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"Rummaging in the government's attic"

Description of document: Copies of all letter correspondence between the Overseas

Private Investment Corporation (OPIC) and the U.S.

Agency for International Development (USAID) Office of

Inspector General (OIG) 2013-2014

Requested date: 14-April-2014

OPIC Release date: 06-May-2014

USAID Release date: 14-November-2014

Posted date: 14-December-2015

Source of documents: Freedom of Information Act Request

FOIA Director (LA)

Overseas Private Investment Corporation

1100 New York Avenue, NW

Washington, DC 20527 Email: <u>foia@opic.gov</u>

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Overseas Private Investment Corporation 1100 New York Avenue, N.W., Washington, D.C. 20527 PHONE: (202) 336-8400 FAX: (202) 408-0297

May 6, 2014

SENT VIA E-MAIL

RE: Response Letter for FOIA Request 2014-00026

This letter is in response to your April 14, 2014 FOIA request. Your request was assigned FOIA Number 2014-00026. Please reference this number in all correspondence concerning your request. You requested:

 A copy of all letter correspondence between OPIC and the USAID Office of Inspector General between January 1, 2012 and the present. The search may be limited to the OPIC Correspondence Files. IF records are NOT available in centralized correspondence files, search the following offices: Keith Kozloff, Barbara Day, Robert Campbell, and Mimi Alemayehou.

OPIC does not have centralized correspondence files and therefore the listed offices were searched. OPIC located four letters responsive to your request. Three of these letters are attached in part with withholdings made under Exemption b(2).

The FOIA contains nine exemptions which authorize an agency to withhold qualified information. Exemption b(2) protects information "related solely to the internal personnel rules and practices of an agency." 5 U.S.C. § 552(b)(2). These include "minor or trivial administrative matters of no genuine public interest" such as internal personnel directories and direct contact information for federal employees. Hale v. DOJ, 973 F. 2d 894, 902 (10th Cir. 1992) (upholding agency's withholding of a personnel directory as well as the redaction of room numbers, telephone numbers, and other information); see also James Madison Project v. CIA, No. 07-1382, 2009 WL 780228, at *9-10 (D.D.C. Mar. 26, 2009) (upholding the withholding of telephone and fax numbers of CIA employees); Department of Justice, Guide to the Freedom of Information Act 179 (2009)

ed.) (listing cases). OPIC has withheld the direct phone numbers and e-mail addresses of its staff members. Public inquires should be directed to OPIC's InfoLine, press office, or FOIA Office.

Please note that the MOU attached to documents "130326 Letter OPIC to USAID" and "140401 Letter OPIC to USAID," as well as an additional letter from USAID to OPIC has was referred to USAID on May 6, 2014 for a direct response to you.

If you wish to contact the agency, the mailing address is:

USAID FOIA Office Bureau for Management Office of Management Services Information and Records Division Room 2.07C – RRB Washington, DC 20523-2701

foia@usaid.gov

Fees for your request total less than \$25.00 and are provided at the agency's expense. You do not need to submit a fee payment.

This is a final response to your FOIA request 2014-00026. If you are dissatisfied with this response, you may appeal to OPIC's Deputy General Counsel within twenty business days of your receipt of this letter by addressing such appeal to:

Deputy General Counsel Overseas Private Investment Corporation 1100 New York Avenue, N.W. - 12th Floor Washington DC, 20527

Both the letter and the envelope should be marked "FREEDOM OF INFORMATION ACT APPEAL." In the event that you are not satisfied with the results of any such appeal, judicial review is available to you in the United States District Court for the judicial district in which you reside or maintain your principal place of business, or in the District of Columbia.

Questions about this determination may be directed to me at 202.408.6297 or by e-mail at Nichole.Cadiente@opic.gov.

