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Office of Inspector General
United States Department of State

ISP-I-24-06

Office of Inspections

January 2024

**Inspection of Embassy Baghdad and
Constituent Post, Iraq**

BUREAU OF NEAR EASTERN AFFAIRS

UNCLASSIFIED



HIGHLIGHTS

Office of Inspector General
United States Department of State

ISP-I-24-06

What OIG Inspected

OIG inspected the executive direction, policy and program implementation, resource management, and information management operations of Embassy Baghdad. The inspection included Consulate General Erbil.

What OIG Recommends

OIG made 37 recommendations: 35 to Embassy Baghdad, 1 to the Bureau of Near Eastern Affairs, and 1 to the Bureau of Overseas Buildings Operations.

In its comments on the draft report, the Department concurred with 36 recommendations and neither agreed nor disagreed with 1 recommendation. OIG considers all 37 recommendations resolved. The Department's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The Department's formal responses are reprinted in their entirety in Appendix B.

January 2024

OFFICE OF INSPECTIONS

BUREAU OF NEAR EASTERN AFFAIRS

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What OIG Found

- The Ambassador and Deputy Chief of Mission led Mission Iraq in a professional and collaborative manner consistent with Department of State leadership and management principles.
- The mission's coordination of foreign assistance programs did not systematically include bureau program managers.
- Consular operations did not meet Department standards for crisis preparedness and lacked American Liaison Network coverage.
- Embassy Baghdad used power generation that was costlier than procuring power locally.
- The embassy's property management practices did not comply with Department standards for expendable property and fuel deliveries.
- Embassy Baghdad and the Baghdad Diplomatic Support Center's safety, health, and environmental management program did not comply with standards.
- Mission Iraq did not fully comply with the Department's guidance for employment of third-country national staff.
- Spotlight on Success: Mission integration of public diplomacy drove comprehensive outreach and transparency in bilateral dialogue.
- Spotlight on Success: Embassy Baghdad and the U.S. Agency for International Development in Iraq coordinated social media efforts through the use of a shared platform, which increased public diplomacy outreach and engagement.
- Spotlight on Success: The Information Management Section staff developed a database application that enhanced personnel accountability.

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CONTEXT

The United States re-established full diplomatic relations with Iraq in 2004, following the end of Operation Iraqi Freedom in May 2003 and the ouster of the Saddam Hussein regime by an international coalition force. At the time of the inspection, the U.S. Mission Iraq was among the largest and most complex diplomatic installations in the world, a legacy of two decades of U.S. and coalition efforts to stabilize the country. Iraq continues to be a critical foreign policy priority for the United States.

The United States completed the new embassy chancery building in 2008 and signed a Strategic Framework Agreement that year outlining mutual political, economic, cultural, and security ties. The United States withdrew its military forces in 2011. By 2014, U.S. forces had reentered Iraq together with the international Combined Joint Task Force-Operation Inherent Resolve to assist Iraq in confronting the rise of the Islamic State (also referred to as Daesh). Operation Inherent Resolve officially concluded its combat mission in December 2021; however, troops remain to advise, assist, and enable Iraqi forces to eliminate the ongoing Daesh insurgency. Elections in 2021 eventually resulted in the formation of the government under Prime Minister Mohammed Shia' al-Sudani in October 2022.

Iraq has remained unstable, and at times subject to sectarian and political upheaval, internecine warfare, terrorism, and economic and social decline, conditions that continue to the present day. The government of Iraq struggles to meet the demands of its 41 million citizens for more accountable, transparent, and responsive governance. Iraq remains a violent and sometimes chaotic country with armed militias and a poor human rights record. Malign Russian, People's Republic of China, and Iranian actors are constant concerns, and Iran-aligned militant groups are a significant threat to Iraq's sovereignty. Poor governance, lack of security, and corruption have stymied efforts to improve conditions across the country. Domestic instability—and less so, the risk of renewed Daesh incursions from Syria and degraded elements in Iraq—remain a threat. As of May 2023, the government of Iraq and the Kurdistan Regional Government¹ identified 1.2 million internally displaced persons and 500,000 vulnerable returnees across Iraq. Additionally, 300,000 refugees were in Iraq at the time of the inspection, mostly Syrians.

Approximately 15 percent of the population live in the Iraqi Kurdistan Region, an autonomous federal region in northeastern Iraq bordered by Syria, Türkiye, and Iran. Since 2003, the region has been generally stable, prosperous, and positively inclined toward the United States. However, human rights concerns and infighting between the region's rival factions further complicate security, revenue from oil and gas sales, and provision of the region's share of the national budget.

Beyond ensuring the defeat of Daesh, the United States seeks to expand the bilateral relationship to support Iraq's stability, security, and sovereignty. During the inspection, Mission

¹ Iraq's Constitution establishes a federal system and recognizes the region of Kurdistan as a federal region.

Iraq was reviewing and revising its Integrated Country Strategy (ICS). The previous ICS, approved in March 2022, identified three strategic goals:

- Fostering stability and economic growth.
- Bolstering democracy and governance.
- Ensuring Iraq's sovereignty and security.

As of May 2023, Mission Iraq included the Department of State (Department) and representatives of four other U.S. government agencies² with an authorized staff of 434 U.S. direct-hire personnel and 705 locally employed (LE) staff. In addition, the mission had approximately 1,896 U.S. citizen contractors, approximately 2,166 contractors of other nationalities, 354 Iraqi national contractors, and 29 third-country nationals (TCN) under contract with the Department. Total funding for Mission Iraq in FY 2023 was \$989 million, inclusive of all funding sources.

OIG evaluated the mission's executive direction, policy and program implementation, resource management, and information management consistent with Section 209 of the Foreign Service Act.³ A related classified inspection report discusses the mission's security program and issues affecting the safety of mission personnel and facilities, as well as certain aspects of the information management, and certain aspects of policy implementation. This inspection, in part, relates to Overseas Contingency Operations (Operation Inherent Resolve) and was completed in accordance with OIG's oversight responsibilities described in Section 8L of the Inspector General Act of 1978, as amended.

OPERATING ENVIRONMENT

Mission Facilities

At the time of the inspection, Mission Iraq included the Baghdad Embassy Compound (BEC), the Baghdad Diplomatic Support Center (BDSC), located adjacent to Baghdad International Airport, and the consulate general in Erbil, the capital of the Iraqi Kurdistan Region. The BEC occupies a 104-acre U.S.-owned site in Baghdad's International Zone. BEC facilities include offices, housing, dining, recreational, and other support structures. Two adjacent leased properties provide additional U.S. government-built infrastructure. Transportation outside the BEC is limited to official travel.

The BDSC provides logistical support to the BEC and to Consulate General Erbil. Because security concerns do not permit the use of commercial air transportation, a Department air support unit, based at the BDSC, provides fixed-wing and rotary-wing aircraft to transport personnel into Iraq and within country. U.S. direct-hire personnel supervise the BDSC, live

² Other agencies included the Departments of Defense, Justice, and the Treasury, and the United States Agency for International Development.

³ See Appendix A.

onsite, and report to embassy senior staff. Further discussion of the BDSC is provided later in this report and in the companion classified report.

The Consulate General Erbil compound comprises several square blocks of leased residences converted to both office and shared residential space assembled into a compound and enclosed by security barriers. Transportation outside the consulate compound is limited to official travel.

The two Baghdad sites, the BEC and the BDSC, operate independently of Iraqi public utilities for power generation and potable water treatment. Consulate General Erbil had access to municipal power and to back-up power generation on the compound. The Department requires all U.S. direct-hire and third-country national staff under chief of mission authority to live on compound at the BEC, the BDSC, or Consulate General Erbil. Department policy also requires that housing and other facilities for third-party contractors supporting the mission meet the same safety and security standards as U.S. direct-hire personnel.

Mission Staffing Challenges

From 2018 to 2023, Mission Iraq experienced lengthy periods of reduced staffing due to security concerns, the COVID-19 pandemic, the outcome of staffing reviews, verbal instructions from the Department, ordered departure, and personnel caps directed by the Under Secretary for Management. As a baseline, the 2015 rightsizing reviews of Embassy Baghdad and Consulate General Erbil stated that the mission operated under a position cap of 637 U.S. direct-hire positions.⁴ In December 2018, the Office of the Secretary verbally instructed Mission Iraq to reduce BEC staff by 30 percent. Because of the need to retain sufficient security personnel, the Department and Mission Iraq agreed that staff reductions would affect only U.S. direct-hire positions in non-security programs, leading to reductions in non-security staff significantly greater than 30 percent. In 2019, prior to implementation of that instruction, Mission Iraq conducted a staffing review that led to staffing cuts mission-wide, shrinking to 349 the number of positions needed to advance the President's strategic objectives. Additionally, the Under Secretary for Management directed the mission to implement a staffing cap of 300 personnel in country at any one time. (Mission management could not explain how this number was determined.) In 2020, OIG recommended and the Department agreed to review current staffing to ensure the mission could accomplish its strategic priorities in its particular operating environment.⁵ In 2022, following completion of a comprehensive staffing review,⁶ Mission Iraq recommended an increase in 55 direct-hire positions as necessary to meet ICS goals, stating that the mission was struggling to fulfill its diplomatic mandate, maintain life support services, and ensure the safety and security of mission personnel. During the inspection period in the spring of 2023, the Under Secretary for Management approved lifting the cap.

⁴ Office of Management, Policy, Rightsizing and Innovation (M/PRI), "U.S. Mission to Iraq (Excluding Erbil) M/PRI Rightsizing Review Revision," October 2015; M/PRI, "Rightsizing Review of Consulate General Erbil, Mission Iraq," February 9, 2015.

⁵ OIG, *Audit of the Department of State's Approach to Adjust the Size and Composition of U.S. Missions Afghanistan and Iraq* (AUD-MERO-20-38, August 2020).

⁶ Embassy Baghdad memorandum, "Request to Approve Mission Iraq's CSR," May 5, 2022.

In addition to Department-imposed staff limitations, threats and attacks on embassy facilities caused multiple interruptions to mission staffing and services, for example:

- In May 2019, Mission Iraq requested an ordered departure of all non-emergency personnel based on credible threat information. The ordered departure ended in November 2019.
- In December 2019, an attack on the embassy damaged the public access gate to the Consular Section, resulting in the suspension of most consular operations until 2022.
- In March 2020, the Department placed the mission on an ordered departure to respond to both security concerns and the COVID-19 pandemic. The ordered departure remained in effect for the BEC and the BDSC until July 2022, a total of 27 months.
- In December 2020 until April 2021, the Department ordered a temporary drawdown for precautionary reasons.⁷
- In June 2021, drones targeted the BDSC, and in August 2022, rocket debris fell into the BEC.
- In August 2022, political and sectarian violence near the embassy led to a lockdown of embassy personnel.

At the time of the inspection, U.S. direct-hire staff were assigned to Iraq on 1-year tours of duty. These tours of duty include three 15-workday rest and recuperation breaks outside of Iraq, limiting employee time in country.

EXECUTIVE DIRECTION

OIG assessed Mission Iraq's leadership based on interviews, staff questionnaires, OIG's review of documents, and observations of meetings and activities during the on-site portion of the inspection.

Tone at the Top and Standards of Conduct

The Ambassador, a career member of the Senior Executive Service, arrived in Baghdad in June 2022. Previously, she served as Ambassador to Kuwait, Principal Deputy Coordinator for Counterterrorism at the Department, and in leadership positions at the U.S. Agency for International Development (USAID) and the Department of Defense. The Deputy Chief of Mission (DCM) arrived in July 2022. He previously served as Political Counselor in Afghanistan and DCM in Athens.

OIG found that the Ambassador and DCM set a positive and professional tone within the embassy, in accordance with Department leadership and management principles outlined in 3

⁷ From December 2020 to mid-January 2021, the Department significantly reduced U.S. direct-hire staffing at the BEC and BDSC. Personnel who were ordered to depart did not return until late April 2021.

Foreign Affairs Manual (FAM) 1214b.⁸ Staff told OIG the Ambassador and DCM led Mission Iraq in a professional and collaborative manner and that the Ambassador articulated concrete goals, gave clear direction on strategic objectives, and encouraged engagement and sharing of views among staff. OIG observed, and staff also described, that the Ambassador and DCM operated as an effective team, sharing a common view on the embassy and its management. Through both administrative directives and personal statements in Country Team meetings and town halls, they communicated a consistent message on workplace performance and conduct and provided guidance to the embassy community on standards of behavior. The Ambassador and the DCM met regularly with representatives of U.S. government agencies in Country Team meetings, in small groups, and individually.

Washington stakeholders remarked on the high quality and volume of reporting from the embassy. However, some embassy officers indicated that the pace of work required the Political and Economic Sections to work long hours preparing briefing documents and reporting cables. The Ambassador told OIG she was aware of the long work hours staff spent on preparing for, staffing, and writing up her meetings and trips in memoranda, cables, and other products. With the lifting of the cap in May 2023 on the number of personnel in country, the Ambassador was actively seeking recruits for the newly available vacant U.S. direct-hire positions to meet embassy work requirements.

The DCM held regular meetings with embassy section heads and attachés representing U.S. agencies. Staff said he was accessible to staff and led issue-specific interagency meetings with embassy staff.⁹ He also hosted community events at the DCM residence for embassy personnel. To encourage staff input, the DCM maintained an electronic platform, “DCM Direct,” to receive employee communications, anonymously if the employee preferred.

Embassy staff told OIG the Ambassador and DCM held themselves to the ethical standards consistent with Department guidance and held staff accountable to the same standards. Staff also told OIG they appreciated that the Ambassador set a positive, healthy, and respectful environment at the embassy. Regarding performance and conduct deficiencies, OIG noted that the Ambassador and the DCM addressed these through counseling and, when appropriate, further action. OIG observed at the time of the inspection the Ambassador was resolving conduct infractions by mission personnel through administrative means including removal from the country.

⁸ The Department’s leadership and management principles include (1) model integrity, (2) plan strategically, (3) be decisive and take responsibility, (4) communicate, (5) learn and innovate constantly, (6) be self-aware, (7) collaborate, (8) value and develop people, (9) manage conflict, and (10) foster resilience.

⁹ The DCM led the embassy’s Development Assistance Working Group, Security Assistance Working Group, PRC Working Group, the Law Enforcement Working Group, and Strategic Communications Working Group. He met regularly with the Diversity, Equity, Inclusion, and Accessibility Council, the Federal Women’s Program coordinators, and LE staff and third-country national committee members.

Execution of Foreign Policy Goals and Objectives

OIG determined the Ambassador fulfilled her responsibilities to oversee the embassy's strategic activities as defined in 2 FAM 113.1c. She also advanced key ICS goals, as required in 2 FAM 113.1b and 18 FAM 301.2-4(C) and (D). Section heads and heads of other agencies at the embassy commented positively on Mission Iraq's inclusive ICS process, as led by the Ambassador. The mission's ICS was approved in March 2022, in accordance with instructions in 21 STATE 107242.¹⁰ At the time of the inspection, the mission was reviewing and revising the ICS to adjust goals based on the current political environment. Washington officials and stakeholders expressed a common view of embassy leadership as carrying out a diplomatic program aligned with U.S. strategic goals for Iraq and the region. The Ambassador and senior staff engaged segments of Iraqi government and civil society to advance U.S. policies and advocate for U.S. interests. OIG's review of the Ambassador's calendar showed she maintained an active schedule of meetings with senior Iraqi government officials in Baghdad and Erbil. She also engaged with a wide range of Iraqi political and civil society. Finally, her calendar showed that she undertook meetings outside the capital during which she visited U.S.-funded projects and met with local and regional community leaders. During the inspection, the Ambassador hosted young political leaders and legislators at the chief of mission residence.

