives in a more integrated way with the Department's geographic bureaus and other agencies. They coordinate with agencies on joint working groups and with the geographic bureaus to host bilateral and multilateral counterterrorism regional conferences. The regional officers are an integral part of interagency working groups. For example, they participate in the Iraq terrorist and hostage group to combat kidnappings by the Iraqi insurgency. They also work with the Trans-Sahara Counterterrorism Initiative, an integrated interagency, multi-million-dollar program that addresses the counterterrorism threat in West Africa. S/CT communicates coordination and guidance on counterterrorism policy to embassies through the geographic bureaus. For the most part, officials in the geographic bureaus aid S/CT officers keep them informed and involved. Embassy responses to an OIG survey questionnaire indicated the many posts would like more outreach from S/CT, including information on trends, advisories, guidelines, and updates on counterterrorism efforts. Working even more closely together to keep embassies informed and focused on counterterrorism issues would strengthen the already strong relationship between the geographic bureaus and the regional action officers. The regional officers review embassy Mission Performance Plan (MPP) submissions on counterterrorism, but believe they should be more involved. S/CT intends to issue guidance to the embassies for their FY 2008 MPP submissions to assist them in focusing their counterterrorism strategic objectives. The geographic bureaus say they welcome this involvement.

The Regional Affairs Office is underfunded and scarcely has the resources to meet its mandate to provide advice, coordination, and action on regional and bilateral counterterrorism issues. S/CT as a whole suffers, however, from a chronic problem of a lack of funding and staff. Many action officers complained about

limited travel funds and said their inability to travel impeded their ability to do their jobs. Many of the officers could not travel to their regions or attend counterterrorism conferences because of staffing shortages and travel funding constraints. After a new deputy coordinator arrived in August 2005 to lead the office, regional coverage was worked out and a few officers traveled on available end-of-year funds. More travel funds continue to be needed so that regional action officers can travel with the new Coordinator and fulfill an ambitious travel schedule proposed by the Regional Affairs Office management.

The Regional Affairs Office has unfilled vacancies and needs still more working-level positions to cover each region adequately. The office is divided by region into six units (mirroring the Department's geographic bureaus), and each unit should be staffed with two to four Foreign or Civil Service officers as needed. Currently, however, two regions have only one officer available. For example, an additional officer is needed to concentrate exclusively on Iraq, another is needed to address Islamic extremism, and another is needed to cover the growing terrorist operations on the Subcontinent, particularly in Bangladesh. During the inspection, a Civil Service officer was hired to fill the vacancy in the region covered by the Bureau of Near Eastern Affairs. The S/CT BPP for 2007 requests ten additional positions, six Foreign Service and four Civil Service, for the Regional Affairs directorate, but S/CT is unsure whether the Department will provide them. In the interim, the deputy office director is trying to find interns, fellows, detailees, or officers in over-complement situations to fill in, but these are temporary solutions. One or two officers for each region are doing the work that in other agencies is performed by a staff that is several times larger. If S/CT wants to maintain parity in the interagency community in counterterrorism coordination, more staff in the Regional Affairs Office is needed.

Most embassies have officers for whom the counterterrorism portfolio is a collateral duty. In many posts, reporting on terrorism can consume large amounts of officers' time and is not always a priority. Some embassy officers only react to counterterrorism issues; others, only to taskings. Such officers do not recognize and seize opportunities to create local initiatives that would implement the Department's strategies. This posture is not true for those embassies where counterterrorism issues are at the forefront. Some S/CT officers have discussed the possibility of creating regional counterterrorism positions in the field that would do S/CT's work at the embassy level.

Another concern is that there is no career path for counterterrorism officers. Employees arrive in S/CT with no specific experience or training, and Foreign Service officers step out of their core functions for a one-time assignment while Civil Service employees have few opportunities for advancement.

Many functional bureaus find it difficult to recruit Foreign Service bidders into specialized policy jobs. However, in response to an OIG suggestion, SA/CT's deputy director for regional affairs has updated the capsule descriptions in the online Foreign Service bid system, causing them to reflect the challenging opportunities that some bidders would find in regional action officer positions.

Civil Service employees in the Regional Affairs Office, as in many other offices in the Department, often have low morale and move on to higher-graded positions. It is difficult to establish career paths for the Civil Service when there is little flexibility to move between positions. Expertise developed in one region in S/CT would be lost if an employee moved for a higher-graded position in another region.

The deputy coordinator for regional and transregional affairs is considering restructuring Regional Affairs Office to maintain adequate coverage geographically and to provide more opportunities for direct involvement with policy and programs. The office clearly needs more employees and has not been able to perform some of its policy functions because of lack of staff. One example is the office's oversight of the ATA program, which is managed by DS/ATA. The office has not been able to provide policy guidance to regional bureaus and posts to ensure policy coordination on counterterrorism. OIG's survey indicated that embassies believed that substantially more S/CT guidance was needed. This guidance can be provided partly through cables, but some guidance can only be effectively delivered through officer travel to the region or to regional conferences. However, S/CT cannot provide this because of lack of personnel in Regional Affairs Office. If counterterrorism is the single most important U.S. priority, the Department cannot afford to have the Regional Affairs Office understaffed.

**Recommendation 6:** The Office of the Coordinator for Counterterrorism should seek additional Foreign Service and Civil Service positions, as requested in the 2007 Bureau Performance Plan, to provide advice, coordination, and action on regional and bilateral counterterrorism issues. (Action: S/CT, in coordination with DGHR and S/ES)

The office director for Regional Affairs is a Foreign Service officer, and the new deputy office director position is also filled by a Foreign Service officer. The deputy has taken over many office management duties. To apportion more evenly supervisory responsibilities, the deputy has been assigned to provide guidance and oversight for three of the regional areas. Some staff are concerned that the deputy is an additional layer of management in an already top-heavy organization. According to the deputy coordinator, the office director and deputy are to be interchangeable but directly responsible for their regions. The Regional Affairs Office needs continuity to provide management oversight and guidance to a revolving staff of Foreign and Civil Service employees. Some in the office believe that the Civil Service employees are not on an equal footing with Foreign Service officers. To provide continuity and create a Civil Service management position, the deputy office director position should be converted to Civil Service after the current Foreign Service incumbent rotates out of the position.

