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Description of document: Central Intelligence Agency (CIA) Inspector General (OIG)  
Semiannual Report to the Director, 2011-2012

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Source of document: Information and Privacy Coordinator  
Central Intelligence Agency  
Washington, D.C. 20505  
Fax: 703-613-3007  
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Central Intelligence Agency



Washington, D.C. 20505

20 May 2014

Reference: F-2014-01066

On 18 March 2014, the office of the Information and Privacy Coordinator received your 6 March 2014 Freedom of Information Act (FOIA) request for:

1. **a copy of each CIA Inspector General Semi-Annual Reports during the time period January 1, 2011 to the present.**
2. **a copy of the first two CIA Inspector General Semi-Annual Reports that were produced, several years ago.**

We have assigned your request the reference number above. Please use this number when corresponding so that we can identify it easily.

Our records show that we already conducted a search on behalf of an earlier request for Inspector General Semi-Annual reports covering the time period from January through December 2011. Therefore, we searched our database and located the two enclosed documents, totaling 135 pages. Please be advised that these documents were released in connection with the earlier request. We will take these pages into account when calculating the final cost associated with your request.

The CIA Information Act, 50 U.S.C. § 431, as amended, exempts CIA operational files from the search, review, publication, and disclosure requirements of the FOIA. To the extent your request seeks information that is subject to the FOIA, we accept Item 1 for the remaining period (January 2012 to the present) and Item 2 of your request, and we will process it in accordance with the FOIA, 5 U.S.C. § 552, as amended. We will search for records up to and including the date the Agency starts its search.

Based on the information provided in your 6 March 2014 letter, we determined that your request falls into the "all other" fee category, which may require you to pay charges to cover the cost of searching for and reproducing responsive records (if any) beyond the first 100 pages of reproduction and the first two hours of search time, which are free. Copies are ten cents per page. We note your agreement to pay fees associated with your request up to \$35.

The large number of FOIA requests CIA receives has created unavoidable delays making it unlikely that we can respond within the 20 working days the FOIA requires. You have the right to consider our honest appraisal as a denial of your request and you may appeal to the Agency Release Panel. A more practical approach would permit us to continue processing your request and respond to you as soon as we can. You will retain your appeal rights and, once you receive the results of our search, can appeal at that time if you wish. We will proceed on that basis unless you object.

Sincerely,

A handwritten signature in black ink, appearing to read "Michele Meeks", with a stylized flourish at the end.

Michele Meeks  
Information and Privacy Coordinator

Enclosures

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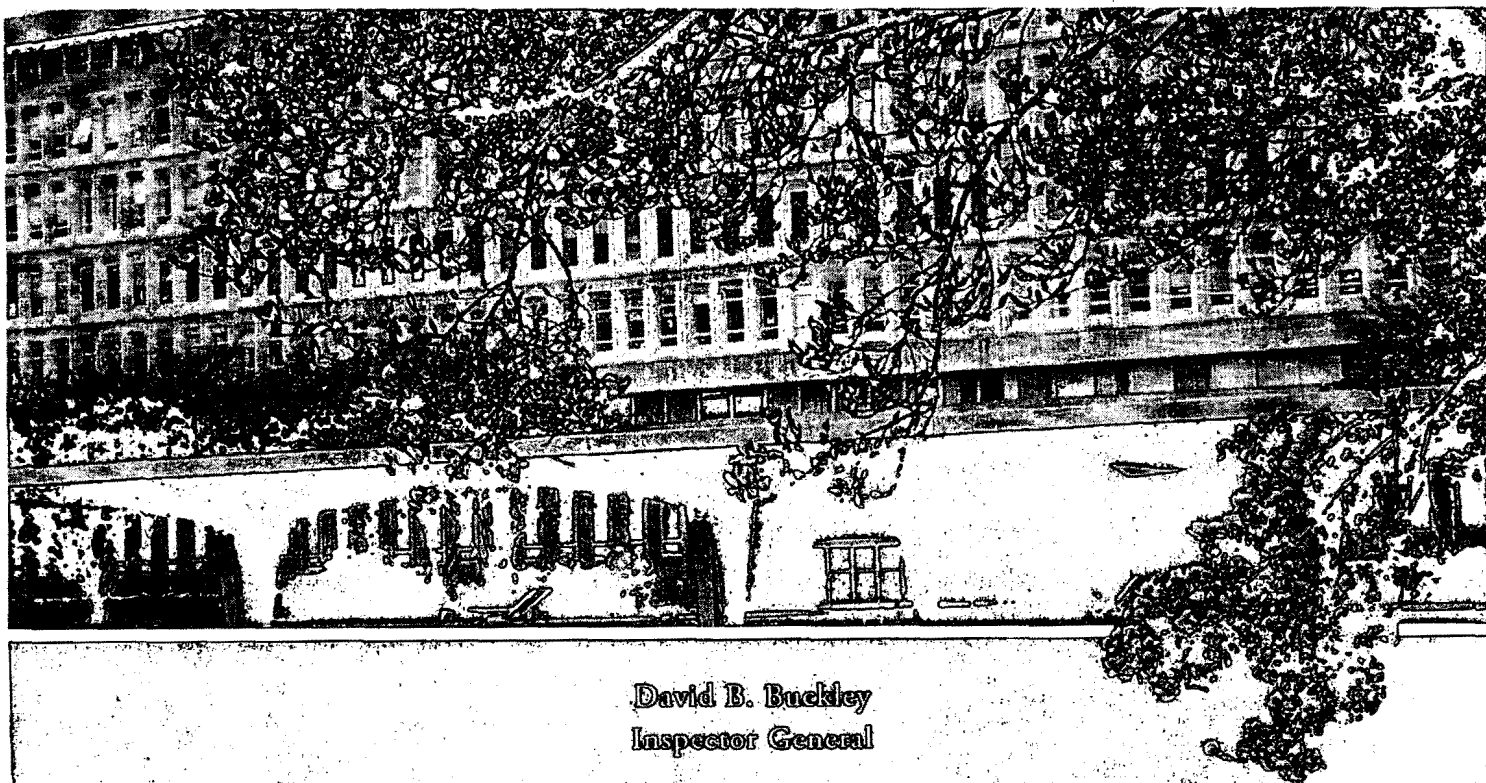
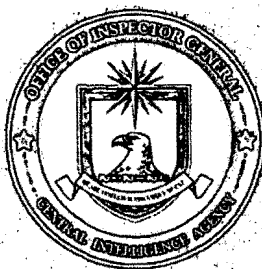
IG 2011-0379

## OFFICE OF INSPECTOR GENERAL

**SEMIANNUAL REPORT**

TO THE DIRECTOR, CENTRAL INTELLIGENCE AGENCY

JANUARY-JUNE 2011

David B. Buckley  
Inspector General~~SECRET~~

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## *Follow the truth, wherever it leads...*

### Mission

The Office of Inspector General promotes economy, efficiency, effectiveness, and accountability in the management of CIA activities by performing independent audits, inspections, investigations, and reviews of CIA programs and operations. We also seek to detect and deter fraud, waste, abuse, and mismanagement. We advance the Agency's mission by providing our findings and recommendations expeditiously to the Director, the Agency, and the Congressional intelligence committees.

### Vision

The Office of Inspector General is a trusted and respected resource for the Director, the Agency, and the Congress, and our work has a positive impact on CIA's mission.

### Values

We are an organization of diverse professionals dedicated to:

**Integrity** - Making decisions on the merits of every matter without regard to undue influence or favor.

**Professionalism** - Holding ourselves to the highest standards of accountability and independence and ensuring that our findings are accurate, objective, and timely, and our recommendations relevant, reasonable, fact based, and fair.

**Expertise** - Developing and leveraging individual and collective skills and experiences.

### Diversity

Diversity is integral to our mission success. We promote diversity by creating a culture that is professional, supportive, inclusive, and innovative.

We value a diverse workforce and, therefore, are dedicated to recruiting, developing, and retaining qualified individuals who bring a variety of experiences, backgrounds, and skills.

We are committed to maintaining a positive, equitable, and productive work environment where all employees - and their diverse thoughts and opinions - are welcomed, respected, and valued.

  
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## A MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to provide this report of the activities of the Office of Inspector General (OIG), Central Intelligence Agency for the period 1 January – 30 June 2011. The OIG auditors, investigators, and inspectors focus their efforts on examining Agency programs and operations in order to promote the effectiveness, efficiency, and accountability of CIA activities. They do so with integrity, objectivity, and expertise.

### Staff Accomplishments

In summary of their significant accomplishments completed during this reporting period:

- **Six Audit Reports** were issued:
  - Audit of the Working Capital Fund Cost and Pricing Models for Facilities Support (page 8).
  - Audits of two covert action programs (pages 9 and 10).
  - Audits of three field sites (page 11).
- **Four Inspection Reports** were issued:
  - Agency-Wide Performance Against the Foreign Cyber Threat (page 28).
  - Office of Asian Pacific, Latin American, and African Analysis in the Directorate of Intelligence (page 29).
  - Office of Technical Service in the Directorate of Science and Technology (page 30).
  - Continuity of Operations (page 31).
- **Ten Reports of Investigation** were issued. The completed investigations (pages 40-43) include allegations of embezzlement, conflicts of interest, misuse of computer systems, false claims, false statements, theft, possession of child pornography, misuse of position, labor mischarging, and time and attendance fraud. The reports made recommendations that the Agency review specific individuals' conduct and performance and, as appropriate, made recommendations to address systemic issues. Additionally, the investigators provided significant support to two criminal prosecutions that resulted in criminal convictions (pages 41 and 42).
- The OIG completed a **Special Review**, conducted by members of the Inspection and Audit Staffs, of a global program (page 49); the Investigations Staff issued a report on their **Special Review** of an allowance program (page 50); and the OIG completed an assessment of accountable property systems (page 51).

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~~SECRET~~ ☐ **External Recognition**

☐ During this period, several OIG investigators and inspectors were formally recognized externally for their accomplishments, including:

- Two OIG investigators  received Law Enforcement Public Service Awards from the US Attorney for the District of Columbia, for their investigation of an overseas sexual assault (page 63).
- In June, the inspection team that assessed Agency-wide performance against the foreign cyber threat was awarded the Intelligence Community Inspectors General Inspections Award (page 63).

☐ **Quality: Audit External Peer Review**

☐ The activities of the Audit Staff were reviewed by the Inspector General, National Reconnaissance Office. The Audit Staff received a peer review rating of pass from this mandatory peer review (page 62). No recommendations were made.

☐ **Strengthening the OIG**

☐ As I reported in the last Semiannual Report, in addition to our ongoing work in examining CIA activities and processes, we are striving to be more effective in our own work by conducting a strategic planning effort. That effort, coupled with our internal business process reviews, has identified policies and processes that we are working to improve. Action plans have been prepared, assigned, and are being implemented. Further, I have created an External Advisory Board<sup>1</sup> to help identify ways to strengthen our investigative capabilities. The OIG is working hard to improve its capability to conduct oversight of CIA activities through its Audit, Inspection, and Investigations Staffs.

☐ I have determined that our ability to best conduct investigations of allegations of criminal wrongdoing by CIA employees and contractors, pertaining to CIA activities, is hampered by the lack of statutory authority to support the conduct of such investigations; such authority is enjoyed by the other federal inspectors general. During this reporting period, I so advised the Director, CIA; the Director of National Intelligence; the Office of Management and Budget; and the intelligence oversight committees of the Congress (page 65).

☐ As required in statute, I am a member of and participate in meetings of both the Council of the Inspectors General on Integrity and Efficiency and the Intelligence Community Inspectors General Forum.

☐ I am honored to lead this Office of dedicated public servants, as we independently review the work and activity of this vital Agency.

David B. Buckley  
Inspector General  
15 July 2011

<sup>1</sup> ☐ Members of the External Advisory Board are the Assistant Inspector General for Investigations, Treasury Inspector General for Tax Administration, US Department of the Treasury; the Assistant Inspector General for Investigations, Department of State; the Deputy Inspector General for Investigations and Evaluations, Federal Housing Finance Authority; and the Assistant Inspector General for Investigations, Pension Benefit Guaranty Corporation. All serve with the concurrence of their respective Inspectors General.

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Annex B is UNCLASSIFIED when separated from the report

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~~SECRET~~ ☐☐ **STATUTORY REPORTING REQUIREMENTS**

☐ This report is submitted pursuant to Section 17 of the CIA Act of 1949, as amended, (50 USC §403q) which requires the Inspector General (IG) to provide to the Director, CIA, not later than 31 January and

31 July of each year, a semiannual report summarizing the activities of the Office of Inspector General (OIG) for the immediately preceding six-month period, ending 31 December and 30 June, respectively.

☐ All audit activities of the OIG are carried out in accordance with generally accepted government auditing standards.

☐ The OIG has had full and direct access to all Agency information relevant to the performance of its duties.

☐ **SUBPOENA AUTHORITY**

☐ During this reporting period, the IG issued one subpoena involving the investigation of fraudulent travel and possible violations of the Procurement Integrity Act.

☐ **LEGISLATIVE PROPOSAL**

☐ The IG strongly recommends that the Director, CIA; the Director of National Intelligence; and Director, OMB support the amendments to the CIA IG Act and that the Congress consider the amendments to the Act as set forth in Annex B of this report.

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## [REDACTED] AUDITS

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[REDACTED] The Audit Staff is headed by the Assistant Inspector General for Audit and is comprised of the Financial Management Division, Information Technology Division, Operations Division, Procurement Division, and a team dedicated to auditing field sites. The Staff conducts performance and financial audits of CIA programs and activities, including those audits that have been mandated by the Congress, such as the annual independent audit of the CIA's financial statements, the annual independent evaluation of the CIA information security program and practices required by the Federal Information Security Management Act (FISMA), and periodic audits of CIA covert action (CA) programs. The Audit Staff also participates with other federal agencies and departments to conduct joint reviews of Intelligence Community (IC) programs and activities. The audits are conducted in accordance with generally accepted government auditing standards.

[REDACTED] This reporting period, the Audit Staff completed work on six audits. The Staff completed an audit of CA activities undertaken to recover and otherwise account for particular lethal materiel and an audit to measure the effectiveness of a CA program. The Staff also completed audits of the Working Capital Fund Cost and Pricing Models for Facilities Support, and three field sites.

[REDACTED] The Staff also participated in a special review of out-of-embassy programs and an assessment of accountable property systems, together with members of the OIG Inspection Staff.

[REDACTED] The Audit Staff continued to share information and build strategic relationships with our IC partners. The Assistant IG for Audit and her Deputy participate in the ODNI IG-led Joint Audit Working Group (JAWG) in which senior officials from the OIG audit staffs across the IC discuss audit issues, coordinate joint reviews, and collaborate on planning activities. Audit Staff senior managers participate in the IC Chief Financial Officer/OIG Quarterly Council Meetings that focus on sharing ideas, discussing lessons learned, and communicating actions needed to achieve auditable financial statements for IC agencies. The Staff also participates in a cyber security sub-group of the JAWG. The purpose of the group is to identify cyber security issues that cut across organizational boundaries within the IC.

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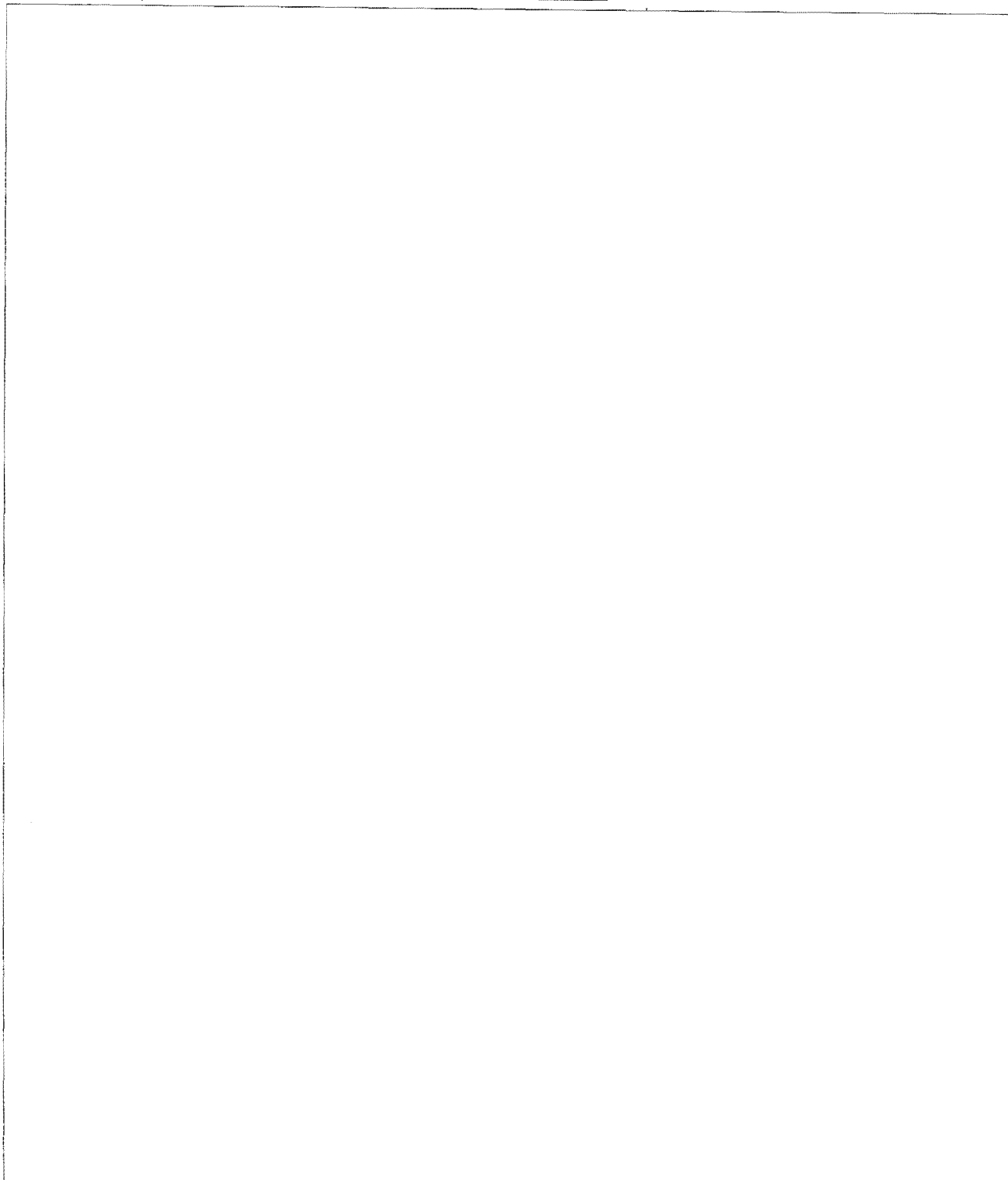
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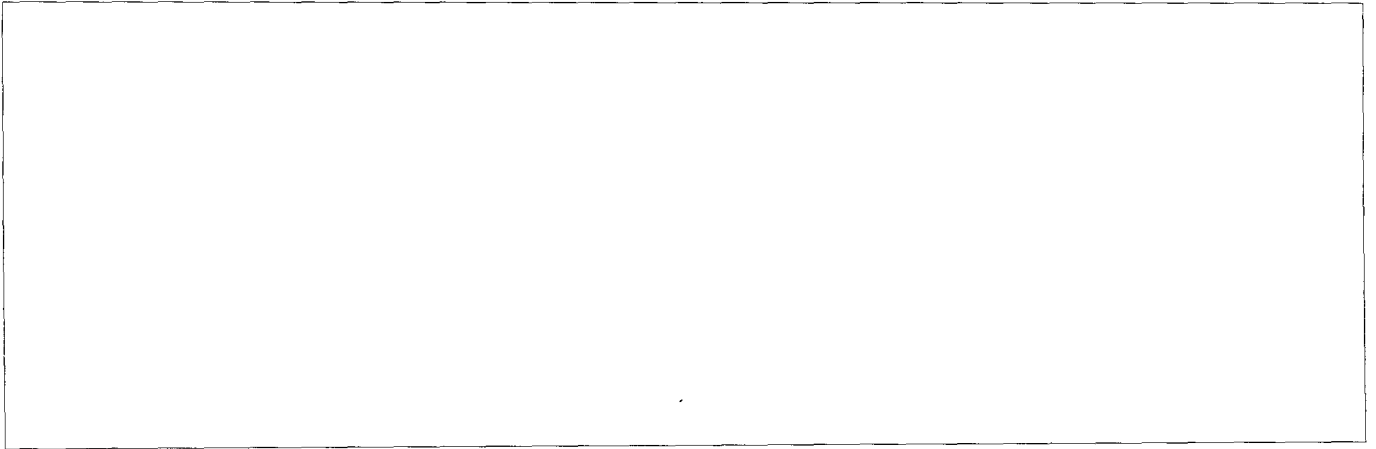
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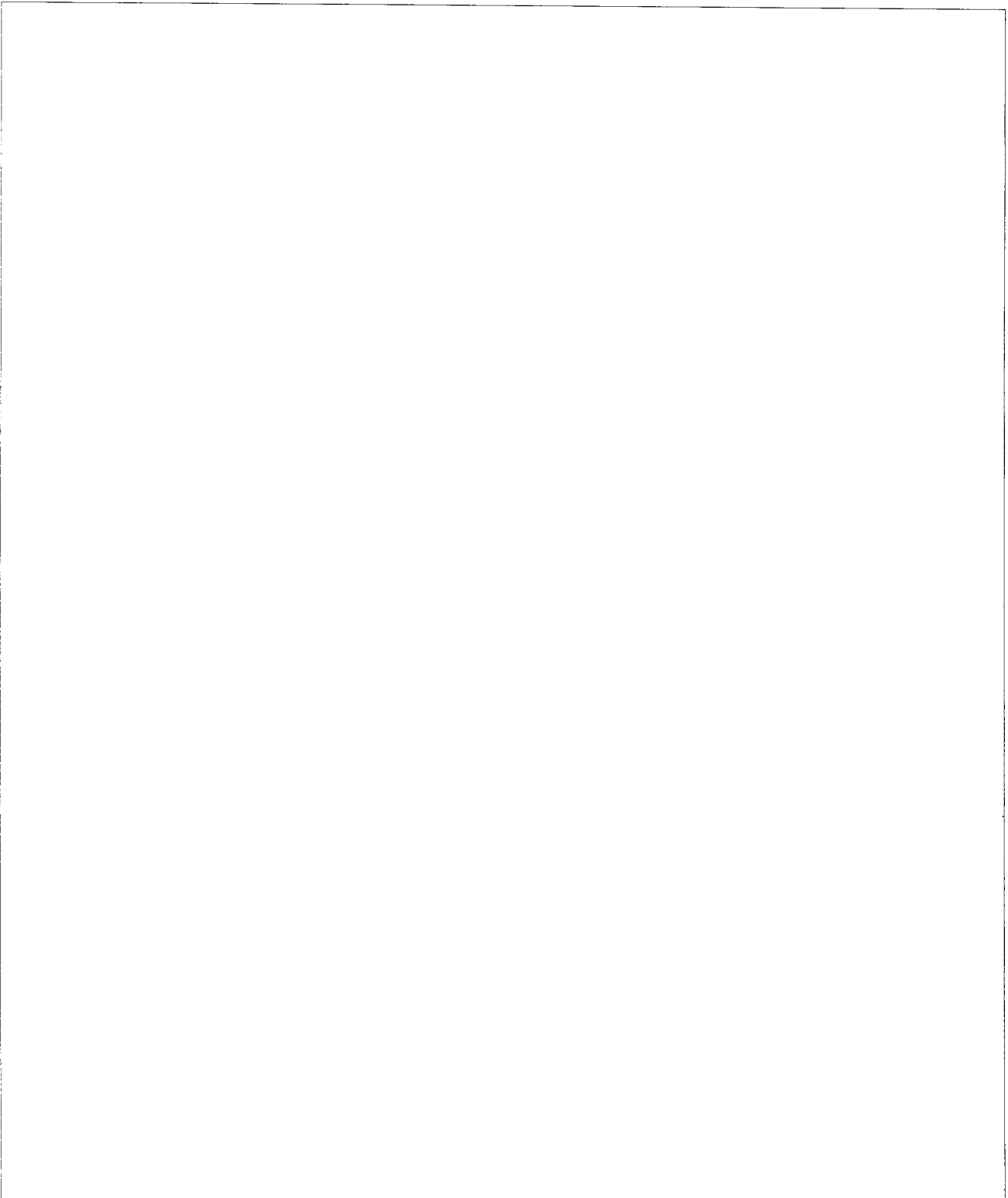
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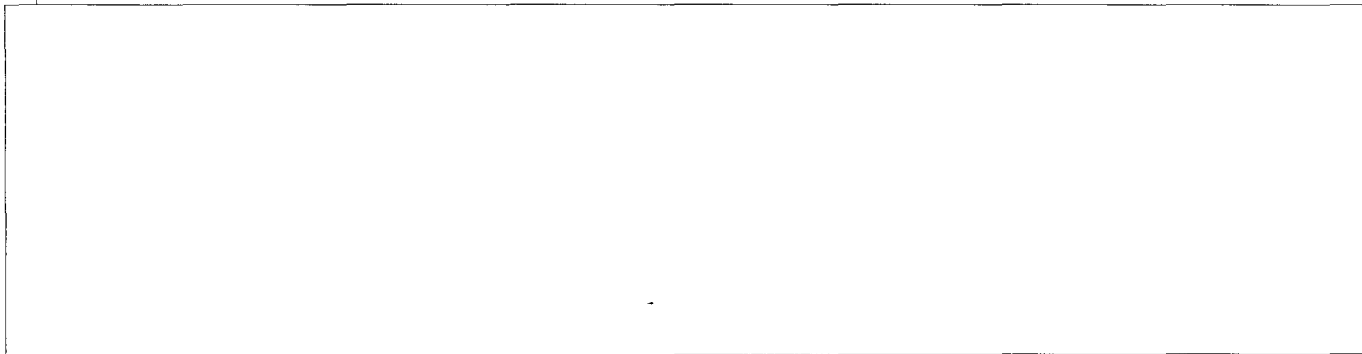
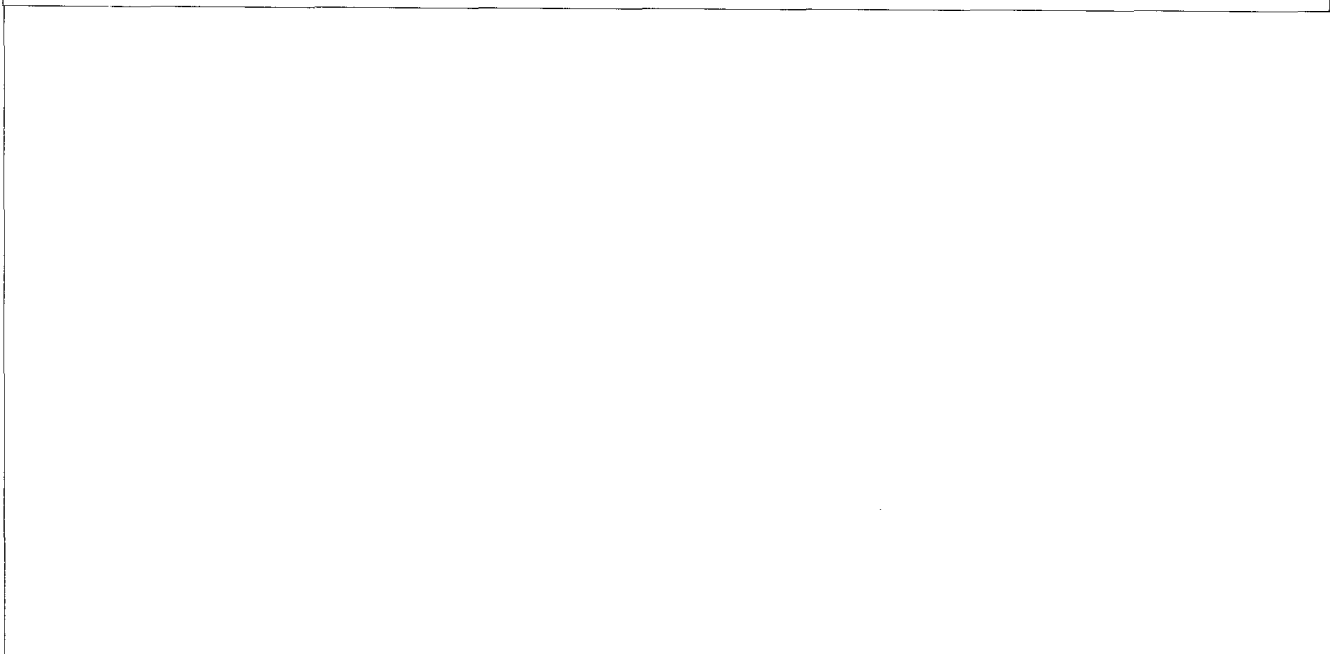
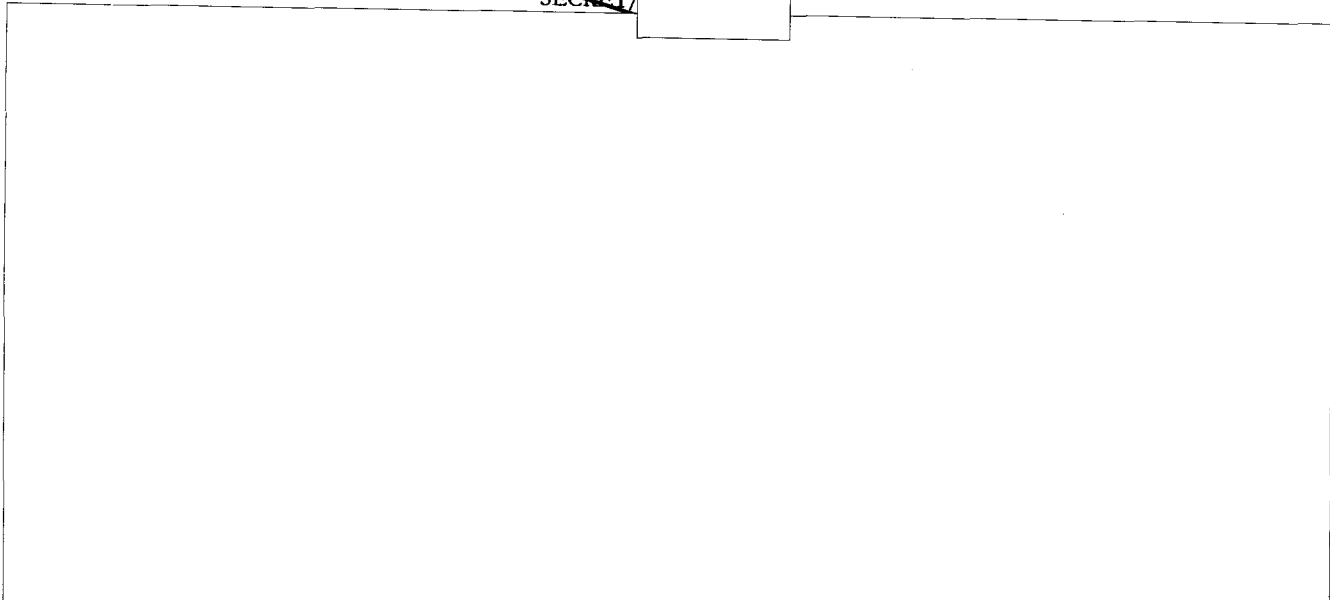
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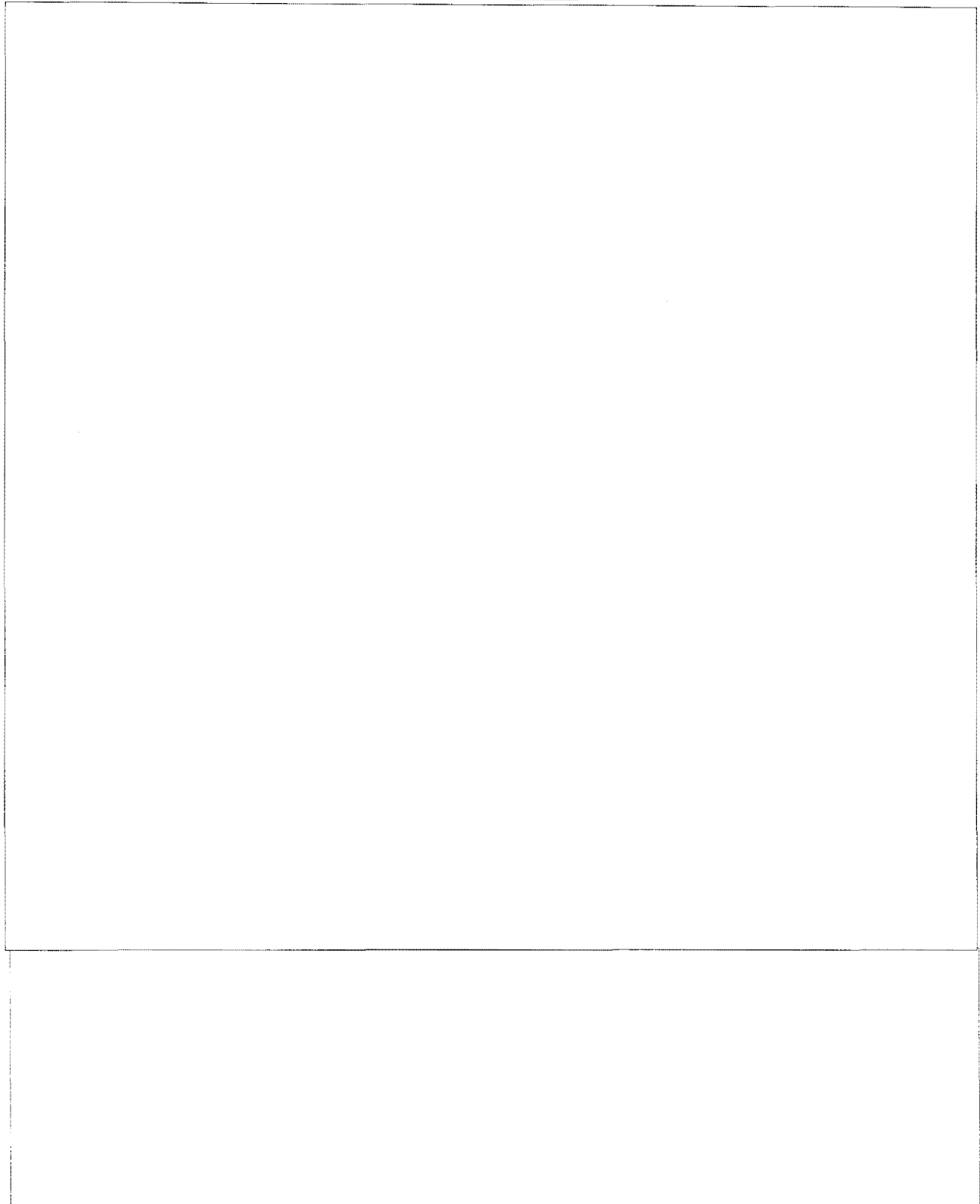


