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Office of Inspector General
United States Department of State

ISP-I-26-12

Office of Inspections

July 2026

Inspection of Embassy Baku, Azerbaijan

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

UNCLASSIFIED



HIGHLIGHTS

Office of Inspector General
United States Department of State

ISP-I-26-12

What OIG Inspected

OIG inspected Embassy Baku's achievement of foreign policy goals and objectives, policy and program implementation, consular operations, resource management, and information management.

What OIG Recommends

OIG made 16 recommendations to Embassy Baku. In its comments on the draft report, Embassy Baku concurred with all 16 recommendations. OIG considers all 16 recommendations resolved. The Embassy's response to each recommendation can be found in the Findings section of this report. The Embassy's formal responses are reprinted in their entirety in Appendix B.

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OFFICE OF INSPECTIONS

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

Inspection of Embassy Baku, Azerbaijan

What OIG Found

- Embassy Baku generally supported U.S. foreign policy goals and managed its operations in accordance with U.S. Department of State standards.
- The Embassy's Public Diplomacy Section's federal assistance award files lacked monitoring and evaluation documentation, as well as evidence that it fully vetted every award recipient's eligibility to receive U.S. government support.
- Embassy leadership did not consistently review the Consular Section Chiefs' nonimmigrant visa adjudications.
- Embassy Baku facilities did not comply with Department seismic safety standards.
- Embassy Baku did not conduct required annual audits of leased building operating expenses despite known fraud risks in this program.
- Embassy Baku had deficiencies in its financial management, human resources, and general management operations.
- Embassy Baku had deficiencies in information systems security.

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INTRODUCTION

The Office of Inspector General (OIG) inspected Embassy Baku's achievement of foreign policy goals and objectives, policy and program implementation, consular operations, resource management, and information management, consistent with Section 209 of the Foreign Service Act of 1980.¹ A related classified inspection report includes OIG's review of Embassy Baku's security program and aspects the Embassy's information management operations not covered in this report.²

OIG also conducted a management review of certain embassy leaders during this inspection.³ The purpose of the management review was to assess whether there were any instances of serious management concerns, meaning the subject officers did not comply with laws, regulations, or U.S. Department of State (Department) guidance, and the noncompliance negatively impacted the ability to conduct operations at the embassy. For this inspection, the officer subject to the management review was the Chargé d'Affaires, ad interim (Chargé). The Deputy Chief of Mission arrived at the Embassy on December 1, 2025, and was not subject to the management review because she had not been at post more than 180 days.

BACKGROUND

The United States recognizes the importance of Azerbaijan to regional security in the South Caucasus and Europe based on its shared borders with Iran and Russia, its close relationship with Turkey, and its role as an oil and gas exporting nation. The United States and Azerbaijan have cooperated on countering multiple transnational threats, including cybersecurity, narcotics trafficking, and violent extremism. In 2013, this cooperation extended to increased North Atlantic Treaty Organization interoperability to strengthen Azerbaijani capacity for joint international security efforts.⁴

After the dissolution of the Soviet Union, tensions arose between Azerbaijan and Armenia over Nagorno-Karabakh, a majority-Armenian region located within the boundaries of Azerbaijan. Armed conflict between the two nations over the status of the region has continued since that

¹ See Appendix A for additional details about the scope and methodology for this inspection.

² OIG, *Classified Inspection of Embassy Baku* (ISP-S-26-12, report not yet released).

³ The management review is required by the Department of State Authorization Act for Fiscal Year (FY) 2025, Section 7203, codified at 22 U.S. Code § 3929 note; included as Division G in the National Defense Authorization Act for FY 2025 (Public Law 118-159); signed into law on December 23, 2024. The purpose of the review is to assess whether there are any instances of serious management concerns, meaning the subject officers did not comply with laws, regulations, or Department guidance, and the noncompliance negatively impacted the ability to conduct operations at the embassy. The officers subject to the review are the chief of mission or charge d'affaires, the deputy chief of mission, and principal officers at constituent posts. The individuals must have been at post for more than 180 days. Acting Deputy Chiefs of Missions, acting principal officers, and section chiefs are not subject to a management review.

⁴ Azerbaijan joined the North Atlantic Treaty Organization's Partnership for Peace in 1994.

time. Long-standing U.S. policy has aimed to facilitate resolution of the conflict through a negotiated settlement of the political status of the region.

On August 8, 2025, the Presidents of Azerbaijan and Armenia signed a Joint Declaration brokered by the President of the United States at the White House. They agreed to establish transportation links and promote increased trade via the “Trump Route for International Peace and Prosperity” (TRIPP), a planned 42-kilometer corridor passing through southern Armenia and connecting eastern and western Azerbaijan.

Embassy Baku outlined the following strategic goals in its Integrated Country Strategy, updated on February 18, 2025:

- Azerbaijan strengthens its capacity to deal with security threats and bolsters its contributions to regional and international security efforts.
- Azerbaijan increases economic development while diversifying its economic base and building economic ties with the United States.
- Azerbaijani institutions and civil society are increasingly independent and promote the principles of rule of law, respect for fundamental freedoms and human rights, environmental sustainability, and government accountability.
- The United States becomes a more visible leader and partner, supporting Azerbaijan’s independence, stability, and prosperity.

According to the Department’s biennial ranking, Embassy Baku is considered a category 3 Embassy (on a scale from 1 to 5+). The rankings are based on the level and type of work required to achieve the Department’s bilateral and multilateral core diplomatic mission. The Department describes a category 3 Embassy as a medium-sized overseas post in a country with which the United States has an active bilateral relationship. The other agencies at post are the U.S. Departments of Defense and Energy.

The Chargé, a Senior Foreign Service Officer, arrived in Azerbaijan in June 2025,⁵ and has previously served as the Deputy Director of the Office of Australia, New Zealand, and Pacific Islands in the Bureau of East Asia and Pacific Affairs and Political Counselor at the U.S. Embassy in Athens, Greece. The Deputy Chief of Mission arrived in December 2025 and previously served as the Deputy Director for the Office of Caucasus Affairs and Regional Conflicts.

