

UNCLASSIFIED



Office of Inspector General  
United States Department of State

---

ISP-I-21-03

Office of Inspections

November 2020

# Inspection of Consulate General Hamilton, Bermuda

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

UNCLASSIFIED



# HIGHLIGHTS

Office of Inspector General  
United States Department of State

ISP-I-21-03

## What OIG Inspected

OIG inspected executive direction, consular, resource management, and information management operations of Consulate General Hamilton, Bermuda.

## What OIG Recommends

OIG made 8 recommendations: 4 to Consulate General Hamilton, 2 to Embassy London, 1 to the Bureau of European and Eurasian Affairs, and 1 to the Bureau of Diplomatic Security.

In its comments on the draft report, the Department concurred with all 8 recommendations. OIG considers all 8 recommendations resolved. The Department's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The Department's formal written responses are reprinted in their entirety in Appendix B.

**November 2020**

**OFFICE OF INSPECTIONS**

**BUREAU OF EUROPEAN AND EURASIAN AFFAIRS**

**Inspection of Consulate General Hamilton, Bermuda**

## What OIG Found

- The Consul General effectively promoted U.S. economic and law enforcement interests and ensured a high level of emergency preparedness.
- Tension between the Consul General and consulate general staff, resulting from the Consul General's management style, created stress in the workplace.
- Operations at Consulate General Hamilton, a constituent post of Embassy London, would benefit from senior-level attention from the embassy.
- A fragmented support platform adversely affected the consulate general's management and security operations and resulted in lost momentum on key projects.

## CONTENTS

---

CONTEXT .....	1
EXECUTIVE DIRECTION .....	2
Tone at the Top and Standards of Conduct .....	2
Execution of Foreign Policy Goals and Objectives .....	3
Adherence to Internal Controls.....	3
Security and Emergency Planning.....	4
OVERSIGHT AND SUPPORT OF CONSULATE GENERAL OPERATIONS .....	4
Supervision and Oversight by Embassy London.....	5
Management Support Platform .....	5
Security Program Support.....	6
CONSULAR AFFAIRS .....	7
RESOURCE MANAGEMENT .....	7
INFORMATION MANAGEMENT .....	8
RECOMMENDATIONS .....	10
PRINCIPAL OFFICIALS .....	13
APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY.....	14
APPENDIX B: MANAGEMENT RESPONSES .....	15
ABBREVIATIONS .....	20
OIG INSPECTION TEAM MEMBERS .....	21

## CONTEXT

---

Bermuda is the most northerly group of coral islands in the world, lying just beyond the Gulf Stream some 650 miles off the coast of the Carolinas. The country is an archipelago of 7 main islands and more than 150 small islands. Bermuda's population is approximately 64,000, of which approximately 8,300 are American citizens. Additionally, approximately 600,000 American tourists visit Bermuda annually.

Shipwrecked English colonists heading for Virginia first settled Bermuda in 1609. Self-governing since 1620, Bermuda is the oldest and most populous of the British Overseas Territories. Its parliament is the third oldest in the world, following those of Iceland and Great Britain. Queen Elizabeth II is the head of state; her representative, the Governor, is responsible for external affairs, defense, and internal security. Bermuda has its own written constitution, giving its elected government almost complete self-determination in conducting local affairs.

Bermudians enjoy one of the highest per capita incomes in the world. The island's economy is based on international finance and tourism.

Bermuda's proximity to the United States has made the island a valued security, business, and trade partner for 400 years. The United States appointed its first consul general to Bermuda in 1786. Along with Consulates General Belfast and Edinburgh, Consulate General Hamilton is a constituent post of the U.S. Embassy in London.

Key elements of Consulate General Hamilton's goals and objectives, as listed in its January 2020 Mission Statement, are to:

- Seek the security and prosperity of the American people by deterring transnational threats such as terrorism, international crime, and drug trafficking.
- Advance American influence by promoting shared values and interests and building people-to-people ties.
- Ensure the security and emergency preparedness of American citizens who reside in, or visit, Bermuda.
- Support U.S. exports to Bermuda.

Consulate General Hamilton is located in a house built in 1906 that the Department of State (Department) purchased and converted to offices in 1989. At the time of the inspection, the consulate was staffed by 4 U.S. direct-hire employees and 29 locally employed (LE) staff.<sup>1</sup> In addition, Department of Homeland Security's U.S. Customs and Border Protection had 15 U.S. direct-hire employees; it operates a preclearance facility at Hamilton's Bermuda L.F. Wade International Airport for pre-departure immigration and customs clearance for passengers flying to the United States.

---

<sup>1</sup> Of the LE staff, 14 were local guards.

OIG evaluated the consulate general's policy implementation, resource management, and management controls consistent with Section 209 of the Foreign Service Act of 1980.<sup>2</sup> A companion classified inspection report discusses the consulate general's security program and Sensitive But Unclassified findings related to the information management program.

