



441 G St. N.W.
Washington, DC 20548

Accessible Version

November 21, 2019

Congressional Committees

Iraq: Characteristics of the Office of Security Cooperation-Iraq and How It Compares to Other DOD Security Cooperation Organizations

Since 2011, the Office of Security Cooperation-Iraq (OSC-I) has operated in one of the most complex operating environments in the world, with ongoing military operations against the Islamic State of Iraq and Syria (ISIS); threats from other terrorist and insurgent groups; religious, ethnic, and territorial tensions; and threats from the government of Iran. Based at the U.S. Embassy in Baghdad, OSC-I supports the U.S. Mission in Iraq and U.S. Central Command (CENTCOM) by conducting security assistance activities, defense institution building, and regional engagements. These activities are intended to enhance the capabilities of Iraq's security forces and ensure an enduring strategic partnership between the U.S. military and Iraq's security forces. OSC-I coordinates its efforts with the Combined Joint Task Force-Operation Inherent Resolve (CJTF-OIR), a Department of Defense (DOD)-led coalition of partner nations, which provides training, equipment, advice, and assistance to Iraq's security forces with the goal of militarily defeating ISIS in Iraq and Syria.

On May 14, 2019, the Department of State (State) ordered a 30-day departure of non-emergency U.S. government personnel from Iraq, including OSC-I personnel, and warned U.S. citizens not to travel to Iraq, citing threats of terrorism, kidnapping, and armed conflict. According to State officials, as a result of the ordered departure, State reduced the number of U.S. government personnel at the U.S. Embassy in Baghdad, including OSC-I, by more than half. State ended the departure order as of November 5, 2019, and the embassy continues to operate at reduced staffing levels. In addition, in February 2019 and again in July 2019, State undertook two separate reviews of the embassy staffing levels to determine the number of positions the embassy needed to meet its core mission and priorities. As of September 2019, these efforts were ongoing.

Two Senate reports accompanying the National Defense Authorization Acts for fiscal years 2018 and 2019 include provisions for us to review OSC-I's operations and how they compare to those of other security cooperation organizations (SCO).¹ This report consolidates information we provided to your staff between September 2018 and August 2019 in four enclosures on topic areas related to OSC-I's

¹S. Rep. No. 115-125, at 261 (2017); S. Rep. No. 115-262, at 291 (2018). In addition, the Senate reports included provisions for us to review DOD's and State's plans to transition OSC-I to conform to other similar embassy-based entities, including transitioning funding from DOD to other agencies. We briefed your staff on DOD's and State's transition plans between September 2018 and August 2019. However, because of the rapidly evolving security situation in Iraq and uncertainty about the future size of the U.S. presence in Iraq, we did not include this information in this report.

- operational funding (enclosure I);
- structure, activities, and size (enclosure II);
- use of additional authorities granted to it by Congress (enclosure III); and
- personnel and operational funding, in comparison to other SCOs in the region (enclosure IV).

These four enclosures provide information on each of these topic areas current up to the ordered departure of U.S. Embassy personnel in May 2019.

To determine OSC-I's operational funding, we reviewed funding data provided by CENTCOM on OSC-I and other SCOs managed by CENTCOM. We corroborated these data with data provided by the Defense Security Cooperation Agency (DSCA) and interviewed CENTCOM officials on how they ensure the reliability of these data. We found the data to be sufficiently reliable for reporting on OSC-I's and other SCOs' operational funding. To determine OSC-I's structure and activities, we reviewed OSC-I's semi-annual reports to Congress pursuant to Section 1215 of the National Defense Authorization Act) for Fiscal Year 2012, as amended; OSC-I's report pursuant to Sections 1233 and 1235 of the John S. McCain National Defense Authorization Act (NDAA) for Fiscal Year 2019; OSC-I's organizational charts; information collected from OSC-I's directorates on their activities; and the U.S. Embassy in Baghdad's Integrated Country Strategy. We analyzed staffing data provided by CENTCOM and OSC-I to determine OSC-I's size and how its size compared to that of other SCOs within CENTCOM's area of responsibility. We also interviewed DOD officials on how they ensure the reliability of these data. We found the data to be sufficiently reliable for reporting on OSC-I's and other SCOs' staffing levels. We reviewed the NDAA's for fiscal years 2012-2018 to understand OSC-I's additional authorities, as well as documentation that DOD provided on OSC-I's use of its additional authorities. We interviewed DOD and State officials in Washington, D.C. from DOD's Office of the Secretary of Defense-Policy and DSCA, and State's Bureau of Political and Military Affairs and Bureau of Near Eastern Affairs. We traveled to Tampa, Florida to interview DOD officials from CENTCOM. We also traveled to Iraq to interview DOD officials from OSC-I and CJTF-OIR as well as U.S. Embassy officials.