OPERATING ENVIRONMENT

Transformation of the Bilateral Relationship

Bilateral relations between the United States and Azerbaijan had been strained due to differences over the Nagorno-Karabakh region and democratic reform. Subsequently,

⁵ Ambassador Mark Libby departed the Embassy in January 2025 and was replaced by Chargé Hugo Guevara for 5-months until the arrival of Chargé Amy Carlon in June 2025.

Azerbaijani officials routinely declined to engage with U.S. counterparts. This relationship changed dramatically in August 2025, following the U.S.-brokered Joint Declaration. Embassy Baku now regularly engages high-level Azerbaijani government officials implementing the Armenia-Azerbaijan TRIPP peace framework and promoting mutually beneficial economic and security goals. This increased diplomatic engagement, combined with the frequency of high-level U.S. government and commercial delegation visits increased the Embassy's workload.

Additionally, during the summer of 2025, more than half of the Embassy's U.S. direct-hire staff rotated out of Azerbaijan. After that time, more than half of the Embassy's section heads were serving in that role for the first time. Furthermore, several U.S. direct-hire staff were serving on either their first or second tours with the Department. Following the departure of the former Ambassador in January 2025, two different Chargés and four separate Deputy Chiefs of Mission (three in an acting capacity) led the Embassy. Incoming staff needed to adjust quickly to the increased engagement. Despite the challenges, both U.S. direct-hire and locally employed staff told OIG that the Chargé had provided clear direction to the Embassy during the transition in the bilateral relationship.

Embassy Facilities Did Not Meet Seismic Standards

Embassy Baku was operating in facilities that did not meet Department seismic standards, despite Baku being in an active earthquake zone. In the 1990s, Embassy Baku purchased a building for its chancery and leased space in a commercial building for its annex to establish an initial diplomatic presence. The chancery building was constructed in 1912 and the Embassy annex in 1909. Both were supported by unreinforced masonry walls, which are vulnerable to damage during seismic events. Both the chancery and annex have undergone modifications over the last century that may have compromised their structural integrity. Additionally, the chancery sustained minor damage in the 2000 earthquake. Finally, poorly constructed buildings adjacent to Embassy grounds posed an additional hazard to personnel and property. As outlined in the Findings section below, the chancery, the Embassy annex, the Chief of Mission Residence, and Deputy Chief of Mission Residence, did not meet Department requirements for seismic risk mitigation.

FOCUS AREAS

For FY 2026 inspections, OIG selected two focus areas—advancement of foreign policy goals and objectives, and foreign assistance—in recognition of Department efforts to address Administration priorities. Embassy Baku's work in these two areas is described below.

Advancement of Foreign Policy Goals and Objectives

Embassy Baku's Country Team developed and advanced foreign policy goals and objectives as required by Department guidance.⁶ At the time of this inspection, Embassy Baku advanced the goals and objectives in its Integrated Country Strategy, which championed core American

⁶ Cable 25 STATE 5156, "New Administration Priorities," January 21, 2025.

interests. Following Department guidance, the Embassy focused on implementing the TRIPP peace framework and a bilateral memorandum of understanding (MOU) aimed at creating a strategic partnership. The Chargé led two Country Team reviews to generate ideas for bilateral cooperation on three MOU priorities: regional connectivity (including energy, trade, and transit), economic investment (including artificial intelligence and digital infrastructure), and security (including defense sales and counterterrorism).

Bilaterally, working group meetings between Washington interlocutors, Embassy staff, and Azerbaijani government officials furthered progress on the bilateral MOU. Beginning in September 2025, Embassy Baku hosted a series of high-level visits to Azerbaijan by U.S. policymakers. The Chargé engaged with Azerbaijani policymakers to advance the bilateral MOU and the Department presented to the Azerbaijan government a draft charter for strategic partnership. The Public Diplomacy Section obtained authorization from the government of Azerbaijan to establish an American Space,⁷ in collaboration with an American company. This represented the first opening of an American Space since seven were closed in 2023 due to strained bilateral relations. Additionally, economic development exchanges facilitated the visit of Azerbaijani business leaders to the United States.

Foreign Assistance

Azerbaijan requested the U.S. Agency for International Development (USAID) cease operations in early 2025 after suspending cooperation in June of 2024. The Department approved USAID/Azerbaijan's closure on March 25, 2025.

At the time of this inspection, U.S. bilateral foreign assistance funding for Azerbaijan was undergoing significant changes due to the improved bilateral relationship, opening opportunities for collaboration in security cooperation, demining, and health prevention. For example, after the Joint Declaration, signed August 8, 2025, through the U.S. Export Control and Related Border Security (EXBS) Program, the United States provided equipment for Azerbaijani border guards. Additionally, the U.S. Department of Defense provided funding for border patrol boats. The patrol boats were scheduled for delivery in FY 2026, with EXBS training planned for FY 2027. At the time of this inspection, the Embassy was also in discussion with the Ministry of Health regarding funding for a global health program focused on preventing infectious diseases.

The Public Diplomacy Section at Embassy Baku managed foreign assistance funding.⁸ During this inspection, OIG identified two deficiencies in the management of federal assistance grants, as described in the program and policy implementation section below.

⁷ American Spaces are the U.S. government's primary public cultural and information centers for communities worldwide interested in learning more about the United States.

⁸ Funds were provided from the Assistance for Europe, Eurasia, and Central Asia account.

INSPECTION RESULTS

OIG reviewed Embassy Baku leadership in accordance with Section 7203 of the Department of State Authorization Act for Fiscal Year 2025 and did not identify any actions or behaviors of serious concern that negatively affected the Embassy's ability to conduct operations.⁹ OIG determined that Embassy Baku generally adhered to applicable laws, regulations, and Department guidance. However, as discussed in the Findings section of this report, OIG identified deficiencies in certain aspects of the Embassy's policy and program implementation, consular operations, resource management, and information management.

