



OIG

Office of Inspector General

U.S. Department of State • Broadcasting Board of Governors

AUD-SI-16-33

Office of Audits

April 2016

# (U) Audit of Local Guard Force Contractors at Critical- and High-Threat Posts

## SECURITY AND INTELLIGENCE DIVISION

~~**IMPORTANT NOTICE:** This report is intended solely for the official use of the Department of State or the Broadcasting Board of Governors, or any agency or organization receiving a copy directly from the Office of Inspector General. No secondary distribution may be made, in whole or in part, outside the Department of State or the Broadcasting Board of Governors, by them or by other agencies or organizations, without prior authorization by the Inspector General. Public availability of the document will be determined by the Inspector General under the U.S. Code, 5 U.S.C. 552. Improper disclosure of this report may result in criminal, civil, or administrative penalties.~~



# OIG HIGHLIGHTS

AUD-SI-16-33

April 2016  
OFFICE OF AUDITS  
Security and Intelligence Division

## (U) Audit of Local Guard Force Contractors at Critical- and High-Threat Posts

### (U) What OIG Audited

(U) OIG conducted this audit to determine whether (1) local guard force (LGF) contractors at selected critical- and high-threat overseas posts are complying with general and post orders included in the contract; (2) LGF contractors at selected critical- and high-threat overseas posts provide invoices that comply with contract requirements; and (3) regional security officers at selected critical- and high-threat overseas posts perform oversight of the LGF contract in accordance with their Contracting Officer's Representative (COR) delegation memoranda.

### (U) What OIG Recommends

(U) OIG offered 18 recommendations intended to address the deficiencies identified in this report. The action entities for the recommendations include the Bureau of Administration, the Bureau of Diplomatic Security, Mission [Redacted] (b) (7)(F), Mission [Redacted] (b) (7)(F), and Mission [Redacted] (b) (7)(F).

Based on the collective responses to a draft of this report from the action entities, OIG considers 13 recommendations resolved, pending further action; 2 unresolved; and 3 implemented and closed. The action entity's response and OIG's reply follow each recommendation in the Audit Results section of this report.

### (U) What OIG Found

(U) OIG found that the guards working for the four LGF contractors at eight overseas posts (in four missions) complied with, on average, greater than 90 percent of security-related guard post orders observed. However, OIG identified deficiencies that were common across two or more missions related to access control procedures, equipment, unofficial reassignment of post orders, delivery and mail screening procedures, and reporting and investigating procedures. OIG also found that some guards were not receiving a proper number of breaks. Deficiencies generally occurred due to human error, lack of refresher training, and unavailable equipment. These deficiencies, if not addressed, could negatively impact the performance of security procedures that are intended to maintain post security and are required by the LGF contract.

(U) OIG also reviewed whether contractor invoices complied with contract terms and conditions and found that three of the four LGF contractors properly submitted invoices that included appropriate supporting documentation. However, the Mission [Redacted] (b) (7)(F) LGF contractor did not adhere to the contractually required invoice format or to the schedule for submitting invoices.

(U) Finally, OIG found that assistant regional security officers (acting as CORs, alternate CORs, and Government Technical Monitors) generally conducted LGF oversight in accordance with requirements, which are to monitor, inspect, and document the contractor's performance and, when necessary, apply negative incentives for not meeting performance standards. However, OIG found that not all assistant regional security officers (1) documented the contractors' performance or (2) maintained complete COR files. As a result, oversight was not properly documented. Without a complete COR file, the Government may not have the necessary documentation to defend its position of contractor nonconformance with contract terms, potentially resulting in paying for services that do not meet contract requirements.

\_\_\_\_ Office of Inspector General \_\_\_\_  
U.S. Department of State • Broadcasting Board of Governors

## CONTENTS

---

(U) OBJECTIVE.....	1
(U) BACKGROUND .....	1
(U) Local Guard Program .....	1
(U) Local Guard Force Contractor Oversight.....	2
(U) Critical- and High-Threat Posts.....	4
(U) AUDIT RESULTS.....	6
(U) Finding A: Local Guard Force Contractors Complied with the Majority of General and Post Orders, But Deficiencies Were Identified.....	6
(U) Finding B: Local Guard Force Contractors Generally Complied With Contractual Requirements for Invoice Submissions, But Some Exceptions Were Identified .....	16
(U) Finding C: Contracting Officer's Representatives Generally Conducted Local Guard Force Oversight in Accordance With Requirements.....	18
(U) OTHER MATTERS.....	27
(U) RECOMMENDATIONS.....	28
(U) APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY .....	30
(U) Prior Reports .....	31
(U) Work Related to Internal Controls.....	31
(U) Use of Computer-Processed Data .....	32
(U) Detailed Sampling Methodology .....	32
(U) APPENDIX B: DIPLOMATIC SECURITY CONTRACTING OFFICER'S REPRESENTATIVE CHECKLIST .....	34
(U) APPENDIX C: BUREAU OF DIPLOMATIC SECURITY RESPONSE TO DRAFT REPORT .....	40
(U) APPENDIX D: BUREAU OF ADMINISTRATION RESPONSE TO DRAFT REPORT .....	42
(U) APPENDIX E: MISSION [REDACTED] RESPONSE TO DRAFT REPORT.....	44
(U) APPENDIX F: MISSION [REDACTED] RESPONSE TO DRAFT REPORT.....	47
(U) APPENDIX G: MISSION [REDACTED] RESPONSE TO DRAFT REPORT .....	49
(U) ABBREVIATIONS .....	51
(U) OIG AUDIT TEAM MEMBERS .....	52

## (U) OBJECTIVE

---

(U) The Office of Inspector General (OIG) conducted this audit to determine whether (1) local guard force (LGF) contractors at selected critical- and high-threat overseas posts are complying with general and post orders included in the contract; (2) LGF contractors at selected critical- and high-threat overseas posts provide invoices that comply with contract requirements; and (3) regional security officers (RSO) at selected critical- and high-threat overseas posts perform oversight of the LGF contract in accordance with their Contracting Officer's Representative (COR) delegation memoranda. See Appendix A for the scope and methodology of this audit.

## (U) BACKGROUND

---

### (U) Local Guard Program

(~~SBU~~) The Bureau of Diplomatic Security (DS) is responsible for providing a secure environment in which to conduct U.S. Government business at overseas posts. The Local Guard Program<sup>1</sup> provides part of this security, which includes coverage [Redacted] (b) (7)(F) [Redacted] (b) (7)(F).<sup>2</sup> The type of Local Guard Program at a U.S. mission is determined by the composition of the LGF, which can comprise (1) employees from the host government serving as members of a police or other security force; (2) employees from the U.S. mission, each working under a personal services agreement;<sup>3</sup> or (3) employees from a commercial firm working under a non-personal services contract<sup>4</sup> with the U.S. mission.<sup>5</sup> This audit focused on the third type of LGF.

(~~SBU~~) Every LGF contract includes an "Exhibit B – General Orders and Post Orders." General orders provide directions and instructions of general application to all members of the LGF. For example, general orders can require that guards be fully dressed in the prescribed guard uniform and that guards not abandon their post until properly relieved. Each member of the LGF is responsible for being fully familiar with and responsive to the general orders. Post orders provide the LGF with detailed directions and instructions in order to perform duties and tasks at specific guard posts. For example, an access control guard post could include orders such as "inspect the identification card of each employee before granting access to the compound" or "ensure all pedestrians are searched before entering the compound, to include bags and

---

<sup>1</sup> (U) Foreign Affairs Handbook (FAH), 12 FAH-7 H-011, "General."

<sup>2</sup> (U) 12 FAH-7 H-121, "General."

<sup>3</sup> (U) As defined in Foreign Affairs Manual (FAM), 3 FAM 7121, a personal services agreement is an employment mechanism. These agreements are administered by the human resources offices at posts and are not subject to procurement law or regulations.

<sup>4</sup> (U) The Federal Acquisition Regulation, subpart 37.1, defines a non-personal services contract as "a contract under which the personnel rendering the services are not subject, either by the contract's terms or by the manner of its administration, to the supervision and control usually prevailing in relationships between the Government and its employees."

<sup>5</sup> (U) 12 FAH-7 H-131, "General."



briefcases." A perimeter security guard post could include orders such as "observe the area outside of the compound to [Redacted] (b) (7)(F) or "prohibit any civilian vehicles from parking or waiting in the street adjacent to the compound." Each member of the LGF is responsible for being fully familiar with and responsive to all post orders that apply to him or her. To familiarize guards with orders, LGF contractors are required, per their contracts, to provide annual training.

## **(U) Local Guard Force Contractor Oversight**

### ***(U) Contracting Officers***

(U) The Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (A/LM/AQM), provides contract management services for overseas posts operating with a contractor-provided LGF. The Office of Acquisitions Management assigns a Contracting Officer (CO) who is the U.S. Government's authorized agent for dealing with contractors and has sole authority to solicit proposals and negotiate, award, administer, modify, or terminate contracts.<sup>6</sup> The CO is responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships.<sup>7</sup>

### ***(U) Contracting Officer's Representatives and Government Technical Monitors***

(U) The CO can delegate specific authorities for contract oversight to a COR, which for an LGF contract is typically an Assistant Regional Security Officer (ARSO).<sup>8</sup> The CO may also delegate specific authorities separate from the COR to a government technical monitor (GTM)<sup>9</sup> who assists the COR in the performance of oversight duties.<sup>10</sup> The CO outlines the COR's and GTM's specific duties, responsibilities, and authorities in a delegation memorandum,<sup>11</sup> which include: (1) monitoring the contractor's technical progress and expenditures related to the contract; (2) inspecting and accepting all work performed under the contract; (3) documenting performance deficiencies and informing the CO, in writing, of any performance or schedule failure by the contractor; (4) drafting and issuing deduction letters for those deficiencies specifically listed on the deduction matrix;<sup>12</sup> (5) reviewing the contractor's invoices for accuracy and approving or rejecting the invoices within 7 calendar days of receipt; and (6) maintaining a COR file for each assigned contract.<sup>13</sup> The LGF contracts audited for this project summarize the COR's and GTM's

---

<sup>6</sup> (U) Foreign Affairs Manual (FAM), 12 FAM 463.3, "Office of Acquisitions Management (A/LM/AQM)" and (U) 14 FAH-2 H-141, "Responsibilities of the Contracting Officer."

<sup>7</sup> (U) Federal Acquisition Regulation, Subpart 1.6, "Career Development, Contracting Authority, and Responsibilities."

<sup>8</sup> (U) 12 FAM 463.3.

<sup>9</sup> (U) Ibid.

<sup>10</sup> (U) 14 FAH-2 H-124.1, "Definitions."

<sup>11</sup> (U) 14 FAH-2 H-143.2, "COR Appointment Procedures."

<sup>12</sup> (U) An LGF contract's Exhibit C – Quality Assurance and Surveillance Plan contains a matrix that details "undesirable performance events" that allow the Government to assess deductions (that is, "negative incentives for not meeting performance standards") from the contractor's billed services. "Undesirable performance events" include unmanned guard posts and sleeping on duty.

<sup>13</sup> (U) 14 FAH-2 H-142, "Responsibilities of the Contracting Officer's Representative (COR)."

role as follows: "The contractor, not the Government, is responsible for management and quality control to meet the terms of the contract. The role of the Government [the COR] is to monitor contractor performance to ensure that contract standards are achieved." Further, the Foreign Affairs Handbook (FAH) states that a non-personal services LGF contract "shifts some of the burden of day-to-day supervision from the RSO [the COR]. . . to the contractor. Although the RSO . . . should retain overall control and supervision of the LGF, the daily operation, supervision, inspection, and discipline are the contractor's responsibility."<sup>14</sup>

(U) The Department's guidance to CORs does not specify how CORs will monitor and inspect a contractor's work. However, to assist overseas CORs in documenting their LGF contractor oversight, DS designed a "COR Checklist."<sup>15</sup> DS requires that CORs on LGF contracts complete the checklist on a monthly basis and retain a copy of the completed checklists in the COR file (see Appendix B for the checklist template). The checklist includes:

- (U) Periodic random verification of contractor adherence to contract Exhibit A<sup>16</sup> (six locations per month): at each location, the COR should ensure that all posts are being fulfilled in accordance with contract Exhibit A, to include number of personnel and required equipment provided. The COR should also question guards regarding their understanding of duties and emergency response plans.
- (U) Spot check 10 percent of radios per month: the COR should verify serial numbers and locations.
- (U) Converse with random supervisors and senior guards to check English proficiency (four per month): the COR should engage the supervisors and senior guards in general conversation as it pertains to their sites and duties.
- (U) Review and certify the labor portion of the invoice: any additional and emergency services should have accompanying COR letters. If there were any vacant or unmanned Exhibit A posts at any time, documentation showing the COR was advised of the situation should be included. When the COR is satisfied that the labor portion invoiced is what the U.S. Government received in services, he/she should certify to the Financial Management Office that the invoice is correct.

---

<sup>14</sup> (U) 12 FAH-7 H-412, "Nonpersonal Services (NPS) Time And Materials Contracts."

<sup>15</sup> (U) The DS COR checklist was developed and implemented in response to an OIG recommendation in 2012 that DS modify its reviews of local guard force contracts to ensure that contract terms and conditions are included in those reviews. The report that prompted the COR checklist is: *Evaluation of the Local Guard Force Contract for Embassy [Redacted] (b) (7)(F) and Consulates General [Redacted] (b) (7)(F) and [Redacted]* (AUD-MERO-12-46, September 2012).

<sup>16</sup> (U) Exhibit A – Guard Posts and Schedule of Guard Coverage provides the specific guard posts by number, location, function, and schedule for standard services. For example, the LGF Commander post at an embassy may be numbered E-1; the location may be listed as the embassy compound (as commanders typically rove throughout their shift); their function would be listed as "supervision"; and the schedule may be listed as Monday through Friday, 7:00 a.m. to 4:00 p.m. A guard post may then be numbered E-6; the location may be listed as a compound access control; their function may be listed as "vehicle screening"; and the schedule may be listed as 24/7.