## **EXECUTIVE DIRECTION**

---

OIG assessed leadership of Consulate General Hamilton based on interviews, staff questionnaires, and OIG's review of documents and observations of meetings and activities during the course of the on-site inspection.

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

The Consul General, a career Senior Foreign Service officer, arrived in June 2018. A first-time principal officer, she previously served as a Deputy Assistant Secretary in the Bureau of Global Talent Management (formerly the Bureau of Human Resources). When the Consul General is away from post, one of the two section chiefs (Management and Consular) serve as acting principal officer.

OIG found the Consul General did not fully model the Department's leadership and management principles outlined in 3 Foreign Affairs Manual (FAM) 1214, especially with regard to self-awareness and communication. In OIG interviews, both direct-hire and LE staff members described a stressful workplace, which most attributed to the Consul General's management style. This style was repeatedly described as impatient and with a propensity to micromanage. The Consul General acknowledged these issues but also attributed the reported stress to staff discomfort with changes she was attempting to implement to improve overall mission effectiveness. To achieve this objective, the Consul General used the organizational development tool, *Mission Possible*, developed and administered by the Department's Foreign Service Institute Leadership and Management School. The Consul General told OIG she had adjusted her management style in response to staff feedback solicited during the *Mission Possible* effort, and employees confirmed that they had seen improvements prior to the inspection. Nonetheless, employees continued to report that her management style was a source of anxiety and stress.

OIG suggested to the Consul General that she engage a neutral third-party facilitator to address and help resolve the underlying causes of the tension and stress reported by consulate general staff. She agreed and reached out to the Foreign Service Institute's Center of Excellence in Foreign Affairs Resilience to request assistance, including sending consultants to provide on-site facilitation. At OIG's suggestion, the Consul General also enrolled in the institute's leadership coaching program.

---

<sup>2</sup> See Appendix A.

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

The Consul General and the Country Team had excellent working relationships with host-country representatives. The Consul General had ready access to Government of Bermuda senior officials in support of both Embassy London's Integrated Country Strategy for the United Kingdom and its own Mission Statement. For example, in support of U.S. economic interests, the Consul General arranged for the U.S. Ambassador to the United Kingdom to meet with the Government of Bermuda's senior leadership during his July 2019 visit to discuss including Bermuda in the planned U.S.-United Kingdom post-Brexit trade negotiations. The Consul General then traveled to London in November 2019 to support the Ambassador's presentation on this subject at an intergovernmental discussion. In addition, in support of U.S. foreign policy objectives, the Consul General successfully engaged with the host government to conduct a joint U.S.-Bermuda counterterrorism exercise that, according to the Governor of Bermuda, would serve as a model for similar exercises between the United States and other British Commonwealth territories in the region. The Consul General also engaged in frequent public diplomacy outreach with a broad spectrum of Bermudian society in support of U.S. interests. For instance, in February 2019, she visited Bermuda's historic museums to highlight the U.S.-Bermuda relationship and, in March 2019, gave remarks at the Women's Day conference held during Bermuda's Global Entrepreneurship Week.

OIG also found that interagency collaboration was effective. Officials with Customs and Border Protection, the sole resident non-Department agency under Chief of Mission authority, told OIG they welcomed the Consul General's inclusiveness, particularly her initiative to establish a formal Law Enforcement Working Group that included the nine other U.S. Government law enforcement agencies engaged in Bermuda.

## **Adherence to Internal Controls**

In support of Embassy London's FY 2019 Chief of Mission Annual Management Control Statement of Assurance process, the Consul General reviewed the consulate general's internal controls as mandated by 2 FAM 024d and confirmed to the embassy that she did not identify any significant deficiencies. In addition, OIG found she regularly reviewed the nonimmigrant visa adjudications of the Consular Section chief, as required by 9 FAM 403.12-1 and 2.

During the inspection, OIG found an internal control issue relating to the Department of Homeland Security's Customs and Border Protection. Specifically, the agency listed six positions at Consulate General Hamilton that had been vacant since at least August 2016. According to Department cable 19 STATE 27839, all agencies with overseas positions that have been vacant for 2 years or longer must submit requests to the appropriate chief of mission—Embassy London, in this case—to abolish those positions.<sup>3</sup> These requests must be submitted in

---

<sup>3</sup> Cable 19 STATE 27839, "President Trump's Letter of Instruction to Chiefs of Mission," June 14, 2019.

accordance with procedures outlined in National Security Decision Directive 38.<sup>4</sup> The Chief of Mission must then approve or disapprove the request based on the President's priorities and in consultation with the requesting agency. Failure to adhere to this process leaves the chief of mission unable to maximize cost-effectiveness of mission operations, enhance accountability and efficiency, and minimize the risk to U.S. Government personnel.