The Ambassador established a strong public voice for the embassy by employing social media, traditional media, and personal outreach. By including the Public Diplomacy Section in the planning process for all her activities, the Ambassador amplified the U.S. presence in Iraqi public discourse. During the inspection, the Ambassador engaged Iraqi audiences and regional leaders during a visit to Anbar, hosted a press briefing with Iraqi media, and met with political leaders at the chief of mission residence. She regularly posted outcomes from her official meetings on social media. Through these combined efforts, the Ambassador had attracted 50,000 followers to her Twitter feed. Iraqi officials now follow and react to the Ambassador's messaging, which the embassy's Public Diplomacy Section said had given rise to an invigorated and open discussion about Iraq's present and future.

Adherence to Internal Controls

The Ambassador signed the FY 2022 Annual Chief of Mission Management Control Statement of Assurance in August 2022. The previous DCM oversaw preparation of this statement prior to his departure in July 2022. At the time of the inspection, the Ambassador had in place systems of management control in the mission in accordance with 2 FAM 022.7(1) and (5). In its addenda to the FY 2022 statement, the mission identified deficiencies it characterized as having the potential to lead to mission failure and place at risk personnel in mission facilities. OIG's companion classified report discusses these deficiencies.

OIG confirmed the DCM carried out reviews of the Consular Section chief's nonimmigrant visa adjudications, as required by 9 FAM 403.12-1 and 9 FAM 403.12-2a and b.

¹⁰ Cable 21 STATE 107242, "Launch of Mission Strategic Planning," October 21, 2021.

Security and Emergency Planning

The Ambassador and DCM led and participated in security and emergency preparedness programs as defined in the Department's guidelines in 12 Foreign Affairs Handbook (FAH)-1 H-721a. OIG found that the Ambassador and DCM held daily meetings in the embassy on security-related issues with key senior staff. OIG also determined that they participated regularly in embassy-wide drills. The Senior Regional Security Officer led a review of the Emergency Action Plan following a crisis management support team¹¹ visit in fall 2022, and the embassy conducted a crisis management exercise in March 2023 to test the plan's assumptions and actions. OIG found the Emergency Action Plan was complete and met Department requirements. The companion classified report addresses security and emergency planning issues.

Equal Employment Opportunity and Diversity, Equity, Inclusion, and Accessibility

OIG found the Ambassador and DCM supported Equal Employment Opportunity (EEO) practices consistent with 2 FAM 1511.1a, 2 FAM 1515c, and cable 21 STATE 60514.¹² Embassy Baghdad's EEO team included two EEO counselors and two LE staff EEO liaisons. An additional eight liaisons were awaiting training at the time of the inspection. The DCM held quarterly meetings with the EEO counselors.

Many staff told OIG the Ambassador and DCM promoted diversity, equity, inclusion, and accessibility (DEIA) principles. The Ambassador met with an ad hoc group of volunteers in 2022 to discuss DEIA issues and supported their establishing a formal DEIA Council. She also met with the mission's U.S. direct-hire staff to brainstorm ideas for recruiting more women for Mission Iraq assignments. The Ambassador also addressed staff concerns about sexual harassment in communications with the embassy community and in a town hall meeting.

Developing and Mentoring Foreign Service Professionals

OIG found the Ambassador's and DCM's actions to offer mentoring, advice, and counseling to the mission's two First- and Second-Tour officers were consistent with 3 FAM 2242.5 and the Department's leadership principles in 3 FAM 1214b(8), which require leaders to value and develop people through mentoring, coaching, and other opportunities.

¹¹ According to 12 FAH-1 H-023.1-2, the Operations Center's Office of Crisis Management and Strategy provides expertise on organizational and procedural matters related to crisis management. The office assists posts and bureaus with contingency planning and trains and briefs Department personnel and other agencies on task force and evacuation procedures and policies.

¹² Cable 21 STATE 60514, "Policy Statements on Diversity and Inclusion and Equal Employment Opportunity and Harassment," June 11, 2021.

Executive Direction of Consulate General Erbil

The Consul General is the Principal Officer at Consulate General Erbil. He is a career member of the Senior Foreign Service and arrived in August 2022. His previous assignments included Foreign Policy Advisor for the Combined Joint Task Force-Horn of Africa in Djibouti and DCM in Nouakchott, Mauritania. The Deputy Principal Officer is a Foreign Service officer who served on the National Security Council staff as Director for Iraq and Syria prior to being assigned to Erbil.

Embassy Baghdad coordinated with leadership in Consulate General Erbil through frequent, regular conference calls between the DCM and the Principal Officer, a weekly Country Team videoconference, and in-country travel. OIG found the Principal Officer traveled within the consular district as permitted by security considerations. OIG's review of calendars showed he had meetings and activities with a variety of government and non-government entities, consistent with Department guidance in 2 FAM 113.9(2) and (3). OIG's observations and interviews with staff at the embassy and consulate general confirmed the Principal Officer supported the security programs at the consulate.

Consulate General Erbil Was Generally Well Run

OIG reviewed the operations of the consulate general and found it was generally well run, except for the leadership deficiencies noted below. Washington officials and stakeholders praised the Erbil staff for their reporting on energy issues and for their attention to regional politics. OIG found the consulate general staff successfully supported the Ambassador and other high-level official visitors in Erbil for meetings with political leadership, including the visit of the Assistant Secretary for Near Eastern Affairs that occurred just prior to the inspection.

The consulate general staff remarked on the Principal Officer's outreach through public presentations and interactions with local officials. Washington stakeholders and mission personnel characterized the Deputy Principal Officer as an expert on the region whose knowledge and experience gave the mission a clear sense of direction on strategic objectives. They valued her advice and the support she gave to the Principal Officer on political diplomacy issues and her management of the consulate.

Principal Officer Did Not Fully Comply With Leadership Principles

OIG found the Principal Officer did not fully comply with the Department's leadership and management principles in 3 FAM 1214b(1), (4), (6), and (9) regarding modeling integrity, communication, self-awareness, and managing conflict. Staff described him as resistant to feedback or constructive criticism and not fostering an atmosphere of collaboration within the consulate general. Staff were also aware of the Principal Officer's often-strained relationship with the Deputy Principal Officer, which they viewed as contributing to low staff morale. For example, the Principal Officer restricted the Deputy Principal Officer to internal management of the consulate, limiting the usefulness of her experience in regional political affairs.

Consulate General personnel also reported that the Principal Officer used language they characterized as abusive and bullying. The Principal Officer told OIG that he met with the

consulate general team in February 2023, and in that meeting, he acknowledged to his staff the need to adjust his leadership and communication style. He told OIG that he initiated pre-brief “huddles” prior to diplomatic engagements to encourage discussion and dissent. Where his decisions or behavior had already caused controversy, the Principal Officer said he worked with his senior staff on courses of action to address the effects of his previous actions and improve his future decisions and behavior.

OIG noted that the Ambassador and DCM had counseled the Principal Officer on his leadership deficiencies and at the time of the inspection, he told OIG he was working with an executive coach through the Foreign Service Institute to address those deficiencies. Because the Principal Officer committed to working with the DCM and an executive coach, OIG did not make a recommendation to address this issue.

POLICY AND PROGRAM IMPLEMENTATION

OIG assessed Mission Iraq’s policy and program implementation through a review of the advocacy and analysis work of the Political, Economic, and Public Diplomacy Sections, the U.S. citizen and visa services provided by the Consular Section, and the embassy’s coordination and implementation of foreign assistance programs. OIG found the mission generally met Department requirements for policy and program implementation. However, OIG made recommendations to address issues in the Political, Economic, Public Diplomacy, and Consular Sections and issues related to the coordination and implementation of foreign assistance programs, as discussed below.

Political and Economic Sections

OIG reviewed leadership and management, policy implementation, reporting and advocacy, Leahy vetting,¹³ and commercial promotion functions at Embassy Baghdad’s Political and Economic Sections and at Consulate General Erbil’s Political-Economic Section. Through interviews with Department officials and interagency partners, OIG determined that, overall, the sections regularly engaged with Washington and collaborated with other agencies. OIG also concluded that the mission’s reporting and advocacy work supported ICS goals and U.S. commercial interests. As mentioned in the Executive Direction section of this report, personnel in the sections reported that they did not have sufficient resources to meet all the work requirements placed upon them. However, OIG determined that the Ambassador was taking action to address the problem.

¹³ The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the United States from furnishing certain assistance to a unit of a foreign security force if the Department has credible information that the unit has committed a gross violation of human rights. See 22 United States Code (U.S.C.) § 2378d and 9 FAM 303.8-5(B). Leahy vetting is the process of determining if the Department has credible information that units or individuals proposed to benefit from certain assistance have committed a gross violation of human rights. The Department helps implement a similar law applicable to “amounts made available to the Department of Defense” for assistance to foreign security forces. See 10 U.S.C. § 362.

In discussions with OIG, Department and other agency officials praised the mission's reporting for its quality, relevance, and usefulness, highlighting reporting on the Iraqi government formed in October 2022, as well as on energy, financial reporting, human rights, regional politics, and climate issues. Interagency partners and Department officials also complimented the embassy's policy engagement, including with the new Iraqi government. Finally, officials commended the mission for its commercial and intellectual property work, coordination on trade and investment issues, and for its work on trafficking in persons, Syria repatriation issues, and religious freedom.

OIG reviewed 311 cables sent by the embassy and consulate general from September 2022 through February 2023, and found the reporting to be relevant to mission strategic objectives, with extensive coverage across a range of pertinent issues. Although consumers understood the reporting's emphasis on the new government in this timeframe, some officials told OIG they hoped to see a greater proportion of analytical reports in the future. Despite the embassy's generally strong political and economic work, OIG found two areas requiring attention, as described below.

Political Counselor at Embassy Baghdad Did Not Exhibit Required Leadership Principles

OIG found that the Political Counselor at Embassy Baghdad did not set a positive and professional tone in her section in accordance with Department leadership and management principles in particular 3 FAM 1214b(1), (6) and (9). These principles state that leaders should hold themselves to the highest standards of conduct by demonstrating self-awareness, including by being open, sensitive to others, and by valuing diversity. Leaders are also expected to anticipate, prevent, and discourage counterproductive confrontation. OIG determined that the Political Counselor did not appreciate the effect of her actions on section operations. Specifically, embassy personnel told OIG about her mistreatment of several Political Section staff, which they described as bullying. They also reported that the Political Counselor publicly belittled section personnel, as well as other embassy employees, and denigrated diversity values. The Front Office—specifically, the Ambassador and the DCM—had been counseling the Political Counselor on these matters before the arrival of OIG. By not respecting leadership principles, OIG found that the Political Counselor created an atmosphere of tension and fear within the section that detracted from its ability to function well under its heavy workload.

Recommendation 1: Embassy Baghdad should manage the Political Section in accordance with the Department's leadership and management principles. (Action: Embassy Baghdad)

Mission's Leahy Vetting Standard Operating Procedure Was Out of Date

The mission's Leahy vetting standard operating procedure was out of date and did not reflect actual practice. For example, the standard operating procedure required the Consular Section to participate in the vetting process; however, the section had stopped participating in the vetting process due to staff downsizing. The Department's Leahy Vetting Guide also requires the mission to have a written standard operating procedure, but the mission had not assigned responsibility for keeping the standard operating procedure up to date. Although OIG found no

problems with the mission's Leahy vetting implementation, having an outdated written procedure could cause new personnel to improperly implement Leahy vetting requirements.

Recommendation 2: Embassy Baghdad should update its Leahy vetting standard operating procedure in accordance with the requirements of the Leahy Vetting Guide. (Action: Embassy Baghdad)

Public Diplomacy

OIG reviewed the Embassy Baghdad and Consulate General Erbil Public Diplomacy Sections' leadership, strategic planning, reporting, resource and knowledge management, federal assistance awards, educational and cultural programs, and media engagement. OIG determined that the sections' work supported the mission's ICS goals, with both sections collaborating on mission-wide public diplomacy efforts. Washington stakeholders praised the continuous flow of information among the embassy and consulate general staff, Washington interlocutors, and Bureau of Near Eastern Affairs leadership.

Embassy Baghdad's Public Diplomacy Section experienced significant staffing vacancies in both U.S. direct-hire and LE staff positions during the 5 years prior to the inspection, driven by COVID-19 and security-based staffing policies.¹⁴ Although the staffing shortages contributed to the deficiencies identified below, OIG observed that the section remained high performing in support of the Ambassador's engagement with both government and civil society representatives, as described in the Executive Direction section of this report. The Public Diplomacy Section in Erbil did not experience staffing shortages.

Overall, OIG found that the mission's Public Diplomacy Sections met Department standards and guidance with the following exceptions.

Grant Monitoring Plans Lacked Documentation of Appropriate Risk Mitigation Measures

OIG found that monitoring plans for the Public Diplomacy Sections' grants did not consistently include risk mitigation measures. OIG reviewed 27 out of a total of 76 grants for the period of October 1, 2020, through March 17, 2023.¹⁵ OIG determined that the Baghdad and Erbil Public Diplomacy Sections generally administered federal assistance in line with Department standards, including performing annual risk assessments. However, the sections' monitoring plans did not document risk mitigation measures for the assessed risk.¹⁶ Of the grants

¹⁴ From 2018 to 2022, public diplomacy U.S. direct-hire and LE staffing dropped from 9 to 6 and 17 to 8, respectively. This represented a 46 percent reduction of the embassy's public diplomacy staff.

¹⁵ The total value of the 27 grants reviewed was \$42.21 million; the total universe of 76 grants was \$49.44 million. The reviewed grants included all grants more than \$900,000 assigned by the grants management system to Embassy Baghdad and all grants more than \$500,000 assigned to Consulate General Erbil. Moreover, the figure of \$49.44 million covered all open public diplomacy grants at the time of the inspection in March 2023, including multiyear grants with initial funding from previous fiscal years.

¹⁶ According to the Federal Assistance Directive, "[t]he monitoring plan should be based on the risk assessment, and include mitigation strategies, schedules of vital construction activities (inspections, meetings, etc.), a site visit

reviewed, OIG identified 113 risk-assessment and monitoring-plan documents. Of these, 82 (72.5 percent) had identical, but unmodified, monitoring plans that did not address the specific risk as required by the Federal Assistance Directive. Staff told OIG that staffing shortages and a lack of awareness of risk mitigation requirements contributed to the deficiency. Failure to identify and mitigate risk could increase the potential for fraud, waste, and abuse of federal funding, as well as jeopardize compliance with Department guidance on the risks of inadvertent or incidental terrorist financing.¹⁷

Recommendation 3: Embassy Baghdad should document risk mitigation measures for the mission’s public diplomacy grants in accordance with Department standards. (Action: Embassy Baghdad)

Mission Iraq Did Not Document Section Activities in Public Diplomacy Tools As Required

The two Public Diplomacy Sections failed to document their activities within the Public Diplomacy (PD) Tools application.¹⁸ Although the sections conducted strategic planning in support of ICS objectives, staff did not document activities and generate project codes as required by 23 STATE 5974.¹⁹ Employees told OIG that staffing vacancies and lack of familiarity with PD Tools contributed to this deficiency. Failure to document activities and generate project codes in financial systems limited the Department’s ability to track activities aligned with foreign policy objectives. During the inspection, public diplomacy staff underwent training and began documenting section activities as required. As a result of these actions, OIG did not make a recommendation to address this issue.

