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Office of Inspector General  
United States Department of State

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ISP-I-20-12

Office of Inspections

August 2020

# Inspection of Embassy London and Constituent Posts, United Kingdom

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

UNCLASSIFIED



# HIGHLIGHTS

Office of Inspector General  
United States Department of State

ISP-I-20-12

## What OIG Inspected

OIG inspected executive direction, policy and program implementation, resource management, and information management operations at Embassy London. The inspection also included the operations of Consulates General Belfast and Edinburgh.

## What OIG Recommends

OIG made 22 recommendations: 21 to Embassy London and 1 to the Bureau of European and Eurasian Affairs.

In its comments on the draft report, the Department concurred with 21 recommendations and disagreed with 1 recommendation. OIG considers 21 recommendations resolved and 1 recommendation unresolved. The Department's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The Department's formal written responses are reprinted in their entirety in Appendix C.

August 2020

OFFICE OF INSPECTIONS

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

## Inspection of Embassy London and Constituent Posts, United Kingdom

### What OIG Found

- Mission United Kingdom's leadership team effectively advanced the themes of shared prosperity and security in the context of the United States-United Kingdom "special relationship."
- The Ambassador and the Deputy Chief of Mission engaged in substantive policy engagement on a range of issues and were active in public diplomacy outreach.
- The mission's defined benefit pension plan for locally employed staff was underfunded by \$31.5 million due to insufficient employer and employee contributions.
- The memorandum of understanding between Embassy London and the Regional Information Management Center Frankfurt for the ClassNet Regionalization initiative did not address key roles and responsibilities for the staff involved.
- Embassy London's six locally developed computer applications did not complete the Department of State's system authorization process, resulting in potential risk regarding confidentiality, integrity, and availability of information residing on the applications.
- Spotlights on Success: Embassy London formed a unique joint fraud investigations team that included representatives of the Consular Section and the Department of Homeland Security. In addition, the embassy instituted a mentoring program for locally employed staff and eligible family members.

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## CONTEXT

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The United Kingdom of Great Britain and Northern Ireland plays a leading role in the world, both politically and economically. With a population of more than 65 million people and a 2017 gross domestic product of \$2.925 trillion, the United Kingdom (UK) has the fifth largest population and third largest economy in Europe. The UK joined the European Union (EU) in 1973, although it chose to remain outside the economic and monetary union. The UK voted in June 2016 to leave the EU in a move now commonly referred to as “Brexit.” Negotiations between the UK and the EU regarding the terms and timeframe for Brexit were ongoing at the time of the inspection.<sup>1</sup>

The United States and the UK share a close alliance often referred to as the “special relationship.” Bilateral cooperation reflects the common language, ideals, and democratic practices of the two nations. Relations were strengthened by the UK’s alliance with the United States during both world wars, the Korean conflict, the Persian Gulf War, Operation Iraqi Freedom, and in Afghanistan, as well as through its role as a founding member of the North Atlantic Treaty Organization (NATO). The UK and the United States continually consult on foreign policy issues and global problems and share major foreign and security policy objectives. These factors resulted in a significant number of official U.S. Government visitors to the mission, totaling 6,661 in FY 2019.

The UK is one of the largest markets for U.S. exports and one of the largest suppliers of U.S. imports. U.S. trade with the UK totaled an estimated \$261.9 billion in 2018, of which \$140.4 billion were exports and \$121.5 billion were imports. The United States and the UK also share the world’s largest bilateral foreign direct investment partnership. At the time of the inspection, the UK and the United States were working to determine how to deepen and broaden the bilateral economic relationship, including ensuring continuity throughout the Brexit process and laying the groundwork for a possible future bilateral trade agreement. The UK is a large source of foreign tourism in the United States and participates in the Visa Waiver Program.<sup>2</sup>

Mission United Kingdom’s three strategic objectives, as outlined in its June 2019 Integrated Country Strategy (ICS), are:

- Protect U.S. security by working with the UK as it withdraws from the EU.
- Promote U.S. prosperity by supporting the long-term economic and commercial relationship with UK as it withdraws from the EU.
- Advance American influence by promoting shared values and interests and building the people-to-people ties that form the backbone of the U.S.-UK “special relationship.”

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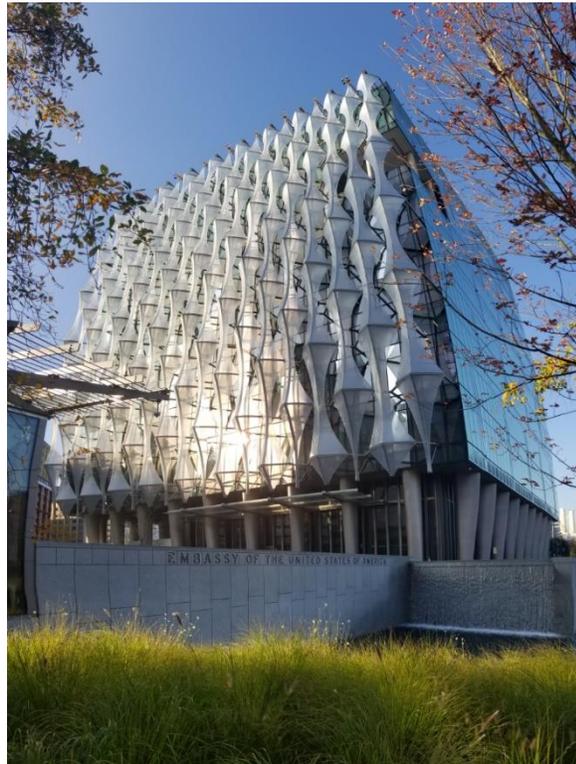
<sup>1</sup> On January 31, 2020, the UK officially left the EU, ending 47 years of membership.

<sup>2</sup> The Visa Waiver Program allows most citizens or nationals of participating countries, including the UK, to travel to the United States for tourism or business for stays of 90 days or less without obtaining a visa.

The U.S. diplomatic mission to the UK consists of Embassy London and Consulates General Belfast and Edinburgh. In addition, the embassy has responsibility for a consulate general in Hamilton, Bermuda. OIG reviewed Consulate General Hamilton separately in early 2020.<sup>3</sup>

At the time of the inspection, Mission United Kingdom had 453 Department of State (Department) and other Federal agency U.S. direct-hire employees as well as 441 locally employed (LE) staff. Including the Department, 46 Federal agencies are represented at the mission, including the Departments of Agriculture, Commerce, Defense, Energy, Health and Human Services, Homeland Security, Justice, and Treasury.

In January 2018, Embassy London moved from Grosvenor Square in central London to the Nine Elms area of south London. The Department built the new embassy as a translucent crystalline cube to permit natural light and reduce the energy required to cool and light the building. The embassy design also includes sustainable technologies, such as a pond that is part of the site's stormwater management. According to the Department, proceeds of sale from other U.S. Government properties in London funded the building's entire construction cost of approximately \$1 billion.



**Figure 1:** Newly constructed U.S. Embassy London (Source: OIG).

OIG evaluated the embassy's policy implementation, resource management, and management controls consistent with Section 209 of the Foreign Service Act of 1980.<sup>4</sup> A companion classified inspection report discusses the embassy's security program and issues affecting the safety of mission personnel and facilities, as well as sensitive findings related to the mission's information management program and certain aspects of the resource management program.

## **EXECUTIVE DIRECTION**

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OIG assessed embassy leadership based on interviews that included comments on the Ambassador's and the Deputy Chief of Mission's (DCM) performance, a review of staff questionnaires, and OIG's review of documents and activities during the on-site portion of the inspection.

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<sup>3</sup> OIG, *Inspection of Consulate General Hamilton* (ISP-I-20-30; report not yet released).

<sup>4</sup> See Appendix A.

## **Tone at the Top and Standards of Conduct**

The Chief of Mission, a first time, non-career ambassador, arrived in August 2017 and presented his credentials to Her Majesty Queen Elizabeth II in November 2017. From New Jersey, he was a businessman and philanthropist. The DCM, a career Senior Foreign Service officer, arrived in January 2019 following an assignment as acting Deputy Assistant Secretary for Egypt and North Africa. Prior to that, she had multiple domestic and overseas assignments, principally in or involving the Near East.

When the Ambassador arrived at Embassy London in late summer 2017, he assumed responsibility from the previous DCM who had served as Chargé d'Affaires for approximately 7 months. OIG learned that the relationship between the Ambassador and the former DCM deteriorated during the year that they worked together, affecting mission morale and ending in the DCM's reassignment. Based on interviews with embassy staff, OIG concluded that the Ambassador did not always model the Department's leadership and management principles as contained in 3 Foreign Affairs Manual (FAM) 1214 and, in particular, 3 FAM 1214b(4) and (6) regarding communication and self-awareness. For example, some embassy staff told OIG that when the Ambassador was frustrated with what he interpreted to be excessive staff caution or resistance to suggestions about which he felt strongly, he sometimes questioned their intentions or implied that he might have them replaced. This caused staff to grow wary of providing him with their best judgment. With the arrival of the current DCM, chosen by the Ambassador, staff generally reported to OIG that they saw better communication from the Front Office and an increased confidence from the Ambassador in the mission's staff.

OIG also found that some staff were impacted by the Ambassador's demanding, hard driving work style and it had a negative effect on morale in some embassy sections. In addition, OIG learned, through employee questionnaires and interviews, that the Ambassador sometimes made inappropriate or insensitive comments on topics generally considered Equal Employment Opportunity (EEO)-sensitive, such as religion, sex, or color. According to 3 FAM 1526.1, offensive or derogatory comments, based on an individual's race, color, sex, or religion, can create an offensive working environment and could potentially rise to a violation of EEO laws. Based on the information that OIG learned during the inspection, and pursuant to the requirements in 3 FAM 1526.2, a more thorough review by the Department is warranted.