We conducted this performance audit from June 2018 to November 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Security cooperation organizations (SCO). DOD guidance defines SCOs as DOD elements located in foreign countries that are responsible for carrying out security cooperation and security assistance management functions under the Foreign Assistance Act of 1961 and the Arms Export Control Act of 1976, as amended. These functions can include providing defense articles, military education and training, and other defense-related services to foreign countries by grant, loan, credit, cash sales, or lease, in furtherance of national policies and objectives. SCOs are the DOD elements in-country that manage the United States' Foreign Military Financing (FMF) and Foreign Military Sales (FMS) programs. These two programs are among the primary mechanisms that the U.S. government uses to support its foreign partners by providing them with defense articles and services. SCOs operate under the direct authority of the Chief of Mission of the U.S. Embassy and are managed by the Geographic Combatant Command, which directs the planning and execution of security cooperation activities in alignment with DOD policies and priorities, among other things.

SCOs, including OSC-I, generally operate under a Senior Defense Official-Defense Attaché (SDO-DATT), who is appointed by the Secretary of Defense and serves as the principal DOD official at U.S. embassies responsible for advising the U.S. Ambassador to each country on all defense and security matters.² SCO operations are typically funded through the FMF Administrative Fund and the FMS Trust Fund Administrative Surcharge Account, although they may also receive operational funding through other funding sources.³ According to DSCA, the United States maintained SCOs in 129 countries as of March 2019.

Office of Security Cooperation-Iraq (OSC-I). OSC-I operates as the SCO in Iraq. DOD established OSC-I in December 2011 to conduct security assistance and security cooperation activities in Iraq. OSC-I manages the provision of over \$15 billion in security assistance and training for Iraq's security forces, primarily through funds appropriated for the FMF Administrative Fund and the Air Force Operation and Maintenance Overseas Contingency Operations Fund.

Results in Brief

The following summarizes our findings relating to OSC-I as of May 2019, prior to the ordered departure of non-emergency U.S. government personnel from Iraq:

- In fiscal year 2018, DOD obligated \$36.8 million in operational funding for OSC-I (see enclosure I).
- OSC-I's Chief reported to an SDO-DATT who was responsible for overseeing OSC-I. OSC-I had five directorates that engaged in a variety of activities around three lines of effort: (1) defense institution building, (2) security assistance and building partner capacity, and (3) regional engagement (see enclosure II).⁴
- OSC-I was engaged in a variety of activities with multiple elements of Iraq's security forces, using additional authorities granted to OSC-I by Congress (see enclosure III).
- OSC-I was the largest of the SCOs managed by CENTCOM, in terms of number of personnel and the amount of funding it received for its operations (see enclosure IV).

Agency Comments

We provided a draft of this report to DOD and State for review and comment. DOD had no comments. State provided technical comments which we incorporated.

²The SDO-DATT typically leads the SCO and the Defense Attaché Office in foreign countries. The Defense Attaché Office is responsible for representing DOD to foreign government and military officials on military matters, assisting and advising the U.S. Ambassador on military matters, and coordinating political and military actions.

³For the purposes of this report, operational funding includes support for security assistance program management functions as defined in Section 515 of the Foreign Assistance Act. According to DOD guidance on SCO budgeting, cost estimates for military personnel salaries and unfunded U.S. civilian retirement costs are excluded costs, and should not be included in the SCO program or budget submission.