Spotlight on Success: Public Diplomacy and Front Office Collaboration Increased Public Awareness of Mission Efforts

The Embassy Baghdad Front Office brought renewed emphasis to public outreach to promote bilateral cooperation and policy advocacy with Iraqi audiences. The Front Office instructed all embassy sections to incorporate public diplomacy ideas and programs into their strategic planning processes and required public diplomacy input on all Front Office public outreach. An example of the success of this approach was the Ambassador’s Twitter account, with her tweets driving news cycles across Iraqi media outlets and sparking discussions among allies and adversaries alike. The account’s visibility prompted Iraqi government leaders to increase

schedule (as applicable), and other activities necessary for successful management of the award.” Federal Assistance Directive(FAD) (October 2022), Chapter 2, Section E. 3.

¹⁷ According to the Federal Assistance Directive, “[c]onsistent with Department guidance on State Funding and the Risks of Terrorist Financing. . . , for all State Department funded programs and requirements, Department bureaus must assess the likelihood that the funds or Department funded activities, goods, services, training, expert advice or assistance, or other benefits to be provided, could inadvertently or incidentally benefit terrorist organizations or their members or supporters, and put in place appropriate risk mitigation measures to mitigate such risk.” FAD (October 2022), Chapter 2, Section J. 5.

¹⁸ PD Tools is the Department’s platform for public diplomacy strategic planning. Under Secretary for Public Diplomacy and Public Affairs’ Office of Policy, Planning, and Resources (R/PPR) Help Desk SharePoint Site, “PD Tools.”

¹⁹ Cable 23 STATE 5974, “FY 2023 PD Implementation Plan Process Kudos,” January 19, 2023.

their own digital media visibility, changing the way they communicate with their constituencies and elevating transparency and dialogue on key issues.

Spotlight on Success: Embassy Baghdad and USAID Iraq Coordinated Social Media Efforts, Which Increased Public Diplomacy Outreach and Engagement

Embassy Baghdad and USAID Iraq formalized methods for increased public diplomacy cooperation. They signed a memorandum of understanding for information sharing, combined posting efforts on a single Instagram account to reduce duplication and used new social media platform tools to leverage international organization partners. This collaboration supported the mission-wide focus on outreach, increased whole-of-government visibility, and reduced the burden of generating new content. The collaboration also allowed the embassy and USAID Iraq to focus on content quality rather than quantity, so each could create complementary social media content. Moreover, USAID Iraq's content elicited increasingly positive responses from online audiences and above-average engagement rates for the embassy Instagram account.

Consular Operations

OIG reviewed consular operations at Embassy Baghdad and Consulate General Erbil, including section leadership, U.S. citizen services, crisis preparedness, management controls, visa services, outreach, and fraud prevention programs. OIG found that the Baghdad Consular Section was well run, and the Consul General provided strong leadership.²⁰ The Consul General led the section in a proactive, transparent, inclusive manner, and fostered teamwork among all consular staff. For example, the Consul General prepared and conducted exercises for Consular Leadership Day that staff found informative and effective.

As mentioned earlier in this report, a December 2019 attack destroyed the public access gate to the Baghdad Consular Section, resulting in the suspension of most consular operations, including visa services. Limited visa services resumed in October 2022. During the nearly 3-year shutdown, consular adjudicator staffing²¹ dropped from 11 to 3 adjudicators. Since the resumption of services in 2022, consular staff have focused on the systematic reopening of the section to the public and providing the full range of consular services.²²

During the inspection, the Baghdad Consular Section corrected five deficiencies that OIG identified. The section:

²⁰ The Consul General in Baghdad is also the countrywide Consular Coordinator for all consular operations in country, as defined in 7 FAH-1 H-135. The Consular Coordinator is the senior-most consular officer in a multi-post mission, and they manage consular operations in all missions with constituent posts.

²¹ The Consul General is not included in the adjudicator staffing number.

²² At the time of the inspection, the Baghdad Consular Section offered appointments for nonimmigrant visas, immigrant visas, U.S. citizen services and passports. Whether the embassy can process the same caseload numbers as it did before the suspension of services in December 2019 depends on whether the Bureau of Consular Affairs decides to increase staffing to pre-December 2019 levels.

- Posted the genital mutilation fact sheet in the consular waiting room, as required by 9 FAM 504.10-4(A)(1).
- Moved the immigrant visa printer to enhance line of sight, in accordance with 7 FAH-1 H-281.
- Ordered new cashier lockboxes to comply with 4 FAM 317.2-3.
- Requested permission from the Bureau of Consular Affairs' Comptroller's Office to continue maintaining cashier files electronically (versus keeping them in hard copy), in accordance with 7 FAH-1 H-746.2.
- Updated the U.S. Citizens Services section of the website to include air ambulance and evacuation service providers, in accordance with 7 FAM 311.1(4).

OIG determined that consular operations in both Baghdad and Erbil generally complied with guidance contained in 7 FAM, 9 FAM, 7 FAH, applicable statutes, and other Department policies, with the exceptions noted below.

Mission's Consular Sections Did Not Meet Department Standards for Crisis Preparedness

Although both the Baghdad and Erbil Consular Sections had conducted some crisis preparedness training and exercises, neither sections' crisis preparedness efforts met Department standards. According to 7 FAM 1811c, planning and preparedness are essential in a crisis or disaster. In addition, 7 FAM 1814.3, 7 FAM 1812.1-5, and 7 FAM 1812.3-3 require a portable disaster assistance kit for conducting consular operations offsite. Furthermore, guidance in 7 FAM 1812.1-1a and b states that all consular staff should read the consular portion of the Emergency Action Plan and know their roles in the event of a crisis.

In Baghdad, some consular employees—both U.S. direct-hire and LE staff—told OIG they were not familiar with the Emergency Action Plan or the companion evacuation plan and did not know what their specific roles might be in a crisis. Staff also noted the section did not have sufficient equipment at the designated offsite location to respond to a crisis.

At the time of the inspection, the Erbil Consular Section was updating its consular crisis preparedness scorecard.²³ As in Baghdad, not all staff were familiar with their crisis response roles, and the section had neither a designated offsite location for crisis response nor sufficient equipment if an offsite location were needed for an evacuation of U.S. citizens. In addition, most consular staff were unfamiliar with the contents of disaster assistance kits, which contain the supplies, equipment, and information a consular officer would need to function offsite. Both the Consul General in Baghdad and consular personnel in Erbil attributed crisis preparedness deficiencies to the disruption caused by the suspension of consular services from December 2019 until October 2022 and prolonged U.S. direct-hire staffing shortages, as

²³ The consular crisis preparedness scorecard is an online predefined checklist that assists consular sections to track and organize progress on readiness indicators, including equipment, communication, technology, staffing, intra-mission coordination, and training.

described earlier in this report. Failure to properly prepare for a crisis puts U.S. citizens at risk during an emergency.

Recommendation 4: Embassy Baghdad should bring consular crisis preparedness at the Baghdad and Erbil Consular Sections into compliance with Department standards. (Action: Embassy Baghdad)

Consular Sections Had Inadequate American Liaison Network Coverage

OIG found Mission Iraq did not have adequate American Liaison Network²⁴ coverage. The Baghdad Consular Section, which had been without an American Liaison Network since 2014, began rebuilding its network in 2023, but at the time of the inspection had recruited only one consular liaison volunteer for a district with an estimated number of U.S. citizens significant enough to warrant more consular liaison volunteers. The Erbil Consular Section, with no previous American Liaison Network, began to build its network in 2022, and at the time of the inspection had three consular liaison volunteers for a district that also has an estimated number of U.S. citizens significant enough to warrant more consular liaison volunteers. Given the size of the U.S. citizen population and the security situation countrywide, the number of volunteers did not provide adequate coverage in accordance with 7 FAM 071c. At the time of the inspection, both the Baghdad and Erbil Consular Sections agreed with OIG that they needed to focus on rebuilding their American Liaison Networks and recruiting consular liaison volunteers. Although Embassy Baghdad told OIG it had been looking for candidates to serve as consular liaison volunteers, the section cited competing priorities such as reopening and providing the full range of services and appointments to the public. Both Consular Sections also cited the difficulty in overcoming potential volunteers' security concerns. The lack of an adequately sized American Liaison Network could lead to a failure to protect U.S. citizens in time of crisis.

Recommendation 5: Embassy Baghdad should expand the American Liaison Network in Baghdad and Erbil in accordance with Department standards. (Action: Embassy Baghdad)

Mission's Consular Sections Did Not Have Written Fraud Prevention Strategies and Standard Operating Procedures

The Consular Sections in Baghdad and Erbil did not have written strategies or standard operating procedures for their fraud prevention programs. Department standards in 7 FAH-1 H-941a(1) and 7 FAH-1 H-941.1c state that each embassy and consulate must define its fraud prevention program in a written fraud prevention strategy that is implemented through standard operating procedures, to govern all fraud prevention activities. Both Consular Sections attributed their noncompliance with this requirement to competing priorities—specifically for Baghdad, they were focused on restarting visa operations after the shutdown. The absence of

²⁴ The American Liaison Network, formerly known as the warden system, is a country-based network of volunteers known as consular liaison volunteers composed of representatives from key U.S. citizen constituencies, including faith groups, business communities, retirees, and students. The program facilitates regular two-way communication between embassies and U.S. citizen constituencies abroad on topics such as security, health, voting, and travel.

an overall strategy and established procedures for fraud prevention increases the risk that individual cases of fraud, as well as fraud trends, will not be identified and that time and effort devoted to fraud prevention will be allocated improperly.

Recommendation 6: Embassy Baghdad should implement a written fraud prevention strategy and standard operating procedures at the Baghdad and Erbil Consular Sections, in accordance with Department standards. (Action: Embassy Baghdad)

Consular Section in Erbil Lacked Internal Controls to Prevent Potential or Perceived Manipulation of Procedures by Non-Consular Personnel

Consular management in Erbil did not implement internal controls to prevent potential or perceived manipulation of consular procedures by the local guard force or other service providers on the premises, in accordance with Department standards. Standards in 9 FAM 403.3-4e(3) states that internal controls procedures must exist to prevent manipulation of procedures by guards, courier service personnel, or other service providers in consular spaces. The Consular Section waiting room in Erbil was constructed without good lines of sight and did not have an automatic customer numbering system. Consequently, local guard force staff assigned to the customer waiting area to provide security and crowd control also distributed numbered cards to visa applicants and then escorted them to the interview windows. Local guard force involvement in consular workflow was a practical solution to the workflow issue but presented a vulnerability and may provide a perception that non-consular staff can influence the visa process.

Recommendation 7: Embassy Baghdad should implement internal controls procedures at Consulate General Erbil to prevent potential or perceived manipulation of consular procedures by non-consular personnel. (Action: Embassy Baghdad)

The Baghdad Consular Section Did Not Conduct Required Validation Study on Issued Nonimmigrant Visas

The Baghdad Consular Section, in the 12 months prior to the inspection, had not conducted a second validation study on issued nonimmigrant visas in accordance with Department standards. Standards in 7 FAH-1 H-943.6-2b require consular sections to conduct such studies each year to analyze entry and exit data for visa holders to determine whether they used their visas in accordance with the law. Section management was aware of this requirement and had collected the information needed to do a second validation study but had not yet initiated the study due to competing priorities. Failure to conduct validation studies means the embassy is unable to determine whether officers are adjudicating visa applications appropriately or if additional training is needed.

Recommendation 8: Embassy Baghdad should conduct its second validation study on issued nonimmigrant visas. (Action: Embassy Baghdad)

Foreign Assistance

Iraq ranks as the fifth largest recipient of U.S. foreign assistance among the 18 countries in the Middle East and North Africa region. From FY 2018 to FY 2022, the Department managed foreign assistance programs in Iraq totaling \$1.86 billion. During this same period, USAID provided approximately \$1.33 billion, and the Department of Defense programmed more than \$1.5 billion in security services through training assistance and arms transfers.

In FY 2022, Department bureaus²⁵ managed a total of 99 foreign assistance programs with a value of \$279 million. The Bureau of Population, Refugees, and Migration²⁶ had dedicated staff in both Baghdad and Erbil, which enhanced program oversight and coordination with USAID. However, bureaus without an in-country presence relied on personnel in the mission's Political and Economic Sections for on-site program support—including host government engagement and contact with grantees—but these personnel were not always available to provide program support.²⁷ As described below, OIG found that, although foreign assistance was aligned with the mission's ICS, the embassy lacked a coordination process for the large number of Washington-based programs. OIG also found that foreign assistance award files maintained by Department bureaus in Washington did not always include required monitoring data.

Embassy Baghdad Lacked a Foreign Assistance Program Coordination Process

OIG found that the embassy's foreign assistance program coordination process was not systematic, did not include all Washington-based bureaus, and did not maintain a record of the mission discussions and decisions regarding foreign assistance. More than 20 of the mission's ICS objectives were dependent on these foreign assistance programs. Consistent with 1 FAM 013.2k(6), the mission should play a significant role in directing and supervising foreign assistance. Also, based on 1 FAM 166.5 and 1 FAM 166.9, the Bureau of Near Eastern Affairs has a responsibility for assistance coordination for Iraq and has specialized offices for grants management, project monitoring, and evaluation. However, OIG's interviews with bureau officials and embassy staff revealed foreign assistance program coordination problems between the mission and Department bureaus. Embassy staff told OIG of one case where a bureau did not readily share its programming details because the bureau viewed this information as sensitive. Other embassy staff told OIG they were unsure if they had authority to become involved in foreign assistance programs, and they often lacked program monitoring data from the responsible bureaus. Embassy staff also told OIG that personnel shortages and frequent turnover limited their participation in proposal reviews and program coordination with Washington. Although the embassy had established both a Development Assistance Working

²⁵ The Washington-based bureaus and offices include the Bureaus of Counterterrorism; Democracy, Human Rights, and Labor; Economic and Business Affairs; International Narcotics and Law Enforcement Affairs; International Security and Nonproliferation; Near Eastern Affairs; Political-Military Affairs; Population, Refugees, and Migration; and the Office to Monitor and Combat Trafficking in Persons.

²⁶ The Bureau of Population, Refugees, and Migration was responsible for two-thirds of the Department's Iraq foreign assistance in FY 2022.

²⁷ Guidance in 2 FAM 113.1c(3) and (4) directs chiefs of mission to keep fully informed of all U.S. government activities and managing all Executive Branch resources within their assigned country.

Group and a Security Assistance Working Group to provide mission-wide awareness of foreign assistance programs, these groups did not routinely include Washington participation. As a result, the embassy did not receive regular input from Washington-based bureaus without an in-country presence, which were responsible for one third of Department-managed foreign assistance in Iraq. Without a systematic coordination process focused on foreign assistance programs in Iraq, both the embassy and Washington-based bureaus risked losing oversight of assistance programs key to the ICS.

Recommendation 9: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs, should implement a coordination process to improve oversight of Department-funded foreign assistance programming in Iraq, in accordance with Department guidance. (Action: Embassy Baghdad, in coordination with NEA)

Foreign Assistance Award Files Were Missing Program Monitoring Data

OIG reviewed 47 of 99 foreign assistance award files maintained by Department bureaus in Washington and found they did not include required monitoring data.²⁸ Specifically, 24 of the 47 award files reviewed lacked monitoring data.²⁹ OIG determined that two bureaus kept monitoring reports in award tracking systems that were outside the official system of record. Another bureau misfiled program performance and monitoring reports, and some monitoring plans OIG reviewed did not accurately reflect award activities. However, in 15 of the 24 cases, the monitoring data was simply missing from the official award files.