**Recommendation 1:** The Bureau of European and Eurasian Affairs, in coordination with the Office of Civil Rights, should assess the Chief of Mission's compliance with Department Equal Employment Opportunity or leadership policies and based on the results of the review, take appropriate action. (Action: EUR, in coordination with S/OCR)

At the time of the inspection, OIG interviews indicated that both the Ambassador and the DCM modeled 3 FAM 1214 attributes of strategic planning and decisiveness. The Ambassador advised the embassy staff on the importance of spending U.S. taxpayer monies wisely, and he and the DCM practiced proper procedures with respect to receipt of gifts. Both mission employees and Washington interlocutors told OIG the Ambassador was reaching out to U.S. direct-hire and LE staff in an effort to know them better, to convey his appreciation for their

work, and to continue to familiarize himself with the many aspects of the complex, multi-agency mission he was leading. OIG also learned of several efforts by the Ambassador to engage with his staff, including an event at his residence, Winfield House, for LE staff with 30 years or more of service. He also invited staff to join him for informal “coffee and donuts” gatherings in the embassy. Staff and senior Washington interlocutors told OIG they were encouraged by the constructive and effective partnership formed between the Ambassador and the DCM.

## **Execution of Foreign Policy Goals and Objectives**

The Ambassador effectively engaged with the UK Government, from small, focused meetings with British officials to public remarks made to large groups. He also emphasized ICS themes in his internal meetings and town halls with mission personnel. His emphasis on the important connection between the United States and the UK—based on shared prosperity, shared security, and the importance of the “special relationship”—was widely known and understood throughout the mission. Specifically, OIG heard from individuals at the embassy, consulates general, and in Washington, in both interviews and in impromptu discussions, that they were fully aware of Mission United Kingdom’s overarching goals and objectives as articulated by the Ambassador. The Ambassador and the Public Diplomacy Section mirrored these themes in tweets to followers of the Ambassador’s Twitter account. Additionally, in 2019, the embassy welcomed visits by the President, Vice President, and U.S. cabinet members who also reinforced the Ambassador’s message in their comments to mission staff and in remarks to the public. As mentioned previously, the embassy updated its ICS in June 2019, focusing it squarely on the Ambassador’s objectives in the context of the UK’s efforts to chart its exit from the EU. He told OIG that, based on OIG’s suggestion, he intended to use the ICS in team building efforts with the Country Team, many of whom were new to Mission United Kingdom.

OIG also found the Ambassador and the DCM worked effectively to engage UK Government leaders, parliamentarians, opinion leaders, and the general public to advance ICS goals. OIG reviewed the Ambassador’s in-country outreach activities and determined they were consistent with 2 FAM 113.1 duties to develop local contacts and potential leaders and to familiarize himself with all U.S. Government activities. In the first 10 months of 2019 alone, he took 13 official trips to different parts of the UK, including Northern Ireland. He also visited Bermuda, a British overseas territory to which the Ambassador also is accredited, in July 2019. The Ambassador particularly sought out working UK citizens to hear about local concerns and to emphasize the themes of shared prosperity, shared security, and the “special relationship.” For example, he engaged with local fishermen during a visit to a UK coastal town and met with local traders in another town. In London, he hosted local taxicab drivers and taxi association officials for afternoon tea at his residence. The DCM also undertook five trips outside of London after her arrival in early 2019. OIG’s review of the Ambassador’s and the DCM’s representation activities found both engaged with British royalty, senior government officials, and a wide range of business and other leaders.

## **Adherence to Internal Controls**

OIG found that the mission completed the annual Chief of Mission Management Control Statement of Assurance in August of 2019 in accordance with Department guidance in 2 FAM 022.7. The DCM, serving as Chargé d’Affaires because the Ambassador was away from post, signed it. The statement identified one significant deficiency regarding the defined benefit pension plan for LE staff. As discussed in the Resource Management section of this report, this is the fourth year the mission reported this deficiency in the Statement of Assurance. The mission was working with the Department to secure additional funding to address the problem. However, as described subsequently, other steps must be taken to ensure that the pension plan is fully funded and complies with UK labor laws. OIG confirmed that the Ambassador was aware of the serious nature of the pension plan deficiency and that he fully supported his staff’s efforts to address the problem.

## **Security and Emergency Planning**

Both the Ambassador and the DCM told OIG that mission security was a high priority. During the on-site portion of the inspection, OIG witnessed the Ambassador reaffirming the importance of mission security to staff in his town hall meeting to introduce new senior staff members, consistent with Department guidance in 12 Foreign Affairs Handbook (FAH)-1 H-721. Employees participated in a mission-wide crisis management exercise in July 2019, consistent with guidance in 12 FAH-1 H-763b, which requires such an exercise every 24 to 30 months. Additionally, in accordance with the 1997 memorandum of agreement with the Department of Defense regarding security and force protection in the UK, the DCM held the required annual Emergency Action Committee meeting in August 2019 to ensure the accuracy of force protection responsibilities. However, OIG found the mission had yet to update its emergency action plan, as required by 7 FAH-1 H-292.2a and g. Moreover, the plan contained annexes for Consulates General Belfast and Edinburgh, rather than separate plans as required. After OIG brought this issue to the DCM’s attention, she scheduled an Emergency Action Committee meeting to discuss updating the mission’s plan. The related classified inspection report contains additional discussion of the mission’s emergency action plan.

## **Equal Employment Opportunity**

OIG determined the mission’s EEO program complied with Department guidance in 3 FAM 1514.2. For example, the mission had three trained EEO counselors in the embassy to assist both American and LE staff members. In addition, the mission had 5 LE staff EEO liaisons, including one at Consulate General Belfast, and 10 diversity advisors who were all available to LE staff to discuss concerns informally and advise them on the EEO process. OIG also found the mission posted signs in the embassy and consulates general that list contact information for EEO counselors, LE staff EEO liaisons, and diversity advisors.

## **Developing and Mentoring Foreign Service Professionals**

Embassy First- and Second-Tour employees credited the DCM with having rejuvenated the program, meeting with coordinators, and facilitating creation of a new program structure

within weeks of her arrival. From February to October 2019, the DCM participated in four program events, including two at her residence. She also instituted a process for First- and Second-Tour employees to attend representational events at her residence, the Ambassador's residence, and at outside events when neither she nor the Ambassador could attend—this provided them with experience representing the embassy and allowed them to make new diplomatic contacts. Additionally, program coordinators told OIG the DCM reallocated existing post monies to fund a program event, while also implementing a long-term budget planning strategy to ensure funds would be available to support future events. Mindful of employees in the constituent posts who are unable to attend events in person, the DCM conducted some program briefings via video conferences. In addition, mid-level coordinators told OIG the DCM also helped to relaunch a mid-level mentoring program at the embassy and was planning a roundtable discussion for First- and Second-Tour employees with the Ambassador to take place shortly after the inspection. Overall, OIG concluded the DCM's and the Ambassador's efforts were consistent with 3 FAM 2242.4 and the Department's leadership principles in 3 FAM 1214b(8), which require leaders to value and develop people through mentoring, coaching, and other opportunities.

## **POLICY AND PROGRAM IMPLEMENTATION**

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OIG assessed Mission United Kingdom's policy and program implementation by reviewing the advocacy and analysis work performed by the Political and Economic Sections, the efforts of the Public Diplomacy Section, and the provision of American citizen and visa services by the Consular Sections at Embassy London and Consulates General Edinburgh and Belfast. OIG found the embassy and consulates general generally met Department requirements for policy and program implementation, with the exceptions noted below.

### **Political and Economic Sections**

OIG reviewed the mission's Political and Economic Sections' leadership and management, policy implementation, reporting and advocacy, Leahy vetting,<sup>5</sup> grants, commercial promotion, and end-use monitoring functions. OIG determined that both sections regularly engaged with Washington and collaborated well with the consulates general and other agencies.

OIG also concluded that the mission's reporting and advocacy work supported ICS goals and U.S. commercial interests. Department and other agency officials widely praised the mission's reporting for its quality, relevance, and usefulness, highlighting reporting on the political and economic implications of Brexit, as well as military security, sanctions, and cybersecurity issues. OIG's review of 445 cables sent by the embassy and consulates general from March to September 2019 found the reporting to be relevant to mission strategic objectives, with extensive coverage across a range of pertinent issues. Interagency partners and Department officials praised the embassy's policy engagement, including preparation and support for

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<sup>5</sup> The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the Department from furnishing assistance to foreign security forces if the Department receives credible information that such forces have committed gross violations of human rights. See 22 U.S.C. § 2378d.

prospective free trade negotiations with the UK; sanctions implementation issues; coordination on regions of the world of interest to U.S. foreign policy; and representing the United States in the International Maritime Organization, headquartered in London.

During the inspection, some Political and Economic Section staff told OIG that there was friction with respect to delineation of portfolios between the two sections. However, OIG determined this did not affect either the quality or the quantity of the sections' work products. Section leaders told OIG they were aware of these concerns and had taken steps before the inspection to try to address them. OIG advised, and they agreed, to continue their work to alleviate such concerns.

### ***Leahy Vetting Was Done in Accordance With Department Guidance***

OIG found the mission updated its Leahy vetting standard operating procedure as required and that it implemented the program in accordance with Department standards. The embassy vetted 140 individuals in FY 2019.

