



Office of Inspector General  
United States Department of State

Inspector General Statement on  
the U.S. Agency for Global Media's

# Major Management and Performance Challenges

FISCAL YEAR 2023

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## Introduction

Each year, in accordance with the Reports Consolidation Act of 2000,<sup>1</sup> the Office of Inspector General (OIG) for the U.S. Agency for Global Media (USAGM) identifies the most significant management and performance challenges facing the agency and briefly assesses progress in addressing those challenges. The resulting report is included in the agency's annual performance and accountability report.

OIG identified the following two management challenges in FY 2023:

- Information Security and Management
- Contract and Grant Management

Financial management was identified as a major management challenge in our FY 2022 report, *which was based mainly on* deficiencies related to unliquidated obligations (ULO). However, an audit of USAGM's FY 2022 financial statements that was issued in November 2022 found that the amount of invalid ULOs decreased significantly from the prior year. USAGM modified its ULO monitoring procedures during FY 2022, which increased its oversight of ULOs. Therefore, OIG does not consider financial management to be a major management challenge for FY 2023.

The two remaining challenges cited go to the core of USAGM's programs and operations. Continued attention to these concerns will improve USAGM's operations and, accordingly, its ability to fulfill its underlying mission. This document includes examples of OIG reports and findings completed in FY 2023 that illustrate these challenge areas. In addition to publicly available work, OIG issues Sensitive But Unclassified and Classified reports throughout the year. Although we are unable to discuss these reports publicly, many of the findings in them reinforce our assessment of these management challenges. OIG provides this report so that, taken together with the work OIG produces throughout the year, USAGM can institute appropriate measures to improve operational efficiency and effectiveness.

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<sup>1</sup> The Reports Consolidation Act of 2000, § 3, Pub. L. 106-531 (amending 31 U.S.C. § 3516).

# Information Security and Management



As in previous years, as a result of the annual audit of USAGM’s information security program, OIG reported that although the agency continued efforts to implement an organization-wide program, additional steps are needed to fully implement an effective program. The conclusion was based on evidence of deficiencies identified in seven of nine domains, including configuration management, identity and access management, and security training. The information security standards that form the criteria of this audit represent foundational guidelines for managing and reducing cyber risk by protecting networks and data, the USAGM’s persistent inability to comply with those standards will continue to be a focus of our work.

Also, in a recent report on Russia’s invasion of Ukraine, OIG found that the Voice of America (VOA) Russian Language Service staff did not comply with VOA editorial policy in all cases with respect to website content management. Staff told OIG that personnel shortages and crisis operating conditions limited the Russian Language Service’s ability to consistently ensure editorial oversight for website publication. After OIG raised this issue with VOA leadership, the Office of Program Review conducted spot checks of the content posted on the Russian Language Service website and the Eurasia Division reiterated to all Russian Language Service staff its policy of content review by two editors. However, even occasional lapses in adherence to established editorial policy risk undermining VOA’s stated mission of providing accurate, authoritative, and comprehensive news and information.<sup>2</sup>

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<sup>2</sup> OIG, *Review of the U.S. Agency for Global Media Response to Russia’s 2022 Full-Scale Invasion of Ukraine* (ISP-IB-23-14, May 2023).



# Contract and Grant Management

An independent external auditor, working on OIG's behalf, has identified deficiencies with USAGM's grant monitoring efforts annually since the audit of USAGM's FY 2013 financial statements. USAGM has four grantees that it funds through annual grant agreements: Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia, the Middle East Broadcasting Networks, and the Open Technology Fund. The auditor found that USAGM had not reviewed the allowability of grantee costs, performed grant close-outs, conducted formal documented site visits, monitored equipment purchased by grantees, reviewed grantee disbursement reconciliations, or conducted risk assessments.<sup>3</sup> USAGM is also responsible for monitoring the use of funds provided to its grantees to ensure that the grantees adhere to relevant laws and regulations. Because USAGM had not implemented many grantee monitoring controls, USAGM was in substantial noncompliance with federal grants monitoring requirements. Although USAGM made progress in strengthening its grants monitoring program by engaging contractor support to develop desk guides and oversight tools, its new grants monitoring program was not fully implemented as of September 30, 2022.<sup>4</sup>

In a report related to whistleblower protection, OIG reviewed a sample of both Department and USAGM contracts to determine whether they included a clause required by Congress. The clause stipulates that the head of each executive agency ensure that contractors and grantees of the agency inform their employees in writing of the employees' whistleblower rights and remedies. USAGM included the required clause in 90 percent of contracts reviewed. However, OIG found that neither agency has a method of explicitly ensuring that grantees inform their employees of whistleblower protections. OIG made three recommendations to USAGM to help ensure compliance with the notification requirements for current and future contracts and grants.<sup>5</sup>

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<sup>3</sup> OIG, *Independent Auditor's Report on the U.S. Agency for Global Media FY 2022 and FY 2021 Financial Statements* (AUD-FM-IB-23-08, November 2022)

<sup>4</sup> Ibid.