The Federal Assistance Directive³⁰ requires that grants officers and grants officer representatives maintain monitoring and evaluation data in the official federal award file in the State Assistance Management System. Furthermore, 18 FAM 301.4-5 requires that bureaus and independent offices, in consultation with overseas posts, analyze monitoring and evaluation data to assess progress and project future results that affect program implementation. Both Washington and Iraq-based staff said that the COVID-19 pandemic and security concerns limited on-site monitoring by U.S. direct-hire staff. As a result, bureau program managers often relied on electronic communication and site visits by third-party monitors, who were contractors, which made tracking monitoring data more difficult. Because bureau program managers did not always update program monitoring and evaluation data, such as risk assessments and monitoring plans, in the official system of record, this data was not available in accordance with Department standards. As a result, both bureau program managers and Mission Iraq personnel were at risk of not having reliable access to the program monitoring data needed to analyze the performance of foreign assistance programs in Iraq.

²⁸ Monitoring data includes grants officer representatives' assessments of reporting, memos, email exchanges on important issues, and program site visit reports.

²⁹ According to 18 FAM 301.1-1, rigorous monitoring and evaluation practices are necessary to strengthen decision-making on strategic priorities.

³⁰ FAD (October 2022), Chapter 2, Section O and Chapter 4, Section D.

Recommendation 10: The Bureau of Near Eastern Affairs, in coordination with Embassy Baghdad and the Bureaus of Counterterrorism; Democracy, Human Rights, and Labor; Economic and Business Affairs; International Narcotics and Law Enforcement Affairs; International Security and Nonproliferation; Political-Military Affairs; and Population, Refugees, and Migration, should implement a process to confirm that monitoring data for foreign assistance programs in Iraq is recorded in the official system of record as required by Department standards. (Action: NEA, in coordination with Embassy Baghdad, CT, DRL, EB, INL, ISN, PM, and PRM)

RESOURCE MANAGEMENT

OIG reviewed Mission Iraq's internal control systems in facility management, general services, human resources, financial management, and employee association operations. During the inspection, the embassy corrected two issues identified by OIG. Specifically, the embassy:

- Reviewed and reissued its motor vehicle policy, in accordance with 14 FAM 435.1a.
- Reviewed \$1.3 million worth of unliquidated obligations with no activity in the previous year and identified \$193,000 worth of invalid unliquidated obligations for de-obligation, as required by 4 FAM 225d.

Management operations relied on two Department-awarded contracts³¹ for some functions that are usually performed by direct-hire employees. For example, the Facility Management Office relied on a contractor to perform all preventive maintenance for facilities in Baghdad. Because of the complexity and high dollar value of these contracts, the embassy had a dedicated Contract Management Office with staff assigned as contracting officer's representatives (COR) and alternate contracting officer's representatives to monitor the contracts. This office, headed by a director, was under the purview of the embassy's Management Counselor and the Deputy Management Counselor. The embassy's COR program is discussed further later in this report.

Overall, OIG found the mission's Management Sections generally implemented required processes and procedures in accordance with applicable laws and Department standards, with the exceptions noted below. Mission staff attributed most deficiencies to a lack of oversight by section leadership, competing work priorities, the COVID-19 pandemic, and staffing shortages caused by ordered departures and the Department-imposed staffing cap.³²

³¹ The two contracts were the Operations and Maintenance Support Services contract and the Baghdad Life Support Services contract. These contracts provided services in various areas including facility maintenance, vehicle maintenance, fuel management, and food services for the BEC and BDSC. Unlike the embassy, Consulate General Erbil relied on direct hire employees to perform functions under the purview of the Management Section.

³² According to mission staff, the number of management U.S. direct-hire positions decreased by 22 positions, from 84 to 62 mission wide.

Facility Management

Baghdad Embassy Compound's Use of Generators Was Costlier Than Procuring Power From the Local Utility Company

OIG found the embassy's use of generators to power the BEC was costlier than procuring electrical power from the local utility company.³³ The embassy operated a 10-generator power plant that required approximately 30 contractors to run. According to documentation provided to OIG by embassy staff, the embassy spent approximately \$21 million to purchase diesel fuel for the power plant in 2022, to generate 60,531 megawatt hours—or a cost of \$0.35 to generate 1 kilowatt hour.³⁴ However, according to embassy staff, the local utility company would charge \$0.09 per kilowatt hour, or a total of \$5.5 million to purchase the same amount of megawatt hours. Although embassy staff estimated that the upfront cost to connect to the local grid would be approximately \$35 million, that cost would likely be recouped within a few years given the estimated savings of \$15.5 million annually.³⁵ Additionally, connecting to the local grid, which reliably powers other embassies in the international zone, would reduce the environmental and health concerns raised by the embassy's reliance on a diesel fuel power plant as the primary power source. For these reasons—the significant potential cost savings and the reduced carbon footprint—OIG concluded that there would be merit in the Department formally studying the procurement of electrical power from the local utility company to determine whether it would be feasible to make the switch. OIG's preliminary estimate showed that if the embassy used the local power grid, up to \$42 million could be saved over 5 years.³⁶

Recommendation 11: The Bureau of Overseas Buildings Operations, in coordination with Embassy Baghdad and the Bureau of Near Eastern Affairs, should conduct a cost-benefit analysis and determine the feasibility of connecting the Baghdad Embassy Compound to the local power grid. (Action: OBO, in coordination with Embassy Baghdad and NEA)

Embassy Safety, Health, and Environmental Management Program Did Not Comply With Department Standards

The embassy's safety, health, and environmental management (SHEM) program did not comply with Department standards. Specifically, OIG found that:

³³ Also see OIG, *Audit of the Planning, Design, Construction, and Commissioning of the Central Power Plant at U.S. Embassy Baghdad, Iraq* (AUD-GEER-24-02, November 2023).

³⁴ The cost per kilowatt hour did not include funds expended for the required maintenance of the plant and staffing costs. According to embassy staff, required maintenance cost amounted to approximately \$0.10 per kilowatt generated. Embassy staff estimated that staffing could be reduced by approximately 50 percent with a connection to the local grid.

³⁵ The estimated savings is based on the reduced cost to purchase the megawatt hours from the local grid. It does not take into account the estimated reduction in staffing to operate the power plant as a back-up power source.

³⁶ OIG's estimate is based on the embassy's megawatt hours used in 2022. To arrive at the \$42 million, OIG multiplied the estimated annual savings of \$15.5 million by 5 years and subtracted the upfront cost of \$35 million to connect to the local grid.

- The embassy's SHEM committee did not meet at least semiannually, as required by 15 FAM 933.2a. The committee had met just annually since 2019.
- The embassy did not include the BDSC's Post Occupational Safety and Health Officer (POSHO) in SHEM committee meetings, as required by 15 FAM 933.2b(2).
- The embassy did not certify all non-residential locations, such as office buildings and workshops, in the POSHO Certification Application,³⁷ as required in 15 FAM 971b-c.

Embassy staff told OIG these deficiencies occurred because of disruptions caused by the COVID-19 pandemic and reduced staffing during ordered departures. Failure to comply with SHEM program standards increases the risk of injury and loss of life.

Recommendation 12: Embassy Baghdad should bring its safety, health, and environmental management program into compliance with Department standards. (Action: Embassy Baghdad)

Embassy Did Not Have Authorization to Use Shipping Containers at Baghdad Embassy Compound and Baghdad Diplomatic Support Center

The embassy used shipping containers for permanent storage without authorization from the Bureau of Overseas Buildings Operations (OBO). The Department issued guidance in September 2018 and again in October 2021³⁸ stating that it does not support using shipping containers as occupied structures or to accommodate functional needs, such as permanent storage. Overseas posts must request approval for the use of such shipping containers or dispose of them. Embassy staff were unable to provide the exact number of shipping containers used at the BEC and BDSC but acknowledged the embassy used hundreds. Embassy staff told OIG they did not request authorization from OBO to use the containers because of more pressing priorities. In September 2023, OIG issued an audit report that highlighted deficiencies related to the Department's use of temporary structures, such as containerized housing units, hardened alternative trailers, and shipping containers, at overseas posts, including in Baghdad.³⁹ Using unapproved shipping containers for permanent storage increases the risk of damage to U.S. government property.

Recommendation 13: Embassy Baghdad should obtain authorization from the Bureau of Overseas Buildings Operations to use shipping containers as functional space or dismantle and remove them, in accordance with Department standards. (Action: Embassy Baghdad)

³⁷ The POSHO Certification Application is the Bureau of Overseas Buildings Operations' system of record for POSHO certifications. The POSHO must certify, in the application, that safety, health, and environmental hazards have been effectively controlled or eliminated prior to occupancy.

³⁸ Cable 18 STATE 98976, "Shipping Containers and Portable Structure Use and Occupancy Requirements," September 27, 2018; cable 21 STATE 103606, "FY 2022 Bureau of Overseas Buildings Operations Financial and Operational Guidance," October 8, 2021.

³⁹ OIG, *Audit of Physical Security Standards for Department of State Temporary Structures at Selected Overseas Posts* (AUD-SI-23-30, September 2023).

Consulate General Erbil Forklift Operators Lacked Required Refresher Training

OIG found that forklift operators at Consulate General Erbil did not take refresher training in operating, maintaining, and storing powered industrial trucks, such as forklifts. In accordance with 14 FAH-1 H-313.6-2c and d and 14 FAH-1 H-313.4a(2), forklift operators must be properly trained in operating, maintaining, and storing forklifts or other powered industrial trucks and take refresher training at least every 3 years. Consulate staff could not confirm when operators were last trained and told OIG they identified a local vendor that could provide the required training. However, consulate staff could not provide OIG with a specific date when forklift operators would be retrained. Failure to ensure proper employee training in the use of powered industrial trucks creates a potential workplace safety hazard.

Recommendation 14: Embassy Baghdad should comply with Department training standards on the use of powered industrial trucks, such as forklifts. (Action: Embassy Baghdad)

General Services

Mission Did Not Comply With Department Motor Vehicle Safety Standards

The mission did not fully comply with Department standards for its motor vehicle safety management program. OIG reviewed the mission's data in the Integrated Logistics Management System (ILMS)⁴⁰ and found the mission had 540 incidental (self-drive) drivers who did not have medical clearances or held expired clearances, contrary to 14 FAM 433.4a and c. Additionally, 228 incidental drivers did not complete the initial driver's safety training or the refresher training, as required by 14 FAM 433.5a. Mission staff told OIG this occurred because of inconsistent record keeping, competing priorities, and limited staffing during the COVID-19 pandemic. Failure to enforce Department motor vehicle safety standards increases the risk of injury to drivers and the public, as well as damage to U.S. government property.

Recommendation 15: Embassy Baghdad should comply with all Department motor vehicle safety management program standards for incidental drivers under chief of mission authority. (Action: Embassy Baghdad)

Embassy Did Not Manage Its Armored Vehicles in Accordance With Department Standards

The embassy did not manage its armored vehicles in accordance with Department standards. Specifically, OIG found the embassy's armored vehicles were not parked under a covered structure to prevent damage to the armor, contrary to 14 FAM 435.3b.⁴¹ Additionally, tires for

⁴⁰ ILMS is a unified web-based information system designed to integrate the Department's supply chain by improving processing in such areas as purchasing, procurement, warehousing, transportation, receiving, property management, personal effects, and diplomatic pouch and mail. ILMS is the only Department-approved system for property management accountability and consists of several modules.

⁴¹ According to 14 FAM 435.3b, armored vehicles must be parked under a covered structure to prevent delamination and other damage to the transparent armor. If covered parking is not available, post must coordinate with the Bureau of Overseas Buildings Operations for the construction of covered parking. Until covered parking

armored vehicles were not balanced, as required by 22 STATE 81588.⁴² Embassy staff told OIG the embassy did not have sufficient covered parking spaces to ensure adequate protection from the sun. As a result, the embassy incurred increased armored vehicle maintenance costs.⁴³ However, embassy staff had not contacted OBO to request the construction of additional covered parking spaces and were not using exterior front and rear sun shields or car covers to protect the armored vehicles temporarily. Staff also told OIG they were unaware that the contractor charged with vehicle maintenance did not balance vehicle tires. However, OIG determined this issue was brought to the embassy's attention by a technician with the Bureau of Diplomatic Security, Office of Physical Security Program, Defensive Equipment and Armored Vehicle Division during a November 2022 visit.⁴⁴ Failure to follow Department standards for managing armored vehicles increases the cost of vehicle operations and the risk of injury to vehicle occupants and the public.

Recommendation 16: Embassy Baghdad should manage its armored vehicles in accordance with Department standards. (Action: Embassy Baghdad)

Contracting Officer's Representative Program Did Not Comply With Department Standards

The mission's COR program did not comply with Department standards. At the time of the inspection, the mission had 10 CORs and alternate CORs⁴⁵ who oversaw 17 Washington-held contracts valued at more than \$2.9 billion and 14 CORs⁴⁶ who oversaw 20 post-held contracts valued at approximately \$14.2 million. OIG reviewed the contracts and found:

- CORs did not maintain 24 of 37 files in the ILMS COR e-Filing⁴⁷ module, as required by 14 FAH-2 H-142b(16)(b). Instead, CORs maintained paper and local electronic files.
- CORs and contracting officers did not complete mandatory performance reviews for contractors in the Contractor Performance Assessment Reporting System (CPARS)⁴⁸ for

can be constructed, exterior front and rear sun shields or car covers can be used to temporarily protect transparent armor.

⁴² Cable 22 STATE 81588, "2022 Annual Armored Vehicle Maintenance Guidance," July 22, 2022.

⁴³ According to documentation provided to OIG by embassy staff, replacing a delaminated transparent armor on a vehicle typically costs between \$6,000 and \$8,000.

⁴⁴ The Defensive Equipment and Armored Division manages the Department's armored vehicle program.

⁴⁵ These CORs and alternate CORs resided in Embassy Baghdad's dedicated Contract Management Office and supported contracting officers based in the Office of Acquisitions Management.

⁴⁶ These CORs were resident in Embassy Baghdad, Consulate General Erbil, and the Regional Support Unit in Amman, Jordan, and they supported contracting officers based in the mission.

⁴⁷ The COR e-Filing module provides a centralized repository for procurement documentation and a streamlined electronic COR files management checklist.

⁴⁸ The Contractor Performance Assessment Reporting System is the government-wide evaluation reporting tool for all past performance reports on contracts and orders. An annual performance assessment must be done in the system for each contract above the simplified acquisition threshold of \$250,000, according to 48 CFR § 42.1502(b) and 48 CFR § 2.101.

18 of 26 contracts requiring a review, in accordance with 14 FAH-2 H-572d⁴⁹ and 48 Code of Federal Regulations (C.F.R.) § 42.1502a.

Despite these issues, OIG's interviews with embassy staff and document reviews showed the embassy monitored contracts, received goods and services for which it had contracted, and addressed contractor performance issues. Embassy staff told OIG they were unaware of the mandate to maintain COR files in ILMS COR e-Filing. In addition, staff told OIG they could not complete the performance reviews in CPARS because of access issues. A non-compliant COR program reduces oversight of the contracting process and increases the risk of contract mismanagement.

Recommendation 17: Embassy Baghdad should bring its contracting officer's representative program into compliance with Department standards. (Action: Embassy Baghdad)

Property Management Did Not Comply With Department Standards

OIG found the mission's property management practices did not comply with Department standards. Specifically, OIG identified three issues:

- BDSC and Consulate General Erbil did not account for all expendable property,⁵⁰ such as small hardware supplies and office supplies, in the ILMS Expendable Management System, as required by 14 FAM 414.2-1a(2).
- The embassy maintained excessive stock of expendable property, contrary to guidance in 14 FAM 412a. For example, the embassy stocked 3,568 toner cartridges with an approximate value of \$704,000.
- Consulate General Erbil's receiving clerk did not systematically receive fuel deliveries, as called for in 14 FAM 413.3a. Instead, other consulate staff who were not designated as alternate receiving clerks received fuel deliveries.