**Recommendation 1:** Embassy London should request that the Department of Homeland Security initiate National Security Decision Directive 38 procedures to either retain or abolish its Customs and Border Protection positions at Consulate General Hamilton that have been vacant for at least 2 years. (Action: Embassy London)

## **Security and Emergency Planning**

The Consul General supported and participated in security drills and crisis management exercises, consistent with Department guidance 12 Foreign Affairs Handbook (FAH)-1 H-761 and 762. The consulate general, which had a current emergency action plan, maintained a high level of emergency preparedness, consistent with its geographic location in a hurricane-prone area and its responsibility for the welfare of American citizens who reside in or visit Bermuda. The Consul General told OIG that she was concerned the small staff could not handle a major emergency on its own and would require additional management and consular support from outside of post in such a situation. She described the counterterrorism training exercise—conducted jointly by the Department of Defense U.S. Northern Command, the consulate general, and the Bermudian Government in April 2020—as an opportunity to identify some of the support that could be provided in a major emergency.

## **OVERSIGHT AND SUPPORT OF CONSULATE GENERAL OPERATIONS**

---

Consulate General Hamilton is unusual among the Department's overseas missions because its executive direction, administrative support functions, and security oversight are carried out by a far-flung network of entities encompassing three continents, four countries, and eight service providers.<sup>5</sup> OIG found this dispersion of the consulate general's support network contributed to untimely or inadequate support. For example, the distance between the consulate general and Embassy London—3,000 miles and an ocean away—made it challenging for the embassy to provide effective executive oversight of the consulate general's leadership. Furthermore,

---

<sup>4</sup> National Security Decision Directive (or NSDD) 38, dated June 2, 1982, gives chiefs of mission control of the size, composition, and mandate of overseas full-time staffing for all U.S. Government agencies present in their mission. See 1 FAM 013.2h and k(7), "Responsibilities of Chiefs of U.S. Missions."

<sup>5</sup> The regional platform providers for management services were: Embassy London (financial management and procurement); Bureau of European and Eurasian Affairs (human resources); Bureau of Overseas Buildings Operations' Regional Support Center, Fort Lauderdale (facilities management); Embassy Ottawa (medical services); and Mission Brazil (psychiatric services). The U.S. Mission to the United Nations in New York provided security oversight, and the Regional Information Management Center in Fort Lauderdale provided information management support. The Bureau of Consular Affairs in Washington, D.C. provided consular support.

administrative and management support services and security oversight from changing providers as distant as the United Kingdom, the United States, and Brazil created challenges for the consulate general. Details about this situation and its effect on consulate general operations are described below.

## **Supervision and Oversight by Embassy London**

The Consul General was rated and reviewed, respectively, by the Deputy Chief of Mission (DCM) and Ambassador in London. The DCM held a bi-weekly teleconference call with the Consul General, and they communicated as needed. However, other than one 3-day visit by the Ambassador in July 2019, no senior level officer from Embassy London or the Bureau of European and Eurasian Affairs (EUR) had visited Hamilton in 4 years. OIG interviews with Embassy London officers revealed that those responsible for supervision and oversight of the Consul General and of overall consulate general management operations were unaware of the tension between the staff and the Consul General, as described earlier in this report. OIG advised Embassy London's DCM that regular visits on her part and by the Management Counselor to the consulate general could have identified and mitigated the sources of the tension much earlier. The DCM agreed and pledged to monitor Consulate General Hamilton's situation, including "pulse taking" visits to the island in 2020. As a result of the DCM's commitment, OIG did not make a recommendation to address this issue.

## **Management Support Platform**

OIG found that, beginning in 2017, management support providers for Consulate General Hamilton had changed, and, in the case of some services, sometimes more than once. This changing support system and infrequent visits by support providers, resulted in a lack of continuity and lost momentum on key projects. For example, since assuming responsibility for human resources operations from the Florida Regional Center in Fort Lauderdale in 2018, EUR's Executive Office had made only one trip to the consulate general and did not take part in Department discussions regarding upcoming changes to the LE staff benefits plan. Similarly, since assuming facility management responsibilities from the Bureau of Overseas Buildings Operations' headquarters office in 2018, staff from its Regional Support Center in Fort Lauderdale only made two visits to Hamilton.<sup>6</sup> This resulted in a lack of progress on projects at the Consul General's residence and delayed resolution of safety and health recommendations. Department officials agreed with OIG's suggestion that consulate general operations would benefit from more frequent visits and more timely remote support from service providers. Without dependable management support, Consulate General Hamilton cannot benefit from the expertise of service providers, who can provide guidance in implementing new processes, consult on complex management issues, and carry out necessary maintenance and upgrades to consulate general properties.

---

<sup>6</sup> Officials at Consulate General Hamilton told OIG that, in the absence of a strong physical presence, the Bureau of Overseas Buildings Operations made an effort to compensate for the reduced number of visits by increasing the frequency of routine communication with consulate management.