## (U) Critical- and High-Threat Posts

(SBU) The DS Security Environment Threat List identifies threat levels for all posts staffed by direct-hire U.S. personnel who operate under a Chief of Mission [Redacted] (b) (7)(F).<sup>17</sup> OIG selected eight posts rated as critical- and/or high-threat<sup>18</sup> for terrorism<sup>19</sup> and/or political violence<sup>20</sup> (see Appendix A for additional information related to OIG's selection of posts). The eight posts audited are located in [Redacted] (b) (7)(F), [Redacted] (b) (7)(F), [Redacted] (b) (7)(F), and [Redacted] (b) (7)(F).

(U) Table 1: Critical- and High-Threat Posts Audited

(U) Post	(U) Contractor	(SBU) Terrorism Threat	(SBU) Political Violence Threat
Embassy [Redacted] (b) (7)(F)	[Redacted] (b) (6)	Critical	High
Embassy [Redacted] (b) (7)(F)	[Redacted] (b) (6)	High	Medium
Consulate General [Redacted] (b) (7)(F)	[Redacted] (b) (6)	High	High
Embassy [Redacted] (b) (7)(F)	[Redacted] (b) (6)	High	Low
Consulate General [Redacted] (b) (7)(F)	[Redacted] (b) (6)	High	Medium
Consulate General [Redacted] (b) (7)(F)	[Redacted] (b) (6)	High	Low
Embassy [Redacted] (b) (7)(F)	[Redacted] (b) (6)	High	High
Consulate General [Redacted] (b) (7)(F)	[Redacted] (b) (6)	Medium	High

(U) Source: 2014 Security Environment Threat List.

## (U) Mission [Redacted] (b) (7)(F) Local Guard Force Contract and Composition

(U) The Mission [Redacted] (b) (7)(F) LGF contract was awarded on June 21, 2011, to [Redacted] (b) (6) [Redacted] (b) (6). According to the contract, the total cost for the services provided under this contract from September 1, 2014, to August 31, 2015, could not exceed \$3,460,376. The purpose of the contract is to provide local guard services for Mission [Redacted] (b) (7)(F), which includes U.S. Embassy [Redacted] (b) (7)(F). The contract is a time-and-materials<sup>21</sup> contract that also includes firm-fixed price<sup>22</sup> and cost-reimbursable<sup>23</sup> components. The 1,046-member LGF for Mission [Redacted] (b) (7)(F).

<sup>17</sup> (SBU) The Security Environment Threat List documents post threat levels for terrorism, political violence, crime, and [Redacted] (b) (7)(F).

<sup>18</sup> (SBU) A critical threat is defined as [Redacted] (b) (7)(F). A high threat is defined as having [Redacted] (b) (7)(F).

<sup>19</sup> (SBU) Terrorism ratings consider threats from groups with the [Redacted] (b) (7)(F).

<sup>20</sup> (SBU) Political violence ratings incorporate the threat of civil disorder, coups d'état, and [Redacted] (b) (7)(F).

<sup>21</sup> (U) Under the Federal Acquisition Regulation, Subpart 16.601, a time-and-materials contract provides for acquiring supplies or services on the basis of: (1) direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit; and (2) actual cost for materials.

<sup>22</sup> (U) Under the Federal Acquisition Regulation, subpart 16.202-1, a firm-fixed price contract provides for a price that is not subject to an adjustment based on the contractor's cost experience in performing the contract.

<sup>23</sup> (U) Under the Federal Acquisition Regulation, subpart 16.301-1, cost reimbursable contracts provide for payment of allowable costs incurred by the contractor, to the extent prescribed in the contract.

fills 312 guard posts<sup>24</sup> at U.S. Embassy [Redacted] (b) (7)(F), including compound and residential security, as well as mobile patrol posts.

*(U) Mission [Redacted] (b) (7)(F) Local Guard Force Contract and Composition*

(U) The Mission [Redacted] (b) (7)(F) LGF contract was awarded [Redacted] (b) (6). [Redacted] (b) (6) According to the contract, the total cost for the services provided under this contract from November 1, 2014, to October 31, 2015, could not exceed \$14,790,271. The purpose of the contract is to provide local guard services for Mission [Redacted] (b) (7)(F), which includes U.S. Embassy [Redacted] (b) (7)(F) and Consulate General [Redacted] (b) (7)(F). The contract is a time-and-materials contract that also includes firm-fixed price and cost-reimbursable components. The 674-member LGF for Mission [Redacted] (b) (7)(F) fills 236 guard posts at U.S. Embassy [Redacted] (b) (7)(F) and Consulate General [Redacted] (b) (7)(F), including compound and residential security, as well as mobile patrol posts.

*(U) Miss [Redacted] (b) (7)(F) Local Guard Force Contract and Composition*

(U) The Mission [Redacted] (b) (7)(F) LGF contract was awarded [Redacted] (b) (6). [Redacted] (b) (6) According to the contract, the total cost for the services provided under this contract from April 1, 2014, to March 31, 2015, could not exceed \$10,624,330. The purpose of the contract is to provide local guard services for Mission [Redacted] (b) (7)(F), which includes Embassy [Redacted] (b) (7)(F), Consulate General [Redacted] (b) (7)(F), and its new consulate compound (which is under construction), and Consulate General [Redacted] (b) (7)(F). The contract is a time-and-materials contract that also includes firm-fixed price and cost-reimbursable components. The 329-member LGF for Mission [Redacted] (b) (7)(F) fills 128 guard posts, including compound and residential security.

*(U) Mission [Redacted] (b) (7)(F) Local Guard Force Contract and Composition*

(U) The Mission [Redacted] (b) (7)(F) LGF contract was awarded [Redacted] (b) (6). [Redacted] (b) (6) According to the contract, the total cost for the services provided under this contract from February 1, 2014, to January 31, 2015, could not exceed \$6,091,699. The purpose of the contract is to provide local guard services for Mission [Redacted] (b) (7)(F), which includes Embassy [Redacted] (b) (7)(F) and Consulate General [Redacted] (b) (7)(F). The contract is a time-and-materials contract that also includes firm-fixed price and cost-reimbursable components. The 207-member LGF for Mission [Redacted] (b) (7)(F) fills 61 guard posts at Embassy [Redacted] (b) (7)(F) and Consulate General [Redacted] (b) (7)(F), including compound and residential security, as well as mobile patrol posts.

<sup>24</sup> (U) A guard post is a site or location to which a guard is assigned for a specific period of time to perform prescribed functions. A physical location may include more than one guard post. For example, a compound access control may be staffed by several guards filling several guard posts, such as a guard who inspects vehicles for explosives and a guard who controls the gates. Guard posts may be manned for 24 hours (with several shifts in that time period); therefore, the number of guard posts is not equal to the number of guards assigned to the contract.

## (U) AUDIT RESULTS

### (U) Finding A: Local Guard Force Contractors Complied with the Majority of General and Post Orders, But Deficiencies Were Identified

(U) OIG found that the guards working for the four LGF contractors at eight overseas posts (in four missions) complied with, on average, greater than 90 percent of security-related guard post orders observed.<sup>25</sup> As shown in Table 2, the LGF contractors that OIG audited obtained compliance scores of 88 percent or greater.

**(U) Table 2: LGF Contractor Compliance Scores**

(U) Mission	(U) Contractor	(U) Orders Observed*	(U) Compliant	(U) Deficient	(U) Score (percent)
[Redacted] (b) (7)(F)	[Redacted] (b) (6)	478	422	56	88
[Redacted] (b) (7)(F)	[Redacted] (b) (6)	456	431	25	95
[Redacted] (b) (7)(F)	[Redacted] (b) (6)	1,213	1,116	97	92
[Redacted] (b) (7)(F)	[Redacted] (b) (6)	472	450	22	95

\* (U) OIG's checklists included a greater number of guard post orders than OIG could observe. For example, the Mission [Redacted] (b) (7)(F) LGF checklist included a total of 524 guard post orders. However, OIG was not able to observe some situations described in the post orders, such as procedures for a Very Important Person visit because no such visit occurred during our fieldwork at post.

(U) **Source:** OIG prepared based on work performed at overseas posts.

(U) OIG identified certain deficiencies that were common to two or more missions related to access control procedures, equipment, unofficial reassignment of post orders, delivery and mail screening procedures, and reporting and investigating procedures. The majority of these deficiencies occurred due to human error, lack of sufficient refresher training, and unavailable equipment. These deficiencies, if not addressed, could negatively impact the performance of security procedures that are intended to maintain post security and are required by the LGF contract.

#### *(U) Local Guard Force Deficiencies*

##### *(U) Access Control Procedures*

(SBU) OIG found that certain guards working for three of four LGF contractors audited – [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F)), [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F)), and [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F))) – did not conduct access control procedures in accordance with post orders. For example, at Embassy [Redacted] (b) (7)(F), LGF post orders stated that guards should request that visitors remove shoes or belts if they activate the walk-through metal detector (WTMD). Further, visitors should be requested to place any metallic

<sup>25</sup> (U) OIG focused on observing compliance with security-related duties included in post orders, such as access controls and patrol duties. OIG also focused on guard posts located at the main embassy or consulate compound, warehouse compounds, or other agencies' compounds. The number of guard posts reviewed ranged from 4 to 61 and the number of security-related duties per guard post reviewed ranged from 2 to 62.

objects they may be carrying on the counter before passing through the WTMD again. However, OIG observed that two guards did not request that visitors remove their shoes or belts when they activated the WTMD, and they immediately used the handheld metal detector (HHMD) after visitors activated the WTMD, rather than requesting that the visitors place any metallic objects on the counter and pass through the WTMD again. Additionally, two guards did not consistently screen employee and visitor badges as required. One guard did not consistently request to see badges as pedestrians passed the guard post, and a second guard was unable to properly check badges due to the speed of vehicles as they approached the main compound access control (CAC) entrance. After discussing these deficiencies with the Embassy [REDACTED] COR, LGF Coordinator, Defensive Security Coordinator, and LGF contractor representatives, OIG determined that these deficiencies occurred, in part, because the LGF personnel were not fully aware of the required security procedures and receive refresher training just once per year.

(SBU) At Embassy [REDACTED], guard post orders stated that if the WTMD is activated, the visitors will be asked to place any large metallic objects that they are carrying on the counter and pass through the WTMD again. Further, if the alarm is activated a second time, the HHMD will be used. At one of the CACs, visitors who activated the WTMD pointed out the suspected metallic object, such as a watch or a belt, and the guard allowed the visitors to proceed after visually inspecting the object. A LGF contractor representative stated that guards are trained to recognize the item that has activated the WTMD. He added that modifying post orders to emphasize HHMD use, rather than requesting lengthier screening procedures, would be beneficial. On October 14, 2015, the COR notified OIG that Embassy [REDACTED] clarified guard post orders to use the HHMD following two attempts to pass the WTMD that set off WTMD alarms. Accordingly, OIG is not making a recommendation to Mission [REDACTED].

(SBU) At the new consulate compound in [REDACTED], guard post orders stated that guards should instruct contractors to have their irises scanned prior to receiving access badges. However, OIG observed that contractors were receiving badges before having their irises scanned. The LGF Commander stated that logistically, after employees pass through the WTMD, the closest station is the badging station. Thus, it is understandable that guards may stop there first rather than at the iris scanning station as required. According to the Consulate General [REDACTED] Senior RSO, once a badge has been issued, contractors are granted official access to the new consulate compound. Thus, it is important that guards verify contractors via the iris scanner prior to issuing access badges.

**Recommendation 1:** (U) OIG recommends that the Mission [REDACTED] Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing access controls procedures.

**Management Response:** (U) Mission [REDACTED] concurred with the recommendation, stating that the Contracting Officer's Representative addressed all access control procedures with the contractor's management team on September 23, 2015 (see Appendix E for Mission [REDACTED] response). Further, the Contracting Officer's Representative has instituted mandatory daily training during the guard force muster as a stop gap. Based on the positive discussion,



training, and full compliance of the contractor, Mission [Redacted] (b) (7)(F) did not issue a deficiency letter.

**OIG Reply:** (U) Based on Mission [Redacted] (b) (7)(F) response, OIG considers this recommendation resolved. Although Mission [Redacted] (b) (7)(F) did not issue a deficiency letter to the contractor as recommended, OIG accepts the alternative corrective action to address the deficiency identified. This recommendation will be closed when OIG receives and accepts documentation demonstrating that Mission [Redacted] (b) (7)(F) has instituted mandatory training during the guard force muster that reinforces access controls procedures.

**Recommendation 2:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing access control procedures at the new consulate compound.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative will issue the contractor a deficiency letter (see Appendix G for Mission [Redacted] (b) (7)(F) response).

**OIG Reply:** (U) Based on Mission [Redacted] (b) (7)(F) concurrence and planned corrective actions, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that the Contracting Officer's Representative has issued the contractor a deficiency letter.

### *(U) Equipment*

(SBU) OIG found that certain guards working for two of four LGF contractors audited – [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F)) and [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F)) – did not have or carry equipment in accordance with contract terms and conditions. For example, OIG found that all four Mission [Redacted] (b) (7)(F) guards who were required by post orders to carry [Redacted] (b) (7)(F) on their person failed to do so – two guards were not provided [Redacted] (b) (7)(F) and two guards maintained the [Redacted] (b) (7)(F) in their work spaces. In addition, none of the 25 guards who were required to wear an [Redacted] (b) (7)(F) on a lanyard complied with post orders to do so. Specifically, at three CACs, OIG observed [Redacted] (b) (7)(F) that were sitting in the work area, rather than on a guard's lanyard. In another instance, a perimeter guard did not wear his [Redacted] (b) (7)(F) because it had been broken for at least 1 week.<sup>26</sup> OIG determined that these instances occurred because LGF personnel had either not received all required equipment, which according to the contracts is Government furnished, or were not familiar with the requirement to carry the equipment when on duty.

**Recommendation 3:** (SBU) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative request additional [Redacted] (b) (7)(F) from the Bureau of Diplomatic Security Countermeasures, Office of Physical Security Programs, [Redacted] (b) (7)(F)

<sup>26</sup> (SBU) During the site visit, OIG was informed that this [Redacted] (b) (7)(F) was currently under repair.



[Redacted] from the Engineering Services Office.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative has requested assistance from DS to repair or replace the current inoperable [Redacted] (b) (7)(F) (see Appendix E for Mission [Redacted] (b) (7)(F) response). As of December 2015, Mission [Redacted] (b) (7)(F) had purchased new [Redacted] (b) (7)(F) [Redacted] (b) (7)(F) through the Engineering Services Office.