⁴In September 2019, OSC-I officials told us that OSC-I no longer operated two of these five directorates.

If you or your staff have any questions about this report, please contact me at (202) 512-5130 or mazanecb@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report include Rob Ball (Assistant Director), Kira Self (Analyst-In-Charge), and Brian Tremblay. Other contributors included Ashley Alley, Debbie Chung, Justin Fisher, Chris Keblitis, and Bridgette Savino.



Brian M. Mazanec
Director, International Affairs and Trade

Enclosures – 4

List of Committees

The Honorable James M. Inhofe
Chairman
The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate

The Honorable James E. Risch
Chairman
The Honorable Robert Menendez
Ranking Member
Committee on Foreign Relations
United States Senate

The Honorable Richard C. Shelby
Chairman
The Honorable Dick Durbin
Ranking Member
Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Lindsey Graham
Chairman
The Honorable Patrick J. Leahy
Ranking Member
Subcommittee on State, Foreign Operations,
and Related Programs
Committee on Appropriations
United States Senate

The Honorable Adam Smith
Chairman
The Honorable Mac Thornberry
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Eliot L. Engel
Chairman
The Honorable Michael McCaul
Ranking Member
Committee on Foreign Affairs
House of Representatives

The Honorable Pete Visclosky
Chairman
The Honorable Ken Calvert
Ranking Member
Subcommittee on Defense
Committee on Appropriations
House of Representatives

The Honorable Nita M. Lowey
Chairwoman
The Honorable Hal Rogers
Ranking Member
Subcommittee on State, Foreign Operations,
and Related Programs
Committee on Appropriations
House of Representatives



Enclosure I: OSC-I's Operational Funding, Fiscal Year 2018

Background

The Office of Security Cooperation-Iraq (OSC-I) manages the provision of over \$15 billion in security assistance and training for Iraq's security forces. Each year, the Department of Defense (DOD) provides OSC-I with operational funding to support its security assistance program management functions as defined in Section 515 of the Foreign Assistance Act. These functions can incur costs associated with common services that State provides U.S. embassies worldwide through the International Cooperative Administrative Support Services (ICASS), such as security and guards, health, building operations, and general services. These functions also incur travel and transportation costs associated with operating in a foreign country. Certain costs associated with U.S. military personnel working within the OSC-I, such as military personnel salaries and unfunded civilian retirement costs, are not included in operational funding.

For operational funding, total obligations include unliquidated obligations and disbursements.

DOD funds OSC-I's operations using two funding streams:

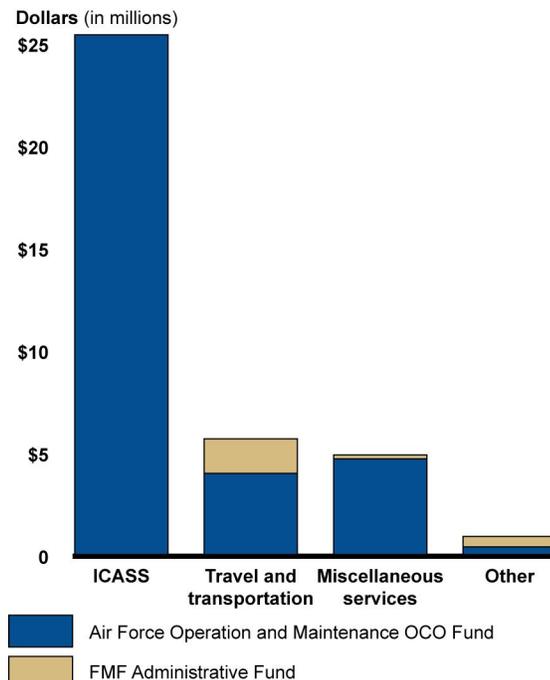
Air Force Operation and Maintenance Overseas Contingency Operations (OCO) Fund. Designated for overseas contingency operations in support of the Global War on Terrorism. DOD categorizes contingency operations as small, medium, or large-scale campaign-level military operations.

Foreign Military Financing (FMF) Administrative Fund. Used to finance security cooperation organizations security assistance management functions.