## **Public Diplomacy Section**

OIG reviewed Mission United Kingdom's public diplomacy operations, including strategic planning, reporting, grants administration, media engagement, educational and cultural programs, and public outreach. OIG found the Public Diplomacy Section effectively managed a broad range of public diplomacy resources and activities in line with ICS goals. At the same time, it supported a high tempo of Washington visitors, who often conducted interviews with local and international press. The section's cultural programming incorporated priorities from many of the mission's other sections and agencies. OIG found the section's activities met Department standards and guidance, with the exception noted below.

### ***Public Diplomacy Section Did Not Produce Required Analytical Reporting***

The Public Diplomacy Section did not produce required analytical reporting, as it sent only one analytical cable from January 1, 2018, to September 1, 2019. The Department requires public affairs officers to report on the impact of their programs through official cables and other channels in order to provide the Department with a broad awareness of the significant role public diplomacy plays in support of policy priorities.<sup>6</sup> The Public Affairs Officer told OIG she was aware of the requirement, but staff shortages and the large number of official visitors prevented the section from writing the cables. Without substantive reporting, policymakers will be unable to develop a deeper understanding of issues in the U.S.-UK relationship, and their level of awareness of the role of public diplomacy in support of policy priorities will be limited.

**Recommendation 2:** Embassy London should implement a reporting plan for its Public Diplomacy Section. (Action: Embassy London)

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<sup>6</sup> Cable 17 STATE 61516, "PD Issues, June 2017," June 15, 2017; cable 18 STATE 17160, "PD Issues, February 2018," February 23, 2018.

## Consular Affairs

OIG reviewed the mission's consular operations, including American citizen services, crisis preparedness, management controls, visa services and processing, outreach, and anti-fraud programs. The Minister Counselor for Consular Affairs, based at Embassy London, led the mission's consular operations with assistance from the Principal Officer at Consulate General Edinburgh and Consular Chief at Consulate General Belfast. The mission's nonimmigrant visa caseload is the most diverse in the world, issuing 137,000 visas covering 188 different applicant nationalities in FY 2019. Additionally, the mission processed more than 33,000 U.S. passport applications—both regular and emergency—in FY 2019, more than any other overseas mission, and issued approximately 3,700 immigrant visas that same year.

OIG determined that, overall, Mission United Kingdom's experienced consular managers handled its significant workload in accordance with guidance in 7 FAM, 9 FAM, 7 FAH, applicable statutes, and other Department policies. During the inspection, however, OIG advised consular leadership on the importance of using workplace flexibilities at their disposal, including Department leave and overtime pay, where appropriate, to help employees cope with the heavy consular workload and pace. OIG found additional issues in several areas, as detailed below.

### ***Embassy Work Cubicles for Consular Adjudicators Were Not Interspersed Among Locally Employed Staff***

Work cubicles for American consular officers and adjudicators at Embassy London were isolated rather than being interspersed among LE staff cubicles. Guidance in 7 FAH-1 H-281e states that workstations and offices for adjudicating officers should be located throughout a Consular Section to provide the greatest possible range of overlapping lines of sight. Separating officers and LE staff also hinders communication and cohesion within the section and negatively affects morale. Because the Minister Counselor for Consular Affairs arrived shortly before the inspection, she told OIG she was unsure why officers' cubicles were separate from those of the LE staff. Failure to maintain a proper line of sight increases the risk of consular malfeasance.

**Recommendation 3:** Embassy London should correct line of sight issues in the Consular Section to comply with Department guidance for consular officers to visually monitor all consular operations. (Action: Embassy London)

### ***Consular Officers Lacked Line of Sight Over American Citizen Services Cashier Booth***

The location of the American citizen services cashier booth made it impossible for officers to monitor the consular cashier's activities without standing directly in front of the booth's window. According to 7 FAH-1 H-282(2)(i), consular sections should have a cashier booth that allows line-of-sight supervision, and 7 FAH-1 H-281e states that an effective line of sight allows officers and supervisors to easily monitor operations by enabling cleared American supervisors to physically observe work areas. The lack of line-of-sight monitoring increases the risk of malfeasance.

**Recommendation 4:** Embassy London should install a closed-circuit television monitoring system or other means to enable Consular Section managers to visually observe the activities within the American citizen services cashier booth. (Action: Embassy London)

***Embassy's Public Entrance Lacked Required Signage***

Embassy London's public entrance for consular visitors lacked a signboard with information about consular services, such as normal operating hours, emergency after-hours phone numbers, the embassy's internet address, and holiday schedules. Guidance in 7-FAH-1 H-263.8b states that consular sections should use outside signs to provide visitors with current and helpful information about consular services. Consular staff told OIG they did not know why the Department did not install a signboard when the embassy first opened. Without posting information about public services at the Consular Section entrance, U.S. citizens who come to the embassy after hours may be inconvenienced.

**Recommendation 5:** Embassy London should install signage at the Consular Section's public entrance with all information required in Department guidance. (Action: Embassy London)

***Collection of Unnecessary Documents Reduced Embassy's Visa Processing Efficiencies***

OIG found the Nonimmigrant Visa Unit routinely collected unnecessary documents from applicants during intake, including copies of applicants' appointment confirmation letters. Consular staff would return the applicants' original documents during the visa interviews and later shredded the confirmation letters. Typically, nonimmigrant visa units collect the applicant's passport at intake and leave it to the interviewing officer's discretion as to whether additional documents are needed to adjudicate the application. Guidance in 7 FAH-1 H-262.4 recommends that consular sections review their processes and determine whether each step adds value to the overall process. In busy posts, such as Embassy London, the collection and review of unnecessary applicant documents reduces efficiency and increases interview processing times because officers have to sort through the documents to determine whether they are needed. After OIG raised this issue with consular managers, they initiated corrective action. As a result, OIG did not make a recommendation to address this issue.

***Consulate General Edinburgh's Consular Waiting Room Did Not Meet Current Standards***

Consulate General Edinburgh's consular waiting room lacked a wheelchair accessible interview window and restroom facilities for section visitors. In addition, the waiting room was too small for the number of applicants, resulting in frequent overcrowding, and lacked a privacy booth where consular staff could conduct sensitive interviews. Guidance in 7 FAH-1 H-282(1) calls for consular sections to provide an interview window low enough for wheelchairs, clean public restrooms and drinking water, adequate waiting space, and a privacy booth for sensitive cases and fraud interviews. Because the consulate general has operated in its current location since the 1950s, it predates the current consular waiting room requirements. However, failure to provide properly configured waiting facilities for consular applicants reflects poorly on the U.S. Government and inconveniences consulate general visitors, particularly those who use a wheelchair.

**Recommendation 6:** Embassy London, in coordination with the Bureau of Overseas Buildings Operations, should bring Consulate General Edinburgh's consular waiting room into compliance with current Department standards. (Action: Embassy London, in coordination with OBO)

***Consulate General Edinburgh's Crisis Preparedness Did Not Meet Department Standards***

Consulate General Edinburgh did not properly prepare for a crisis, as required by Department guidance. Specifically, the consulate did not hold any substantive talks with the embassy's consular staff regarding support the consulate general would require in the event of a crisis. Guidance in 7 FAM 1811c states that planning and preparedness are essential in a crisis or disaster, and 7 FAM 1813.2 discusses mission elements needed to provide assistance and support to a consular section, including the Regional Security Office and Management and Public Diplomacy Sections. As a single-officer post, Consulate General Edinburgh would require significant administrative and logistical support from Embassy London in any crisis. In addition, the consulate general lacked a portable disaster assistance kit that would allow it to conduct consular operations in a remote location, as required in 7 FAM 1814.3. Failure to meet crisis preparedness requirements puts U.S. citizens and consulate staff at risk in an emergency.

**Recommendation 7:** Embassy London should create a disaster assistance plan that outlines support to be provided to Consulate General Edinburgh in the event of a crisis and includes a portable disaster assistance kit at Consulate General Edinburgh, in accordance with Department standards. (Action: Embassy London)

***Consulate General Edinburgh Improperly Stored Personal Property***

Consulate General Edinburgh's Consular Section improperly stored personal property belonging to U.S. citizens, including American and foreign currencies, in the section's safe. Guidance in 7 FAM 627c states that lost property of nominal value may be accepted only for transmission and never for safekeeping. The Principal Officer told OIG that the property in the safe predated her arrival in 2018 and that consular staff tried unsuccessfully to contact the owners. However, this situation should be resolved because storing personal property, including cash, in a consular safe increases the risk of consular malfeasance.

**Recommendation 8:** Embassy London should inventory the personal property located in Consulate General Edinburgh's consular safe and properly dispose of the property if the owners cannot be located, in accordance with Department standards. (Action: Embassy London)

**Spotlight on Success: Joint Fraud Investigations Team Was a Successful Model of Interagency Cooperation**

Embassy London's Consular Section collaborated with the Department of Homeland Security's Homeland Security Investigations and Customs and Border Protection staff to form a joint fraud investigations team to combat consular fraud and terrorism. The Consular Section co-located team members in a single office, which facilitated seamless

communication and information sharing. The partnership yielded several notable successes, including the October 2019 conviction of a U.S. Army deserter charged with producing child pornography.

## RESOURCE MANAGEMENT

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OIG reviewed internal control systems in real property, human resources, financial management, general services, and facilities management at Embassy London and at the consulates general in Belfast and Edinburgh. At the time of the inspection, the majority of the Management Section's leadership, including the Management Counselor, Deputy Management Counselor, Human Resources Officer, and Information Management Officer, had recently arrived. OIG determined that the mission's Management Sections<sup>7</sup> generally implemented required processes and procedures in accordance with applicable laws and Department guidance, except as described below.