**Recommendation 7:** The Office of the Coordinator for Counterterrorism should request that the Foreign Service position of deputy office director for the Regional Affairs Office be converted to a Civil Service position. (Action: S/CT, in coordination with DGHR and S/ES)

The Regional Affairs Office plays a lead role in managing the Counterterrorism Engagement Funds (CTE). CTE funds facilitate engagement with foreign governments and multilateral organizations to build political will and practical capacity to combat terrorism and promote U.S. counterterrorism policy. The funds were originally intended to address unexpected contingencies that either could not be funded elsewhere or would be difficult to fund quickly. For example, CTE funds provide courtroom security, send legal advisers to countries that need them, and have supported an Organization for Security and Cooperation in Europe conference. Lack of planning, however, has hampered implementation of this concept. The regional action officers coordinated on proposals to use FY 2005 CTE funds; however, decisions were not made by former S/CT management and the funds were not obligated. (Shortly after their arrival, the new Coordinator and the deputy coordinator for regional affairs approved 14 project proposals, and end-of-year funds were obligated.) The deputy coordinator intends to avoid a similar situation with FY 2006 CTE funds and had requested project proposals from the action officers by December 2005. The goal is to develop a plan, make a review to set priorities in December 2005 and again in July 2006, and then obligate and spend the funds throughout the year.

Part of the new Coordinator's strategy is to provide regional integration of counterterrorism efforts in the field. To bring the coordinator's strategy to the field, S/CT will use CTE funds to host regional conferences, such as the Southeast Asia conference planned for January 2006.

The Regional Affairs Office also has some oversight responsibilities for the ATA program. DS executes the ATA program in coordination with the S/CT Regional and Transregional Affairs directorate, which is supposed to provide policy guidance. DS is working with the S/CT regional and programs directorates to make decisions on priorities and approve DS training plans. Coordination beyond the working level of regional action officers and their DS counterparts has not been ideal. In addition, because of limited travel funds and other constraints, the regional action officers have not been given the opportunity to participate in country training program assessments or presentation of ATA training plans to foreign governments. Nevertheless, the deputy coordinator for regional affairs initiated discussions with DS to layout a road map for planning and to refine the way DS and the Regional Affairs Office will work together on the ATA program. They aim to develop policy criteria to determine realistic funding priorities and establish procedures for regular regional reviews of programs. The Regional Affairs Office wants the criteria to be flexible enough to respond to changes and adjust priorities. (There is additional information on the ATA program in the resource management section of this report.)

## Regional Action Plans

The Regional Affairs Office also has responsibility for S/CT's role in developing regional action plans (RAP). In accordance with the Department's mandate in the 2003 National Strategy for Combating Terrorism, S/CT has worked hard to exercise the interagency lead in developing RAPs. These plans aim to catalog and coordinate the counterterrorism activities of all U.S. agencies worldwide. S/CT held large, well-attended interagency meetings weekly for about six months until May 2005. Numerous participants in these meetings from the Department and other agencies praised S/CT's leadership and coordination of the project. Most said that, although the exercise did not produce concrete, comprehensive strategies, it did create a positive and useful interagency dialogue. The exercise also produced the first detailed matrix of current and planned U.S. counterterrorism activities in each region. Finally, agencies found value in knowing the full range of training programs available worldwide, knowledge that revealed gaps, overlaps, and duplications among these programs.

The interagency group completed the RAPs in the spring of 2005 and forwarded them to the National Security Council. S/CT recently learned RAPs would be incorporated into broader interagency counterterrorism planning efforts in which S/CT will participate.

## TRANSREGIONAL AFFAIRS OFFICE

The Transregional Affairs Office consists of the designations unit and the multilateral affairs unit. Prior to the section's establishment in 2004, the Regional Affairs Office performed the multilateral affairs function, and the CTF unit was placed with the designations unit.

### Terrorist Designations Unit

S/CT's three-person terrorist Designations unit works cooperatively and effectively with the Departments of the Treasury and Justice and the Bureau of Economic and Business Affairs to fulfill the Secretary's statutory responsibilities to designate terrorists, terrorist organizations, and their supporters.<sup>13</sup> Designations packages are painstakingly prepared and voluminous, some containing more than 50 exhibits. The packages are submitted for the Secretary's approval. The designations must be able to withstand legal challenge. In FY 2004, S/CT completed 27 designations, amended designations, and reviews of terrorists and foreign terrorist organizations.

Under Executive Order 13224, most designations can be made either by the Department of Treasury, but only Treasury can make a designation resulting in financial sanctions against supporters of terrorism. The Bureau of Economic and Business Affairs clears on all financial designations packages, notifies other governments of a proposed designation, and, once a designation is finalized, sends instructions to posts requesting that they advise host governments to freeze assets and implement sanctions.

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<sup>13</sup>Terrorist designations may be made under the following authorities: The Immigration and Nationality Act §§ 212, 219; and Executive Order 13224, September 23, 2001, "Executive Order on Terrorist Financing."

Some observers contend that blocking the financing of terrorism may have little impact in eliminating terrorism because many terrorist actions are carried out with relatively little funding. The report of the National Commission on Terrorist Attacks Upon the United States, for example, points out that the September 11, 2001, attacks were carried out for less than \$500,000. Others note, however, that naming individuals and entities and following the money are important tools, often invisible to the public, for identifying terrorist operatives and sympathizers and degrading the infrastructure of terrorist organizations. S/CT believes the benefits of designations include:

- providing the basis for initiating criminal prosecutions,
- stigmatizing and isolating terrorists and terrorist organizations,
- freezing assets of terrorists and terrorist organizations and deterring donations to and economic transactions with these groups,
- facilitating coalition-building with allies and other countries by serving as a diplomatic tool for engaging other countries in the GWOT, and
- enabling the United States to deny designated individuals admission to the United States or, if already in U.S. territory, to arrest or deport them.

S/CT managers believe the Designations unit's effectiveness is hampered by lack of timely access to various intelligence databases maintained by and accessible only to INR. Information from these databases provides most of the supporting documentation necessary to making informed judgments for designation decisions. The Designations unit must rely for this information on INR analysts who, according to INR officials, have other responsibilities and priorities and are hard-pressed by lack of resources to conduct work that they see as outside the scope of their core functions. S/CT claims this causes a longstanding problem of delays - sometimes of weeks - in preparing the designations. Discussions between S/CT and INR have not resolved the problem. INR believes it is unable to give S/CT its own access to the databases, even within INR's own office space, for reasons of security and control. INR has suggested that S/CT obtain the data from the NCTC or other organizations, but this leaves unresolved the problem of ready access. Further, NCTC does not have this responsibility. S/CT also is concerned that reliance on others for research might result in inadvertent screening out of relevant information.