Sincerely,

Nichole Cadiente
Dit: cn=Nichole Cadiente, o=Overseas Private
Investment Corporation, ou-Administrative
Counsel, email-nichole. addiente@opic.gov, c=US
Date: 2014.05.06 11:59:15-0#00'

Nichole Cadiente Administrative Counsel Overseas Private Investment Corporation 1100 New York Avenue, N.W. Washington, D.C. 20527

Attachments 130326 Letter OPIC to USAID Redacted

> 140401 Letter OPIC to USAID Redacted 140408 Letter OPIC to USAID Redacted

OVERSEAS PRIVATE INVESTMENT CORPORATION

WASHINGTON, D.C. 20527, USA



OFFICE OF THE PRESIDENT

March 26, 2013

The Honorable Michael G. Carroll Deputy Inspector General U.S. Agency for International Development 1300 Pennsylvania Avenue NW Washington, DC 20523

Dear Mr. Carroll:

I want to thank you for the Draft MOU you sent to me for our consideration. We have had discussions with our oversight committees and with OPIC's Audit Committee of the Board of Directors as to which MOU would be the most appropriate for OPIC at this time. Based on those discussions, we are prepared to move forward with the Draft B MOU for Fiscal Year 2013. We are enclosing a revised draft with reflects changes to the scope of services your office would provide to OPIC in FY 2013.

Based on guidance as to the application of the sequestration to OPIC and the passage of the Continuing Resolution covering the rest of this fiscal year, we have now been able to plan out the remainder of this Fiscal Year. Given the limited financial resources available, the amount we are able to make available for these activities in FY 2013 is \$100,000. As you know, for FY 2014, OPIC is working with our Audit Committee and our Oversight and Appropriations committees to work to a permanent Inspector General solution appropriate for OPIC.

Thank you for your assistance to our agency. We look forward to hearing back from you and are prepared to begin work with your team immediately on the activities identified. If you or members of your staff have any questions or would like additional information, please contact me or Don DeAmicis, General Counsel, at (5) (2)

Sincerely,

President & CEO



Overseas Private Investment Corporation 1100 New York Avenue, N.W. Washington, D.C. 20527

Email: (b) (2)

April 1, 2014

Justin H. Brown Chief of Staff/Legislative and Public Affairs Office of the Inspector General U.S. Agency for International Development 1300 Pennsylvania Avenue, N.W. Washington, D.C. 20523

Dear Justin:

Enclosed please find the execution original of the Inter-Agency Agreement between USAID Office of the Inspector General and OPIC that was attached to my email to you yesterday. If this is acceptable, please return a countersigned original to me.

Very truly yours,

Barbara K. Day

Acting Vice President & General Counsel

Cc: John E. Morton, Chief of Staff

Enclosure

Pages 2-5 sent to USAID for direct referral

OVERSEAS PRIVATE INVESTMENT CORPORATION

WASHINGTON, D.C. 20527, USA



OFFICE OF THE PRESIDENT

April 8, 2014

Michael Carroll
Acting Inspector General
U.S. Agency for International Development
1300 Pennsylvania Avenue NW
Washington, DC 20523

Mr. Carroll,

We have received your letter of April 8, 2014. As we note that you did not cc the entire OPIC Board, we have asked OPIC's Corporate Secretary to ensure that each Board Member receives a copy. Enclosed is our recent correspondence to the OPIC Board updating them on OPIC's legislative efforts to enhance oversight and a short response to some of your points.

While we disagree with a number of characterizations in your letter, we are encouraged that your staff will begin work on agreed upon services specified in the MOU. In accordance with the email sent to your Chief of Staff on March 31, 2014, we are ready to continue discussions on other services you wish to provide, assuming those services are not duplicative of existing reviews and reflect pending Congressional action.

Sincerely,

Elizabeth L. Littlefield

President & CEO

OVERSEAS PRIVATE INVESTMENT CORPORATION

WASHINGTON, D.C. 20527, USA



OFFICE OF THE PRESIDENT

April 8, 2014

Dear Board Members,

The purpose of this letter is to provide an update on the status of efforts to enhance oversight at OPIC, including our proactive efforts to work with Congress to create a dedicated and independent Office Inspector General (OIG) for OPIC. Additionally, we would like to provide you with our perspective on the enclosed letter from the USAID Acting Inspector General.