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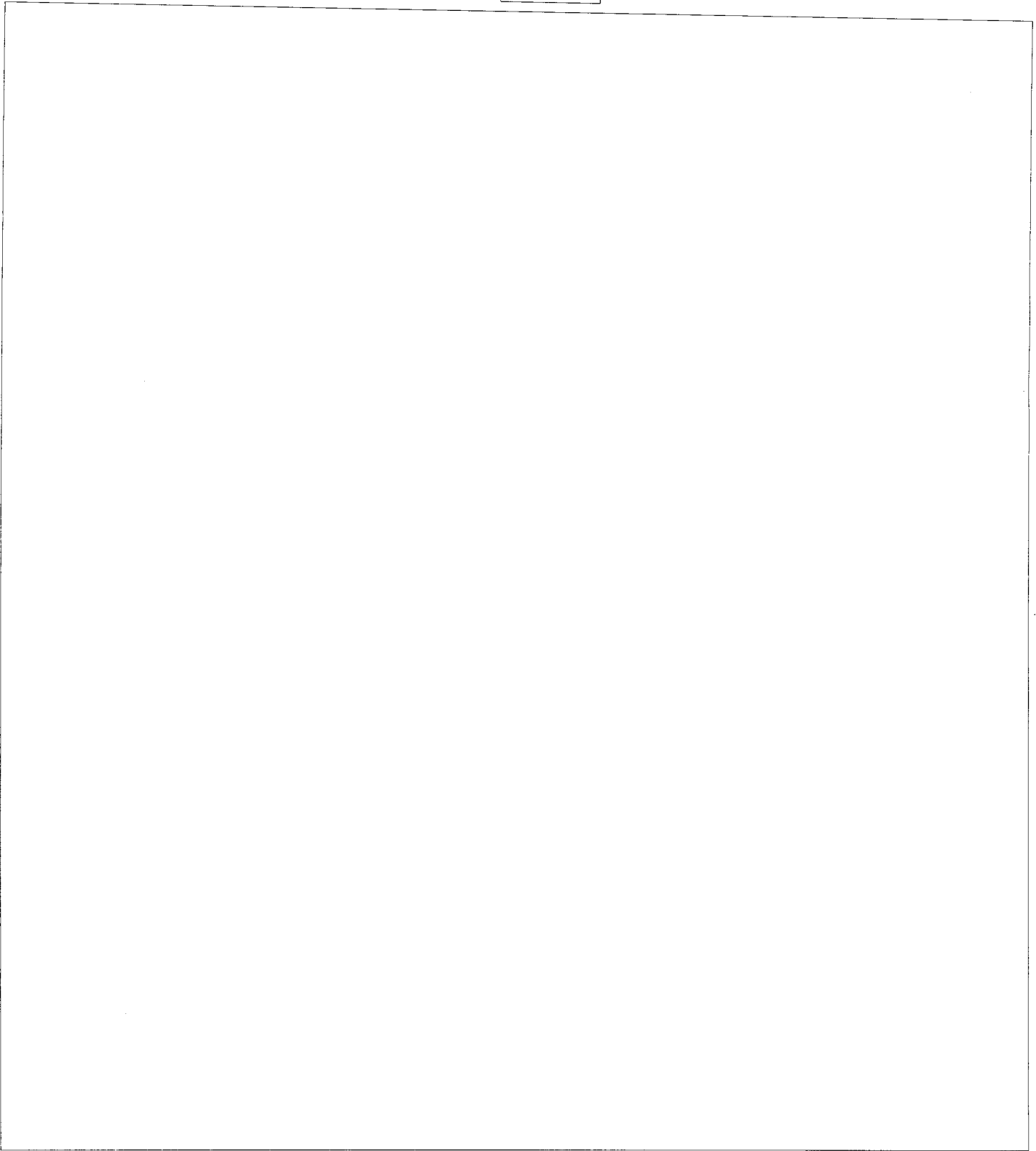


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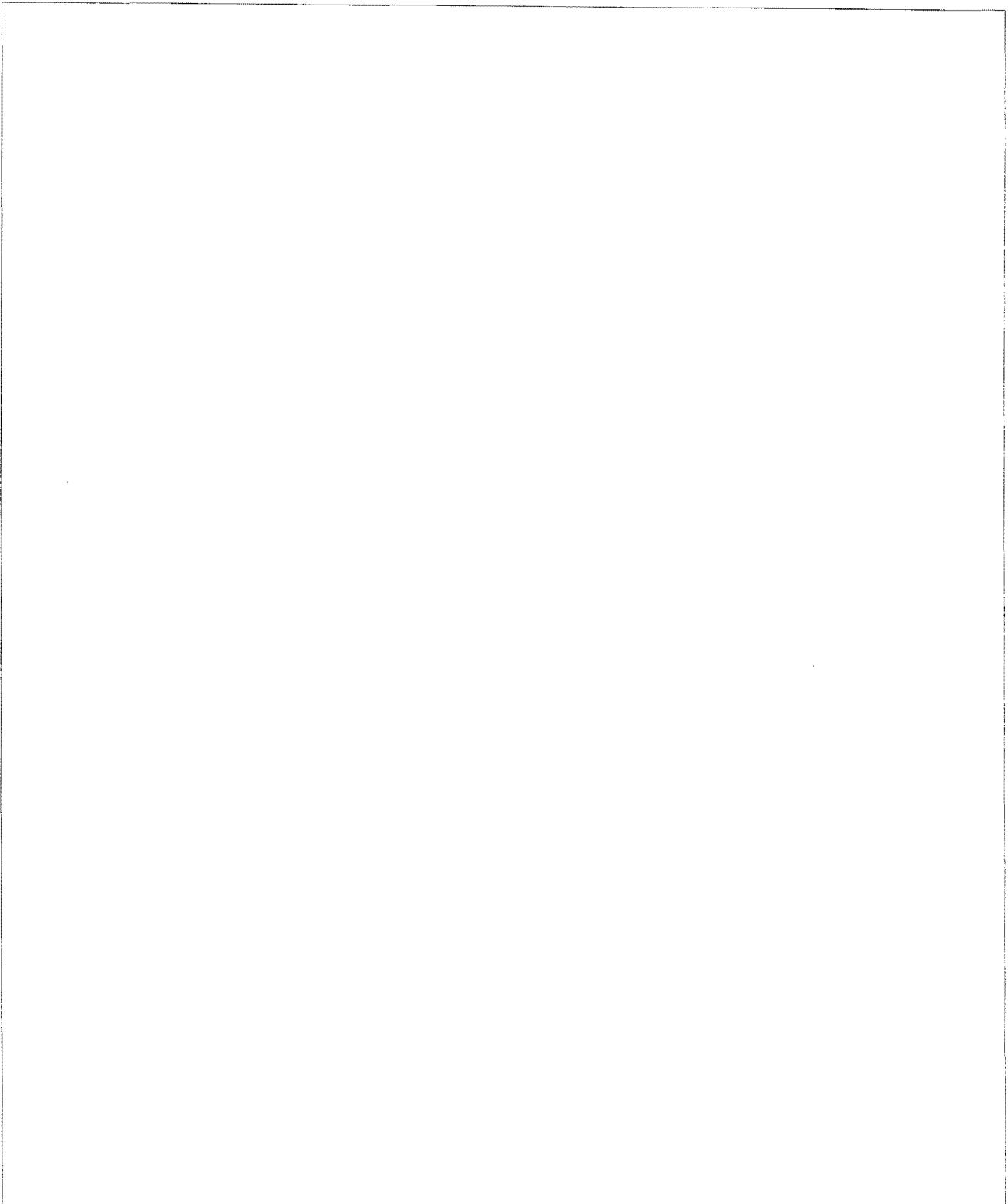
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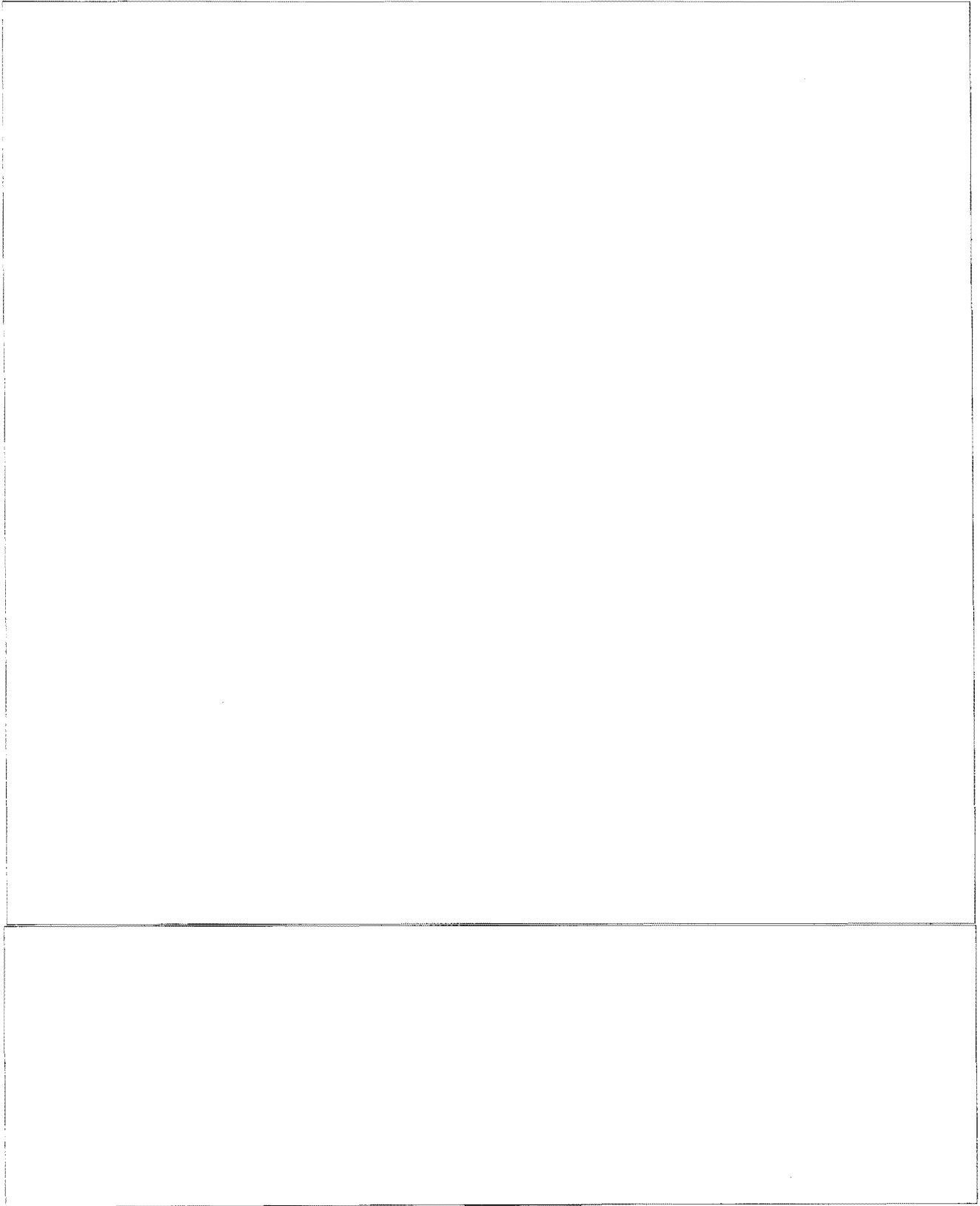
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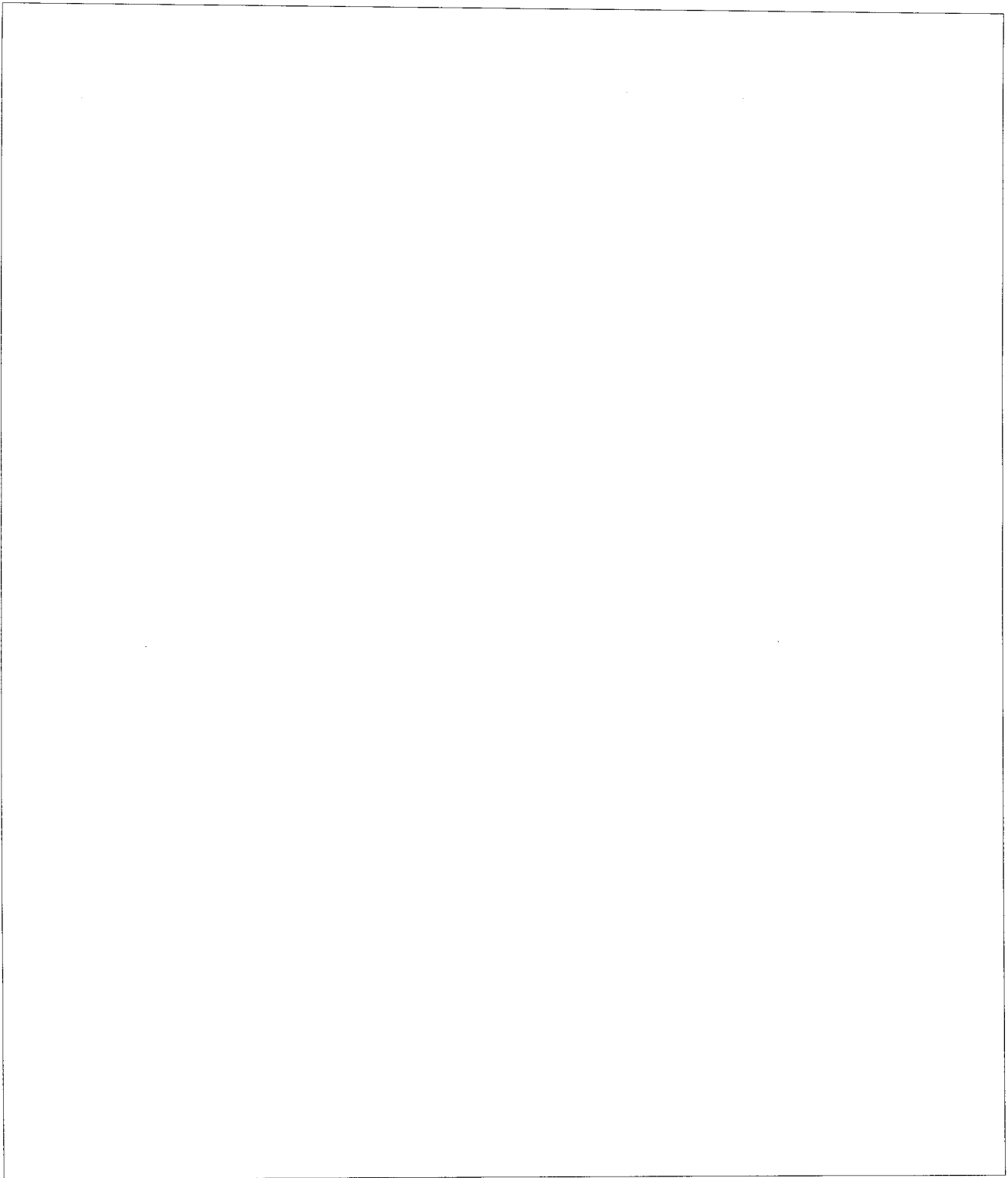
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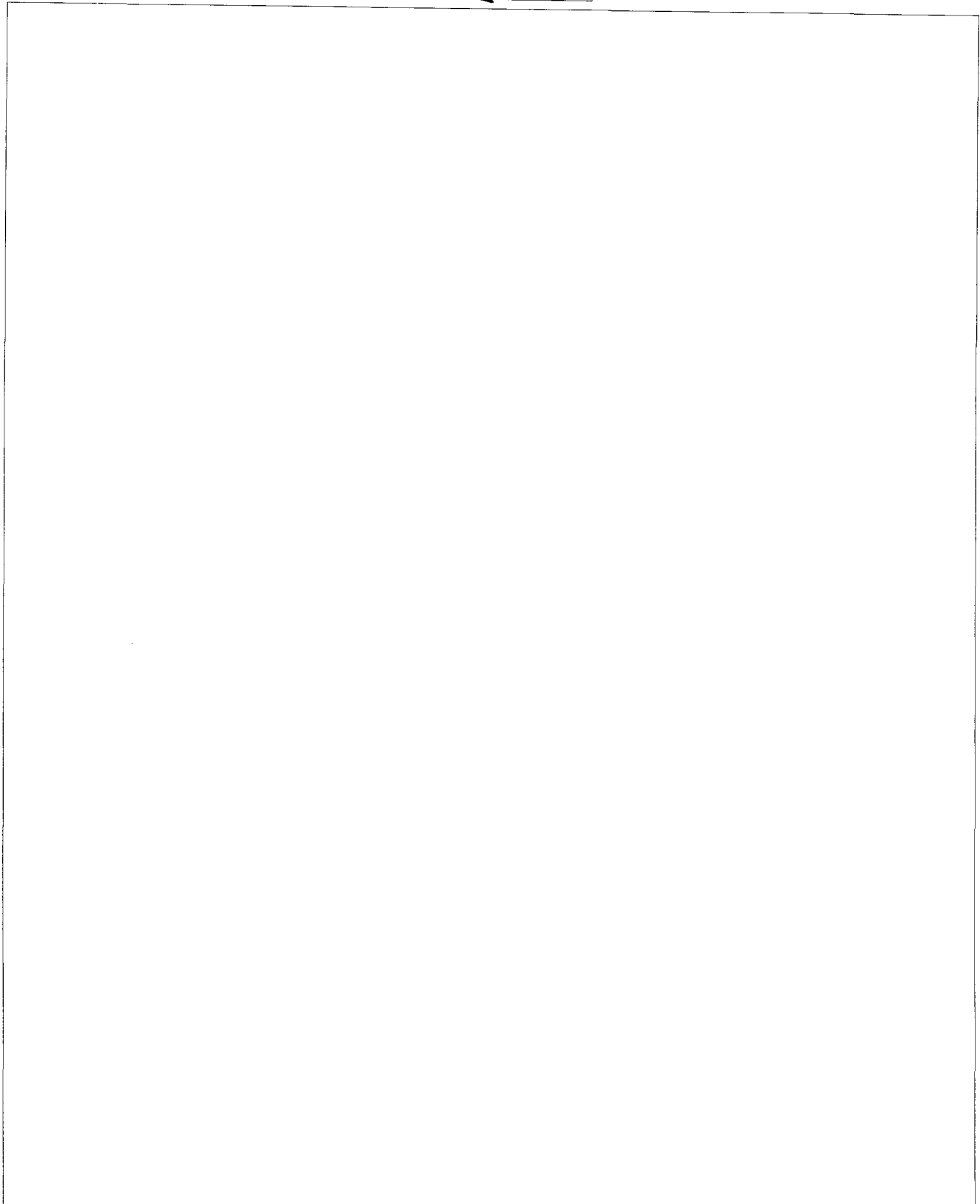
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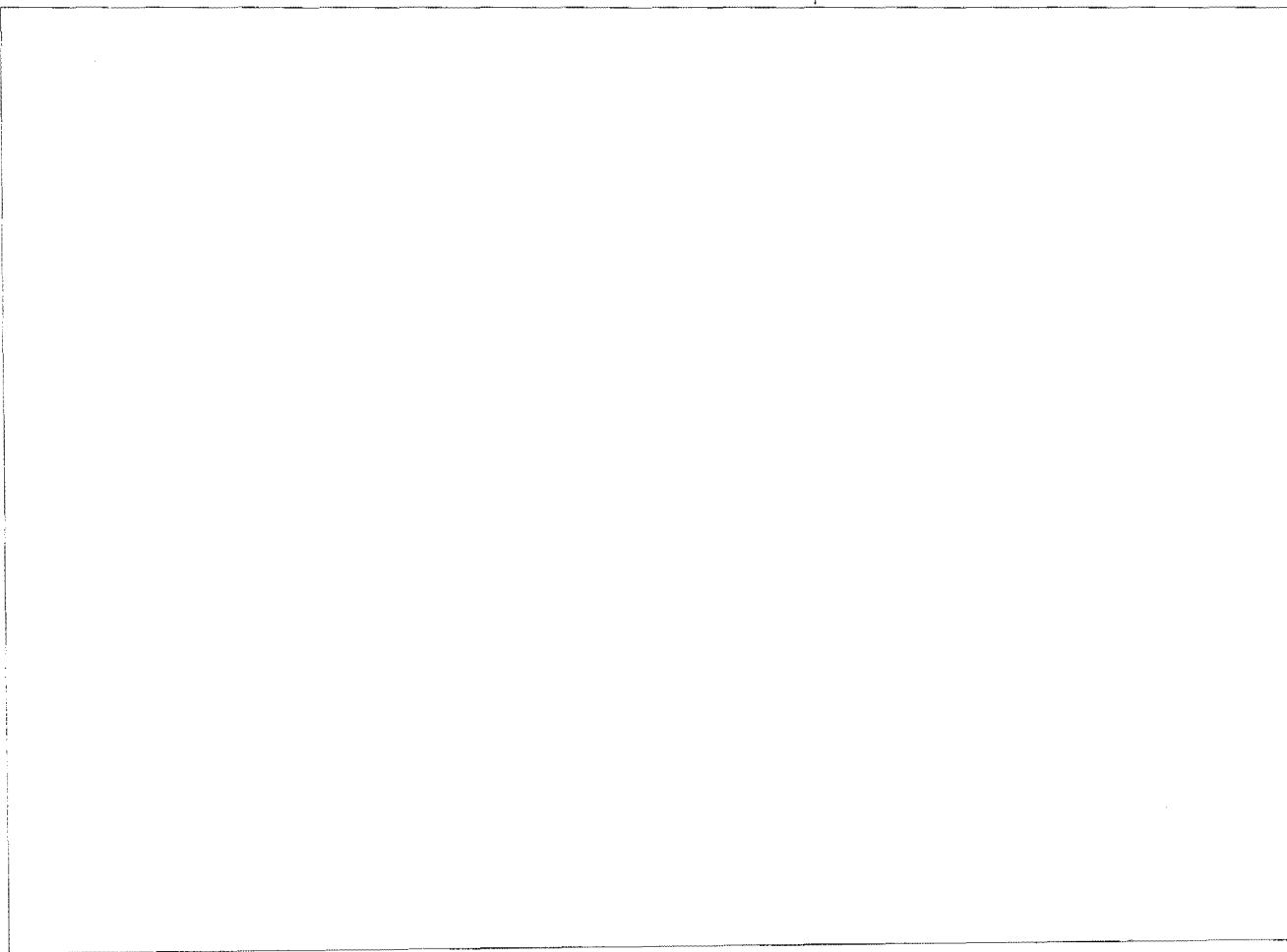


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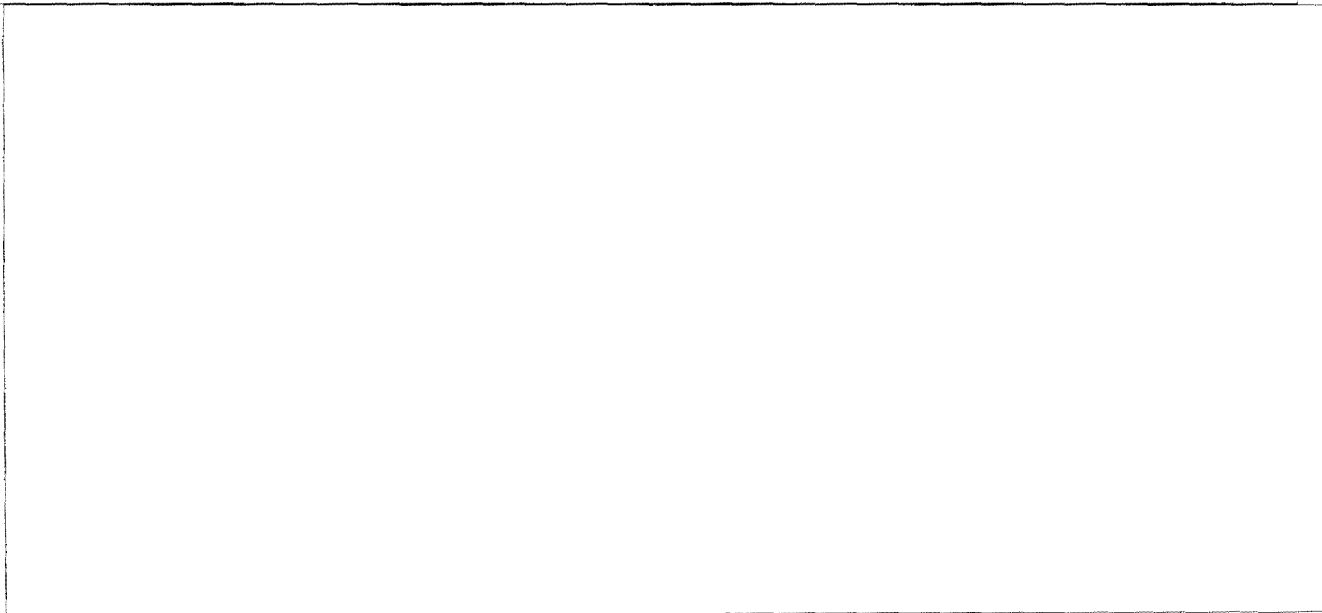
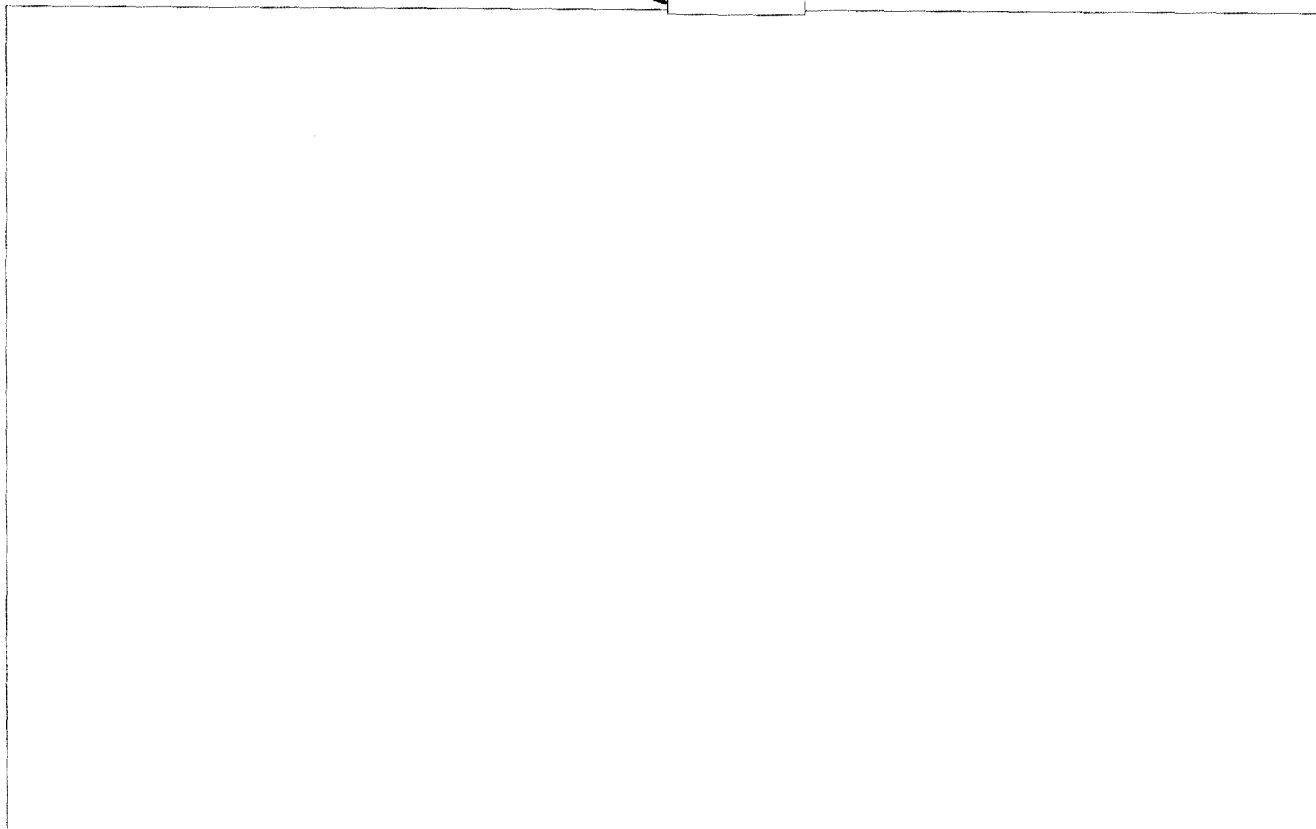
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[REDACTED] **SUMMARIES OF SELECTED ONGOING AUDITS**

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## [REDACTED] INSPECTIONS

[REDACTED] The Assistant Inspector General for Inspections leads the Inspection Staff, which consists of [REDACTED] senior Agency managers and officers, most of whom are on rotation to the OIG. The Inspection Staff strives for balanced staffing by skill set and directorate representation. About one quarter of the Staff rotates in/out every six months, replaced by new inspectors just before the next inspection cycle begins. New inspectors attend a two-week training course that uses a case-study methodology to teach the tools and process of inspections. At the conclusion of the training, new inspectors are assigned to teams that immediately commence the next inspection cycle.

[REDACTED] The Inspection Staff is responsible for conducting inspections of CIA components to evaluate their mission performance, customer and partner relationships, and leadership and management effectiveness. The Staff also assesses major, crosscutting Agency issues to identify if they are being managed effectively, efficiently, and in compliance with law, Executive Orders, and regulations.

[REDACTED] During the current reporting period, the Staff issued the following inspection reports:

- Agency-Wide Performance Against the Foreign Cyber Threat.
- Office of Asian Pacific, Latin American, and African Analysis in the Directorate of Intelligence.
- Office of Technical Service in the Directorate of Science and Technology.
- Continuity of Operations (COOP).

[REDACTED] The Staff closed four inspections that were open at the beginning of this reporting period:

- National Resources Division in the National Clandestine Service.
- [REDACTED]
- The Office of General Counsel.
- The Open Source Center.

[REDACTED] The Staff also participated in [REDACTED] an assessment of accountable property systems, together with members of the OIG Audit Staff.

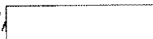
[REDACTED] The Inspection Staff continued its outreach to counterpart organizations throughout the Intelligence Community (IC). Inspectors from the National Security Agency participated in the Staff's two-week New Inspector Training Course. In addition, the Staff conducted its inspection of COOP in the Agency concurrently with other IC OIGs that were inspecting COOP in their respective agencies; the inspection teams met periodically to exchange information, as appropriate. Finally, Inspection Staff managers actively participate in periodic meetings of the IC IG Forum's Inspections Working Group and the Council of the Inspectors General on Integrity and Efficiency's Inspections and Evaluations Roundtable.

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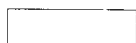
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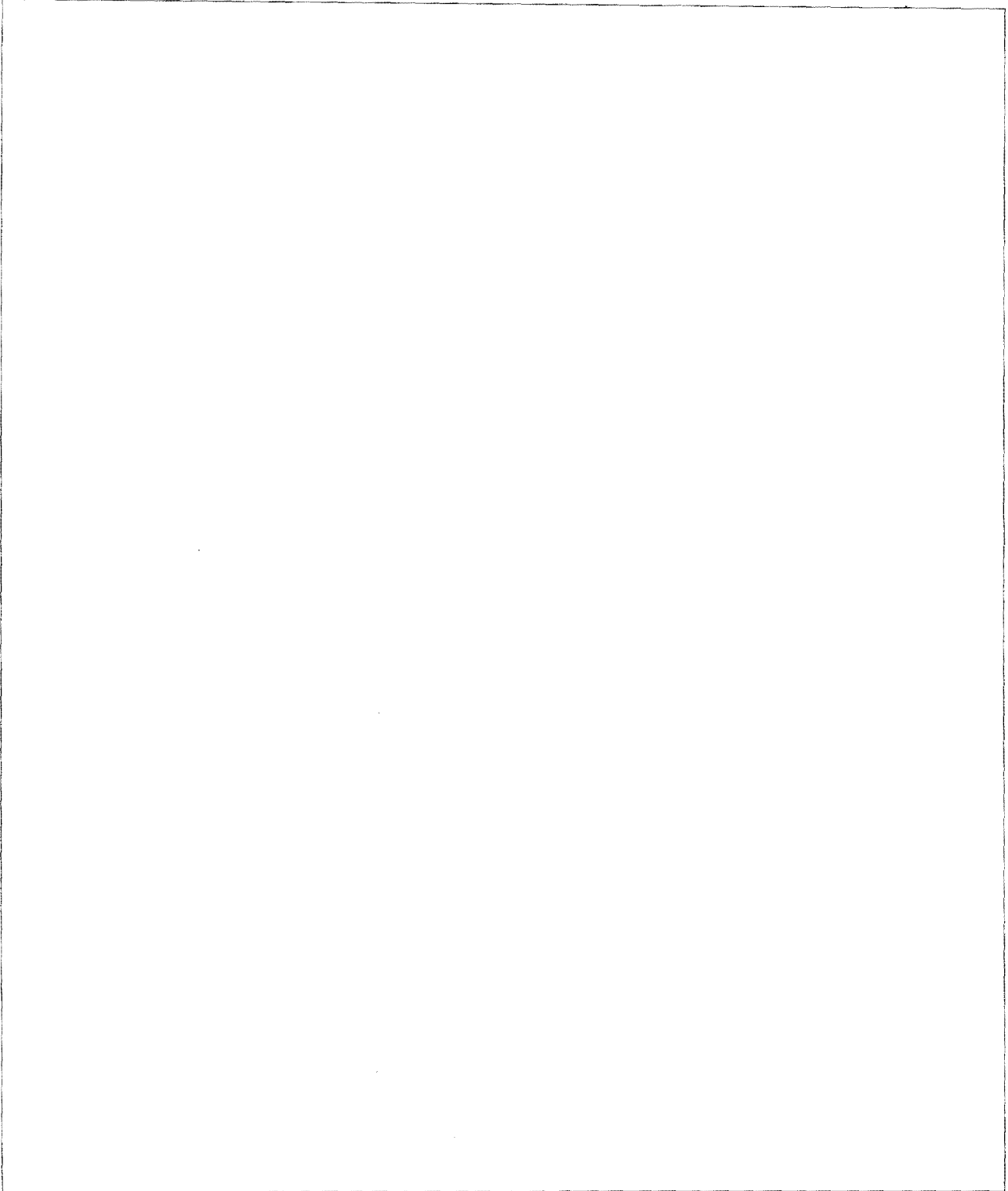


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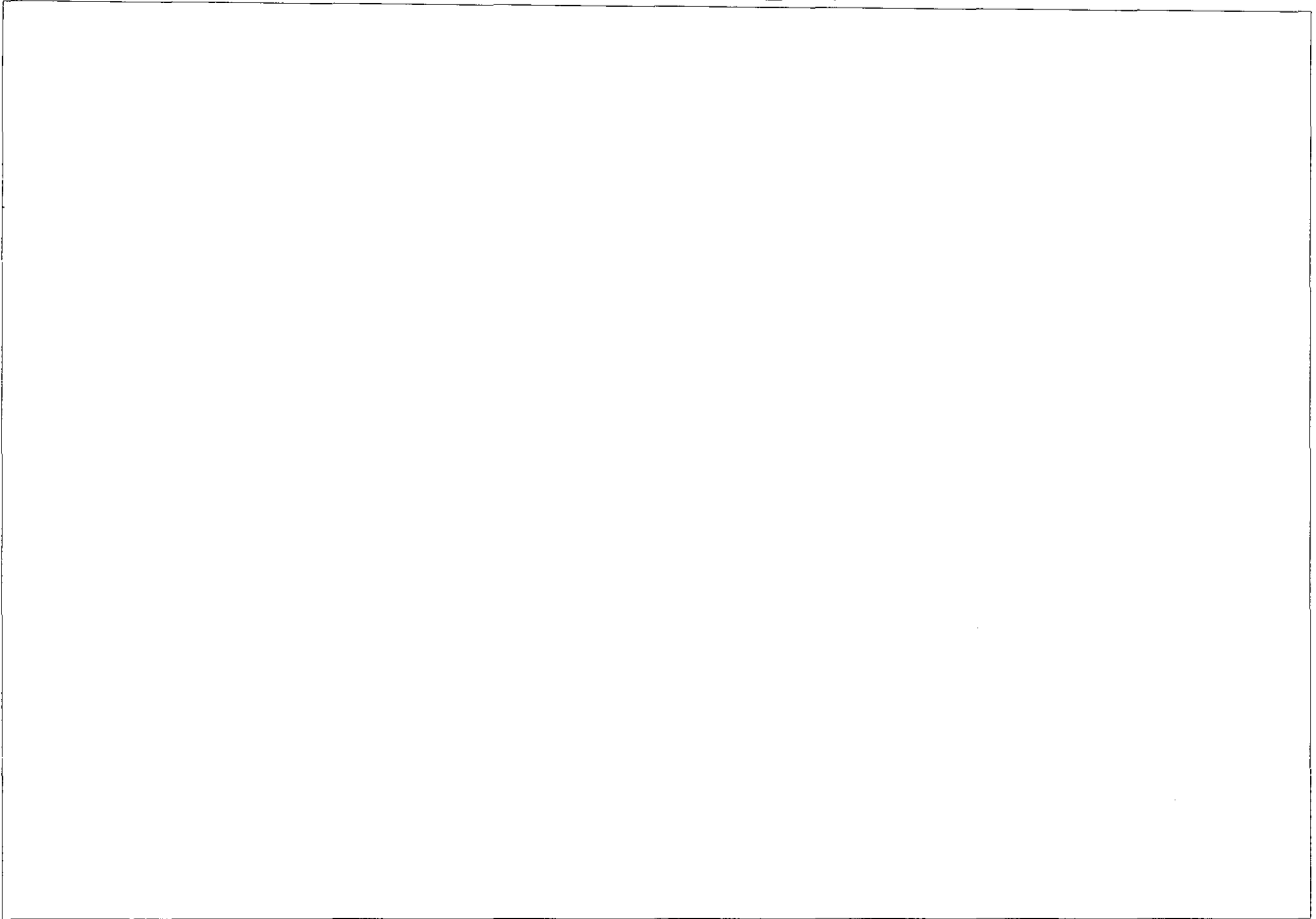
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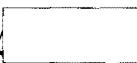