During this inspection, the Embassy addressed the following issues:

- The Political Section:
 - Organized an Embassy-wide China Working Group meeting.
- The Consular Section:
 - Displayed in its consular waiting room an Azerbaijani language translation of the U.S. Government Fact Sheet on Female Genital Mutilation or Cutting.
 - Deactivated consular systems user roles for officers no longer serving as backup consular officers.
 - Updated to the latest version the Schedule of Fees for consular services.
- The Management Section:
 - Updated its local employee staff handbook for the first time since 2007.
 - Confirmed staff managing Embassy contracts obtained the required contracting officer's representative certification.
 - Relocated flammable commodities at the warehouse to fire-proof storage lockers and began clearing other materials that could be used as weapons of opportunity.
 - Scheduled a recurring work order for the required annual survey of exit doors and completed the survey.
 - Created a confined space management program.
 - Cleared its suspense deposit abroad account, which had transactions dating back to 2012.
 - Changed the practice of requiring principal officers to pay Official Residence Expenses (e.g., residence staff) quarterly instead of monthly, as required.
 - Approved a Chief of Mission decision memorandum authorizing the provision of accommodation exchange services to Embassy employees.
 - Created a gifts policy and provided a point of contact for staff to promote the proper accountability and tracking of gifts.

OIG provided a draft of this report to Department entities for review and comment on the findings and recommendations. OIG issued 16 recommendations to Embassy Baku. The

⁹ The officer subject to the management review was the Chargé.

Embassy's complete response can be found in Appendix B. The Embassy also provided technical comments that were incorporated in the report, as appropriate

Findings

Policy and Program Implementation: Political-Economic

Embassy Baku Did Not Have an Interagency Deal Team

Issue: Embassy Baku did not have an Interagency Deal Team to coordinate commercial diplomacy.¹⁰

Criteria: 3 Foreign Affairs Manual (FAM) 1314; 23 STATE 48122;¹¹ Government Accountability Office (GAO)-25-107721 *Standards for Internal Control in the Federal Government*, Principals 14.02 and 14.03

Cause: Washington and Embassy officials told OIG that prior to improved bilateral relations in August 2025, the Azerbaijani government was not receptive to U.S. government initiatives. As a result, the establishment of this working group would not have yielded results.

Significance: Without a Deal Team, Embassy Baku risked missing opportunities to advance U.S. foreign policy priorities and counter-actions contrary to U.S. interests.

Recommendation 1: Embassy Baku should establish a Deal Team in accordance with Department guidance. (Action: Embassy Baku)

Management Response: Concurred.

Policy and Program Implementation: Public Diplomacy

Public Diplomacy Section Did Not Document Award Recipient Eligibility

Issue: OIG found no evidence that the Public Diplomacy Section fully vetted every award recipient's eligibility to receive U.S. government support in the federal assistance award file, as required by Department standards. Specifically, 5 of the 20 awards files reviewed lacked evidence that the recipient was eligible to receive federal assistance awards.¹²

Criteria: Federal Assistance Directive (FAD) (October 2021 and later revisions), Chapter 2, Sections J and K

¹⁰ Deal Teams are working groups of interagency officers and staff at U.S. overseas posts focused on helping U.S. companies do business in their markets. The purpose of the Deal Team Initiative is to support U.S. companies already pursuing deals abroad and to identify new deal prospects for interested U.S. companies. Deal Teams are an important tool in implementing commercial diplomacy.

¹¹ Cable 23 STATE 48122, "Embassy Deal Team Initiative – Updated Guidance," May 2, 2023. This was a joint Department of State and Department of Commerce cable.

¹² Out of a universe of 137 awards (17 open, 32 expired, and 88 closed) from FY 2022 through FY 2025 totaling \$2,744,007, OIG reviewed 20 awards files totaling \$2,208,289.

Cause: Grants Officers (GO) and Grants Officer Representatives (GOR) misunderstood when to check recipient's eligibility to receive U.S. government support, regardless of award amount or recipient type. This occurred despite receiving federal assistance training, which included vetting requirements.

Significance: Prior to issuing an award, the GO or GOR must verify and document a potential recipient is not suspended, debarred, or has terrorist links by conducting and documenting the verification check. This helps bureaus and offices consider the eligibility and integrity of a recipient and determine the level of potential risk for a federal assistance award.

Recommendation 2: Embassy Baku should verify and document that all federal assistance recipients, regardless of the award amount or type of recipient, are eligible to receive assistance before issuing an award. (Action: Embassy Baku)

Management Response: Concurred.

Policy and Program Implementation: Public Diplomacy

Public Diplomacy Federal Assistance Awards Management Did Not Meet Department Standards

Issue: OIG found that Public Diplomacy federal assistance awards management did not meet Department standards. Specifically, award files lacked evidence of systematic monitoring and evaluation of program activities. OIG found no evidence of monitoring and evaluation in any of the 20 files reviewed for this inspection. Specifically, there were no GOR assessments of award reports or overall final GOR assessments of award performance.

Criteria: FAD (October 2021 and later revisions), Chapter 2, Section P; Chapter 4, Section D

Cause: GOs and GORs conducted and documented award monitoring and understood that this documentation should be maintained in the official award file. However, they indicated they did not have adequate training to use the Department's Federal assistance management system where the official award file was maintained. Moreover, OIG found that the section lacked a written standard operating procedure to clarify its responsibility to monitor and evaluate programs in Azerbaijan.

Significance: Failure to properly document federal assistance files can affect the section's ability to identify and mitigate risk, monitor program implementation, evaluate program results, and promote accountability for public diplomacy resources.

Recommendation 3: Embassy Baku should train staff on how to use the Department's Federal assistance management system and implement standard operating procedures to clarify responsibility for monitoring and evaluating federal assistance awards to facilitate adherence to the Federal Assistance Directive. (Action: Embassy Baku)

Management Response: Concurred.

