

**STATEMENT BY
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**BEFORE THE
SELECT COMMITTEE ON BENGHAZI**

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**REVIEWING EFFORTS TO SECURE U.S. DIPLOMATIC
FACILITIES AND PERSONNEL**

DECEMBER 10, 2014

Chairman Gowdy, Ranking Member Cummings, and Members of the Committee, thank you for the opportunity to testify before you today regarding our review of the Accountability Review Board (ARB) process and associated work we have conducted in recent years on security-related matters.

My mission as Inspector General is to provide to Congress, policy makers, and the public independent assessments of the programs and operations of the Department of State (Department) and the Broadcasting Board of Governors in order to promote economy and efficiency and to prevent and detect waste, fraud, abuse, and gross mismanagement. That oversight is carried out through audits, inspections, evaluations, and investigations led by the many talented and seasoned professionals who staff the Office of Inspector General (OIG). Needless to say, ensuring the security of U.S. diplomatic facilities and personnel is a top priority for the Department and OIG. I welcome this opportunity to review OIG's work in this area.

Since the September 2012 attacks on U.S. diplomatic facilities and personnel in Benghazi, OIG has redoubled its oversight efforts related to security, issuing inspection and audit reports specifically targeting security matters, which are typically addressed in classified annexes or reports.¹ In addition to that work, we inspect posts across the globe and review security-related matters at each one. In my comments today, I will address the ARB process and discuss findings based on our other security-related work and on the experience of our office.

My comments and responses will, at times, be general in nature because, even if not formally classified, our work has identified specific vulnerabilities, the public disclosure of which could endanger the safety and security of Department employees, assets, and information. If, at the conclusion of this hearing, you have remaining questions that touch upon sensitive and/or classified information, I would be pleased to respond to those questions in an appropriate setting.

About ARBs and OIG's Review of the ARB Process

The ARB process is a statutory mechanism employed to foster more effective security of U.S. missions and personnel by requiring an independent review of significant security-related incidents. The ARB examines the facts and circumstances surrounding incidents and makes written findings and recommendations.² According to the *Foreign Affairs Manual* (FAM), "through its investigation and recommendations, the [ARB] seeks to determine accountability and promote and encourage improved security programs and practices."³ Composed of five members, an ARB is convened by the Secretary of State to investigate security-related incidents involving serious injury, loss of life, or substantial destruction of property at, or related to, a U.S. Government mission abroad. The Secretary of State names four members, and the Director of National Intelligence names the remaining member. Since 1998, 12 ARBs have been convened—the most recent being the ARB chaired by Ambassador Thomas R. Pickering to review the September 2012 Benghazi attacks.

¹ Two OIG audit reports—*Audit of Department of State Compliance With Physical Security Standards at Selected Posts Within the Bureau of African Affairs* (AUD-HCI-13-40) and *Audit of Department of State Compliance With Physical and Procedural Security Standards at Selected High Threat Level Posts* (AUD-SI-13-32)—summarized findings issued in a total of ten OIG Outlines for Action that identified physical security deficiencies in nine embassies and one consulate.

² Diplomatic Security Act, Pub. L. 99-399, sec. 301 (1986); 12 FAM 035, "Findings and Recommendations."

³ 12 FAM 031.1, "Objective."

On September 25, 2013, OIG published a report on its *Special Review of the Accountability Review Board Process*⁴ (Special Review)—the process by which the Department’s ARBs are established, staffed, supported, and conducted. The Special Review also examined the manner in which the Department tracks the implementation of ARB recommendations. We found that follow-through on long-term security program improvements involving physical security, training, and intelligence sharing lacks sustained oversight by Department principals.⁵ Over time the implementation of recommended improvements slows. The lack of follow-through explains, in part, why a number of Benghazi ARB recommendations mirror previous ARB recommendations. This pattern further underscores the need for Department principals’ involvement in order to ensure that implementing actions are sustained. We concluded that the implementation of ARB recommendations works best when the Secretary of State and other Department principals take full ownership of the implementation process.

OIG’s Special Review made 20 formal recommendations.⁶ The recommendations addressed issues such as meeting minimum security standards before Department staff occupy buildings located in high-threat environments, fully documenting the process for vetting security-related incidents to identify those that do not warrant elevating an incident to the ARB level, and ensuring that this information is communicated to the Secretary of State.