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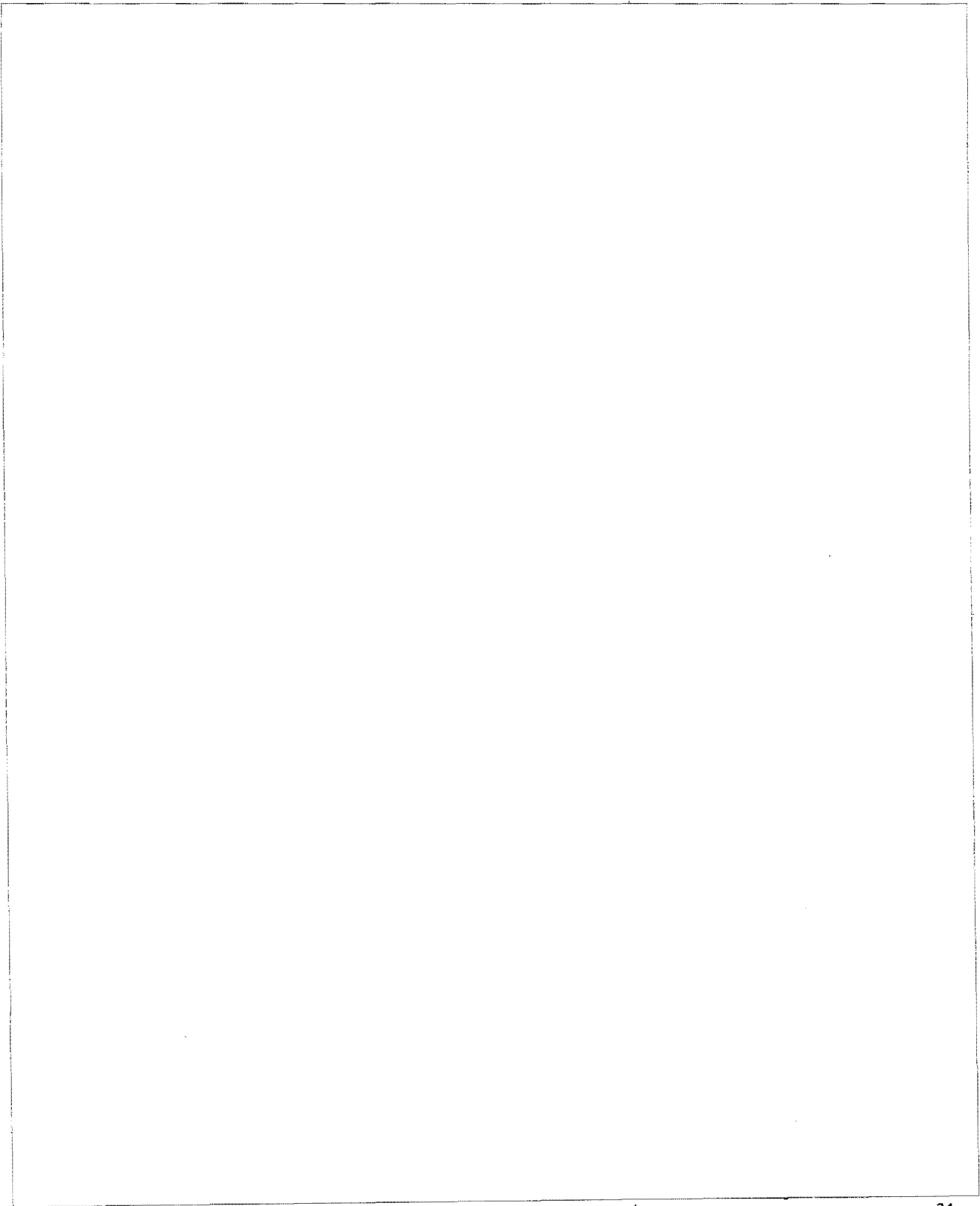
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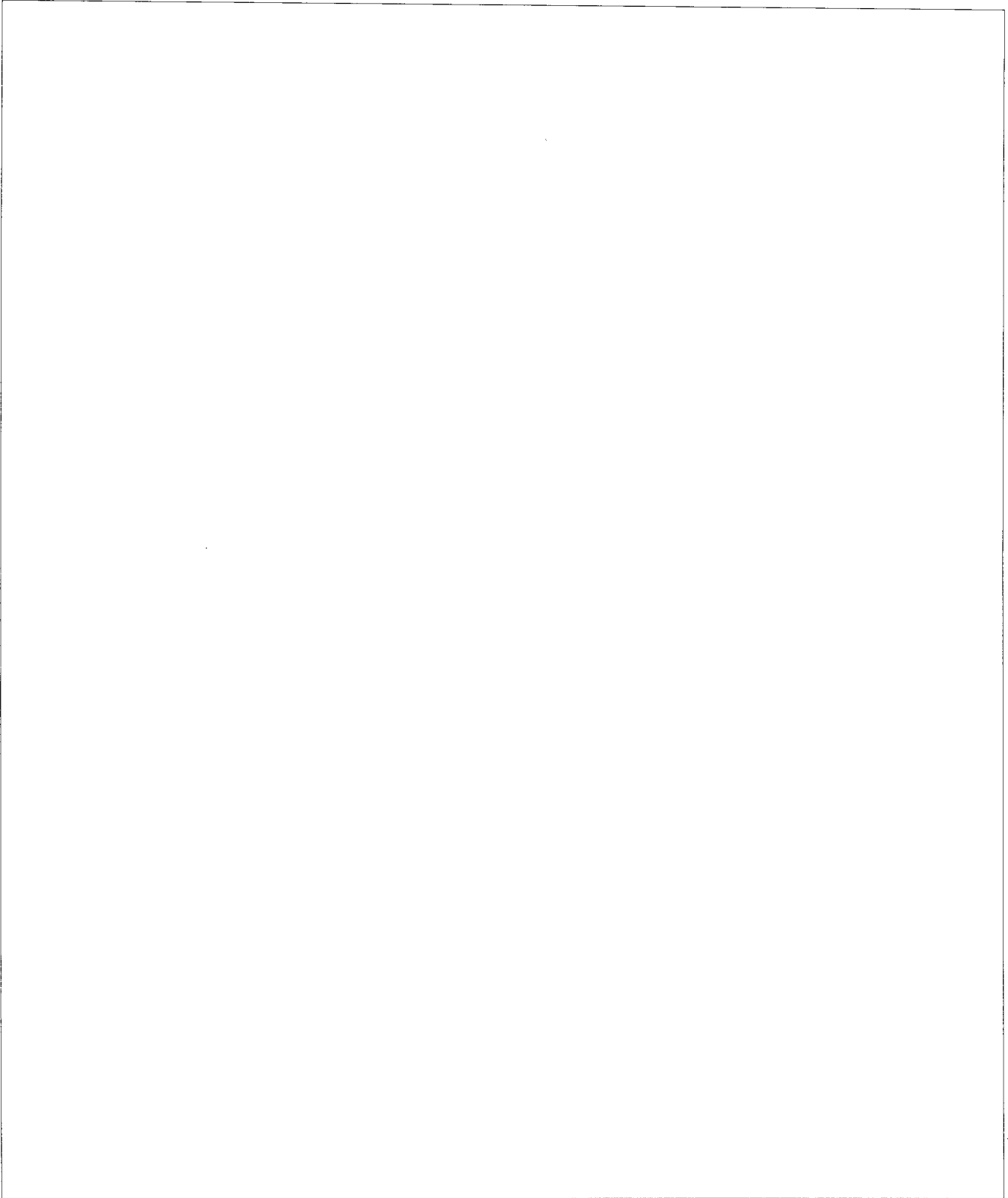


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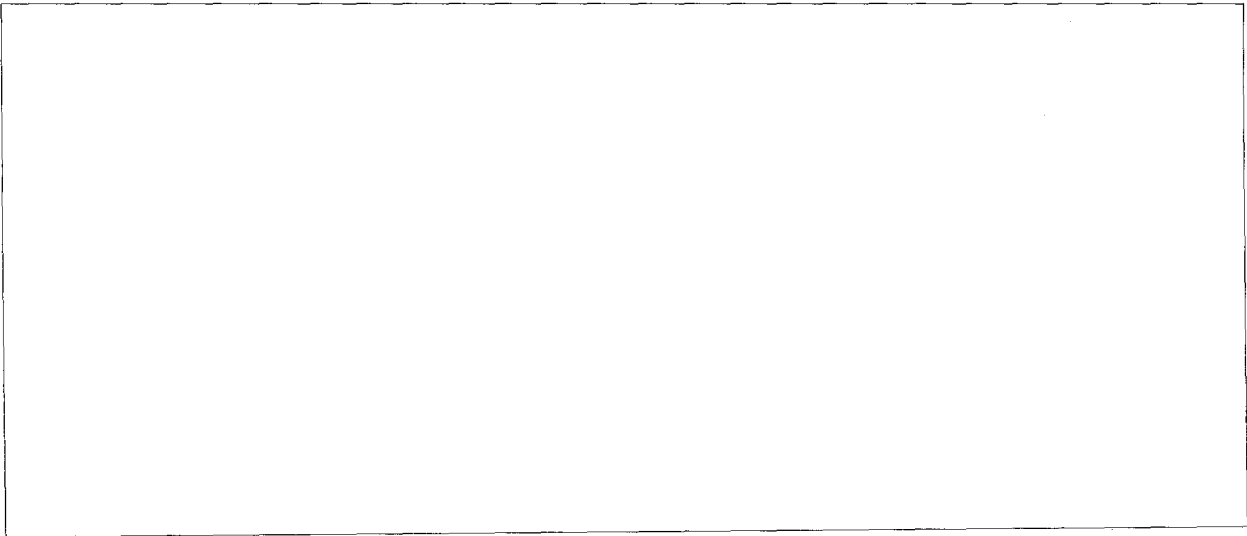
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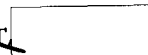


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~~SECRET~~ ☐☐ **SUMMARIES OF ONGOING INSPECTIONS**

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☐ **DI-NCS INFORMATION SHARING**

☐ The inspection assesses the policies that guide the sharing of intelligence information between Directorate of Intelligence and National Clandestine Service entities, DI-NCS information-sharing practices in the field and at Headquarters, and the tools and mechanisms that facilitate this sharing.

☐ **LATIN AMERICA DIVISION**

☐ The inspection focuses on the office's performance against mission objectives, its interaction with partners and customers, and the effectiveness of its leadership and management.

☐ **CRIME AND NARCOTICS CENTER**

☐ The inspection examines the component's mission fulfillment, customer and partner relationship management, and personnel and resource management effectiveness.

☐ **FILLING CRITICAL OVERSEAS POSITIONS**

☐ The inspection assesses adherence to and adequacy of the Agency's processes for selecting personnel for critical overseas positions, including in high-threat areas.

☐ **OFFICE OF MIDDLE EAST AND NORTH AFRICA ANALYSIS**

☐ The inspection focuses on the office's performance against mission objectives, its interaction with partners and customers, and the effectiveness of its leadership and management.

☐ **GLOBAL COVERAGE IN THE CIA**

(U) The inspection examines the CIA's global coverage efforts, to include such aspects as collection, analysis, resources, utilization of technology, collaboration with Intelligence Community partners, planning, and whether the Agency is optimally postured for the future with regard to global coverage.

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~~SECRET~~ INVESTIGATIONS

The Investigations Staff is headed by the Assistant Inspector General for Investigations and is composed of the Integrity, Intelligence, Financial, and Investigative Resources Divisions. The Investigative Resources Division was established in this reporting period to facilitate the efficiency and timeliness of investigative activities. The Staff conducts investigations of alleged violations of federal laws, regulations, and policies, as well as alleged waste, fraud, mismanagement, and abuse of authority related to CIA programs and operations.

In this reporting period, the Staff completed investigations of alleged embezzlement, conflicts of interest, misuse of computer systems, false claims, false statements, theft, child pornography, misuse of position, mismanagement, labor mischarging, and time and attendance fraud. After the OIG received Department of Justice (DOJ) declinations of prosecution in favor of administrative action, the OIG issued 10 Reports of Investigation that included recommendations for Agency review of individuals' performance as well as systemic recommendations, as appropriate, to address existing issues and deter future wrongdoing. The Staff also completed one Special Review based on a proactive initiative. The Staff issued six Employee Bulletins to proactively alert CIA employees and contractors of the serious consequences of violating laws and regulations. The bulletins cover cases involving computer misuse, theft of government equipment, child pornography,  and time and attendance fraud.

New allegations of wrongdoing continue to be received from multiple sources, including allegations of assault, misappropriation of funds, fraud and mismanagement of contracts, illegal gratuities, theft of funds, and false claims. The Staff is working with the Criminal Division of DOJ and Assistant US Attorneys in Virginia, the District of Columbia, and North Carolina to support the investigation and potential prosecutions of CIA employees and contractors for criminal violations involving illegal gratuities, firearms violations, embezzlement, false statements, false claims, and assault.

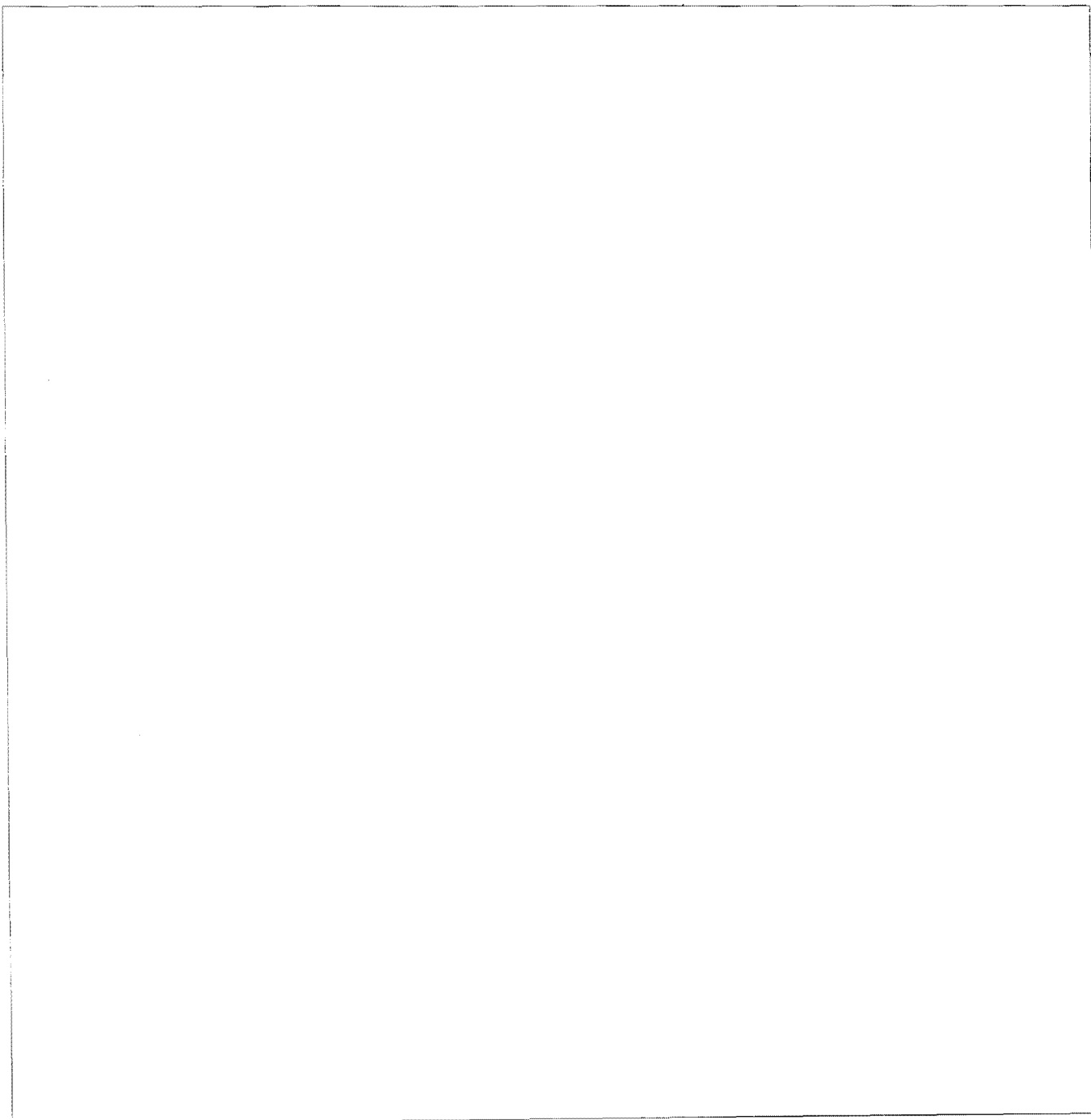
The Staff has conducted a robust outreach effort to stakeholders and collaboration with partners. The Staff's special agents regularly teach detailed modules in CIA training courses for finance, contracting, and procurement officers. In addition to enhancing awareness of fraud and other wrongdoing, these outreach efforts have generated effective liaison with CIA components that have resulted in the agile and productive flow of information for investigative purposes. The OIG continued  on matters involving Agency personnel stationed overseas. Two OIG investigators  were recognized by DOJ with a Law Enforcement Public Service Award for an investigation of a complex overseas sexual assault.

The Staff has continued its vigorous review of its requirements, resources, authorities, and processes to best position itself to carry out its statutory mission with maximum effectiveness. The Staff continues to emphasize in-service training, with investigators taking advantage of specialized courses sponsored by the Federal Law Enforcement Training Center, the Office of Government Ethics, and others, as well as internal courses that focus on understanding unique Agency operations and programs.

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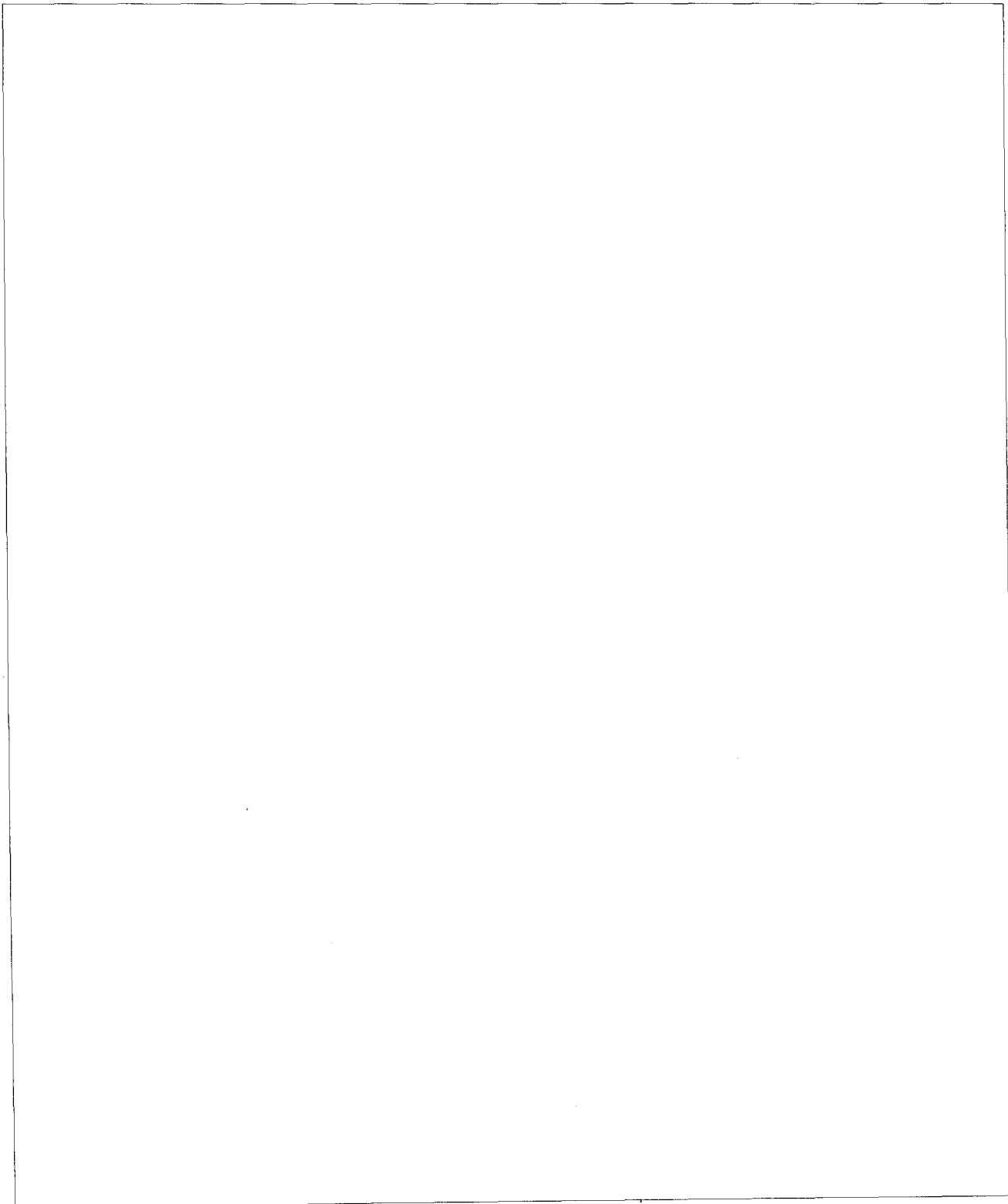
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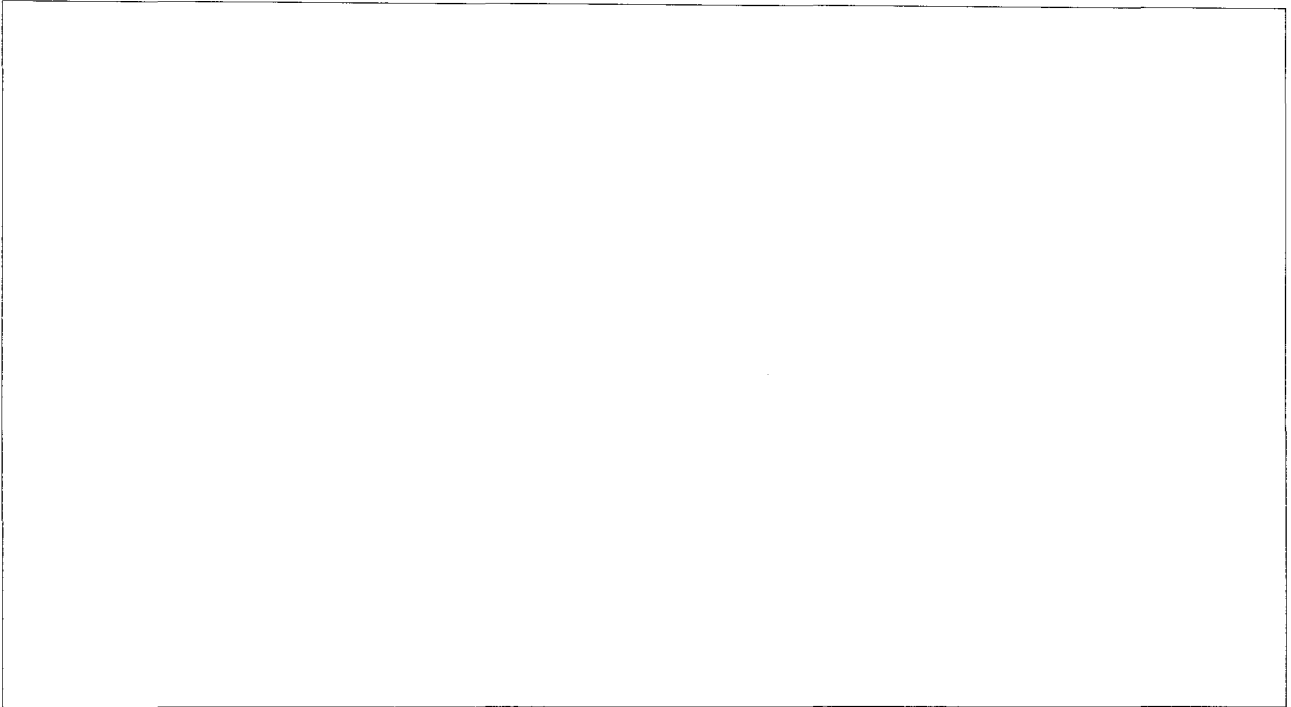
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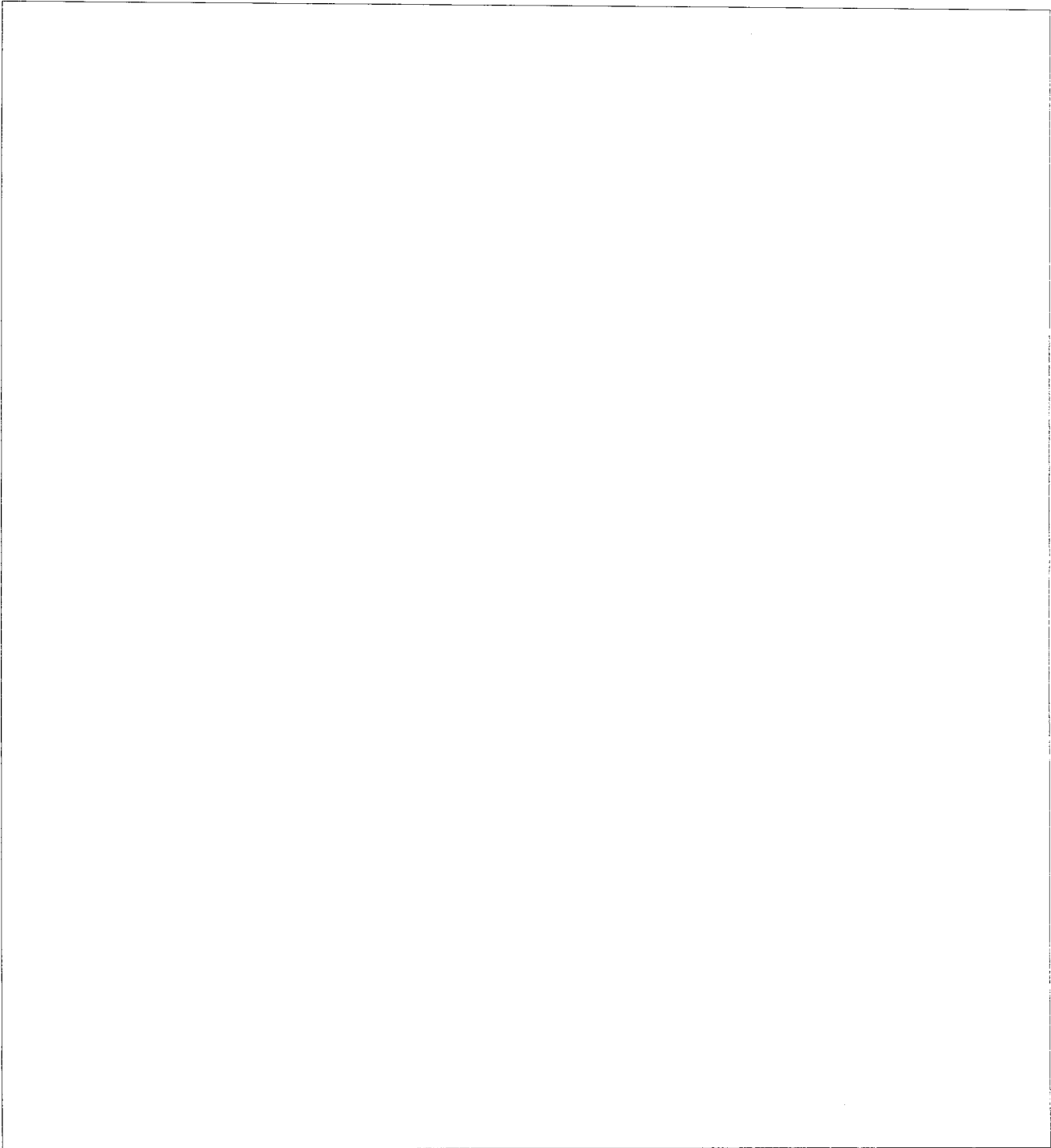
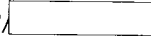
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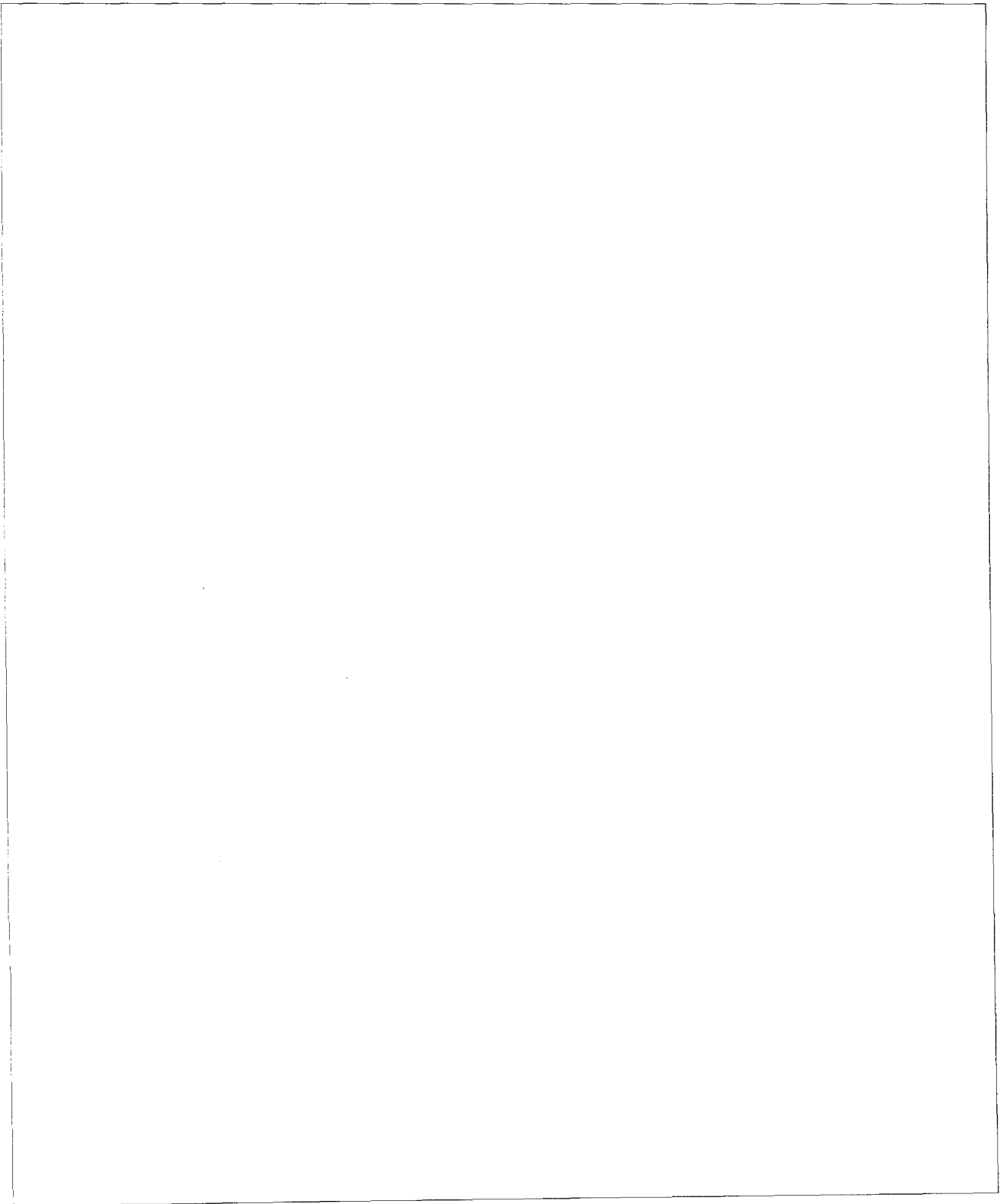
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☐ **SPECIAL REVIEWS AND ASSESSMENT**

☐ **COMPLETED SPECIAL REVIEWS**

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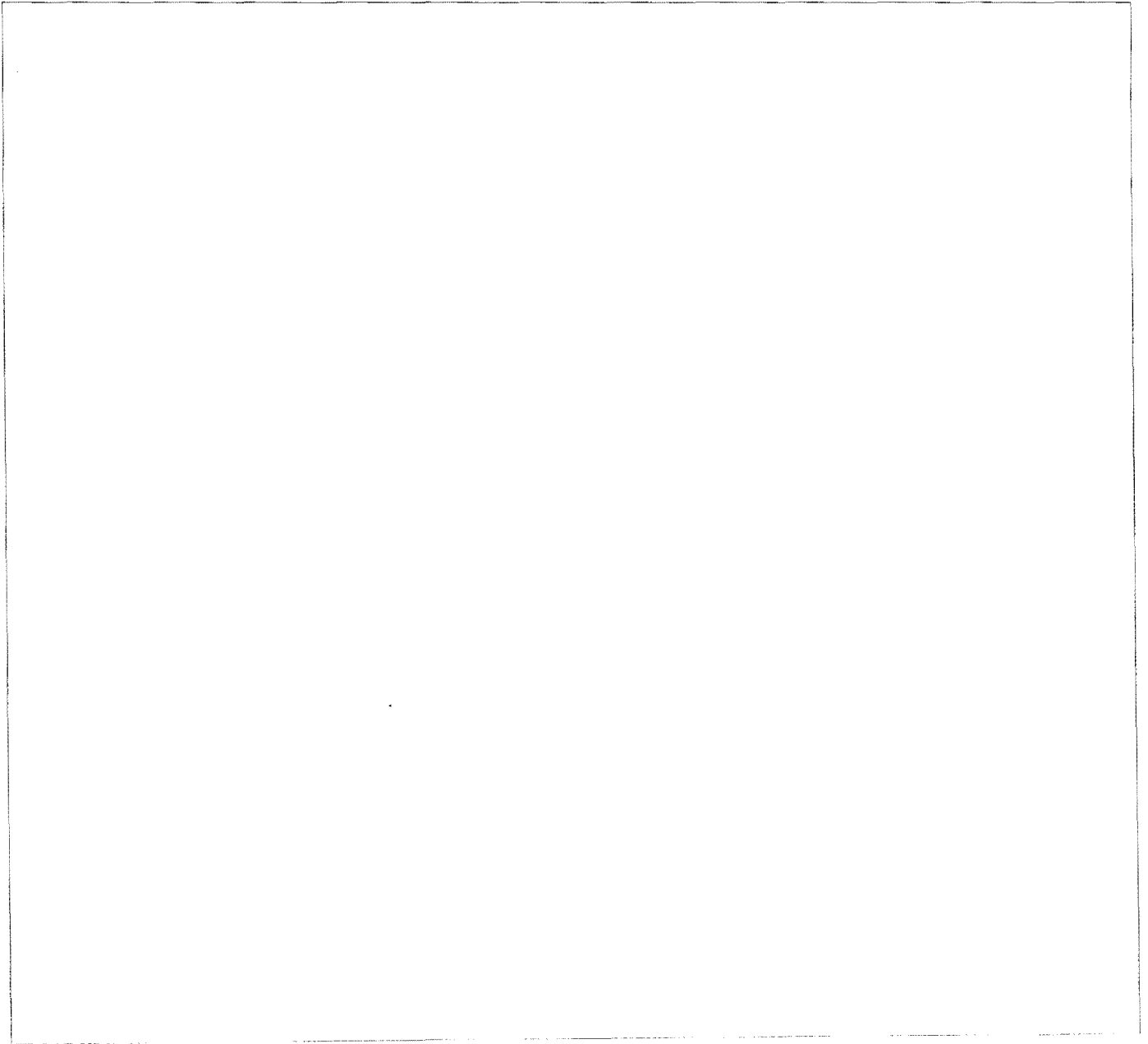


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~~SECRET~~ [REDACTED]**[REDACTED] STATISTICAL OVERVIEW**

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**[REDACTED] Audit Staff**

[REDACTED] The Audit Staff completed six audits and issued reports containing 22 recommendations to strengthen internal controls over covert action programs, contract management, and financial management. Thirty-four audits are under way.