Consular: Nonimmigrant Visas

Embassy Baku's Deputy Chief of Mission Did Not Consistently Review the Consular Section Chiefs' Nonimmigrant Visa Adjudications

Issue: OIG found that from April 15 to November 30, 2025, the then-acting Deputy Chief of Mission did not consistently review the Consular Section Chiefs' nonimmigrant visa adjudications in accordance with Department standards. Specifically, the former acting Deputy Chief of Mission reviewed visa decisions on only 10 occasions during the 153 days the current and former Consular Section Chiefs adjudicated nonimmigrant visas. Additionally, the current Deputy Chief of Mission, who arrived on December 1, 2025, reviewed visa adjudications on only one occasion during her first 8 weeks in Baku.

Criteria: 9 FAM 403.12-1a, 9 FAM 403.12-2a-b, 7 Foreign Affairs Handbook (FAH)-1 H-648.1-3

Cause: The former acting Deputy Chief of Mission told OIG he lacked formal training to perform nonimmigrant visa adjudication reviews. At the time of this inspection, the current DCM had not yet established a pattern of regular review needed to meet the requirement.

Significance: Regular reviews of nonimmigrant visa adjudications protect national security, promote compliance with laws and procedures, protect against fraud, and help maintain high professional standards of adjudication.

Recommendation 4: Embassy Baku's Deputy Chief of Mission should consistently review the Consular Section Chief's nonimmigrant visa adjudications in accordance with Department standards. (Action: Embassy Baku)

Management Response: Concurred.

Resource Management: Life Safety

Embassy Baku Did Not Comply With Department Seismic Safety Standards

Issue and Criteria: Embassy Baku did not comply with Department seismic safety standards for facilities located in regions of elevated earthquake risk.¹³ An April 2024 Bureau of Overseas Buildings Operations (OBO) seismic screening rated 41 of the 53 screened Embassy properties as "poor" during a seismic screening, including the chancery, the Chief of Mission Residence, and the Deputy Chief of Mission Residence.¹⁴ Additionally, the Embassy annex was rated "very poor," the lowest possible rating.¹⁵ However, the Embassy failed to implement mitigations to bring the Embassy facilities into compliance. For example:

¹³ OBO rated Baku as a high seismic risk zone.

¹⁴ OBO defines a "poor" seismic rating as a property likely having "extensive structural damage...which would pose appreciable life hazards to occupants" during a major earthquake.

¹⁵ OBO defines a "very poor" seismic rating as a property likely having "complete structural damage...potential structural collapse and/or falling hazards are anticipated which would post high life hazards to occupants" as the expected outcome of a major earthquake.

- OIG found that the Embassy did not conduct its own seismic assessments of prospective properties before leasing them and, instead, relied on the OBO seismic screening conducted approximately every 5 years at Embassy Baku (15 FAM 252.6a(1) and b, 15 FAM 252.5a).
- OIG also found that for the Embassy Baku properties OBO screened in 2024, the Embassy did not investigate whether seismically best available properties existed on the local market to acquire leases for safer properties and remove the lowest scoring properties from its inventory (15 FAM 252.6a(1) and b).¹⁶
- Additionally, from April 2024 to January 2026, the Embassy's Post Occupational Safety and Health Officer (POSHO) did not complete the required POSHO certification prior to renewing 13 of 16 leases during that time, including the Embassy annex (15 FAM 971.4).¹⁷
- The acting POSHO improperly certified on the Embassy annex's POSHO certification form that the Embassy had contacted OBO in accordance with Department standards. OIG learned that the acting POSHO had not contacted OBO, despite the annex's "very poor" seismic rating and the requirement to verify that a nonresidential property in a seismic zone is safe for occupancy (15 FAM 971.2(6)).
- In May 2025, OBO released the official results of the May 2024 Embassy seismic screening, which included an action request for the Embassy to contact OBO to discuss the results. However, Embassy staff did not request a briefing on these results until December 2025 when OIG raised the issue with Embassy staff (cable 25 STATE 42866).¹⁸

Cause: In May 2025, the General Services Officer provided the Embassy's Housing Assistant with the OBO seismic screening report and told the Housing Assistant no further action was required. However, Department standards require the Embassy to identify both seismically best available properties and potential risk mitigation measures. Guidance provided by OBO in December 2025, during its briefing of the seismic screening results, noted the Embassy should use the screening results to manage its housing portfolio and to replace the lowest scoring properties, as opportunities allow. Additionally, Facility Management staff stated they were unaware that the seismic screening report required action and coordination with the General Services Office. Other Management Section staff said they were unaware of the May 2025 report until OIG inquired about it during its inspection.

Significance: Failure to conduct appropriate POSHO certifications and seek seismically best available properties increases risks to Embassy personnel.

Recommendation 5: Embassy Baku, in coordination with the Bureau of Overseas Buildings Operations, should verify that its properties are safe for occupancy and

¹⁶ Per 15 FAM 252.6b, embassies located in regions of elevated earthquake risk should mitigate that risk by seeking properties that are "seismically best available." Posts use engineering evaluations to aid in identifying vulnerabilities at current and prospective properties to make informed leasing decisions.

¹⁷ The POSHO certification form states that, "no employee may occupy a property unless the POSHO certifies that the following conditions are met" and 15 FAM 971.4 clarifies that a POSHO certification expires upon lease expiration or after 5 years, whichever comes first.

¹⁸ Cable 25 STATE 42866, "Seismic Screening Report Distribution," May 8, 2025.

acquire residential and non-residential properties that are seismically best available in the local market. (Action: Embassy Baku, in coordination with OBO)

Management Response: Concurred. The Embassy concurred with this recommendation but requested that it be split into two separate recommendations: one focused on residential properties and the other focused on non-residential properties (the chancery and the annex). Embassy Baku requested that action for the non-residential property recommendation be assigned to the Bureau of Overseas Buildings Operations (OBO). The Embassy noted that to address the seismically unsafe chancery and annex would require significant input and resources from OBO.