Mission staff acknowledged these issues and told OIG they were in the process of addressing them but could not identify a date for resolution. Failure to adhere to the Department's property management standards increases the risk of mismanagement and theft of mission property.

Recommendation 18: Embassy Baghdad should bring its management of expendable property and fuel deliveries into compliance with Department standards. (Action: Embassy Baghdad)

⁴⁹ The contracting officer is responsible for ensuring the evaluation takes place, but the COR may be tasked with evaluating contractor performance. See 14 FAH-2 H572e, "Final Evaluation."

⁵⁰ Expendable property is property which, when put in use, is consumed, loses its identity, or becomes an integral part of another item of property. Examples are office supplies, automobile tires, and machine parts.

Baghdad Diplomatic Support Center's Motor Vehicle Inventory Exceeded Authorized Fleet Size

OIG found BDSC had an excess of official vehicles above the number authorized. Specifically, BDSC had an inventory of 173 motor vehicles, which was 13 above the 160-vehicle fleet target. The Department uses the vehicle allocation methodology⁵¹ survey to set the target fleet size based on industry fleet standards and post necessity, as stated in 14 FAM 436.2a. According to 14 FAM 431.6-2b(5) and (8), the mission vehicle accountable officer⁵² oversees overall fleet composition and size, and coordinates and oversees vehicle disposals. BDSC staff told OIG they were aware of the issue and were devising a plan to address it. However, BDSC staff were unable to provide a timeline for the disposal of excess vehicles. Retaining excess vehicles increases maintenance and management costs.

Recommendation 19: Embassy Baghdad should dispose of excess motor vehicle inventory at the Baghdad Diplomatic Support Center, in accordance with Department standards.
(Action: Embassy Baghdad)

Human Resources***Locally Employed Staff Position Descriptions Were Not Managed According to Department Standards***

Mission Iraq did not ensure LE staff position descriptions were accurate and classified in accordance with Department standards. In 2022, the Department authorized a 10 percent salary increase for Mission Iraq LE staff at grades FSN 10 through FSN 12. OIG reviewed position descriptions of 20 of the 39 Department LE staff who benefitted from the salary increase. OIG found that 15 of the 20 position descriptions had not been classified in accordance with Department standards, which may have resulted in salary increases for employees serving in positions that should be graded lower than FSN 10. In addition, OIG reviewed eight LE staff position descriptions at grades FSN 9 or below and found that three did not accurately reflect the employees' duties and responsibilities and five had not been classified in accordance with Department standards. OIG also observed that approximately 160 LE staff positions at Consulate General Erbil were classified at grade levels below the standard position descriptions issued by the Bureau of Global Talent Management, Office of Overseas Employment, which may have resulted in lower salaries paid to these employees.

According to 3 FAM 7312.2, all LE staff positions must be classified according to the standards and guidelines contained in 3 FAH-2 H-400. Standards in 3 FAM 7313.1(4) require supervisors of LE staff to ensure that position descriptions adequately and accurately reflect assigned duties and responsibilities. Management staff told OIG that supervisors did not have time to review or reclassify positions due to a combination of 1-year tours of duty, ordered departures, staffing caps, competing priorities, and the COVID-19 pandemic. Inaccurate or misclassified LE staff

⁵¹ The vehicle allocation methodology is a federally mandated process to determine appropriate size and composition of U.S. government fleets based on utilization.

⁵² The mission vehicle accountable officer is a U.S. direct-hire employee designated in writing by the chief of mission as responsible for oversight of all motor vehicle operations at a mission.

position descriptions directly affect LE staff levels of compensation and may result in potential loss of income to employees or unnecessary expenses to the U.S. government.

Recommendation 20: Embassy Baghdad should manage locally employed staff position descriptions in accordance with Department standards. (Action: Embassy Baghdad)

Mission Iraq Did Not Have a Formal Accreditation Agreement

OIG found that Mission Iraq did not have a formal written agreement with the government of Iraq detailing the accreditation process for the mission's U.S. direct-hire staff. To benefit from privileges and immunities, U.S. direct-hire staff must be accredited to the host country. According to Article 10 of the Vienna Convention on Diplomatic Relations, the Ministry of Foreign Affairs of the receiving state, or such other ministry as may be agreed, shall be notified of the appointment of all members of the mission, their arrival, and their final departure, or the termination of their functions with the mission. However, the embassy's Protocol Office sent an annual list of only 15 key officers to the Iraqi Ministry of Foreign Affairs' Protocol Office. The list contained the name, rank, and position title of the Ambassador, DCM, Minister Counselors, Attachés, and other section heads but did not provide their arrival or departure dates and was not inclusive of all U.S. direct-hire staff. Embassy staff told OIG that the Iraqi Ministry of Foreign Affairs considered all U.S. direct-hire employees holding a diplomatic passport to be fully accredited once they received an Iraqi diplomatic visa. Similarly, U.S. direct-hire employees holding an official passport were accredited as technical and administrative staff once they received an official Iraqi visa. However, the embassy was unable to provide documentation from the Iraqi Ministry of Foreign Affairs demonstrating the embassy did not need to provide notifications for all U.S. direct-hire staff. Absent formal confirmation from the Iraqi Ministry of Foreign Affairs, the mission cannot guarantee that U.S. direct-hire employees assigned to the mission would actually receive the privileges and immunities granted by the Vienna Convention on Diplomatic Relations.

Recommendation 21: Embassy Baghdad should obtain written confirmation from the government of Iraq that U.S. direct-hire employees assigned to the mission are accredited and will receive diplomatic privileges and immunities. (Action: Embassy Baghdad)

Local Compensation Plan Did Not Comply With Iraqi Labor Law

The mission's local compensation plan for LE staff did not comply with Iraqi labor law. Specifically, OIG found the embassy's local compensation plan did not include provisions related to the use of sick leave for care of family members and salary advance plans. In addition, existing provisions related to other types of leave, such as maternity leave or leave without pay, did not comply with local labor law. Standards in 3 FAM 7224.2-1a require that LE staff programs conform as closely as feasible to local law and prevailing practice but be based on and administered in accordance with U.S. laws and regulations. The embassy and the Bureau of Global Talent Management's Office of Overseas Employment acknowledged the current local compensation plan, which was last revised in November 2022 to reflect a salary increase for positions graded FSN 10 to 12, was not reviewed annually as required by 3 FAH-2 H-131.3a(1).

Management staff told OIG this occurred because of competing priorities following the 2019 mission-wide downsizing that included the removal of the mission's third human resources officer position, as described in the Mission Staffing Challenges section of this report. Without an updated local compensation plan, LE staff may not receive the benefits to which they are entitled, and the mission may not be compliant with local labor law.

Recommendation 22: Embassy Baghdad, in coordination with the Bureau of Global Talent Management, should update the mission's local compensation plan, in accordance with Department standards. (Action: Embassy Baghdad, in coordination with GTM)

Mission Did Not Adhere to Department Standards for Third-Country National Employment

OIG found that Mission Iraq did not fully comply with the Department's guidance for employment of third-country national⁵³ staff. Specifically, OIG found:

- The mission employed 29 TCNs in positions that could be filled with LE staff at a lower cost. Guidance in 3 FAM 7271.4(1) states that TCNs may be appointed only when qualified persons are not available in the host country.
- At least 5 of the 29 TCNs had been employed by the mission since 2011. According to 3 FAM 7271.1(3), TCNs should be on limited appointments for a specific period.
- In 2019, the mission reprogrammed 20 TCN positions to LE staff positions. The TCN incumbents in these positions received severance pay because the mission terminated their employment. However, at least 5 of the 20 LE staff positions were again filled by TCN incumbents, including 2 positions filled by the same TCNs who had been terminated and received severance pay.
- Four TCNs, who were previously employed as TCNs at Embassy Kabul, Afghanistan, benefited from priority placement⁵⁴ at Embassy Baghdad. This action prevented the embassy from hiring LE staff for these positions.

Embassy staff told OIG that some supervisors preferred hiring TCNs because they resided on compound and could be available to report to the office whenever needed. Staff also told OIG that the lengthy LE staff security vetting process hindered the mission's ability to fill vacant positions in a timely manner. Non-adherence to Department standards for TCN employment increases the mission's labor costs.

Recommendation 23: Embassy Baghdad should manage its third-country national employment program in accordance with Department standards. (Action: Embassy Baghdad)

⁵³ A third-country national is an individual who is neither a citizen of the United States nor of the country to which they are assigned for duty. TCN employees are eligible for return travel to their home country or to the country from which they were recruited, at U.S. government expense.

⁵⁴ Priority placement is the process of placing an LE staff member, whose position was abolished, into a position for which they are qualified without advertising the position.

Mission Did Not Maintain Hard Copies of Locally Employed Staff Personnel Folders

OIG found the mission did not maintain hard copy official personnel folders for LE staff. The mission began using digital files in 2011, when it scanned all existing official personnel folders and destroyed the hard copies. However, the Department issued guidance in November 2020⁵⁵ stating electronic records cannot be used as a replacement for official personnel folders for LE staff and does not address the possibility of waivers. Embassy human resources staff told OIG they were unaware of this requirement and explained the mission maintained only electronic files to protect the identity of its LE staff should the mission's grounds be breached. Not having hard copy official personnel folders, as required, can negatively affect the Department or LE staff in litigation and other situations where hard copy documents maintained in official personnel folders serve as evidence.

Recommendation 24: Embassy Baghdad should manage locally employed staff official personnel folders in accordance with Department standards. (Action: Embassy Baghdad)

Mission Did Not Adhere to Department Standards for Recruitment of Locally Employed Staff

Mission Iraq did not adhere to Department standards when recruiting LE staff. OIG found 10 instances, from 2022 to 2023, where hiring officers appeared to have pre-selected candidates for vacant positions. For example, in one instance, OIG found written communication from a hiring officer telling human resources staff which employee they wished to move into a supervisory position prior to the vacancy announcement being advertised. According to the Office of Overseas Employment's Recruitment Policy, the hiring officer and human resources must not:

- Give an unfair advantage to any one person.
- Promise anyone a position.
- Tailor a vacancy announcement to match the skills of a specific person.
- Share details of a position in advance of advertising.

Human resources staff told OIG that hiring officers pre-selected candidates, but they were limited in how they could force hiring officers to adhere to the Department's policy against pre-selecting candidates. Failure to adhere to transparent and unbiased recruitment processes negatively affects mission morale and increases the risk of the mission being perceived as corrupt or unethical.

Recommendation 25: Embassy Baghdad should adhere to the Department's recruitment standards for locally employed staff positions. (Action: Embassy Baghdad)

⁵⁵ Cable 20 STATE 112408, "Managing Locally Employed (LE) Staff Official Personnel Folders," November 18, 2020.

U.S. Direct-Hire Employees Did Not Fully Comply With Mandatory Training Requirements

Not all Department U.S. direct-hire staff assigned to Mission Iraq complied with mandatory training requirements. OIG reviewed training records of all 160 U.S. direct-hire staff and found that:

- Ten employees did not complete No FEAR Act training, and 119 employees' No FEAR Act training had expired, and they needed retraining. The Department requires all employees to complete the course within 90 days of employment and retake the course every 2 years thereafter (13 FAM 301.2-1a, b(1), c, d, and f).
- Two employees had never completed "Preventing Harassment at State" training, and 56 required retraining. The Department requires that all employees complete this training every 2 years (13 FAM 301.2-5a).
- Twenty-three employees had not completed "Protecting Personally Identifiable Information" training. The Department requires that all employees complete this training every 2 years (13 FAM 301.1-5a).
- Twenty-six employees did not complete "Ethics" training, and three required retraining. The Department requires that all employees complete ethics training upon employment and every year thereafter for employees required to file annual financial disclosure reports (13 FAM 301.2-3a and b).

Human resources staff told OIG that they understood U.S. direct-hire employees were primarily individually responsible for tracking their compliance with training requirements. However, the Government Accountability Office's *Standards for Internal Control in the Federal Government*, Principle 4.05, states that management should enable individuals to develop competencies for their key roles and enforce standards of conduct.⁵⁶ Additionally, 13 FAM 101.2-2(E)(7) stipulates that managers and supervisors are responsible for ensuring that they and their employees have current and up-to-date training. Training helps employees stay current with changes in policies and procedures and can help improve productivity and quality of work. Failure to ensure employees complete mandatory training may result in non-adherence to Department performance and management standards, such as issues addressed earlier in this report.

Recommendation 26: Embassy Baghdad should implement a system for oversight of U.S. direct-hire employee compliance with Department mandatory training requirements.
(Action: Embassy Baghdad)

⁵⁶ Government Accountability Office, *Standards for Internal Control in the Federal Government*, page 31 (GAO-14-704G, September 2014).

Financial Management

Alternate Cashiers Did Not Regularly Assume Principal Cashier Duties

The mission did not have a schedule that allowed alternate cashiers to regularly work as the principal cashier, as required by Department standards. The Department's Cashier User Guide, Chapter 3.3.5, states the alternate cashier should act as the acting principal cashier two to three times per quarter to ensure that the alternate cashier maintains the necessary skills. Embassy staff told OIG that competing staffing and training priorities affected alternate cashier scheduling. Failure to have alternate cashiers routinely perform the duties of the principal cashier increases the risk of errors in cashiering operations when the principal cashier is not available for duty.

Recommendation 27: Embassy Baghdad should bring its cashier operations into compliance with Department standards. (Action: Embassy Baghdad)

Employee Association

American Embassy Baghdad Employee Association Did Not Comply With Department Standards Regarding Facility Management

The American Embassy Baghdad Employee Association (the Association) did not adhere to Department standards for structural alterations to U.S. government facilities. OIG found the Association and its contractor⁵⁷ undertook renovation work, which included structural changes,⁵⁸ to U.S. government facilities at BDSC without embassy authorization and an OBO permit. According to 6 FAM 531.4, employee associations are not authorized to directly fund construction or structural alterations to U.S. government facilities. Furthermore, 15 FAM 643e states all construction or structural alterations require approval from OBO, including an approved OBO permit, before any construction or improvement activities can take place at government-owned or -leased properties abroad. The Association representatives told OIG the Association's board of directors had approved all renovations but were unaware of the requirement to coordinate with the embassy and OBO. Failure to adhere to protocols for coordination of structural alterations and renovation work with the embassy's Facility Management Office and OBO increases the risk of injury and loss of life to employees and damage to government property.

Recommendation 28: Embassy Baghdad should submit design plans to the Bureau of Overseas Buildings Operations for the unapproved modifications to government properties located on the Baghdad Diplomatic Support Center compound. (Action: Embassy Baghdad)

⁵⁷ The American Embassy Baghdad Employee Association had a contract with a private company for the operation of several food outlets at the BEC and BDSC.

⁵⁸ The renovation work included a kitchen expansion, repairing and sealing rooftops, and the demolition of a wall in a restaurant.

American Embassy Baghdad Employee Association Violated the Prohibition on Sale of Cuban Cigars

OIG found the Association sold Cuban cigars in its store located at the BEC, contrary to federal regulations and Department guidance. In addition, the Association did not ensure that private vendors who operated under license agreements at the BEC and at Consulate General Erbil adhered to C.F.R. § 515.204(a), which stipulates that no person subject to the jurisdiction of the United States may deal in or engage in any transaction with respect to any merchandise outside the United States if such merchandise is of Cuban origin. OIG consulted the Department's Office of the Legal Adviser, who indicated that the Department has a clear policy interest in prohibiting the sale of Cuban cigars by its employee associations and noted that 6 FAM 531a imposes an obligation on employee associations to exercise great care and discretion in the financial management and operation of employee association activities to prevent embarrassment to the U.S. government and the employee association. The Association's representatives told OIG they were unaware of this guidance. The sale of banned goods on mission grounds could result in embarrassment for the mission, the employee association, and the U.S. government.