This difficulty in obtaining database information is a reason why, in cases where a designation may also be made by Treasury Department, S/CT usually cedes the responsibility to Treasury. Not only does Treasury have approximately ten employees dedicated to designations, it has ready access to the necessary intelligence in its offices.

The delay in developing designations has even affected the U.S. government's work with the United Nations. For the United States to support another country's request for a designation and bring the issue before the United Nations Sanctions Committee, the United States must first make a domestic designation of the individual or organization. At the time of the inspection, there were 16 designation requests on hold at the United Nations because the Department had yet to put together a designations package. Although responsibility for these designations can be shifted to Treasury, according to S/CT officials, Treasury has less concern for foreign policy consequences and does not consider timeliness as important as does the Department. Additionally, Treasury, though its resources are generous in comparison to S/CT's, is hard-pressed to keep up with its workload. If the information from INR were timelier, S/CT could perform these designations and respond more quickly in line with the Department's priorities.

INR officials do not consider much of the information requested by S/CT to be essential to the designation process. They point out that highly classified intelligence information cannot be cited in the public designation packages, at least without extensive and problematical declassification efforts. S/CT counters that the information it wants constitutes important supporting documentation that should be in the designation packages sent to the Secretary for review. INR responds, however, that the intelligence information contained in INR databases is intelligence reporting from other agencies. Various directives that govern the intelligence community dictate how some of the material must be handled. (The inability to include the information in the package, however, does not prevent S/CT from using the information in deciding whether a determination should be made.) Other issues of contention between S/CT and INR seem to reflect, in part, a lack of understanding between the two offices of each other's abilities, roles, and responsibilities.

When the President created the NCTC he also ordered "all relevant agencies to take additional steps to adopt common databases and procedures, so [that] intelligence and homeland security information can be shared and searched effectively...<sup>14</sup> Specifically, he said, "Our goal is an integrated, unified national intelligence effort. ... We will ensure that the people in government responsible for defending America and countering terrorism have the best possible information to make the best decisions." Thus, INR appears to be expected to provide database access to S/CT. At minimum, INR needs a better understanding of S/CT's needs, and S/CT should have a thorough understanding of what is reasonable and feasible for INR to provide. A resolution of this issue, however, is beyond the scope of what can be accomplished in this inspection. With security concerns, resource constraints, and technical considerations taken into account, however, the two offices need to reach an effective and practical solution.

Despite INR's concerns and resource constraints, S/CT needs to carry out its statutory function and this longstanding issue must be brought to some formal resolution. The ability of government entities to share and search databases effectively and efficiently is a cornerstone of the President's directives in fighting the war on terrorism.

**Recommendation 8:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of Intelligence and Research, should immediately initiate formal documented discussions to resolve the issue of the Office of the Coordinator for Counterterrorism's access to Bureau of Intelligence and Research data and reach a definitive, mutually acceptable agreement. (Action: S/CT, in coordination with INR)

## Multilateral Affairs Unit

At the time of the inspection, the Multilateral Affairs unit was staffed by two employees. A vacant position in the unit was filled during the inspection. To date, the unit's efforts have focused on the United Nations and G-8, with less attention paid to other multilateral organizations, in large part because of inadequate staff and lack of travel funds. By necessity, much effort was concentrated on G-8 affairs

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<sup>14</sup>*Fact Sheet, Making America Safer by Strengthening Our Intelligence Capabilities.*

during 2004, when the United States held the group's presidency. The director of the unit is experienced in United Nations affairs and has good relations with counterparts at United States Mission to the United Nations. Consistent with the coordinator's intent to reassert S/CT's visibility and role in advancing U.S. counterterrorism policy, the unit's staff hopes to increase S/CT's involvement and exert more influence in other multilateral organizations such as Association of Southeast Asian Nations, Asia Pacific Economic Cooperation, and the Organization for Security and Cooperation in Europe. Greater participation in a wider range of fora will advance U.S. efforts to build political will and capacity to combat terrorism.

## HOMELAND SECURITY DIRECTORATE

S/CT's Homeland Security Directorate performs several indispensable functions. It facilitates policy coordination between the Department, the White House Homeland Security Council, DHS, and other federal agencies. It provides the means for these agencies to align policies that could affect the conduct of foreign affairs, and it facilitates the ability of DHS to operate properly overseas under the aegis of U.S. Ambassadors. Although the Directorate has become increasingly effective, particularly in its interaction with DHS, its performance is impeded by a lack of staff.

The Homeland Security Directorate is a small operation intended to provide links on homeland security and related counterterrorism-related issues between the Department and the National Security Council, the Homeland Security Council, and such federal agencies as DHS. The directorate has three permanent staff. (A detailee from the Transportation Security Administration temporarily supplemented the work of the permanent staff but left after the completion of the inspection.) The directorate's leader, a deputy coordinator for counterterrorism, is an experienced Civil Service officer who is the former principal deputy assistant secretary for the Bureau of Nonproliferation. She has represented the Department at the policy coordinating committees on information sharing, maritime security, and border and transportation security, issues that involve multiple Department bureaus. The deputy coordinator, because of her experience and career accomplishments, has assignments outside the portfolio of her office. For example, she serves as S/CT's principal officer on weapons of mass destruction terrorism. The two other members of the directorate bring substantial experience in consular affairs, the Department and other agency operations, and homeland security problems.

DHS was formed in 2003 through the consolidation of numerous federal agencies that are still not meaningfully absorbed into a unified department. To address this, on July 13, 2005, DHS Secretary Michael Chertoff announced the results of a systematic evaluation of DHS's operations, policies, and structures intended, among other things, to realign DHS to maximize mission performance. Various DHS agencies interact with the Department or have operations overseas, or both, but some DHS elements are unfamiliar with the procedures for conducting activities or operations overseas. For example, some are unfamiliar with Chief of Mission authority, perhaps the most important principle governing U.S. operations overseas. Presidential directives and a statute make Chief of Mission authority binding on other U.S. departments and agencies.<sup>15</sup>

The deputy coordinator who leads S/CT's Homeland Security Directorate has repeatedly stressed that it was not established to replace existing channels of communication between DHS and various parts of the Department, nor was it formed to assume tasks already managed by the bureaus. Instead, it facilitates coordination among bureaus and offices in the Department and with interagency partners.