As many of you are aware, this has been a multi-year effort involving conversations with senior staffers on both sides of the aisle and in both houses of Congress. OPIC's Audit Committee has been deeply engaged in these discussions as well. OPIC management, the Audit Committee, and OPIC's authorizers have come to the conclusion the most appropriate oversight would be a permanent independent OIG within OPIC rather than a shared OIG with another agency such as USAID or EXIM. This determination was based on the fact that an OPIC-specific OIG would have the professional backgrounds and skill sets to properly evaluate OPIC's private-sector lending, insurance, and private equity programs, which are very different from programs of other agencies such as USAID. Furthermore, an OPIC-specific IG would be appropriately scaled and represent a prudent use of taxpayer resources. Agency-specific Inspector Generals, known as Designated Federal Entity IGs, are the most common type of IGs (35 federal agencies have such entities; SEC, Federal Reserve, OCC, etc.) and have been determined by the GAO to be particularly well-suited to smaller agencies that interface with private markets.

The House version of the Electrify Africa Bill, which cleared markup in the House Foreign Affairs Committee on February 27, includes a provision directing OPIC to implement an independent OIG within OPIC. Draft versions of the Senate Bill similarly create an independent Office of Inspector General within OPIC (neither imagine USAID as the permanent solution). Therefore, we are confident that legislative action will provide OPIC with an independent OIG in the coming weeks. Accordingly, we are taking active preparations for this enhanced oversight, most notably including an OIG line item of \$1.8 OIG million in our 2015 Budget Request.

With respect to the USAID IG communications, we have a strong difference of opinion. After several months of discussion, on March 31 OPIC provided the USAID IG with a signed Memorandum of Understanding including agreed-upon IG services as an interim measure until Congress enacts a permanent tailored solution for OPIC. At that time we also proposed a meeting with the USAID IG to discuss the services that we have been unable to agree to because the services are either undefined or duplicative of ongoing oversight provided by our Audit Committee and our third party financial auditors.

We continue to work closely with OPIC's Audit Committee on oversight matters and look forward to providing a more fulsome update of oversight, legislative, and related matters at our June meeting. Please do not hesitate to reach out to me, or Chief of Staff John Morton, should you have any questions.

Sincerely,

Elizabeth L. Littlefiel

President & CEO



NOV 14 2014

RE: FOIA Request No. F-00230-14 OPIC FOIA Referral # 2014-00026

The United States Agency for International Development (USAID) regrets the delay in responding to your Freedom of Information Act (FOIA) referral request. Unfortunately, USAID is experiencing a backlog of FOIA requests. Please know that USAID management is very committed to providing responses to FOIA requests ad remedying the FOIA backlog.

While processing your FOIA request, the Overseas Private Investment Corporation (OPIC) found three (3) documents, totaling nine (9) pages, that originated within our agency or contain USAID information. OPIC forwarded the documents to us on May 7, 2014 for our review and direct reply to you. After carefully reviewing the responsive documents pursuant to the FOIA, Title 5 U.S.C. § 552, we have determined the documents are appropriate for release. They are enclosed in their entirety; no deletions or exemptions have been claimed.

There is no charge for this FOIA request. As this concludes the processing of your request, it will be closed.

If you need to contact our office again about this request, please refer to the case number cited above. You may contact Sylvia Lankford on (202) 712-0879 or at slankford@usaid.gov.

Sincerely, 5. Landford for

Alecia S. Sillah

Team Lead, Government Information Specialist

Bureau for Management

Office of Management Services
Information and Records Division

Enclosure: Responsive Records (9 pages)



APR 08 2014

The Honorable Elizabeth Littlefield President and Chief Executive Officer Overseas Private Investment Corporation 1100 New York Avenue, NW Washington, DC 20527

Ms. Littlefield,

As you know, in July 2013, the Senate Appropriations Committee directed OPIC to enter into an agreement with the U.S. Agency for International Development (USAID) Office of Inspector General (OIG) for fiscal year (FY) 2014 oversight. After extensive delays on the part of your office and without advance consultation, on March 31, 2014, we received a signed memorandum of understanding (MOU) from your office reflecting OPIC support for three of seven oversight activities we had originally proposed. This version of the MOU does not reflect a mutually agreed plan of work and we will not sign it.

