



Office of Inspector General  
United States Department of State

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ESP-22-01

Office of Evaluations and Special Projects

November 2021

# **Management Assistance Report: Office of the Chief of Protocol Gift Vault Access Controls**

MANAGEMENT ASSISTANCE REPORT

## Summary of Review

The Office of Inspector General (OIG) received a referral that the Office of the Chief of Protocol (S/CPR) was missing items of a significant value from its gift vault.<sup>1</sup> The missing items were either gifts from, or were to be given as gifts to, foreign governments and dignitaries. In the course of investigating this referral, OIG identified that the lack of accurate recordkeeping and appropriate physical security controls contributed to the loss of the gifts.

## BACKGROUND

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S/CPR is responsible for planning diplomatic programs for foreign leaders visiting the United States and assisting in the visits of U.S. officials to other nations. As part of these visits, S/CPR helps select the gifts presented to foreign dignitaries and receives all diplomatic gifts on behalf of White House and Department of State (Department) officials and maintains records pertaining to diplomatic gifts. S/CPR stores these gifts in a vault located in its offices at the Department. Access to the vault is controlled by a Personal Identity Verification (PIV) card reader installed by the Bureau of Diplomatic Security (DS).

Gifts received from foreign governments become property of the United States unless they are of minimal value.<sup>2</sup> When Department officials receive a gift from a foreign government, they must transfer the gift to S/CPR within 60 days.<sup>3</sup> S/CPR works with the General Services Administration to appraise the gift and determine its ultimate disposition. The Department is also required to annually publish in the Federal Register a list of foreign gifts received by U.S. government officials.<sup>4</sup>

According to S/CPR officials, the political appointees that formerly led S/CPR resigned on January 20, 2021, and career officials assumed acting leadership of the office. On January 20, the Acting Assistant Chief of Protocol for Visits entered the gift vault accompanied by other career officials and found it in a state of disarray. S/CPR then began an inventory of the vault and compared it with a list of gifts maintained by S/CPR and identified several items that were not in the vault. At that point, S/CPR made a referral to OIG regarding the missing items, which included a bottle of Suntory Hibiki thirty-year-old Japanese whiskey valued at \$5800, a 22-karat gold commemorative coin valued at \$560, eight porcelain and copper vases that were purchased as gifts for the G7 Summit (which was eventually canceled) and were collectively valued at \$20,000, and several bags of monogrammed commemorative items, such as pewter trays, marble trinket boxes, and leather portfolios, also purchased for the G7 Summit valued at

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<sup>1</sup> Diplomatic Security officials stated that the vault is actually a “certified strong room.” OIG uses the term here in its ordinary sense: a large room or chamber used for storage.

<sup>2</sup> 5 U.S.C. § 7342.

<sup>3</sup> 22 C.F.R. § 3.6(a)(1); 14 FAH-1 H-727.1 (March 19, 2020).

<sup>4</sup> 5 U.S.C. § 7342(f)(1). The most recent listing is available at:

<https://www.federalregister.gov/documents/2021/08/05/2021-16751/office-of-the-chief-of-protocol-gifts-to-federal-employees-from-foreign-government-sources-reported>

\$680 each. After receiving the referral, OIG opened a preliminary investigation into the missing items.

## FINDINGS

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OIG located the missing vases (all of which were in storage and for which the Department had never accepted delivery). However, OIG was unable to determine what happened to the other items, including the gold coin and the whiskey. OIG could not trace the items because of the lack of an inventory system to account for the disposition of items and the fact that there are no security cameras outside the gift vault. In addition, a large number of people had access to the vault. According to records maintained by the DS Office of Domestic Facilities Protection, between August 3, 2020, and January 31, 2021, there were 3,051 PIV card openings of the gift vault by 77 individuals.<sup>5</sup> Many of these individuals had left government service, so OIG could not compel their cooperation.