The areas of cooperation between the Department and DHS are extensive; the Homeland Security Directorate has a list of 37 areas of cooperation. These include:

- Deployment of DHS personnel overseas (for example, visa security officers, transportation security experts);
- Sharing of terrorist threat information with foreign governments;
- Maritime and aviation security strategies;
- Immigration Security Initiative (overseas deployment of DHS inspectors screening travelers on flights bound for the United States);
- The Security and Prosperity Partnership and the recent Secure Border Initiative concluded by the United States, Canada, and Mexico;

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<sup>15</sup>22 U.S.C. § 3927.

- The National Response Plan, the presidentially-directed plan designed to align federal coordination structures, capabilities, and resources into a unified, all-discipline, and all-hazards approach to domestic incident management.
- The Secure and Facilitated Travel Initiative regarding lost or stolen passport data sharing, document security standards, passenger and cargo screening standards, and combating MANPADs (the Man-Portable Air Defense System);
- U.S.-European Union Cooperation on Justice and Home Affairs and Counterterrorism; and
- The U.S.-European Union Policy Dialogue on Border and Transportation.

To support homeland security more effectively, the deputy coordinator and the Homeland Security Directorate staff created the Department of Homeland Security coordinating committee, which held its first meeting on July 7, 2005, coincidentally the day of a deadly terrorist attack in London. It also held a third meeting during the inspection. Both meetings were well attended. A list of core homeland security issues was prepared for the comments of members of the committee. This list of issues included visa policy, screening, and border security; aviation security; maritime security; cross-border land transport; terrorism response and recovery; interdiction of weapons of mass destruction; nuclear, chemical, and biological countermeasures; terrorist financing; critical infrastructure protection; cyber security; law enforcement; R&D; and intelligence sharing and threat assessment. These issues involved as many as six agencies of DHS, all six of the Department's regional bureaus, and at least seven of its functional bureaus. This correlation of core issues with involved bureaus and agencies and the list of 37 areas of cooperation reflects the scope and difficulty of achieving effective, efficient cooperation between the two departments. However, the new committee is a promising initiative that is already making a noteworthy contribution to an effective DHS-Department relationship.

DS interacts with DHS extensively and has several officers detailed to agencies of DHS. DS also has had a liaison officer in S/CT for some time, although the position was not filled at the time of the inspection. S/CT has not been able to achieve the optimal potential benefit from the presence of this officer because of the position's placement elsewhere in S/CT. In addition, the previous incumbent

was not well utilized. A better placement of this position would be in S/CT's Homeland Security Directorate because of the extensive connections between DS and DHS. This change would convert an inefficient use of scarce human resources into an efficient use.

**Recommendation 9:** The Office of the Coordinator for Counterterrorism should seek Bureau of Diplomatic Security agreement to detail a liaison officer to the Homeland Security Directorate. (Action: S/CT)

S/CT's 2007 BPP requests two additional positions, a Foreign Service officer at the FS-1 level and a Civil Service officer at the GS 13 to GS 14 level. One position would support the national exercise program and handle DHS liaison responsibilities. The other would serve as a deputy and manage general homeland security responsibilities. The request is amply justified. The scope and complexity of the relationship between the Department and DHS is clear from the range of issues and the number of organizational units on both sides that have problems of mutual concern. Inadequacies in the relationships among agencies and a lack of information sharing are problems the U.S. government must address in the GWOT. The deputy coordinator has frequently had to avoid or decline new responsibilities because the Homeland Security Directorate staff is inadequate for the required tasks.

**Recommendation 10:** The Office of the Coordinator for Counterterrorism should request that the Department provide the two additional positions for the Homeland Security Directorate as requested in the 2007 Bureau Performance Plan. (Action: S/CT, in coordination with DGHR and S/ES)

# RESOURCE MANAGEMENT

Source and Use of Funds	Full-time Staff	Total Funding FY 2005 (in thousands)
<b>D&amp;CP Funding:</b>		
Base Operations		\$ 1,070
TSWG		1,594
<b>NADR Funding:</b>		
Counterterrorism Engagement		1,984
TIP		4,960
CTF		7,192
	23 Civil Service	
	24 Foreign Service	
	11 detailees	
	4 interns	
	7 contractors	
<b>Totals</b>	<b>69</b>	<b>\$ 16,800</b>

Note: ATA's funding is allotted directly to DS/ATA. Its funding for FY 2005 was \$117.8 million.

S/CT'S staffing of 69 employees consists of 24 Foreign Service officers, 23 Civil Service employees, 11 detailees, four interns, and seven contractors (not including military reservists). An additional 24 positions, nine Foreign Service and 15 Civil Service, have been requested by FY 2007. Funding requested for FY 2006 and FY 2007 for assistance programs and operating costs is about \$163 million and \$360 million, respectively. Most of the funding is for the ATA program (\$134 million in FY 2006 and \$279 million in FY 2007. S/CT has virtually no control over this program, which is managed and operated by DS. Funding is provided directly to and controlled by DS/ATA.

For several years, prior S/CT management let the organization atrophy to where it was considered marginalized within and outside of the Department. In several areas, including the ATA program, S/CT had eschewed its responsibilities. This situation was highlighted in OIG's report *Program Management Review (Phase 1) of the Anti-Terrorism Assistance Program*,<sup>16</sup> which recommended S/CT and DS/ATA "reassess their respective responsibilities for managing the ATA Program...then update the ATA Program's 1991 management agreement... ." DS concurred and said it and S/CT should reassess their respective responsibilities and, if necessary, update the 1991 management directive.

<sup>16</sup>SIO-A-05-11, January 2005

After the dramatic growth of the ATA program, it is more urgent than ever that DS and S/CT should reassess their respective responsibilities and, if necessary, update the 1991 management directive. S/CT regional officers had expressed a desire for stronger involvement in the ATA program. To that end, DS/ATA has developed a preliminary model for a proposed new relationship as a basis for beginning this discussion. The proposed model includes detailed S/CT review of the needs assessment/program review reports and subsequent participation in the presentation to recipient governments of the resulting original and updated Country Assistance Plans. This model provides opportunities for direct involvement by the S/CT regional officers at the point where they would be best able to leverage DS/T/ATA program training and equipment deliveries for U.S. objectives.