**[REDACTED] Inspection Staff**

[REDACTED] The Inspection Staff completed four inspections. At the end of the reporting period, the Staff had seven ongoing inspections. In addition, the Staff closed four inspections.

**[REDACTED] Investigations Staff**

[REDACTED] The Investigations Staff completed work on 176 matters of various types during this reporting period. Of this number, 46 cases were of sufficient significance to be the subject of a final report: 10 Reports of Investigation, 39 Disposition Memoranda, and one special review.

[REDACTED] During this period, the OIG formally referred 13 matters to the DOJ based upon a reasonable belief that violations of federal criminal law may have been committed.

[REDACTED] As a result of the Investigations Staff's efforts, [REDACTED] in recoveries have been ordered on behalf of the US Government during this reporting period.

[REDACTED] As of 30 June 2011, 140 matters were in various stages of review by the Investigations Staff.

**[REDACTED] Special Reviews and Assessment**

[REDACTED] The OIG completed special reviews of [REDACTED] the Domestic Living Quarters Allowance Program, and an assessment of accountable property systems. [REDACTED]

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**COMPLETED AUDITS**  
**1 JANUARY – 30 JUNE 2011**

---

**Financial Management**

Working Capital Fund Cost and Pricing Models for Facilities Support   
March 2011)

**Operations**

**Field Activities**

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~~SECRET~~ **ONGOING AUDITS**  
**30 JUNE 2011**

---

**Financial Management**General Controls Controls Over the Approving Officer Authorities and Agency-Wide Certifying Officers  
DatabasesIndependent Audit of the CIA FY 2011 Financial Statements**Information Technology**~~SECRET~~

~~SECRET~~ 

2011 Independent Evaluation of the Central Intelligence Agency Information Security Program and Practices Required by the Federal Information Security Management Act (FISMA)

**Operations**

**Procurement**

Armored Vehicles

Sole Source Contracting

Award Fee Evaluation Factors and Determinations

Global Communications Services Contract Team

Use of Independent Contractors

**Field Activities**

~~SECRET~~

~~SECRET~~ [REDACTED]

[REDACTED] **COMPLETED INSPECTIONS**  
**1 JANUARY – 30 JUNE 2011**

---

[REDACTED] Agency-Wide Performance Against the Foreign Cyber Threat [REDACTED] (January 2011)

[REDACTED] Office of Asian Pacific, Latin American, and African Analysis [REDACTED] (April 2011)

[REDACTED] Office of Technical Service ([REDACTED] May 2011)

[REDACTED] Continuity of Operations ([REDACTED] June 2011)

[REDACTED] **ONGOING INSPECTIONS**  
**30 JUNE 2011**

---

[REDACTED] DI-NCS Information Sharing

[REDACTED] Latin America Division

[REDACTED] Covert Action Oversight

[REDACTED] Filling Critical Overseas Positions

[REDACTED] Global Coverage in the CIA

[REDACTED] Crime and Narcotics Center

[REDACTED] Office of Middle East and North Africa Analysis

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**COMPLETED INVESTIGATIONS**  
**1 JANUARY – 30 JUNE 2011**

**Department of Justice Prosecutions**

Theft of US Government Property ( February 2011)

May 2011)

**Reports of Investigation**

Time and Attendance Fraud: Telecommunications Information Systems Officer ( January 2011)

Misuse of Resources During Recruitment-Related Travel: Open Source Center Officer ( January 2011)

Overseas Station Cash Shortage ( February 2011)

Time and Attendance Fraud: Information Technology Services Officer ( June 2011)

Possible Fraudulent Billing by an Agency Contractor and Waste and Mismangement of an Agency Contract ( March 2011)

False Miscellaneous Expense Claims by a Senior Manager ( April 2011)

Lack of Impartiality by a Directorate of Intelligence Officer ( February 2011)

Intentional Misuse of Agency Computer Systems by a Directorate of Intelligence Leadership Analyst ( June 2011)

Contractor Employee Participation in CIA-Sponsored Social Events ( March 2011)

Questionable Claims by a Finance Officer ( June 2011)

**Disposition Memoranda**

Theft of

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~~SECRET~~ [REDACTED][REDACTED]  
Possible Conflict of Interest ([REDACTED])

Senior Officer's Failure to Recuse ([REDACTED])

Alleged Fraudulent Labor Charges by Industrial Contractor Employee ([REDACTED])

Alleged Conflict of Interest ([REDACTED])

Allegation of Time and Attendance Fraud ([REDACTED])

Alleged Contract Improprieties ([REDACTED])

Alleged Abuse ([REDACTED])

Possible Violation of Post-Employment Restriction ([REDACTED])

Potential Wrongdoing in Contract Bid ([REDACTED])

Alleged Leak of Source Selection Information ([REDACTED])

Possible Ethical Issues With an Agency Contracting Officer's Technical Representative ([REDACTED])

Allegation of Misuse of Government Computer Systems ([REDACTED])

Allegation of Potential Conflict of Interest ([REDACTED])

Fraudulent Charges Associated With ([REDACTED])

[REDACTED]  
Possible Conflict of Interest ([REDACTED])

Alleged Labor Mischarging ([REDACTED])

Alleged Abuse of Procedures for ([REDACTED])

[REDACTED] ([REDACTED])  
Allegation of Time and Attendance Abuse by SIS Officer ([REDACTED])

Alleged Organizational Conflict of Interest ([REDACTED])

Alleged Conflict of Interest ([REDACTED])

Allegation of Time and Attendance Fraud ([REDACTED])

~~SECRET~~ [REDACTED]



~~SECRET~~ [REDACTED]

[REDACTED] Alleged Inappropriate Action by a Contractor ([REDACTED])

[REDACTED] Possible Labor Mischarging ([REDACTED])

[REDACTED] Alleged Nepotism ([REDACTED])

[REDACTED] Potential Conflict of Interest ([REDACTED])

[REDACTED] Alleged Nepotism ([REDACTED])

[REDACTED] Alleged Stolen Equipment ([REDACTED])

[REDACTED] Possible Misuse of Agency ([REDACTED])

[REDACTED] Unaccredited Academic Degree ([REDACTED])

[REDACTED] Unaccredited Academic Degree ([REDACTED])

[REDACTED] Unaccredited Academic Degree ([REDACTED])

~~SECRET~~ [REDACTED]

~~SECRET~~ **ONGOING INVESTIGATIONS**  
**30 JUNE 2011**

---

<div style="border: 1px solid black; width: 110px; height: 25px; display: inline-block; vertical-align: middle;"></div> General Investigations	Number of Cases
Criminal and Prohibited Acts	
Conflicts of Interest	8
Embezzlement	5
False Claims - Other	15
False Claims/Statements/Vouchers	2
False Claims - Time and Attendance	20
Misconduct - Employee	8
Misconduct - Management	6
Other - Administrative/Criminal	27
Passports - Misuse	19
Procurement Fraud	18
Regulatory Violations	2
Theft/Misuse of Government Property	10
<div style="border: 1px solid black; width: 105px; height: 20px; display: inline-block; vertical-align: middle;"></div> Total Ongoing Cases	140

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~~SECRET~~ **COMPLETED SPECIAL REVIEWS AND ASSESSMENT  
30 JUNE 2011**

---

Domestic Living Quarters Allowance ProgramAccountable Property Systems**EXTERNAL PEER REVIEW RESULTS**

---

**AUDIT**

Under generally accepted government auditing standards, OIG audit functions must have an external peer review at least every three years. The National Reconnaissance Office OIG conducted a peer review of the Audit Staff during this reporting period. On 30 March 2011, the NRO OIG issued its external quality control review of the Audit Staff and found that the system of quality control for the Audit Staff in effect for the year ended 31 December 2010 was suitably designed and complied with to provide reasonable assurance that the Audit Staff is performing and reporting in conformity with applicable professional standards. Federal audit organizations can receive a peer review rating of pass, pass with deficiencies, or fail. The Audit Staff received a peer review rating of pass. There were no recommendations from this peer review.

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~~SECRET~~**AWARDS****LAW ENFORCEMENT AWARDS CEREMONY**

The Department of Justice held its 31<sup>st</sup> Annual Law Enforcement Awards Ceremony on Thursday, 19 May 2011. Special Agent [ ] and former Special Agent [ ] were recognized for their work on a very difficult case involving a rape committed by a high-level US government official in Algeria. This complicated investigation had numerous roadblocks, including issues involving classified material, witnesses who had to remain anonymous as a result of threats to their safety, and a very late report to authorities.

The OIG investigators [ ] were able to build a credible and solid case against the defendant, despite extraordinary setbacks that included the immense fear of the victims to identify themselves, seeking overseas search warrants, investigating in a country with numerous security risks, navigation through sensitive intelligence information and weighing every step with diligence and sensitivity. In the end, the defendant was convicted of sexual abuse and was sentenced to 65 months in prison, 10 years of supervised release, and an order to register as a sex offender for 15 years.

**INTELLIGENCE COMMUNITY INSPECTORS GENERAL NATIONAL INTELLIGENCE AWARDS CEREMONY****CIA OIG Inspection of Agency-Wide Performance Against the Foreign Cyber Threat**

A ceremony was held on 23 June 2011 to recognize OIG officers throughout the Intelligence Community who have made extraordinary contributions to the mission and objectives set forth in the US National Intelligence Strategy, and to the mission of their respective IC OIG offices. The 2010 "Inspection Award" went to the CIA OIG team that conducted the inspection of Agency-wide performance against the foreign cyber threat. [ ]

[ ] examined how the Agency collects against and analyzes the ability of foreign entities to penetrate US computer systems and how the Agency communicates its findings to those responsible to defend against such threats.

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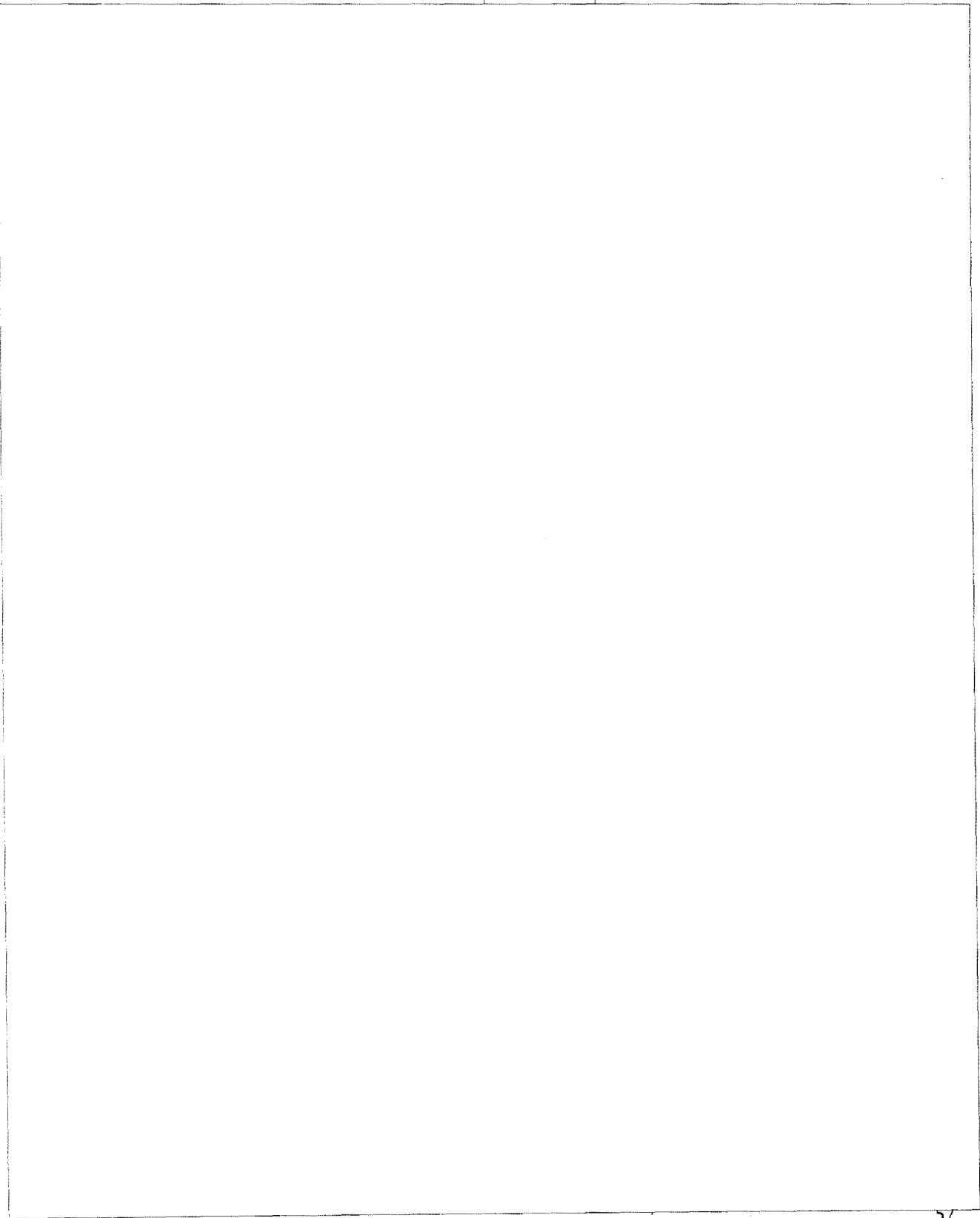
**CIA OFFICE OF INSPECTOR GENERAL  
FY12 LEGISLATIVE PROPOSAL**

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[REDACTED]

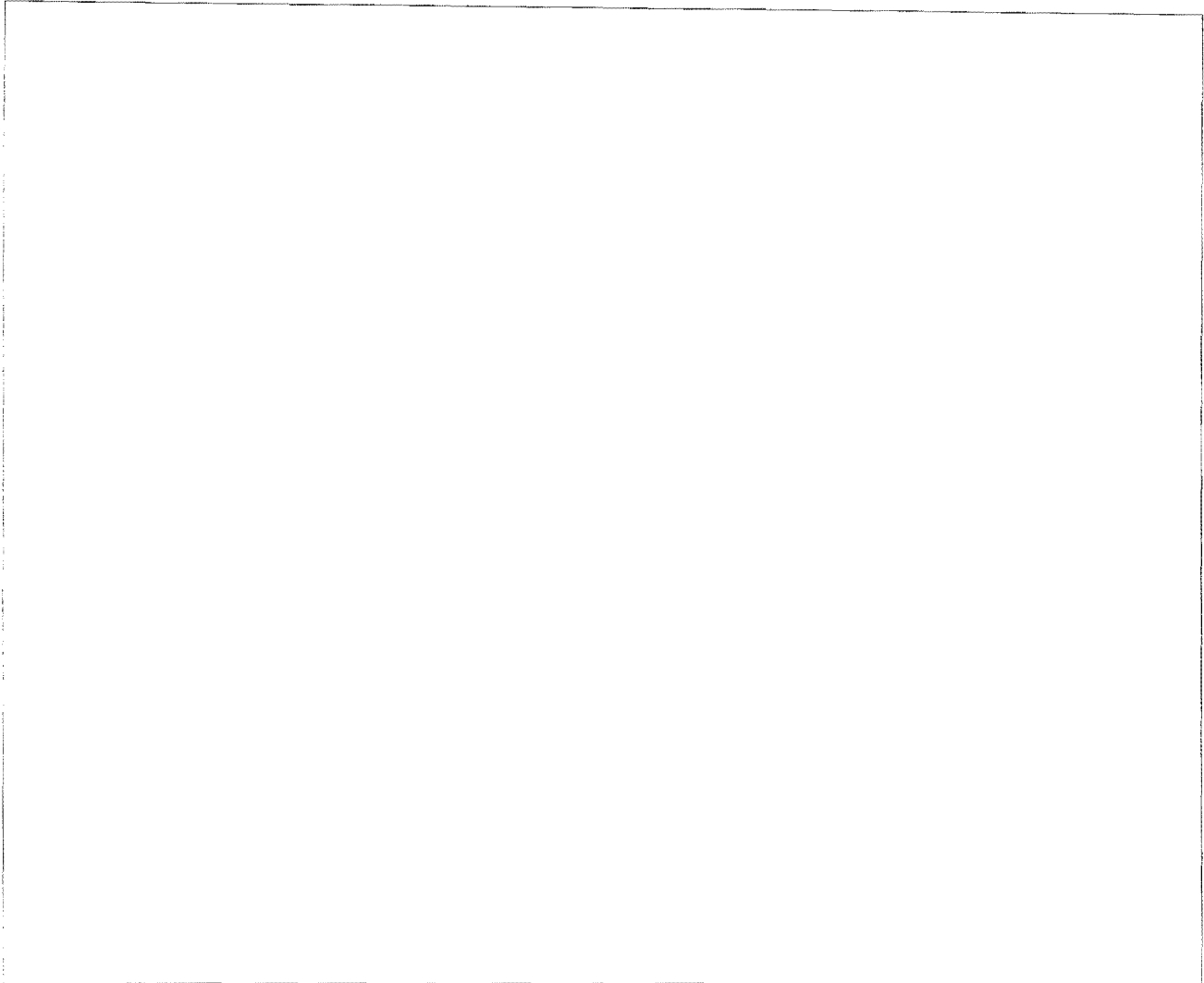
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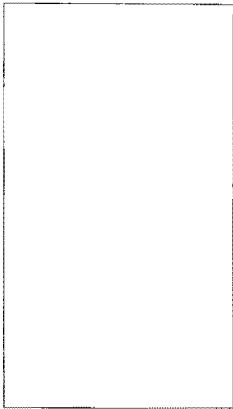
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# OFFICE OF INSPECTOR GENERAL

## Strategic Goals and Objectives

**GOAL 1:** Execute timely, objective, and results-driven work to improve the overall mission performance of the Agency.

- ❖ Undertake work that focuses on programs and activities that are critical to the CIA mission and important to the Director and the Congress.
- ❖ Conduct timely and objective audits, inspections, and investigations in accordance with professional standards.
- ❖ Undertake work that improves the mission performance of the Agency.

**GOAL 2:** Maximize our value to the CIA, Congress, and the American public.

- ❖ Explain our mission to our customers and stakeholders and build collaborative, respect-based relationships.
- ❖ Solicit from our customers and stakeholders ideas to increase the value of our work.
- ❖ Provide transparency within the construct of our confidential environment.

**GOAL 3:** Attract, develop, and retain a diverse and highly-skilled cadre of professional OIG officers.

- ❖ Implement recruitment strategies that attract a diverse, high-skilled work force.
- ❖ Establish appropriate and measurable performance goals and appropriately and fairly recognize high performance.
- ❖ Train our people to the highest professional standards.
- ❖ Promote a productive and innovative work environment.
- ❖ Provide knowledgeable, supportive, and inclusive leadership and ensure forthright, complete, and timely communications.

**GOAL 4:** Provide strong business management that maximizes facilities, budget, and technology and allows OIG officers to respond optimally to mission needs.

- ❖ Establish corporate policies, metrics, and plans that drive performance; meet mission requirements; and encourage innovation.
- ❖ Develop IT, work space, and budget solutions that will optimally support staff-specific work processes and provide enterprise-wide insight and managerial information.
- ❖ Proactively identify our business management requirements.

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Inspector General

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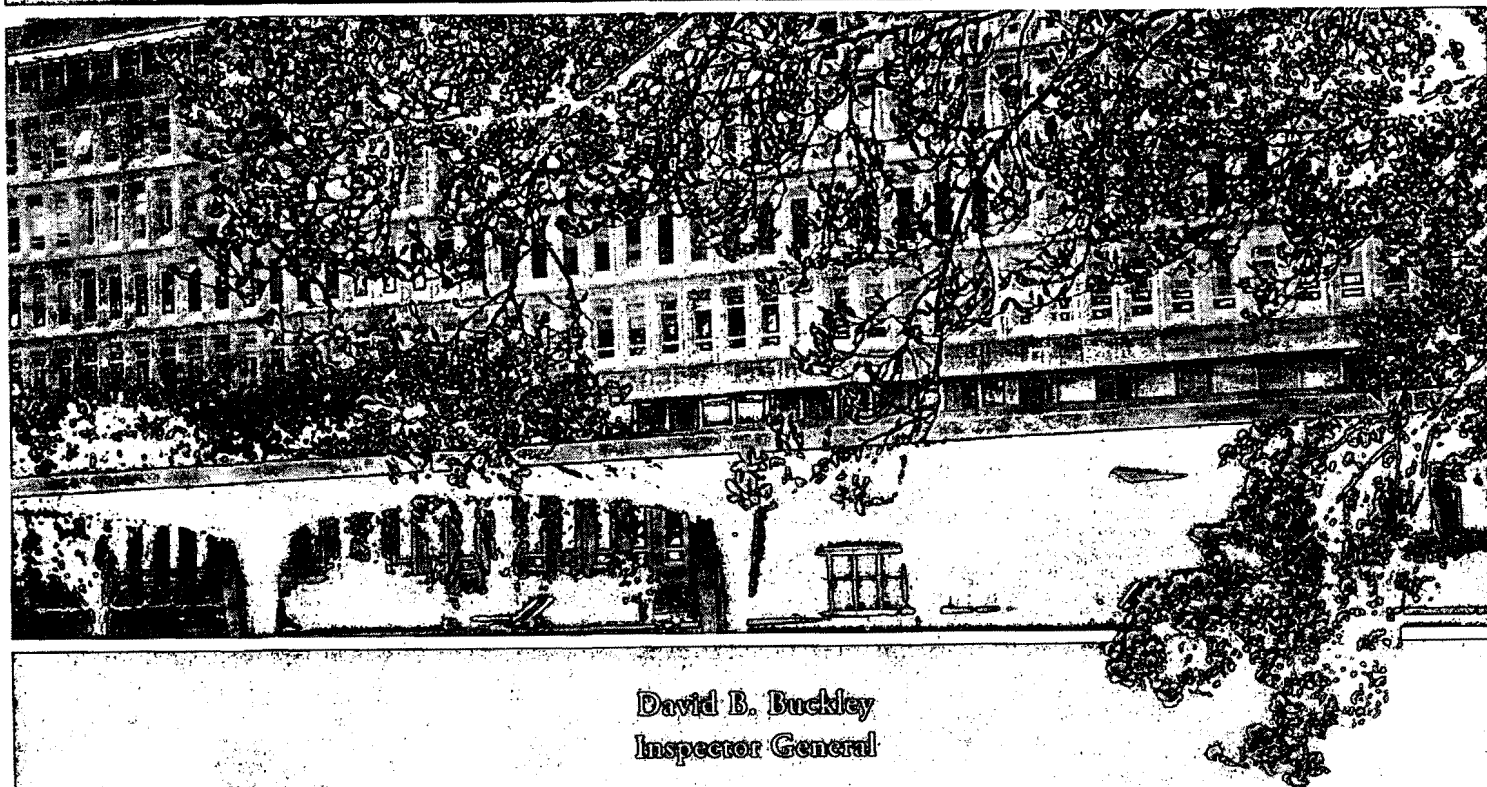
IG 2012-0013

## OFFICE OF INSPECTOR GENERAL

## SEMIANNUAL REPORT

TO THE DIRECTOR, CENTRAL INTELLIGENCE AGENCY

JULY-DECEMBER 2011

David B. Buckley  
Inspector General~~SECRET~~

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*Follow the truth,  
wherever it leads...*

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## A MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to provide this summary report of the activities of the Office of Inspector General, Central Intelligence Agency for the period 1 July – 31 December 2011. The women and men of the OIG are fully engaged in the important work of providing audit, inspection, and investigative services in support of the oversight of the CIA's operations and activities. We are proud to provide that service and we appreciate the continued commitment of the CIA's leadership in support of the function we perform.

### Staff Accomplishments

In the past six months we issued 21 **Audit Reports** (see page 11), one **Independent Evaluation** (see page 11), and six **Inspection Reports** (see page 26), covering various Covert Action, Proprietary, Field Station, and other foreign intelligence activities of the CIA. We made 116 recommendations to strengthen controls in those reports, and we continue to track 109 open recommendations from previous OIG reports (see pages 39 through 64 for table summaries). Our Investigations Staff received 226 complaints, opened 48 investigations, and closed 34 investigations (see page 33). The Investigations Staff also conducted an inquiry into the CIA's relationship with the New York City Police Department.

### Strengthening the OIG

We continue to reform and strengthen our own business processes. As I have reported in the last two Semiannual Reports, we are engaged in implementing a strategic plan designed to guide our oversight work and strengthen our staffs. This reporting period, following the retirement of their predecessors, I appointed new Assistant Inspectors General for Investigations and Inspection, and we have begun an effort to reform the inspection process.

The Intelligence Authorization Act for FY 2012 calls for a review to be conducted by the OPM IG of the CIA OIG's personnel authorities and available benefits. As previously reported, I had determined that our ability to best conduct investigations of allegations of criminal wrongdoing by CIA employees and contractors, pertaining to CIA activities, is hampered by the lack of statutory authority to support the conduct of such investigations, enjoyed by the other federal inspectors general. Additionally, I have again forwarded legislative proposals to the Director, CIA, page 65, seeking the statutory authority to enable the OIG to better provide oversight.

Over the past decade, the resources provided to the OIG have not kept pace with the dramatic growth in CIA operations and spending. In fact, unlike the OIGs at DoD, State, and USAID, the CIA OIG received no supplemental or operational funding during the contingency operations in Iraq, Afghanistan, or the War on Terror, and did not forward deploy to the war zones. However, we are seeking some modest growth through the annual budget process to enable the OIG to enhance its oversight.

I am humbled and honored to lead this Office of dedicated public servants, as we independently review the work and activity of this vital Agency.

David B. Buckley  
Inspector General  
13 January 2012

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# OVERVIEW

## MISSION

The Office of Inspector General promotes economy, efficiency, effectiveness, and accountability in the management of CIA activities by performing independent audits, inspections, investigations, and reviews of CIA programs and operations. We also seek to detect and deter fraud, waste, abuse, and mismanagement. We advance the Agency's mission by providing our findings and recommendations expeditiously to the Director, the Agency, and the Congressional intelligence committees.

## VALUES

We are an organization of diverse professionals dedicated to:

- **Integrity** – Making decisions on the merits of every matter without regard to undue influence or favor.
- **Professionalism** – Holding ourselves to the highest standards of accountability and independence and ensuring that our findings are accurate, objective, and timely, and our recommendations relevant, reasonable, fact based, and fair.
- **Expertise** – Developing and leveraging individual and collective skills and experiences.

## VISION

The Office of Inspector General is a trusted and respected resource for the Director, the Agency, and the Congress, and our work has a positive impact on CIA's mission.

## DIVERSITY

Diversity is integral to our mission success. We promote diversity by creating a culture that is professional, supportive, inclusive, and innovative.

We value a diverse workforce and, therefore, are dedicated to recruiting, developing, and retaining qualified individuals who bring a variety of experiences, backgrounds, and skills.

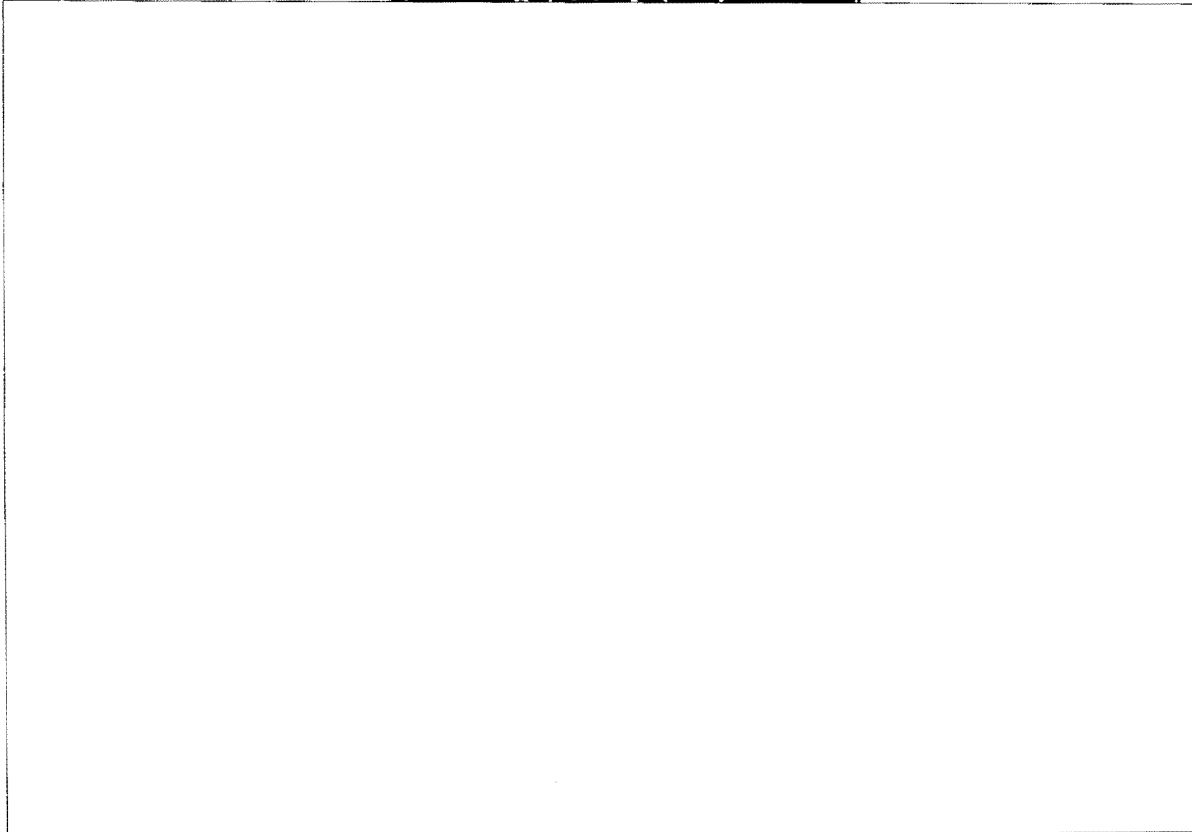
We are committed to maintaining a positive, equitable, and productive work environment where all employees - and their diverse thoughts and opinions - are welcomed, respected, and valued.

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## **THE OIG ORGANIZATION**

**David B. Buckley**  
Inspector General



## **THE OIG STAFFS**

### **Audit Staff**

The Audit Staff is composed of the Financial Management Division, Information Technology Division, Operations Division, Procurement Division, and a team dedicated to auditing field sites. The Staff conducts performance and financial audits of CIA programs and activities, including those audits that have been mandated by the Congress, such as the annual independent audit of the CIA's financial statements, the annual independent evaluation of the CIA information security program and practices required by the Federal Information Security Management Act (FISMA),

and periodic audits of CIA covert action programs. The Audit Staff also participates with other federal agencies and departments to conduct joint reviews of Intelligence Community programs and activities.

### **Inspection Staff**

The Inspection Staff is largely composed of senior Agency managers and officers, most of whom are on rotation to the OIG. The Inspection Staff strives for balanced staffing by skill set and directorate representation. The Inspection Staff is responsible for conducting inspections of CIA components to evaluate their mission performance, customer and partner relationships,

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and leadership and management effectiveness. The Staff also assesses major, crosscutting Agency issues to identify if they are being managed effectively, efficiently, and in compliance with law, Executive Orders, and regulations. We are currently working to reform our inspection process and staffing model.

## **Investigations Staff**

The Investigations Staff is composed of the Integrity Division, Intelligence Division, Financial Division, and Investigative Resources Division. The Staff conducts investigations of alleged violations of federal laws, regulations, and policies, as well as alleged waste, fraud, and mismanagement related to CIA programs and operations.

## **PEER REVIEW**

### **Audit Staff**

Under generally accepted government auditing standards, OIG audit functions must have an external peer review at least every three years. The National Reconnaissance Office OIG conducted a peer review of the Audit Staff during the last reporting period. On 30 March 2011, the NRO OIG issued its external quality control review of the Audit Staff and found that the system of quality control for the Audit Staff in effect for the year ended 31 December 2010 was suitably designed and complied with to provide reasonable assurance that the Audit Staff is performing and reporting in conformity with applicable professional standards. Federal audit organizations can receive a peer review rating of pass, pass with deficiencies, or fail. The Audit Staff received a peer review rating of pass. There were no recommendations from this peer review.

## **COMMUNITY INTERACTION**

The Office of Inspector General actively participates in a wide range of coordination and collaboration activities designed to increase our knowledge of and contribution to oversight within the Federal Government.

The Inspector General is a statutory member of the Council of the Inspectors General on Integrity and Efficiency (CIGIE). The IG actively participates in CIGIE meetings and is a member of the CIGIE Legislative Committee. In addition, OIG senior managers participate in Intelligence Community Inspector General Forums to include the IC IG Forum, Deputy Inspectors General Forum, the IC Inspectors General Forum's Inspections Working Group, the IC Joint Audit Working Group (JAWG), and the IC IG Counsels Working Group.

Audit Staff senior managers participate in the IC Chief Financial Officer/OIG Quarterly Council Meetings that focus on sharing ideas, discussing lessons learned, and communicating actions needed to achieve auditable financial statements for IC agencies. The Staff also participates in a cyber security sub-group of the JAWG. The purpose of the group is to identify cyber security issues that cut across organizational boundaries within the IC. The Assistant IG for Audit and her Deputy also participate in periodic meetings of the Federal Audit Executive Council.

The Assistant IG for Inspections and her Deputy participate in periodic meetings of the Council of the Inspectors General on Integrity and Efficiency's Inspections and Evaluations Roundtable. In addition, inspectors from the ODNI, the National Security Agency, the National Geospatial-Intelligence Agency, and the Army Intelligence Command participated in the Staff's two-week New Inspector Training Course.

OVERVIEW

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~~SECRET~~ [REDACTED]

[REDACTED] The Investigations Staff continued its outreach with law enforcement agencies and other Offices of Inspectors General throughout the Federal Government. The Investigations Staff continues to have a robust dialogue with [REDACTED]

[REDACTED] the Office of the Special Prosecutor, and the Department of Justice. Additionally, the Investigations Staff provides a guest instructor to the Federal Law Enforcement Training Center (FLETC) to assist in the Financial Forensic Course, which is presented to federal, state, and local law enforcement agencies nationwide. Personnel from the Investigations Staff have also participated in curriculum reviews of training courses provided by the FLETC. The Assistant IG for Investigations (AIGI) participates in the quarterly AIGI meetings, which include AIGI's from throughout the Federal Government.

## AREAS OF IMPACT

[REDACTED] During this reporting period, the OIG concluded audit and inspection work in areas that we considered to be the most significant to the Agency:

- Covert action oversight and effective use of related resources.
- Information security.
- Information technology infrastructure.
- Acquisition oversight and contract management.
- Resource (personnel and financial) management.
- Auditable financial statements.
- Operational and analytic performance and tradecraft.

[REDACTED] Summaries of this work are included at pages 11 through 37.

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# PLANNING

## STRATEGIC PLANNING

The OIG has four strategic goals:

1. Execute timely, objective, and results-driven work to improve the overall mission performance of the Agency.
2. Maximize our value to the CIA, the Congress, and the American public.
3. Attract, develop, and retain a diverse and highly skilled cadre of professional OIG officers.
4. Provide strong business management that maximizes facilities, budget, and technology and allows OIG officers to respond optimally to mission needs.

The OIG developed objectives and action items to address each of these goals. We have set timeliness goals for our products, updated our work planning process to better assess risk, and required all OIG officers to create training plans to meet the needs of both the individual and the OIG. In the next six months, we will be implementing a defined performance measurement program that will measure the OIG's performance against our own goals.

## ANNUAL PLANNING

In December the OIG published to the Agency our work plan for audits and inspections to be carried out during CY 2012. We believe that this plan provides broad coverage of the Agency's programs, components, and activities, and is designed to focus our efforts on issues of continuing importance to the Agency's mission.

The OIG sought input for the CY 2012 work plan from several sources to include component directors; the Deputy Director, CIA; the Associate Deputy Director, CIA; and the Director, CIA. In addition, we considered topics that the Intelligence oversight committees have identified as topics of interest.

In CY 2012, the OIG is focusing our efforts on improving efficiency and effectiveness in critical areas for the CIA, such as:

- Collection and analysis.
- Covert action.
- Information management and technology.
- Financial management and administration.
- Procurement and contracting.
- Workforce management.