**OIG Reply:** (U) Based on Mission [Redacted] (b) (7)(F) concurrence and planned corrective actions, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that the [Redacted] (b) (7)(F) have been repaired or replaced and additional [Redacted] (b) (7)(F) [Redacted] (b) (7)(F) have been obtained and put in service.

**Recommendation 4:** (SBU) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing post orders related to the [Redacted] (b) (7)(F).

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the contractor took action to rectify the deficiency, and the Contracting Officer's Representative confirmed compliance with the [Redacted] (b) (7)(F) requirement in December 2015 (see Appendix E for Mission [Redacted] (b) (7)(F) response). As a result, post did not issue the contractor a deficiency letter.

**OIG Reply:** (U) Based on actions taken by Mission [Redacted] (b) (7)(F), OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating how the Contracting Officer's Representative confirmed that guards are in compliance with the [Redacted] (b) (7)(F) requirement.

(SBU) At Mission [Redacted] (b) (7)(F), post orders for 43 guard posts required [Redacted] (b) (7)(F) [Redacted] (b) (7)(F); however, 10 guards did not have [Redacted] (b) (7)(F). When asked why these guards did not have [Redacted] (b) (7)(F), the COR and LGF Commanders stated that Mission [Redacted] (b) (7)(F) did not have additional [Redacted] (b) (7)(F) to spare and added that the guards who man nearby posts have [Redacted] (b) (7)(F) on their person at all times. OIG also found that 18 guard posts that were contractually required to have [Redacted] (b) (7)(F) as part of their required equipment did not have them. Notwithstanding this requirement, OIG found that many of these guard posts were co-located and only one [Redacted] (b) (7)(F) was necessary in each area (that is, based on their proximity to each other, not all 18 guards need to carry a [Redacted] (b) (7)(F)). According to the Deputy RSO, Embassy [Redacted] (b) (7)(F) usually maintains five [Redacted] (b) (7)(F), with four in use at any given time; however, the post recently received five [Redacted] (b) (7)(F), all of which immediately malfunctioned.

**Recommendation 5:** (SBU) ~~(SBU)~~ OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative request additional [Redacted] (b) (7)(F) from the Engineering Services Office and additional [Redacted] (b) (7)(F) from the Bureau of Diplomatic Security Countermeasures, Office of Physical Security Programs, [Redacted] (b) (7)(F).

**Management Response:** (U) Mission [Redacted] (b) (7)(F) partially concurred with the recommendation, stating that the Contracting Officer's Representative has ordered additional [Redacted] (b) (7)(F) (see Appendix G for Mission [Redacted] (b) (7)(F) response).

**OIG Reply:** (U) OIG considers this recommendation unresolved because Mission [Redacted] (b) (7)(F) response did not address the required [Redacted] (b) (7)(F) equipment. The recommendation will be resolved when OIG receives and accepts Mission [Redacted] (b) (7)(F) concurrence and a corrective action plan, including milestones, for obtaining additional [Redacted] (b) (7)(F). The recommendation will be closed when OIG receives and accepts documentation that demonstrates Mission [Redacted] (b) (7)(F) has obtained and put in service the required [Redacted] (b) (7)(F) and [Redacted] (b) (7)(F).

**Recommendation 6:** (SBU) ~~(SBU)~~ OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, modify the Mission [Redacted] (b) (7)(F) local guard force contract to clarify that only four guard posts require [Redacted] (b) (7)(F).

**Management Response:** (U) The Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, requested that the recommendation be reassigned to the Bureau of Diplomatic Security, as that bureau needs to make an operational decision before the contract can be modified (see Appendix D for the Bureau of Administration's response). The Office of Acquisitions Management within the Bureau of Administration will assist with the contract modification when the Bureau of Diplomatic Security makes the decision.

**OIG Reply:** (U) OIG agrees that the recommendation should be reassigned to the Bureau of Diplomatic Security as the requesting office and has modified the recommendation accordingly. In its response, the Bureau of Diplomatic Security did not indicate whether it concurred with this recommendation. Therefore, OIG considers this recommendation unresolved. The recommendation can be resolved when OIG receives and accepts the Bureau of Diplomatic Security's concurrence and a corrective action plan, including milestones, for modifying the Mission [Redacted] (b) (7)(F) contract. The recommendation will be closed when OIG receives and accepts documentation demonstrating that the Mission [Redacted] (b) (7)(F) local guard force contract has been modified to clarify that only four guard posts require [Redacted] (b) (7)(F).

*(U) Unofficial Reassignment of Post Orders*

(U) OIG found that guards working for two of four LGF contractors audited – [Redacted] (b) (6) (Mission [Redacted] (b) (6))) and [Redacted] (b) (6) (Mission [Redacted] (b) (6))) – had guards who unofficially reassigned post orders to other guards. For example, at Mission [Redacted] (b) (6), two Embassy [Redacted] (b) (6) guards who were physically co-located had identical orders with regard to screening visitors and verifying their identifications. However, OIG observed that one guard conducted both guards' duties, while the second guard was solely responsible for opening the CAC door to pedestrians and checking badges, which was not listed in his post orders. At Mission [Redacted] (b) (6), one Embassy [Redacted] (b) (6) guard's post orders stated that he or she should visually inspect the contents of purses and briefcases belonging to embassy visitors and operate the WTMD. However, OIG observed another guard completing the inspections.

(U) In another instance, a Consulate General [Redacted] (b) (6) guard was responsible for escorting visa applicants from the Consular Pavilion to the Consular CAC; however, another guard was carrying out this duty. Guards who are assigned to perform the duties of others may be overwhelmed and unable to complete all reassigned duties. According to the Mission [Redacted] (b) (6) LGF Coordinator, duties evolve during the course of the year, but because the post orders are revised only once each year, they may not match a guard post's actual duties. The Mission [Redacted] (b) (6) COR stated that an unofficial hierarchy often develops within the LGF, leading to reassignment of duties among the guards. The COR stated that he battles against this on a regular basis and added that the LGF contractor has instructed guards to adhere to post orders. On October 14, 2015, following our audit fieldwork in [Redacted] (b) (6), the COR notified OIG that mandatory LGF refresher training was conducted on September 30, 2015, to reinforce security procedures and assignment responsibilities. Accordingly, OIG is not making a recommendation to Mission [Redacted] (b) (6).

**Recommendation 7:** (U) OIG recommends that the Mission [Redacted] (b) (6) Contracting Officer's Representative review post orders and request a contract modification if updates are necessary.

**Management Response:** (U) Mission [Redacted] (b) (6) concurred with the recommendation, stating that the Contracting Officer's Representative reviewed guard post orders following the OIG's visit (see Appendix E for Mission [Redacted] (b) (6) response). Several modifications have been made to the post orders, and the final modification should be fully completed by March 2016.

**OIG Reply:** (U) Based on Mission [Redacted] (b) (6) concurrence and planned corrective actions, OIG considers this recommendation resolved. The recommendation will be closed when OIG receives and accepts documentation demonstrating that post orders have been modified to fully address the deficiencies identified.

*(U) Mail Screening and Receipt of Deliveries*

(U) OIG found that guards working for two of four LGF contractors audited – [Redacted] (b) (6) (Mission [Redacted] (b) (6))) and [Redacted] (b) (6) (Mission [Redacted] (b) (6))) – did not conduct mail screening and delivery receipt procedures in accordance with contract terms and conditions. For

example, at Embassy [REDACTED], post orders include the following requirements for deliveries and mail screening:

- (~~SBU~~) Guards must ensure that at no time are the outer doors of the delivery building opened when the inner doors are opened.
- (~~SBU~~) Compound side doors may be opened for embassy employees to retrieve a delivery when all receiving side doors are locked.
- (~~SBU~~) Mailroom staff will load deliveries onto the x-ray machine for screening and offload and transfer to the anthrax screening area after the senior guard has screened and verified that the delivery is clear of any suspicious items.

(~~SBU~~) During a delivery, OIG observed that the inner and outer doors of the delivery building were occasionally open at the same time. Further, OIG observed that the guard properly screened a mail delivery and placed the items on his desk. However, while the guard was screening a large delivery, mailroom staff placed additional mail pieces that had not been screened with the original delivery on the guard's desk, rather than on the x-ray machine as required. After the guard logged all of the mail, the additional mail was taken to the anthrax screening area without being screened through the x-ray machine. Further, the guard opened the inner door after deliveries were screened and logged, despite the fact that the outer door was not locked in accordance with post orders. OIG observed that, due to the large size of this delivery (that is, many items that took more than an hour to process through the delivery building), it was more convenient to leave the outer door unlocked. In addition, the guard informed OIG that the locking and unlocking procedure is time-consuming. Due to the large size of the delivery, the guard assigned to the delivery building was overwhelmed with multiple duties and could not adhere to delivery and mail screening procedures. CORs in coordination with A/LM/AQM determine how many guards are needed to address the mission's security needs.

**Recommendation 8:** (~~SBU~~) OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management modify, in coordination with the Contracting Officer's Representative, the Mission [REDACTED] local guard force contract to provide additional guard coverage at the delivery building during large deliveries to mitigate inner and outer doors occasionally being open at the same time.

**Management Response:** (U) The Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, requested that the recommendation be reassigned to the Bureau of Diplomatic Security, as that bureau needs to make an operational decision before the contract can be modified (see Appendix D for the Bureau of Administration's response). The Bureau of Administration will assist with the contract modification when the Bureau of Diplomatic Security makes the decision. In its response, Mission [REDACTED] stated that the Contracting Officer's Representative has instructed the delivery building guards to contact the Mobile Response Team and Rover Guards for assistance at times of high volume (see Appendix E for Mission [REDACTED] response).

**OIG Reply:** (U) Because the final desired outcome is additional guard coverage at the delivery building during large deliveries, OIG accepts Mission [Redacted] (b) (7)(F) alternative corrective action and considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that Mission [Redacted] (b) (7)(F) instructions on high volume deliveries were provided to the delivery building guards.

**Recommendation 9:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative remind mailroom staff that deliveries must be placed onto the x-ray machine for screening, rather than on the guard's desk.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative instructed the post master and his staff to comply with the requirement that all mail be placed immediately on the x-ray machine upon arrival (see Appendix E for Mission [Redacted] (b) (7)(F) response). The post master was also advised to ensure that his staff avoids placing any mail at any location outside of the x-ray machine.

**OIG Reply:** (U) Based on Mission [Redacted] (b) (7)(F) concurrence and description of actions taken, OIG considers this recommendation resolved. The recommendation will be closed when OIG receives and accepts documentation demonstrating that Mission [Redacted] (b) (7)(F) has provided written guidance on screening mail deliveries to the post master.

(SBU) At Embassy [Redacted] (b) (7)(F), post orders stated that guards would screen delivered mail through the x-ray machines at the Embassy [Redacted] (b) (7)(F) CACs prior to pickup by mailroom personnel. OIG found that guards did not adhere to these procedures. One guard stated that he used the HHMD rather than the x-ray machine and, if it was a small package, he took it to the Service CAC for explosives testing. The guard added that he left large packages at the mail delivery area to be picked up by mailroom personnel. The COR stated that mailroom personnel conduct more thorough suspicious item screening, but that in some instances, packages are too large to pass through the x-ray machine. An LGF contractor representative agreed that the guards need refresher training on mail screening procedures. On October 14, 2015, following audit fieldwork at Embassy [Redacted] (b) (7)(F), the COR notified OIG that mandatory LGF refresher training was conducted on September 30, 2015, to reinforce mail screening procedures. Accordingly, OIG is not making a recommendation to Mission [Redacted] (b) (7)(F).

### *(U) Reporting and Investigating Unusual or Suspicious Occurrences*

(U) OIG found that guards working for two of four LGF contractors audited – [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F)) and [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F)) – did not report or investigate suspicious occurrences in accordance with contract terms and conditions. For example, a guard at 1 of the 48 Embassy [Redacted] (b) (7)(F) guard posts that OIG observed did not always report unusual or suspicious occurrences to the appropriate officials. Post orders stated that the guard should monitor the compound's closed circuit television screens closely and report any unusual or suspicious observations to Post One<sup>27</sup> and the RSO. However, when OIG

<sup>27</sup> (U) Post One is the name given to the main Marine Security Guard watch post at an embassy or consulate general.

questioned the guard on these procedures, he stated that he reports unusual or suspicious occurrences to only Post One and does not inform the RSO. According to the LGF contractor representative, LGF personnel are not regularly trained on post orders related to reporting suspicious and unusual occurrences.

**Recommendation 10:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing reporting procedures.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative has reviewed the reporting procedures and confirms that the reporting procedures are being followed (see Appendix E for Mission [Redacted] (b) (7)(F) response). Guards report all suspicious occurrences to Post 1 as it is staffed 24/7. Post 1 then immediately contacts the Regional Security Office during work hours or the Regional Security Officer duty officer after hours.

**OIG Reply:** (U) Based on actions taken by Mission [Redacted] (b) (7)(F), OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation that demonstrates one or more examples of log books showing that unusual or suspicious observations were reported to Post One and Post One contacted the Regional Security Office.

(SBU) At Consulate General [Redacted] (b) (7)(F), the LGF Emergency Response Team did not inspect a discarded box on the compound grounds. The post orders stated that patrols are to be conducted in an inquisitive manner.<sup>28</sup> However, when questioned by OIG as to why the box was not inspected, the LGF Emergency Response Team leader stated that the box probably blew off a nearby dumpster and did not warrant inspection. OIG informed the LGF Commander of the matter, and the Commander stated that he wrote those post orders and expects patrols to be inquisitive.

**Recommendation 11:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing the Emergency Response Team's patrol procedures.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative will issue a deficiency letter (see Appendix G for Mission [Redacted] (b) (7)(F) response).

**OIG Reply:** (U) Based on Mission [Redacted] (b) (7)(F) concurrence and planned corrective action, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that the Contracting Officer's Representative issued a deficiency letter.

---

<sup>28</sup> (U) The post order further states that: "Teams are to be fully aware of the actions to be carried out in the event of any incidents including: intruders, fire, no ID, insecure building/s, suspicious package, attack on compound and casualties."