One year later, little if anything has been done to improve coordination between S/CT and DS. Although responsible for policy, S/CT still has virtually no control over the Department's largest counterterrorism program.

Currently, S/CT has little control or influence over DS/ATA decisions on how more than \$100 million in annual expenditures is spent. S/CT also has no formal role in decisionmaking on which contracts should be funded as part of this effort. Moreover, S/CT has little informal influence over those decisions. As a result, current management of this program provides no mechanism to ensure that the decisions made by DS/ATA reflect the GWOT strategy and its priorities. Money appropriated by the Congress should reflect the priorities of the strategy for which it was appropriated.

**Recommendation 11:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of Diplomatic Security, should, as a part of the renewal of the memorandum of understanding between the two organizations, establish a formal committee with membership from both units to review all future Anti-Terrorism Assistance program grants, contracts, projects, and other initiatives before they are finally approved. (Action: S/CT, in coordination with DS)

## RIGHTSIZING

This report noted a widespread need for additional personnel in various parts of S/CT. OIG did not find any positions that could be eliminated or reprogrammed, except for one position in S/CT's Operations Directorate.



## Management Support

S/CT receives most of its administrative support from the Office of the Secretary's Executive Office (S/ES-EX). A management officer in S/CT, employed under a labor services contract, is the liaison with S/ES-EX, which provides administrative support to all subordinate activities of the Office of the Secretary. The principal administrative support for S/CT therefore comes from S/ES-EX. The significant increases in responsibilities in all subordinate activities of S/CT have not been accompanied by commensurate increases in S/ES-EX staff. Thus, S/ES-EX support is insufficient. This lack of administrative positions strictly for S/CT has caused S/CT to experience breakdowns in procurement, human resource management, and financial management. This report details such problems as widespread inadequacies in work requirements, evaluations, documentation of details, and awards programs. It has also noted S/CT's problems in contracting and its apparent inappropriate use of funds. These problems arise from the lack of adequate administrative staffing for an entity nearly the size of a bureau. The establishment of an administrative unit in S/CT will ensure the delivery of adequate support.

The new Coordinator for Counterterrorism requested 24 additional program positions for FY 2006 and FY 2007. However, four of the requested positions should not be program positions but should be used to create a much-needed S/CT administrative unit composed of Civil Service employees in the areas of management, general services, budget, and human resources. (Besides the management liaison officer, the secretary-assistant position is also procured through a contract.)

**Recommendation 12:** The Office of the Coordinator for Counterterrorism, in coordination with the Office of the Secretary's Office of the Executive Director, should establish an administrative unit with four Civil Service positions in the Office of the Coordinator for Counterterrorism. (Action: S/CT, in coordination with S/ES)

## HUMAN RESOURCES

### Evaluations and Work Requirements Statements

Support provided by the human resources unit of S/ES-EX needs strengthening. As of October 2005, evaluations for several Civil Service employees had not been completed. In addition, the work requirements for Civil and Foreign Service employees called for in 3 FAM 2810 and 3 FAM 2820 were neither prepared nor current. Limited attempts by the human resources unit to obtain required input from S/CT did not meet with success.

**Recommendation 13:** The Office of the Secretary's Office of the Executive Director should request, and the Office of the Coordinator for Counterterrorism should submit, performance evaluations and work requirements for all employees. (Action: S/ES, in coordination with S/CT)

### Detail Assignments

Documentation for the assignment on detail of several Civil Service employees, although required, was not available. One of the most egregious examples is the status of an employee from the Office of War Crimes Issues who had been detailed to S/CT. The employee has been in S/CT since June 2004 without any documentation showing the detail assignment. Under 3 FAM 2412, details must be made in 120-day increments and be documented. Furthermore, this employee has not received a performance evaluation in the last three years.

**Recommendation 14:** The Office of the Secretary's Office of the Executive Director should review the documentation of all detailees and provide the completed, corrected, documentation that is necessary and appropriate. (Action: S/ES)

### Awards Program

S/CT's awards program received one of the lowest scores in OIG's management operations questionnaires. In fact, S/CT's awards program was virtually nonexistent; in the last two years, only four awards were given to S/CT staff. This has harmed staff morale. The perceived self-nomination of three senior officers

for performance pay awards also demoralized staff. To begin to address this issue, the new Coordinator has requested award nominations from his staff and had tentatively scheduled an awards ceremony for mid-December 2005.



## MANAGEMENT CONTROLS

The annual certification of management controls for FY 2005, forwarded to the Secretary on July 22, 2005, did not report any weaknesses. However, OIG found several major reportable weaknesses in contract administration and funds management that existed during the period for which the certification was prepared. In addition, although it claimed to have completed risk assessments, S/CT did not submit its 2005 risk assessments to RM for scoring until November 16, 2005. This further suggests that the management controls certification was unreliable.

**Recommendation 15:** The Office of the Coordinator for Counterterrorism should use the Bureau of Resource Management's risk assessment to submit a corrected management controls certification, reporting the actions taken to correct weaknesses highlighted in the risk assessment and other necessary corrective actions. (Action: S/CT)

### Contract Management

S/ES-EX provides little contract oversight to S/CT. There are flaws and inaccuracies in the implementing instructions from S/ES-EX to the Bureau of Administration's Office of Acquisitions Management (A/LM/AQM) regarding the S/CT personnel employed under labor services contracts. In addition, coordination between S/ES-EX and A/LM/AQM needs strengthening. Effective reviews by A/LM/AQM of client requirements need additional emphasis. For example, the provisions for one contractor employee called for the employee to supervise and oversee direct-hire employees. The provisions also designated a contractor employee as a contracting officer's technical representative and named someone who is no longer in S/CT as the contracting officer's representative to oversee the contractor employee. In addition, funding in excess of \$100,000 for this contract was withdrawn, but A/LM/AQM could not readily provide the new obligating document for the remaining period of the services provided. (Funding for this contract is discussed in the funds management section of this report.) Under 14 FAM 200, the Office of the Executive Director must review statements of work submitted to A/LM/AQM, and such reviews would help to eliminate these problems.