OIG Reply: OIG considers this recommendation resolved. OIG acknowledges that addressing the seismically unsafe non-residential properties requires significant input and resources from OBO. However, initial action is with Embassy Baku, in coordination with OBO, to identify potential property for development of a new embassy compound or alternative lease opportunities or mitigation strategies for the annex. OIG acknowledges that during the implementation of the recommendation action may need to be transferred to OBO, which can be addressed during the compliance phase. This recommendation can be closed when OIG receives and accepts documentation that Embassy Baku, in coordination with the Bureau of Overseas Buildings Operations, verified that its properties are safe for occupancy and acquired residential and non-residential properties that are seismically best available in the local market.

Resource Management: Life Safety

Embassy Constructed a Roofing Structure Without Department Approval

Issue: In 2022, the Embassy built a roof over four shipping containers used for permanent storage to create an outdoor carpentry and electrician workshop area. This was done without obtaining the required Department approval. Department policy mandates that embassies obtain authorization from OBO to undertake construction projects.

Criteria: 15 FAM 686.1a and c(2)(a)

Cause: Facility Management staff were unaware why construction proceeded without Department approval.

Significance: Failure to obtain the required OBO construction approvals may result in work that does not conform to Department building codes.

Recommendation 6: Embassy Baku, in coordination with the Bureau of Overseas Buildings Operations, should bring its roofing structure into compliance with Department standards. (Action: Embassy Baku, in coordination with OBO)

Management Response: Concurred.

Resource Management: General Services

Embassy Did Not Conduct Required Annual Audits of Its Leased Building Operating Expenses

Issue: Embassy Baku did not conduct the required annual building operating expenses (BOE) audit of its leased properties.¹⁹ OIG found that as of January 2026, the Embassy had not conducted any BOE audits.²⁰ In 2018, the Embassy found potential fraud in this program following the retirement of a housing assistant responsible for that portfolio. At that time, the Embassy requested a review by OIG's Office of Investigations, which found that from 2010 to 2018, the Embassy's former housing assistant had defrauded the U.S. government of approximately \$480,000 in improper BOE.²¹ Despite the known fraud risk with this program, the Embassy had not conducted the required annual BOE audits.

Criteria: 15 FAM 361.3, Article Five: D2; 15 FAM 351, Article Five: C

Cause: General services staff stated that in October 2025, they had requested information from one of their property management companies, but the company refused to provide a breakdown of their BOE costs because the company asserted the information was private accounting information. Additionally, the Embassy did not attempt to request BOE information from other property management companies for which it had active leases.

Significance: Failure to conduct annual BOE audits exposes the U.S. government to an increased risk of overpayment for services and materials, including charges for materials not received or services not rendered. Moreover, these audits are critical for verifying that landlords are complying with lease requirements and are appropriately maintaining properties.

Recommendation 7: Embassy Baku should perform annual audits of building operating expenses for its leased properties in accordance with Department standards. (Action: Embassy Baku)

Management Response: Concurred.

¹⁹ According to 15 FAM 351, Article Five: B(i), building operating expenses are those charged to the government that may cover the costs of common area utilities, janitorial activities, landscaping, insurance, property taxes, salaries for landlord staff and contractors, building systems service contracts and maintenance of the property's common spaces which are not leased by the tenant, elevators, swimming pool upkeep, exercise facilities, façade, and signage, etc.

²⁰ In FY 2025, the Embassy paid \$430,000 annually in BOE fees to landlords and property management companies.

²¹ From 2010 to 2018, a former Housing Assistant lied to his U.S. direct-hire supervisor by claiming that 17 of the Embassy's leased apartment units required additional fees for parking and common area spaces. These fees were paid outside of the normal lease payments and directly to an individual who the Housing Assistant fraudulently claimed was the property manager. That individual then provided a portion of the fraudulent BOE fee payments to the former Housing Assistant.

Resource Management: Financial Management

Embassy Did Not Track Its Outstanding Employee Accounts Receivables

Issue: OIG found the Embassy's financial management office did not track outstanding employee accounts receivables.²² Additionally, it did not provide oversight of this process to confirm funds owed to the government were repaid. OIG found that Embassy sections had their own tracking mechanism to record a receivable due to the Embassy (e.g., home-to-office motor pool transportation). However, once the financial management staff sent a bill of collection to an employee, the financial management office did not confirm the employee accounts receivable were paid. At the time of this inspection, financial management staff were attempting to reconcile bills of collection and payments made to verify all accounts receivable were paid.

Criteria: 4 FAM 033.2-6, 4 FAM 493.1-2a, 4 FAM 493.1-3a, 4 FAM 493.2

Cause: Financial management staff told OIG the financial management office had no standard operating procedures to track employee receivables. Financial management staff stated it was unclear to them who was responsible for following up on unpaid accounts receivable. As a result, financial management staff failed to track the status of receivables and, consequently, did not send the required follow-up notices to employees who may not have reimbursed the Embassy.

Significance: Failure to keep an accurate accounting of employee accounts receivables increases the risk that funds owed to the U.S. government will not be recovered.

Recommendation 8: Embassy Baku should implement standard operating procedures to track and process employee accounts receivable in accordance with Department requirements. (Action: Embassy Baku)

Management Response: Concurred.

Resource Management: Human Resources

Embassy's Anti-Nepotism Program Did Not Comply with Department Standards

Issue and Criteria: OIG found that the Embassy's anti-nepotism review program did not comply with Department standards. Specifically, the Embassy did not:

- Complete the annual anti-nepotism review for all U.S. direct-hire and LE staff (3 FAM 8314, 3 FAM 8311b).
- Confirm compliance with one of three anti-nepotism review agreements in effect for Foreign Service officers at the Embassy. Specifically, OIG learned that an anti-nepotism

²² According to 4 FAM 033.2-2(3), the Department has several types of accounts receivable that must be tracked, one of which is employee receivables. Receivables are established for employees for various debts, such as the overpayment of a salary or a travel advance that has not been repaid. These become employee receivables when they exceed the Department criteria of 30 days for timely repayment.

review agreement in the Management Section was not properly implemented. Although prohibited by Department standards, the anti-nepotism review agreement reconfigured the spouse's line-of-supervision and work processes to accommodate the arrangement.²³ Moreover, during at least one period, lasting between 2 to 3 months, the U.S. direct-hire and their spouse retained exclusive control of government resources, contrary to Department standards (3 FAM 8318(2), 3 FAM 8318(3), 3 FAM 8326d and e).