OSC-I's Operational Funding

In fiscal year 2018, DOD obligated \$36.8 million to support OSC-I's operational costs. Of this amount, DOD obligated \$25.4 million for OSC-I's ICASS costs from operating in Iraq, including \$4.5 million on local guard programs, \$4.2 million on mandatory health services, and \$4.9 million on building operations, among other things. DOD obligated \$5.7 million for travel and transportation costs, including OSC-I's use of Embassy Air (a Department of State-run airline and helicopter service that provides transportation to U.S. personnel in Iraq); \$4.9 million for miscellaneous services costs for linguists, cultural advisors, and administrative and technical support; and about \$900,000 for other costs, such as supplies, rents and leases, and vehicle maintenance, among others. DOD funded 94 percent of OSC-I's fiscal year 2018 operational funding obligations through the Air Force Operation and Maintenance OCO fund and the remaining 6 percent through the FMF Administrative Fund.

Figure 1: Office of Security Cooperation-Iraq Fiscal Year 2018 Operational Funding Total Obligations by Type of Cost and Funding Source



Legend: ICASS = International Cooperative Administrative Support Service; OCO = Overseas Contingency Operations; FMF= Foreign Military Financing.

Source: Department of Defense (DOD). | GAO-20-196R

Note: In fiscal year 2018, DOD paid an additional \$11 million in OSC-I ICASS costs to Embassy Baghdad through a worldwide fund DOD maintains to reimburse ICASS costs at U.S. embassies. These funds are not included as part of OSC-I's operational funding.

Enclosure II: OSC-I's Structure, Activities, and Size

Background

The Office of Security Cooperation-Iraq (OSC-I) is located within the U.S. Embassy in Baghdad and reports directly to the embassy's Chief of Mission, who is also the U.S. Ambassador to Iraq. As designated Chief of Mission personnel, OSC-I personnel must follow Chief of Mission-specific policies and directives, including security directives.

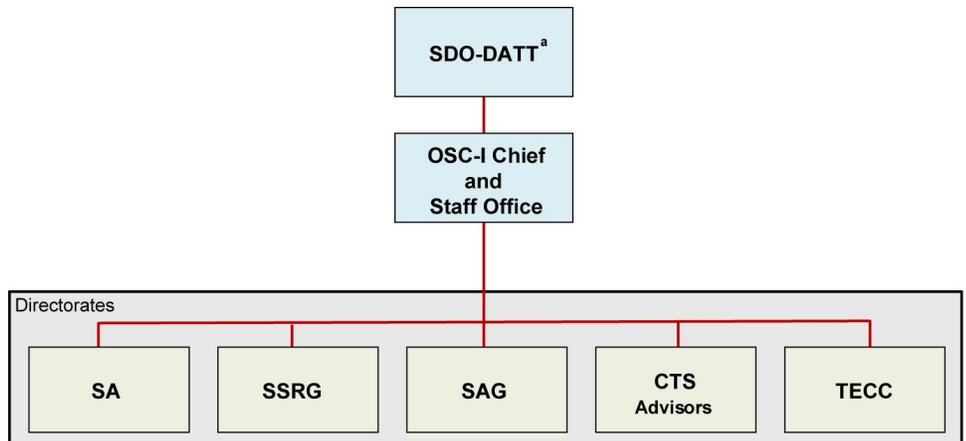
OSC-I is managed by U.S. Central Command (CENTCOM). CENTCOM provides guidance and oversight for OSC-I, including directing the planning and execution of activities in alignment with Department of Defense (DOD) policies and priorities.

OSC-I coordinates its activities with the Combined Joint Task Force-Operation Inherent Resolve (CJTF-OIR), a DOD-led coalition of partner countries whose mission is to militarily defeat the Islamic State of Iraq and Syria and to enable whole-of-coalition governmental actions to increase regional stability.