**Recommendation 16:** The Office of the Secretary's Office of the Executive Director should begin properly reviewing statements of work submitted to the Office of Acquisitions Management. (Action: S/ES)

**Recommendation 17:** The Bureau of Administration should develop and implement procedures for thorough review of contracts' supporting documents. (Action: A)

## Funds Management

S/CT funding comes from the D&CP and NADR programs appropriations. In 2001, additional no-year funding was provided under the Emergency Supplemental Appropriation for Antiterrorism Initiatives.

D&CP funds are used for S/CT's base operations as well as the FEST, Top Officials exercise, and the TSWG. NADR funds underwrite the Counterterrorism Engagement, ATA, TIP, and CTF programs.

Some funds appear to have been used inappropriately. Several employees hired under labor services contracts to work in administrative support were paid with NADR and Emergency Response funds. In 2005, \$48,400 was paid with NADR funds for a contract employee working as a program and management analyst in the CTF unit. NADR funds are only to be used for program-related expenditures, not administration.

Under the Emergency Supplemental appropriation \$3 million was designated for Top Officials exercises. The funds were transferred to the Department of Energy in FY 2002. In FY 2003, the Department of Energy returned \$1.8 million to the Department. Although these funds were designated specifically for the exercises, S/CT has been using the funds for a variety of expenditures, including contract labor services. For example, \$182,000 worth of contracts for the administrative officer's position for the past two years was paid for with funds designated for Top Officials exercises.

**Recommendation 18:** The Bureau of Resource Management, in coordination with the Office of the Legal Adviser, should review expenditures made with Top Officials exercise and Emergency Response funds to determine whether the funds were properly used. (Action: RM, in coordination with L)





## INFORMATION MANAGEMENT AND INFORMATION SYSTEMS SECURITY

The Office of Information Resource Management within the Office of the Secretary's Executive Office (S/ES-IRM) provides information management and information systems security support to more than 80 S/CT employees. This office scored above average on information systems support and the adequacy of Internet and telecommunications on the OIG management operations questionnaire. However, deficiencies exist and improvements can be made.

Information systems security on S/CT's classified network is effective, but information systems security presents concerns. OIG identified serious deficiencies in the performance of the information systems security officer duties, inadequate security practices, and inadequate security documentation for the unclassified operations.

### Information Management

S/ES/IRM is responsive to S/CT's IT needs. The help desk, which operates 24 hours a day, seven days a week, contributes to S/ES-IRM's positive rating regarding information systems support. The system support team also installs new IT equipment and software. OIG reviewed help desk operations and issues regarding equipment and software and found that help desk operations are efficient, and concerns on equipment and software are being addressed.

However, OIG identified several areas where information management can be improved. For instance, Department policies on software, use of government equipment, system documentation, and training are not enforced.

### Software and Inappropriate Use of Government Equipment

S/CT does not follow Department guidance on software and use of government equipment. OIG identified chat messaging software, nonwork-related pictures, videos, slideshows, and music files in ten percent of the employees' computers on the servers. Chat messaging software poses a security risk to the network and is forbidden pursuant to Department Notice 2003-08-020, dated August 8, 2003.

**Recommendation 19:** The Office of the Secretary's Office of the Executive Director should survey all government-owned equipment in the Office of the Coordinator for Counterterrorism to determine compliance with Department policies and procedures on the use of government equipment and should enforce the removal of unapproved or inappropriate software and other files. (Action: S/ES, in coordination with S/CT)

## Contingency Planning

S/ES/IRM has not completed a contingency plan for S/CT's unclassified automated information systems, contrary to Department policy. Contingency planning ensures continuity of operations under adverse conditions and addresses the ability of a system to recover from disruption and meet the minimal needs of users. The lack of a documented contingency plan could leave S/CT's unclassified information systems vulnerable to a variety of disruptions, ranging from mild (such as a short-term power outage) to severe (such as equipment disruption or fire).

**Recommendation 20:** The Office of the Secretary's Office of the Executive Director, in coordination with the Office of the Coordinator for Counterterrorism, should develop, document, and implement a contingency plan for the Office of the Coordinator for Counterterrorism's unclassified information systems. (Action S/ES, in coordination with S/CT)

## Training

S/ES-IRM does not use Individual Development Plans (IDP) to identify the training needs of staff. Training is needed for employees to remain technically competent and able to perform their jobs effectively. Training in information systems security is of paramount importance.

**Recommendation 21:** The Office of the Secretary's Office of the Executive Director, in coordination with the Office of the Coordinator for Counterterrorism, should develop an individual development plan for each full-time employee that would identify necessary on-the-job training and formal training for each employee based on assigned job responsibilities and individual qualifications. (Action: S/ES, in coordination with S/CT)



## System Security Plan

S/ES/IRM has not developed an approved information system security program plan for the S/CT unclassified system, as required by 12 FAM 622.4-1. System security plans provide an overview of an automated information systems' security requirements and describe the established and planned controls for meeting the requirements. System security plans also provide the means for improving the protection of IT resources. Furthermore, system security plans delineate the responsibilities and expected behavior of all individuals who access the system. An organization that does not have a systems security plan places its IT infrastructure, systems, and assets at risk. In addition, users may be unaware of their specific responsibilities for the system.

**Recommendation 23:** The Office of the Secretary's Office of the Executive Director, in coordination with the Office of the Coordinator for Counterterrorism, should develop and implement an information systems security program plan for its unclassified system. (Action: S/ES, in coordination with S/CT)

## FORMAL RECOMMENDATIONS

- Recommendation 1:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of Human Resources, should establish a front office staff assistant unit. (Action: S/CT, in coordination with DGHR)
- Recommendation 2:** The Office of the Coordinator for Counterterrorism should request the Bureau of Human Resources to create a new Civil Service program management and coordinator position in the Office of the Coordinator for Counterterrorism or reprogram another position to have responsibility for monitoring the adherence of the Anti-Terrorism Assistance program to the Coordinator's policy guidance and country and regional budgets and the thoroughness and objectivity of the Anti-Terrorism Assistance program's course and program assessments. (Action: S/CT, in coordination with DGHR and S/ES)
- Recommendation 3:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs, should hire a contractor dedicated solely to providing support for the office's counterterrorism finance program including writing interagency agreements; obligating, distributing, and tracking funds; and monitoring agency financial reports and program assessments. (Action: S/CT, in coordination with INL)
- Recommendation 4:** The Office of the Coordinator for Counterterrorism should reassign its public affairs officer position from the Programs Directorate to the front office. (Action: S/CT)
- Recommendation 5:** The Office of the Coordinator for Counterterrorism should reassign its legislative management officer position from the Programs Directorate to the front office. (Action: S/CT)
- Recommendation 6:** The Office of the Coordinator for Counterterrorism should seek additional Foreign Service and Civil Service positions, as requested in the 2007 Bureau Performance Plan, to provide advice, coordination, and action on regional and bilateral counterterrorism issues. (Action: S/CT, in coordination with DGHR and S/ES)