PLANNING

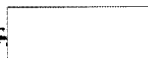
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~~SECRET~~ **STATUTORY REPORTING**

☐ This report is submitted pursuant to Section 17 of the CIA Act of 1949, as amended, which requires the Inspector General to provide to the Director, CIA, not later than 31 January and 31 July of each year, a semiannual report summarizing the activities of the Office of Inspector General for the immediately preceding six-month period, ending 31 December and 30 June, respectively.

☐ All audit activities of the OIG are carried out in accordance with generally accepted government auditing standards. All OIG inspection and investigation activities conform to standards adopted by the Council of the Inspectors General on Integrity and Efficiency.

☐ The OIG has had full and direct access to all Agency information relevant to the performance of its duties.

**SUBPOENA AUTHORITIES**

☐ During this reporting period, the IG issued no subpoenas.

**LEGISLATIVE PROPOSALS**

STATUTORY REPORTING

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The IG strongly recommends that the Director, Central Intelligence Agency; the Director of National Intelligence; and the Director of the Office of Management and Budget support the amendments to the CIA IG Act and that the Congress consider the amendments to the Act as set forth in the Appendix of this report.

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~~SECRET~~**PROJECTS****AUDIT STAFF****COMPLETED PROJECTS**

As summarized below, the Audit Staff completed 21 audits and an evaluation, and issued reports containing 91 recommendations to strengthen internal controls over covert action programs, contract management, and financial management.

AREA OF FOCUS	PROJECT NAME	PROJECT NUMBER	ISSUE DATE
Covert Action			
Financial Management and Administration	Independent Auditor's Report on the CIA FY 2011 Financial Statements		November 2011
Information Management and Technology			
	(U) Controls Over the Approving Officer Authorities and Agency-Wide Certifying Officers Databases		September 2011
	General Controls		September 2011
	2011 Independent Evaluation of the CIA Information Security Program and Practices Required by FISMA		September 2011
	Security of the DS&T Mission Systems		September 2011
Procurement and Contracting			September 2011
	Global Communications Services Contracts Team		October 2011
	Sole Source Contracting		September 2011

PROJECTS

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AREA OF FOCUS	PROJECT NAME	PROJECT NUMBER	ISSUE DATE

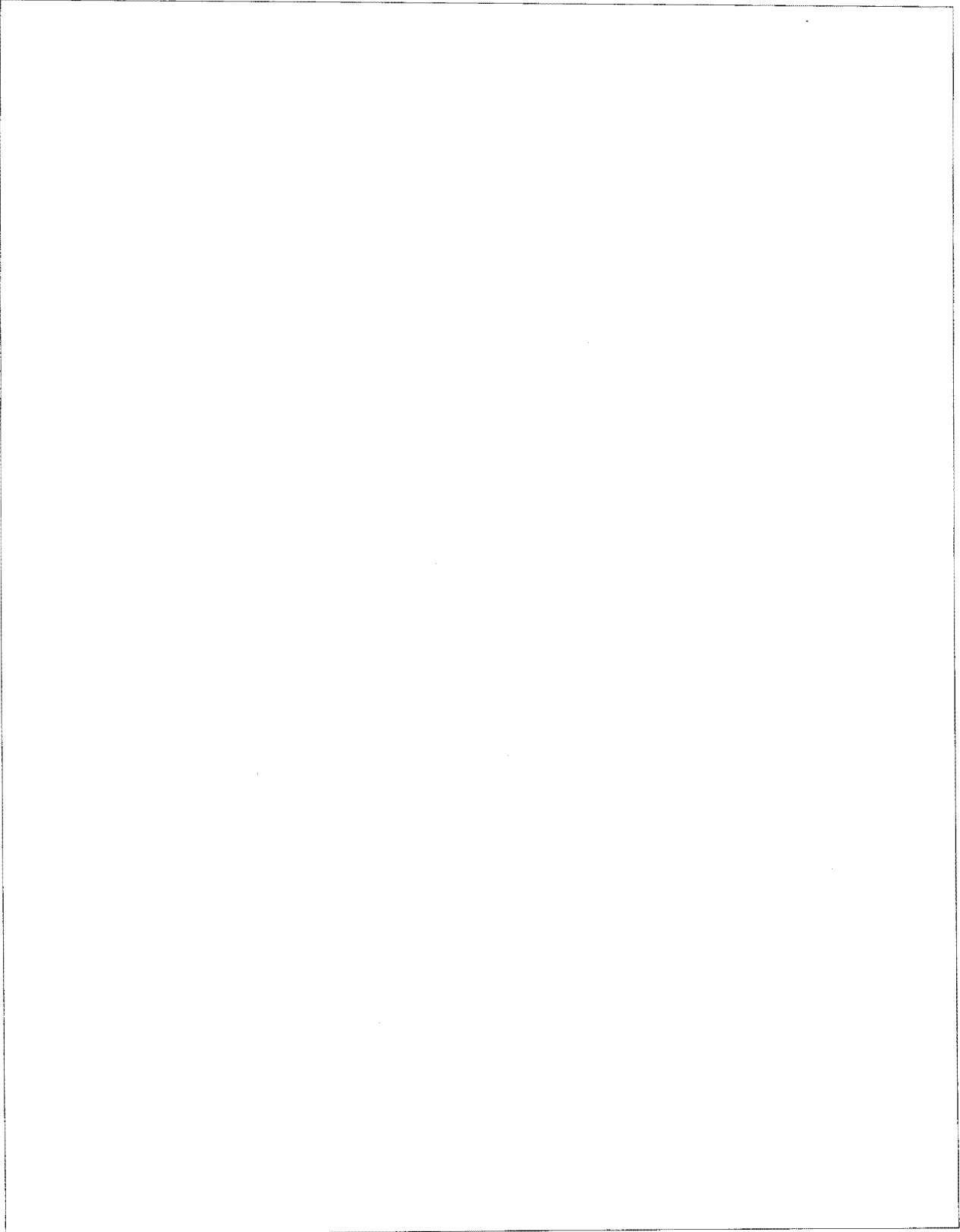
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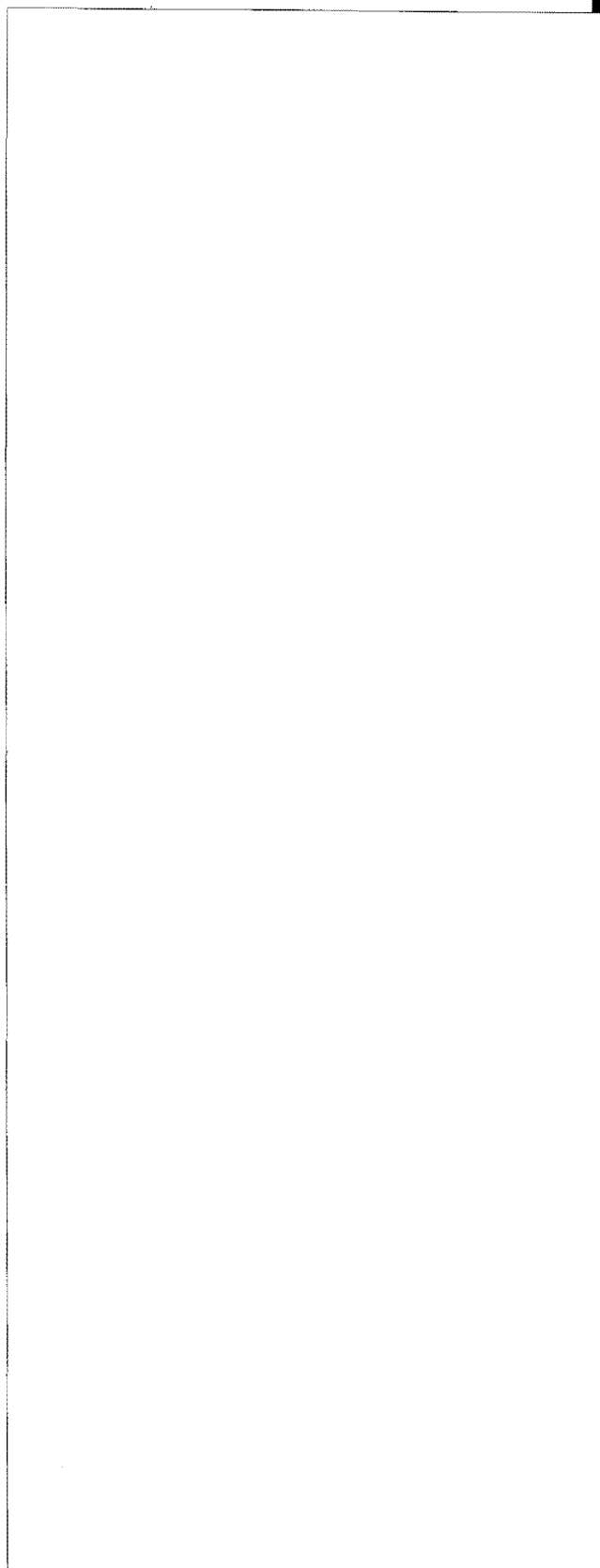
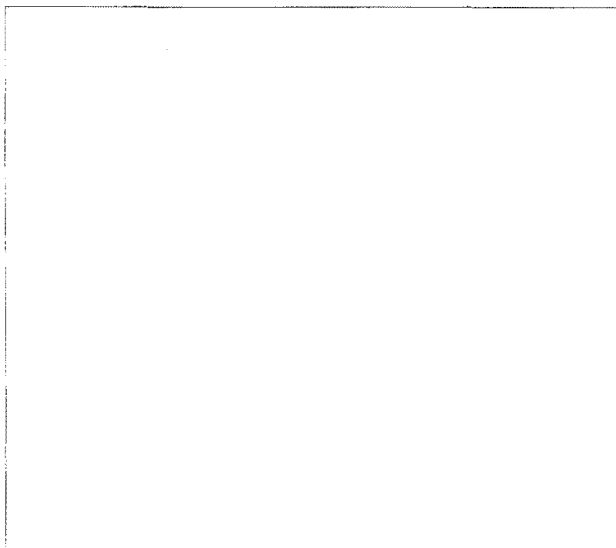
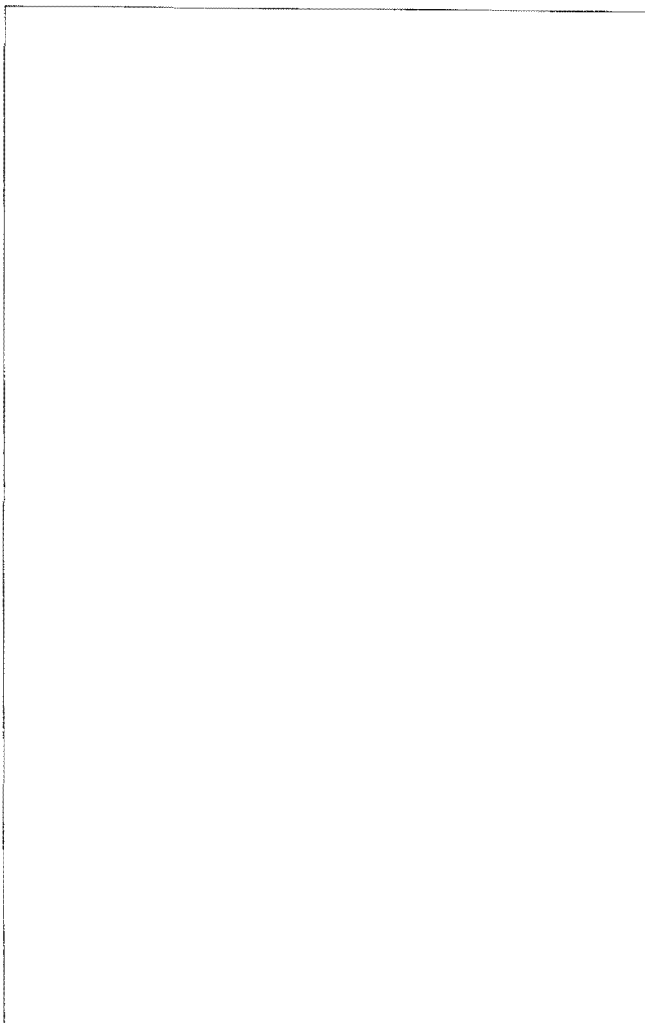
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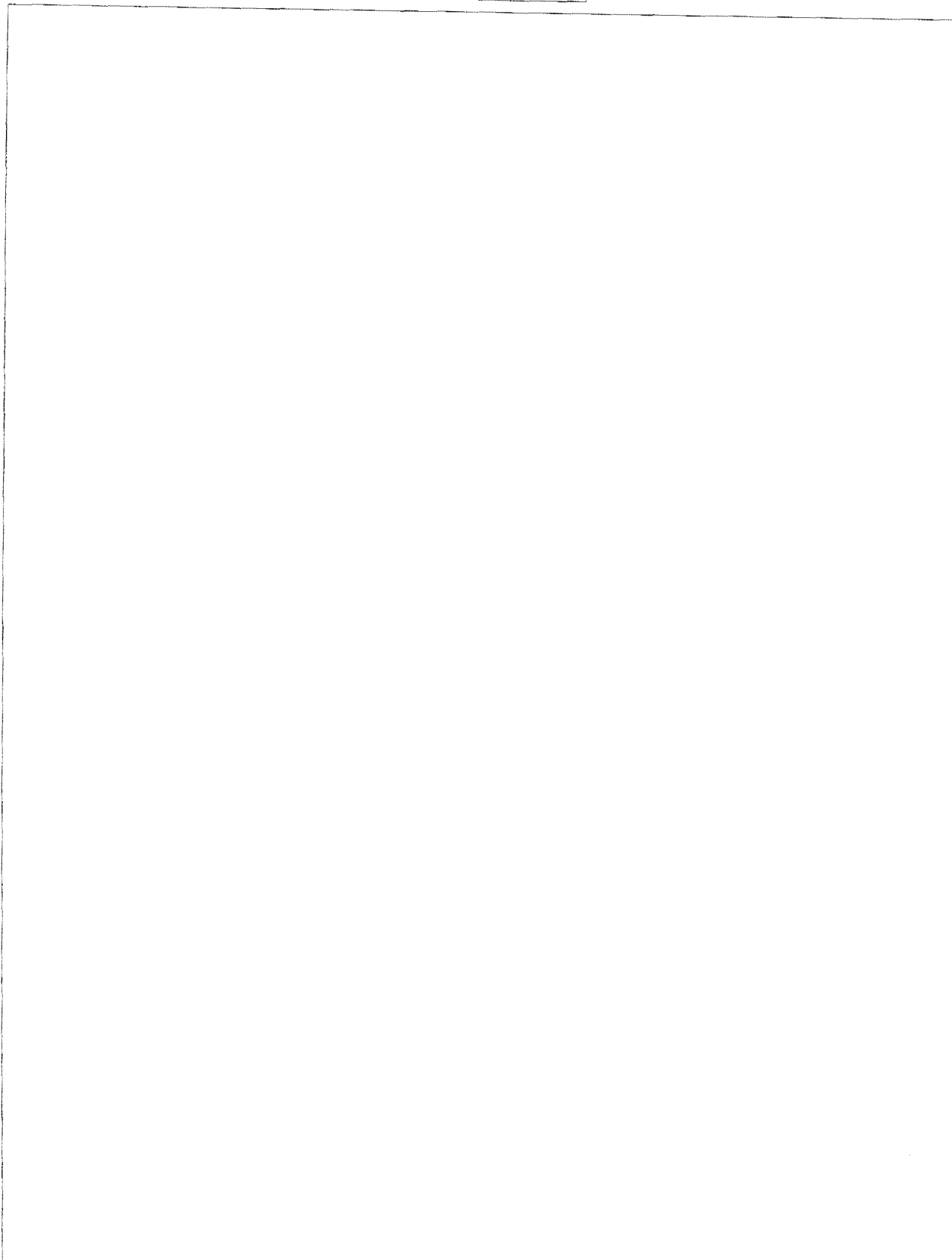
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PROJECTS

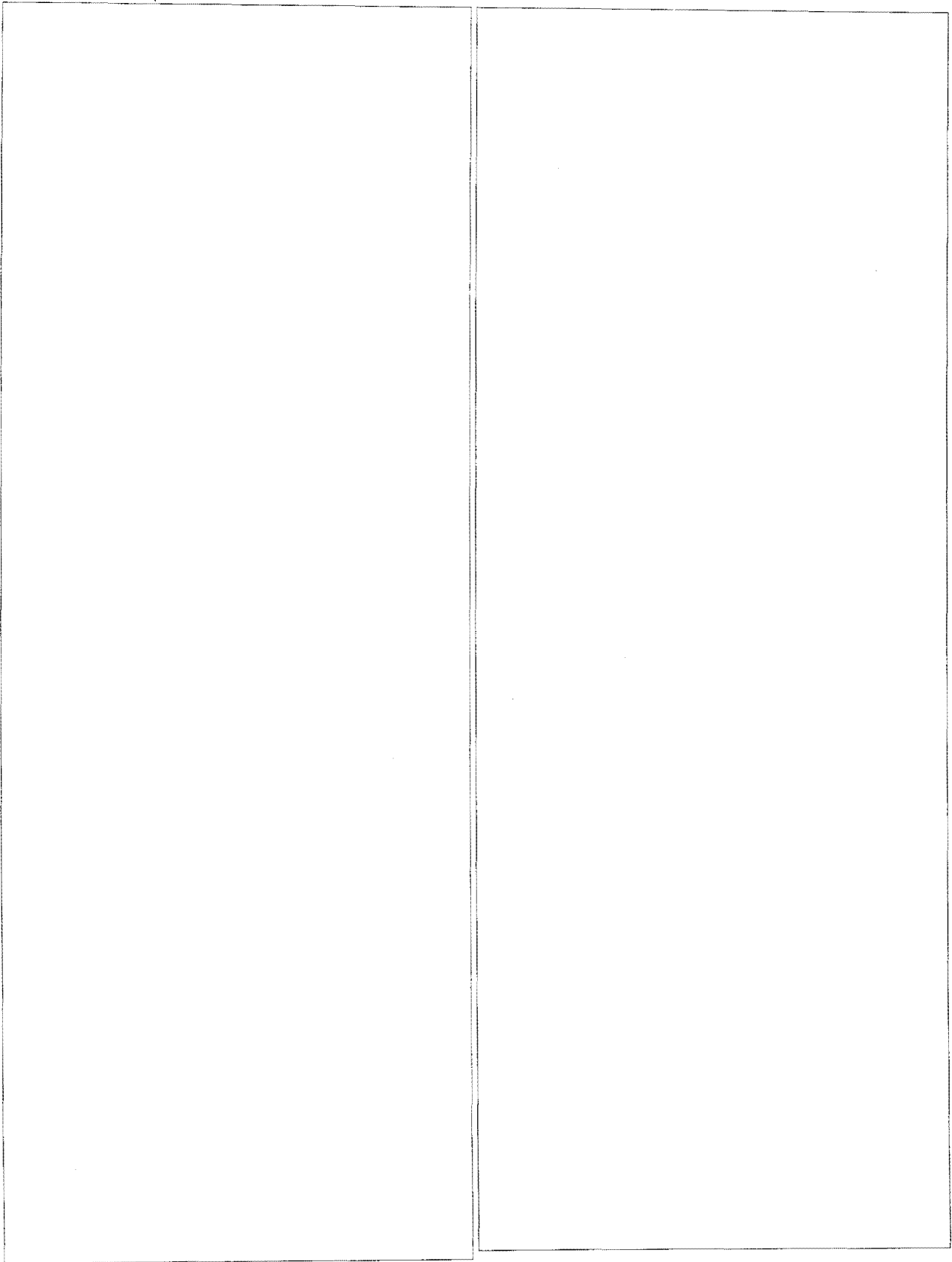
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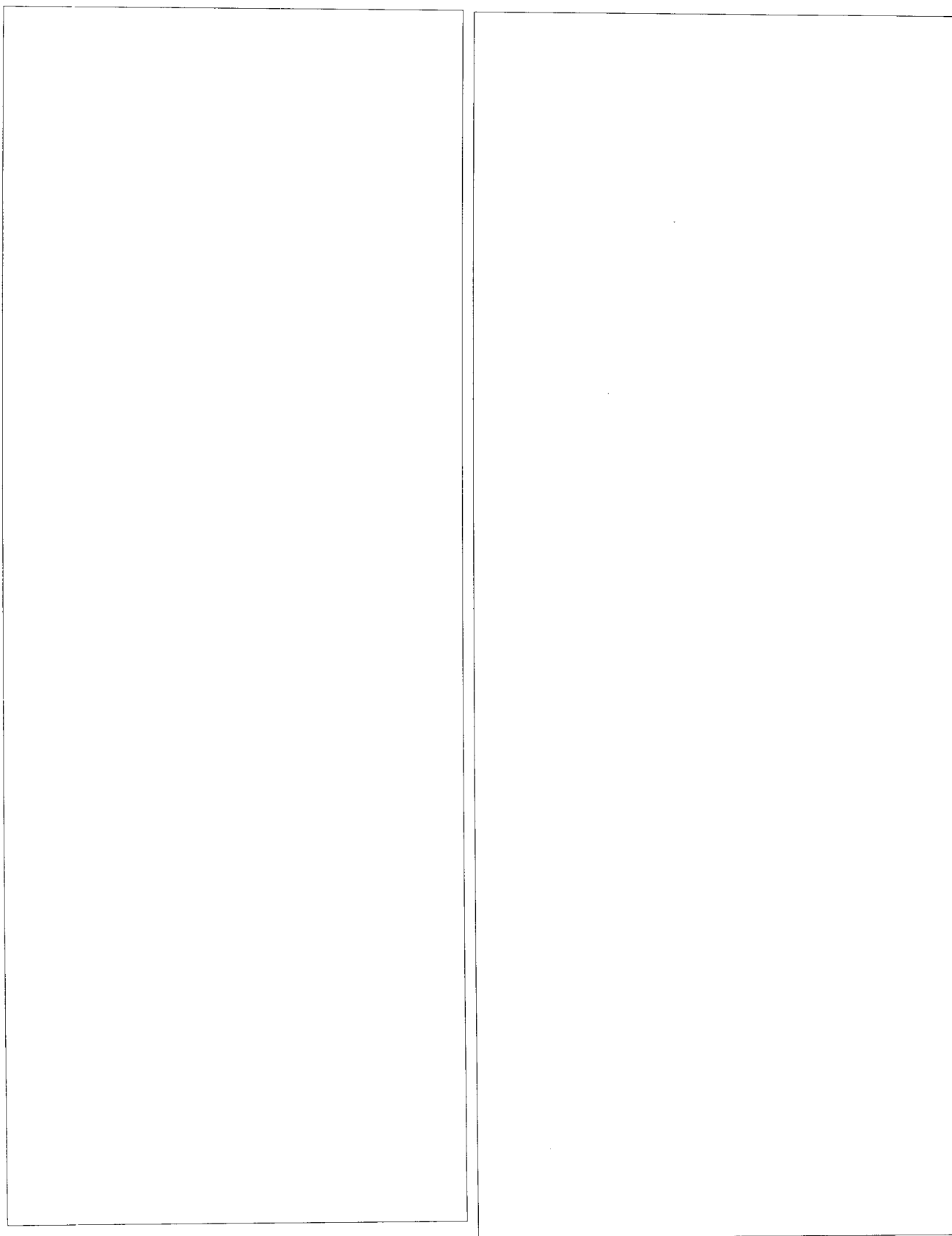
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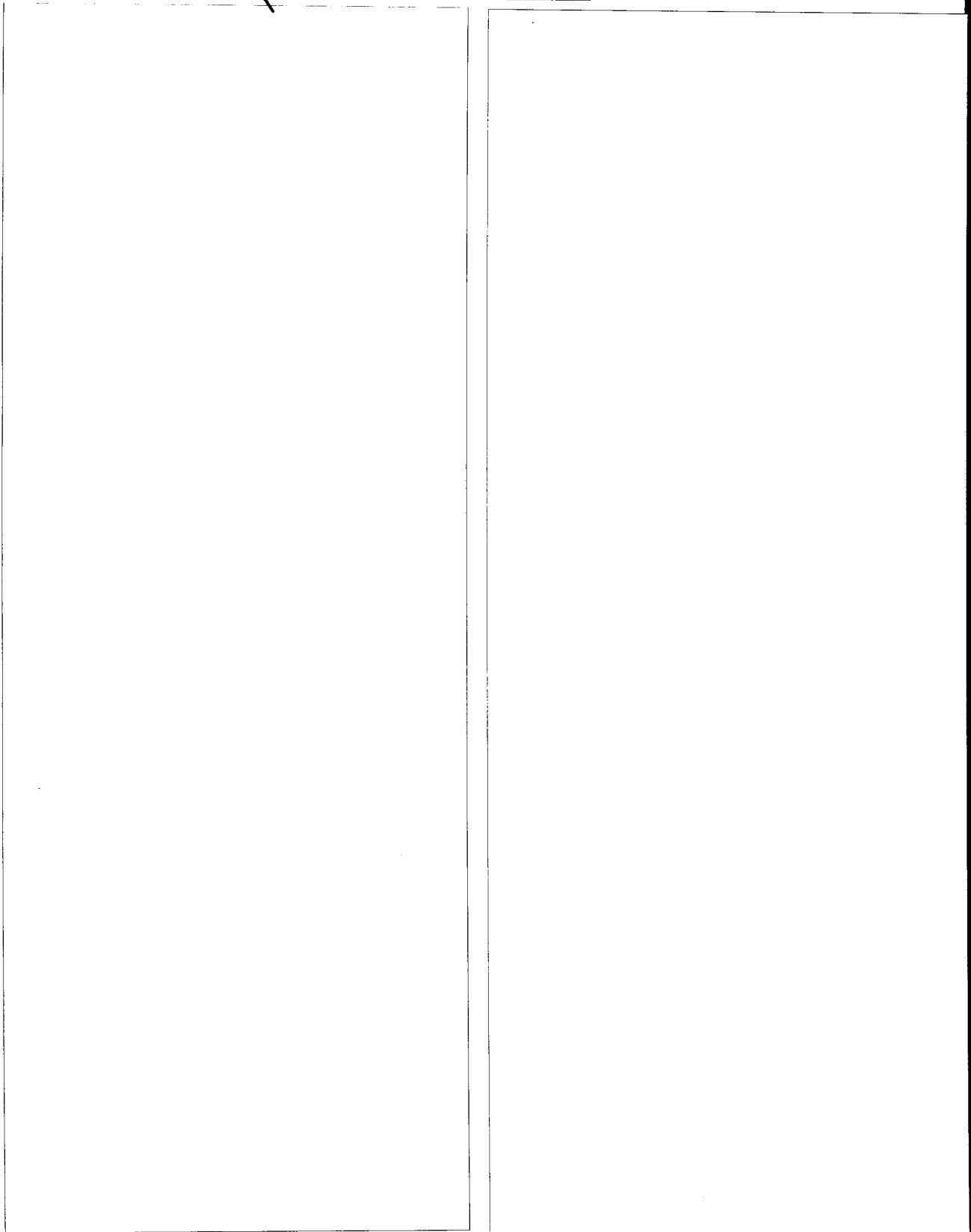
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PROJECTS

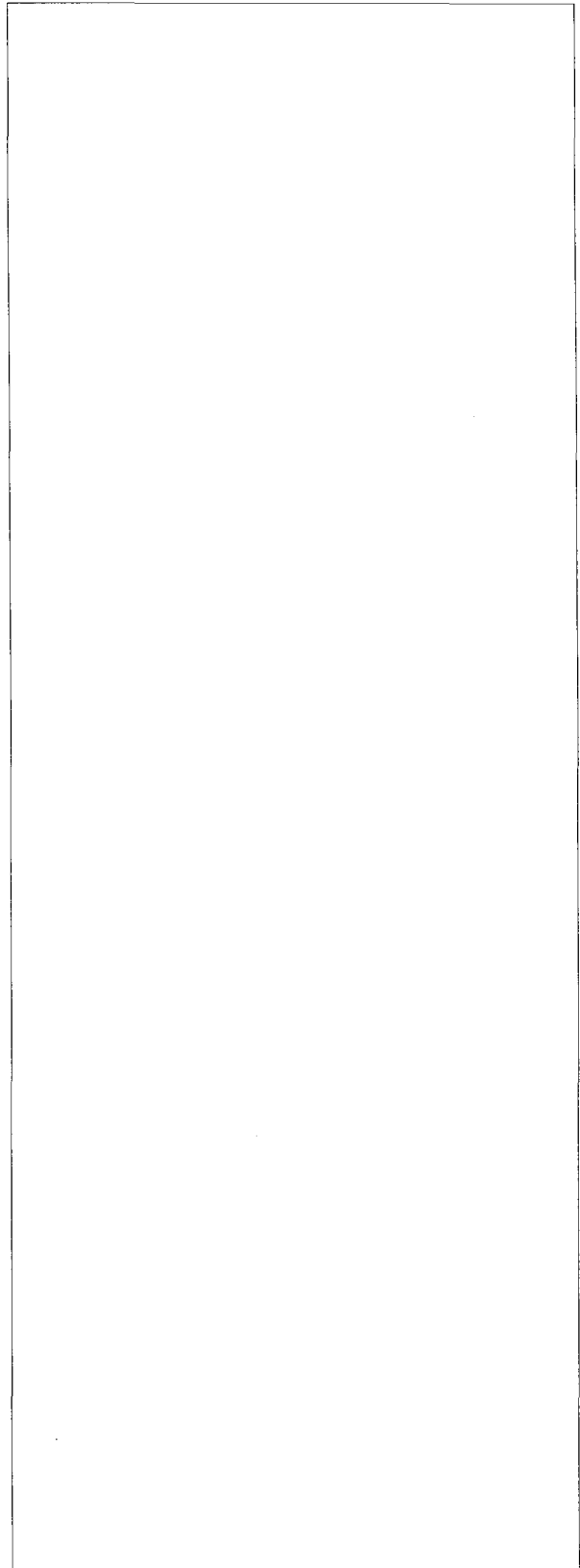
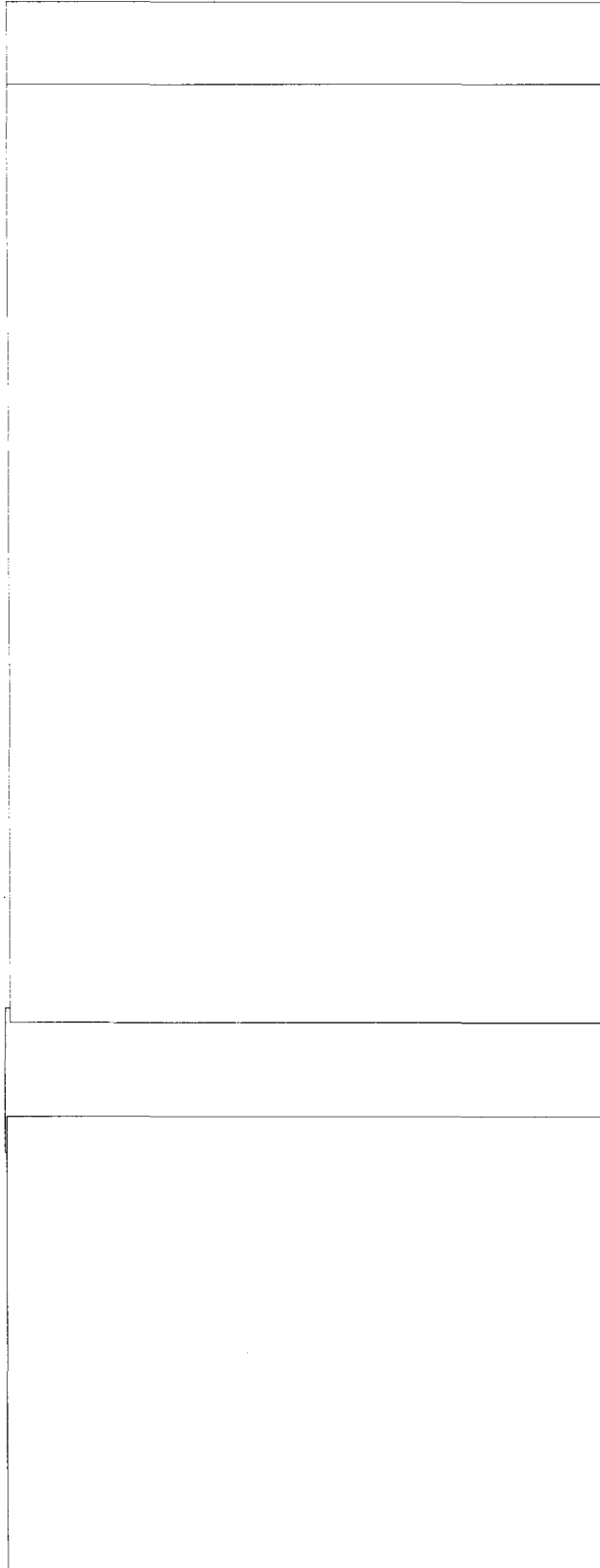
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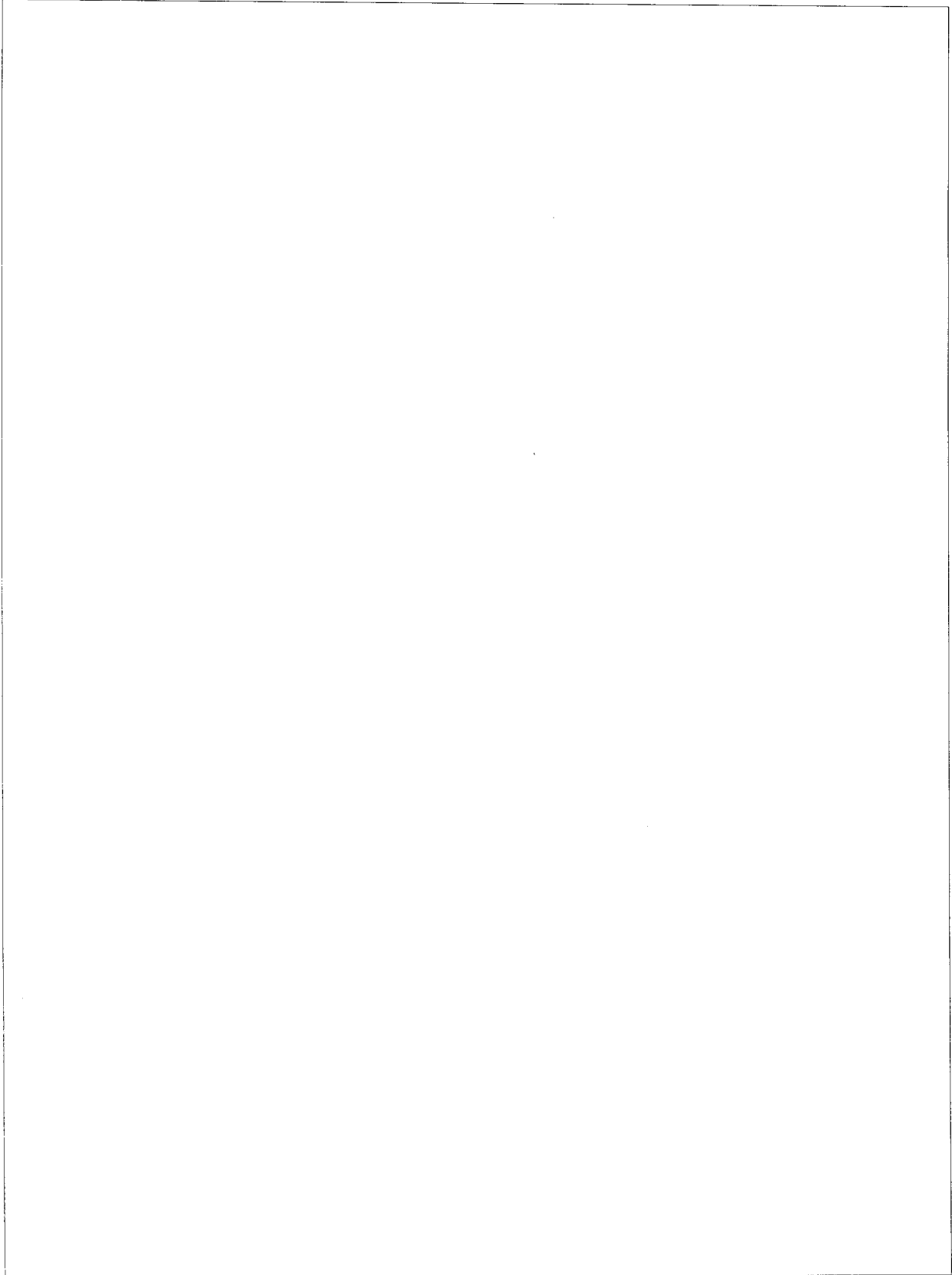
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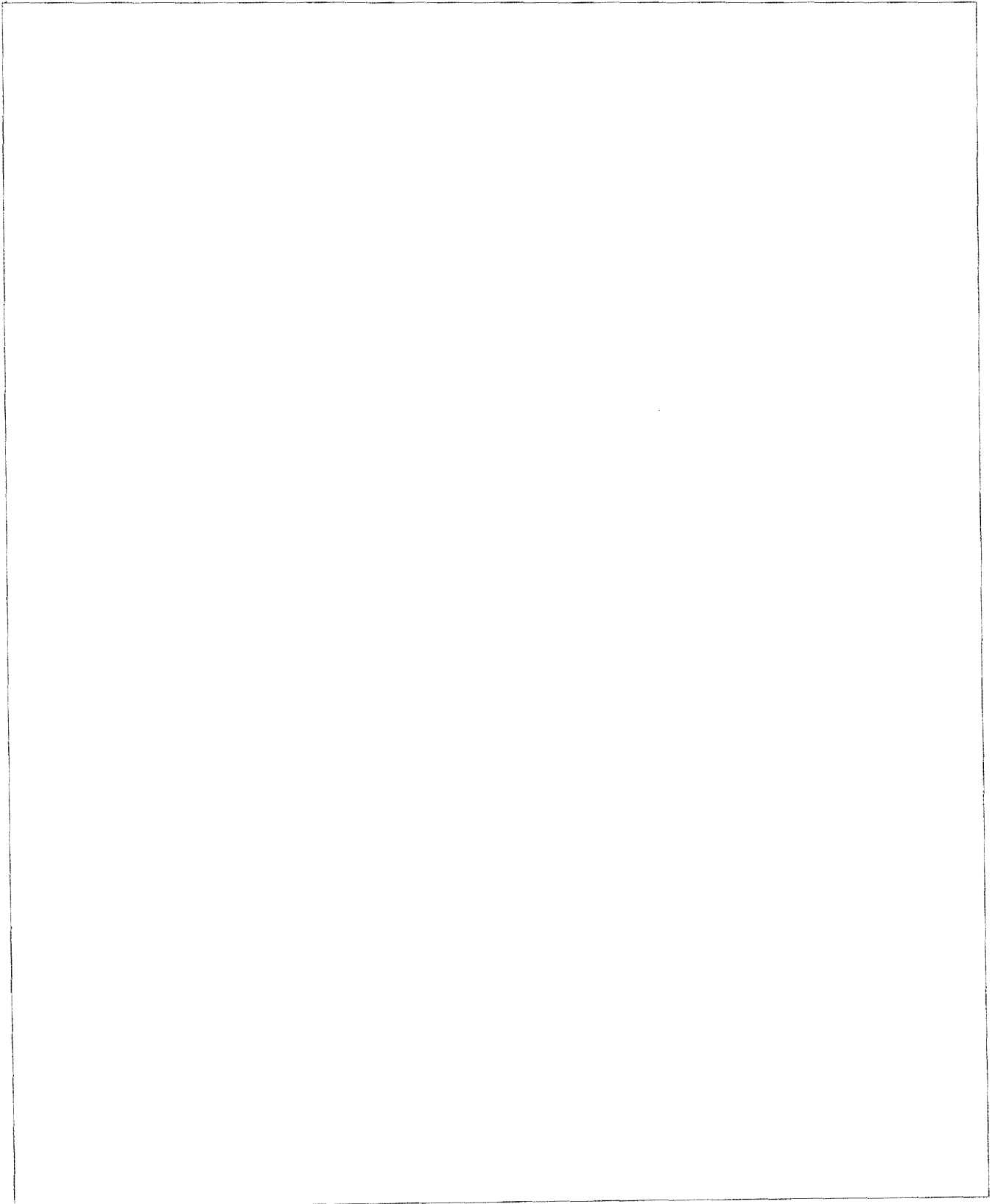
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[REDACTED]