### Human Resources

#### *Mission Pension Plan for Locally Employed Staff Was Underfunded*

The mission's defined benefit pension plan for LE staff, established in 1978, was underfunded.<sup>8</sup> Specifically, the pension fund's annual deficit ranged from \$25.6 million to \$88.1 million during the past 10 years, and the deficit was \$31.5 million at the time of the inspection in fall 2019.<sup>9</sup>

According to UK Government pension guidelines, a defined benefit pension plan must have appropriate assets to cover its accrued liabilities. Furthermore, it is the U.S. Government's policy that all agencies under chief of mission authority follow host country labor laws as long as those labor laws do not violate U.S. law or are inconsistent with U.S. public interest.<sup>10</sup>

To stop the deficit from increasing, in 2008, the mission requested Department approval to close enrollment in the defined benefit pension plan and instead establish a defined contribution pension plan for new LE staff members.<sup>11</sup> However, partly as a result of a

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<sup>7</sup> Consulates General Belfast and Edinburgh have smaller Management Sections. Consulate General Belfast had one officer in the section while Consulate General Edinburgh's section had only LE staff. As a result, both consulates relied on Embassy London for management support.

<sup>8</sup> The mission's defined benefit pension plan, known as the American Embassy Private Pension Scheme, pays covered employees a defined monthly payment when they reach the retirement age specified in the plan.

<sup>9</sup> The pension fund's deficit is calculated by subtracting the total pension liabilities from the market value of the pension fund's assets. See Table A in Appendix B.

<sup>10</sup> 3 FAM 7113.3, "Host Country Law."

<sup>11</sup> A defined contribution pension plan is one in which the employer, employee, or both make contributions to the plan on a regular basis. Individual accounts are set up for employees and benefits are based on the amounts credited to these accounts (through employee and employer contributions) plus any investment earnings. Cable 04 STATE 037953, "Evaluating FSN Retirement Programs," February 20, 2004, posits that defined contribution pension plans are easier for posts to administer because they do not require actuarial evaluation and there is no unfunded exposure to either the employee or the employer.

Department-wide moratorium on making changes to LE staff pension plans, the Bureau of Global Talent Management (formerly the Bureau of Human Resources) did not approve the mission's proposal until January 2013. Enrollment of new LE staff in the defined pension plan did not actually cease until January 31, 2014. The Bureaus of the Comptroller and Global Financial Services and European and Eurasian Affairs attempted to address the shortfall by making 11 lump-sum payments, totaling \$134.2 million, into the plan from 2009 to 2018.<sup>12</sup> However, an April 2019 full valuation of the pension plan showed it still was underfunded by \$31.5 million.

Insufficient employer and employee contributions, combined with the rise of future benefits due to salary increases, industry accepted assumptions on longer life expectancy, and annual adjustments for inflation for pensioners and others covered by the plan led to the deficit. Prior to January 2019, the mission contributed 15.5 percent of each employee's salary to the plan, while employees contributed 5 percent, for a total of 20.5 percent. In January 2019, the mission increased its contribution to 23.25 percent, bringing the total contribution to 28.25 percent of employee salaries. However, according to the April 2019 full valuation report, the total percentage of salary needed to ensure the plan is fully funded is 48.4 percent. Therefore, the plan continued to be underfunded despite the increased employer contribution. In addition, the mission's pension and actuarial advisors cautioned that even a 48 percent contribution rate might not permanently close the gap.

The mission began reporting the unfunded liability for the defined benefit pension plan as a material weakness starting with the FY 2014 Chief of Mission Management Control Statement of Assurance. Beginning in FY 2016, the mission reported it in the statement as a significant deficiency. Because the mission classified the deficit as a significant deficiency, the Department required it to prepare an annual corrective action plan. The most recent action plan outlined three tactics to address the deficit.

- The first tactic involved making a lump sum payment to the pension plan from International Cooperative Administrative Support Services (ICASS)<sup>13</sup> carry-over funds. The mission's ICASS Council approved this action in September 2019, and \$4.3 million in ICASS carry-over funds were contributed to the plan before the end of the fiscal year.
- The second tactic was to invoice the mission's other Federal agencies employing LE staff covered under the pension plan. Up until fall 2019, only the Department made any lump-sum payments to the pension plan to address the shortfall. To implement this tactic, the mission in September 2019 billed 23 agencies a total of \$9.93 million.<sup>14</sup> At the

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<sup>12</sup> See Table B in Appendix B.

<sup>13</sup> ICASS, established in 1997, is the principal means by which U.S. Government agencies share the cost of common administrative support services at more than 250 diplomatic and consular posts overseas. Through the ICASS working capital fund, service providers recover the cost of delivering administrative support services to other agencies at overseas missions, in accordance with 6 FAM 911 and 6 FAH-5 H-013.2.

<sup>14</sup> This total was allocated among the agencies based on the number of employees covered by the plan. According to financial management staff, the mission tried to be flexible with agencies as to when payment was due.

time of the inspection in mid-October 2019, three agencies had contributed \$321,984 to reduce the shortfall.

- The final tactic was to continue to increase employer and employee contribution rates to ensure future solvency. OIG found this piece of the corrective action plan was proving to be the most difficult to implement. The embassy's Management Section staff told OIG it was proposing to the numerous stakeholders that the combined employer and employee contributions rate be increased to 48.4 percent. At the end of the on-site portion of the inspection, the embassy's management staff also was actively discussing next steps with local counsel and the pension plan administrator to determine whether there might be other actions that could be taken to permanently reduce the liability and contain the increase in contribution rates.

As stated above, Mission United Kingdom and the Department have taken a number of steps in an attempt to solve this issue. However, more still needs to be done, as failure to fund current liabilities and reduce future liabilities inherent in the LE staff pension plan puts the Department at risk of incurring unfunded liabilities and non-compliance with UK's labor laws.

**Recommendation 9:** Embassy London, in coordination with the Bureaus of the Comptroller and Global Financial Services, Global Talent Management, and European and Eurasian Affairs, should implement a plan to fund current liabilities and reduce future liabilities in the locally employed staff defined benefit pension plan in order to comply with local labor law and address long-term funding concerns. (Action: Embassy London, in coordination with CGFS, GTM, and EUR)

### **Spotlight on Success: Embassy Instituted Mentoring Program for Local Staff and Eligible Family Members**

Embassy London instituted a mentoring program specifically created for LE staff and eligible family members. This grassroots initiative, designed by LE staff in 2016, promoted professional development and morale while increasing interagency bonds and embassy productivity. Program organizers matched mentors (American direct hire or other LE staff) with local employees and eligible family member mentees, using written applications and in-person interviews to maximize suitability of pairs. Since its inception, the mentoring program has linked 17 to 20 mentoring pairs for each 6-month cycle. As further evidence of its success, former mentees have volunteered to be mentors in later cycles.

## **Financial Management**

### ***Only One of Eleven Information Management Positions Programmed to International Cooperative Administrative Support Services***

OIG found ICASS funded only 1 of 11 information management (IM) U.S. direct-hire positions, even though the embassy estimated some of these employees allocated more than 50 percent

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Although some agencies had sufficient funds on hand to pay the invoices, others needed to seek additional funding from their headquarters.

of their time to ICASS services. The Department paid for the remaining 10 IM positions through its Diplomatic and Consular Program funding. According to 6 FAH-5 H-013.2, agencies must pay their share of post administrative costs based on usage. Pursuant to 6 FAH-5 H-341.9,<sup>15</sup> ICASS costs should include salaries and benefits of all U.S. direct-hire and LE staff who deliver services to other agencies, overhead associated with those staff members, and equipment required to provide services. In addition, 6 FAH-5 H-341.4-3, Note 2, states that at overseas posts with multiple U.S. direct-hire IM positions, the Department pays for the first position, but the second is always paid through ICASS. Where there are more than two such employees, the post should determine an appropriate mix of program- and ICASS-funded positions. Thus, at Embassy London, additional U.S. direct-hire IM positions could be reprogrammed to ICASS. Failure to determine whether additional positions should be reprogrammed means the Department would continue to subsidize most of the costs for IM services to other agencies. OIG estimated the Department could recover \$243,993 over 3 years per position in funds put to better use by converting additional positions to ICASS.<sup>16</sup>

**Recommendation 10:** Embassy London, in coordination with the Bureaus of European and Eurasian Affairs and of the Comptroller and Global Financial Services, should reprogram additional Diplomatic and Consular Program-funded information management positions to International Cooperative Administrative Support Services-funded positions in accordance with Department standards, in order to put funds of \$243,993 over 3 years, per position, to better use. (Action: Embassy London, in coordination with EUR and CGFS)

## General Services

### ***Construction Materials and Some Expendable Supplies Were Not Properly Tracked***

Embassy London did not track motor pool and facility management expendable supplies, such as tires and plumbing supplies, or construction materials in the Integrated Logistics Management System (ILMS), as required in 14 FAM 414.2-1a. Management staff told OIG the embassy stopped tracking expendable supplies for motor pool and facilities management in 2015. In addition, following construction of the new embassy, the contractor left behind 6 shipping containers and 10 warehouse storage bays of building materials, which the embassy did not record in ILMS. Guidance in 14 FAM 414.5 requires the accountable property officer to ensure effective internal requisitioning and issuing procedures are established and enforced, including the use of specific forms to document the issuance and return of expendable supplies. It was unclear why prior Management Section leadership decided to stop tracking motor pool and facilities management supplies and not to enter the construction material into ILMS. Failure to use the Department-approved record system for controlling expendable supplies increases the risk of theft.

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<sup>15</sup> See 6 FAH-5 H-341.9-1(B), 6 FAH-5 H-341.9-2(B), and 6 FAH-5 H-341.9-3(B).