**Recommendation 7:** The Office of the Coordinator for Counterterrorism should request that the Foreign Service position of deputy office director for the Regional Affairs Office be converted to a Civil Service position. (Action: S/CT, in coordination with DGHR and S/ES)

**Recommendation 8:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of Intelligence and Research, should immediately initiate formal documented discussions to resolve the issue of the Office of the Coordinator for Counterterrorism's access to Bureau of Intelligence and Research data and reach a definitive, mutually acceptable agreement. (Action: S/CT, in coordination with INR)

**Recommendation 9:** The Office of the Coordinator for Counterterrorism should seek Bureau of Diplomatic Security agreement to detail a liaison officer to the Homeland Security Directorate. (Action: S/CT)

**Recommendation 10:** The Office of the Coordinator for Counterterrorism should request that the Department provide the two additional positions for the Homeland Security Directorate, as requested in the 2007 Bureau Performance Plan. (Action: S/CT, in coordination with DGHR and S/ES)

**Recommendation 11:** The Office of the Coordinator for Counterterrorism, in coordination with the Bureau of Diplomatic Security, should, as a part of the renewal of the memorandum of understanding between the two organizations, establish a formal committee with membership from both organizations to review all future Anti-Terrorism Assistance program grants, contracts, projects, and other initiatives before they are finally approved. (Action: S/CT, in coordination with DS)

**Recommendation 12:** The Office of the Coordinator for Counterterrorism, in coordination with the Office of the Secretary's Office of the Executive Director, should establish an administrative unit with four Civil Service positions in the Office of the Coordinator for Counterterrorism. (Action: S/CT, in coordination with S/ES)

**Recommendation 13:** The Office of the Secretary's Office of the Executive Director should request, and the Office of the Coordinator for Counterterrorism should submit, performance evaluations and work requirements for all employees. (Action: S/ES, in coordination with S/CT)

**Recommendation 14:** The Office of the Secretary's Office of the Executive Director should review the documentation of all detailees and provide the completed, corrected, documentation that is necessary and appropriate. (Action: S/ES)

**Recommendation 15:** The Office of the Coordinator for Counterterrorism should use the Bureau of Resource Management's risk assessment to submit a corrected management controls certification, reporting the actions taken to correct weaknesses highlighted in the risk assessment and other necessary corrective actions. (Action: S/CT)

**Recommendation 16:** The Office of the Secretary's Office of the Executive Director should begin properly reviewing statements of work submitted to the Office of Acquisitions Management. (Action: S/ES)

**Recommendation 17:** The Bureau of Administration should develop and implement procedures for thorough review of contracts' supporting documents. (Action: A)

**Recommendation 18:** The Bureau of Resource Management, in coordination with the Office of the Legal Adviser, should review expenditures made with Top Officials exercise and Emergency Response funds to determine whether the funds were properly used. (Action: RM, in coordination with L)

**Recommendation 19:** The Office of the Secretary's Office of the Executive Director should survey all government-owned equipment in the Office of the Coordinator for Counterterrorism to determine compliance with Department policies and procedures on the use of government equipment, and should enforce the removal of unapproved or inappropriate software and other files. (Action: S/ES, in coordination with S/CT)

**Recommendation 20:** The Office of the Secretary's Office of the Executive Director, in coordination with the Office of the Coordinator for Counterterrorism, should develop, document, and implement a contingency plan for the Office of the Coordinator for Counterterrorism's unclassified information systems. (Action S/ES, in coordination with S/CT)

**Recommendation 21:** The Office of the Secretary's Office of the Executive Director, in coordination with the Office of the Coordinator for Counterterrorism, should develop an individual development plan for each full-time employee that would identify necessary on-the-job training and formal training for each employee based on assigned job responsibilities and individual qualifications. (Action: S/ES, in coordination with S/CT)

**Recommendation 22:** The Office of the Secretary's Office of the Executive Director should conduct a survey to identify all lax security practices in the Office of the Coordinator for Counterterrorism; compile an inventory of such lax security practices; craft a plan to correct them, including counseling and distribution of information and immediate-action measures; and establish policies and practices to make repeat offenders accountable. (Action: S/ES)

**Recommendation 23:** The Office of the Secretary's Office of the Executive Director, in coordination with the Office of the Coordinator for Counterterrorism, should develop and implement an information systems security program plan for its unclassified system. (Action: S/ES, in coordination with S/CT)



## INFORMAL RECOMMENDATIONS

Informal recommendations cover matters not requiring action by organizations outside of the inspected unit and/or the parent regional bureau and are not 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.

S/CT employees sometime do not handle classified material properly.

**Informal Recommendation 1:** The Coordinator and the Office of the Coordinator for Counterterrorism managers should regularly stress to employees the need for careful and proper handling of classified material.

S/CT's oversight of the ATA program has been inadequate, in part because of inadequate staffing. S/CT has not performed the role outlined for it in the 1991 memorandum. It is not clear that the funding of assistance has reflected U.S. counterterrorism strategy as closely as possible, and it appears that the program would benefit from closer integration with the strategic vision of S/CT.

**Informal Recommendation 2:** Office of the Coordinator for Counterterrorism should fulfill its responsibilities under the 1991 memorandum until a new memorandum is negotiated.

OIG had earlier recommended that S/CT and DS/ATA reassess their responsibilities for managing the ATA program and update their 1991 memorandum. This inspection found that more oversight by S/CT is needed. In addition, a revised memorandum should establish clear lines of communication, outline managerial and operational responsibilities and the sharing of information, and develop processes for executing policy and achieving objectives.

**Informal Recommendation 3:** The 1991 memorandum that delineated responsibilities for the Anti-Terrorism Assistance (ATA) program should be revised to strengthen the Office of the Coordinator for Counterterrorism's (S/CT) oversight beyond general policy guidance and empower S/CT to oversee more fully DS/ATA's reassessment of the ATA programs.