*(U) Relief Breaks*

(U) In addition to guard post orders-related deficiencies, OIG reviewed the LGFs' log books and questioned guards and found that three of four LGF contractors audited – [Redacted] (b) (6), [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F)), [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F))), and [Redacted] (b) (6) (Mission [Redacted] (b) (7)(F))) – did not provide guards with relief breaks in accordance with the contracts' general orders. Although the four contracts require a relief break, the details relating to that break vary from contract to contract. At Embassy [Redacted] (b) (7)(F), OIG found that some log books did not reflect that guards received any breaks during their shifts. At Embassy [Redacted] (b) (7)(F), some LGF members informed OIG that they received 15 to 30 minutes for lunch with no additional breaks. Other guards stated that they did not receive any breaks during their shifts, which OIG verified by reviewing post log books. At least two guards at Embassy [Redacted] (b) (7)(F) were not provided relief breaks for more than 5 hours, even though they are entitled to breaks 3 hours under the contract's general orders.

(U) Representatives of the LGF contractors provided explanations for the lack of relief breaks. For example, at Embassy [Redacted] (b) (7)(F), the contractor's project manager stated that due to the guard rotation schedule and guard preferences, breaks may not have taken place as required. The LGF Commander at Embassy [Redacted] (b) (7)(F) stated that providing relief to guards has been an ongoing problem because the contract requirement is not realistic based on the number of relief guards available to provide coverage. The Consulate General [Redacted] (b) (7)(F) LGF Commander stated that he needs an additional 3.3 guards in order to provide the proper number of breaks. At Consulate General [Redacted] (b) (7)(F) and Embassy [Redacted] (b) (7)(F), the LGF Commander explained that providing relief breaks is a logistical issue – in order to relieve each guard every 3 hours, the contractor would need to have one relief guard for every guard post, which according to him is not possible.

(U) On June 12, 2015, the Mission [Redacted] (b) (7)(F) LGF contract COR issued a deficiency letter to the contractor, stressing the importance of providing relief breaks in accordance with contract terms and conditions. On October 13, 2015, the Mission [Redacted] (b) (7)(F) LGF contract COR notified OIG that the LGF contractor reinforced break requirements and ensured that all guards fully understood their break times and noted them in the post log books. The COR also stated that he requested a contract modification to allow the contractor to provide four additional relief guards at Consulate General [Redacted] (b) (7)(F). Accordingly, OIG is not making a recommendation to Mission [Redacted] (b) (7)(F) or to Mission [Redacted] (b) (7)(F).

**Recommendation 12:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing the requirement that proper breaks be provided to the local guard force.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative has confirmed that guards are receiving required breaks and that all log books denote breaks (see Appendix E for Mission [Redacted] (b) (7)(F) response). Post ensured that four day guards and two night guards are serving as relief guards at the embassy compound.



**OIG Reply:** (U) Based on actions taken by Mission [Redacted] (b) (7)(F), [Redacted] (b) (7)(F) OIG considers the recommendation implemented and closed. Although Mission [Redacted] (b) (7)(F) did not issue a deficiency letter to the contractor, the Contracting Officer's Representative took appropriate action to ensure guards are receiving required breaks and that all log books denote breaks. Accordingly, the actions taken by Mission [Redacted] (b) (7)(F) meet the intent of the recommendation.

### ***(U) Effects of Local Guard Force Deficiencies***

(U) Local guard force performance deficiencies, if not addressed, could negatively impact the performance of procedures that are intended to maintain post security and are required by the LGF contract. For example, the guards' failure to conduct access control, delivery, and mail screening procedures in accordance with post orders may result in unauthorized personnel accessing the compound or visitors bringing prohibited items into the compound. Further, if guards do not carry equipment in accordance with post orders, [Redacted], leading to a delayed response to a possible threat. In addition, guards may not be able to react quickly to provide notice to the compound of imminent danger. Similarly, failure to investigate or report suspicious or unusual occurrences to all required parties could delay necessary officials from receiving proper warning, which in turn could delay post officials' reaction time. Regarding the unofficial reassignment of post orders, guards who are assigned to perform the duties of others may be overwhelmed and unable to complete all reassigned duties. Finally, guards who do not receive regular breaks may be tired, which may lead to impaired judgment in the event a security situation occurs.

### **(U) Finding B: Local Guard Force Contractors Generally Complied With Contractual Requirements for Invoice Submissions, But Some Exceptions Were Identified**

(U) OIG also reviewed whether contractors submitted invoices that complied with contractual requirements.<sup>29</sup> OIG found that LGF contractors generally submitted invoices that complied with contractual requirements, including: (1) a monthly invoice summary, (2) a contract year cumulative summary, (3) a detailed listing of hours worked by individual guard post (standard services), (4) a detailed listing of additional and emergency services by guard post, (5) a Quality Assessment and Compliance Report, and (6) an updated employee listing.

(U) However, OIG found that the Mission [Redacted] (b) (7)(F) LGF contractor did not adhere to the contractually required invoice format or the required schedule for submitting invoices. The contract terms and conditions state, "The contractor shall submit an electronic copy of the invoices with all supporting documentation. This electronic version shall use the Excel spreadsheet format provided." OIG found that from September 2014 through May 2015, none of the invoices were submitted using the format provided. The COR, the Defensive Security Coordinator, the LGF Coordinator, and the [Redacted] (b) (6) project manager informed OIG that they

---

<sup>29</sup> (U) OIG reviewed a judgmental sample of nine monthly invoice packages from each contractor. See Appendix A: Purpose, Scope, and Methodology for additional information.

were unaware of the requirement for a specific invoice format, despite the fact that it is included in the contract terms and conditions. These officials stated that they used the invoice format that was in place when they took over their respective positions. According to DS, a standard LGF invoice format was established to assist staff with invoice reviews. Previously, a variety of LGF invoice formats were used, which may have led to unidentified discrepancies. The COR stated that, starting with the September 2015 invoice, the contractor would be using the correct format.

(U) In addition, the contract terms and conditions stated that invoices must be submitted not later than "30 calendar days after the end of the month." OIG reviewed the COR's hard-copy invoice documents between September 2014 and May 2015 and found that four invoices were submitted from 1 to 22 days prior to the end of the month. The COR stated that the contractor submitted invoices early in order to ensure that guards were paid in a timely manner. In addition, the Embassy [REDACTED] Financial Management Officer requested that the contractor submit the September and December 2014 invoices ahead of schedule due to end of the fiscal year activities and the impending holidays, respectively. Embassy [REDACTED] paid these invoices before the contractor completed its performance for the month. However, whether invoices are submitted early or per the contract's schedule, the LGF Coordinator explained that the contractor's billing is verified through the following established procedures: (1) regular guard post checks by the LGF Coordinator to ensure all posts are adequately staffed as required by the contract's Exhibit A; (2) mandated inspections and reporting by the contractor on any manning deficiencies; and (3) validation of invoiced hours against the guards' timesheets. Despite these established procedures, invoices that are submitted prior to the end of the month may not accurately reflect work ultimately performed, and embassy staff may be unable to identify discrepancies when invoices are reviewed prior to the end of the invoicing period.

**Recommendation 13:** (U) OIG recommends that the Mission [REDACTED] Contracting Officer's Representative formally notify the contractor that invoices must be submitted in accordance with contract terms and conditions; otherwise, they will be rejected.

**Management Response:** (U) Mission [REDACTED] concurred with the recommendation, stating that the Contracting Officer's Representative, in conjunction with the Financial Management Office, provided training to the contractor's Finance Department on September 2, 2015, on the new invoice template, and the contractor has been using the new template since then (see Appendix E for Mission [REDACTED] response). In addition, Mission [REDACTED] stated that the Contracting Officer's Representative and the Financial Management Office are now following the terms and conditions of the contract and will no longer request that the contractor submit invoices before the end of the month.

**OIG Reply:** (U) Based on actions taken by Mission [REDACTED], OIG considers the recommendation implemented and closed. The Contracting Officer's Representative reported that training related to the new invoice template was provided to the contractor. Further, the Contracting Officer's Representative and the Financial Management Office will not require that the

contractor submit invoices prior to the end of the month. Accordingly, the actions taken by Mission [REDACTED] meet the intent of the recommendation.

### **(U) Finding C: Contracting Officer's Representatives Generally Conducted Local Guard Force Oversight in Accordance With Requirements**

(U) OIG found that ARSOs (acting as CORs, alternate CORs, and GTMs) generally conducted oversight of their LGFs in accordance with requirements. The oversight duties and responsibilities enumerated in the CORs' delegation memoranda include: (1) monitoring the contractor's technical progress and expenditures related to the contract; (2) inspecting and accepting all work performed under the contract; (3) documenting performance deficiencies and informing the CO, in writing, of any performance failure by the contractor; (4) drafting and issuing deduction letters; (5) reviewing the contractor's invoices for accuracy and approving/rejecting the invoices within 7 calendar days of receipt; and (6) maintaining a COR file for each assigned contract.<sup>30</sup>

(U) OIG found that all of the ARSOs at the four missions audited monitored and inspected the contractors' work by conducting inspections of the LGF. ARSOs also issued deduction letters when they deemed appropriate. However, OIG found that not all ARSOs (1) documented the contractors' performance (including deficiencies) using the DS COR checklist or (2) maintained complete COR files. Specifically, ARSOs at Mission [REDACTED] (b) (7)(F) and Mission [REDACTED] (b) (7)(F) had not documented their oversight of LGFs because they were not aware of the monthly DS COR Checklist requirement and they did not maintain complete COR files because they were either unaware of the requirement or did not have access to other posts' LGF files. As a result, oversight was not properly documented. Without a complete COR file, the COR may not have easy access to information on the contractor's work throughout the mission, and deficient COR files may be transferred to successor CORs.<sup>31</sup> Further, when files are incomplete, the Government may not have the necessary documentation to establish contractor nonconformance with contract terms, potentially resulting in paying for services that do not meet contract requirements.

(U) Further, OIG found that ARSOs at the four missions audited did not always ensure LGF guard post orders were accurate given the duties to be performed. Specifically, OIG found instances where the guard post orders were inaccurate based on the guards' physical locations. For example, the post orders for a Consulate General [REDACTED] (b) (7)(F) guard required him/her to maintain constant surveillance via closed circuit television, despite the fact that the guard was physically located outside with no access to the closed circuit television. CORs, with input from DS International Programs Directorate, Office of Overseas Protective Operations, develop post orders and are required to review post orders annually.<sup>32</sup> Throughout the years, CORs rotate to

<sup>30</sup> (U) The Contracting Officer's Representative Delegation Memorandum.

<sup>31</sup> (U) The ARSOs at the eight posts audited had competing priorities for their time and attention. In addition to overseeing the LGF contractor, they were responsible for multiple security portfolios, such as [REDACTED] (b) (7)(F), Marine Security Guards, physical security, and residential security.

<sup>32</sup> (U) 12 FAH-7 H-437, "General and Post Orders."

other security portfolios, modify guard posts based on security requirements, and copy and paste post orders together, all of which explain the inaccuracies that OIG identified. However, without accurate post orders that are based on guards' physical locations, guards may not have a clear understanding of what their duties entail.

**(U) Mission [Redacted] (b) (7)(F) Local Guard Force Oversight**

(U) The Mission [Redacted] (b) (7)(F) ARSO/COR performed oversight in accordance with the COR delegation memorandum. The COR, with assistance from the Defensive Security Coordinator and the LGF Coordinator, monitored and inspected the contractor's work by conducting inspections of LGF operations and maintaining open communication with the contractor, including receiving a daily LGF report that includes activities such as compound access control and badge issues, security equipment, and guard presence. The COR also completed the DS monthly COR Checklist to document LGF performance in accordance with DS guidance. The COR documented deficiencies related to equipment and log books and issued deduction letters to the contractor, totaling \$705.14 USD for sleeping on duty, not following the general and/or post orders, and failing to staff guard posts. The COR also maintained a complete COR file. OIG found that the COR effectively performed his duties because he was given necessary tools and resources. For example, Embassy [Redacted] (b) (7)(F) has a Defensive Security Coordinator (who used to be the LGF Commander and later the LGF Coordinator) and a LGF Coordinator (a former guard supervisor with the LGF contractor) who assist the COR with oversight.

(U) Because the COR is also responsible for reviewing and approving the contractor's invoices, OIG reviewed nine Mission [Redacted] (b) (7)(F) LGF invoice packages<sup>33</sup> dated September 2014 through May 2015 and found no discrepancies between contract requirements and the hours and amounts for which the contractor invoiced.

**(U) Mission [Redacted] (b) (7)(F) Local Guard Force Oversight**

(U) The Mission [Redacted] (b) (7)(F) ARSO/COR and the Consulate General [Redacted] (b) (7)(F) ARSO/GTM generally performed oversight of their respective LGFs in accordance with the COR delegation memorandum. The COR and the GTM, with assistance from their Security Coordinators and LGF Coordinators, monitored and inspected the contractor's work by conducting inspections of LGF operations and maintaining open communication with the contractor, including receiving daily shift supervisors' reports<sup>34</sup> and meeting weekly. However, OIG found that the COR and GTM did not always complete the DS monthly COR Checklist to document LGF performance. Specifically, the COR completed checklists only from January to July 2015 because he was not aware of the requirement until January 2015, and the GTM completed checklists only from December 2014 to July 2015 because he was not aware of the requirement until December 2014. OIG found that

---

<sup>33</sup> (U) LGF contract monthly invoice packages include the invoice spreadsheet, individual time sheets to support the number of hours worked for the invoice period, copies of the COR's written request for additional and emergency services, and completed Quality Assessment and Compliance Reports. See Appendix A: Purpose, Scope, and Methodology for additional information.

<sup>34</sup> (U) The shift supervisor's report covers training provided during the shift, guard post conditions, and any incidents addressed by the LGF.

the COR and GTM effectively performed their oversight duties at their respective posts because they were given the necessary tools and resources—both have LGF Coordinators and Defense Coordinators who help oversee the LGF.