<sup>16</sup> Relying on Department-provided figures, OIG estimated the Department could annually recover \$81,331 per position, using the worldwide average cost of an ICASS U.S. direct-hire position of \$268,419 and the worldwide average percentage of time U.S. direct-hire IM staff support other agencies of 30.3 percent ( $\$268,419 \times .303 = \$81,331$ ). Because London is a 3-year tour, the total funds put to better use is calculated as  $3 \times \$81,331$  for a total of \$243,993 per position reprogrammed to ICASS.

**Recommendation 11:** Embassy London should use the Integrated Logistics Management System to track all expendable supplies in accordance with Department standards. (Action: Embassy London)

***Embassy Had Excess Nonexpendable Property in Warehouse***

OIG found excess nonexpendable property, primarily furniture and furnishings, in Embassy London's warehouse. OIG's review of the 5,246 warehouse items found 1,142 were stored for more than 3 years. Of these, 517 items exceeded the Department's replacement cycle of 12 years for household furniture. Guidance in 14 FAH-1 H-112.2h requires the accountable property officer to identify unneeded items in the warehouse and discard unserviceable and obsolete items. Embassy staff acknowledged that they have surplus furniture but told OIG there was no demand in the UK for the furniture, causing the amount of excess nonexpendable property to increase over time. The embassy found some success selling the old furniture in another European country and intended to continue to use that process in the future. However, because of shipping costs to foreign buyers, the embassy did not expect to recover significant funds that could be put to better use. Failure to adhere to Department property management standards creates an additional burden for section staff and increases the risk of property mismanagement and internal control issues.

**Recommendation 12:** Embassy London should dispose of excess nonexpendable property in accordance with Department guidelines. (Action: Embassy London)

***Mission Housing Program Did Not Meet Department Safety Standards***

Mission United Kingdom's housing program did not meet Department safety standards. Guidance in 15 FAM 252.5c states that all Post Occupational Safety and Health Officer (POSHO) safety certifications must be completed and documented in the POSHO Certification Application.<sup>17</sup> However, OIG found Embassy London's POSHO did not fully complete or enter into the system certifications for 56 residential properties listed in the real property database. Staff attributed this to landlord inaction on certification, internal coordination issues, and the lengthy time needed to seek waivers. Failure to conduct safety certifications could lead to the embassy placing U.S. direct-hire employees and their families in unsafe residences.

**Recommendation 13:** Embassy London should complete and document safety certifications of all mission residences in the Post Occupational Safety and Health Officer Certification Application, in accordance with Department standards. (Action: Embassy London)

***Procurement Files Were Not Closed Out Within Required Timeframes***

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<sup>17</sup> The POSHO Certification Application generates and documents the form used to certify that a residence meets the requirements of 15 FAM 252.5. The form lists the safety requirements that must be certified prior to occupancy, and the application allows relevant documentation to be electronically attached to the form.

Mission United Kingdom did not close out its procurement files in the Department's Electronic Filing System within the required timeframes. Guidance in 14 FAH-2 H-573.2b<sup>18</sup> states that contracts under simplified acquisition procedures should be closed out immediately after the contracting officer receives evidence of receipt of property and final payment. OIG found the mission had a backlog of 5,654 procurements from FY 2015 through FY 2019 that could not be closed until procurement staff completed all required steps. OIG also found contracting officers did not complete the final step to close out an additional 458 procurements during the same period. Mission procurement staff told OIG the backlog likely was caused by insufficient staffing and increased workload associated with the move to the new embassy. The embassy recently trained LE staff in electronic filing procedures and hired a temporary employee to work on the backlog, but section management told OIG the temporary employee could be reassigned if higher priorities developed. Failure to close out procurement files within the required timeframe increases the risk of inaccuracies in procurement records and of internal controls issues in procurement operations.

**Recommendation 14:** Embassy London should close out procurement files in accordance with Department standards. (Action: Embassy London)

#### ***Embassy London Did Not Review Blanket Purchase Agreements Annually***

OIG found Embassy London did not consistently conduct annual reviews of its blanket purchase agreements.<sup>19</sup> According to Department of State Acquisition Regulation Section 613.303-6, contracting officers must conduct an annual review of blanket purchase agreements to ensure proper procedures are being followed and report the results of the review, including needed corrective action, to the head of the contracting activity. OIG's review of a sample of 10 (out of a total of 111) blanket purchase agreements found that 4 did not have the required annual review. The contracting officer told OIG the embassy was in the process of developing a tracking system to ensure it completes the required reviews. Without an annual review, the embassy cannot guarantee procurement integrity, maintain awareness of changes in market conditions, and determine whether there are other pertinent factors that may warrant making new arrangements with different suppliers or modifying existing arrangements.

**Recommendation 15:** Embassy London should conduct annual reviews of its blanket purchase agreements in accordance with Department standards. (Action: Embassy London)

## **Facilities Management**

### ***Residential Fire Protection Program Did Not Fully Comply With Department Standards***

Embassy London did not fully comply with the Department's residential fire protection program. Specifically, OIG inspected five residences and was unable to determine whether residential occupants performed monthly fire extinguisher inspections because they lacked

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<sup>18</sup> Guidance in 14 FAH-2 H-573.2b also cites 48 C.F.R. § 4.804-1.

<sup>19</sup> A blanket purchase agreement is a simplified method of filling anticipated repetitive needs for supplies or services by establishing "charge accounts" with qualified sources of supply.

inspection tags. According to 15 FAM 843d, posts must manually record inspection and maintenance dates on these tags. Management Section staff told OIG they were unaware inspection tags were required for fire extinguishers located in residences and said they would order tags to enhance oversight of its fire protection program. The lack of tags to track required safety checks increases the likelihood that equipment will not work when needed and thereby increases the risk of injury and loss of life.

**Recommendation 16:** Embassy London should bring its residential fire protection program into compliance with Department standards. (Action: Embassy London)

## INFORMATION MANAGEMENT

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OIG reviewed the information management operations in Embassy London and Consulates General Belfast and Edinburgh, including unclassified, classified, and dedicated internet network computer operations; communications security; emergency communications preparedness; telephone programs; radio programs; and mail and pouch services. OIG found the mission's IM sections to be strong, with a good working relationship between section leadership and staff. OIG interviews with IM staff found that the recently arrived Information Management Officer improved the relationship between the embassy's staff and their consulate general counterparts by emphasizing the "one team" approach, having regular contact with consulate staff, conducting site visits, and including consulate staff in relevant discussions and meetings. In addition, section staff received above average scores in the 2019 ICASS customer survey in IT support and telecommunications and radio services. Finally, Department officials, in interviews with OIG, praised section staff for their performance.

OIG found the mission's IM leadership and staff effectively performed most required information management and security responsibilities in accordance with Department standards. During the inspection, embassy IM staff corrected issues OIG identified related to physical access controls for IT areas, records management, IT change control board, network diagrams, and mailroom protective gear. However, OIG identified some additional areas requiring correction, as detailed below and in the companion classified report.

### **Information Management Operations**

#### ***ClassNet Regionalization Memorandum of Understanding Did Not Address Key Topics***

The May 2019 memorandum of understanding between Embassy London and the Regional Information Management Center (RIMC) Frankfurt for the ClassNet Regionalization effort<sup>20</sup> did not address several key topics. For example, it did not state whether Embassy London or RIMC Frankfurt would handle information systems security officer (ISSO) responsibilities for the

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<sup>20</sup> ClassNet Regionalization is a Department effort to consolidate IT resources and services for the classified network into regional hubs to reduce hardware at individual posts, deliver disaster recovery solutions, improve security, and reduce the cost of delivering classified IT services. Under this effort, Embassy London, as a regional primary hub, will support other embassies and consulates in that region.

supported posts. Furthermore, while the memorandum discussed how requests for services should be submitted, it did not address the embassy's responsibilities in resolving them.

According to Department guidance in 5 FAH-5 H-112a and 6 FAH-5 H-211.1(1), well-defined roles and responsibilities ensure a project's success. The guidance also states that IT project memoranda of understanding should list all services offered with corresponding service standards and performance measures. OIG found that because embassy IM staff and RIMC Frankfurt were in the midst of transitioning the regional primary hub to London, they did not closely review the memorandum's terms. After OIG raised these key topics, section staff agreed that these terms needed to be clarified. A memorandum of understanding without clearly defined roles and responsibilities could adversely affect the level of support Embassy London and RIMC Frankfurt deliver to supported posts for their classified operations.

**Recommendation 17:** Embassy London, in coordination with the Regional Information Management Center Frankfurt and the Bureau of Information Resource Management, should update the memorandum of understanding for ClassNet Regionalization to reflect roles and responsibilities for the performance of information systems security officer duties and addressing requests for services for supported posts. (Action: Embassy London, in coordination with RIMC Frankfurt and IRM)

#### ***Information Technology Contingency Plan Was Not Updated or Tested Annually***

OIG found the IT contingency plan for the embassy's classified operations was neither current nor complete, and it had not been tested on an annual basis as required by Department standards.<sup>21</sup> Specifically, the plan lacked a business impact analysis to define when essential mission and business functions must be resumed following contingency plan activation. The plan also did not list the embassy's current IM staff or include information regarding the embassy's status as a primary ClassNet Regionalization hub. Finally, the embassy did not annually test its contingency plan as required. Section staff told OIG competing priorities prevented them from updating and testing the plan. Without a complete and tested IT contingency plan, the embassy is at risk of being unprepared in the case of an emergency.