S/CPR officials have already taken some steps to deal with these deficiencies, such as reducing the number of people who have access to the vault (to just those who have a need to access the area) and initiating a sign-in and sign-out log for the gift vault (to account for all individuals who enter the vault, not just those who use their PIV card to enter), as well as requesting that DS install security cameras outside of the vault. However, DS denied the request for security cameras and told S/CPR officials that it uses cameras in domestic facilities primarily to protect classified information and systems, rather than to protect property of substantial value.

Stronger inventory and physical security controls would strengthen the accountability of S/CPR and appropriately protect the items stored in the gift vault, many of which are of significant value.<sup>6</sup> For example, Department offices are required to institute a system for the receipt, management, accountability, storage, utilization, maintenance, reporting and disposal of all U.S. Government-owned and leased personal property.<sup>7</sup> This investigation has highlighted that stronger controls are needed for the gift vault. The use of stronger physical security controls, such as the placement of a security camera near the vault, would likely deter improper removal of U.S. Government-owned personal property in the future.

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<sup>5</sup> The list of 77 names only indicates the employees whose PIV card was used to open the vault. Other individuals, even those without PIV card access, may have also accessed the vault if they were let in by another employee.

<sup>6</sup> The most recent listing of gifts received by Department officials includes items collectively worth over \$50,000, with many items having an individual value of over \$1000.

<sup>7</sup> 14 FAM 411.1 (November 2, 2020); 14 FAM 421.1 (March 27, 2018).

## RECOMMENDATIONS

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OIG makes one recommendation to S/CPR and one recommendation to DS. The complete response of both offices can be found in the appendix.

**Recommendation 1:** The Office of the Chief of Protocol should institute a stronger property management system for items contained in the gift vault similar to the requirements of 14 FAM 421.1, such as regular inventories and reconciliations.

**Management Response:** In its October 19, 2021, response, the Office of the Chief of Protocol concurred with this recommendation and stated it will work with the Bureau of Administration and the General Services Administration to institute stronger management controls.

**OIG Reply:** This recommendation can be closed when OIG receives documentation that the Office of Chief of Protocol has adopted strengthened management controls.

**Recommendation 2:** The Bureau of Diplomatic Security should work with the Office of the Chief of Protocol to strengthen the physical security of the gift vault, including an evaluation as to whether security cameras would be appropriate for use to protect the vault.

**Management Response:** In its October 7, 2021, response, the Bureau of Diplomatic Security concurred with this recommendation and stated that it has on three occasions worked to improve the physical security of the gift vault. It also stated that it has already evaluated the use of security cameras but found that cameras would not negate the continued operational inadequacies or supplement the existing technical and physical security systems in a meaningful way because any footage gathered would be investigative in nature, utilized after an adverse event.

**OIG Reply:** Because the Bureau of Diplomatic Security has already worked to strengthen the gift vault security and has evaluated the use of security cameras, OIG has closed this recommendation. OIG does note, however, that the evaluation does not consider the deterrence value of security cameras, which could be effective regardless of the operational inadequacies.

## APPENDIX: DEPARTMENT RESPONSES

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United States Department of State

Washington, D.C. 20520

October 19, 2021

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**MEMORANDUM**

TO:           OIG – Jeffrey McDermott, Assistant Inspector General  
FROM:        S/CPR – Asel Roberts, Acting Chief of Protocol *AR*  
SUBJECT:     S/CPR Response to Draft OIG Report

The Office of the Chief of Protocol (S/CPR) appreciates the opportunity to respond to the draft OIG Management Assistance Report on vault access controls and shares OIG's desire to prevent vulnerabilities or abuses of the gift vault management. The point of contact for this report is S/CPR Executive Director Chris Beenhouwer. chris.beenhouwer@state.gov

**Recommendation 1:** The Office of the Chief of Protocol should institute a stronger property management system for items contained in the gift vault similar to the requirements of 14 FAM 421.1, such as regular inventories and reconciliations.