(U) However, OIG did find that the COR did not maintain a complete, centralized COR file documenting oversight and monitoring of the LGF contract. CORs are required to maintain a COR file for each contract under his or her administration to provide easy access to information on the contractor's work progress and ease the transition to a new COR.<sup>35</sup> Further, DS required the CORs to retain a copy of all completed COR Checklists in the COR file. However, rather than maintaining one file covering the mission-wide contract, the COR maintained a file documenting Embassy [REDACTED] LGF's performance while the GTM maintained a file related to Consulate General [REDACTED] LGF's performance. The Mission [REDACTED] COR stated that he was not aware of the requirement to maintain Consulate General [REDACTED] checklists in his COR file. Without a complete, centralized COR file, the COR may not have easy access to information on the contractor's work throughout the mission, and deficient COR files may be transferred to successor CORs.

**Recommendation 14:** (U) OIG recommends that the Mission [REDACTED] Contracting Officer's Representative develop and implement a procedure to maintain a complete, centralized Contracting Officer's Representative file that contains necessary information on the Embassy [REDACTED] and Consulate General [REDACTED] local guard forces.

**Management Response:** (U) Mission [REDACTED] concurred with the recommendation, stating that the Contracting Officer's Representative has maintained a complete, centralized Contracting Officer's Representative file with all relevant information since the contract inception, with the exception of Consulate [REDACTED] Monthly Contracting Officer's Representative Checklists (see Appendix F for Mission [REDACTED] response). The Contracting Officer's Representative was not aware that the monthly Checklists completed in [REDACTED] by the Government Technical Monitor, and maintained in [REDACTED] in the Government Technical Monitor file, needed to be copied into the Contracting Officer's Representative file as well. Since the OIG audit's out brief on September 25, 2015, this has been addressed.

**OIG Reply:** (U) Based on Mission [REDACTED] concurrence and corrective actions, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation (such as a screen print of Consulate [REDACTED] Monthly Contracting Officer's Representative Checklists) demonstrating that the Contracting Officer's Representative file is complete and centralized.

(U) OIG also reviewed nine Mission [REDACTED] LGF invoice packages dated November 2014 through July 2015 and found, from November 2014 to March 2015, the COR and the Financial Management Officer could not properly review invoices because, during that timeframe, the

---

<sup>35</sup> (U) 14 FAH-2 H-517, "Standard Contracting Officer's Representative (COR) Working File."

Mission [Redacted] (b) (7)(F) LGF did not have an approved contract Exhibit A,<sup>36</sup> "Guard Posts and Schedule of Guard Coverage," in place. The contractor received its notice to proceed in November 2014; and during the November and December 2014 transition period in which U.S. Agency for International Development and Centers for Disease Control personnel moved into the embassy compound's new office building, the older facilities, as well as the new office building, required LGF personnel. The contract's Exhibit A did not take the new office building or the requirement to maintain guards at the abandoned facilities into account. In addition, the COR stated that the contract's Exhibit A contained "nebulous" language and did not provide specific information related to guard posts' physical locations. For example, the document listed a guard's responsibility as "compound access control" but did not identify a specific CAC to which the guard position was assigned.

(U) The COR informed OIG that from the time he was assigned to the contract (August 2014) until [Redacted] (b) (6) began performance (November 2014), he worked with the DS International Programs Directorate, Office of Overseas Protective Operations and the CO to resolve the problem. However, the flaws in the contract's Exhibit A could not be resolved prior to the commencement of contractor performance. Thus, the COR obtained approval from the CO and DS to create a new Exhibit A that contained more specific language and took all of the compound's LGF requirements into consideration. However, the contract's Exhibit A was not officially modified until March 2015 because the COR stated that the DS International Programs Directorate, Office of Overseas Protective Operations wanted a Program Management Review team to review Mission [Redacted] (b) (7)(F) LGF before the Exhibit A update was finalized.<sup>37</sup>

(U) Although OIG could not verify whether the November 2014 through March 2015 invoices were accurate based on the absence of an approved Exhibit A, OIG conducted an analysis of the November 2014 through July 2015 invoices and determined that there was little variation in the total hours billed each month. The only exception was the December 2014 invoice, which reflected the transition into the embassy compound's new office building and additional LGF hours during the holidays. OIG's analysis indicated that, from November 2014 to March 2015, invoiced amounts were appropriate and reasonable, based on the number of guards and hours worked.

#### ***(U) Mission [Redacted] (b) (7)(F) Contracting Officer's Representative Oversight***

(U) The Mission [Redacted] (b) (7)(F) ARSO/COR and ARSO/alternate CORs generally performed oversight of their respective LGFs in accordance with the COR delegation memorandum. The COR and alternate CORs monitored and inspected the contractor's work by conducting inspections of LGF operations, including late night visits to guard posts, and maintaining open communication with the contractor. However, there were deficiencies related to documentation.

---

<sup>36</sup> (U) RSO develops the Exhibit A, which lists the guards' position, post, and hours. RSO submits the Exhibit A to DS for approval via cable. Once DS approves it, A/LM/AQM makes the Exhibit A as a part of the contract via a contract modification. The COR executes the Exhibit A thereafter.

<sup>37</sup> (U) The DS Directorate of International Programs, Office of Overseas Protective Operations, Facility Protection Division conducts program management reviews of posts' local guard, [Redacted] (b) (7)(F) and residential security programs. The Program Management Review team conducted the review of Mission [Redacted] (b) (7)(F) in December 2014.



OIG reviewed the DS COR checklists from October 2014 to June 2015 and found that the COR (at Embassy [Redacted] (b) (7)(F)) did not complete checklists for January and February 2015. The Consulate General [Redacted] (b) (7)(F) and Consulate General [Redacted] (b) (7)(F) alternate CORs did not complete any checklists.<sup>38</sup> The checklists that were completed were done in accordance with DS guidance. The Mission [Redacted] (b) (7)(F) ARSOs stated that they did not remember that they had to complete the monthly DS COR Checklist. Furthermore, the COR did not maintain a complete, centralized COR file documenting oversight and monitoring of the entire LGF contract. CORs are required to maintain a COR file for each contract under his or her administration to provide easy access to information on the contractor's work progress and ease the transition to a new COR.<sup>39</sup> DS also required that CORs retain a copy of all completed COR Checklists in the COR file. However, rather than maintaining one file covering the mission-wide contract, the COR maintained a file documenting Embassy [Redacted] (b) (7)(F) LGF's performance while the alternate CORs maintained files related to their posts' LGF's performance. Moreover, in [Redacted] (b) (7)(F) and [Redacted] (b) (7)(F), the documentation was incomplete as the previous alternate CORs did not provide the current alternate CORs with complete files. The COR stated that he does not have direct access to the alternate CORs' files, including the completed COR checklists.

**Recommendation 15:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative develop and implement a procedure to maintain a complete, centralized Contracting Officer's Representative file that contains necessary information on the Embassy [Redacted] (b) (7)(F), Consulate General [Redacted] (b) (7)(F), and Consulate General [Redacted] (b) (7)(F) local guard forces.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative is in the process of creating a centralized Contracting Officer's Representative file (see Appendix G for Mission [Redacted] (b) (7)(F) [Redacted] (b) (7)(F) response).

**OIG Reply:** (U) Based on Mission [Redacted] (b) (7)(F) concurrence and planned corrective action, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that the Contracting Officer's Representative has implemented a procedure to maintain a centralized Contracting Officer's Representative file.

**Recommendation 16:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative develop and implement a procedure for alternate Contracting Officer's Representatives to maintain complete files on their respective local guard forces and transfer those files to incoming alternate Contracting Officer's Representatives.

**Management Response:** (U) Mission [Redacted] (b) (7)(F) concurred with the recommendation, stating that the Contracting Officer's Representative will develop and implement a

<sup>38</sup> (U) Due to staff rotations during October 2014 to June 2015, the Mission [Redacted] (b) (7)(F) posts transitioned through two CORs and four alternate CORs.

<sup>39</sup> (U) 14 FAH-2 H-517.



procedure for alternate Contracting Officer's Representatives to maintain complete files (see Appendix G for Mission [Redacted] (b) (7)(F) response).

**OIG Reply:** (U) Based on Mission [Redacted] (b) (7)(F) concurrence and planned corrective actions, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that a procedure has been implemented for alternate Contracting Officer's Representatives to maintain complete files.

(U) OIG also reviewed nine Mission [Redacted] (b) (7)(F) LGF invoice packages<sup>40</sup> dated October 2014 through June 2015, and found no discrepancies between contract requirements and the hours and amounts for which the contractor invoiced.

***(U) Mission [Redacted] (b) (7)(F) Local Guard Force Oversight***

(U) The Mission [Redacted] (b) (7)(F) ARSO/COR and GTMs performed oversight in accordance with the COR delegation memorandum. The COR, the LGF Coordinator, GTM, and the Consulate General [Redacted] (b) (7)(F) GTM monitored and inspected the contractor's work by conducting inspections of LGF operations and maintaining open communication with the contractor. The COR and GTM also completed the DS monthly COR Checklist to document performance. OIG reviewed the COR checklists from September 2014 to May 2015 and found that the COR completed them in accordance with DS guidance. Further, the CO issued deduction letters to the contractor, totaling \$933.79 USD, for failure to provide equipment. The COR also maintained a complete COR file.

(U) At Consulate General [Redacted], the COR and the GTM stated that LGF oversight could be enhanced by the addition of a second or alternate GTM. The current GTM devoted approximately 20 percent of her time each week to LGF oversight because she also serves as the executive officer to both the Consul General and the information technology helpdesk and as the travel coordinator for Consulate General staff. She relied heavily on the Consulate's Security Coordinator to perform duties associated with LGF oversight because he was a trained and certified GTM and could devote a majority of his time to LGF oversight. In addition, when the Consulate General [Redacted] (b) (7)(F) GTM went on leave or was unavailable to perform LGF oversight, there was no one officially designated to provide backup support. The COR and the Consulate General [Redacted] (b) (7)(F) GTM believed that a second or alternate GTM would enhance LGF oversight and ensure continuity when one GTM is unavailable. DS officials stated that they would support a request from Mission [Redacted] (b) (7)(F) for a second GTM at Consulate General [Redacted].

**Recommendation 17:** (U) OIG recommends that the Bureau of Diplomatic Security, International Programs Directorate, Office of Overseas Protective Operations, Facility Protection Division and Operational Support Division provide a second or alternate Government Technical Monitor nomination for Consulate General [Redacted] (b) (7)(F) to the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management.

---

<sup>40</sup> (U) See Appendix A: Purpose, Scope, and Methodology for additional information.

**Management Response:** (U) The Bureau of Diplomatic Security concurred with the recommendation, stating that it provided a nomination for a second Government Technical Monitor for Consulate General [Redacted] (b) (7)(F) to the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (see Appendix C for the Bureau of Diplomatic Security's response). In its response, the Bureau of Diplomatic Security included the Contracting Officer's delegation memorandum to the second Government Technical Monitor.

**OIG Reply:** (U) Based on the Bureau of Diplomatic Security's response and the documentation provided, OIG considers this recommendation closed. The actions taken meet the intent of the recommendation.

(U) The Mission [Redacted] (b) (7)(F) COR effectively performed her duties because she was given necessary tools and resources. For example, in addition to the COR, Embassy [Redacted] (b) (7)(F) had two GTMs who assisted the COR with oversight. One of the GTMs was the LGF Coordinator, who had been with the embassy for 21 years. In addition, the COR reported that the LGF Coordinator created an invoice tracking spreadsheet that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management may use as a template for other posts. This invoice tracking methodology could result in cost savings for the Government. Further, a DS representative informed OIG that DS plans to review his reports in order to use them as templates for other posts as required.

(U) OIG also reviewed nine Mission [Redacted] (b) (7)(F) LGF invoice packages<sup>41</sup> dated September 2014 through May 2015 and found no discrepancies between contract requirements and the hours and amounts for which the contractor invoiced.

### *(U) Post Orders Do Not Reflect Guards' Duties and Responsibilities*

~~(SBU)~~ OIG also found that the ARSOs at the four missions audited did not always ensure LGF guard post orders accurately reflected guards' duties and responsibilities. Specifically, OIG found instances where the guard post orders were inaccurate based on the guards' physical locations. For example, at Embassy [Redacted] (b) (7)(F) one guard post's orders stated that the guard would [Redacted] inspect items before allowing access into the compound. However, this guard post is located in a guard booth, and the [Redacted] is located in the pedestrian screening area of the CAC. Thus, the guard does not have access to the [Redacted]. Two guards at Consulate General [Redacted] (b) (7)(F) were required to be constantly alert for [Redacted]. However, these guards were physically located inside the sally port and unable to see outside unless the gate was open. As noted previously, the post orders for a Consulate General [Redacted] (b) (7)(F) guard required him or her to maintain constant surveillance via closed circuit television, despite the fact that the guard was physically located outside of the main compound access control entrance with no access to the closed circuit television. At Embassy [Redacted] (b) (7)(F) the guard post orders for [Redacted]

<sup>41</sup> (U) See Appendix A: Purpose, Scope, and Methodology for additional information.

██████████ include vehicle-screening duties. However, as these guards are posted inside a CAC, they cannot screen vehicles.

(SBU) OIG also identified Consulate General [REDACTED] guards who were unable to comply with post orders. For example, one guard was tasked with constantly maintaining surveillance of the consular visa line between the Consular CAC and the Consular Pavilion to ensure that, in accordance with post orders, "no strange person joins the line while crossing the road." This guard is also tasked with collecting the photographic identification of visitors who have business with the Public Affairs Section to verify their appointments. As a result, he was unable to maintain constant surveillance of his area of responsibility.<sup>42</sup> A second guard's post orders stated that the guard would not physically touch visitors. However, the post orders also stated that in the event of [REDACTED], a guard of the same sex as the individual being screened will pat the spot that is beeping. Similarly, the post orders stated that cameras, recording devices, and knives are not permitted inside the compound and will be retained by the receptionist for return when the visitor departs the compound. However, the orders also stated that cameras and recording devices will be seized and the visitor will be denied entry to the compound.

(U) CORs, with input from DS International Programs Directorate, Office of Overseas Protective Operations, develop post orders and are required to review post orders annually.<sup>43</sup> Throughout the years, CORs rotate to other security portfolios, modify guard posts based on security requirements, and copy and paste post orders together, all of which explain the inaccuracies that OIG identified. However, without accurate post orders that are based on guards' physical locations, guards may not have a clear understanding of what their duties entail.