**(S//NF) FINANCIAL MANAGEMENT AND  
ADMINISTRATION:**

[REDACTED]

Fourth Quarter Spending

[REDACTED]

Review of the CIA's Compliance with the  
Improper Payments Eliminations and  
Recovery Act

[REDACTED]

[REDACTED]

**INFORMATION MANAGEMENT AND  
TECHNOLOGY:**

[REDACTED] Acquisitions Application

CIA's Virtualized Information Processing  
Project

[REDACTED]

[REDACTED]

**ONGOING AUDITS**

[REDACTED]

The CIA's Management of Laptop  
Computers

[REDACTED] **PROCUREMENT AND  
CONTRACTING:**

[REDACTED]

Award Fee Evaluation Factors and  
Determinations

CIA Armored Vehicles

The Use of Independent Contractors

[REDACTED] **WORKFORCE MANAGEMENT:**

Career Transition Program

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~~SECRET~~**INSPECTION STAFF****COMPLETED PROJECTS**

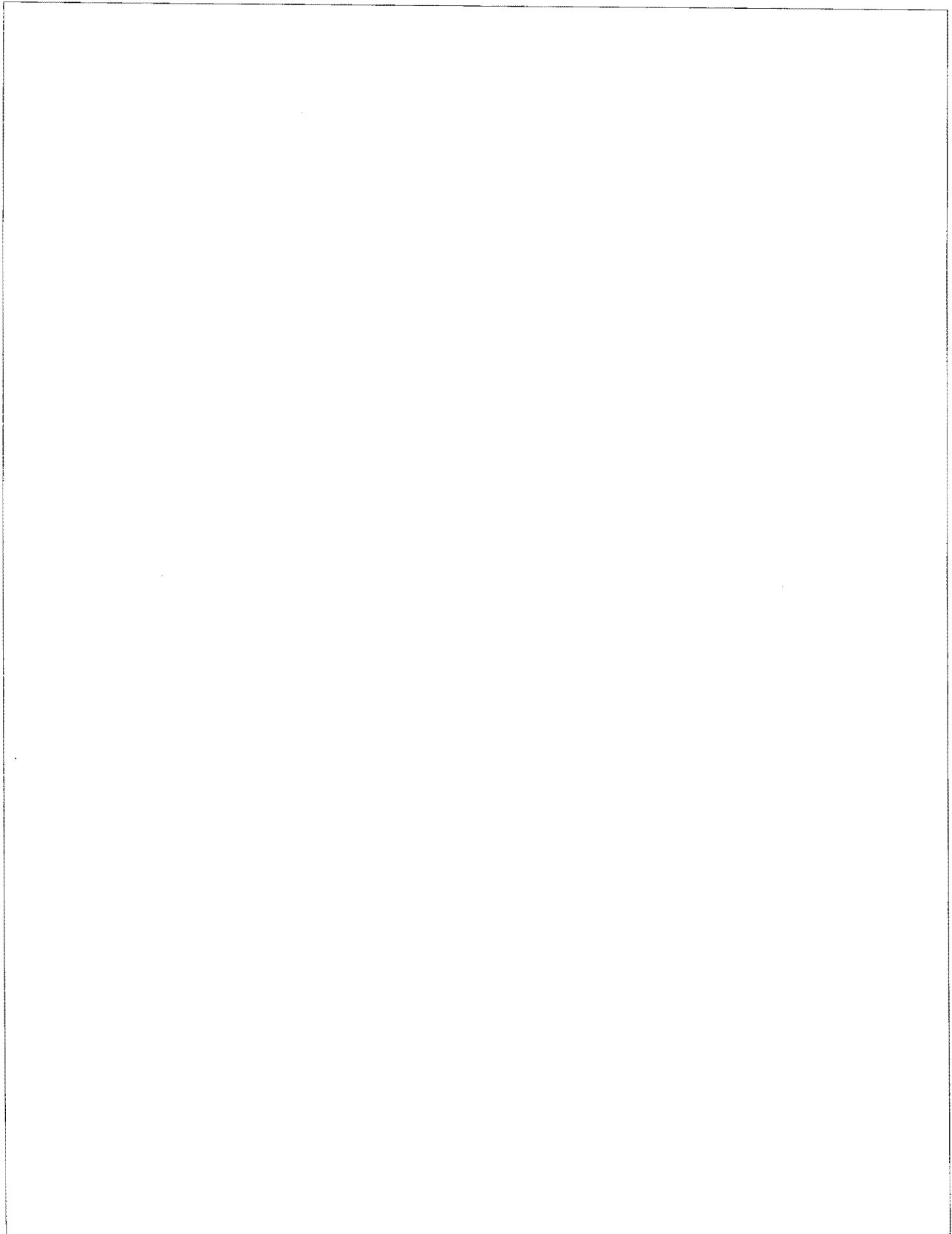
The Inspection Staff completed six inspections and issued reports containing 25 recommendations aimed at enhancing the effectiveness of Agency mission performance and Agency programs; improving Agency IT and office environment infrastructure; and strengthening and aligning Agency policies and regulations with respect to both overseas assignments and information sharing. The Inspection Staff also completed a retrospective of inspections conducted in the past five years to assess broader trends in mission performance and management effectiveness.

AREA OF FOCUS	PROJECT NAME	PROJECT NUMBER	ISSUE DATE
Retrospective	<input type="checkbox"/> Historical Review of Five Years of Inspections		December 2011
	<input type="checkbox"/>		
Collection and Analysis	<input type="checkbox"/> Global Coverage in the CIA		December 2011
	<input type="checkbox"/> DI-NCS Information Sharing		September 2011
Workforce Management	<input type="checkbox"/> Filling Critical Overseas Positions		October 2011
Component	<input type="checkbox"/> Latin America Division		July 2011
	<input type="checkbox"/> Office of Middle East and North Africa Analysis		November 2011

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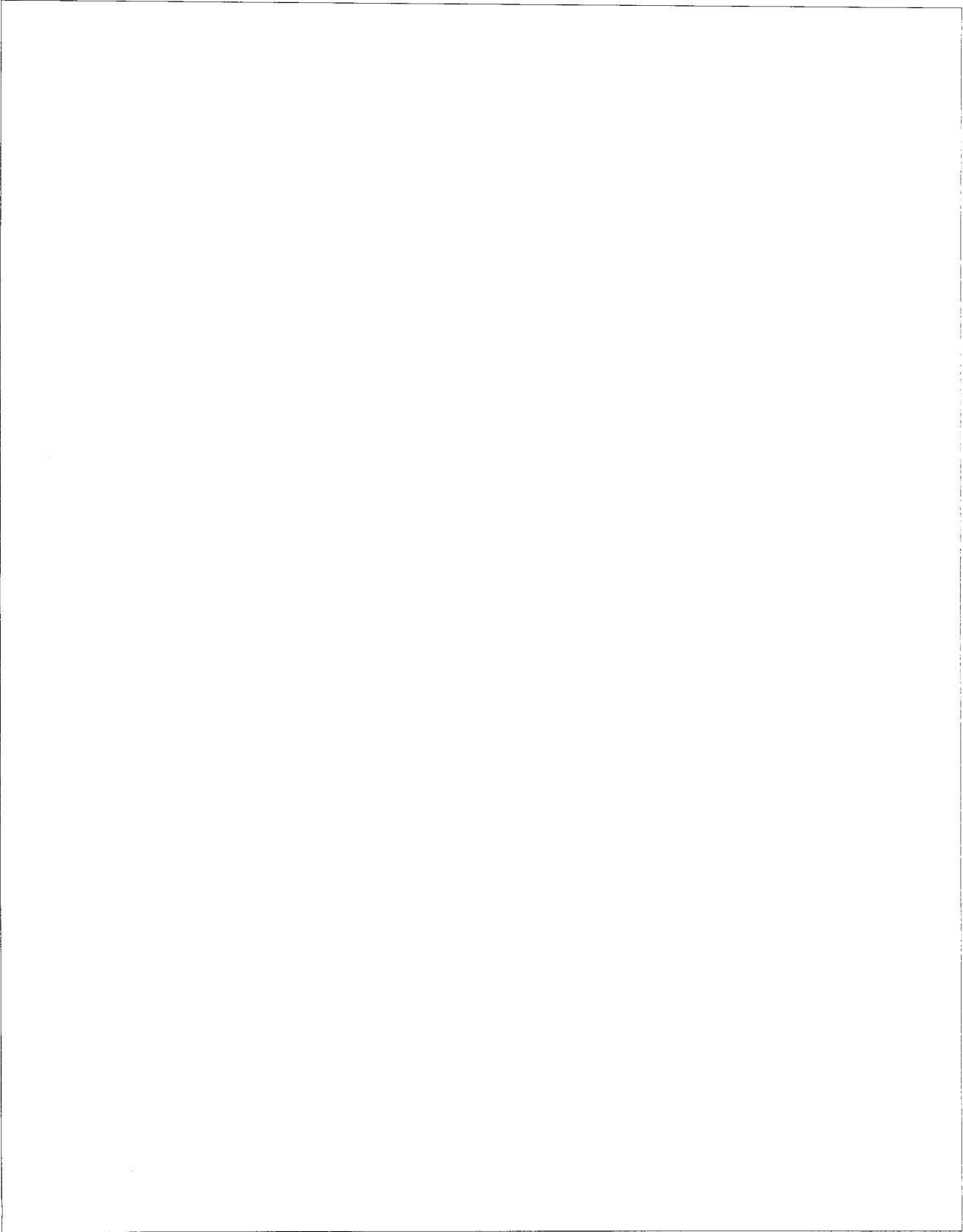
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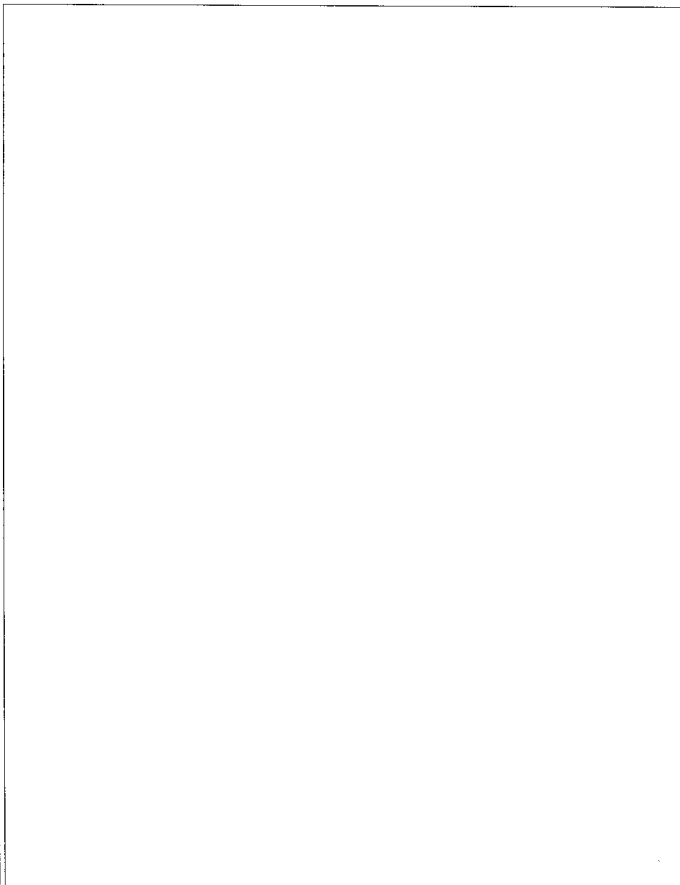
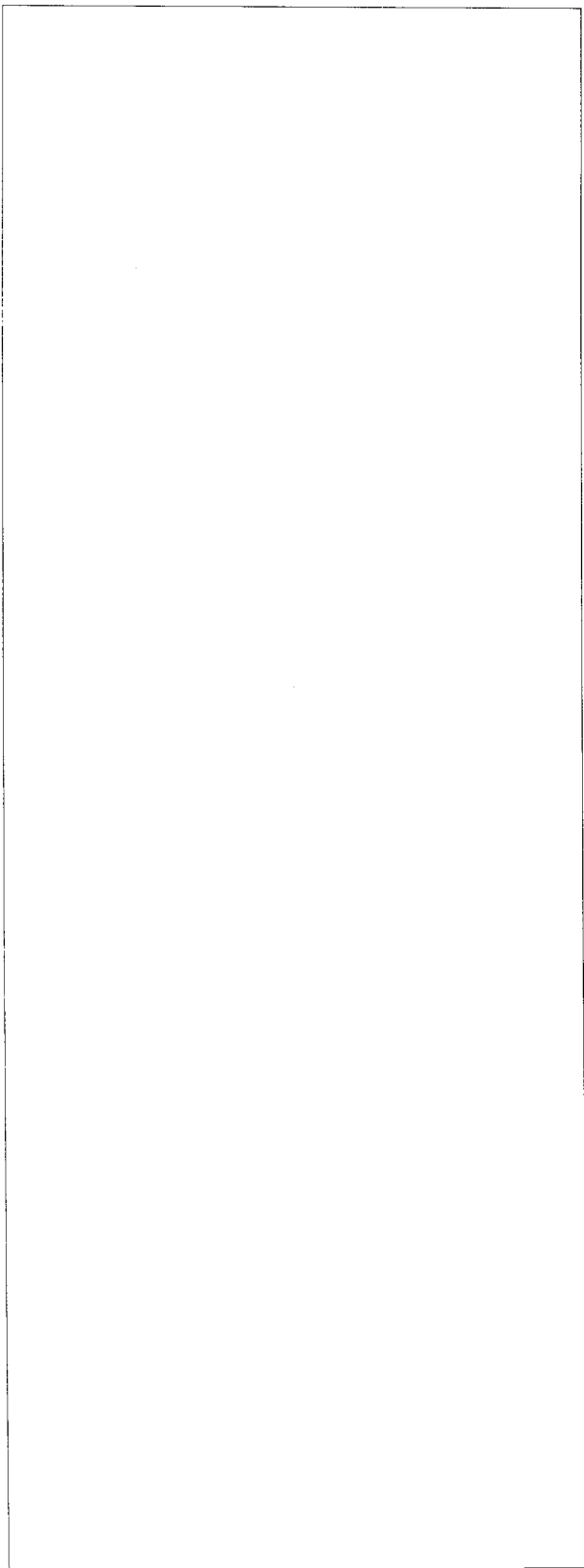
their requests.

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PROJECTS

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~~SECRET~~ **ONGOING INSPECTIONS****Component Inspections:**

Counterproliferation Center, NCS

Crime and Narcotics Center, NCS

 DSWeapons Intelligence, Nonproliferation,  
and Arms Control Center, DI**General Administration:**

Cover Administration

**Workforce Management:**Agency Accountability and Disciplinary  
Processes~~SECRET~~

~~SECRET~~**INVESTIGATIONS STAFF****COMPLETED PROJECTS**

The Investigations Staff completed 34 investigations, which resulted in three Reports of Investigations and 31 Disposition Memoranda.<sup>2</sup> The Investigations Staff also completed a preliminary inquiry of the CIA's Relationship with the New York Police Department. In addition, the OIG formally referred 29 matters to the Department of Justice based upon a reasonable belief that violations of federal criminal law may have been committed.

As a result of the Investigation Staff's efforts in recoveries have been ordered on behalf of the US Government. The Investigations Staff also had one prosecution during this reporting period.

COMPLETED INVESTIGATIONS	ISSUE DATE
(U) Reports of Investigation:	
(U) Misappropriation of Funds and Possible False Billing	July 2011
(U//FOUO) Misappropriation of Government Property, Misuse of Government-Owned Vehicle, and Time and Attendance Abuse by a DS&T Officer	October 2011
(U) Time and Attendance Fraud: Former OGC Attorney [redacted]	November 2011
(U) Disposition Memoranda:	
(U) Allegation of Contract Fraud	
(U) Apparent Conflict of Interest in DS&T	July 2011

<sup>2</sup> [redacted] The Investigations Staff issues a disposition memorandum to close an investigation under the following circumstances: the allegation of wrongdoing cannot be supported by evidence or cannot be substantiated; the investigation is not considered to be of a serious enough nature to warrant further action; or the results of the investigation have been communicated to Agency management, such as a successful criminal prosecution or a declination to prosecute by the Department of Justice.

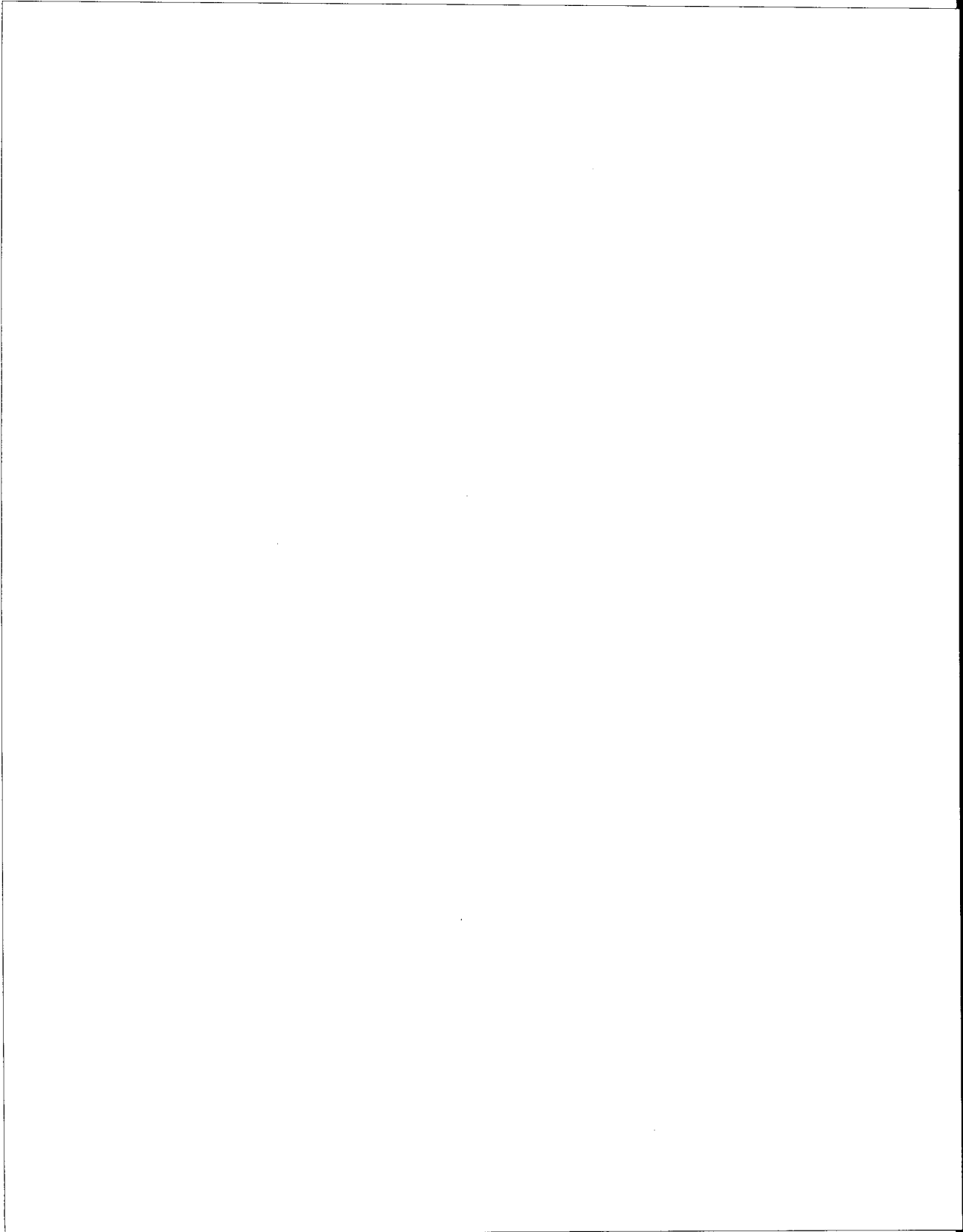
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COMPLETED INVESTIGATIONS		CASE NUMBER	ISSUE DATE
[ ]	Alleged Conspiracy to Conceal Documents		December 2011
[ ]	Alleged Assault at a CIA Facility		November 2011
[ ]	Alleged Sexual Assault at a CIA Facility		August 2011
[ ]	Alleged Violations Concerning Inherently Governmental Functions		September 2011
[ ]	Breach of Contract Allegation		July 2011
[ ]	Alleged Improprieties in Sole Source Contract		November 2011
[ ]	Labor Mischarging		November 2011
[ ]	Allegations of Contract Mischarging and Inappropriate Contractor Relationships		September 2011
[ ]	Possible Nepotism in a CIA Office		August 2011
[ ]	Allegations of Reprisals		December 2011
[ ]	Possible Unauthorized Intelligence Collection by Directorate of Intelligence Officers		September 2011
[ ]	Alleged Stolen Government Equipment [ ]		August 2011
[ ]	Nonaccredited Degree: Adjudicator		August 2011
[ ]	Nonaccredited Degree: Project Manager		August 2011
[ ]	Nonaccredited Degree: Logistics Officer		August 2011
[ ]	Nonaccredited Degree: Project Manager		August 2011
[ ]	(FOUO) Nonaccredited Degree: Global Response Staff Officer		August 2011
[ ]	[ ] Nonaccredited Degree: Telecommunications Information Systems Officer		November 2011
[ ]	[ ] Nonaccredited Degree: Technical Intelligence Officer		August 2011
[ ]	[ ] Allegation of Preferential Treatment Derived from Improper Relationship		December 2011
[ ]	[ ] Possible Conflict of Interest by Former Contracting Officer		September 2011
[ ]	[ ] Alleged Misuse of Government Vehicle and T&A Abuse		December 2011

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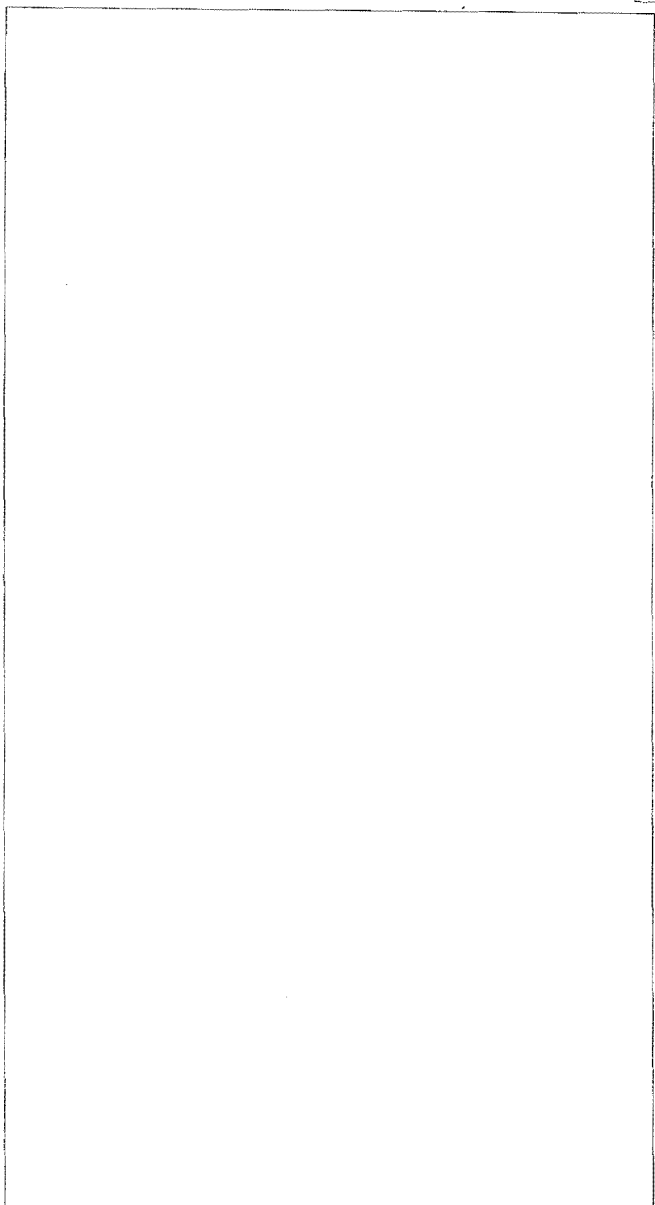


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~~SECRET~~**HOTLINE**

On 1 September 2011, OIG Hotline and complaint processing was consolidated under the Investigative Resources Division (IRD). The IRD Intake Unit provides a confidential and reliable source for Agency employees and contractors, and the public to report waste, fraud, and abuse.

During the period of 1 September – 31 December 2011, the Intake Unit received 160 contacts from the Agency community and the general public (see Figure 1):

• E-mail	54
• Mail	46
• Referrals from Other Government Agencies	19
• Secure Electronic Methods	14
• Telephone	13
• In Person	8
• Other	6

**Figure 1: How OIG Received Contacts**

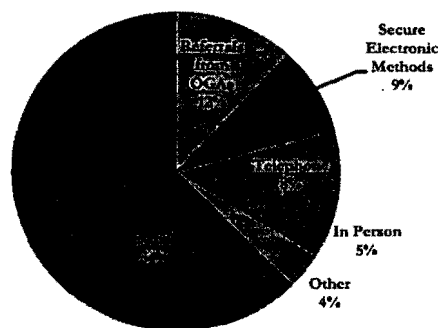


Figure 1 is UNCLASSIFIED.

Of the 160 contacts received, 129 are categorized as follows (31 are pending assignment):

• Management Issues	26%
• Threat Management Unit	24%
• Other	12%
• Major Crime	8%
• Internal Misconduct	7%
• Suitability	7%
• Contract Mischarging	5%
• Fraud	4%
• OGA Requests for Support	4%
• Employee Time and Attendance	2%
• Reprisal	1%

We referred the 129 contacts as depicted in Figure 2.

**Figure 2: How OIG Referred Contacts**

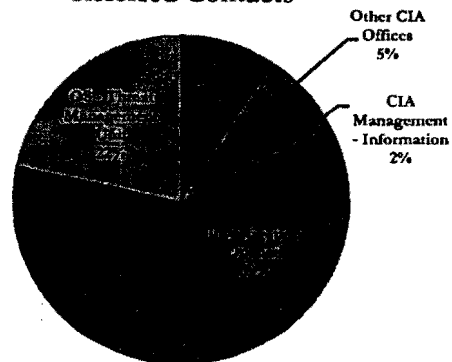


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# STATUS OF SIGNIFICANT RECOMMENDED ACTIONS

☐

## OUTSTANDING FROM PREVIOUS SEMIANNUAL REPORTS

☐ As required by statute, the following tables present the status of significant recommended actions outstanding from previous semiannual reports. The reports are presented in order of issuance date from most recent to oldest. The tables also present a summary of each significant recommendation and the status of the recommendation as of the end of the reporting period.

☐ There are three categories of reporting for the status of a recommendation: (1) no corrective action taken, (2) corrective actions in-process, and (3) corrective actions complete. Recommendations are considered "in-process" when the responsible component has initiated corrective actions, but has not completed those actions. Recommendations are considered completed when the OIG has determined that the responsible component has satisfactorily addressed the recommendation.

☐

### TABLE 1 - STATUS OF SIGNIFICANT RECOMMENDED ACTIONS: AUDITS

☐ As of 1 July 2011, 96 significant recommendations that were issued by the Audit Staff and reported in previous semiannuals remained open. Of the 96 recommendations, 17 recommendations were closed during this reporting period, and 79 recommendations remain open as of 31 December 2011.