- Additionally, related to the same agreement mentioned above, the workspace of a U.S. direct-hire employee in a leadership position and that of the employee's spouse were often co-located. This created the appearance of nepotism and potential conflicts of interest (3 FAM 8328c and e).

Cause: Human resources staff stated they were unaware of the requirement that the Embassy must review the circumstances of employment of each employee's relative working at the Embassy. Additionally, OIG found that the anti-nepotism review agreement did not fully comply with Department standards because it did not eliminate the appearance of nepotism and it improperly reconfigured lines of supervision and work processes to accommodate the employees covered by the anti-nepotism review agreement.

Significance: Failure to conduct annual anti-nepotism reviews and confirm compliance with standing anti-nepotism review agreements may increase the appearance of nepotism and risk that relatives jointly and exclusively control Embassy resources and property.

Recommendation 9: Embassy Baku should conduct annual anti-nepotism reviews in accordance with Department standards to confirm compliance with anti-nepotism standards. (Action: Embassy Baku)

Management Response: Concurred.

Recommendation 10: Embassy Baku, in coordination with the Bureau of European and Eurasian Affairs and the Bureau of Human Resources, should review the Embassy's anti-nepotism review agreements to confirm compliance with anti-nepotism standards. (Action: Embassy Baku, in coordination with the EUR and HR)

Management Response: Concurred.

²³ The person who would typically serve as the eligible family member's (EFM) supervisor reported directly to the EFM's spouse. As such, the Embassy reconfigured the EFM's line of supervision to a Department employee at Consulate General Frankfurt, through whom all the EFM's tasks were required to be assigned.

Resource Management: General Management

Embassy Did Not Complete the Required Allowance and Differential Surveys

Issue: Embassy Baku did not complete allowance and differential surveys. OIG found that the Embassy did not complete the required interim hardship differential survey in April 2023, nor the final survey in April 2025, to determine if U.S. direct-hire staff at the Embassy were compensated appropriately.²⁴ Additionally, the Embassy last submitted the mandated annual education allowance survey to the Department in June 2018.²⁵

Criteria: 3 FAM 3218a-b; Department of State Standardized Regulations, Section 072.12: 3C, 4B, 4C

Cause: OIG determined this issue was caused by a lack of oversight and action by the Management Officer.

Significance: Allowance and differential surveys determine accurate compensation for U.S. direct-hire staff serving at overseas posts. Failure to complete these surveys may result in over- or under-payments of allowances. Timely survey submissions help embassies maintain fiscal responsibility and compliance with Department standards.

Recommendation 11: Embassy Baku should complete the required allowance and differential surveys in accordance with Department standards. (Action: Embassy Baku)

Management Response: Concurred.

Resource Management: General Management

Embassy Employee Association Did Not Fully Comply With Department Standards

Issue and Criteria: OIG found that the Embassy did not manage its employee association in accordance with Department standards. Specific non-compliance included:

- The Embassy Baku Employee Association (BEA) did not create a budget for calendar year 2025 and, as of January 2026, had not created a budget for calendar year 2026 (6 FAM 531e).

²⁴ U.S. direct-hire staff at Embassy Baku received an additional 20 percent hardship differential pay on their base salaries. According to 3 FAM 3261.1b, a post hardship differential is designed to provide additional compensation to employees for service in foreign areas where environmental conditions differ substantially from environmental conditions in the continental United States and warrant additional compensation as a recruitment and retention incentive.

²⁵ U.S. direct-hire staff at Embassy Baku are granted up to \$28,400 annually for their children's education expenses. According to 4 FAM 443.2a, an education allowance is granted to assist an employee in meeting expenses, not otherwise compensated for, incurred by reason of service in a foreign area or foreign areas to provide adequate elementary and secondary education to eligible family members.

- The BEA was unable to provide documentation verifying that it sent the Employee Association Governance and Compliance office its required annual certification of operating conditions (6 FAM 554a).

Cause: Staff overseeing the BEA told OIG these issues occurred because of staff's unfamiliarity with Department standards.

Significance: Failure of the employee association to operate in accordance with Department standards increases the risk of theft and mismanagement.

Recommendation 12: Embassy Baku should review employee association Department standards and then bring its employee association into compliance with those standards. (Action: Embassy Baku)

Management Response: Concurred.

Information Management: Information Systems Security

Embassy Information Technology Contingency Plans Did Not Meet Department Standards

Issue: OIG found the Embassy did not have completed and updated IT contingency plans for its classified and unclassified systems, as required.

Criteria: 12 FAM 632.3-2, 5 FAM 851.2d(1)

Cause: Embassy staff told OIG that staffing shortages impacted the Diplomatic Technology unit's ability to complete the Embassy's IT contingency plans.

Significance: Not planning for IT contingencies may result in delayed information system recoveries.

Recommendation 13: Embassy Baku should complete its unclassified and classified IT contingency plans in accordance with Department standards. (Action: Embassy Baku)

Management Response: Concurred.

Information Management: Information Systems Security

Embassy Information Systems Did Not Meet Department Standards

Issue and Criteria: OIG found that:

- The emergency power-off switch was not located inside the unclassified server room as required by Department standards (12 FAH-10 H-272.8-1).

- Network devices and cables were not protected from accidental or intentional damage as required by the Department (12 FAM 644.1, 12 FAH-10 H-272.3(1)).²⁶

Cause: Embassy staff told OIG that building construction and budget constraints prevented the Embassy's Diplomatic Technology unit from resolving these issues.

Significance: Failure to correct workplace safety issues increased physical risks to employees. Also, failure to protect information systems increased the Embassy's vulnerability to accidental or intentional network outages.

Recommendation 14: Embassy Baku should relocate the unclassified server room emergency power-off switch in accordance with Department standards. (Action: Embassy Baku)

Management Response: Concurred.