Recommendation 29: Embassy Baghdad should adhere to Department guidance on the sale of goods and enforce the restriction on prohibited items distributed by private vendors operating on mission property. (Action: Embassy Baghdad)

INFORMATION MANAGEMENT

OIG reviewed Mission Iraq's unclassified and classified network operations, information systems and mobile computing administration, mail and pouch services, cyber security practices, records management, telephone operations, emergency communications systems, and physical and environmental protection of IT resources. During the inspection, mission information management staff took the following steps to remedy issues identified by OIG. Specifically, the mission:

- Configured the mission's Microsoft Active Directory⁵⁹ privileged security groups to meet the principle of least privilege (12 FAH-10 H-112.5 and National Institute of Standards and Technology Special Publication 800-53⁶⁰).
- Configured Active Directory administrative groups in accordance with the Department's Systems Administration Guide⁶¹ (5 FAH-12 H-115.6.b(13)).

⁵⁹ Active Directory is a Microsoft technology used by the Department to manage users, computers, and other devices on its networks and assign permissions to access Department resources.

⁶⁰ National Institute of Standards and Technology (NIST) SP 800-53, rev. 5, "Security and Privacy Controls for Information Systems and Organizations," pages 36–39 (September 2020).

⁶¹ The Department's Systems Administration Guide (Identity, Access, & Email), maintained by the Bureau of Information Resource Management, provides information and procedures for overseas administrators on how to properly configure and manage users, groups, objects, and other resources on OpenNet and ClassNet.

- Requested waivers from the Bureau of Information Resource Management for non-government employees⁶² to access Department-owned information systems (5 FAM 1064.1-2(B)a and 12 FAH-6 H-542.5-8d).
- Uploaded mailroom access memos (14 FAH-5 H-121.4a) and Unit Mail Clerk memos to ILMS (14 FAM 763c).
- Completed a privacy impact assessment⁶³ amendment for customized application built on ServiceNow (5 FAM 466c).
- Updated the embassy Information Systems Security Officer designation for the BDSC (12 FAH-10 H-352.1).
- Enabled port security on OpenNet⁶⁴ switches in Erbil (12 FAH-10 H-222.5-2).

OIG determined IM staff implemented most required IM and security controls in accordance with Department policies and applicable laws, with exceptions noted below.

Mission Information Technology Staff Lacked Mandatory Training

OIG found that the information management staff who manage OpenNet and the mission's dedicated internet networks lacked mandatory role-based training required in 12 FAM 623.5a(2) and 12 FAH-10 H-212.2-1. Specifically, 2 U.S. direct-hire staff, 15 LE staff, 4 TCNs, and 11 contractors identified as having significant information systems security roles and responsibilities lacked the role-based training for users. Twenty-one of the 43 staff with system administrator accounts had initial training but did not have refresher training required every 3 years (5 FAM 845b), and 22 staff members had never received the training. Staff attributed these issues to pandemic travel restrictions and funding issues for LE staff and TCNs. Additionally, OIG determined the contractors did not receive the training because the contract did not include the training requirement. Untrained staff may unknowingly misconfigure systems or provide solutions that violate policy, which risks IT system availability, confidentiality, and integrity. Untrained staff also may be unable to meet organizational performance goals.

Recommendation 30: Embassy Baghdad should comply with mandatory training requirements for system administrators. (Action: Embassy Baghdad)

Telecommunications Cabling Infrastructure Did Not Comply With Department Standards

The BDSC's communications cabling infrastructure did not comply with Department standards outlined in 5 FAH-9 H-110. For example, OIG observed cabling outside of conduit or cable

⁶² Official residence expense staff and employee association staff, who are not Department employees, required access to Department-owned information systems.

⁶³ According to 5 FAM 463, a privacy impact assessment is "[a]n analysis of how information is handled: (1) [t]o ensure compliance with applicable legal, regulatory, and policy requirements regarding privacy; (2) [t]o determine the risks and effects of collecting, maintaining and disseminating information in identifiable form; and (3) [t]o examine and evaluate protections and alternative processes for handling information to mitigate potential privacy risks."

⁶⁴ OpenNet is the Department's Sensitive but Unclassified network.

raceway in one office area (see Figure 1, below). In some sections of the BDSC, information system distribution and transmission lines were not visually distinguishable for each information system, as required by 12 FAH-10 H-272.3-1(2). In some cases, cable lay directly on false ceilings (see Figure 2), contrary to 5 FAH-9 H-312.1(10). Outdoor cable conduit and manholes had filled with mud due to drainage problems, impeding installation of new cables (see Figures 3, 4, and 5). In addition, backbone cabling was sparsely documented, and labels were often incorrect. This situation created additional work for technicians attempting to troubleshoot system issues or add new connections. When the Department took over the BDSC, previously known as the Sather Airbase compound, in 2011, the cabling infrastructure, originally installed by the U.S. Air Force for a temporary base, was not replaced to meet Department standards. Non-standard cabling infrastructure could affect systems availability, the ability to address connectivity problems expeditiously, and create risks to employee safety.

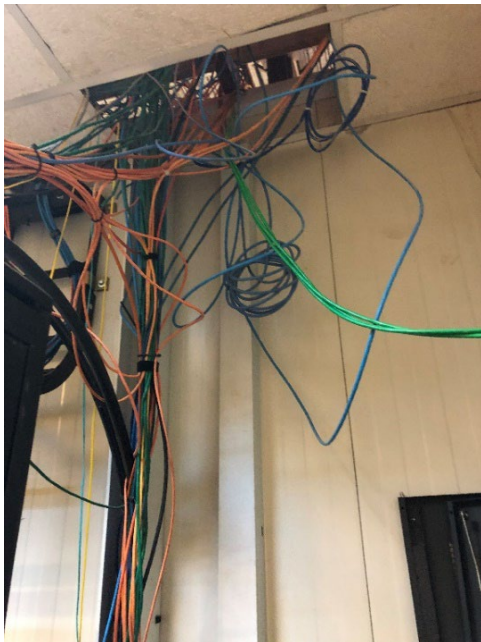
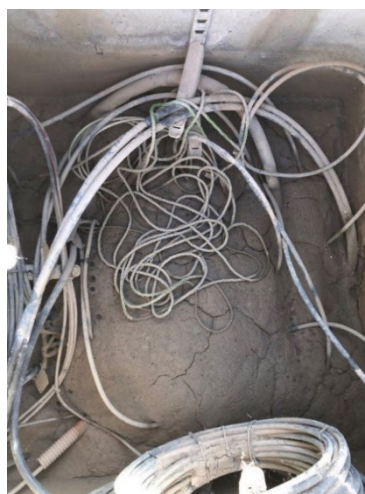


Figure 1: Cables outside of conduit or cable raceway (Source: OIG).



Figure 2: Cable laying directly on false ceiling (Source: OIG).



Figures 3, 4, and 5: Cable manholes filled with mud (Source: OIG).

Recommendation 31: Embassy Baghdad, in coordination with the Bureaus of Overseas Buildings Operations and Information Resource Management, should remediate the telecommunications infrastructure at the Baghdad Diplomatic Support Center, in accordance with Department standards. (Action: Embassy Baghdad, in coordination with OBO and IRM)

Diplomatic Post Office Mailrooms Did Not Comply With Department Standards

Mission Iraq maintains four diplomatic post offices (DPO): one in Erbil, two at the BEC,⁶⁵ and one at the BDSC. OIG found that the mailroom at the BDSC and the contractor's mailroom at the BEC did not meet DPO security or configuration requirements, as follows:

- Neither mailroom met the security standards for a general work area⁶⁶ required by 14 FAH-5 H-121.3a. With respect to the BDSC mailroom, staff explained that the BDSC was intended as a temporary facility and therefore was never upgraded to meet standards. With respect to the BEC contractor mailroom, it was established when the government of Iraq permitted mission contractors use of the DPO in 2015. Because the existing mailroom lacked adequate space to expand, embassy management situated a new mailroom in an unused building on the BEC because space inside a hardline⁶⁷ was unavailable.
- Neither mailroom was designed to permit handover of mail without allowing unauthorized personnel access to the DPO mailroom, contrary to standards in 14 FAH-5 H-121.3b. Information management staff explained that the BDSC was intended as a temporary facility and was therefore never upgraded to meet standards. Furthermore, staff explained they had requested the BEC contractor mailroom be configured with a customer service window, but the project was not finished to specifications.

Noncompliance with Department security regulations leaves staff at greater physical risk if the compound is compromised and increases the risk of loss or theft of mail, and the Department could incur costs due to indemnity claims.

Recommendation 32: Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should configure mailrooms at the Baghdad Embassy Compound and

⁶⁵ One mailroom serves as the post office for the U.S. direct hires, and the other mailroom serves as the post office for the U.S. contractors.

⁶⁶ General work areas are spaces that U.S. citizen and LE staff occupy and in which they may handle, store, discuss or process sensitive but unclassified (SBU) information. Examples include administrative and consular offices. These areas must reside behind the interior hardline. See 12 FAH-5 H-454.2.

⁶⁷ Hardline is a term referring to a system of barriers surrounding a protected area, which affords degrees of forced entry, ballistic resistance, or combinations of the two. A hardline may include walls, floors, ceilings, roofs, windows, doors, or non-window openings, all of which must provide the level of protection specified for that hardline. See 12 FAH-11 H-041.

the Baghdad Diplomatic Support Center in accordance with Department standards. (Action: Embassy Baghdad, in coordination with OBO)

Diplomatic Post Office Mailrooms Did Not Perform Periodic Self-Assessments

None of the four Mission Iraq DPO mailrooms had performed a self-assessment, as required by 14 FAH H-1011c. In accordance with the Tripartite Agreement, signed October 25, 2011, between the Department, the U.S. Postal Service, and the Department of Defense, the Department is required to make periodic audits and inspections of DPOs. The Bureau of Administration's Diplomatic Pouch and Mail division produced a self-assessment checklist and updated Department standards to meet the periodic audit requirements in July 2022. However, the DPO supervisors were unaware of this new requirement. Noncompliance with both Department and U.S. Postal Service regulations increases the risk of loss or theft of mail, and the Department could incur costs due to indemnity claims.

Recommendation 33: Embassy Baghdad should perform self-assessments of its Diplomatic Post Offices in accordance with Department standards. (Action: Embassy Baghdad)

Mission Mailroom Staff Lacked Mandatory Training

Only one of the LE staff mail clerks and none of the contractor mail clerks for the four DPOs took the mandatory training required by 14 FAM 761.2a(9).⁶⁸ In addition, none of the mailroom staff's training records were uploaded to the Department ILMS, as required. OIG found that section management was unaware of the training requirement, added in April 2022. Noncompliance with U.S. Postal Service regulations and Department training standards increases the risk of loss or theft of mail, and the Department could incur costs for indemnity claims.

Recommendation 34: Embassy Baghdad should comply with mandatory training requirements for Diplomatic Post Office staff. (Action: Embassy Baghdad)

The Embassy Did Not Upload All Diplomatic Notes Into the State Messaging and Archive Retrieval Toolset

The embassy did not consistently upload its diplomatic notes to the State Messaging and Archive Retrieval Toolset (SMART)⁶⁹ system. According to 5 FAH-1 H-611g, preparers and recipients are responsible for ensuring a record copy of all diplomatic notes, both outgoing and incoming, are filed in SMART. Not all staff were aware of the requirement to upload the notes. During the inspection, the embassy issued an administrative notice reminding staff of the requirement. However, at the conclusion of the inspection, the embassy had uploaded only 23

⁶⁸ At the time of the inspection, OIG identified 15 mail clerks working in Mission Iraq's four DPOs.

⁶⁹ SMART is the Department's cable and record email application. SMART enables users to send and receive organizational authority messages and other messages with long term value using Microsoft Outlook on the Department's Sensitive But Unclassified and classified networks. These messages are stored and searchable in the SMART Archive.

percent of the diplomatic notes it had prepared in calendar year 2023 to SMART. Failure to upload diplomatic notes to the SMART system could create gaps in the historical record of the embassy's official correspondence.

Recommendation 35: Embassy Baghdad should upload to the State Messaging and Archive Retrieval Toolset all diplomatic notes it prepares and receives in accordance with Department standards. (Action: Embassy Baghdad)

Records Management Did Not Comply With Department Standards

Mission Iraq's records management program did not comply with Department standards in 5 FAM 418.9 and the Department's Records Handbook.⁷⁰ The mission published a records management policy in 2019 that included a reminder about records retirement, links to Department records disposition schedules, guidance on records management procedures, and points of contact for assistance. In addition, the embassy reduced paper holdings to meet the destruction times in the mission's Emergency Action Plan. However, OIG found that Mission Iraq had not:

- Annually archived political, public diplomacy, or security program records to the Bureau of Administration for the past 3 years (5 FAM 451b and c(1)).
- Archived Consulate General Erbil's departed Principal and Deputy Principal Officer files at the end of their tenures (5 FAM 451c(1)).
- Assigned a responsible person from each section to manage the operations of the files, ensure the integrity of the data, and assist in access to, filing, and disposition of data (5 FAH-4 H-215.3-2b).
- Complied with electronic records retirement requirements (5 FAM 451). For example, OIG's review of files in SharePoint libraries found that sections' electronic records contained files beyond the retention dates in records disposition schedules.
- Archived diplomatic notes as described above.
- Conducted a privacy impact assessment or privacy impact assessment addendum for records maintained by the Regional Security Office and Human Resources (5 FAM 466).

OIG found these issues occurred due to a lack of management oversight and staff understanding of the Department standards for records management. OIG issued a management assistance report⁷¹ that highlighted continued widespread Department deficiencies in managing and retiring Department records. A deficient records management program can result in the loss of important data for historical insight into policy analysis, decision-making, and archival research.

⁷⁰ The Department's Records Handbook for All Overseas Personnel, published by the Bureau of Administration's Office of Information Programs and Services, summarizes the key elements of a successful records management program at an embassy.

⁷¹ OIG, *Management Assistance Report: The Department of State's Records Retirement Process* (ISP-22-20, June 2022).

Recommendation 36: Embassy Baghdad should manage mission records in accordance with Department standards. (Action: Embassy Baghdad)

Unclassified Server Room Lacked Emergency Power-Off Switch

OIG found the BEC's unclassified server room did not have the emergency power-off switch adjacent to the egress door, as required by 12 FAH-10 H-272.8-1(2). Embassy staff told OIG that the switch installation was overlooked when the central office building was constructed in 2017. The emergency power-off switch is an essential part of the server room's electrical safety controls, and the lack of a switch could prolong emergency power-off time during electrical accidents.

Recommendation 37: Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should comply with Department standards for server room safety controls. (Action: Embassy Baghdad, in coordination with OBO)

Spotlight on Success: Information Management Section Developed Application for Personnel Accountability

Tracking mission personnel arriving and departing Iraq for security, safety, and internal control reasons proved to be a challenge for Mission Iraq, especially for accountability of "boots on the ground." U.S. direct-hire staff have three rest and recuperation trips for each year of their tour. Contract staff, third-country nationals, and other U.S. government agency staff assigned to Mission Iraq also take routine leave outside of Iraq. In addition, there is a constant stream of temporary duty personnel arriving or departing on any given day.