**Recommendation 18:** Embassy London should update and test the information technology contingency plan for its classified operations in accordance with Department standards. (Action: Embassy London)

#### ***Information Systems Security Officers Did Not Perform All Required Duties***

Mission United Kingdom's ISSOs did not perform all required system security duties. According to 12 FAM 613.4 and 5 FAH-11 H-116a(1), ISSOs are responsible for implementing security policies and procedures for information systems and using the ISSO checklist to document all required duties. One primary ISSO and four alternate ISSOs were responsible for completing

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<sup>21</sup> 12 FAM 623.7a and b; 5 FAM 851a; 5 FAM 1065.5; and 12 FAH-10 H-232.1-1. Department standards in 5 FAM 851a also cite OMB Circular A-130, "Managing Information as a Strategic Resource."

required ISSO duties for Embassy London and Consulates General Belfast and Edinburgh, but OIG found they did not perform many of these duties, including reviewing remote processing, monitoring security controls, and reviewing network logs. OIG also found the primary ISSO was not fully aware of required tasks or available ISSO tools. OIG issued a management assistance report in May 2017 that highlighted widespread Department failures to perform ISSO duties.<sup>22</sup> In a subsequent Department cable,<sup>23</sup> the Bureau of Information Resource Management requested that embassy management work with ISSOs to ensure performance of their duties by prioritizing resources to make sure cybersecurity needs were met and documented. Failure to perform required ISSO responsibilities leaves Department networks vulnerable to potential unauthorized access and malicious activity.

**Recommendation 19:** Embassy London should complete all information systems security officer responsibilities for the embassy and constituent posts in accordance with Department standards. (Action: Embassy London)

### ***High Frequency Radio System Was Not Operational***

Embassy London's high frequency radio was unable to successfully transmit to its network control station at Embassy Dublin, Ireland. Despite working with RIMC Frankfurt to resolve the problem, embassy IM staff could not assemble an operational radio antenna configuration that adhered to London's height restrictions. According to 5 FAM 541b, all embassies must have an operational high frequency radio. The absence of an operational high frequency radio reduces Embassy London's ability to communicate in an emergency.

**Recommendation 20:** Embassy London, in coordination with Regional Information Management Center Frankfurt and the Bureau of Information Resource Management, should establish an operational high frequency radio system. (Action: Embassy London, in coordination with RIMC Frankfurt and IRM)

### ***Embassy Did Not Complete the System Authorization Process for Locally Developed Computer Applications***

OIG found the embassy did not complete the required system authorization process for its six locally developed computer applications. Embassy staff used these applications, created from 2010 to 2018, to submit value-added gasoline tax claims for direct hire employees, assist with cost quotes for hiring a motor pool car and drivers, automate phone billing statement reviews, track diplomatic notes, set password reminders, and track embassy visitors.

Guidance in 5 FAM 1066.1-3<sup>24</sup> states system owners must complete the Department's authorization process before any system is permitted to operate. As part of the process, system

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<sup>22</sup> OIG, *Management Assistance Report: Non-Performance of Information Systems Security Officer Duties by Overseas Personnel* (ISP-17-24, May 2017).

<sup>23</sup> Cable 17 STATE 104970, "Documenting Information Systems Security Officer (ISSO) Duties," October 18, 2017.

<sup>24</sup> Guidance in 5 FAM 1066.1-3 cites OMB Circular A-130, "Managing Information as a Strategic Resource."

owners must establish the categorization of the information in the system, determine the system's impact level in terms of data loss, and determine the baseline security controls needed to protect the data and information residing on the system. Because four of the six applications contained personally identifiable information, the authorization process was particularly critical. Section staff told OIG they were unaware of the systems authorization requirements prior to the inspection but began the process after being made aware of it by OIG. Without completing the systems authorization process for locally developed applications, the confidentiality, integrity, and availability of information residing on its locally developed applications is at risk of loss or compromise.

**Recommendation 21:** Embassy London should complete the systems authorization process for its locally developed applications as required by Department standards. (Action: Embassy London)

***Embassy Did Not Follow Proper Methodology for Locally Developed Applications***

OIG determined the embassy's IM staff did not follow the Department's systems development lifecycle methodology for its locally developed applications, as required by the Foreign Affairs Handbook.<sup>25</sup> This methodology includes required phases—performing a business process analysis, defining and documenting user requirements, preparing a benefit and cost analysis, preparing a project plan, and identifying risk areas that should be monitored and managed throughout the project—to ensure successful project completion. Management involvement and approval also are required throughout the development process to ensure adequate oversight.

OIG reviewed the project folders for the embassy's six locally developed applications and found no evidence of a consistent systems development lifecycle methodology. Folders for two of the applications contained no documents while the other four lacked documentation defining and documenting user requirements, benefit and cost analyses, project plans, and evidence of management review. OIG found section management did not emphasize the need for a formal process and, as a result, staff members used an informal process with decisions shared verbally or via emails. Without a defined systems development lifecycle methodology in place, the embassy was at risk of developing systems and applications that may not fully meet user requirements, thus requiring additional funding and resources on further development.

**Recommendation 22:** Embassy London should complete all required steps of a systems development lifecycle methodology for its locally developed applications, in accordance with Department standards. (Action: Embassy London)

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<sup>25</sup> See 12 FAH-10 H-342.2-1, 5 FAH-5 H-212, 5 FAH-5 H-213, and 5 FAH-5 H-217.1.

## Records Management

### *Embassy Did Not Properly Archive its Diplomatic Notes*

OIG found Embassy London did not archive its diplomatic notes in the State Messaging and Archiving Retrieval Toolset, or SMART, system. Department cable 18 STATE 50952<sup>26</sup> lists SMART as the central repository for all diplomatic notes sent and received by the Department, while 5 FAH-1 H-611g states that overseas preparers and recipients of diplomatic notes are responsible for archiving a record copy of all notes in SMART. In 2010, the embassy developed a computer application to draft, track, and assign numbers to its diplomatic notes created by embassy sections and other Federal agencies at the embassy. The embassy used this application to draft 310 diplomatic notes from January 1 to October 22, 2019. Despite its utility as a repository for the mission's diplomatic notes, the application was unable to record diplomatic notes in the SMART system, as required.

Based on discussions with OIG about the SMART requirement, the Information Management Officer developed a comprehensive plan that included modifying the application to comply with Department guidance. This plan included drafting a new policy on diplomatic notes as well as training users on the changes and how to archive diplomatic notes in SMART. Finally, the plan included a proposed approach for archiving in SMART all the diplomatic notes sent since the application's launch in 2010. Based on the embassy's actions, taken and planned, to properly archive its diplomatic notes, OIG did not make a recommendation to address this issue. OIG noted, however, that successful implementation of this comprehensive plan will require the support and involvement of the entire mission, since multiple sections and agencies send or receive diplomatic notes.

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<sup>26</sup> Cable 18 STATE 50952, "Updated Archival Procedures for Diplomatic Notes," May 23, 2018.

## RECOMMENDATIONS

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OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to Embassy London and the Bureau of European and Eurasian Affairs. The Department's complete responses can be found in Appendix C.<sup>1</sup> The Department also provided technical comments that were incorporated into this report, as appropriate.

**Recommendation 1:** The Bureau of European and Eurasian Affairs, in coordination with the Office of Civil Rights, should assess the Chief of Mission's compliance with Department Equal Employment Opportunity or leadership policies and based on the results of the review, take appropriate action. (Action: EUR, in coordination with S/OCR)

**Management Response:** In its July 1, 2020,<sup>2</sup> response, the Bureau of European and Eurasian Affairs disagreed with this recommendation. The bureau stated, that given the concern expressed, the Ambassador has viewed the Office of Civil Rights video on workplace harassment and has instructed all section and agency heads to do the same. He has also encouraged all staff to take the Foreign Service Institute training on mitigating unconscious bias. The bureau also represented that the Ambassador "is well aware of his responsibility to set the right tone for his mission and we believe his actions demonstrate that." Accordingly, the bureau reported it did not believe a formal assessment was required, but proposed that, in coordination with the embassy, it would instead work with the Office of Civil Rights to provide advice and additional training to all staff, including the Chief of Mission, to heighten awareness on these important issues.

**OIG Reply:** OIG considers the recommendation unresolved. OIG acknowledges the actions that the mission has taken with regard to training of staff and the stated bureau proposal to work with the Office of Civil Rights to provide advice and additional training to all staff. These actions, however, do not address the recommendation which calls for an assessment of Chief of Mission compliance with Department Equal Employment Opportunity or leadership policies. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of European and Eurasian Affairs has met its obligations under 3 Foreign Affairs Manual (FAM) 1526.2.

**Recommendation 2:** Embassy London should implement a reporting plan for its Public Diplomacy Section. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

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<sup>1</sup> OIG faced delays in completing this work because of the COVID-19 pandemic and resulting operational challenges. These challenges included the inability to conduct most in-person meetings, limitations on our presence at the workplace, difficulty accessing certain information, prohibitions on travel, and related difficulties within the agencies we oversee, which also affected their ability to respond to our requests.

<sup>2</sup> OIG received the Bureau of European and Eurasian Affairs' response, which was not dated, on July 1, 2020.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London implemented a reporting plan for its Public Diplomacy Section.

**Recommendation 3:** Embassy London should correct line of sight issues in the Consular Section to comply with Department guidance for consular officers to visually monitor all consular operations. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London corrected line of sight issues in the Consular Section.

**Recommendation 4:** Embassy London should install a closed-circuit television monitoring system or other means to enable Consular Section managers to visually observe the activities within the American citizen services cashier booth. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London installed a closed-circuit television monitoring system or other means to enable Consular Section managers to visually observe the activities within the American citizen services cashier booth.