Recommendation 15: Embassy Baku should protect its network components and cabling in accordance with Department standards. (Action: Embassy Baku)

Management Response: Concurred.

Information Management: Information Systems Security

Embassy Did Not Manage Its Non-Enterprise Network in Accordance With Department Standards

Issue and Criteria: OIG found the Embassy:

- Did not secure or monitor the chancery's non-enterprise network (NEN) in accordance with Department standards. Specifically, the NEN lacked a firewall and had unapproved devices installed (5 FAM 863.1).
- Did not configure network devices to meet Department standards (5 FAM 875.4d).²⁷

Cause: Embassy staff told OIG that vacancies and budget restrictions in the Diplomatic Technology unit impacted its ability to provide adequate NEN management.

Significance: Failure to secure and monitor NENs increased the Embassy's vulnerability to cyberattacks.

Recommendation 16: Embassy Baku should manage its non-enterprise networks in accordance with Department standards. (Action: Embassy Baku)

²⁶ A May 2025 Bureau of Diplomatic Security Cybersecurity Assessment identified similar issues with the Embassy's network devices and cables.

²⁷ A May 2025 Bureau of Diplomatic Security Cybersecurity Assessment identified similar issues with the Embassy's NENs.

Management Response: Concurred.

PRINCIPAL OFFICIALS

Section/Title	Name	Arrival Date
Chiefs of Mission:		
Ambassador	Vacant	
Chargé d’Affaires, ad interim	Amy Carlon	6/2025
Deputy Chief of Mission	Sujata Sharma	12/2025
Chiefs of Sections:		
Consular	Brian Selman	8/2025
Economic	Eric Groff	7/2025
Management	Mark Hernandez	8/2024
Political	Meghan Bradley	7/2025
Public Diplomacy	Michael Hackett	7/2025
Regional Security	Omar Facuse	9/2024

Source: OIG generated based on personnel data provided by Embassy Baku in October 2025.

APPENDIX A: OBJECTIVE, SCOPE, AND METHODOLOGY

This inspection was conducted from December 8, 2025, to March 13, 2026, in accordance with the *Quality Standards for Inspection and Evaluation* (December 2020), issued by the Council of the Inspectors General on Integrity and Efficiency, and the *Inspections Handbook*, issued by the Office of Inspector General (OIG) for the U.S. Department of State (Department) and the U.S. Agency for Global Media (USAGM).

As described in Section 209 of the Foreign Service Act of 1980, OIG is required to conduct inspections, audits, and investigations to systematically review the Department's overseas posts to determine whether:

- Financial transactions and accounts are properly conducted, maintained, and reported.
- Resources are used and managed efficiently, effectively, and economically.
- Activities and operations adhere to laws and regulations.
- Fraud or other serious problems, abuse, or deficiencies exist and whether adequate steps were taken to detect, correct, and prevent them.
- Policy goals and objectives are being effectively achieved, and the interests of the United States are being accurately and effectively represented.

Objective

OIG conducted this inspection to assess Embassy Baku's efforts toward achieving U.S. foreign policy goals and objectives, as well as to determine whether it adhered to applicable laws, regulations, and Department guidance related to policy and program implementation, consular operations, resource management, and information management.

Additionally, in accordance with Section 7203 of the Department of State Authorization Act for Fiscal Year 2025, Public Law 118-159,¹ OIG conducted a management review of certain Embassy leaders during this inspection to assess whether there were any instances of serious management concerns, meaning the subject officers did not comply with laws, regulations, or Department guidance and the noncompliance negatively impacted the ability to conduct operations at the mission.

Scope and Methodology

OIG assessed whether the Embassy effectively achieved U.S. foreign policy goals and objectives, as represented in the 2025 Integrated Country Strategy and the latest direction from the Department through a review of the Embassy's leadership, strategic planning, advocacy and analysis work, reporting, knowledge management, program management, media engagement, and oversight of American Spaces. To assess the Embassy's implementation of foreign assistance, OIG reviewed Embassy coordination of foreign assistance programs operating in the

¹ The Department of State Authorization Act for Fiscal Year 2025 was included as Division G in the National Defense Authorization Act for Fiscal Year 2025, which was signed into law on December 23, 2024.

country, monitoring of foreign assistance being implemented in the country, Leahy vetting, and the Embassy's administration of awards. OIG also assessed consular operations through a review of Embassy's provision of U.S. citizen services, consular crisis preparedness, management controls, visa services and processing, vetting and fraud prevention programs. To address resource management, OIG reviewed internal control systems and management of life safety, real property, personal property, financial operations, and personnel. OIG assessed the Embassy's diplomatic technology operations and services, including classified and unclassified computer operations, communications security, cybersecurity practices, records management, emergency communications, telephone, mail, and pouch services management.

OIG used a risk-based approach to prepare for this inspection. OIG submitted questionnaires to U.S. direct-hire and locally employed staff at the Embassy as well as select staff in relevant domestic bureaus.

OIG conducted portions of this inspection remotely and relied on audio- and video-conferencing tools in addition to in-person interviews with Department and other personnel. OIG also reviewed pertinent records; circulated questionnaires and compiled the results; and discussed the substance of this report and its findings and recommendations with offices, individuals, and organizations affected by this inspection. OIG used professional judgment and analyzed physical, documentary, and testimonial evidence to develop its findings, conclusions, and actionable recommendations.