Inadequate funds for travel impede S/CT's ability to perform its mission, both in coordination of Department efforts and in oversight of programs. Expansion of S/CT to perform these functions will further strain these travel funds.

**Informal Recommendation 4:** Office of the Coordinator for Counterterrorism should assess its submissions to the strategic and performance planning process to ensure that its requests for travel funds are adequate and should ensure that its operating funds allocate adequate amounts for travel.

Many embassies do not have officers who are formally assigned counterterrorism duties; the counterterrorism portfolio is a collateral duty of officers with other responsibilities. The GWOT, however, includes the use of diplomatic means and requires international cooperation. Therefore, the help of a host government may be needed to support or implement an initiative. Some embassies have not assigned the counterterrorism portfolio to an officer and only react to counterterrorism issues in response to taskings.

**Informal Recommendation 5:** The Office of the Coordinator for Counterterrorism should prepare and secure the approval of a Department instruction calling on every embassy to formally designate an officer as the primary point of contact with responsibility for counterterrorism other than the problems and issues related to the protection and security of the embassy.

Embassy responses to the OIG questionnaire indicate that many posts would like more outreach from S/CT, including information on trends, advisories, guidelines, and updates on counterterrorism efforts. Working more closely to keep embassies informed and focused would strengthen the working relationship between S/CT, the regional bureaus, and the embassies.

**Informal Recommendation 6:** The Office of the Coordinator for Counterterrorism should provide more outreach to embassies on counterterrorism trends, advisories, guidelines, and updates.

Cable collectives promote efficient operation of the Department's communication system and help ensure that cables are sent to posts with a significant involvement in a particular issue. The collectives also help officers in the Department avoid too great a reliance on All Diplomatic and Consular addressee cables and save significant amounts of time in preparing cables. Yet the Department has not created some of the appropriate collective cable addresses for counterterrorism topics, such as terrorist organizations.

**Informal Recommendation 7:** The Office of the Coordinator for Counterterrorism should arrange for the Department to create the appropriate cable collectives to expedite cables to overseas missions.

Much of the work of S/CT's Regional Affairs Office is driven by taskings from Department and S/CT senior management, and time for policy coordination is thereby reduced. Urgent problems often trump important issues, and a pattern of short deadlines and insufficient turnaround time plagues work flow.

**Informal Recommendation 8:** The front office of the Office of the Coordinator for Counterterrorism should provide more focused communications on policy decisions and more timeliness in taskings.



PRINCIPAL OFFICIALS

	<b>Name</b>	<b>Arrival Date</b>
Coordinator	Henry A. Crumpton	August 2005
Principal Deputy Coordinator	Frank Urbancic	October 2005
Deputy Coordinator for Programs and Public Diplomacy	Vacant	
Deputy Coordinator for Homeland Security	Susan Burk	March 2005
Deputy Coordinator for Regional and Transregional Affairs	Virginia Palmer	August 2005
Deputy Coordinator for Operations	Vacant	



## ABBREVIATIONS

A/LM/AQM	Bureau of Administration's Office of Acquisitions Management
ATA	Anti-Terrorism Assistance program
BPP	Bureau Performance Plan
CA	Bureau of Consular Affairs
CTE	Counterterrorism Engagement Funds
CTF	Counterterrorism finance
D&CP	Diplomatic and Consular Programs
DHS	Department of Homeland Security
DOD	Department of Defense
DS	Bureau of Diplomatic Security
ERF	Emergency response funds
EX	Office of the Executive Director
G-8	Group of Eight
GAO	Government Accountability Office
GWOT	Global War on Terror
IDP	Individual Development Plan
IIP	Coordinator of International Information Programs
INL	Bureau of International Narcotics and Law Enforcement Affairs
INR	Bureau of Intelligence and Research
IRM	Bureau of Information Resource Management
ISSO	Information systems security officer
IT	Information technology

MOU	Memorandum of understanding
MPP	Mission Performance Plan
NADR	Nonproliferation, Antiterrorism, Demining, and Related programs
NCTC	National Counterterrorism Center
OIG	Office of Inspector General
PISCES	Personal Identification Secure Comparison and Evaluation System
R&D	Research and Development
RAP	Regional Action Plans
RM	Bureau of Resource Management
S/CT	Office of the Secretary/Coordinator for Counterterrorism
S/ES	Office of the Secretary's Office of the Executive Director
TIP	Terrorist Interdiction Program
TSWG	Technical Support Working Group



## APPENDIX: SURVEY CABLE SENT TO OVERSEAS POSTS

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TO ALL DIPLOMATIC AND CONSULAR POSTS COLLECTIVE IMMEDIATE

RUEHDBU/AMEMBASSY DUSHANBE IMMEDIATE 2126

RUEHGE/AMEMBASSY GEORGETOWN IMMEDIATE 1961

RUEHTRO/USLO TRIPOLI IMMEDIATE 4482

BT

UNCLAS STATE 186969

FOR CHIEFS OF MISSION

E.O. 12958: N/A

TAGS: ASIG, AMGT

SUBJECT: OIG QUESTIONNAIRE ON OFFICE OF THE COORDINATOR  
FOR COUNTERTERRORISM

1. For Chiefs of Mission.
2. The Office of Inspector General is conducting a regularly scheduled inspection of the Office of the Coordinator for Counterterrorism (S/CT).
3. As part of our work, OIG is conducting a survey of missions abroad to determine the extent and quality of the support and guidance missions receive from S/CT. Your replies to the following questions will provide important information that will guide the inspection process and strengthen the Department's counterterrorism efforts:
  - A. Does your mission receive any support and guidance from S/CT?
  - B. If yes, please describe.
  - C. How would you evaluate the type of support and guidance provided? Please explain.
  - D. What additional support or guidance would be useful to your post?
  - E. How well did the Department prepare you and your staff to perform counterterrorism-related functions?
  - F. Do you have any suggestions as to issues that should be explored by the inspection team in the course of the inspection? What are they?

4. Please provide your responses by e-mail to OIG SCT Questionnaire at oigsctquestionnaire@state.gov, which can be found under Outlook's Global Address List on both the OpenNet and ClassNet systems. All responses will go directly to the inspection team and will be used without attribution and with confidentiality. (This means that the information will not be used, in a report or otherwise, in such a way that the source could be identified.) Please response by October 14, 2005.

5. Minimize Considered

RICE

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