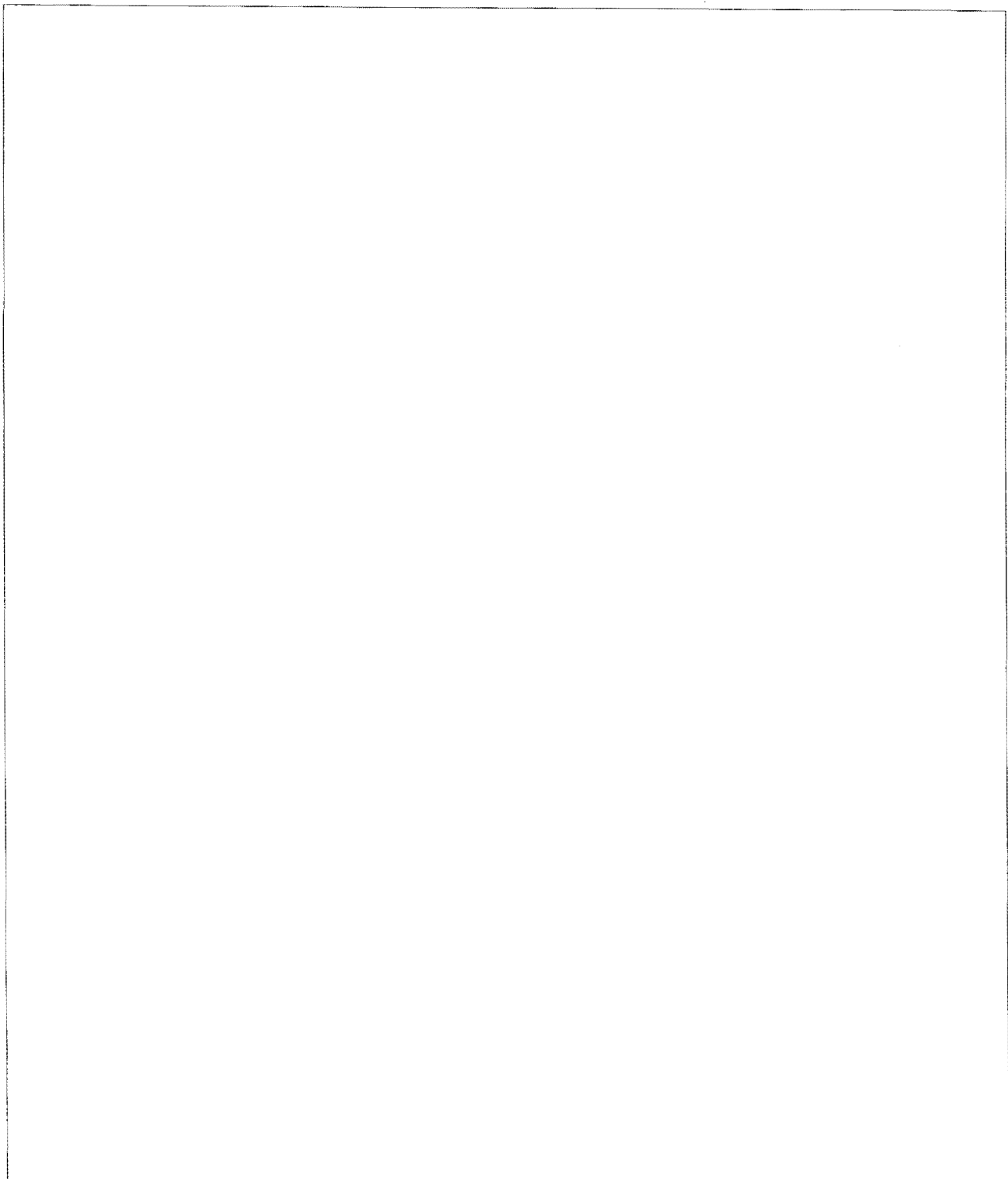
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AUDITS	SUMMARY OF RECOMMENDATION	STATUS	RESPONSIBLE PARTY

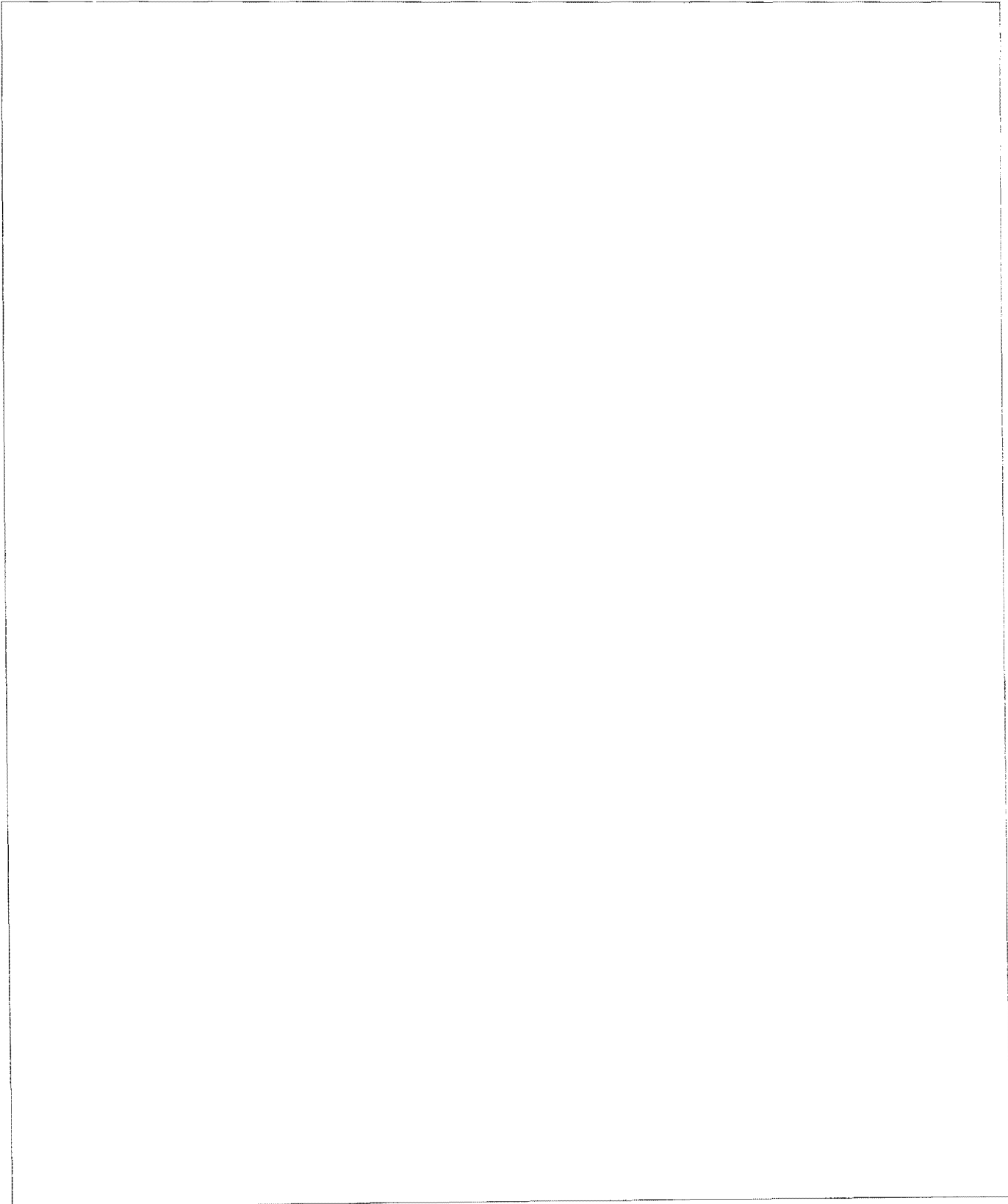
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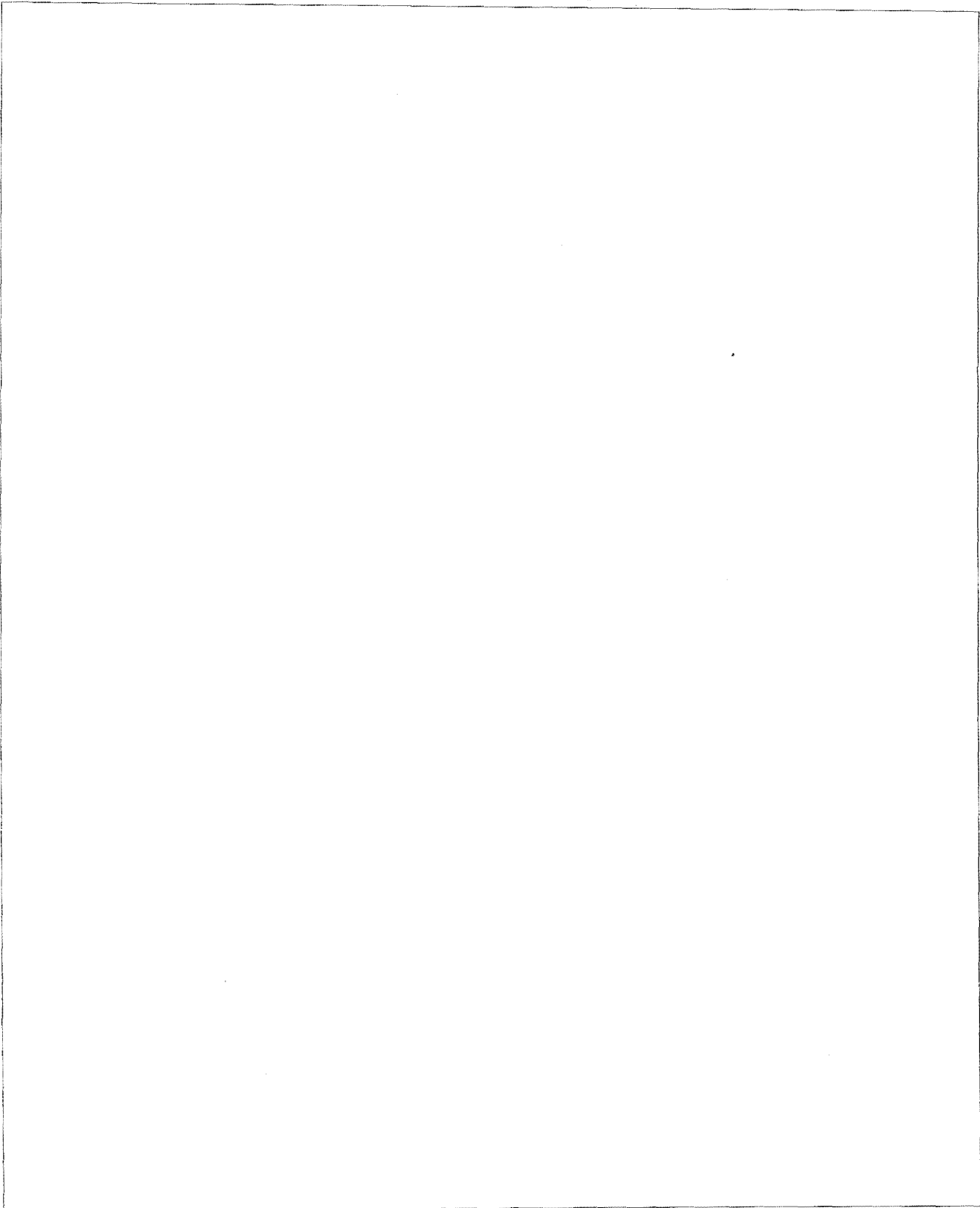
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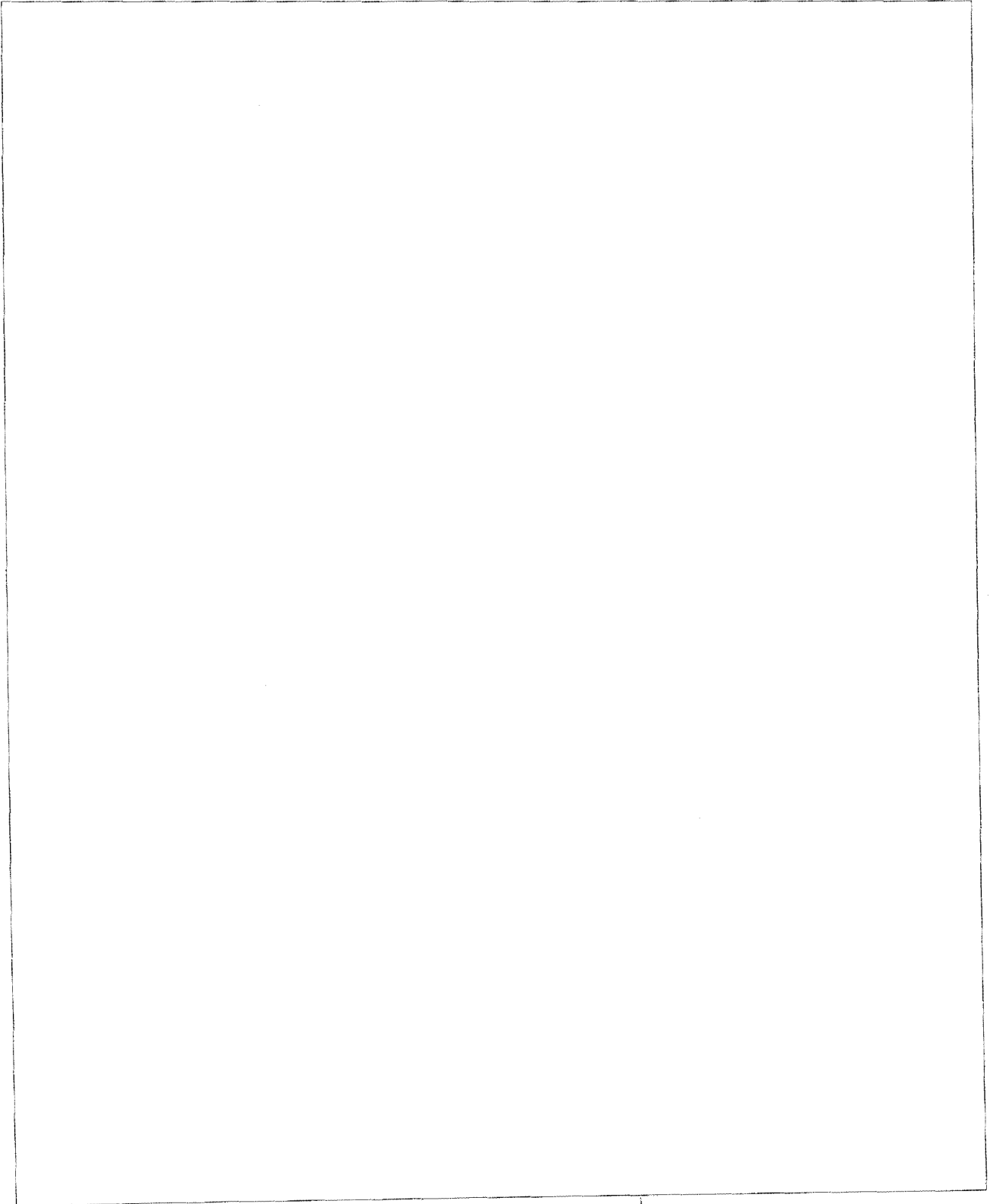


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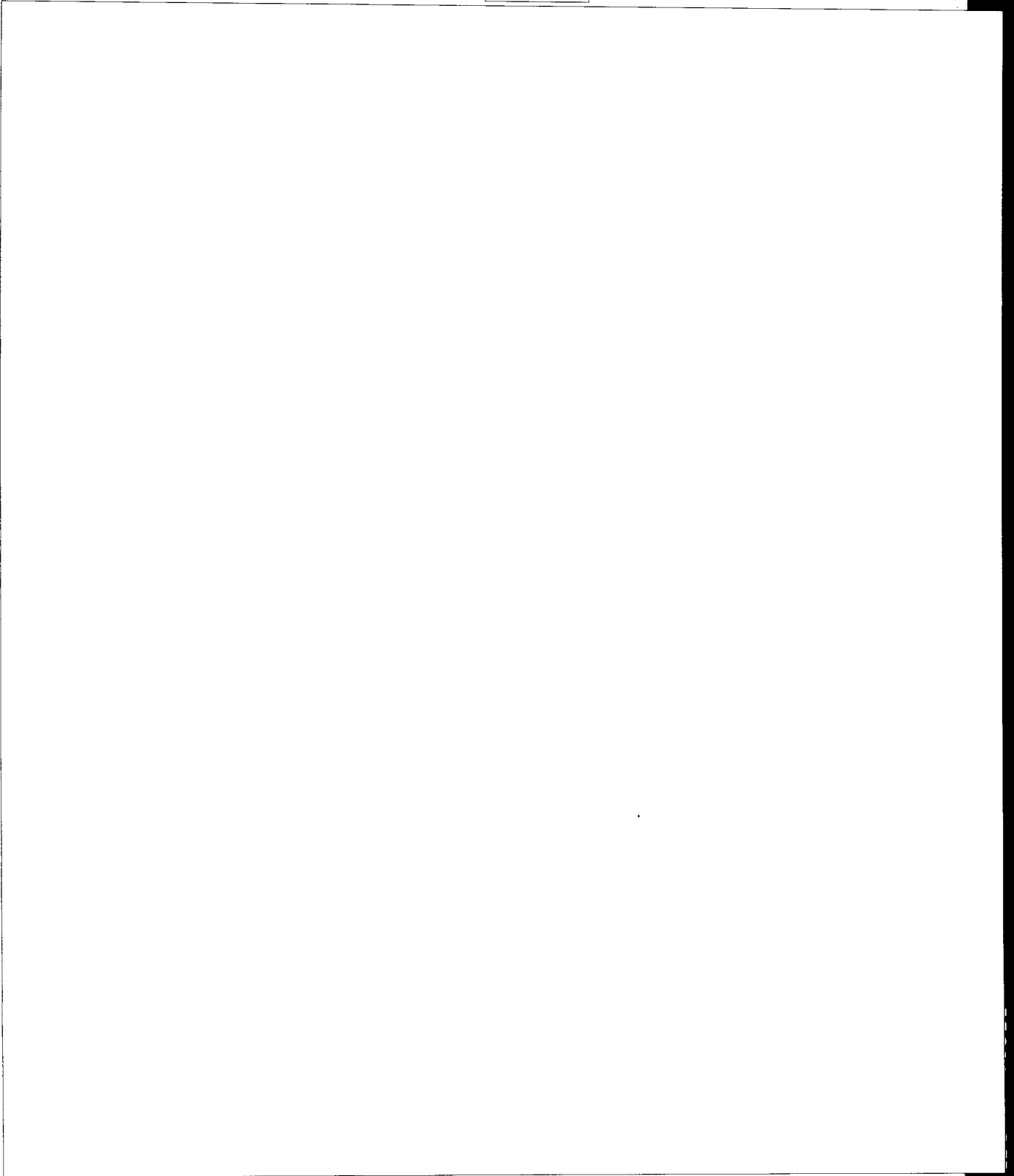


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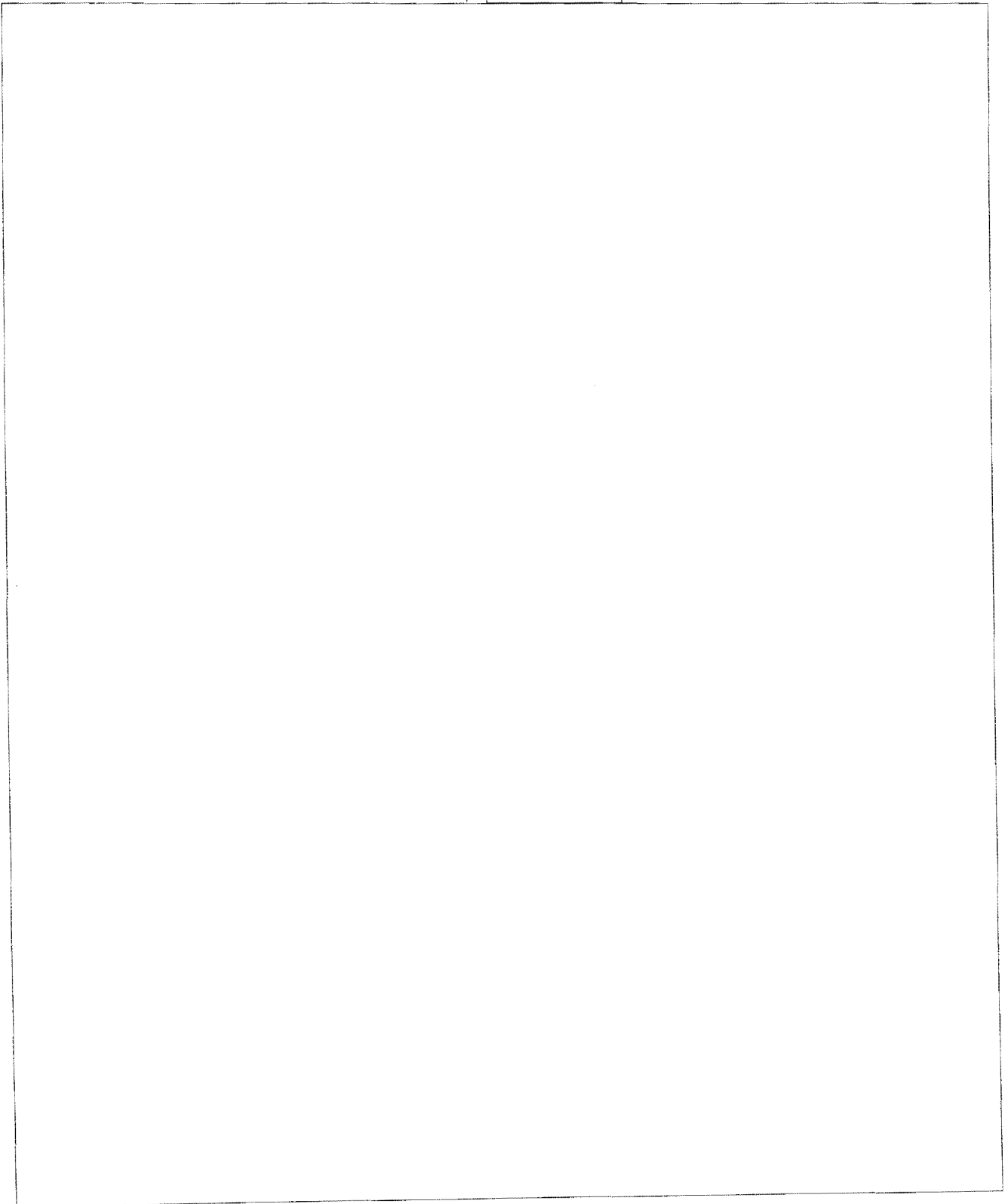
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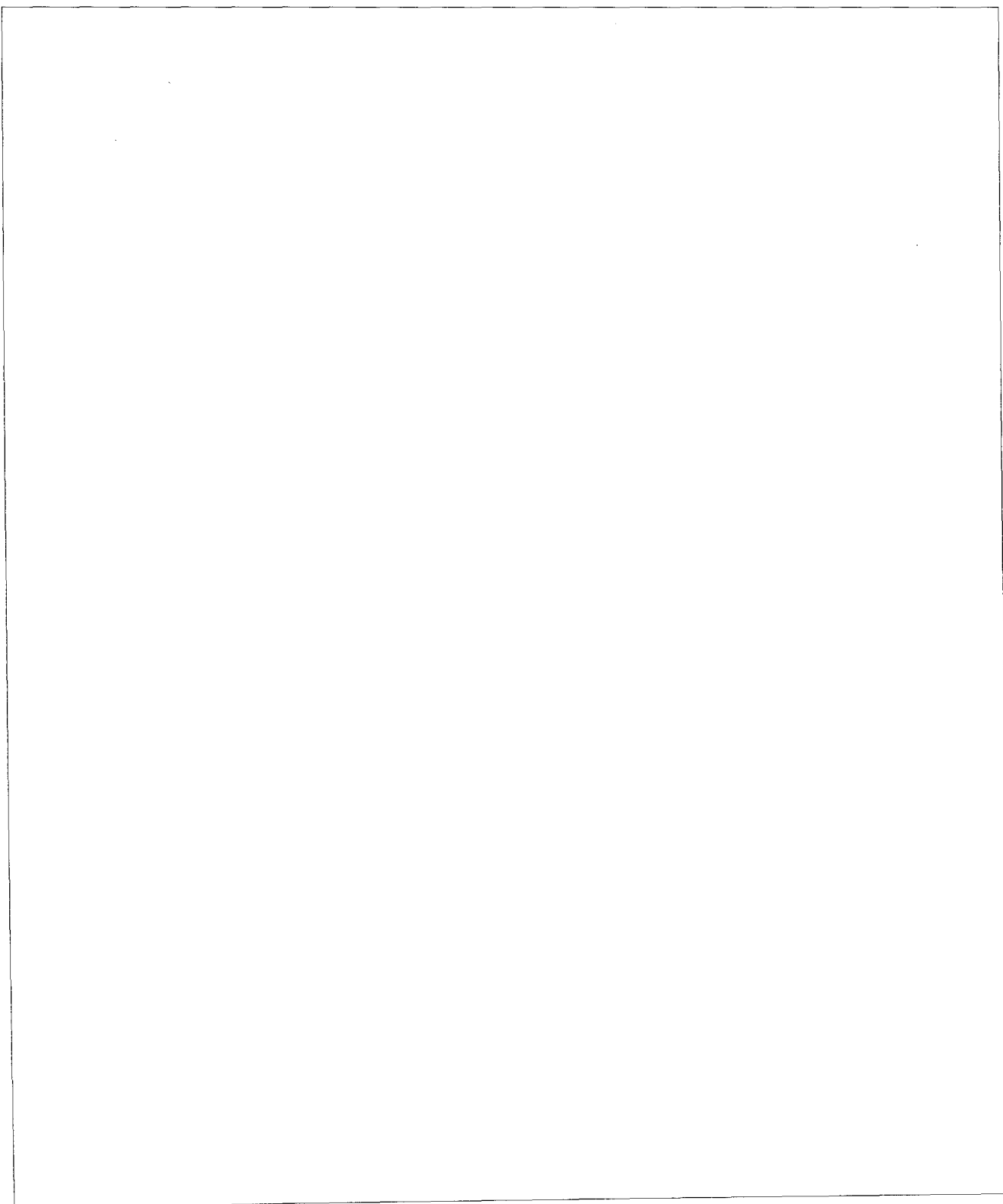
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RECOMMENDED ACTIONS

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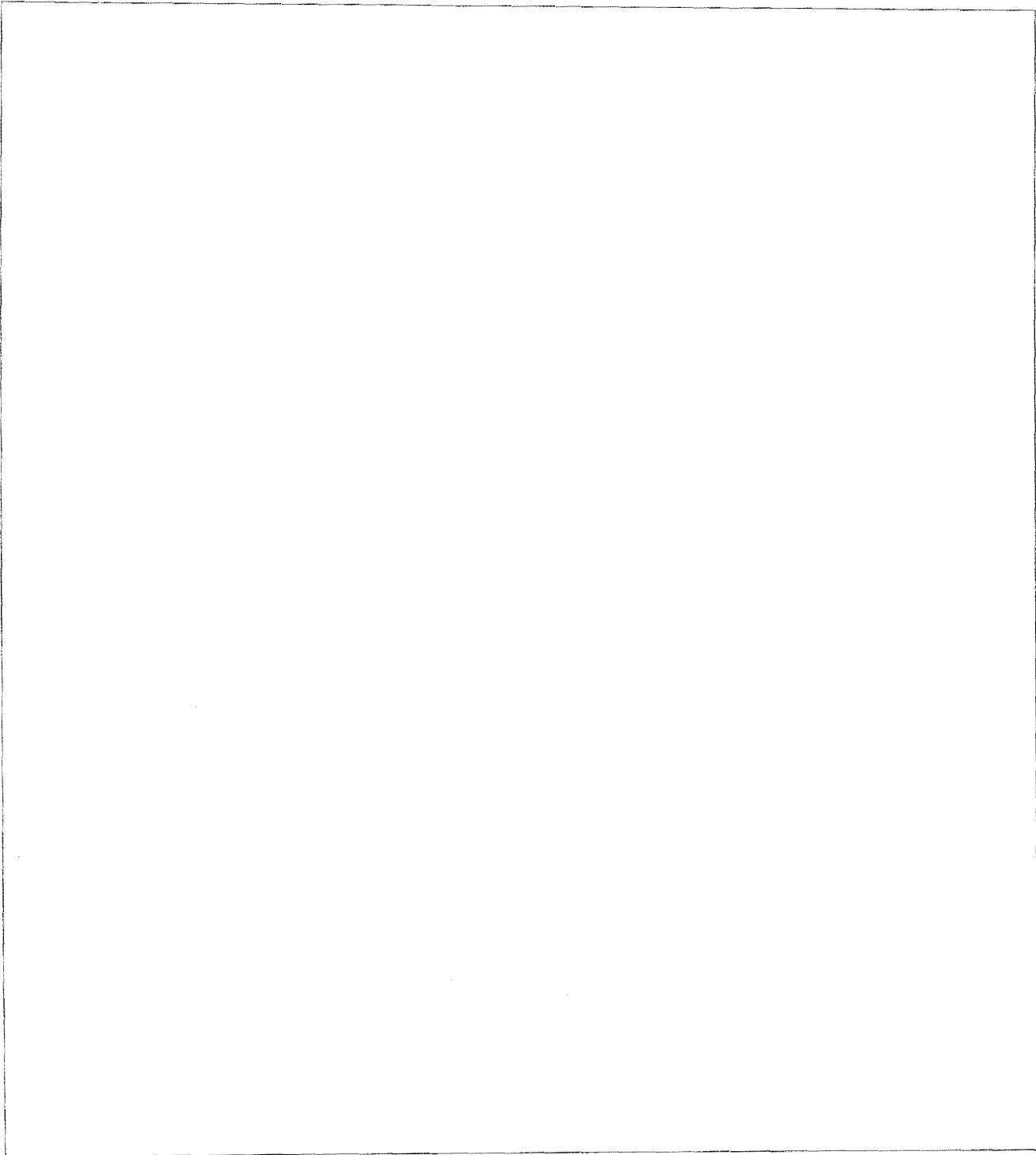
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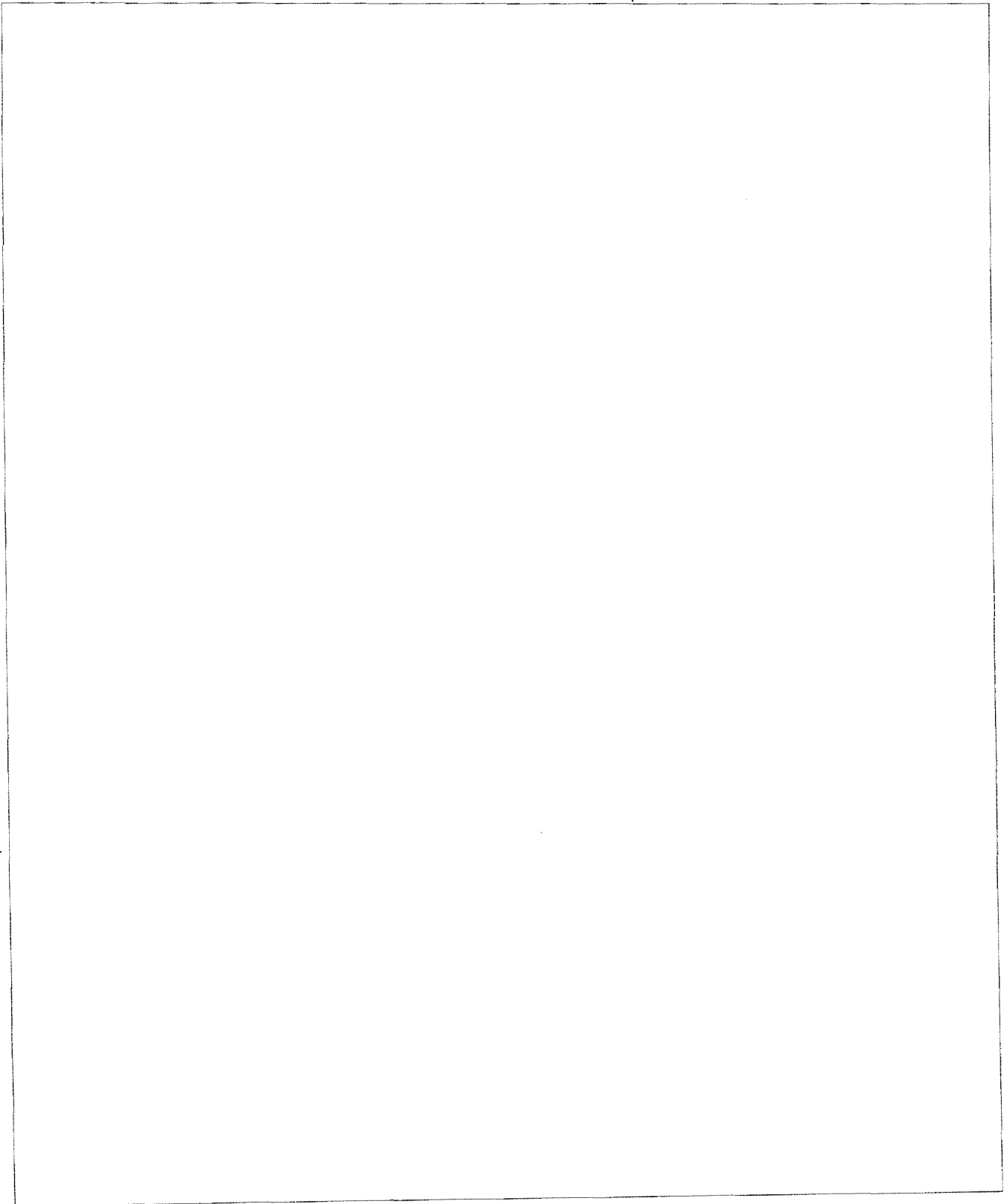
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RECOMMENDED ACTIONS

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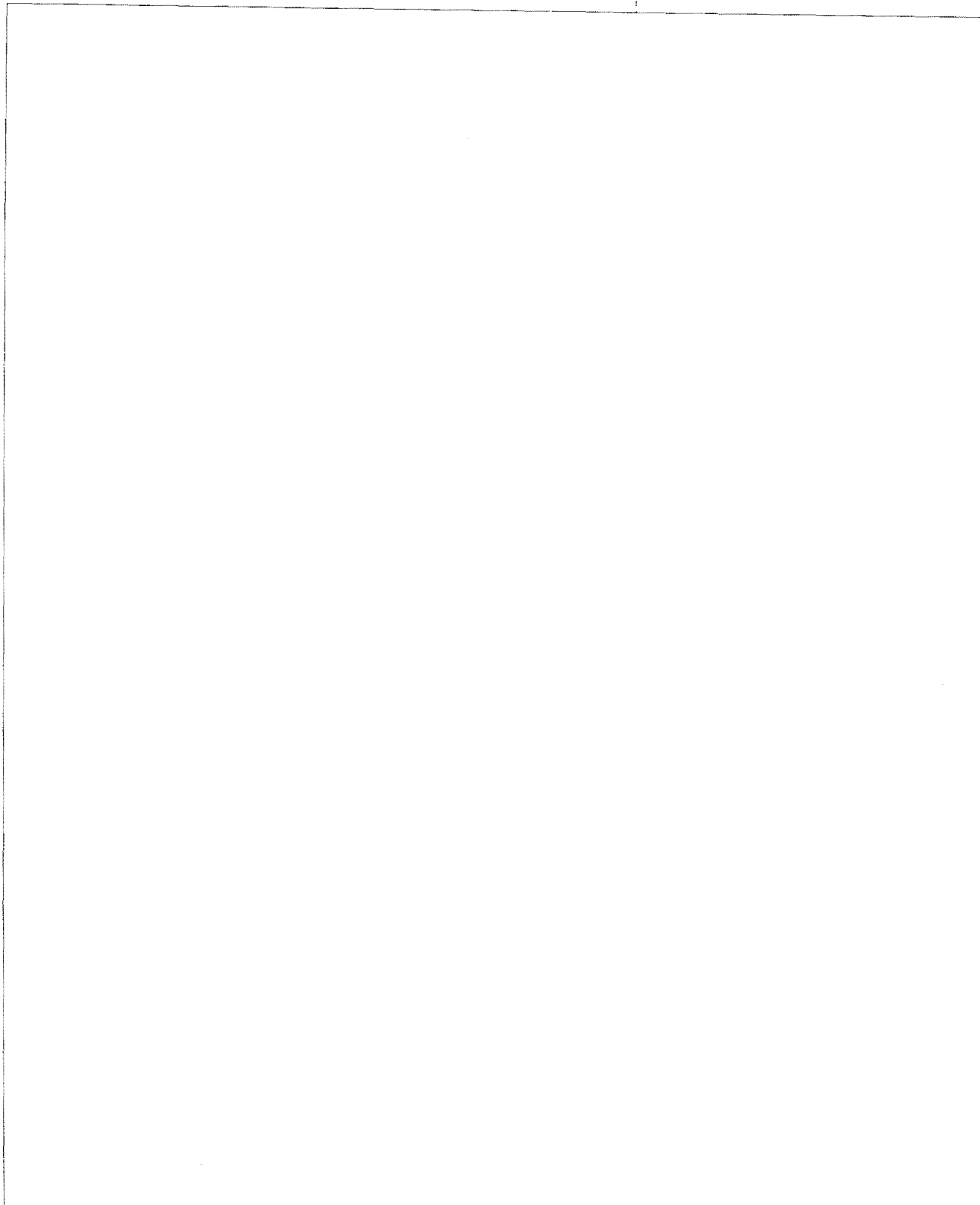