**Recommendation 18:** (U) OIG recommends that the Bureau of Diplomatic Security, International Programs Directorate, Office of Overseas Protective Operations, Facility Protection Division and Operational Support Division provide guidance to all local guard force Contracting Officer's Representatives that underscores the importance of reviewing LGF post orders annually and requires a thorough review of the orders for each guard post to ensure that post orders accurately reflect guards' duties and responsibilities.

**Management Response:** (U) The Bureau of Diplomatic Security concurred with the recommendation, stating that it will provide guidance to all local guard force Contracting Officer's Representatives to underscore the importance of reviewing local guard force post orders annually, and require a thorough review of the orders for each guard post to ensure that post orders accurately reflect guards' duties and responsibilities (see Appendix C for the Bureau of Diplomatic Security's response). A Security Officer Collective is expected to be disseminated no later than June 1, 2016.

<sup>42</sup> (U) Another guard, who is assigned to escort visa applicants from the Consular Pavilion to the Consular CAC, maintained proper surveillance.

43 (U) 12 FAH-7 H-437.

**OIG Reply:** (U) Based on the Bureau of Diplomatic Security's concurrence and planned corrective action, OIG considers this recommendation resolved. This recommendation will be closed when OIG receives and accepts documentation demonstrating that the Bureau has disseminated a Security Officer Collective (that is, communications sent to all security officers) on reviewing post orders annually to all local guard force Contracting Officer's Representatives.

***(U) Effect of Incomplete COR Documentation and Inaccurate Post Orders***

(U) Because ARSOs in Mission [Redacted] (b) (7)(F) and Mission [Redacted] (b) (7)(F) did not document the contractors' performance (including deficiencies) using the DS COR checklist or maintain complete COR files, their oversight was not properly documented. Without a complete COR file, the COR may not have easy access to information on the contractor's work throughout the mission, and deficient COR files may be transferred to successor CORs.<sup>44</sup> Further, when files are incomplete, the Government may not have the necessary documentation to defend its position of contractor nonconformance with contract terms, potentially resulting in paying for services that do not meet contract requirements.<sup>45</sup> Finally, because ARSOs at each of the four missions audited did not always ensure LGF guard post orders were accurate, the assigned guards did not always perform the duties assigned.

---

<sup>44</sup> (U) OIG, *Audit of Bureau of International Security and Nonproliferation Administration and Oversight of Foreign Assistance Funds Related to the Export Control and Related Border Security Program* (AUD-SI-15-23, April 2015).

<sup>45</sup> (U) OIG, *Audit of the Administration and Oversight of Contracts and Grants Within the Bureau of African Affairs* (AUD-CG-14-31, August 2014).

## (U) OTHER MATTERS

---

(U) OIG identified an industry best practice that could be emulated by other LGF contractors at overseas posts. Specifically, [Redacted] (b) (6) uses [Redacted], an automated timekeeping system used for the rostering and posting of shift workers, to manage and report guard schedules. According to contractor personnel, the Department's CO required [Redacted] (b) (6) to use an automated system to manage the LGF's scheduling. [Redacted] (b) (6) began using [Redacted] in April 2015, when the approved contract Exhibit A went into effect. LGF contractors at other posts included in the audit use paper-based systems to create rosters and assign shifts. Use of an automated timekeeping system allows for better oversight of the LGF's time and attendance, ensures guard shifts are distributed in an equitable manner, and ensures that only guards that have not already worked long shifts are tasked with additional and emergency services. The Bureau of Diplomatic Security, International Program Directorate, Office of Overseas Protective Operations should consider the use of automated roster management systems for all LGF contracts.

## (U) RECOMMENDATIONS

---

**Recommendation 1:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing access controls procedures.

**Recommendation 2:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing access control procedures at the new consulate compound.

**Recommendation 3:** (SBU) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative request additional [Redacted] from the Bureau of Diplomatic Security Countermeasures, Office of Physical Security Programs, [Redacted] (b) (7)(F) [Redacted] (b) (7)(F) and [Redacted] (b) (7)(F) from the Engineering Services Office.

**Recommendation 4:** (SBU) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing post orders related to the [Redacted] (b) (7)(F).

**Recommendation 5:** (SBU) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative request additional [Redacted] from the Engineering Services Office and additional [Redacted] from the Bureau of Diplomatic Security Countermeasures, Office of Physical Security Programs, [Redacted].

**Recommendation 6:** (SBU) OIG recommends that the Bureau of Diplomatic Security, in coordination with the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, modify the Mission [Redacted] (b) (7)(F) local guard force contract to clarify that only four guard posts require [Redacted] (b) (7)(F).

**Recommendation 7:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative review post orders and request a contract modification if updates are necessary.

**Recommendation 8:** (SBU) OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management modify, in coordination with the Contracting Officer's Representative, the Mission [Redacted] (b) (7)(F) local guard force contract to provide additional guard coverage at the delivery building during large deliveries to mitigate inner and outer doors occasionally being open at the same time.

**Recommendation 9:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative remind mailroom staff that deliveries must be placed onto the x-ray machine for screening, rather than on the guard's desk.

**Recommendation 10:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing reporting procedures.

**Recommendation 11:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing the Emergency Response Team's patrol procedures.

**Recommendation 12:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing the requirement that proper breaks be provided to the local guard force.

**Recommendation 13:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative formally notify the contractor that invoices must be submitted in accordance with contract terms and conditions; otherwise, they will be rejected.

**Recommendation 14:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative develop and implement a procedure to maintain a complete, centralized Contracting Officer's Representative file that contains necessary information on the Embassy [Redacted] (b) (7)(F) and Consulate General [Redacted] (b) (7)(F) local guard forces.

**Recommendation 15:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative develop and implement a procedure to maintain a complete, centralized Contracting Officer's Representative file that contains necessary information on the Embassy [Redacted] (b) (7)(F) Consulate General [Redacted] (b) (7)(F) and Consulate General [Redacted] (b) (7)(F) local guard forces.

**Recommendation 16:** (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative develop and implement a procedure for alternate Contracting Officer's Representatives to maintain complete files on their respective local guard forces and transfer those files to incoming alternate Contracting Officer's Representatives.

**Recommendation 17:** (U) OIG recommends that the Bureau of Diplomatic Security, International Programs Directorate, Office of Overseas Protective Operations, Facility Protection Division and Operational Support Division provide a second or alternate Government Technical Monitor nomination for Consulate General [Redacted] (b) (7)(F) to the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management.

**Recommendation 18:** (U) OIG recommends that the Bureau of Diplomatic Security, International Programs Directorate, Office of Overseas Protective Operations, Facility Protection Division and Operational Support Division provide guidance to all local guard force Contracting Officer's Representatives that underscores the importance of reviewing LGF post orders annually and requires a thorough review of the orders for each guard post to ensure that post orders accurately reflect guards' duties and responsibilities.



## (U) APPENDIX A: PURPOSE, SCOPE, AND METHODOLOGY

---

(U) The Office of Inspector General (OIG) conducted this audit to determine whether (1) local guard force (LGF) contractors at selected critical- and high-threat overseas posts are complying with general and post orders included in the contract; (2) LGF contractors at selected critical- and high-threat overseas posts provide invoices that comply with contract requirements; and (3) regional security officers (RSO) at selected critical- and high-threat overseas posts perform oversight of the LGF contract in accordance with their Contracting Officer's Representative (COR) delegation memoranda.

(U) The Office of Audits conducted this audit from April 2015 to October 2015. Audit work was performed in the Washington, DC, metropolitan area; Mission [Redacted] (b) (7)(F); Mission [Redacted] (b) (7)(F); and Mission [Redacted] (b) (7)(F).<sup>1</sup> [Redacted] (b) (7)(F). OIG conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objective. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objective.

(U) To obtain background information, including criteria, OIG researched and reviewed policies relating to the Bureau of Diplomatic Security's Local Guard Program, such as the *Foreign Affairs Manual* and the *Foreign Affairs Handbook*. To obtain an understanding of LGF performance and oversight requirements, OIG met with Bureau of Diplomatic Security officials, Contracting Officers, Contracting Officer's Representatives, Government Technical Monitors, and LGF contractor representatives. OIG also reviewed and analyzed contract documentation.

(U) To validate that LGF contractors complied with general and post orders, OIG created checklists focusing on security-related duties and responsibilities such as access control and compound patrol duties. OIG focused on non-residential guard posts, such as guard posts located at the main embassy or consulate compound, warehouse compound, or other agency compound. The number of guard posts reviewed at the overseas posts visited ranged from 4 to 61 guard posts, and the number of security-related duties per guard post ranged from 2 to 62. Using these checklists, OIG observed LGF operations at the selected guard posts and noted whether guards complied with the security-related duties enumerated in their post orders. OIG also reviewed nine monthly invoice packages for each contract to determine accuracy and supporting documentation for invoices. This review included an independent calculation of the number of hours and the amount charged for each guard post that OIG included in its review over a 9-month period. In addition, OIG reviewed the Additional and Emergency services<sup>1</sup> for which each contractor charged during the same 9-month period to determine whether the COR requested the services in writing, as required by the contract.

---

<sup>1</sup> (U)The COR may request Additional or Emergency Services to meet increased workload or temporary needs for services arising from visitors to post or special events.

(U) To validate that regional security officers performed oversight in accordance with their COR delegation memoranda, OIG reviewed the COR files at post. Specifically, OIG reviewed the completed COR Checklists to determine whether they were completed in accordance with Bureau of Diplomatic Security requirements. OIG also reviewed deficiency letters and deductions to determine whether CORs documented and took appropriate action to mitigate deficient contractor performance.

## **(U) Prior Reports**

(U) OIG reviewed prior reports to identify previously reported information related to the Local Guard Program. A 2014 OIG audit<sup>2</sup> conducted to determine whether LGF contractors complied with contract requirements for vetting the suitability of local guards at overseas posts found that none of the six contractors reviewed fully performed all vetting requirements included in the LGF contracts. Without security contractors completing all vetting requirements, the local guard vetting process could fail, resulting in increased security risks to overseas posts and personnel. Moreover, OIG found that RSOs at five of the six posts audited did not adequately document their oversight of the LGF vetting process. Specifically, the RSOs frequently could not demonstrate that they had reviewed and approved the local guards employed to protect their posts. Further, OIG found that no standard procedures were in place to guide the RSO's oversight process for vetting and approving local guards for duty. As a result, the process used by the RSOs to carry out oversight of the vetting process varied among the posts audited. Inadequate oversight of the LGF vetting process places overseas posts and personnel at risk.

(U) A 2012 OIG evaluation<sup>3</sup> found that the LGF contractor at Embassy [Redacted] (b) (7)(F) did not provide Department-approved replacement guards during a June 2011 labor strike that lasted more than 3 days. The strike posed a security risk because the contractor did not have a contingency plan to replace the guards on strike and therefore used unapproved guards to cover the LGF posts.

## **(U) Work Related to Internal Controls**

(U) OIG performed steps to assess the adequacy of internal controls related to the areas audited. For example, OIG verified whether guards manned their posts by reviewing log books and witnessed regional security office personnel and LGF management observing the guards at their posts. OIG verified with post officials whether the CORs have performed their oversight duties and whether there were security incidents as a result of LGF contractors not complying with contract terms and conditions and/or the CORs not performing their oversight duties. OIG gained an understanding of the Department's processes for overseeing LGF contractors, and validated internal controls in place at post by reviewing the CORs' files, focusing on the Diplomatic Security COR Checklists, incident reports, deficiency letters, and deductions. In

---

<sup>2</sup> (U) OIG, *Audit of Contractor Compliance With and Department of State Oversight of the Process Required for Vetting Local Guards* (AUD-HCI-14-24, June 2014).

<sup>3</sup> (U) OIG, *Evaluation of the Local Guard Force Contract for Embassy [Redacted] (b) (7)(F) and Consulates General [Redacted] (b) (7)(F) and [Redacted] (b) (7)(F)* (AUD-MERO-12-46, September 2012).

addition, OIG interviewed officials who are responsible for reviewing and processing invoice packages for each of the four contracts reviewed. OIG's conclusions are presented in the Audit Results section of this report.

### **(U) Use of Computer-Processed Data**

(U) In the course of this audit, OIG utilized electronically processed data provided by the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management (A/LM/AQM) as evidence. OIG provided a list of 77 posts that were rated as critical- and/or high-threat for terrorism and/or political violence according to the 2014 Security Environment Threat List to A/LM/AQM to determine which of the posts employed LGF non-personal services contracts. According to A/LM/AQM, 43 of 77 posts employed LGF non-personal services contracts and 34 of 77 posts employed local guards via personal services agreements. OIG performed data reliability testing by conducting a search of the Federal Procurement Data System – Next Generation to verify the contracting information related to those 43 posts that A/LM/AQM identified as employing LGF non-personal services contracts. In addition, OIG conducted searches of the Bureau of Administration's profile page for each of the 34 posts that A/LM/AQM identified as employing local guards via personal services agreements to verify that these posts did not employ LGF non-personal services contracts. OIG determined, despite minor discrepancies, the information provided by A/LM/AQM was sufficient and appropriate to use in identifying a sample of LGF non-personal services contracts at critical- and/or high-threat posts.

### **(U) Detailed Sampling Methodology**

(U) Using a non-statistical sampling method known as judgmental sampling, OIG identified a sample of four LGF contracts associated with eight critical- and/or high-threat posts. OIG selected the sample based on a total universe of 121 posts that were rated as critical- and/or high-threat for terrorism and/or political violence according to the 2014 Security Environment Threat List. OIG reviewed this list and excluded 44 of 121 critical- and/or high-threat posts due to a variety of reasons,<sup>4</sup> bringing the total number of critical- and/or high-threat posts to 77. Of these 77 posts, A/LM/AQM identified 43 posts that employ LGF non-personal services contracts. The audit team analyzed the host-government response capabilities established in the Emergency Action Plans for each of these 43 posts and rated each as "good," "fair," or "poor." A host-government response time of 10 minutes or less was rated as "good"; a response time of 11-20 minutes was rated as "fair"; and a response time of 21 or more minutes was rated as "poor." Based on the posts' critical- and/or high-threat designation, host-government response capabilities ratings, and additional considerations such as overall contract value and geographic distribution of posts, OIG judgmentally selected four contracts that provide local guard services to eight posts as shown in Table A.1.<sup>5</sup>

---

<sup>4</sup> (U) OIG excluded a post if it had been recently inspected or audited or would be inspected or audited in the coming months, if it was closed, if it was a Broadcasting Board of Governors' site, and if it fell under the Worldwide Protective Services Program because it is located in a special high-threat environment.