<sup>5</sup> OIG, *Evaluation of Whistleblower Protection Notification to Contractor and Grantee Employees at the Department of State and U.S. Agency for Global Media* (ESP-23-04, September 2023).

# Appendix A: Response From U.S. Agency For Global Media



U.S. AGENCY FOR  
GLOBAL MEDIA

330 Independence Avenue SW | Washington, DC 20237 | [usagm.gov](https://usagm.gov)

November 6, 2023

Ms. Diana Shaw  
Acting Inspector General  
Office of Inspector General  
U.S. Department of State

Dear Ms. Shaw:

Thank you for the opportunity to respond to the Office of Inspector General (OIG)'s *Statement on the U.S. Agency for Global Media's (USAGM) Major Management and Performance Challenges for Fiscal Year (FY) 2023*. I appreciate the OIG identifying challenges to agency operations, including those related to information security and management, and contract and grant management. I am pleased to highlight USAGM's progress on these issues since they were identified in OIG reports over the last fiscal year, as well as plans for further improvement.

## Information Security and Management

Over the past two years, USAGM made significant progress in information security while developing an agency Zero Trust Architecture plan in response to the President's Cyber Executive Order 14028 and OMB Memoranda. The agency's noteworthy cybersecurity accomplishments include:

- Deploying tools and processes to improve the agency's Information Security Continuous Monitoring;
- Continued progress deploying the agency's Identity Credential Access Management strategy and Multi-Factor Authentication solutions; and
- Implementing the agency's Supply Chain Risk Management strategy, policy and plan.

Additionally, as a qualitative measure of the effectiveness of USAGM's federal information technology security defenses, the agency's Information Security Team detected and investigated numerous suspicious cybersecurity events during the past year. None of these incidents impacted the Voice of America's (VOA) or the Office of Cuba Broadcasting's international broadcasting mission. Building on the significant progress that USAGM made in FY 2023, I am committed to the continued improvement of the agency's information security.



In response to the OIG's findings, VOA's Russian Service has taken resolute steps to strengthen its editorial review procedures. To consistently deliver accurate, comprehensive, and objective news coverage, VOA Russian content production now undergoes a rigorous verification process. This includes fact-checking, language precision, policy adherence, and journalistic integrity. Multiple seasoned editors maintain a consistent review of all content to ensure quality and accuracy. Alongside bolstering editorial procedures, the team is focused on strengthening its expertise through recruitment and training. Performance assessments help pinpoint areas for improvement. Regular audits and reviews are conducted to maintain high editorial standards, addressing challenges related to issues and crisis-operating conditions that were identified by the staff. VOA Russian remains dedicated to its mission of offering accurate, authoritative, and comprehensive news, with a commitment to upholding the highest journalistic standards.

#### Contract and Grant Management

USAGM appreciates the importance of strong grants management and is working to fully implement key grants monitoring activities mentioned in the OIG's Major Management and Performance Challenges statement. During FY 2023, USAGM completed risk assessments for all four non-federal entities. Additionally, USAGM completed desk review of MBN, RFA, and OTF, and initiated a desk review of RFE/RL in August 2023. To ensure the non-federal entities understand the Uniform Guidance, USAGM continues to provide training sessions on the requirements of the Uniform Guidance, appropriations law for grants, and on USAGM's Grants Administration Manual. USAGM has identified fully liquidated grants and plans to prioritize close out of prior-year grants that do not have active obligations in FY 2024.

USAGM concurred with the OIG's recommendations on whistleblower protection and issued acquisition policy to implement them. The agency intends to ensure compliance with the notification requirements for current and future contracts and grants.

Again, thank you for the opportunity to respond to OIG's statement. I look forward to a positive and productive relationship with the OIG.

Sincerely,

A handwritten signature in black ink that reads "Amanda Bennett". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

Amanda Bennett  
Chief Executive Officer



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OIG Whistleblower Coordinator to learn more about your rights.

[WPEAOmbuds@stateoig.gov](mailto:WPEAOmbuds@stateoig.gov)