OSC-I's Structure

Prior to the ordered departure of non-emergency U.S. government personnel from Iraq in May 2019, OSC-I operated under the direction of a Senior Defense Official-Defense Attaché (SDO-DATT). Appointed by the Secretary of Defense, the SDO-DATT is the embassy's principal military advisor to the U.S. Ambassador on defense and national security issues. The Chief of OSC-I reports to the SDO-DATT and has responsibility for the overall management of OSC-I. OSC-I's Staff Office has responsibility for managing OSC-I's funding, policy and plans, and manpower, among other things. The Staff Office supports five directorates that are responsible for implementing OSC-I's activities with Iraq's security forces. (See fig. 2 below.)

Figure 2: Office of Security Cooperation-Iraq (OSC-I) Organizational Chart as of May 2019



Legend: SDO-DATT = Senior Defense Official-Defense Attaché; OSC-I = Office of Security Cooperation-Iraq; SA = Security Assistance; SSRG = Security Sector Reform Group; SAG = Senior Advisory Group; CTS = Counter Terrorism Service; TECC = Tribal Engagement Coordination Cell.

Source: GAO analysis of Department of Defense documents. | GAO-20-196R

^aThe SDO-DATT oversees the Defense Attaché Office, which is responsible for representing the Department of Defense to Iraqi government and military officials on military matters, assisting and advising the U.S. Ambassador on military matters, and coordinating political and military actions.

Three of OSC-I's directorates—the Security Assistance (SA) group, the Security Sector Reform Group (SSRG), and the Senior Advisory Group (SAG)—engage in key activities across Iraq's security forces. Two of OSC-I's five directorates—the Counter Terrorism Service (CTS) Advisors and the Tribal Engagement Coordination Cell (TECC)—engage with specific groups of Iraq's security forces, the Counter Terrorism Service and the Tribal Security Forces, respectively. In September 2019, OSC-I officials stated that OSC-I no longer maintained the CTS Advisors and TECC.

Roles and Responsibilities of OSC-I's Directorates

Security Assistance. Manages OSC-I's Foreign Military Sales and Foreign Military Financing programs, conducts end use monitoring of U.S. provided equipment, and coordinates training of Iraqi personnel.

Counter Terrorism Service

Advisors. Builds the institutional capability and capacity of Iraq's Counter Terrorism Service security forces and provides provides training oversight and advice for these forces.

Security Sector Reform Group.

Conducts defense institution building on strategic policy and planning, human resource management, and logistics, among other things, to contribute to reform efforts and strengthen the strategic relationship between the United States and Iraq.

Tribal Engagement Coordination

Cell. Coordinates and assists Iraqi government, military, and social leaders' efforts to achieve U.S. and coalition partner objectives by regularly interacting with religious and ethnic minority leaders, tribal sheikhs and tribal security force commanders, and government of Iraq officials.

Senior Advisory Group. Engages with influential Iraqi leaders as they build institutional capability for internal security and external defense.

OSC-I's Activities

OSC-I engages in a variety of activities with the government of Iraq that are organized around three lines of effort: (1) defense institution building, (2) security assistance and building partner capacity, and (3) regional engagements. For more information on the activities OSC-I conducts for each line of effort, see table 1 below.

Table 1: Office of Security Cooperation-Iraq (OSC-I) Lines of Effort and Activities

Line of effort	Key activities
Defense institution building	OSC-I assists the government of Iraq in transitioning to more affordable and sustainable solutions for operating its forces and resources. For example, OSC-I is working with the government of Iraq on a 5-year program on reforming Iraq's defense policy and the structure of Iraq's security forces. The first major objective of the program is to help the government of Iraq institute an annual budget submission and approval process.
Security assistance and building partner capacity	OSC-I provides defense articles and services through the Foreign Military Sales and Foreign Military Financing programs to Iraq's security forces. For example, OSC-I is overseeing the implementation of a \$2.7 billion credit facilities loan to the government of Iraq, providing training to Iraqi security force personnel through the International and Military Education Training program, and conducting end-use monitoring of U.S. defense equipment provided to Iraq's security forces.
Regional engagements	OSC-I assists the government of Iraq in conducting military-to-military engagements with its regional neighbors. For example, OSC-I is encouraging the government of Iraq to conduct combined military exercises with its regional neighbors.