<sup>5</sup> (U) If a consulate general was selected as part of the sample, OIG also included the embassy, regardless of host-government response capabilities, as each contract's Contracting Officer's Representative was located at the embassy.

(U) Table A.1: Local Guard Force Contracts Sample

(U) Contract Number	(U) Overseas Post	(U) Contract Value (USD) *
[Redacted]	Embassy [Redacted] (b) (7)(F))	\$23,295,278.89
[Redacted]	Embassy [Redacted] (b) (7)(F)) and Consulate General [Redacted] (b) (7)(F))	73,917,779.27
[Redacted]	[Redacted] (b) (7)(F)) and Consulate General [Redacted] (b) (7)(F))	56,397,657.76
[Redacted]	Embassy [Redacted] (b) (7)(F)) and Consulate General [Redacted] (b) (7)(F))	28,703,295.55
<b>Total</b>		<b>185,478,595.61</b>

\* (U) Contract values were converted from local currencies to U.S. dollars on February 19, 2016, using [www.xe.com](http://www.xe.com).

(U) **Source:** Generated by OIG from data provided by the Department.

(U) OIG also reviewed a sample of invoice packages that the selected contractors submitted to determine whether selected invoices complied with contract terms and conditions and whether CORs took steps to mitigate any deficiencies identified. Performance under contract number [Redacted] began on November 1, 2014; and as of August 4, 2015, only nine invoice packages were available for OIG review. Therefore, OIG selected the 9 most recent invoice packages associated with each contract included in the sample, bringing the total sample size to 36 invoices.

## (U) APPENDIX B: DIPLOMATIC SECURITY CONTRACTING OFFICER'S REPRESENTATIVE CHECKLIST

---

### Instructions for COR Checklist

The attached COR Checklist is designed to provide guidelines to the Contracting Officer's Representative at Post to assist him/her in providing contractor oversight for the Local Guard Force program. Each month, upon completion of the form, the COR should send a copy to the DS/IP/OPO Branch Chief or Desk Officer and copy other RSO personnel as appropriate.

Additional guidance/clarification for some of the items on the checklist is outlined below.

1. **Periodic random verification of contractor adherence to Exhibit A, all shifts/all locations (six locations/month).** At each location, COR should ensure that all posts are being stood in accordance with the Exhibit A to include number of personnel and required equipment provided. COR should also question guards about their understanding of duties, emergency response plans, use of force, etc.
2. **Spot check 10% of weapons and licenses per month.** COR should verify serial numbers and locations using the GFE inventory submitted by the contractor each quarter if weapons are GFE. If a discrepancy is found, the COR should try to resolve immediately with the contractor. If weapons are CFE, COR should confirm weapons are clean and in operable condition. COR should verify ammunition and proper load out for the weapon. COR should verify that weapons licenses are current and valid for that weapon/guard. COR should verify that the guards have been trained in and understand the use of force and deadly force policy.
3. **Spot check 10% of the radios per month.** If radios are GFE, COR should verify serial numbers and locations using the GFE inventory submitted by the contractor each quarter. If a discrepancy is found, the COR should try to resolve immediately with the contractor. If the radios are CFE, COR should confirm that the radios are functional in accordance with the contract.
4. **Converse with random supervisors and senior guards to check English proficiency (four per month).** COR should engage the supervisors and senior guards in general conversation as it pertains to their sites and duties. Proficiency levels are described in the contract and listed on the Exhibit A.
5. **Review and certify labor portion of invoice (monthly).** COR should review labor portion of the invoice with the contractor. Any A&E services provided should have accompanying COR letters with them. If there were any vacant or unmanned Exhibit A posts at anytime, documentation showing the RSO/COR was advised of the situation should be included. When COR is satisfied that the labor portion invoiced is what the USG received in services, he/she should send a COR letter to the Financial Management Office, copying DS/IP/OPO Desk Officer certifying it is correct. DS/IP/OPO may also review the invoice in a greater level of detail than is expected from the RSO/COR and if discrepancies are found, they will be discussed and resolved with the RSO/COR prior to the invoice being approved for payment.
6. **Provide all COR letters to DS/IP/OPO Desk Officer upon issuance to the contractor.** When the COR issues a letter to the contractor, the actual memo should copy the Contracting Officer and DS/IP/OPO Branch Chief, Desk Officer

and other RSO personnel as appropriate. If the memo is sent via email, the same individuals should be copied.

7. The COR should attach a supplement sheet identifying any corrective action directed to the contractor and documenting COR follow up to the corrective action to ensure contract compliance.
8. DS/IP/OPO desk officers will upload all correspondence received from the COR including the COR checklist into either SharePoint or into the Post folders on the DS/IP/OPO/FPD share drive.
9. A copy of the completed monthly COR checklist will be maintained in the COR file.



## COR CHECKLIST

To be completed monthly. Additional pages/documentation should be attached, as appropriate. Additional checks are encouraged; the below are the monthly minimum requirements. If armed guard force, please complete Section 2 (**weapons and licenses**); otherwise, skip to Section 3.

<b>1. Periodic random verifications of contractor adherence to Exhibit A, all shifts/all locations (six locations per month). COR to note date, shift, and location of and note any discrepancies as applicable.</b>	<b>Date</b>	<b>Shift</b>	<b>Location</b>	<b>Exhibit A compliant Y/N If no, list discrepancies.</b>
<b>Check 1 - Number of posts checked:</b>				
<b>Check 2 - Number of posts checked:</b>				
<b>Check 3 - Number of posts checked:</b>				
<b>Check 4 - Number of posts checked:</b>				
<b>Check 5 - Number of posts checked:</b>				
<b>Check 6 - Number of posts checked:</b>				
<b>2. Spot check 10% of weapons and licenses per month. COR should verify serial numbers and locations using the GFE inventory submitted by the contractor each quarter if weapons are GFE. If a discrepancy is found, the COR should try to resolve immediately with the contractor. If weapons are CFE, COR should confirm weapons are clean and in operable condition. COR should verify ammunition and proper load out for the weapon. COR should verify that weapons licenses are current and valid for that weapon/guard. COR should verify that the guards have been trained in and understand the use of force and deadly force policy.</b>	<b>Date</b>	<b>Shift</b>	<b>Location</b>	<b>Discrepancies Y/N, If no, explain. Clean Y/N</b>

Check 1 - Number of weapons checked:				
Check 2 - Number of weapons checked:				
Check 3 - Number of weapons checked:				
3. Spot check 10% of radios per month. Note date, shift, and location(s) of check and note any discrepancies as applicable. Confirm radios are functional.	Date	Shift	Location	Functional Y/N
Check 1 - Number of radios checked:				
Check 2 - Number of radios checked:				
Check 3 - Number of radios checked:				
4. Observe weapons qualification or re-qualification if applicable. (once a month) COR to note date of training, location, type of weapon used and name of instructors providing training.	Date	Number of Personnel	Location	Instructors
Check #1-weapon type requalification:				
5. Observe refresher training or basic training (one block of instruction per month)	Date	Number of Personnel	Location	Instructors
Check #1 - name of class:				
6. Converse with random supervisors and senior guards to check English proficiency (minimum 4 per month). COR to note date, location, name, ID#, labor category and note satisfactory or unsatisfactory language proficiency.	Date	Contractor ID #	Location	Satisfactory/Unsatisfactory If unsatisfactory explain.
Check #1-Name and Rank:				
Check #2-Name and Rank:				

<b>Check #3-Name and Rank:</b>				
<b>Check #4-Name and Rank:</b>				
<b>7. Randomly review post logs to ensure all contract required entries are being made. (six checks per month) COR to note date, shift, location and any discrepancies.</b>	<b>Date</b>	<b>Shift</b>	<b>Location</b>	<b>Post log books are contract compliant Y/N If no explain.</b>
<b>Check #1</b>				
<b>Check #2</b>				
<b>Check #3</b>				
<b>Check #4</b>				
<b>Check #5</b>				
<b>Check #6</b>				
<b>8. Review and certify labor portion of invoice monthly. COR to review and ensure that labor invoiced was received. Discrepancies must be noted.</b>	<b>Month</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
<b>Date of Review:</b>				
<b>Additional &amp; Emergency hours invoiced</b>				If yes, confirm COR letters for A&E hours are included with and substantiate the invoice.
<b>Fewer hours invoiced (less than required on the Exhibit A.)</b>				If yes, document post ID#, dates and hours not worked, and reason for vacant post.
<b>Date memo or email sent to FMO and/or OPO certifying that labor invoiced was received by the USG</b>				
<b>9. Provide copies of all COR letters to DS/IP/OPO upon issuance to the contractor. COR to cc DS/IP/OPO and Contracting Officer on all COR letters issued.</b>				

All COR letters issued for the month were sent to DS/IP/OPO.				
<b>10. Results, Recommendations, Follow up actions.</b>				

**COR:**

**DATE SUBMITTED:**

## (U) APPENDIX C: BUREAU OF DIPLOMATIC SECURITY RESPONSE TO DRAFT REPORT

---



United States Department of State

Assistant Secretary of State  
for Diplomatic Security

Washington, D.C. 20520

~~SENSITIVE BUT UNCLASSIFIED~~

March 21, 2016

~~(UNCLASSIFIED)~~ when separated from attachments)

### INFORMATION MEMO TO INSPECTOR GENERAL LINICK – OIG

FROM: DS – Gregory B. Starr  MAR 23 2016

SUBJECT: DS Response to Final Report of OIG Audit of Local Guard Force  
Contractors at Critical and High Threat Posts

Attached is the Bureau of Diplomatic Security's Response to  
Recommendations 17 and 18 of the OIG's Audit of Local Guard Force Contractors  
at Critical and High Threat Posts.

Attachments:

As stated.

Approved: DS/DSS – BMiller (ok)

Analyst: DS/MGT/PPD – Andrew Swab 5  (b) (6)

Drafted: DS/OPO/FPD – Ricki Travers 5  (b) (6)

Cleared: DS/EX – SDietz (ok)  
DS/EX/MGT – JSchools (ok)  
DS/MGT/PPD – ARay *acting* (ok)  
DS/MGT/PPD – DO'Neill (ok)  
DS/IP–CSchurman (ok)  
DS/IP/OPO – MBohac, *acting* (ok)  
M – HALto (ok)  
A – MAustin

~~SENSITIVE BUT UNCLASSIFIED~~

~~(UNCLASSIFIED)~~ when separated from attachments)

UNCLASSIFIED

### **OIG Resolution Analysis**

#### *Audit of Local Guard Force Contractors at Critical and High Threat Posts*

**Recommendation 17:** (U) OIG recommends that the Bureau of Diplomatic Security, International Programs Directorate, Office of Overseas Protective Operations, Facility Protection Division and Operational Support Division provide a second or alternate Government Technical Monitor nomination for Consulate General [REDACTED] to the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management.

**DS Response (3/21/2016):** (U) On July 14, 2015, the Facility Protection Division (DS/OPO/FPD) nominated a Locally Employed Staff (LES Staff) member to serve as an alternate Government Technical Monitor (GTM) for the local guard contract in [REDACTED]. On July 29, 2015, the Office of Acquisitions Management (A/LM/AQM) designated the LE Staff to serve as alternate GTM via Contracting Officer memorandum. DS has provided the nomination and delegation memos as attachments to this response. DS requests this recommendation be closed.

**Recommendation 18:** (U) OIG recommends that the Bureau of Diplomatic Security, International Programs Directorate, Office of Overseas Protective Operations, Facility Protection Division and Operational Support Division provide guidance to all local guard force Contracting Officer's Representatives that underscores the importance of reviewing LGF post orders annually and requires a thorough review of the orders for each guard post to ensure that post orders accurately reflect guards' duties and responsibilities.

**DS Response (3/21/2016):** (U) The Office of Overseas Protective Operations (DS/IP/OPO) concurs with the recommendation and will provide guidance to all local guard force (LGF) Contracting Officer's Representatives, which underscores the importance of reviewing LGF post orders annually, and requires a thorough review of the orders for each guard post to ensure that post orders accurately reflect guards' duties and responsibilities. A Security Officer Collective is expected to be disseminated no later than June 1, 2016.

UNCLASSIFIED



## (U) APPENDIX D: BUREAU OF ADMINISTRATION RESPONSE TO DRAFT REPORT

---



United States Department of State

Washington, D.C. 20520

~~SENSITIVE BUT UNCLASSIFIED~~

March 16, 2016

### MEMORANDUM

TO: OIG/AUD – Norman P. Brown

FROM: A/LM – Jennifer A. McIntyre

SUBJECT: Draft Report on *Audit of Local Guard Force Contractors at Critical- and High-Threat Posts*

(U) Thank you for the opportunity to provide comments on the draft recommendations for the subject audit report. The points of contact for this response are Mr. Matthew Colantonio who may be reached at 703-875-██████, and Mr. James Moore who may be reached at 703-875-██████.

~~(SBU)~~ **Recommendation 6:** OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management, in coordination with the Contracting Officer's Representative, modify the Mission ████████ local guard force contract to clarify that only four guard posts require ████████.

(U) **Management Response to Draft Report:** The recommendation requires the Bureau of Diplomatic Security (DS) make an operational decision to clarify the correct assignment of Government Furnished Property. Therefore, the recommendation should be reassigned to DS with AQM as the coordinating office. AQM will assist DS modify the contract, if necessary, once a DS decision is provided to the Contracting Officer.

~~(SBU)~~ **Recommendation 8:** OIG recommends that the Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management modify, in coordination with the Contracting Officer's Representative, the Mission ████████<sup>(F)</sup> local guard force contract to provide additional guard coverage at the delivery building during large deliveries to mitigate inner and outer doors occasionally being open at the same time.