**Recommendation 2:** The Bureau of European and Eurasian Affairs should provide management support to Consulate General Hamilton that is dependable and includes timely support from service providers. (Action: EUR)

***Embassy London Provided Insufficient Support to Consulate General Management Section***

The dispersal of Consulate General Hamilton's management support providers, its geographic distance from London, and the fact its Management Officer had no reporting relationship to Embassy London's Management Counselor hindered the ability of the embassy's Management Section to fully understand and mitigate the consulate general's challenges. Unlike at Consulate General Belfast, Embassy London's Management Counselor did not review Consulate General Hamilton's Management Officer's performance. Instead, the Consul General acted as the Management Officer's rating official, with no reviewing official. According to cable 16 STATE 110614,<sup>7</sup> however, every employee, with the exception of a very few senior employees, should have a reviewing official. Without regular contact with and mentoring from the embassy's senior, experienced Management Counselor, the consulate general's Management Officer and his staff did not benefit from the embassy's considerable American and LE staff management expertise.

**Recommendation 3:** Embassy London should designate its Management Counselor as the reviewing officer for Consulate General Hamilton's Management Officer, in accordance with Department guidance. (Action: Embassy London)

**Security Program Support**

While OIG found Consulate General Hamilton's security program generally to be adequate, OIG identified several issues in the program's administrative oversight. Consulate General Hamilton's security office consisted of the Management Officer, who acted as the Post Security Officer, and one LE staff security assistant. However, unlike at Consulates General Belfast and Edinburgh, Embassy London's Regional Security Office did not oversee Consulate General Hamilton's security program. Instead, the Assistant Regional Security Officer at the U.S. Mission to the United Nations (USUN) in New York City handled this responsibility as a collateral duty. Although the USUN officer generally visited quarterly, he told OIG that his regular day-to-day responsibilities left him little time to focus on the consulate general. As a result, OIG found several issues at Consulate General Hamilton that had yet to be addressed. These are discussed more fully in the companion classified report.

According to 12 FAM 411, the purpose of the Bureau of Diplomatic Security's overseas security programs is to provide chiefs of mission, through post Regional Security Officers, with the support and guidance required to protect U.S. Government personnel and facilities overseas. OIG determined that the current arrangement in which USUN is responsible for the consulate general's security program did not result in effective program oversight. As a result, security

---

<sup>7</sup> Cable 16 STATE 110614, "Straight Talk: Observations from the 2016 Foreign Service Selection Boards," October 7, 2016.

vulnerabilities might not be identified and mitigated, thereby putting employees and property at risk.

**Recommendation 4:** The Bureau of Diplomatic Security, in coordination with Embassy London, should implement an effective model for oversight of Consulate General Hamilton's security program. (Action: DS, in coordination with Embassy London)

## **CONSULAR AFFAIRS**

---

OIG reviewed Consulate General Hamilton's consular operations, including American citizen services, crisis preparedness, management controls, visa services and processing, outreach, and anti-fraud programs. Given the high number of American visitors and resident U.S. citizens in Bermuda, the Consular Section heavily emphasized crisis preparedness by practicing its crisis response regularly and by maintaining close and regular contact with Bermudian officials and cruise line personnel. The section's two American officers and three LE staff members handled a light visa workload, processing 1,642 nonimmigrant visas and 45 immigrant visas in FY 2019. The section also processed 724 U.S. passports and issued 65 Consular Reports of Birth Abroad in 2019. With the exception noted below, OIG found Consular Section operations complied with Department standards.

### ***Consular Cashier Position Was Not Justified***

The Consular Section's workload did not justify a part-time consular cashier position to process payments for consular services. OIG's review of monthly receipts for 2019 in the Consular Section's Automated Cash Register System found the cashier processed an average of 21 financial transactions per day. As stated in 4 FAH-3 H-323b, embassies must limit the number of employees with cash collection responsibilities consistent with good management practice. OIG determined that the low number of daily financial transactions did not justify the \$21,654 annual salary and convenience of having a separate cashier position. As a result, OIG advised the Consular Section chief to consider eliminating the position when the incumbent departs in summer 2020. The consular chief accepted OIG's suggestion and began planning to shift the cashier's workload to other consular LE staff positions in anticipation of the employee's departure. As a result of these actions, OIG did not make a recommendation to address this issue.

## **RESOURCE MANAGEMENT**

---

OIG reviewed Consulate General Hamilton's internal control systems in real property, human resources, financial management, general services, and facilities management. OIG determined that the Management Section generally implemented required processes and procedures in accordance with applicable laws and Department guidance, except as described below.