**Recommendation 5:** Embassy London should install signage at the Consular Section's public entrance with all information required in Department guidance. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London installed signage with all required information at the Consular Section's public entrance.

**Recommendation 6:** Embassy London, in coordination with the Bureau of Overseas Buildings Operations, should bring Consulate General Edinburgh's consular waiting room into compliance with current Department standards. (Action: Embassy London, in coordination with OBO)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Consulate General Edinburgh's consular waiting room complied with current Department standards.

**Recommendation 7:** Embassy London should create a disaster assistance plan that outlines support to be provided to Consulate General Edinburgh in the event of a crisis and includes a portable disaster assistance kit at Consulate General Edinburgh, in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation. The embassy noted expected completion in fall 2020.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London created a disaster assistance plan that outlines support for Consulate General Edinburgh and includes a portable disaster assistance kit at Consulate General Edinburgh.

**Recommendation 8:** Embassy London should inventory the personal property located in Consulate General Edinburgh's consular safe and properly dispose of the property if the owners cannot be located, in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London inventoried the personal property located in Consulate General Edinburgh's consular safe and properly disposed of the property if the owners were not located.

**Recommendation 9:** Embassy London, in coordination with the Bureaus of the Comptroller and Global Financial Services, Global Talent Management, and European and Eurasian Affairs, should implement a plan to fund current liabilities and reduce future liabilities in the locally employed staff defined benefit pension plan in order to comply with local labor law and address long-term funding concerns. (Action: Embassy London, in coordination with CGFS, GTM, and EUR)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London implemented a plan to fund current liabilities and reduce future liabilities in the locally employed staff defined benefit pension plan in order to comply with local labor law and address long-term funding concerns.

**Recommendation 10:** Embassy London, in coordination with the Bureaus of European and Eurasian Affairs and of the Comptroller and Global Financial Services, should reprogram additional Diplomatic and Consular Program-funded information management positions to International Cooperative Administrative Support Services-funded positions in accordance with Department standards, in order to put funds of \$243,993 over 3 years, per position, to better use. (Action: Embassy London, in coordination with EUR and CGFS)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation. The embassy noted an expected completion date of May 2021.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London reprogrammed additional Diplomatic and Consular Program-funded information management positions to International Cooperative Administrative Support Services-funded positions, in order to put funds of \$243,993 over 3 years, per position, to better use.

**Recommendation 11:** Embassy London should use the Integrated Logistics Management System to track all expendable supplies in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation. The embassy noted an expected completion date of November 2020.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London used the Integrated Logistics Management system to track all expendable supplies.

**Recommendation 12:** Embassy London should dispose of excess nonexpendable property in accordance with Department guidelines. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation. The embassy noted an expected completion date of May 2021.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London disposed of excess nonexpendable property in accordance with Department guidelines.

**Recommendation 13:** Embassy London should complete and document safety certifications of all mission residences in the Post Occupational Safety and Health Officer Certification Application, in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation. The embassy noted an expected completion date of October 2020.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts that Embassy London completed and documented safety certifications of all mission residences in the Post Occupational Safety and Health Officer Certification Application.

**Recommendation 14:** Embassy London should close out procurement files in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation. The embassy noted an expected completion date of May 2022.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London closed out procurement files in accordance with Department standards.

**Recommendation 15:** Embassy London should conduct annual reviews of its blanket purchase agreements in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London conducted annual reviews of its blanket purchase agreements in accordance with Department standards.

**Recommendation 16:** Embassy London should bring its residential fire protection program into compliance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London's residential fire protection program complied with Department standards.

**Recommendation 17:** Embassy London, in coordination with the Regional Information Management Center Frankfurt and the Bureau of Information Resource Management, should update the memorandum of understanding for ClassNet Regionalization to reflect roles and responsibilities for the performance of information systems security officer duties and addressing requests for services for supported posts. (Action: Embassy London, in coordination with RIMC Frankfurt and IRM)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London updated the memorandum of understanding for ClassNet Regionalization to reflect roles and responsibilities for the performance of information systems security officer duties and to address requests for services for supported posts.

**Recommendation 18:** Embassy London should update and test the information technology contingency plan for its classified operations in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London updated and tested the information technology contingency plan for its classified operations.

**Recommendation 19:** Embassy London should complete all information systems security officer responsibilities for the embassy and constituent posts in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London completed all information systems security officer responsibilities for the embassy and constituent posts.

**Recommendation 20:** Embassy London, in coordination with Regional Information Management Center Frankfurt and the Bureau of Information Resource Management, should establish an operational high frequency radio system. (Action: Embassy London, in coordination with RIMC Frankfurt and IRM)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London established an operational high frequency radio system.

**Recommendation 21:** Embassy London should complete the systems authorization process for its locally developed applications as required by Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation. The embassy noted an expected completion date of December 2020.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London completed the systems authorization process for its locally developed applications as required by Department standards.

**Recommendation 22:** Embassy London should complete all required steps of a systems development lifecycle methodology for its locally developed applications, in accordance with Department standards. (Action: Embassy London)

**Management Response:** In its May 27, 2020, response, Embassy London concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy London completed all required steps of a systems development lifecycle methodology for its locally developed applications.

## PRINCIPAL OFFICIALS

Title	Name	Arrival Date
<b>Chiefs of Mission:</b>		
Ambassador	Robert Johnson	8/2017
Deputy Chief of Mission	Yael Lempert	1/2019
<b>Constituent Posts:</b>		
Consulate General Belfast, Consul General	Elizabeth Trudeau	9/2018
Consulate General Edinburgh, Principal Officer	Ellen Wong	10/2018
<b>Chiefs of Sections:</b>		
Management	Frank Ledahawsky	9/2019
Consular	Meredith McEvoy	9/2019
Political	Jennifer Gavito	8/2018
Economic	Gregory Burton	8/2017
Public Affairs	Courtney Austrian	8/2017
Regional Security	Karen Lass	8/2019
<b>Other Agencies:</b>		
Defense Attaché	Rear Admiral David Manero	6/2019
Drug Enforcement Agency	James Erwin	8/2018
Department of Homeland Security	Jim Mancuso	10/2015
Foreign Agricultural Service	Cynthia Guven	9/2019
U.S. Commercial Service	Rosemary Gallant	8/2019
Department of Treasury (Internal Revenue Service)	Anthony Cook	8/2017
Legal Attaché	Donald Voiret	8/2018
Department of Health and Human Service (Food and Drug Administration)	Nicholas Call	9/2019
Department of Energy	Russell Roth	8/2019

**Source:** Generated by OIG from data provided by Embassy London.

## APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

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This inspection was conducted from September 3 to December 9, 2019, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM).

### **Objectives and Scope**

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

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

### **Methodology**

In conducting inspections, OIG uses a risk-based approach to prepare for each inspection; reviews pertinent records; circulates surveys and compiles the results, as appropriate; conducts interviews with Department and on-site personnel; observes daily operations; and reviews the substance of the report and its findings and recommendations with offices, individuals, and organizations affected by the review. OIG uses professional judgment, along with physical, documentary, testimonial, and analytical evidence collected or generated, to develop findings, conclusions, and actionable recommendations.

## APPENDIX B: DEFINED BENEFIT PENSION PLAN TABLES

**Table A: Actuarial Accounting of Mission United Kingdom's Defined Benefit Pension Plan, 2009-2019**

Valuation Date	Type of Actuarial Report	Asset Value	Actuarial Liability	Unfunded Pension Liability	Percentage of Pension Liability Funded
April 6, 2009	Interim	\$33,937,272	\$87,766,272	(\$53,829,000)	38.7%
April 6, 2010	Full	\$76,893,455	\$158,824,962	(\$81,931,507)	48.4%
April 6, 2011	Interim	\$99,595,432	\$187,685,155	(\$88,089,723)	53.1%
April 6, 2012	Interim	\$167,014,286	\$232,893,651	(\$65,879,365)	71.7%
April 6, 2013	Full	\$183,637,195	\$233,169,207	(\$49,532,012)	78.8%
April 6, 2014	Interim	\$217,852,405	\$243,436,153	(\$25,583,748)	89.5%
April 6, 2015	Interim	\$222,130,045	\$285,627,803	(\$63,497,758)	77.8%
April 6, 2016	Full	\$215,207,574	\$256,577,840	(\$41,370,266)	83.9%
April 6, 2017	Interim	\$234,001,245	\$284,587,796	(\$50,586,550)	82.2%
April 6, 2018	Interim	\$283,295,933	\$338,008,415	(\$54,712,482)	83.8%
April 6, 2019	Full	\$291,862,745	\$331,720,261	(\$39,857,516)	88.0%

Source: OIG generated based on data provided by the Bureau of the Comptroller and Global Financial Services (CGFS) and Embassy London.

**Table B: Additional Contributions Made to Mission United Kingdom's Defined Benefit Pension Plan for Locally Employed Staff, FY 2009 through FY 2019**

Fiscal Year	Department of State	ICASS	Other Agencies
2009	\$8,763,461		
2010	\$10,276,192		
2011	\$14,877,130		
2012	\$54,285,895		
2013	\$0		
2014	\$6,778,494		
	\$1,248,000		
2015	\$1,912,720		
	\$10,253,299		
2016	\$4,637,060		
2017	\$9,438,843		
2018	\$11,675,799		
2019		\$4,300,000	\$321,984
<b>TOTAL</b>	<b>\$134,146,893</b>	<b>\$4,300,000</b>	<b>\$321,984</b>

Source: OIG generated based on data provided by CGFS and Embassy London.