Source: GAO analysis of OSC-I documents. | GAO-20-196R

OSC-I's Size

Prior to the ordered departure of non-emergency U.S. government personnel from Iraq in May 2019, OSC-I maintained 103 authorized U.S. government positions, 60 contractor positions, and 12 locally employed staff positions, according to DOD. OSC-I's five directorates contained 83 of 103 authorized U.S. government positions, with the remaining U.S. government positions located in OSC-I's staff office and leadership team. (See table 2.)

Table 2: Number of Authorized U.S. Government Positions for the Office of Security Cooperation-Iraq (OSC-I) as of May 2019, by Section

OSC-I Leadership and Staff Office	Number of authorized U.S. government positions
Senior Defense Official-Defense Attaché	1
OSC-I Chief	1
Staff Office	23
OSC-I Directorates	
Security Assistance	34
Counter Terrorism Service Advisors	25
Security Sector Reform Group	9
Tribal Engagement Coordination Cell	7
Senior Advisory Group	3
Total	103

Source: GAO analysis of OSC-I data. | GAO-20-196R

^aIn September 2019, DOD officials told us that OSC-I had 108 authorized U.S. government positions.



Enclosure III: OSC-I's Additional Authorities

Background

Since fiscal year 2013, Congress has granted the Office of Security Cooperation-Iraq (OSC-I) additional authorities to conduct certain activities with Iraq's security forces. Under these authorities, OSC-I has conducted activities with the Ministry of Defense and the Counter Terrorism Service (CTS).

The fiscal year 2018 National Defense Authorization Act (NDAA) expanded the eligible recipients for OSC-I assistance. Section 1224 of the fiscal year 2018 NDAA granted OSC-I the authority to conduct (1) defense institution building to mitigate capability gaps and promote effective and sustainable defense institutions; and (2) professionalization, strategic planning and reform, financial management, manpower management, and logistics management of military and other security forces with a national security mission. Activities conducted under this authority must promote (a) observance of and respect for human rights and fundamental freedoms, (b) military professionalism, and (c) respect for legitimate civilian authority within Iraq.

According to the Department of Defense (DOD), OSC-I's additional authorities enable OSC-I to engage in defense institution building activities with a broad range of Iraq's security forces to include those forces with a national security mission. DOD noted that the advisory and training capabilities granted to security cooperation organizations under other pre-existing authorities would not be sufficient to replicate OSC-I's activities under its additional authorities.

OSC-I's Use of Additional Authorities

Prior to the ordered departure of non-emergency U.S. government personnel from Iraq in May 2019, OSC-I was engaged in a variety of activities with multiple elements of Iraq's security forces using the additional authorities granted to it by Congress in fiscal year 2018, according to DOD. OSC-I uses its additional fiscal year 2018 authorities to engage in defense institution building, professionalization, and management assistance with security forces in Iraq's Ministry of Defense, CTS, and Ministry of Interior that have a national security mission. (See table 2.) According to DOD officials, other countries typically have one government organization responsible for managing the country's national security forces, while Iraq has multiple government organizations that perform this function. The Ministry of Defense manages the Iraqi Army, Air Force, and Navy, among others. The Ministry of Interior manages the Border Guards, Federal Police, and Energy Police, among others. The CTS is a quasi-ministerial level government organization outside of the Ministry of Defense.

Table 3: Examples of Office of Security Cooperation-Iraq (OSC-I) Activities with Iraq's Security Forces under Additional Authorities, by Iraqi Government Organization, as of May 2019

Iraqi government organization	OSC-I activities
Ministry of Defense	Develops defense policy and force structure reforms; provides training on logistics, professionalization, and military education.
Ministry of Interior	Provides training and reform initiatives to Border Guards.
Counter Terrorism Service	Provides training to support the professionalization and capacity building of the Counter Terrorism Service, including basic training, where trainees learn infantry tactics; special operations training, where trainees learn small-unit tactics, among other things; and advanced skills training. Also provides strategic planning and reform support, including budgetary support.