In May 2014, I notified the Deputy Secretary of State for Management and Resources of the status of those recommendations and provided additional suggestions intended to enhance the effectiveness of the ARB process. I suggested that decisions related to the staffing of the ARBs be elevated from an office currently reporting to the Under Secretary of State for Management. I also suggested that steps be taken to enhance the fact-gathering and decision-making processes and the ability to review future ARBs through the use of verbatim transcripts to accurately record and preserve interviews and meetings.

Although a number of our recommendations related to the Special Review remain unresolved, OIG has found evidence that the Department has made progress in addressing some security concerns. For example, the Benghazi ARB found that the lack of shared responsibility between the Bureau of Diplomatic Security (DS) and the Bureau of Near Eastern Affairs (NEA) was a contributing factor to the security vulnerabilities in Benghazi. In our September 2014 inspection report⁷ on DS’ High Threat Programs (HTP) Directorate, OIG found that HTP staff have effectively integrated themselves into the security-related work of the regional and functional bureaus. Thus, shared responsibility and enhanced communication between DS and the regional bureaus seems to have improved. In addition, the Department has provided to OIG a detailed plan to strengthen security at high-risk, high-threat posts, which includes enhanced training of more than 1,000 DS special agents.

A critical function for OIG is to track compliance with our recommendations. OIG will be following up, in Winter 2015, on the Department’s compliance with OIG recommendations in the ARB Special

⁴ *Special Review of the Accountability Review Board Process* ([ISP-I-13-44A](#), September 2013).

⁵ The phrase “Department principals” means officers above the level of Assistant Secretary of State—the Under Secretaries, the Counselor of the Department, the Deputy Secretaries, and the Secretary.

⁶ [ISP-I-13-44A](#), September 2013.

⁷ *Inspection of the Bureau of Diplomatic Security, High Threat Programs Directorate* ([ISP-I-14-23](#), September 2014).

Review. OIG will also review the Department's reported compliance with the 29 recommendations in the Benghazi ARB report.

Recent Significant OIG Findings Concerning Security Issues

In addition to the ARB process review, OIG has issued a variety of reports covering significant security matters. I take this opportunity to highlight four areas of concern: (1) physical security deficiencies; (2) exceptions and waivers; (3) "stovepiping" of security issues within the Department; and (4) vetting of local guard forces protecting overseas facilities and personnel.

Physical Security Deficiencies

Making Department personnel and facilities safe depends in large part on understanding and closing the gaps between established physical security requirements and the real world situations found at each post around the world. Recent OIG reports demonstrate that the Department is at increased risk because it lacks sufficient processes, planning, and procedures to ensure that the Department understands the security needs at posts around the world. For example, in March 2014, OIG reported, in its audit on requesting and prioritizing physical-security activities, that the Department lacked a comprehensive list of physical security deficiencies and funding requests at overseas posts.⁸ As a result, the Department could not ensure that the highest priority physical security needs at overseas posts were addressed and that the posts' vulnerabilities to threats had therefore been reduced sufficiently.⁹ If the Department cannot identify security vulnerabilities, it cannot adequately implement or fund solutions.

In 2012, OIG conducted a series of audits and reviews of posts located in Europe, Latin America, and Africa, which identified physical security deficiencies at nine embassies and one consulate that required immediate attention.¹⁰ OIG auditors found that the posts were generally not in compliance with the Department's physical and procedural security standards. Security deficiencies common among the posts included the failure to meet minimum compound perimeter requirements; to properly conduct inspections of vehicles before entering posts; to maintain functioning anti-ram barriers, as required; and to install and/or maintain functioning forced-entry/ballistic-resistant doors, as required. Some regional security officers (RSOs) at the audited posts stated that they were not aware of the security requirements, and one RSO explained that the deficiency in question was in place prior to the RSO's arrival at post; however, no action had been initiated to remedy the security deficiency.

Exceptions and Waivers

Exceptions and waivers granted from compliance requirements of the Secure Embassy Construction and Counterterrorism Act¹¹ (SECCA) or the security standards established by the Overseas Security Policy Board (OSPB) also contribute to increased security risks at posts.

⁸ *Audit of the Process To Request and Prioritize Physical Security-Related Activities at Overseas Posts* ([AUD-FM-14-17](#), March 2014).

⁹ *Ibid.*

¹⁰ [AUD-SI-13-32](#), June 2013, and [AUD-HCI-13-40](#), September 2013.