~~SENSITIVE BUT UNCLASSIFIED~~

~~SENSITIVE BUT UNCLASSIFIED~~

- 2 -

**(U) Management Response to Draft Report:** The recommendation requires DS make an operational decision to clarify the deployment of personnel and/or the operational procedures for the specified post, and for DS to potentially commit additional funding to the contract. Therefore, the recommendation should be reassigned to DS with AQM as the coordinating office. AQM will assist DS modify the contract, if necessary, once a DS decision is provided to the Contracting Officer.

~~SENSITIVE BUT UNCLASSIFIED~~

(U) APPENDIX E: MISSION [REDACTED] RESPONSE TO DRAFT REPORT



Ambassador  
Embassy of the United States of America  
[Redacted] (b) (7)(F)

DATE: March 9, 2016

TO: Norman P. Brown, Assistant Inspector General for Audits  
Office of the Inspector General

FROM: [REDACTED] (b) (7)(F)

SUBJECT: U.S. Mission [REDACTED] (b) (7)(F) response to OIG Report

U.S. Mission [REDACTED] (b) (7)(F) thanks the Office of the Inspector General for its visit in September 2015. The visit was beneficial in reviewing our local guard force program at our critical crime and critical terrorism-threat post. This response addresses your memorandum of February 29, regarding the draft report and information on actions taken for Recommendations 1, 3, 4, 7, 9, 10, 12, and 13. While post accepts and has fully implemented most of the recommendations, and has addressed the deficiencies identified in all of the recommendations, post requests that recommendations 1, 4, 9, 10, 12, and 13 be considered for redaction based on the relevant responses and justifications.

Recommendation 1: (U) OIG recommends that the Mission [REDACTED] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing access controls procedures.

ACTIONS – On September 23, 2015, the COR addressed all access control procedures with [REDACTED] in the regularly scheduled monthly COR meeting. Post addressed all concerns listed in the OIG Preliminary Notice of Findings and Recommendations regarding access control post guard orders. The COR has instituted mandatory daily training during the guard force muster as a stop gap. Based on the positive discussion, training, and full compliance of [REDACTED] (b) (7)(F) Post did not issue a deficiency letter.

Post confirms that the guard force coordinator immediately began updating all post guard force orders countrywide. Post considers this recommendation addressed and has regularly engaged with [REDACTED] to ensure all access procedures are being followed. Post request this recommendation be redacted to reflect the corrective actions.

Recommendation 3: (SBU) OIG recommends that the Mission [REDACTED] (b) (7)(F) Contracting Officer's Representative request additional radiation detectors from the Bureau of Diplomatic Security Countermeasures, Office of Physical Security Programs, [REDACTED] (b) (7)(F) from the Engineering Services Office.

ACTIONS - COR has requested [REDACTED] assistance for repairing and or replacing the current inoperable [REDACTED]. As December 2015, Post has purchased new [REDACTED] (b) (7)(F) through the Engineering Services Office. Recommendation accepted and implemented.



Recommendation 4: (SBU) OIG recommends that the Mission [REDACTED] (P)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing post orders related to the [REDACTED]

ACTIONS- COR ensured that all guards on duty possessed [REDACTED] (P)(F) pendants prior to the OIG team's departure. Post further reconfirmed compliance of this directive as of December 2015. A deficiency letter was not issued as the contractor took immediate action to rectify the discussed deficiency. Post requests a redaction of this recommendation.

Recommendation 7: (U) OIG recommends that the Mission [REDACTED] (P)(F) Contracting Officer's Representative review post orders and request a contract modification if updates are necessary.

ACTIONS- COR immediately reviewed guard post orders following OIG recommendations and began revising the orders. Several guard post order modifications were made in September 2015 and additional modifications have since been made as recently as January 2016. All modifications will be fully completed by March 2016. Recommendation accepted and will soon be fully implemented.

Recommendation 9: (U) OIG recommends that the Mission [REDACTED] (P)(F) Contracting Officer's Representative remind mailroom staff that deliveries must be placed onto the x-ray machine for screening, rather than on the guard's desk.

ACTIONS- Following the OIG visit COR instructed the Post Master and his staff to comply with the requirement that all mail be placed immediately on the x-ray machine upon arrival. Post Master was also advised to ensure that his staff avoid placing any mail at any location outside of the x-ray machine. The COR recognizes the increased workload placed on the guards at the mail screening facility and has instructed the Mobile Response Team and Rover Guards be contacted for assistance at times of high volume. Although Post has addressed this issue, it requests redaction of this recommendation given that the issue identified was not a responsibility of the LGF but rather a responsibility of the Post Master, thus outside the scope of the audit.

Recommendation 10: (U) OIG recommends that the Mission [REDACTED] (P)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing reporting procedures.

ACTIONS - COR has reviewed the reporting procedures and confirms that the reporting procedures are being followed. Guards report all suspicious occurrences to Post 1 as it is staffed 24/7. Post 1 then immediately contacts the Regional Security Office during work hours or the RSO duty officer after hours. Recommendation is currently in practice; Post therefore requests redaction of this recommendation.

Recommendation 12: (U) OIG recommends that the Mission [REDACTED] (P)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing the requirement that proper breaks be provided to the local guard force.

ACTIONS- Prior to the OIG inspection, beginning on August 31, 2015, Post ensured that four day and two night guards are serving as relief guards at the Embassy and two day and two night guards serve as relief guards at [REDACTED]. Following the OIG recommendation, COR has confirmed that guards are receiving required breaks. However, Post will continue to

ensure that all contract requirements are being met. COR has ensured that all log books denote breaks. Recommendation is currently in practice; Post therefore requests redaction of this recommendation.

Recommendation 13: (U) OIG recommends that the Mission [REDACTED] (F) Contracting Officer's Representative formally notify the contractor that invoices must be submitted in accordance with contract terms and conditions; otherwise, they will be rejected.

ACTIONS- Prior to the OIG inspection, the COR was advised that a new invoice format was not being utilized. The COR, in conjunction with US Mission Financial Management Section, provided training to [REDACTED]'s finance department on September 2, 2015 on the new form. While the form was in use in September, the OIG inspection team was unable to observe the new invoices. The September 2015 invoice was not available for viewing until October, after the OIG team departed. Post requests that this recommendation be redacted as the new invoice format was in fact being utilized prior to the OIG inspection in September.

From the OIG report, "the Embassy [REDACTED] (F) Financial Management Officer requested that the contractor submit the September and December 2014 invoices ahead of schedule due to end of year fiscal activities and the impending holidays, respectively." The COR and Financial Management Office are currently strictly following the terms and conditions of the contract regarding proper invoicing.

I confirm that the each of the following recommendations have been addressed and accepted with the exception of redactions for recommendations 1, 4, 9, 10, 12, and 13. The substance of each of these recommendations has been addressed, but as noted post requests the report itself be redacted to reflect progress made during or just after the inspection team's departure and prior to the report itself being issued.

[Redacted] (b) (7)(F)

3/9/16

Date

(U) APPENDIX F: MISSION [REDACTED] RESPONSE TO DRAFT REPORT

---



*Embassy of the United States of America*

[REDACTED] (b) (7)(F)

March 1, 2016

**MEMORANDUM**  
**UNCLASSIFIED**

TO: State OIG – Norman P. Brown, Assistant Inspector General for Audits

THROUGH: [REDACTED] Chief of Mission *[Signature]*

FROM: [REDACTED] Deputy Chief of Mission *[Signature]*  
[REDACTED] Regional Security Officer *[Signature]*

SUBJECT: Mission [REDACTED] (b)(7)(F) Response to OIG Report on Post's LGF Program

Mission [REDACTED] (b)(7)(F) acknowledges the Findings and Recommendations from the Office of the Inspector General as discussed in the February 2016 Report, "Audit of Local Guard Force Contractors at Critical- and High-Threat Posts." Post wishes to thank all parties involved in what RSO believes is a strong LGF program – State OIG, DS/OPO, and [REDACTED]. Please find below a discussion of key personnel on this contract and of actions taken by Post pursuant to the OIG team's findings germane to Mission [REDACTED] (b)(7)(F).

**Key Personnel in [REDACTED] (b)(7)(F)**

Chief of Mission – [REDACTED]

Deputy Chief of Mission – [REDACTED]

Senior Regional Security Officer (SRSO) – [REDACTED]

Assistant Regional Security Officer (ARSO) (Back-up COR) – [REDACTED]

Assistant Regional Security Officer (ARSO) (Designated COR) – [REDACTED]

ARSO [REDACTED] (b)(7)(F) Government Technical Monitor (GTM) – [REDACTED]

Contracting Officer (CO) – [REDACTED]



**Post Response to Mission [REDACTED] Findings:**

Condition

However, OIG did find that the COR did not maintain a complete, centralized COR file documenting oversight and monitoring of the LGF contract. CORs are required to maintain a COR file for each contract under his/her administration to provide easy access to information on the contractor's work progress and ease the transition to a new COR. Further, DS required the CORs to retain a copy of all completed COR Checklists in the COR file. However, rather than maintaining one file covering the mission-wide contract, the COR maintained a file documenting Embassy [REDACTED] LGF's performance while the GTM maintained a file related to Consulate General [REDACTED] LGF's performance. The Mission [REDACTED] COR stated that he was not aware of the requirement to maintain Consulate General [REDACTED] checklists in his COR file. Without a complete, centralized COR file, the COR may not have easy access to information on the contractor's work throughout the mission, and deficient COR files may be transferred to successor CORs.

Recommendation

Recommendation 14: OIG recommends that the Mission [REDACTED] Contracting Officer's Representative develop and implement a procedure to maintain a complete, centralized Contracting Officer's Representative file that contains necessary information on the Embassy [REDACTED] and Consulate General [REDACTED] local guard forces.

Response

COR has maintained a complete, centralized Contracting Officer's Representative file with all relevant information since contract inception, with the exception of Consulate [REDACTED] Monthly COR Checklists. Monthly COR Checklists are conducted twice every month in [REDACTED] and are maintained in the "Checklist" Folder of the COR file. COR was not aware that Monthly COR Checklists completed in [REDACTED] by the GTM, and maintained in [REDACTED] in the GTM Folder, needed to be copied into the COR file as well. Since the OIG inspection's out brief on 25 SEP 2015, this has been addressed.

## (U) APPENDIX G: MISSION [REDACTED] RESPONSE TO DRAFT REPORT

---



US Department of State  
Embassy of the United States of America  
[REDACTED] (b) (7)(F)  
Regional Security Office

U.S. Department of State  
Office of Inspector General  
1700 N. Moore St  
Arlington, VA 22209

U.S. Embassy [REDACTED] response to recommendations proposed by the Inspector General audit of the Local Guard Force (LGF) in Mission [REDACTED].

Recommendation 2: (U) OIG recommends that the Mission [REDACTED] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing access control procedures at the new consulate compound.

RSO Response: RSO concurs with this finding and will issue the contractor a deficiency letter.

Recommendation 5: (SBU) OIG recommends that the Mission [REDACTED] (b) (7)(F) Contracting Officer's Representative request additional [REDACTED] (b) (7)(F) from the Engineering Services Office and additional [REDACTED] from the Bureau of Diplomatic Security Countermeasures, Office of Physical Security Programs, [REDACTED] (b) (7)(F) [REDACTED] (b) (7)(F) [REDACTED].

RSO Response: RSO concurs with this finding and has ordered additional [REDACTED] (b) (7)(F) [REDACTED] (b) (7)(F).

Recommendation 11: (U) OIG recommends that the Mission [REDACTED] (b) (7)(F) Contracting Officer's Representative issue the contractor a deficiency letter, reinforcing the Emergency Response Team's patrol procedures.

RSO Response: RSO concurs with this finding and will issue the contractor a deficiency letter.

Recommendation 15: (U) OIG recommends that the Mission [REDACTED] (b) (7)(F) Contracting Officer's Representative develop and implement a procedure to maintain a complete, centralized Contracting Officer's Representative file that contains necessary information on the Embassy [REDACTED] (b) (7)(F) Consulate General [REDACTED] (b) (7)(F) and Consulate General [REDACTED] (b) (7)(F) local guard forces.

RSO Response: RSO concurs with this finding and is in the process of creating a centralized Contracting Officer's Representative file.

Recommendation 16: (U) OIG recommends that the Mission [Redacted] (b) (7)(F) Contracting Officer's Representative develop and implement a procedure for alternate Contracting Officer's Representatives to maintain complete files on their respective local guard forces and transfer those files to incoming alternate Contracting Officer's Representatives.

RSO Response: RSO concurs with this finding and will develop and implement a procedure for alternate Contracting Officer's Representatives to maintain complete files.

Sincerely,

[Redacted] (b) (7)(F)  
Senior Regional Security Officer

## (U) ABBREVIATIONS

---

A/LM/AQM Bureau of Administration, Office of Logistics Management, Office of Acquisitions Management

ARSO Assistant Regional Security Officer

CAC Compound Access Control

CO Contracting Officer

COR Contracting Officer's Representative

DS Bureau of Diplomatic Security

ENS Emergency Notification System

FAH Foreign Affairs Handbook

FAM Foreign Affairs Manual

GTM Government Technical Monitor

HHMD Handheld Metal Detector

IDNS Imminent Danger Notification System

LGF local guard force

OIG Office of Inspector General

RSO Regional Security Officer

WTMD walk-through metal detector

## (U) OIG AUDIT TEAM MEMBERS

---

Regina Meade, Director  
Security and Intelligence Division  
Office of Audits

Soraya Vega, Audit Manager  
Security and Intelligence Division  
Office of Audits

Rachel Kell, Senior Auditor  
Security and Intelligence Division  
Office of Audits

Nina Lin, Senior Auditor  
Security and Intelligence Division  
Office of Audits

Christopher Yu, Senior Auditor  
Security and Intelligence Division  
Office of Audits



# HELP FIGHT

## FRAUD. WASTE. ABUSE.

1-800-409-9926

**[OIG.state.gov/HOTLINE](https://oig.state.gov/HOTLINE)**

If you fear reprisal, contact the  
OIG Whistleblower Ombudsman to learn more about your rights:  
**[OIGWPEAOmbuds@state.gov](mailto:OIGWPEAOmbuds@state.gov)**

**[oig.state.gov](https://oig.state.gov)**

Office of Inspector General • U.S. Department of State • P.O. Box 9778 • Arlington, VA 22219