## APPENDIX C: MANAGEMENT RESPONSES

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May 27, 2020

UNCLASSIFIED

**TO:**            **OIG – Sandra Lewis, Assistant Inspector General for Inspections**

**FROM:**       **Embassy London – Robert W. Johnson, Ambassador**

**CC:**           **EUR - Philip Reeker, Acting Assistant Secretary of European and Eurasian Affairs**

**SUBJECT:**   **Response to Draft 2019 OIG Report – Inspection of Embassy London and Constituent Posts, UK**

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

**Recommendation 1:** The Bureau of European and Eurasian Affairs, in coordination with the Office of Civil Rights, should assess the Chief of Mission’s compliance with Department Equal Employment Opportunity or leadership policies and based on the results of the review, take appropriate action. (Action: EUR, in coordination with S/OCR)

**Response:** During my tenure as U.S. Ambassador to the United Kingdom and indeed for the entirety of my professional life, I have respected both the law and the spirit of EEO principles and have ensured that all employees under my direction do the same. If I have unintentionally offended anyone in the execution of my duties, I deeply regret that, but I do not accept that I have treated employees with disrespect or discriminated in any way. My objective is to lead the highly talented team at Mission UK to execute the President’s policies and to do so in a way that is respectful of our differences, with zero tolerance for discrimination of any kind. I believe that team cohesion in our mission is better than ever and as is stated in the OIG report’s narrative, that I have taken extensive measures to get to know all of the staff and thank them for their contributions. I am especially proud of how the Mission UK team has handled these challenging times of COVID-19.

In order to address the concerns documented in your report, perceived or real, I have reviewed an S/OCR course on discrimination in the workplace and have instructed the entire Mission UK country team to do the same, with 100% compliance by the end of May. I respectfully disagree with Recommendation 1 and ask that the OIG consider the absence of any official complaints against me during my three year tenure and the generally positive tone of the OIG report on Mission UK before including the recommendation in the final report and concluding that my actions have negatively affected morale.

**Recommendation 2:** Embassy London should implement a reporting plan for Public Diplomacy Section.

**Management Response:** Agreed. Public Affairs created a reporting schedule in the month following the inspection, with a minimum of two analytical cables transmitted per month.

**Recommendation 3:** Embassy London should correct line of sight issues in the Consular Section to comply with Department guidance for consular officers to visually monitor all consular operations.

**Management Response:** Agreed. LE staff and officers in areas with line of sight issues developed a new seating plan which was implemented on December 27, 2019. This interspersed officers with LE staff throughout the section.

**Recommendation 4:** Embassy London should install a closed-circuit television monitoring system or other means to enable Consular Section managers to visually observe the activities within the American citizen services cashier booth.

**Management Response:** Agreed. Pending funding availability.

**Recommendation 5:** Embassy London should install signage at the Consular Section's public entrance with all information required in Department guidance.

**Management Response:** Agreed. Pending funding availability.

**Recommendation 6:** Embassy London, in coordination with the Bureau of Overseas Buildings Operations, should bring Consulate General Edinburgh's consular waiting room into compliance with current Department standards.

**Management Response:** Agreed. Embassy London should further look into bringing the waiting room in Edinburgh into compliance with current Department standards, if at all feasible given the physical structure.

**Recommendation 7:** Embassy London should create a disaster assistance plan that outlines support to be provided to Consulate General Edinburgh in the event of a crisis and includes a portable disaster assistance kit at Consulate General Edinburgh, in accordance with Department standards.

**Management Response:** Agreed. We expect completion by Fall 2020

**Recommendation 8:** Embassy London should inventory the personal property located in Consulate General Edinburgh's consular safe and properly dispose of the property if the owners cannot be located, in accordance with Department standards.

**Management Response:** Agreed. Edinburgh is awaiting guidance from CA/OCS at this time.

**Recommendation 9:** Embassy London, in coordination with the Bureaus of the Comptroller and Global Financial Services, Global Talent Management, and European and Eurasian Affairs, should implement a plan to fund current liabilities and reduce future liabilities in the locally employed staff defined benefit pension plan in order to comply with local labor law and address long-term funding concerns.

**Management Response:** Agreed. We have received approval to increase the employer contribution and will implement that plan by July 2020. More permanent actions will however be required; considering the legal implications of such actions as well as British law controlling pension schemes, a definitive solution to this recommendation will likely take up to two years.

**Recommendation Number 10:** Embassy London, in coordination with the Bureaus of Europe and Eurasian Affairs and of the Comptroller and Global Financial Services, should reprogram additional Diplomatic and Consular Program-funded information management positions to International Cooperative Administrative Support Services-funded positions in accordance with Department standards, in order to put funds of \$243,993 over 3 years, per position, to better use.

**Management Response:** Agreed: Mission UK anticipates that completion of this recommendation, which will require the intervention of various bureaus in the Department, can be accomplished by May 2021.

**Recommendation 11:** Embassy London should use the Integrated Logistics Management System to track all expendable supplies in accordance with Department Standards.

**Management Response:** Agreed: Expected completion by November 2020.

**Recommendation 12:** Embassy London should dispose excess non-expendable property in accordance with Department Guidelines.

**Management Response:** Agreed: Expected completion by May 2021.

**Recommendation 13:** Embassy London should complete and document safety certifications of all mission residences in the Post Occupational Safety and Health Certification application, in accordance with Department Standards.

**Management Response:** Agreed: Expected completion by October 2020.

**Recommendation 14:** Embassy London should close out procurement files in accordance with Department standards.

**Management Response:** Agreed: Embassy London has been correctly closing out procurement files for the last year, however the requirement from OPE is to go back to 2015 to complete eFiling. It will take two years, or approximately until May 2022, to complete close out of all procurement files from 2015 to present.

**Recommendation 15:** Embassy London should conduct annual reviews of its blanket purchase agreements in accordance with Department standards.

**Management Response:** Agreed: Conducted in November 2019.

**Recommendation 16:** Embassy London should bring its residential fire protection program into compliance with Department standards.

**Management Response:** Agreed. Residential fire extinguishers need to have tags and the residents need to inspect monthly and record the inspection on the tags. The POSHO has published instructions for the residents and is in the process of tagging all of the residential fire extinguishers. We expect this to be completed by the end of the summer transfer season (assuming that we can resume normal operations soon) or October 2020.

**Recommendation 17:** Embassy London, in coordination with the Regional Information Management Center Frankfurt and the Bureau of Information Resource Management, should update the memorandum of understanding for ClassNet Regionalization to reflect roles and responsibilities for the performance of information systems security officer duties and addressing requests for services for supported posts.

**Management Response:** Agreed. This recommendation has been completed.

**Recommendation 18:** Embassy London should update and test the information technology contingency plan for its classified operations in accordance with Department standards.

**Management Response:** Agreed. Expect completion 30 days after return to normal operations.

**Recommendation 19:** Embassy London should complete all information systems security officer responsibilities for the embassy and constituent posts in accordance with Department standards.

**Management Response:** Agreed. Expect completion 30 days after return to normal operations.

**Recommendation 20:** Embassy London, in coordination with Regional Information Management Center Frankfurt and the Bureau of Information Resource Management, should establish an operational high frequency radio system.

**Management Response:** Agreed. Expect completion 120 days after return to normal operations.

**Recommendation 21:** Embassy London should complete the systems authorization process for its locally developed applications as required by Department standards.

**Management Response:** Agreed. Expect completion by December 2020.

**Recommendation 22:** Embassy London should complete all required steps of a systems development lifecycle methodology for its locally developed applications, in accordance with Department standards.

**Management Response:** Agreed. Expect completion 120 days after return to normal operations.

The point of contact for this memorandum is Frank Ledahawsky, Embassy London Management Minister Counselor.



**United States Department of State**

*Washington, D.C. 20520*

TO:           OIG – Sandra Lewis, Assistant Inspector General for Inspections  
FROM:        EUR – Philip Reeker, Senior Bureau Official *PR*  
SUBJECT:     Response to Draft 2019 OIG Report – Inspection of Embassy London and  
              Constituent Posts, UK

The Bureau of European and Eurasian Affairs has reviewed the draft OIG inspection report. We provide the following comments in response to the recommendation provided by OIG directed to the bureau:

**Recommendation 1:** The Bureau of European and Eurasian Affairs, in coordination with the Office of Civil Rights, should assess the Chief of Mission's compliance with Department Equal Employment Opportunity or leadership policies and based on the results of the review, take appropriate action. (Action: EUR, in coordination with S/OCR)

**Response:** The Bureau takes note of Ambassador Johnson's response to the OIG that he has "respected both the law and the spirit of EEO principles and has ensured that all employees under my direction do the same." Given the concern expressed, the Ambassador has viewed S/OCR's recent video on workplace harassment and instructed all section and agency heads to do the same. All staff were also encouraged to take the FSI "unconscious bias" training. His effective outreach to both local and direct hire employees has received praise from staff, as noted in the OIG's draft report. Ambassador Johnson is well aware of his responsibility to set the right tone for his mission and we believe his actions demonstrate that. We do not believe a formal assessment is required but propose that post and the Bureau work with S/OCR to provide advice and additional training to all staff, including the Chief of Mission, to heighten awareness on these important issues.

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## ABBREVIATIONS

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DCM	Deputy Chief of Mission
EEO	Equal Employment Opportunity
EU	European Union
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
ICASS	International Cooperative Administrative Support Services
ICS	Integrated Country Strategy
ILMS	Integrated Logistics Management System
IM	Information Management
ISSO	Information Systems Security Officer
LE	Locally Employed
OBO	Bureau of Overseas Buildings Operations
POSHO	Post Occupational Safety and Health Officer
RIMC	Regional Information Management Center
UK	United Kingdom

## OIG INSPECTION TEAM MEMBERS

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