### ***Procurement Files Not Closed Out Within Required Timeframe***

Consulate General Hamilton did not close out its procurement files in the Department's Electronic Filing System within the required timeframes. In particular, guidance in 14 FAH-2 H-573.2b states that contracts conducted under simplified acquisition procedures should be closed out immediately after the contracting officer receives evidence of receipt of property and final payment.<sup>8</sup> OIG found, however, that the consulate general had a backlog of 1,339 procurements from FY 2015 to FY 2019 for which the contracting officer had received evidence of receipt of property and final payment, but the procurement closeout process had not been completed. Consulate general staff told OIG the backlog was caused by a staffing gap in an LE staff position that recently had been filled. However, OIG noted that the LE staff position had been vacant for less than a year, so the backlog had been a more longstanding problem. This issue should be addressed, as failure to close out procurement files within the required timeframe increases the risk of inaccuracies in procurement records and of internal control issues in procurement operations.

**Recommendation 5:** Consulate General Hamilton should close out procurement files in accordance with Department standards. (Action: Consulate General Hamilton)

### ***Consul General's Driver Exceeded Daily Maximum Duty Time***

The Consul General's principal driver regularly exceeded the Department's 10-hour daily duty shift maximum. This is inconsistent with the Overseas Motor Vehicle Safety Management Program, described in 14 FAM 433.8a and 15 FAM 957.3(4), which limits the duty time for drivers of U.S. Government-owned or -leased vehicles to 10 hours per day. OIG found the Consul General's driver exceeded this limit 17 times during the first 5 months of FY 2020. Consulate general staff were aware of the requirement and had discussed options to avoid duty shifts longer than 10 hours but had yet to implement the necessary changes at the time of the inspection. Failure to enforce Department standards related to duty time increases the risk of injury to drivers, passengers, and the public, as well as damage to U.S. Government property.

**Recommendation 6:** Consulate General Hamilton should implement procedures to limit the duty time for drivers of U.S. Government-owned or -leased vehicles to the 10-hour daily maximum, in accordance with Department standards. (Action: Consulate General Hamilton)

## **INFORMATION MANAGEMENT**

---

OIG reviewed the Information Management operations at Consulate General Hamilton, including unclassified and dedicated internet network (DIN) computer operations; communications security; emergency communications preparedness; telephone and radio programs; mail and pouch services; and the physical and environmental controls protecting IT assets. The Management Officer and one LE staff system administrator supported the consulate

---

<sup>8</sup> Guidance in 14 FAH-2 H-573.2b, "Regulatory Timeframe for Contract Closeout," also cites 48 C.F.R. § 4.804-1, "Closeout by the Office Administering the Contract."

general's Information Management operations. The Regional Information Management Center in Fort Lauderdale provided remote support through a July 2018 memorandum of agreement between EUR and the Bureau of Information Resource Management.

Despite some inherent challenges caused by the absence of a U.S. direct-hire information management specialist and having to rely on remote support, OIG found the consulate general adequately performed most required information management responsibilities. However, OIG identified several areas requiring correction, as detailed below and in the companion classified report.

***Consulate General Did Not Register Dedicated Internet Networks as Required***

Consulate General Hamilton operated two DINs to support its mission: a wireless DIN at the Consul General's residence and another recently installed DIN in the unclassified server room. The consulate general did not register either DIN with the Department's IT Configuration Control Board DIN registration site, as required in 5 FAM 872.1b. The consulate general overlooked this requirement. Failure to register DINs increases the risk of outages, potential compromises, and loss of data.

**Recommendation 7:** Consulate General Hamilton should register its dedicated internet networks with the Information Technology Configuration Control Board dedicated internet network registration site, in accordance with Department guidance. (Action: Consulate General Hamilton)

***Server Room Lacked Environmental Monitoring System***

The consulate general's unclassified server room did not have an environmental monitoring system. According to 12 FAH-10 H-272.12-1, server rooms should be equipped with temperature and humidity sensors that will alert staff when the room's environment exceeds levels specified by information system equipment manufacturers. Staff told OIG that competing priorities prevented them from procuring and installing an environmental monitoring system. The inability to monitor air conditioning and humidity levels increases the risk of damage to information system equipment due to corrosion and overheating.

**Recommendation 8:** Consulate General Hamilton should install an environmental monitoring system in the unclassified server room in accordance with Department standards. (Action: Consulate General Hamilton)

## RECOMMENDATIONS

---

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

**Recommendation 1:** Embassy London should request that the Department of Homeland Security initiate National Security Decision Directive 38 procedures to either retain or abolish its Customs and Border Protection positions at Consulate General Hamilton that have been vacant for at least 2 years. (Action: Embassy London)

**Management Response:** In its October 15, 2020, response coordinated with Consulate General Hamilton, 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 documentation of Embassy London's request to the Department of Homeland Security to initiate National Security Decision Directive 38 procedures to either retain or abolish its Customs and Border Protection positions at Consulate General Hamilton.