To meet this challenge, in 2021 the information management staff worked with staff from the General Services Office, the Regional Security Office, and the Human Resources Office to develop a custom application, the Management Accountability and Collaboration System on the Department's ServiceNow platform. The application helps track anyone arriving or departing Mission Iraq. It provides real-time personnel accountability with modules that track housing assignments, travel arrangements, and tiers of personnel in case of evacuation or mission drawdown. The application also generates reports, supports on-demand data calls, and provides embassy management with dashboards.

RECOMMENDATIONS

OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to Embassy Baghdad, the Bureau of Near Eastern Affairs, and the Bureau of Overseas Buildings Operations. The Department's complete responses can be found in Appendix B. The Department also provided technical comments that were incorporated into the report, as appropriate.

Recommendation 1: Embassy Baghdad should manage the Political Section in accordance with the Department's leadership and management principles. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad managed the Political Section in accordance with the Department's leadership and management principles.

Recommendation 2: Embassy Baghdad should update its Leahy vetting standard operating procedure in accordance with the requirements of the Leahy Vetting Guide. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad updated its Leahy vetting standard operating procedure in accordance with the requirements of the Leahy Vetting Guide.

Recommendation 3: Embassy Baghdad should document risk mitigation measures for the mission's public diplomacy grants in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad documented risk mitigation measures for the mission's public diplomacy grants in accordance with Department standards.

Recommendation 4: Embassy Baghdad should bring consular crisis preparedness at the Baghdad and Erbil Consular Sections into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad's consular crisis preparedness at the Baghdad and Erbil Consular Sections complied with Department standards.

Recommendation 5: Embassy Baghdad should expand the American Liaison Network in Baghdad and Erbil in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad expanded the American Liaison Network in Baghdad and Erbil in accordance with Department standards.

Recommendation 6: Embassy Baghdad should implement a written fraud prevention strategy and standard operating procedures at the Baghdad and Erbil Consular Sections, in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad implemented a written fraud prevention strategy and standard operating procedures at the Baghdad and Erbil Consular Sections, in accordance with Department standards.

Recommendation 7: Embassy Baghdad should implement internal controls procedures at Consulate General Erbil to prevent potential or perceived manipulation of consular procedures by non-consular personnel. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad implemented internal controls procedures at Consulate General Erbil to prevent potential or perceived manipulation of consular procedures by non-consular personnel.

Recommendation 8: Embassy Baghdad should conduct its second validation study on issued nonimmigrant visas. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad conducted its second validation study on issued nonimmigrant visas.

Recommendation 9: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs, should implement a coordination process to improve oversight of Department-funded foreign assistance programming in Iraq, in accordance with Department guidance. (Action: Embassy Baghdad, in coordination with NEA)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad implemented a coordination process to improve oversight of Department-funded foreign assistance programming in Iraq, in accordance with Department guidance.

Recommendation 10: The Bureau of Near Eastern Affairs, in coordination with Embassy Baghdad and the Bureaus of Counterterrorism; Democracy, Human Rights, and Labor; Economic and Business Affairs; International Narcotics and Law Enforcement Affairs; International Security and Nonproliferation; Political-Military Affairs; and Population, Refugees, and Migration, should implement a process to confirm that monitoring data for foreign assistance programs in Iraq is recorded in the official system of record as required by Department standards. (Action: NEA, in coordination with Embassy Baghdad, CT, DRL, EB, INL, ISN, PM, and PRM)¹

Management Response: In its December 6, 2023, response,² the Bureau of Near Eastern Affairs concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Near Eastern Affairs implemented a process to confirm that monitoring data for foreign assistance programs in Iraq is recorded in the official system of record as required by Department standards.

¹ In response to Department comments on the draft report, OIG revised this recommendation to remove the Office to Monitor and Combat Trafficking in Persons as a coordinating office.

² In an email to OIG dated December 14, 2023, the Bureau of Near Eastern Affairs (NEA) agreed with Embassy Baghdad's response, noting, "NEA concurs with the recommendation and will coordinate with Embassy Baghdad and other relevant bureaus to address [award] file deficiencies."

Recommendation 11: The Bureau of Overseas Buildings Operations, in coordination with Embassy Baghdad and the Bureau of Near Eastern Affairs, should conduct a cost-benefit analysis and determine the feasibility of connecting the Baghdad Embassy Compound to the local power grid. (Action: OBO, in coordination with Embassy Baghdad and NEA)

Management Response: In its December 5, 2023, response, the Bureau of Overseas Buildings Operations concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Overseas Buildings Operations conducted a cost-benefit analysis and determined the feasibility of connecting the Baghdad Embassy Compound to the local power grid.

Recommendation 12: Embassy Baghdad should bring its safety, health, and environmental management program into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad's safety, health, and environmental management program complied with Department standards.

Recommendation 13: Embassy Baghdad should obtain authorization from the Bureau of Overseas Buildings Operations to use shipping containers as functional space or dismantle and remove them, in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of December 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad obtained authorization from the Bureau of Overseas Buildings Operations to use shipping containers as functional space or dismantle and remove them, in accordance with Department standards.

Recommendation 14: Embassy Baghdad should comply with Department training standards on the use of powered industrial trucks, such as forklifts. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad complied with Department training standards on the use of powered industrial trucks, such as forklifts.

Recommendation 15: Embassy Baghdad should comply with all Department motor vehicle safety management program standards for incidental drivers under chief of mission authority. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of December 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad complied with all Department motor vehicle safety management program standards for incidental drivers under chief of mission authority.

Recommendation 16: Embassy Baghdad should manage its armored vehicles in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad managed its armored vehicles in accordance with Department standards.

Recommendation 17: Embassy Baghdad should bring its contracting officer's representative program into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. However, the embassy noted it will consider using the eFiling module of Integrated Logistics Management System (ILMS), if there is Bureau Administration Office of Acquisitions Management and stakeholder consensus.

OIG Reply: OIG considers the recommendation resolved. OIG notes that according to 14 Foreign Affairs Handbook (FAH)-2 H-142b(16)(b), "a [contracting officer's representative (COR)] must use the eFiling module for contracting officer's representative file management as it is deployed in ILMS, which provides the contracting officer visibility of the COR contract file contents." The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad's contracting officer's representative program complied with Department standards.

Recommendation 18: Embassy Baghdad should bring its management of expendable property and fuel deliveries into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad's management of expendable property and fuel deliveries complied with Department standards.

Recommendation 19: Embassy Baghdad should dispose of excess motor vehicle inventory at the Baghdad Diplomatic Support Center, in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad disposed of excess motor vehicle inventory at the Baghdad Diplomatic Support Center, in accordance with Department standards.

Recommendation 20: Embassy Baghdad should manage locally employed staff position descriptions in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of December 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad managed locally employed staff position descriptions in accordance with Department standards.

Recommendation 21: Embassy Baghdad should obtain written confirmation from the government of Iraq that U.S. direct-hire employees assigned to the mission are accredited and will receive diplomatic privileges and immunities. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad neither agreed nor disagreed with this recommendation. The embassy concurred that it is not in compliance with accreditation guidelines. Embassy Baghdad noted it is aware of the requirement and the liabilities of not having written procedures and will actively work to solve the issue in the best way possible, including engaging with the government of Iraq.

OIG Reply: OIG considers the recommendation resolved. As noted in the report, OIG found the embassy's Protocol Office sent an annual list of only 15 key officers to the Iraqi Ministry of Foreign Affairs' Protocol Office. The list contained the name, rank, and position title of the Ambassador, Deputy Chief of Mission, Minister Counselors, Attachés, and other section heads but did not provide their arrival or departure dates and was not inclusive of all U.S. direct-hire staff. To benefit from privileges and immunities, U.S. direct-hire staff must be accredited to the host country. According to Article 10 of the Vienna Convention on Diplomatic Relations, the Ministry of Foreign Affairs of the receiving state, or such other ministry as may be agreed, shall be notified of the appointment of all members of the mission, their arrival, and their final

departure, or the termination of their functions with the mission. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad obtained written confirmation from the government of Iraq that U.S. direct-hire employees assigned to the mission are accredited and receive diplomatic privileges and immunities.

Recommendation 22: Embassy Baghdad, in coordination with the Bureau of Global Talent Management, should update the mission's local compensation plan, in accordance with Department standards. (Action: Embassy Baghdad, in coordination with GTM)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of June 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad updated the mission's local compensation plan, in accordance with Department standards.

Recommendation 23: Embassy Baghdad should manage its third-country national employment program in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of June 2027.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad managed its third-country national employment program in accordance with Department standards.

Recommendation 24: Embassy Baghdad should manage locally employed staff official personnel folders in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of July 2025.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad managed locally employed staff official personnel folders in accordance with Department standards.

Recommendation 25: Embassy Baghdad should adhere to the Department's recruitment standards for locally employed staff positions. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad adhered to the Department's recruitment standards for locally employed staff positions.

Recommendation 26: Embassy Baghdad should implement a system for oversight of U.S. direct-hire employee compliance with Department mandatory training requirements. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad implemented a system for oversight of U.S. direct-hire employee compliance with Department mandatory training requirements.

Recommendation 27: Embassy Baghdad should bring its cashier operations into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad's cashier operations complied with Department standards.

Recommendation 28: Embassy Baghdad should submit design plans to the Bureau of Overseas Buildings Operations for the unapproved modifications to government properties located on the Baghdad Diplomatic Support Center compound. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad submitted design plans to the Bureau of Overseas Buildings Operations for the unapproved modifications to government properties located on the Baghdad Diplomatic Support Center compound.

Recommendation 29: Embassy Baghdad should adhere to Department guidance on the sale of goods and enforce the restriction on prohibited items distributed by private vendors operating on mission property. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad adhered to Department

guidance on the sale of goods and enforced the restriction on prohibited items distributed by private vendors operating on mission property.

Recommendation 30: Embassy Baghdad should comply with mandatory training requirements for system administrators. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 31, 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad complied with mandatory training requirements for system administrators.

Recommendation 31: Embassy Baghdad, in coordination with the Bureaus of Overseas Buildings Operations and Information Resource Management, should remediate the telecommunications infrastructure at the Baghdad Diplomatic Support Center, in accordance with Department standards. (Action: Embassy Baghdad, in coordination with OBO and IRM)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad remediated the telecommunications infrastructure at the Baghdad Diplomatic Support Center, in accordance with Department standards.

Recommendation 32: Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should configure mailrooms at the Baghdad Embassy Compound and the Baghdad Diplomatic Support Center in accordance with Department standards. (Action: Embassy Baghdad, in coordination with OBO)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad configured mailrooms at the Baghdad Embassy Compound and the Baghdad Diplomatic Support Center in accordance with Department standards.

Recommendation 33: Embassy Baghdad should perform self-assessments of its Diplomatic Post Offices in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad performed self-assessments of its Diplomatic Post Offices in accordance with Department standards.

Recommendation 34: Embassy Baghdad should comply with mandatory training requirements for Diplomatic Post Office staff. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of March 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad complied with mandatory training requirements for Diplomatic Post Office staff.

Recommendation 35: Embassy Baghdad should upload to the State Messaging and Archive Retrieval Toolset all diplomatic notes it prepares and receives in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad uploaded to the State Messaging and Archive Retrieval Toolset all diplomatic notes it prepared and received in accordance with Department standards.

Recommendation 36: Embassy Baghdad should manage mission records in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation. The embassy noted an expected completion date of June 2024.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad managed mission records in accordance with Department standards.

Recommendation 37: Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should comply with Department standards for server room safety controls. (Action: Embassy Baghdad, in coordination with OBO)

Management Response: In its December 6, 2023, response, Embassy Baghdad concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Baghdad complied with Department standards for server room safety controls.

PRINCIPAL OFFICIALS

Agency/Section/Title	Name	Arrival Date
Chiefs of Mission:		
Ambassador	Alina Romanowski	6/2022
Deputy Chief of Mission	David Burger	7/2022
Constituent Post:		
Consulate General Erbil, Consul General	Irvin Hicks	8/2022
Consulate General Erbil, Deputy Principal Officer	Zehra Bell	9/2022
Chiefs of Sections:		
Consular	Ron Packowitz	6/2022
Economic	Benjamin Thomson	9/2022
Management	Joseph Bedessem	9/2022
Political	Cynthia Plath	10/2021
Public Affairs	Scott Bolz	08/2021
Regional Security	Jeffery Crone	8/2022
Other Agency Representatives:		
Department of Justice Attaché	Ellen Endrizzi	1/2022
Legal Attaché	David Snyder	2/2023
Office of Defense Cooperation	Colonel Reggie Williams	6/2022
Senior Defense Official/Defense Attaché	Colonel K.C. Evans	9/2022
Department of the Treasury	Michael Lombardo	12/2022
U.S. Agency for International Development	Elise Jensen	09/2022

Source: Generated by OIG from data provided by Mission Iraq.

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted from March 16 to July 13, 2023, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2020 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspections Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM). This report also relates to Overseas Contingency Operations (Operation Inherent Resolve) and was completed in accordance with OIG's oversight responsibilities described in Section 8L of the Inspector General Act of 1978, as amended.

Objectives and Scope

The Office of Inspections provides the Secretary of State, the Chief Executive Officer of USAGM, and Congress with systematic and independent evaluations of the operations of the Department and USAGM. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved and U.S. interests are accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy; and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; and whether instances of fraud, waste, or abuse exist and whether adequate steps for detection, correction, and prevention have been taken.

Methodology

OIG used a risk-based approach to prepare for this inspection. OIG reviewed pertinent records; circulated surveys and compiled the results; and reviewed the substance of this report and its findings and recommendations with offices, individuals, and organizations affected by the review. OIG used professional judgment and analyzed physical, documentary, and testimonial evidence to develop its findings, conclusions, and actionable recommendations.

APPENDIX B: MANAGEMENT RESPONSES

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Embassy of the United States of America
Baghdad, Iraq

December 6, 2023

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THRU: NEA Henry Wooster, Principal Deputy Assistant Secretary

TO: OIG – Arne Baker, Acting Assistant Inspector General for Inspections

FROM: Embassy Baghdad – Alina L. Romanowski, Ambassador

SUBJECT: Response to Draft OIG Report – Inspection of Embassy Baghdad and Constituent Posts, Iraq (ISP-I-24-06)

Embassy Baghdad has reviewed the draft OIG inspection report. We provide the following comments in response to the recommendations provided by OIG:

OIG Recommendation 1: Embassy Baghdad should manage the Political Section in accordance with the Department’s leadership and management principles. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The Political Counselor has departed Post. The Political Section’s new leadership has and will continue to manage the section in accordance with the Department’s leadership and management principles. The Ambassador and Deputy Chief of Mission regularly reiterate that discrimination, harassment, or bullying in any form is not acceptable and will not be tolerated. Post believes this recommendation has been completed.

OIG Recommendation 2: Embassy Baghdad should update its Leahy vetting standard operating procedure in accordance with the requirements of the Leahy Vetting Guide. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy is currently discussing with NEA, PM, and DRL revisions to the Mission’s Leahy vetting process that will ensure proper implementation of Leahy vetting requirements, increase efficiency, and be tailored to the unique operating environment in Iraq. The embassy will incorporate the revised process in an updated written standard operation procedure. Completion date is dependent upon the bureaus involved, but expected completion is March 2024.

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OIG Recommendation 3: Embassy Baghdad should document risk mitigation measures for the mission's public diplomacy grants in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy has implemented the recommendation by ensuring all new public diplomacy grants have documented risk mitigation measures in accordance with Department standards. Completed.