OPIC's approach to negotiating this agreement has demonstrated that it does not have a proper appreciation for the role and place of oversight in the federal government. Rather than promptly responding to congressional direction to enter into an agreement, OPIC leadership repeatedly postponed discussions on oversight plans. Whereas my staff initially approached your office to fulfill this congressional directive in September 2013, the first substantive response we received from OPIC on the subject came in February 2014. We encountered similar delays in reaching an FY 2013 agreement with OPIC, which was ultimately executed on March 28, 2013. Delayed execution of these agreements has had the predictable effect of limiting the oversight that can be provided and may also increase corresponding costs.

Throughout this process, OPIC has sought to dictate the types of oversight it receives and the terms under which that oversight is provided. It has also repeatedly endeavored to reduce the scope of oversight activities to which it is subject. OPIC's efforts to this effect have not always been well informed, as it has rejected oversight proposals without first developing an understanding of underlying requirements or consulting with our staff. These practices are inconsistent with norms guiding effective management of government resources.

In the interest of ensuring that OPIC receives at least minimum levels of oversight in FY 2014, we have commenced work on the subset of oversight activities indicated in the draft MOU that you have signed. This work is more limited than we believe is appropriate or warranted. We will be noting this and OPIC's continuing resistance to independent oversight in our upcoming semiannual report to Congress.

Sincerely

Michael Carroll

Acting Inspector General

cc:

The Honorable Dr. Rajiv Shah Administrator U.S. Agency for International Development

The Honorable Michael Froman United States Trade Representative Office of the U.S. Trade Representative

The Honorable Catherine A. Novelli Under Secretary of State for Economic Growth, Energy, and the Environment U.S. Department of State

The Honorable Matthew Maxwell Taylor Kennedy Director, Kennedy Enterprises

The Honorable Terry Lewis Principal, LIA Advisors, LLC

The Honorable Michael J. Warren Principal, Albright Stonebridge Group

The Honorable James M. Demers President, Demers & Blaisdell, Inc.

The Honorable James A. Torrey The Torrey Family Office

The Honorable Roberto R. Herencia President & CEO BXM Holdings, Inc.

The Honorable Naomi Walker Assistant to the President American Federation of State, County and Municipal Employees

INTER-AGENCY AGREEMENT PROVISION OF OVERSIGHT SERVICES BY THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL FOR THE OVERSEAS PRIVATE INVESTMENT CORPORATION

1. PARTIES AND PURPOSE

The Parties to this Agreement are the U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL (OIG) and the OVERSEAS PRIVATE INVESTMENT CORPORATION (OPIC). The purpose of the agreement is to provide OPIC a level of audit, review, inspection, and investigation services and to define the terms and process of reimbursement for those services.

2. BACKGROUND

Pursuant to Senate Report 112-172 - Department of State, Foreign Operations, and Related Programs Appropriations Bill, 2013, and as directed by Senate Foreign Relations Committee, OPIC is seeking to enter into a memorandum of agreement with the OIG.

3. AUTHORITY

22 U.S.C. § 2199(e) provides OIG statutory authority to conduct reviews, investigations, and inspections of OPIC and provides OPIC with authority to reimburse OIG for those services. Pursuant to 22 U.S.C. § 2392(b), OPIC is authorized to enter into this interagency agreement for program review, inspection, and fraud prevention services.

4. RELATIONSHIP BETWEEN PARTIES

OIG will provide OPIC all the services indicated in Attachment A. OPIC will provide OIG with access to the personnel, records, documents (including those in electronic form), materials, systems, equipment, and facilities needed to perform these services. OIG will report its findings to the OPIC President and OPIC's Board Audit Committee and will include OPIC oversight activities in its Semiannual Report to Congress as it deems appropriate under the IG Act.