**Management Response:** S/CPR concurs with this recommendation and will work with General Services Administration and A/LM/PMP/PM on implementing management controls in accordance with 14 FAH-1 H-727.1 Foreign Gifts and Decorations and 2 FAM 962.3 Gifts from Foreign Government and International Organizations.



United States Department of State

Washington, D.C. 20520

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October 7, 2021

**INFORMATION MEMO TO ACTING INSPECTOR GENERAL SHAW –  
OIG**

FROM: DS – Gentry O. Smith *GS*

SUBJECT: Bureau of Diplomatic Security Response to the Office of Inspector General (OIG) Management Assistance Report of the Office of the Chief of Protocol Gift Vault Access Controls (ESP-21-XX)

DS has reviewed the draft OIG inspection report. We provide the following comments in response to the Recommendation #2 provided by OIG:

**Recommendation #2:** The Bureau of Diplomatic Security should work with the Office of the Chief of Protocol to strengthen the physical security of the gift vault, including an evaluation as to whether security cameras would be appropriate for use to protect the vault.

**DS Response (10/07/2021):** DS agrees with the recommendation, but considers the matter completed. DS has worked with the Office of the Chief of Protocol (S/CPR) on at least three occasions to strengthen the physical security of the gift “vault.” DS’ efforts have included walk throughs of the space and an evaluation to determine whether security cameras would be appropriate for use to protect the “vault.” As such, DS believes it has satisfied this recommendation.

DS does note that the location in question is not a vault; rather, it is a certified strong room with all appropriate technical and physical security countermeasures in accordance with Physical Security Requirements for Domestic Occupied Space. Closed-circuit television (CCTV) is primarily used to supplement the uniformed guard force in its mission of protecting government assets (personnel, property, and information). In rare instances, there have been CCTV systems installed in exterior locations to further monitor the storage of weapons and ammunition. Regardless of what physical and technical security countermeasures are implemented, the tenant must implement proper and sound security procedures.

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On April 7, 2021, the Domestic Buildings Branch (DS/FSD/DBB) provided the Administrative Division (S/CPR/A) with an evaluation and outline of the technical and physical security measures currently in place, as well as information to ensure those countermeasures were functional at peak capabilities (e.g., scrubbing access rosters for the access control and intrusion detection systems). On May 6, 2021, DS/FSD/DBB again met with S/CPR/A Executive Director and others to conduct an evaluation. The results were in line with the information provided in April. Nevertheless, S/CPR/A continued to pursue the camera installation and reached out to A/RPM regarding vault standards. On July 21, 2021, DS/FSD/DBB discussed with the S/CPR/A Executive Director various issues including:

1. The room in question is not a vault, but actually a strong room;
2. The numerous operational issues and procedures to consider implementing (e.g., not leaving the door propped open, unauthorized piggybacking, uncontrolled access or unauthorized personnel entering when authorized personnel should physically monitor who is entering the space, scrubbing/updating the access roster, implementing a two-person rule, etc.); and
3. CCTV:
  - a. The option of S/CPR purchasing and installing its own system. This would be unauthorized.
  - b. The installation of a CCTV system would not replace or negate either the continued operational inadequacies or supplement the existing technical and physical security systems in a meaningful way. The footage gathered would be investigative in nature, utilized after an adverse event. While the footage captured by a CCTV system would be stored on a DVR, it would not be actively monitored by a uniformed protection officer (UPO). The stored video has a defined life cycle. Unless S/CPR actively coordinates a consistent, recurring inventory of artifacts in the gift "vault" within that time frame, the archived footage would not be relevant.

In summary, the evaluation requested by the OIG in the subject report has been completed and the Office of Physical Security Programs (DS/C/PSP) has worked with the Office of the Chief of Protocol (S/CPR) to recommend procedural practices, which would strengthen the physical and technical security of the gift "vault."

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