¹¹ Sec. 606(a) of H.R. 3427 of the 106th Congress (113 Stat. 1501A-454-255) (22 U.S.C. § 4865), incorporated by reference pursuant to sec. 1000(a)(7) of Pub. L. 106-113 as Appendix G (1999).

OIG has found conditions of non-compliance with security standards for which posts had not sought exceptions or waivers.¹² A common example is the use of warehouse space for offices. Under the Department's security rules, office space must meet more stringent physical security standards than warehouse space; Department employees who work in warehouse spaces, which do not meet required physical security standards for offices, are at risk.

OIG also found that a number of overseas posts had not maintained accurate exception and waiver records.¹³ In some cases, OIG inspectors found that RSOs were unable to locate an exception or waiver approval or denial that was on file with DS. When a new RSO, chief of mission, or deputy chief of mission arrives at post, accurate, up-to-date records can help ensure that the RSO and senior management have current knowledge of outstanding exception and waiver requests. Only in this manner can the RSO ensure that mitigating steps are understood and completed and that restrictions, such as building use, are enforced. To address these issues, OIG recommended that DS require overseas posts to: (1) submit an annual written certification that exceptions and waivers have been requested for all circumstances where standards cannot be met and (2) provide a statement of assurance signed by the chief of mission certifying that post is adhering to all stipulations in existing waivers and exceptions. To date, this recommendation remains unresolved.

Stovepiping of Security Issues

The Department also is at increased risk regarding security because it stovepipes or segregates relevant DS responsibilities. DS is the entity responsible for establishing standards and for keeping staff and facilities safe. A different Department bureau, the Bureau of Overseas Buildings Operations (OBO), is responsible for construction and maintenance of Department facilities overseas. Although DS and OBO share responsibility for ensuring that posts' physical security needs are addressed, adequate coordination between the bureaus is lacking.¹⁴ Because OBO is appropriated funds for addressing physical security deficiencies, it takes the lead in determining which physical security projects will be funded and when. As noted in a March 2014 OIG report,¹⁵ in response to an OIG questionnaire, a Department employee stated that "the largest problem with physical security funding is that OBO...considers it a DS thing and DS...does not control funding....This confuses the whole process, introduces delays and makes it cumbersome." In that same report, OIG found that DS and OBO maintained differing interpretations of the OSPB standards and lacked agreement on prioritization factors for major physical security upgrade projects and a long-range plan to address physical security needs. In OIG's 2014 inspection of DS' HTP Directorate, OIG found that OBO's lack of a formal mechanism to expeditiously address urgent needs of high-threat posts served as an obstacle to the Directorate's work of supporting those needs.

¹² *Review of Overseas Security Policy Board Exceptions and Secure Embassy Construction and Counterterrorism Act of 1999 Waivers* ([ISP-I-13-06](#), January 2013).

¹³ Ibid.

¹⁴ *Inspection of the Bureau of Diplomatic Security, High Threat Programs Directorate* ([ISP-I-14-23](#), September 2014); *Compliance Follow-up Review of the Bureau of Overseas Buildings Operations* ([ISP-C-11-26](#), May 2011).

¹⁵ *Audit of the Process to Request and Prioritize Physical-Related Activities at Overseas Posts* ([AUD-FM-14-17](#), March 2014).

Issues with Vetting Local Guard Forces

DS oversees local guard forces that are a critical part of security at Department missions overseas. They typically are outside, or just inside, the perimeter of embassy compounds and are often responsible for searching individuals and vehicles entering posts.

OIG conducted an audit of the DS local guard program to determine whether security contractors had complied with contract requirements for vetting the suitability of local guards at posts overseas and whether RSOs had performed adequate oversight of the local guard vetting process.¹⁶ OIG found in its June 2014 report that none of the six security contractors reviewed by OIG fully performed the vetting procedures specified. Inadequate oversight of local guard vetting processes places missions and personnel at heightened risk. One bad actor—with the right position and access—can seriously endanger the safety and security of our personnel overseas.

In conclusion, security issues have been and continue to be a top priority for OIG. I look forward to continuing to engage with the Department and Congress over these matters in the coming months in an effort to mitigate risk and avoid future incidents like the attacks that occurred in Benghazi. Chairman Gowdy, Ranking Member Cummings, and Members of the Committee, thank you again for the opportunity to testify before you today. I look forward to your questions.

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¹⁶ *Audit of Contractor Compliance With and Department of State Oversight of the Process Required for Vetting Local Guards* ([AUD-HCI-14-24](#), June 2014).