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RECOMMENDED ACTIONS

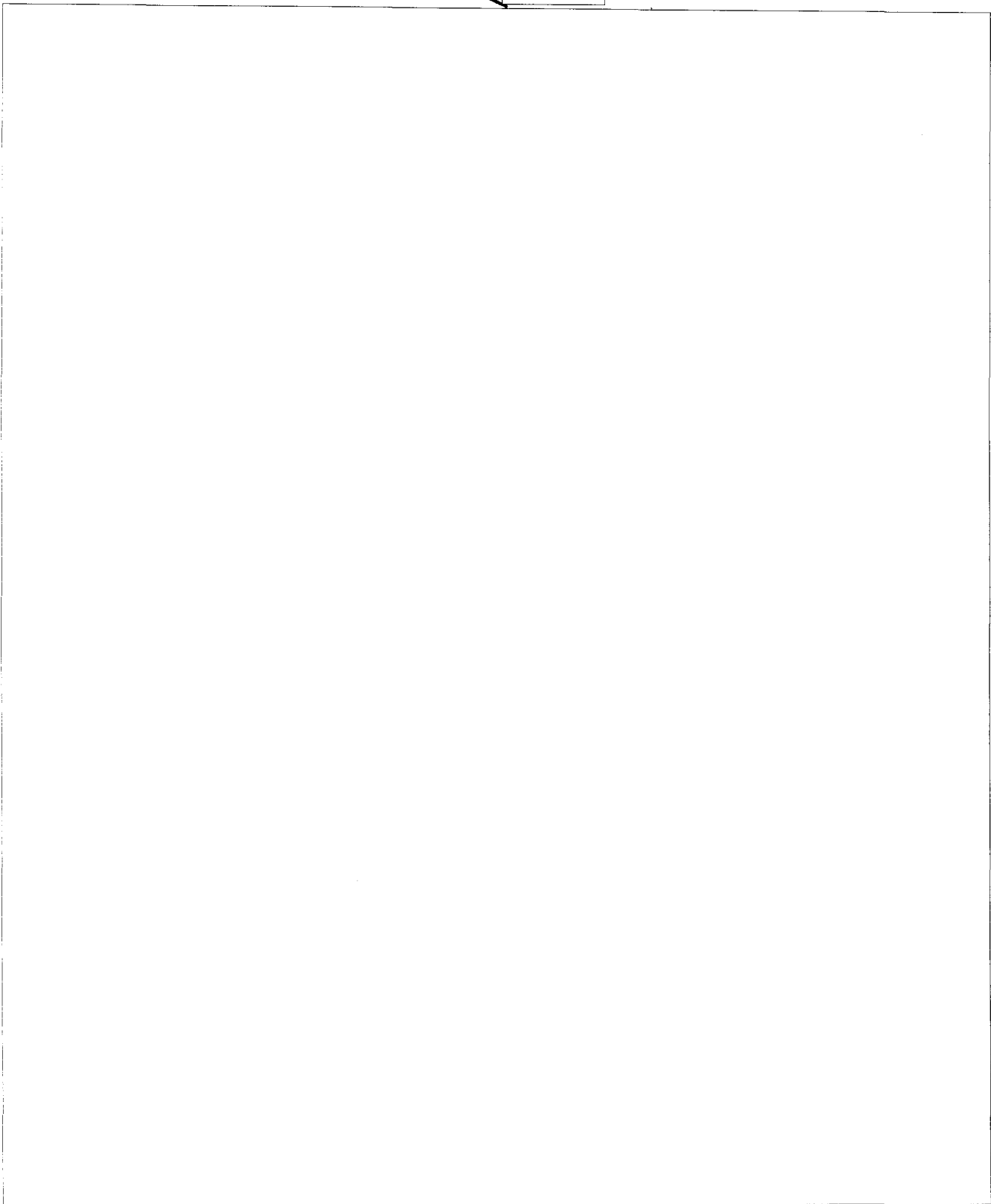
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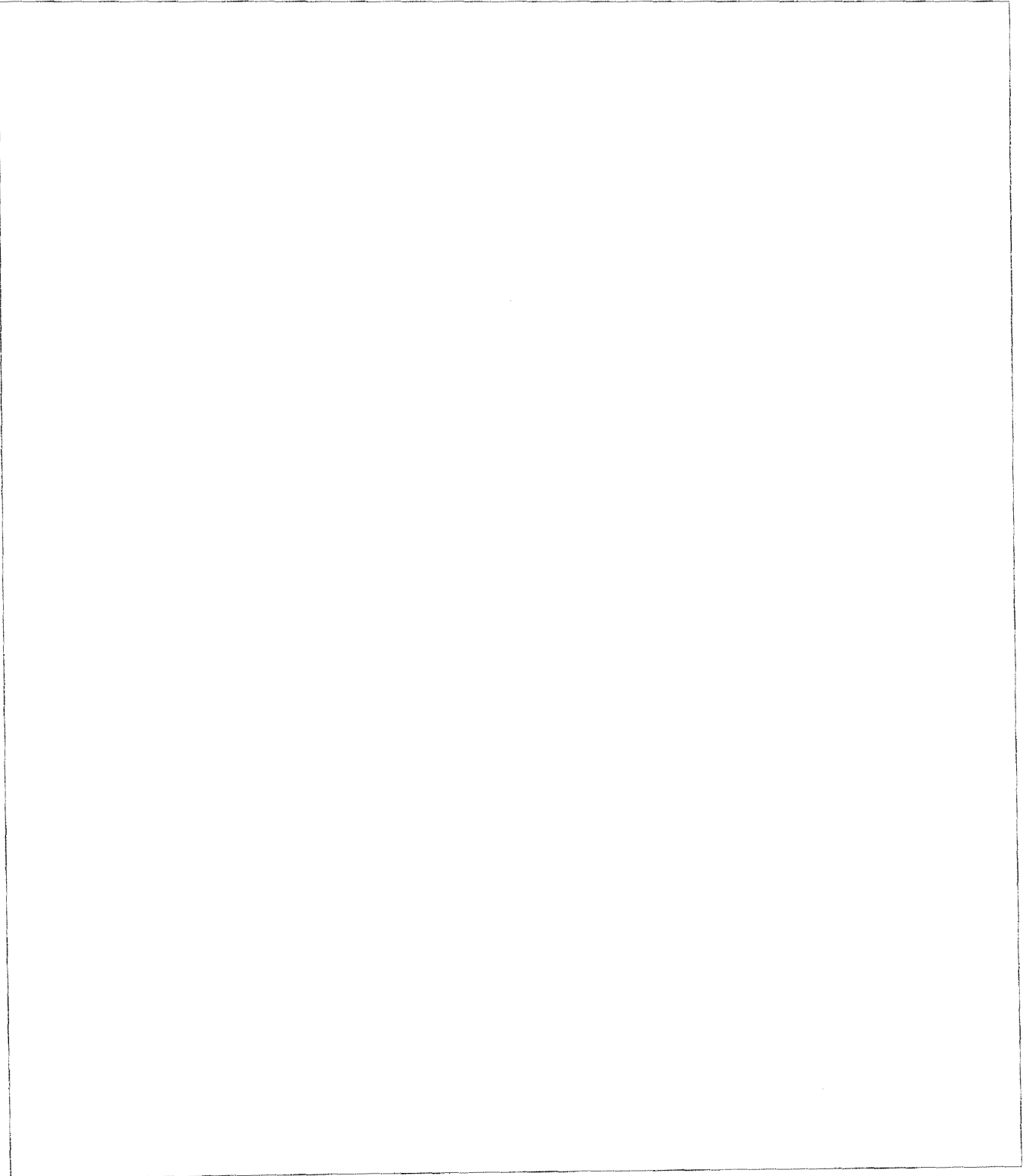
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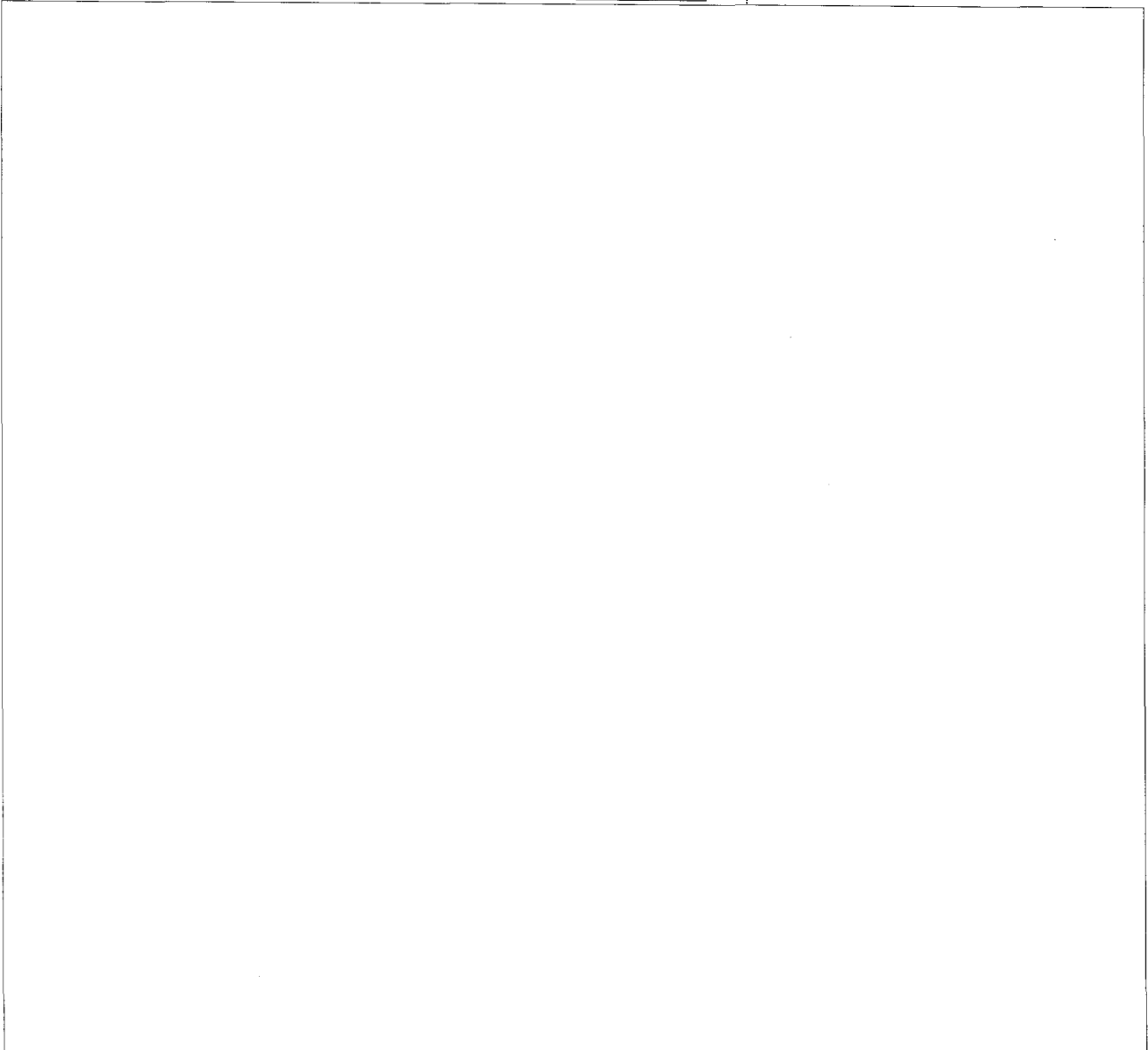
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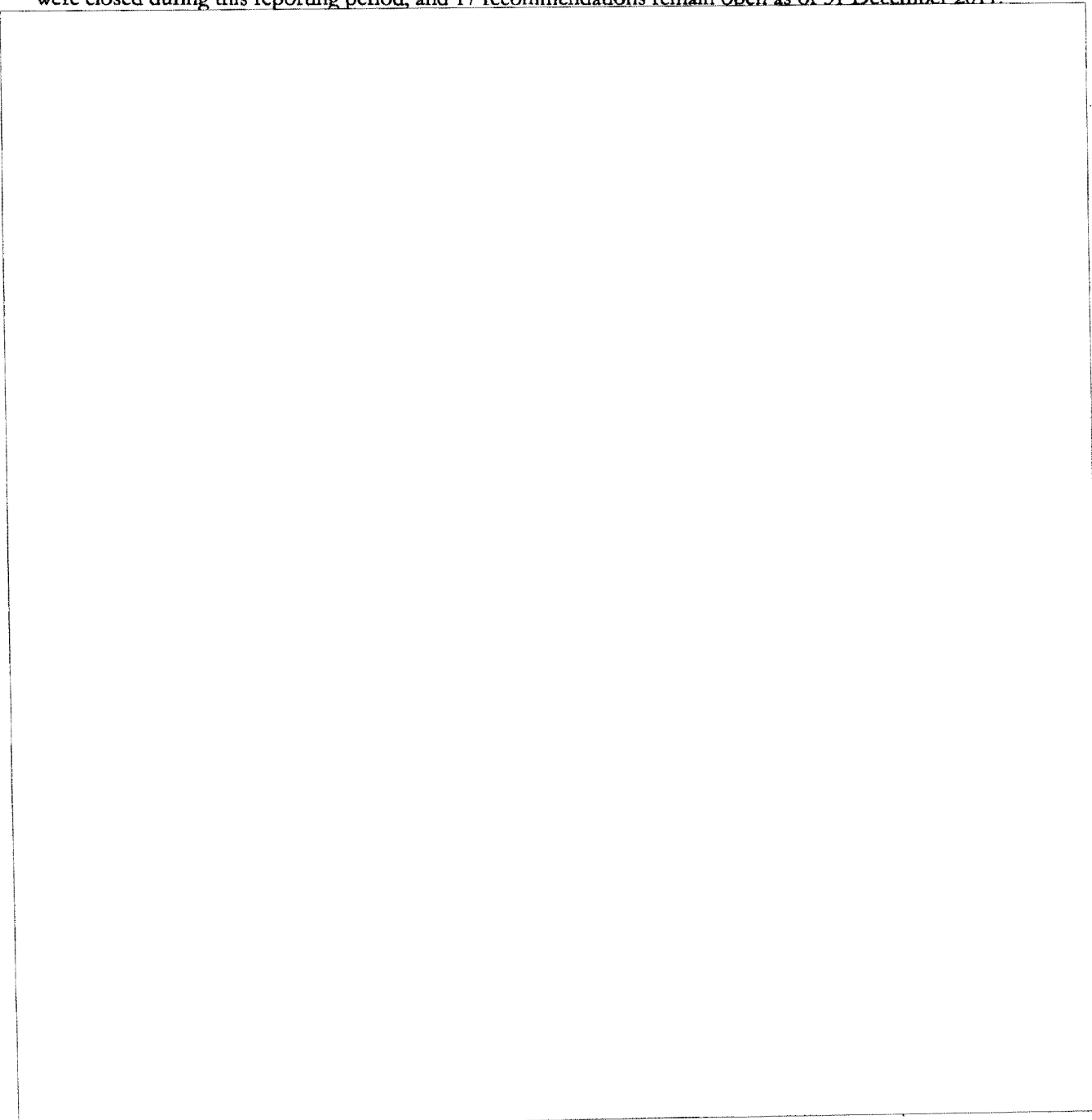


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~~SECRET~~ ☐☐ **TABLE 2 - STATUS OF SIGNIFICANT RECOMMENDED ACTIONS: INSPECTIONS**

☐ As of 1 July 2011, 24 significant recommendations that were issued by the Inspection Staff and reported in previous semiannuals remained open. Of the 24 recommendations, seven recommendations were closed during this reporting period, and 17 recommendations remain open as of 31 December 2011.

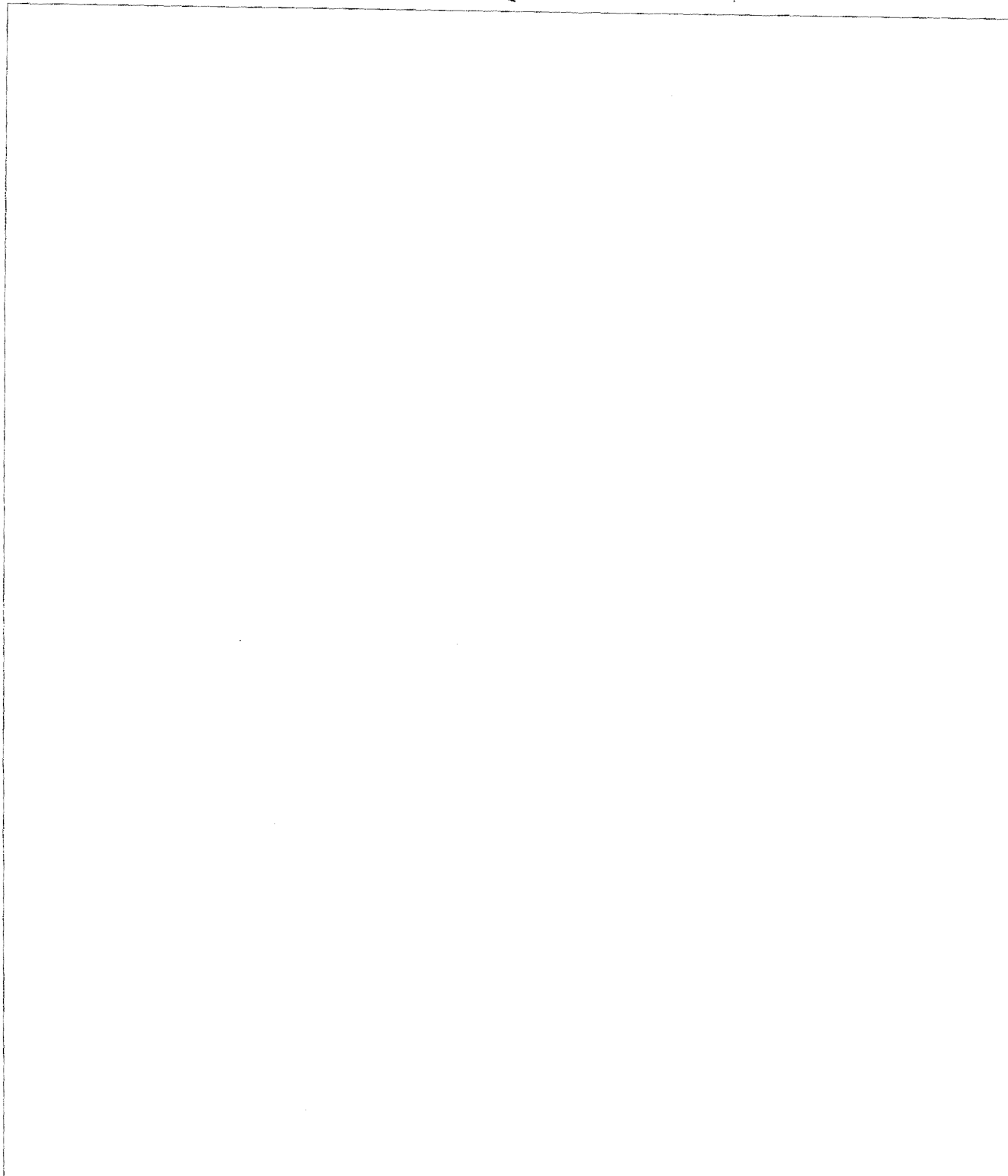
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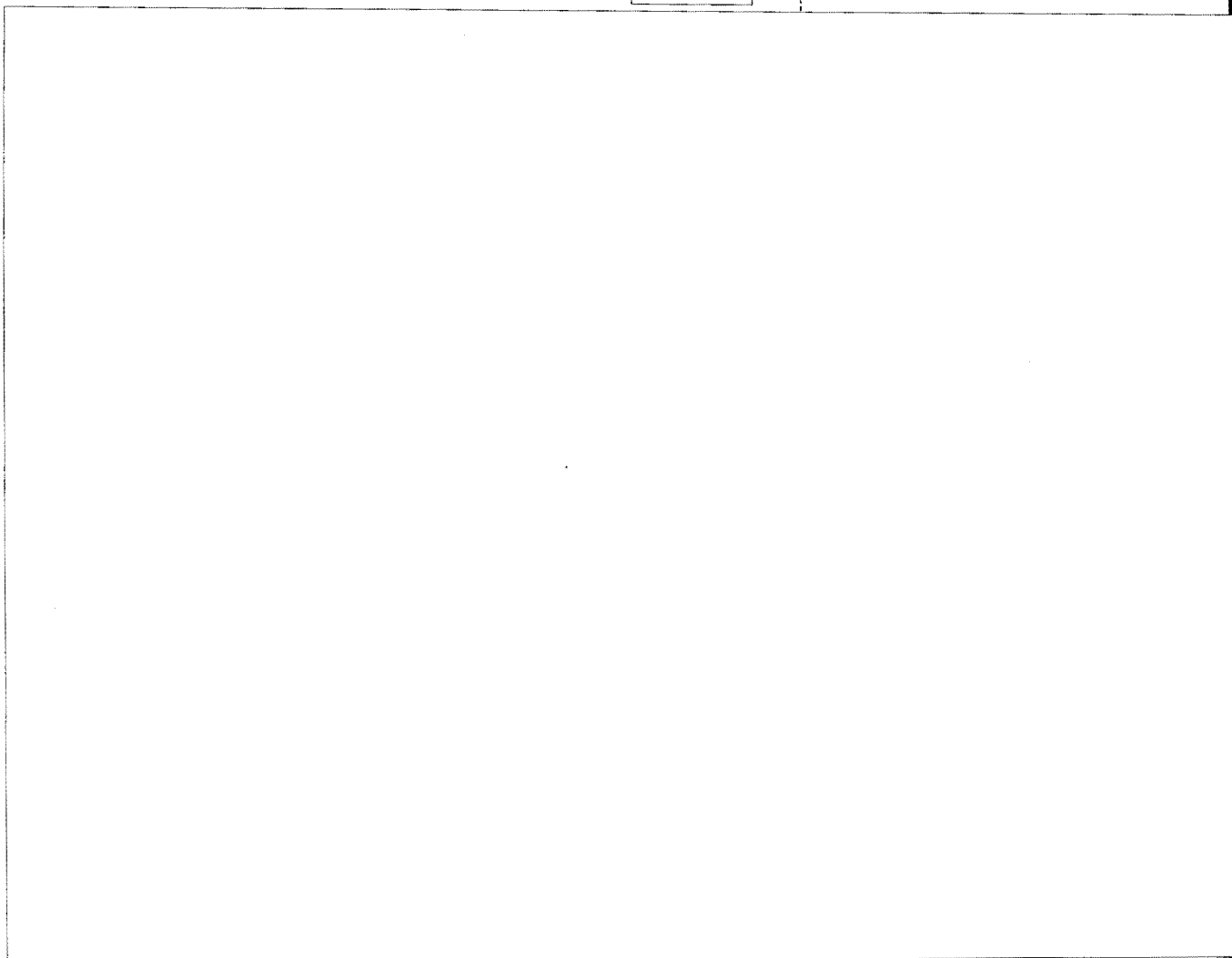
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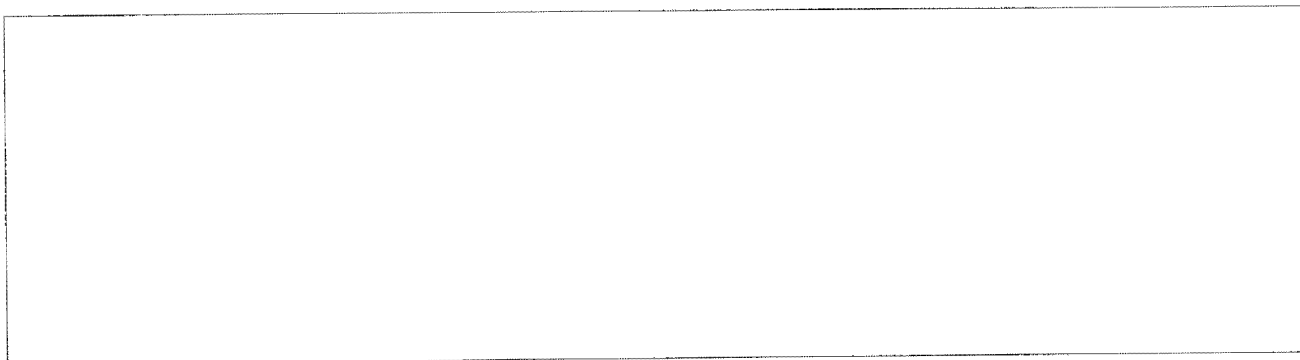


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~~SECRET~~  **TABLE 3 - STATUS OF SIGNIFICANT RECOMMENDED ACTIONS: INVESTIGATIONS**

As of 1 July 2011, 15 significant recommendations that were issued by the Investigations Staff and reported in previous semiannuals remained open. Of the 15 recommendations, 13 recommendations were closed during this reporting period, and two recommendations remain open as of 31 December 2011.

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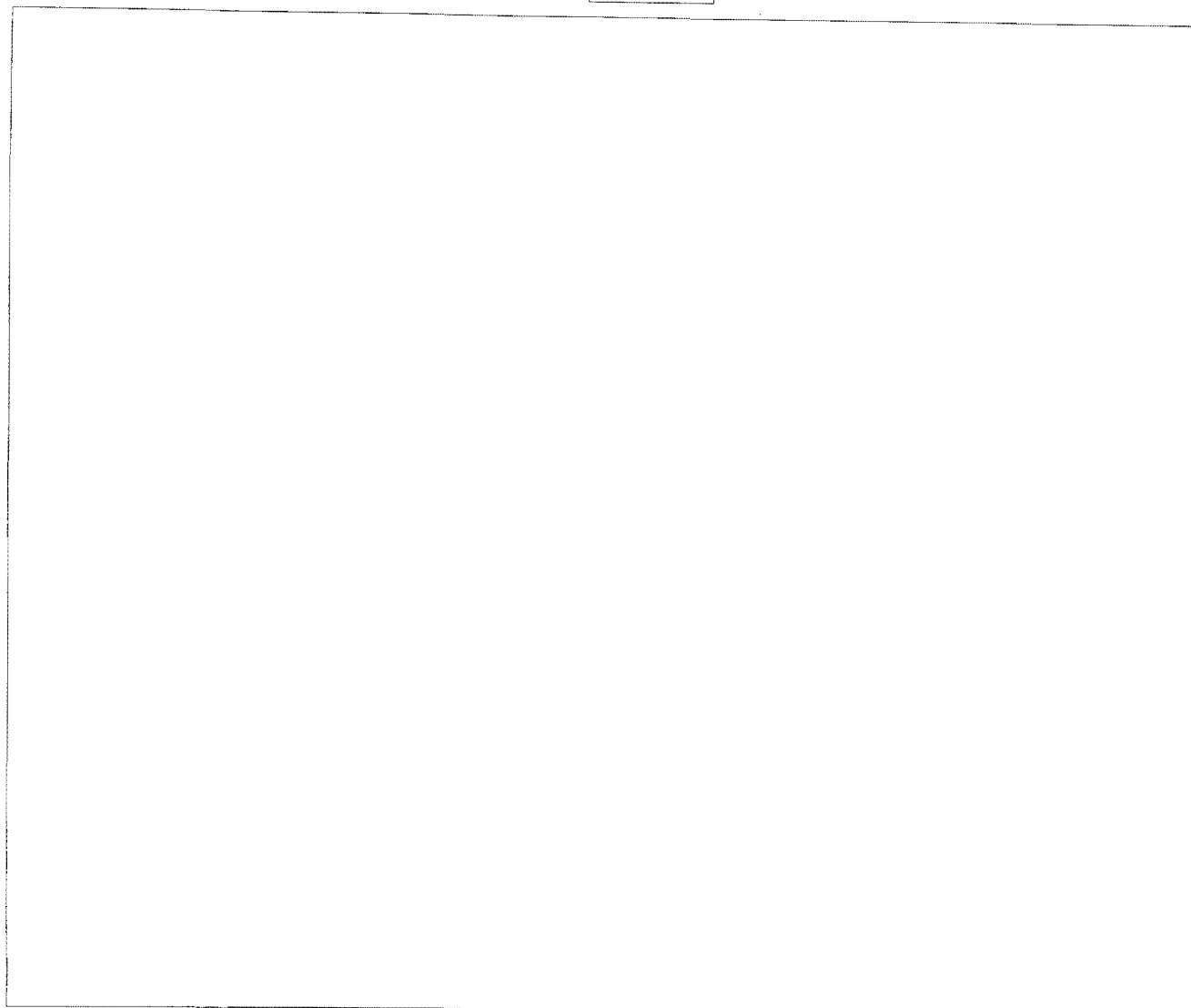
☐ **TABLE 4 - STATUS OF SIGNIFICANT RECOMMENDED ACTIONS: SPECIAL REVIEWS AND ASSESSMENTS**

☐ As of 1 July 2011, eight significant recommendations from special reviews and assessments that were reported in previous semiannuals remained open. Of the eight recommendations, one recommendation was closed during this reporting period, and seven recommendations remain open as of 31 December 2011.

RECOMMENDED ACTIONS

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# APPENDIX

## LEGISLATIVE PROPOSALS

CIA OFFICE OF INSPECTOR GENERAL  
FY 2013 LEGISLATIVE PROPOSALS

APPENDIX

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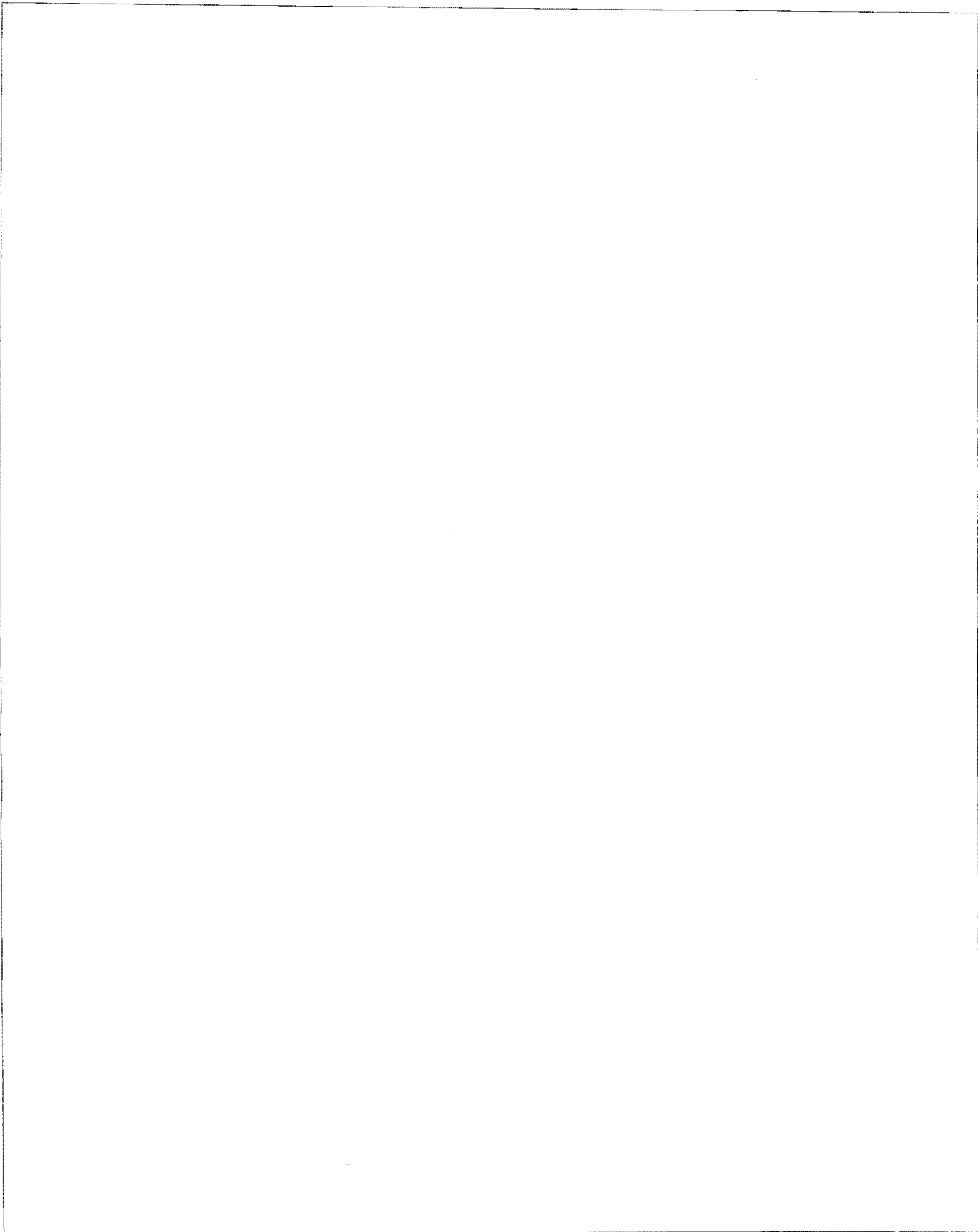
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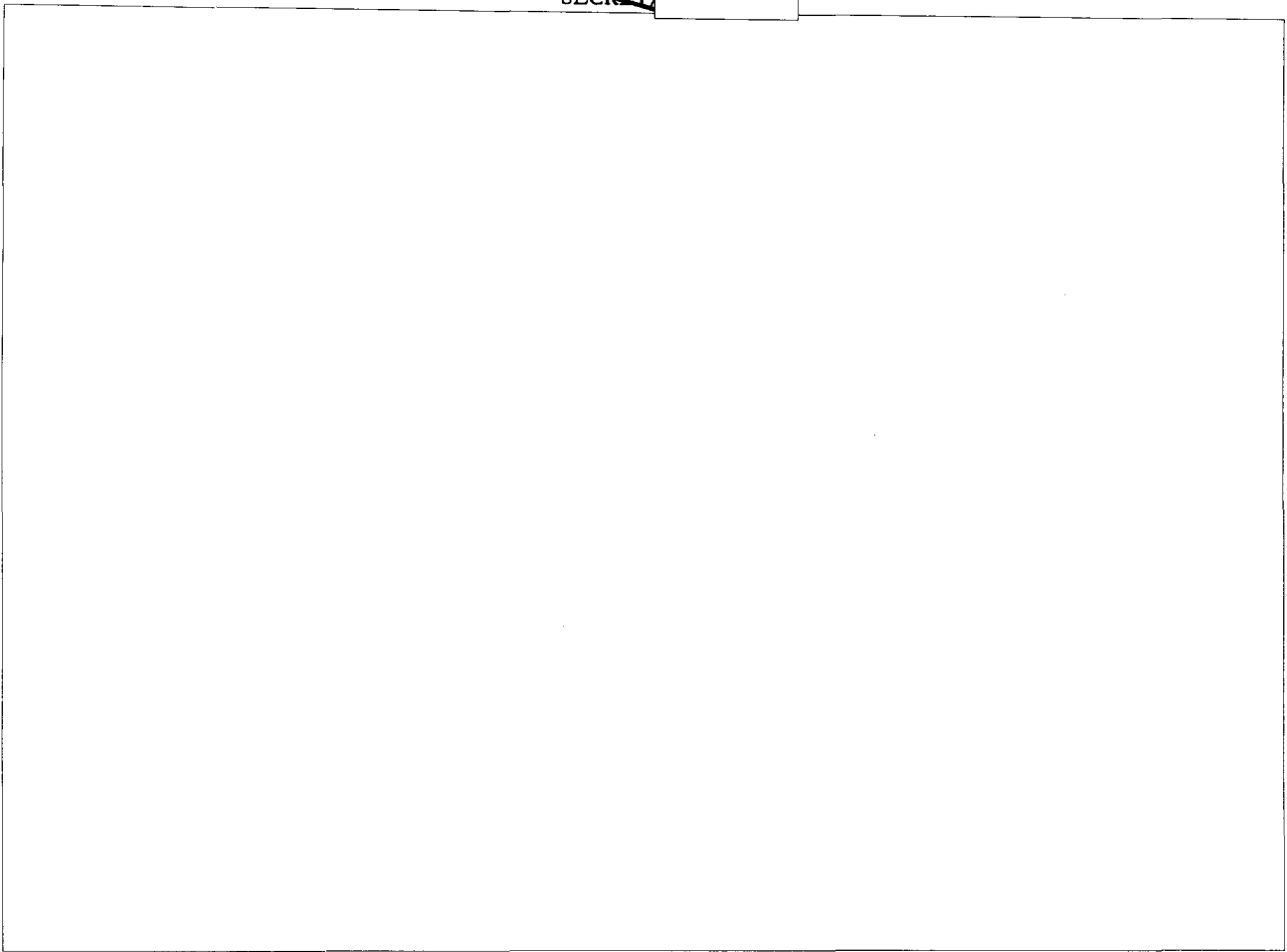
APPENDIX



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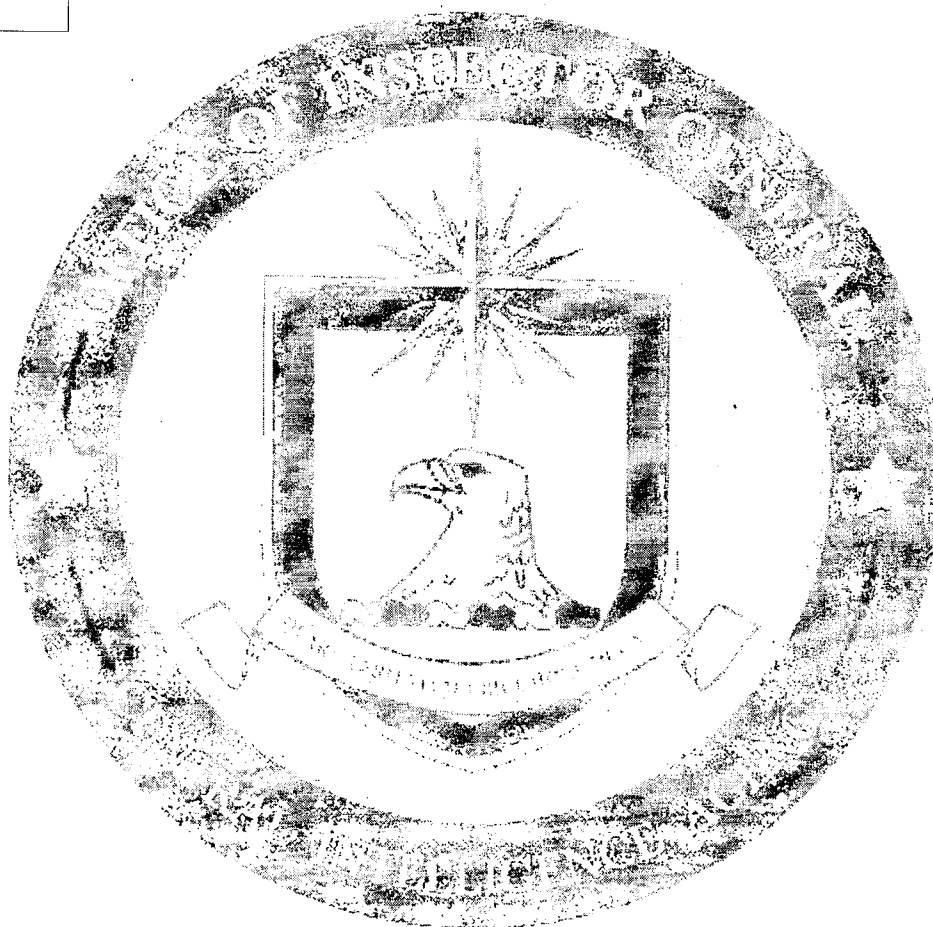
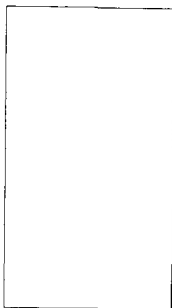


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Central Intelligence Agency  
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