OIG Recommendation 4: Embassy Baghdad should bring consular crisis preparedness at the Baghdad and Erbil Consular Sections into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. Consular staff at both posts will proceed with the continuous process of crisis preparedness, including the procurement, positioning, and maintenance of crisis response materials, ongoing training, and coordination with the RSO on planning evacuation options for private U.S. citizens. Both posts have disaster assistance kits and designated off-site locations for evacuation procedures and have ordered an EMD laptop for each consular officer. Expected completion March 2024.

OIG Recommendation 5: Embassy Baghdad should expand the American Liaison Network in Baghdad and Erbil in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The Mission continues to recruit citizen liaison volunteers and has expanded its network to seven volunteers in Erbil and beyond and to four volunteers in Baghdad and beyond. Ongoing

OIG Recommendation 6: Embassy Baghdad should implement a written fraud prevention strategy and standard operating procedures at the Baghdad and Erbil Consular Sections, in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy has implemented the recommendation through a mission-wide fraud prevention strategy jointly drafted by Consular staff at Embassy Baghdad and Consulate General Erbil. It includes a schedule to update Standard Operating Procedures on a rolling basis throughout the year and was cleared by CA/FPP on September 25, 2023. Completed.

OIG Recommendation 7: Embassy Baghdad should implement internal control procedures at Consulate General Erbil to prevent potential or perceived manipulation of consular procedures by non-consular personnel. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The Embassy created an LE staff greeter position at Consulate General Erbil to direct and manage customers in the consular waiting room. The issue will be most appropriately resolved when Consulate General

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Erbil moves into the New Consulate Compound (NCC) that has a more appropriately configured consular section. Completion date is dependent upon completion of the NCC.

OIG Recommendation 8: Embassy Baghdad should conduct its second validation study on issued nonimmigrant visas. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy has implemented the recommendation by transmitting a validation study cable for FY2022 B1B2 visa issuances (23 Baghdad 1838) on November 16, 2023. Completed.

OIG Recommendation 9: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs, should implement a coordination process to improve oversight of Department-funded foreign assistance programming in Iraq, in accordance with Department guidance. (Action: Embassy Baghdad, in coordination with NEA)

Management Response: Embassy Baghdad concurs with this recommendation and notes this requirement has already been met. In July, NEA/AC, NEA/I, and Embassy Baghdad drafted and released 23 BAGHDAD 1042, "Guidance for Coordinating USG Assistance Programs in Iraq" to improve NEA and post oversight of Department-funded assistance programs in Iraq. The cable guidance, cleared by every Department programming office, requires broad consultation and discussion in every process of assistance: operational plans, program planning, competition, proposal review panels, and proposal selection. The cable notes that the COM in Iraq is the final authority on U.S. foreign assistance in Iraq. The cable will be the guide for all Department assistance going forward.

OIG Recommendation 10: The Bureau of Near Eastern Affairs, in coordination with Embassy Baghdad and the Bureaus of Counterterrorism; Democracy, Human Rights, and Labor; Economic and Business Affairs; International Narcotics and Law Enforcement Affairs; International Security and Nonproliferation; Political-Military Affairs; Population, Refugees, and Migration; and the Office to Monitor and Combat Trafficking in Persons, should implement a process to confirm that monitoring data for foreign assistance programs in Iraq is recorded in the official system of record as required by Department standards. (Action: NEA, in coordination with Embassy Baghdad, CT, DRL, EB, INL, ISN, NEA, PM, PRM, and J/TIP)

Management Response: Action NEA. The embassy looks forward to coordinating with NEA and the other related bureaus regarding this recommendation.

OIG Recommendation 11: The Bureau of Overseas Buildings Operations, in coordination with Embassy Baghdad and the Bureau of Near Eastern Affairs, should conduct a cost-benefit analysis and determine the feasibility of connecting the Baghdad Embassy Compound to the local power grid. (Action: OBO, in coordination with Embassy Baghdad and NEA)

Management Response: Action OBO. Embassy Baghdad will work with OBO on this recommendation but cautions that connecting to the local grid comes with added security, reliability, and perhaps public relations concerns given the BEC's heavy energy usage. Embassy

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Baghdad awarded a contract for a feasibility study and received the results on 12/05/2023, which post will share and discuss with OBO.

OIG Recommendation 12: Embassy Baghdad should bring its safety, health, and environmental management program into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy will implement this recommendation by conducting joint (BEC/BDSC) semiannual meetings every January and July. Post will continue efforts to certify non-residential locations to the greatest extent possible considering our current Ordered Departure status. Completed.

OIG Recommendation 13: Embassy Baghdad should obtain authorization from the Bureau of Overseas Buildings Operations to use shipping containers as functional space or dismantle and remove them, in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. Post understands that OBO is currently in the process of revising 18 STATE 98976 (shipping containers and portable structure use and occupancy requirements). It is our understanding that the revision contains language that will, in most cases, permit the use of shipping containers for storage purposes only. Post will take action to comply with 18 STATE 98976 regarding use of containers for office space and anticipates completion by December 2024.

OIG Recommendation 14: Embassy Baghdad should comply with Department training standards on the use of powered industrial trucks, such as forklifts. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy will schedule and deliver forklift training. Expected completion March 2024.

OIG Recommendation 15: Embassy Baghdad should comply with all Department motor vehicle safety management program standards for incidental drivers under chief of mission authority. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. All Mission Iraq posts have increased messaging regarding mandatory motor vehicle safety training and requirements. Safety, Health, and Environmental Management (SHEM) has approved modified post-specific training for Embassy Baghdad and BDSC, and the Mission has trained over 1,200 drivers in the last year and completed 366 medical clearances. Expected mission-wide completion is December 2024.

OIG Recommendation 16: Embassy Baghdad should manage its armored vehicles in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Mission Iraq concurs with the recommendation. In addressing OIG's concerns for sun protection of armored vehicles, the Mission has ordered car covers for BDSC and

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BEC. The expected date of completion is February 2024 for BDSC, June 2024 for BEC, and the completion date of the NCC for Consulate General Erbil.

OIG Recommendation 17: Embassy Baghdad should bring its contracting officer's representative program into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation, with one ILMS-related (e-filing) caveat detailed below. The Mission takes steps to ensure full compliance and to strengthen management controls associated with the COR program and contract oversight. Each contract Task Order is subject to monthly Performance Evaluations and Quarterly Program Management Reviews in addition to obligatory periodic Contractor Performance Assessment Reporting System (CPARS) reporting. Each COR has specific CPARS reporting responsibilities, and the navy.mil managed database has been updated to reflect changes in personnel. With accessibility issues resolved and database management concerns addressed, CPARS reports are now more routinely filed and are being retroactively submitted wherever necessary.

Post acknowledges 14 FAH-2 H-142b(16)(b) now mandates the use of ILMS e-filing for Post GSO/CO managed contracts but believes applying ILMS file management processes to Washington-based AQM-managed contracts may prove impractical. Any decision to implement ILMS e-filing for the AQM contracts Post CMO/CORs support would necessarily have to come via AQM and the Washington based Contracting Officers. (While current CMO file management processes are outside ILMS e-filing, they are robust, fulsome, and effective. If there is advance AQM and stakeholder consensus, Post may consider use of the ILMS contracts module to include e-filing for the next expected iteration of the comprehensive Mission Iraq Support Services (MISS) contract planned for award in 2025.)

Post believes it is now in full compliance with the intent of this recommendation.

OIG Recommendation 18: Embassy Baghdad should bring its management of expendable property and fuel deliveries into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The Mission has addressed this recommendation through changes in procedures at all posts. BDSC is fully using the ILMS expendable property module as of FY 2024, to include office and hardware supplies.

Consulate General Erbil's receiving clerk is now present for fuel deliveries, and the CG's expendables clerk has trained and added FAC personnel to ILMS expendable property and has completed entry of 70 percent of noted items into ILMS. Embassy Baghdad is conducting spot checks and using ILMS functionality to flag 90-day non-issuances and reorder levels and has reduced on hand expendables commensurately. Expected completion mission-wide date March 2024. Completed.

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OIG Recommendation 19: Embassy Baghdad should dispose of excess motor vehicle inventory at the Baghdad Diplomatic Support Center, in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The Baghdad Diplomatic Support Center has addressed this recommendation through vehicle disposal. Its fleet size as of November 14, 2023 is 150, within the target fleet size of 160. The Mission has also published a no-growth vehicle acquisition policy and will maintain a level below the target fleet size. Completed.

OIG Recommendation 20: Embassy Baghdad should manage locally employed staff position descriptions in accordance with Department standards. (Action: Embassy Baghdad).

Management Response: Embassy Baghdad concurs with the recommendation. The embassy brought TDY LE staff to Post to work on position classifications. They are unable to work during Ordered Departure, but the project will continue after their return. Expected completion date December 2024.

OIG Recommendation 21: Embassy Baghdad should obtain written confirmation from the government of Iraq that U.S. direct-hire employees assigned to the mission are accredited and will receive diplomatic privileges and immunities. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs that Mission Iraq is not in compliance with accreditation guidelines. Embassy Baghdad is aware of the requirement and the liabilities of not having written procedures and will actively work to solve the issue in the best way possible, including engaging with the GOI. Ongoing.

OIG Recommendation 22: Embassy Baghdad, in coordination with the Bureau of Global Talent Management, should update the mission's local compensation plan, in accordance with Department standards. (Action: Embassy Baghdad, in coordination with GTM)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy has updated our LCP to include recent GTM/OE blanket authorizations distributed through ALDACS (Salary Advances and Family Leave). The embassy has engaged a local attorney and received opinion to guide proposed LCP changes and is coordinating with GTM/OE on next steps. Expected completion date is June 2024.

OIG Recommendation 23: Embassy Baghdad should manage its third-country national employment program in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with the recommendation. Transitioning from TCN positions to local staff positions will include recruitment, training, and working with GTM/OE and L/EMP on ending TCN agreements. Post is reviewing all TCN positions to look at sunset plans. Expected completion June 2027.

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OIG Recommendation 24: Embassy Baghdad should manage locally employed staff official personnel folders in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad agrees with this recommendation. GTM/OE issued guidance on April 13, 2021, which authorizes overseas missions to continue maintaining electronic LE Staff eOPFs per guidelines. However, records for retired LE staff must still be forwarded to the Department in paper format. Expected completion for sending all retired LE Staff paper records to the appropriate office is July 2025.

OIG Recommendation 25: Embassy Baghdad should adhere to the Department's recruitment standards for locally employed staff positions. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy is preparing training for all hiring officers regarding appropriate recruitment and selection practices. Expected completion date March 2024.

OIG Recommendation 26: Embassy Baghdad should implement a system for oversight of U.S. direct-hire employee compliance with Department mandatory training requirements. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this request. The embassy has sent Staff Notices reminding staff of mandatory training. Expected completion March 2024.

OIG Recommendation 27: Embassy Baghdad should bring its cashier operations into compliance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy has implemented this recommendation through the finance office's development of a schedule to ensure alternate cashiers will perform cashiering duties at least one day per month. Completed.

OIG Recommendation 28: Embassy Baghdad should submit design plans to the Bureau of Overseas Buildings Operations for the unapproved modifications to government properties located on the Baghdad Diplomatic Support Center compound. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The Baghdad Diplomatic Support Center will work with the Bureau of Overseas Buildings Operations, Area Management Office, on the unauthorized construction permitting and funding correction process. Post has published a Staff Notice reiterating the proper project approval process that requires Facilities and BDSC leadership approval before proceeding, including the 6 and 15 FAM guidance referenced in this recommendation. Post will submit a project request and funding estimate through the Global Maintenance Management System (GMMS) by December 2023, which will complete this recommendation.

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OIG Recommendation 29: Embassy Baghdad should adhere to Department guidance on the sale of goods and enforce the restriction on prohibited items distributed by private vendors operating on mission property. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The employee association ceased the sale of Cuban cigars and has re-issued guidance to the vendors stating a zero tolerance for the sale of banned goods. Association leadership performs weekly checks of the vendor stores to ensure compliance. Completed.

OIG Recommendation 30: Embassy Baghdad should comply with mandatory training requirements for system administrators. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. IRM has implemented a training plan and schedule for system administrators mission-wide to complete mandatory training requirements. Expected completion of mandatory training is March 31, 2024.

OIG Recommendation 31: Embassy Baghdad, in coordination with the Bureaus of Overseas Buildings Operations and Information Resource Management, should remediate the telecommunications infrastructure at the Baghdad Diplomatic Support Center, in accordance with Department standards. (Action: Embassy Baghdad, in coordination with OBO and IRM)

Management Response: Embassy Baghdad concurs with this recommendation. OBO will need to manage the project due to the size and complexity of the Baghdad Diplomatic Support Center and its tenants. Expected completion will be subject to the availability of funds, which OBO has stated are currently unavailable.

OIG Recommendation 32: Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should configure mailrooms at the Baghdad Embassy Compound and the Baghdad Diplomatic Support Center in accordance with Department standards. (Action: Embassy Baghdad, in coordination with OBO)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy will conduct an assessment to determine the scope of the projects to update the Baghdad Embassy Compound contractor mailroom and Baghdad Diplomatic Support Center mailroom facilities per Department standards. Completion date is unknown due to Post staffing shortages resulting from Ordered Departure and the necessity to better understand the extent of work required.

OIG Recommendation 33: Embassy Baghdad should perform self-assessments of its Diplomatic Post Offices in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. Self-assessments have been completed for the Diplomatic Post Offices at the Baghdad Embassy Compound and the Baghdad Diplomatic Support Center. Consulate Erbil is in the process of completing its self-assessment. Expected completion date is December 2023.

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OIG Recommendation 34: Embassy Baghdad should comply with mandatory training requirements for Diplomatic Post Office staff. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. IRM has established a training plan for all Diplomatic Post Office staff. Expected completion date is March 2024.

OIG Recommendation 35: Embassy Baghdad should upload to the State Messaging and Archive Retrieval Toolset (SMART) all diplomatic notes it prepares and receives in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy has implemented the recommendation by issuing a policy establishing the mandatory requirement for embassy sections to upload diplomatic notes into SMART. IRM, in coordination with the Executive Office, will continue to monitor and enforce compliance. Completed.

OIG Recommendation 36: Embassy Baghdad should manage mission records in accordance with Department standards. (Action: Embassy Baghdad)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy has implemented the recommendation by publishing the annual records reminder, and IRM is working with applicable offices to ensure compliance. Expected completion is June 2024.

OIG Recommendation 37: Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should comply with Department standards for server room safety controls. (Action: Embassy Baghdad, in coordination with OBO)

Management Response: Embassy Baghdad concurs with this recommendation. The embassy planned and awarded a project to our operations and maintenance contractor, Light Construction Augmented (LCC/A) division. LCCA-A staff were subject to Ordered Departure and will continue efforts to complete the work upon their return.

The point of contact for this memorandum is Management Counselor Terrence Flynn.

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ABBREVIATIONS

BDSC	Baghdad Diplomatic Support Center
BEC	Baghdad Embassy Compound
COR	Contracting Officer's Representative
CPARS	Contractor Performance Assessment Reporting System
DCM	Deputy Chief of Mission
DEIA	Diversity, Equity, Inclusion, and Accessibility
DPO	Diplomatic Post Office
EEO	Equal Employment Opportunity
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
ICS	Integrated Country Strategy
ILMS	Integrated Logistics Management System
LE	Locally Employed
OBO	Bureau of Overseas Buildings Operations
POSHO	Post Occupational Safety and Health Officer
SHEM	Safety, Health, and Environmental Management
SMART	State Messaging and Archive Retrieval Toolset
TCN	Third-Country National
USAID	U.S. Agency for International Development

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