**Recommendation 2:** The Bureau of European and Eurasian Affairs should provide management support to Consulate General Hamilton that is dependable and includes timely support from service providers. (Action: EUR)

**Management Response:** In its October 15, 2020, response coordinated with Consulate General Hamilton, the Bureau of European and Eurasian Affairs concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of European and Eurasian Affairs provided management support to Consulate General Hamilton that is dependable and includes timely support from service providers.

---

<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.

**Recommendation 3:** Embassy London should designate its Management Counselor as the reviewing officer for Consulate General Hamilton's Management Officer, in accordance with Department guidance. (Action: Embassy London)

**Management Response:** In its October 15, 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 designated its Management Counselor as the reviewing officer for Consulate General Hamilton's Management Officer, in accordance with Department guidance.

**Recommendation 4:** The Bureau of Diplomatic Security, in coordination with Embassy London, should implement an effective model for oversight of Consulate General Hamilton's security program. (Action: DS, in coordination with Embassy London)

**Management Response:** In its September 17, 2020, response, the Bureau of Diplomatic Security concurred with this recommendation.

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Diplomatic Security implemented an effective model for oversight of Consulate General Hamilton's security program.

**Recommendation 5:** Consulate General Hamilton should close out procurement files in accordance with Department standards. (Action: Consulate General Hamilton)

**Management Response:** In its October 15, 2020, response, Consulate General Hamilton 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 Hamilton closed out procurement files in accordance with Department standards.

**Recommendation 6:** Consulate General Hamilton should implement procedures to limit the duty time for drivers of U.S. Government-owned or -leased vehicles to the 10-hour daily maximum, in accordance with Department standards. (Action: Consulate General Hamilton)

**Management Response:** In its October 15, 2020, response, Consulate General Hamilton 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 Hamilton implemented procedures to limit the duty time for drivers of U.S. Government-owned or -leased vehicles to the 10-hour daily maximum.

**Recommendation 7:** Consulate General Hamilton should register its dedicated internet networks with the Information Technology Configuration Control Board dedicated internet network registration site, in accordance with Department guidance. (Action: Consulate General Hamilton)

**Management Response:** In its October 15, 2020, response, Consulate General Hamilton concurred with this recommendation. The consulate general 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 Consulate General Hamilton registered its dedicated internet networks with the Information Technology Configuration Control Board dedicated internet network registration site.

**Recommendation 8:** Consulate General Hamilton should install an environmental monitoring system in the unclassified server room in accordance with Department standards. (Action: Consulate General Hamilton)

**Management Response:** In its October 15, 2020, response, Consulate General Hamilton concurred with this recommendation. The consulate general 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 documentation that Consulate General Hamilton installed an environmental monitoring system in the unclassified server room in accordance with Department standards.

## PRINCIPAL OFFICIALS

Title	Name	Arrival Date
<b>Principal Officer:</b>		
Consul General	Constance Dierman	6/2018
<b>Chiefs of Sections:</b>		
Management	Derek Worman	8/2017
Consular	Marcy Brown	8/2017
Regional Security	Nathan Bauers (resident in New York)	7/2017
<b>Other Agencies:</b>		
Department of Homeland Security, Customs and Border Protection	Cletus William	10/2016

Source: Generated by OIG from data provided by Consulate General Hamilton.

## APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

---

This inspection was conducted from January 2 to March 26, 2020, 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 of State 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; and 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: MANAGEMENT RESPONSES

---



### *Consulate General of the United States of America*

Hamilton, Bermuda

October 15, 2020

#### UNCLASSIFIED

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

THRU:       Embassy London – DCM Yael Lempert

FROM:       Consulate General Hamilton – Lee Rizzuto

SUBJECT:    Response to Draft OIG Report – Inspection of U.S. Consulate General Hamilton

U.S. Consulate General Hamilton, Bermuda has reviewed the draft OIG inspection report. We provide the following comments in response to the recommendations provided by OIG:

**Recommendation 1:** Embassy London should request that the Department of Homeland Security initiate National Security Decision Directive 38 procedures to either retain or abolish its Customs and Border Protection positions at Consulate General Hamilton that have been vacant for at least 2 years. (Action: Embassy London)

**London Response:** We concur. Embassy London HR anticipates completion by end of October 2020.

**Recommendation 2:** The Bureau of European and Eurasian Affairs should provide management support to Consulate General Hamilton that is dependable and includes timely support from service providers. (Action: EUR)

**EUR Response:** EUR has discussed management support to Consulate General Hamilton with service providers including MED, OBO, and Embassy London. Embassy London and EUR agree that a greater degree of and more consistent management oversight from Embassy London regarding all aspects of the management platform, excluding Medical, will provide more dependable support to post.