DURATION AND EFFECT

This Agreement will become effective when executed by both Parties. It will remain in effect until September 30, 2014. It will also terminate in the event of legislative action that prescribes a different oversight function for OPIC. Unless otherwise provided by law, OIG will complete any audit, inspection, investigation, or review that it may have initiated prior to the termination of the Agreement pursuant to the terms of the Agreement.

This Agreement shall not be construed in derogation of the Antideficiency Act, 31 U.S.C. § 1341, or to expend or obligate funds in excess or advance of appropriations.

This Agreement is an internal Executive Branch agreement between the Parties, and is not intended to confer any right upon any private person or third party.

6. PAYMENT FOR SERVICES/REIMBURSEMENT OF COSTS

- a) The total amount obligated by OPIC under this agreement shall not exceed \$128,500. OIG is authorized to seek reimbursement for services specified in Attachment A up to \$128,500.
- b) To the extent set forth in the order, OIG shall be reimbursed for the actual cost of the services rendered by its staff under this Agreement, in addition to any necessary costs incurred by obligations to third parties including travel costs. The actual cost of the services will be calculated by multiplying the number of hours of service provided by each employee by the fully-burdened rate of compensation.
- c) At the conclusion of the rendering of services under this Agreement, OIG will submit a worksheet of costs incurred as support for the Department of the Treasury's Intra-Governmental Payment and Collection (IPAC) System charge to OPIC, addressed to the individuals listed below, as appropriate. OPIC will initiate transfer of funds to OIG:

Sara Gooden, Director, Financial Resources Division U.S. Agency for International Development Office of Inspector General 1300 Pennsylvania Ave., NW Room 8.8.26 Washington, DC 20523

Terri Martin, Director, Financial Management/OCFO Overseas Private Investment Corporation 1100 New York Ave NW Washington, DC 20527

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ALC	71000001
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BPN	71
BETC	DISB

e) Payment on a worksheet for costs incurred shall be made by means of the Department of the Treasury's IPAC System, unless otherwise mutually agreed.

POINTS OF CONTACT

The Points of Contact for each Party are:

For the U.S. Agency for International Development Office of Inspector General:

Justin Brown, Chief of Staff

For the Overseas Private Investment Corporation:

Barbara K. Day, Acting General Counsel

Written notification of any changes to the designated Point of Contact by either Party will be provided in writing.

PRIVACY AND RECORDS

All information and/or records received or generated in the course of performing services under this Agreement will be maintained by OIG in full compliance with the Privacy Act of 1974, 5 U.S.C. § 552a, the Freedom of Information Act, 5 U.S.C. § 552, and the Trade Secrets Act, 18 U.S.C. § 1905, in addition to all applicable privileges and regulations.

9. SIGNATURES

The Parties enter into this Agreement:

For the	TI	2 4	genev	for	Internat	ional	Deve	lopment (Off	ice o	In	spector (General	ŀ
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Acting Inspector General Date:

For the Overseas Private Investment Corporation:

President & Chief Executive Officer

Date: 3-3/-14

TENTATIVE OPIC SERVICE SCHEDULE: FY 2014

AUDITS, REVIEWS, INSPECTIONS, AND INVESTIGATIONS

OIG plans to provide the following services for OPIC in FY 2014, with estimated costs as shown. The actual mix of services will be at OIG's discretion:

Audits & Related Activities	
Oversight of FISMA-related audits	\$102,000
Purchase Card Survey	\$21,500
Investigations	
Fraud Awareness Program Briefing	\$5,000
Total	\$128,500

INTER-AGENCY AGREEMENT PROVISION OF OVERSIGHT SERVICES BY THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL FOR THE OVERSEAS PRIVATE INVESTMENT CORPORATION

PARTIES AND PURPOSE

The Parties to this Agreement are the U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL (OIG), and the OVERSEAS PRIVATE INVESTMENT CORPORATION (OPIC). The purpose of the agreement is to provide OPIC a level of review, inspection and investigation services and to define the terms and process of reimbursement for those services.