Source: GAO analysis of Department of Defense documents. | GAO-20-196R

As of May 2019, OSC-I's Security Sector Reform Group (SSRG), CTS Advisors, and Tribal Engagement Coordination Cell (TECC) were implementing OSC-I's activities under its additional authorities. For example, the SSRG was conducting defense institution building on strategic policy and planning, human resource management, and logistics, among other things, across Iraq's security forces. The CTS Advisors was building the institutional capability and capacity of Iraq's CTS security forces, including by providing training and working with the SSRG to provide strategic planning and reform initiatives with the CTS. The TECC was routinely meeting with and providing assistance to local and tribal leaders. In September 2019, OSC-I officials stated that OSC-I no longer maintained the CTS Advisors and TECC.

Enclosure IV: Comparison of OSC-I to Other SCOs

Background

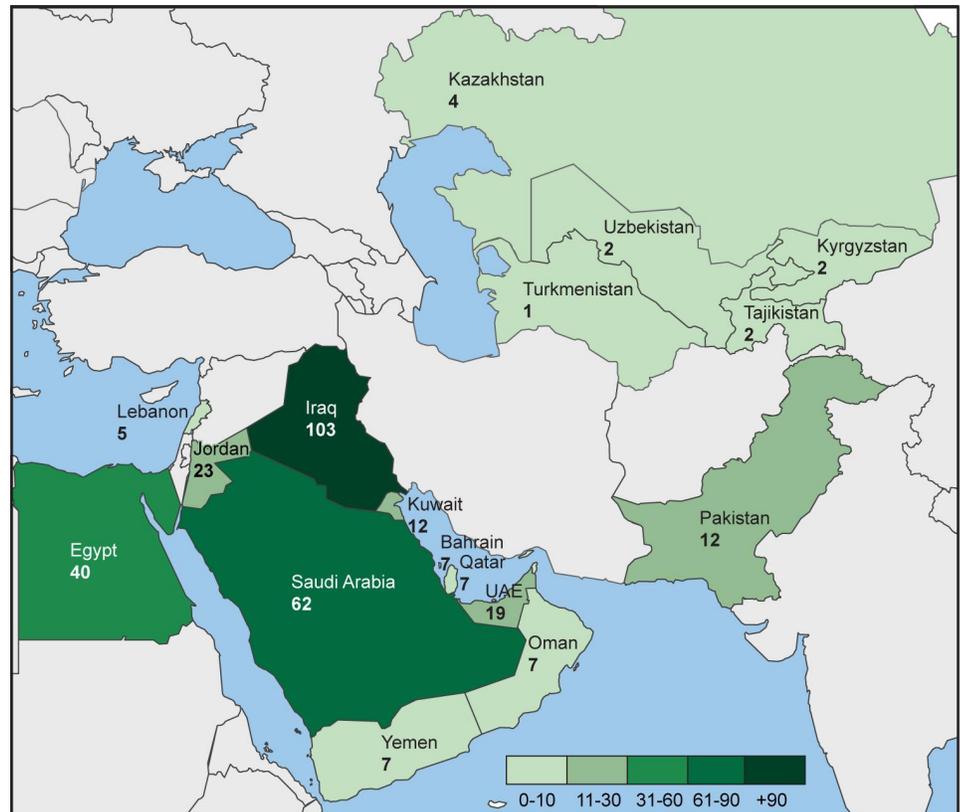
According to the Department of Defense (DOD), DOD operates Security Cooperation Organizations (SCO) in about 129 countries throughout the world; U.S. Central Command (CENTCOM) manages 17 of these SCOs. The Office of Security Cooperation-Iraq (OSC-I) is the designated SCO for Iraq. For the purposes of this report, we compared OSC-I to other SCOs in the region that CENTCOM manages, which includes parts of Northeast Africa, the Middle East, and South and Central Asia. Specifically, we compared OSC-I to SCOs that CENTCOM manages in the following countries: Bahrain, Egypt, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Lebanon, Oman, Pakistan, Qatar, Saudi Arabia, Tajikistan, Turkmenistan, United Arab Emirates, Uzbekistan, and Yemen.

We did not include Afghanistan in our SCO comparison because CENTCOM does not consider the U.S. office in Afghanistan that coordinates security cooperation activities to be a SCO.