Embassy London is committed to developing a regular schedule for visits to Hamilton, COVID-19 travel restrictions permitting, on an annual basis from the DCM and members of their Management Team. Embassy London Management will review with Hamilton existing management policies to ensure that Hamilton is following the same policies and procedures to the extent possible.

GSO London will continue to provide contracting support, will take on e2 travel support, and will take on the yearly review of final annual inventory. Embassy London Financial Management will continue to serve as alternate certifying officers and will provide advice and oversight as necessary. Hamilton will continue to be included in the yearly Mission Resource Request and the Management Statement of Assurance with Embassy London.

Embassy London HR will provide recruitment support through the Electronic Recruitment Application, EER support for the four DOS USDH employees in Hamilton and the Management Minister Counselor will review the results of Hamilton's MBC program as pool supervisor to ensure consistency across Mission UK. Where a physical presence is required for local HR support or a matter requires immediate support within the same time zone, EUR/EX will draw from its available resources to provide such support.

Embassy London IMO owns the overall network for CG Hamilton. Embassy London will perform all functions that are routinely done remotely to support Hamilton to include network and application support and training. All support required on site will continue to be performed by local staff in Hamilton with further support from RIMC Ft. Lauderdale through quarterly visits. EUR-IO/EX IMO will also continue to provide oversight.

Regional facilities support will continue to be provided by the Florida Regional Center. OBO has agreed to shift portfolios so that the same Area Management Officer now covers Mission UK: London, Belfast, Edinburgh and Hamilton. Embassy London will provide some oversight from a policy, advice and guidance perspective.

MED has agreed to shift support so that both RMO and RMO/P will be based out of Ottawa.

**Recommendation 3:** Embassy London should designate its Management Counselor as the reviewing officer for Consulate General Hamilton's Management Officer, in accordance with Department guidance. (Action: Embassy London)

**London Response:** We concur. Embassy London Management Minister Counselor will assume reviewing officer responsibility for Hamilton Management Officer immediately. The Management Officer in Hamilton will participate on weekly management calls with the Mission UK Management team beginning in September.

**Recommendation 4:** The Bureau of Diplomatic Security, in coordination with Embassy London, should implement an effective model for oversight of Consulate General Hamilton's security program. (Action: DS, in coordination with Embassy London):

**DS Response (cleared with London):** Barring the addition of an RSO position in Hamilton, it is unlikely that shifting the Hamilton portfolio from RSO USUN to RSO London would yield greater effectiveness, as RSO London, with two constituent posts and a large annex already (Belfast, Edinburgh, London Embassy Annex at RAF Croughton), has less bandwidth to manage RSO programs in Hamilton than does RSO USUN. With its current responsibilities, not including Hamilton, Mission UK is already requesting an additional ARSO position. It is arguing that recent and requested additions to the Mission in other sections and agencies have

created a situation where the RSO office is already understaffed. According to RSO London, Mission UK added 11 new USDH positions in 2018 and another 11 in 2019 for a total of 22 new positions. Additionally, the 2022 Mission Resource Request has 45 more USDH positions earmarked. Adding Hamilton to the London portfolio will only exacerbate the situation.

Additionally, one of the largest demands placed on Mission United Kingdom is the number of high-level visits it receives. RSO oversaw the protection portfolio for 2019 of 23 CODELS, 20 Cabinet Secretaries, 3 POTUS and FLOTUS, 1 VPOTUS, and 4 Secretary of State visits. These visits required coordination and negotiation with the host nation for security support, weapons permits, and radio frequency usage, as well as liaising between the host-nation security support and visiting U.S. security details.

Given Mission UK's work tempo, distance, cost, and number of flights between the two locations, it is more likely that Hamilton would receive less attention, not more. There is only one daily flight from London to Hamilton that takes over seven hours and costs over \$700.00. Travel from London would need to include at least two working days at a minimum. By contrast, there are two daily flights from New York to Hamilton that take less than three hours and cost less than \$400.00. A New York agent could go to Hamilton and be back in New York the same day.

That said, DS agrees that a better delineation of authorities and responsibilities between RSO USUN and RSO London is necessary. Although RSO USUN will continue to be responsible for Hamilton as a constituent post, DS must make clear that RSO USUN is performing this task as the representative of RSO London. RSO London is the policy advisor for Mission UK, which includes Hamilton. RSO USUN is only the implementor of those policies.

**OIG Recommendation 5:** Consulate General Hamilton should close out procurement files in accordance with Department standards. (Action: Consulate General Hamilton)

**Management Response:** We concur. Management intends to make this a priority in the coming months and will strive to reduce the backlog by 50 percent within the next six months and completely within one year.