BACKGROUND

Pursuant to Senate Report 112-172 – Department of State, Foreign Operations, and Related Programs Appropriations Bill, 2013 and as directed by Senate Foreign Relations Committee, OPIC is seeking to enter into a memorandum of agreement with the OIG to supplement its program review, inspection and fraud prevention capabilities.

AUTHORITY

22 U.S.C. § 2199(e) provides OIG statutory authority to conduct reviews, investigations, and inspections of OPIC and provides OPIC with authority to reimburse OIG for those services. Pursuant to 22 U.S.C. § 2392(b) OPIC is authorized to enter into this inter-agency agreement for program review, inspection and fraud prevention services that OIG has agreed to perform and which sets forth how reimbursement of expenses by OPIC will occur.

4. RELATIONSHIP BETWEEN PARTIES

OIG will provide OPIC all the services and have all the authorities, duties and responsibilities of an Inspector General with respect to authorities provided under 22 U.S.C. § 2199(e). OIG will report its findings to OPIC President and CEO and in accordance with the Inspector General Act of 1978, as amended and will include OPIC oversight activities in its Semi-Annual report at its discretion.



DURATION AND EFFECT

This Agreement will become effective when executed by both Parties. It will remain in effect until September 30, 2013. It will also terminate in the event of legislative action that prescribes a different oversight function for OPIC.

This Agreement shall not be construed in derogation of the Antideficiency Act, 31 U.S.C. § 1341, or to expend or obligate funds in excess or in advance of appropriations.

This Agreement is an internal Executive Branch agreement between the Parties, and is not intended to confer any right upon any private person or third party.

PAYMENT FOR SERVICES/REIMBURSEMENT OF COSTS

- a) The total amount obligated by OPIC under this agreement shall not exceed \$100,000.00. OIG is authorized to seek reimbursement for services specified in paragraph 7 up to \$100,000.00.
- b) To the extent set forth in the order, OIG shall be reimbursed for the value of the services rendered by its staff under this Agreement, in addition to any necessary costs incurred by obligations to third parties including travel costs. The value of the services will be calculated by multiplying the number of hours of service provided by each employee by the fully-burdened rate of compensation.
- c) At the conclusion of the rendering of services under this Agreement, OIG will submit a worksheet of costs incurred as support for the Department of the Treasury's Intra-Governmental Payment and Collection (IPAC) System charge to OPIC, addressed to the individuals listed below, as appropriate. OPIC will initiate transfer of funds to OIG.

Sara Gooden, Director, Financial Resources Division

U.S. Agency for International Development

Office of Inspector General 1300 Pennsylvania Ave., NW Room 8.8.26

Washington, DC 20523

Terri Martin, Director, Financial Management/OCFO Overseas Private Investment Corporation 1100 New York Ave NW Washington, DC 20527

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d) Payment on a worksheet for costs incurred shall be made by means of the Department of the Treasury's IPAC System, unless otherwise mutually agreed.

REVIEWS, INSPECTIONS AND FRAUD PREVENTION

Subject to the amount of funds obligated in paragraph 6a, the parties agree the following services may be provided in Fiscal Year 2013 and reimbursed pursuant to this agreement.

- a. Fraud Awareness Program
- b. Oversight of FISMA related audits

8. POINTS OF CONTACT

The Points of Contact for each Party are:

For the U.S. Agency for International Development Office of Inspector General:

To be determined.

For the Overseas Private Investment Corporation:

Don De Amicis, General Counsel

Written notification of any changes to the designated Point of Contact by either Party will be provided in writing.

PRIVACY AND RECORDS

All information and/or records received or generated in the course of performing services under this Agreement will be maintained by OIG in full compliance with the Privacy Act of 1974, 5 U.S.C. § 552a, the Freedom of Information Act, 5 U.S.C. § 552, and the Trade Secrets Act, 18 U.S.C. § 1905, in addition to all applicable privileges and regulations.

10. SIGNATURES

The Parties enter into this Agreement:

For the U.S. Agency for International Development Office of Inspector General:

Date:

For the Overseas Private Investment Corporation:

Date: March 25, 2013

President & Chief Executive Officer