U.S. Personnel

Prior to the ordered departure of non-emergency U.S. personnel from Iraq in May 2019, OSC-I had the largest number of authorized U.S. government positions (103) among the 17 SCOs that CENTCOM manages, according to DOD. The Saudi Arabia SCO had the second-largest number (62) and the Egypt SCO the third-largest (40).

Figure 3: Number of Authorized U.S. Government Positions for Security Cooperation Organizations Managed by U.S. Central Command, as of May 2019



Legend: UAE = United Arab Emirates.

Source: GAO analysis of Department of Defense documents. | GAO-20-196R

CENTCOM classified 102 of OSC-I's 103 authorized positions as temporary and one as permanent. CENTCOM created the first permanent position within OSC-I in March 2019 with the appointment of OSC-I's first Senior Defense Official-Defense Attaché (SDO-DATT), the principal DOD advisor on military matters in a foreign country. In comparison, all of the other CENTCOM-managed SCOs mostly consist of permanent positions. Sixteen of the 17 CENTCOM-managed SCOs, including OSC-I, are led by an SDO-DATT. DOD officials said that OSC-I personnel have unaccompanied tour rotations of 6 to 12 months, while U.S. personnel at other CENTCOM-managed SCOs generally have accompanied tour rotations of 1 to 2 years or more.

Background

Each year, DOD provides SCOs with operational funding to support each SCO's security assistance program management functions, as defined in Section 515 of the Foreign Assistance Act. Certain costs associated with military personnel working within the SCO, such as salaries and unfunded civilian retirement costs, are not included. Operational funding total obligations include unliquidated obligations and disbursements.

According to DOD guidance, SCOs' operational funding is generally supported through the Foreign Military Financing (FMF) Administrative Fund and the Foreign Military Sales (FMS) Trust Fund Administrative Surcharge Account. These funds support SCOs' security assistance management functions as well as indirect administrative costs, such as those associated with SCOs' implementation of the FMS program. SCOs may also receive operational funding through other DOD accounts, such as the Air Force Operation and Maintenance account and the Air Force Family Housing Operation and Maintenance account. Operation and Maintenance funds are used for SCO management functions in support of non-security assistance programs.

Operational Funding

In fiscal year 2018, OSC-I obligated more funding to support its operations than any of the other CENTCOM-managed SCOs. OSC-I had the highest operational funding obligations at \$36.8 million, followed by the Egypt SCO at \$6.1 million and the Saudi Arabia SCO at \$4.1 million. Table 4 below shows OSC-I's operational funding obligations compared to those of the other CENTCOM-managed SCOs.

Table 4: Fiscal Year 2018 Operational Funding Obligations for Security Cooperation Organizations Managed by U.S. Central Command, by Country

Security cooperation organizations by country	Total obligations (dollars in thousands)
Iraq	\$36,808
Egypt	6,095
Saudi Arabia	4,060
United Arab Emirates	2,964
Jordan	2,105
Qatar	1,901
Oman	1,182
Pakistan	1,310
Lebanon	803
Bahrain	769
Kuwait	444
Kazakhstan	362
Yemen	357
Uzbekistan	206
Turkmenistan	170
Kyrgyzstan	164
Tajikistan	90

Source: GAO analysis of U.S. Central Command data. | GAO-20-196R

Unlike the other CENTCOM-managed SCOs, OSC-I received 94 percent of its operational funding in fiscal year 2018 through DOD's Air Force Operation and Management Overseas Contingency Operations (OCO) Fund, a DOD fund designated for overseas contingency operations in support of the Global War on Terrorism. OSC-I is the only CENTCOM-managed SCO to receive DOD OCO funds for its operations and, according to DOD officials, OSC-I operates in an ongoing contingency environment characterized by active military operations and increased security requirements.

In contrast, the other CENTCOM-managed SCOs received the majority of their operational funding—between 59 percent and 100 percent—through the FMF Administrative Fund and the FMS Trust Fund Administrative Surcharge Account. Six SCOs also received between 6 percent and 41 percent of their fiscal year 2018 operational funding through the Air Force Operation and Maintenance account or the Air Force Family Housing Operation and Maintenance account.

(102890)