**Recommendation 6:** Consulate General Hamilton should implement procedures to limit the duty time for drivers of U.S. Government-owned or -leased vehicles to the 10-hour daily maximum, in accordance with Department standards. (Action: Consulate General Hamilton)

**Management Response:** We concur. The new Consul General is cognizant of the duty time limitations for drivers and has taken steps to ensure that the 10-hour daily limit is not exceeded, including adjusting daily shift hours to keep driving time within regulations and use of taxis for return travel after late meetings. Management will also monitor overtime slips and timekeeping records to ensure driver limitations are not exceeded. Since the arrival of the new Consul General three months ago, there have been no instances of exceeding the 10-hour limitation.

**Recommendation 7:** Consulate General Hamilton should register its dedicated internet networks with the Information Technology Configuration Control Board dedicated internet network registration site, in accordance with Department guidance. (Action: Consulate General Hamilton)

**Management Response:** We concur. Firewall devices are needed in order to register the two DIN computers. Funding was received for the procurement of the devices and procurement is in process. Following receipt of firewall devices, registration can be completed. We expect completion by the end of November 2020.

**Recommendation 8:** Consulate General Hamilton should install an environmental monitoring system in the unclassified server room in accordance with Department standards. (Action: Consulate General Hamilton)

**Management Response:** We concur. An environmental monitoring system (Sensaphone 400 Monitoring System) has been procured as of August 28, 2020 and is currently in the process of being shipped to post. When it arrives, it will be installed in the server room and connected to the phone system and will automatically call a sequence of contacts if the temperature or humidity levels reach a certain threshold. We expect completion by the end of October 2020.

The point of contact for this memorandum is Karlene Frelich, Management Officer.



United States Department of State

Washington, D.C. 20520

UNCLASSIFIED

September 17, 2020

**INFORMATION MEMO TO ACTING INSPECTOR GENERAL KIMOW - OIG**

FROM: DS – Todd J. Brown, Acting *TJB*

SUBJECT: Bureau of Diplomatic Security response to the Office of Inspector General (OIG) Draft Inspection of Consulate General Hamilton, Bermuda, August 2020

Below is the Bureau of Diplomatic Security's response to recommendation 4 of the subject report.

**Recommendation #4:** The Bureau of Diplomatic Security, in coordination with Embassy London, should implement an effective model for oversight of Consulate General Hamilton's security program. (Action: DS, in coordination with Embassy London)

**DS Response (09/17/2020):** DS concurs with the recommendation that an effective model for oversight of CG Hamilton's security programs should be implemented and will coordinate with Embassy London and the RSO assigned to the United States Mission in the United Nations (USUN) in New York to develop this model.

DS maintains that the security portfolio should continue to reside with the RSO assigned to USUN New York, as transferring this responsibility to Embassy London would diminish the current level of support and increase remote responsibility and demands on Embassy London, one of the Department's busiest missions. RSO London has responsibility for constituent posts in Edinburgh and Belfast and two large annexes in London and Croughton. One of the largest demands placed on Embassy London is the number of high-level delegations it receives. For example, in 2019 the RSO managed protection operations for three Congressional delegations, 23 cabinet secretaries, three U.S. Head of State (POTUS and FLOTUS), one U.S. Vice President, and four U.S. Secretary of State visits. As a result, Embassy London has requested 22 new USDH positions between 2018 and 2019, in addition to 45 more projected by 2022. The embassy has also requested a new ARSO position to manage the current workload.

Additionally, logistical realities support the current oversight structure due to time and cost savings when traveling from USUN to Bermuda vice London. There is one daily seven-hour flight from London to Hamilton, which costs approximately \$700, and travel from London would take at least two business days. By contrast, there are two daily flights from New York to Hamilton less than three hours in duration and cost less than \$400. RSO USUN personnel could travel to Hamilton and return to New York the same day in exigent circumstances.

DS believes RSO USUN is in the best position to implement CG Hamilton's security programs and that better delineation of responsibility between RSO London and RSO USUN is necessary and appropriate. DS will coordinate with RSO USUN and RSO London to develop a formal mechanism to define each RSO's roles.

UNCLASSIFIED

## ABBREVIATIONS

---

DCM	Deputy Chief of Mission
DIN	Dedicated Internet Network
EUR	Bureau of European and Eurasian Affairs
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
LE	Locally Employed
USUN	U.S. Mission to the United Nations

## OIG INSPECTION TEAM MEMBERS

---

Pamela Slutz, Team Leader  
Iris Rosenfeld, Team Manager  
Theodore Coley  
Robert David  
Brett Fegley  
Colette Marcellin  
Judith Spelbrink

### **Other Contributors**

Dolores Adams  
Caroline Mangelsdorf



**HELP FIGHT**  
FRAUD, WASTE, AND ABUSE

1-800-409-9926

[www.stateoig.gov/HOTLINE](http://www.stateoig.gov/HOTLINE)

If you fear reprisal, contact the  
OIG Whistleblower Coordinator to learn more about your rights.

[WPEAOmbuds@stateoig.gov](mailto:WPEAOmbuds@stateoig.gov)