APPENDIX B: MANAGEMENT RESPONSE



Embassy of the United States of America

June 10, 2026

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THRU: SBO Arthur Milikh

TO: OIG – Ryan McGonagle, Acting Assistant Inspector General for Inspections

FROM: Embassy Baku, Amy Carlon, CDA *all 6/10/26*

SUBJECT: Response to Draft OIG Report – Inspection of Embassy Baku, Azerbaijan

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

OIG Recommendation 1: Embassy Baku should establish a Deal Team in accordance with Department guidance. (Action: Embassy Baku)

Management Response: The Embassy concurs with the recommendation. The Economic Section will establish an Interagency Deal Team chaired by the Commercial Officer. The Interagency Deal Team will meet quarterly to discuss our advocacy priorities, any upcoming new commercial deals, and the status of open deals in Commercial Diplomacy Enterprise and the Commercial Deal Tracker maintained by Economic Section's Commercial LE staff. Following the quarterly meeting, the Interagency Deal Team leadership will update the Front Office on the status of commercial deals and upcoming opportunities for advocacy. Deal Team members from Post could potentially include representatives from the Economic, Political, Public Diplomacy, Management, and Consular Sections, MilGroup, and DOE, with remote participation from FCS and DOJ in Ankara. The Interagency Deal Team will be established when the new Commercial Officer arrives in July 2026, and the first quarterly meeting will be held by September 2026.

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OIG Recommendation 2: Embassy Baku should verify and document that all federal assistance recipients, regardless of the award amount or type of recipient, are eligible to receive assistance before issuing an award. (Action: Embassy Baku)

Management Response: The Embassy concurs with the recommendation and has already taken steps to address the lack of documentation of SAM.gov vetting of potential grant recipients. Both through in-person and virtual training, the need to provide evidence of SAM.gov vetting was stressed to Post's GOs and GORs alike, and this crucial step has been added to a new, Post-specific SOP for grants management that Post has followed for every grant following the January 2026 inspection.

OIG Recommendation 3: Embassy Baku should train staff on how to use the Department's Federal Assistance Management System and implement standard operating procedures to clarify responsibility for monitoring and evaluating federal assistance awards to facilitate adherence to the Foreign Assistance Directive. (Action: Embassy Baku)

Management Response: The Embassy concurs with the recommendation. In late January 2026, immediately following the inspection, all grants officer representative in the Public Diplomacy Section received training conducted by the regional grants management office in Italy on the Federal Assistance Management System. The in-depth, tailored training addressed specific monitoring and evaluation recordkeeping issues raised by the OIG, as well as refined use of the MyGrants tagging feature to make Post's grants easily searchable. Finally, in consultation with R/PPR's grants team, PDS developed a Post-specific SOP for grants management that codifies the need and process for SAM.gov, as well as all terrorism and prohibited-party vetting checks, along with monitoring/evaluation evidence for every grants file. Post has used this SOP since the inspection for every grant, ensuring that the proper paper trail is in place for all grants moving forward.

OIG Recommendation 4: Embassy Baku's Deputy Chief of Mission should consistently review the Consular Section Chief's nonimmigrant visa adjudications in accordance with Department standards. (Action: Embassy Baku)

Management Response: The Embassy concurs with the recommendation. The Deputy Chief of Mission has implemented a systematic review process to ensure consistent oversight of the Consular Section Chief's nonimmigrant visa adjudications in full accordance with 9 FAM 403.10-3. Beginning immediately after the inspection, the DCM established a weekly review schedule to examine a

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representative sample of visa adjudications, including both issuances and refusals across various visa categories.

OIG Recommendation 5: Embassy Baku, in coordination with the Bureau of Overseas Buildings Operations, should verify that its properties are safe for occupancy and acquire residential and non-residential properties that are seismically best available in the local market. (Action: Embassy Baku, in coordination with OBO)

Management Response: Embassy Baku concurs with this recommendation and respectfully requests that OIG split the recommendation into two separate recommendations. The first recommendation would cover residential properties and address the seismically unsafe housing. Post agrees with all text in the OIG report related to residential properties, as this is within Post's control. The second recommendation would address Non-Residential/Functional properties to address the seismically unsafe Chancery and Annex. If possible, Post recommends that this recommendation be assigned to OBO with Post input, as the substance of this recommendation is out of Post's control and requires significant resources and buy-in from OBO.

OIG Recommendation 6: Embassy Baku, in coordination with the Bureau of Overseas Buildings Operations, should bring its roofing structure into compliance with Department standards. (Action: Embassy Baku, in coordination with OBO)

Management Response: Embassy Baku concurs with the recommendation. Post submitted a permit request through OBO's ProjNet system on August 26, 2025. On November 21, 2025, the Facility Manager met virtually with OBO structural engineers to discuss a path forward. The OBO structural engineers requested that Embassy Baku hire a locally licensed structural engineer to perform an assessment of the structure. Embassy Baku submitted a funding request via GMMS on December 12, 2025. Embassy Baku is currently awaiting funds to hire a locally licensed structural engineer. The expected completion date is September 2026.

OIG Recommendation 7: Embassy Baku should perform annual audits of building operating expenses for its leased properties in accordance with Department standards. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with the recommendation, and Post is working with local landlords to obtain the Building Operating Expenses (BOE) and complete the required audits. It should be noted that BOE audits are not common

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practice for Azerbaijani landlords, even with Pasha, the largest real estate and property management company in the country.

Post received BOE expenses for properties located in the Smith Towers with supporting documentation and will complete the audit. For the Baku City Villas (BCV) where the CMR, DCMR, and DATT residences are located, the property management team conducted a BOE audit with an approved audit firm and the results are pending. Post is working with OBO to provide funding for a second audit to determine the appropriate baseline amount. The Royal Park property management team agreed to execute a compound-wide BOE audit if they can apply their findings to all existing U.S. embassy leases, even those without a BOE escalation clause. If the U.S. Embassy agrees with the audit findings and can review supporting documentation, this step will add clarity and transparency to our agreements. Post is working with Izmir Villas property management team (Pasha), the Absheron property management team (Pasha), and the remaining Embassy communities to obtain BOE data and supporting documentation. Post expects the full BOE audit to be completed in 2027.

OIG Recommendation 8: Embassy Baku should implement standard operating procedures to track and process employee accounts receivable in accordance with Department requirements. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with the recommendation. Post deployed Atlas Financials and completed all required training in April 2026. Post updated all relevant SOPs to institutionalize the use of the new system. Post expects to be fully compliant for this recommendation by August 2026.

OIG Recommendation 9: Embassy Baku should conduct annual anti-nepotism reviews in accordance with Department standards to confirm compliance with anti-nepotism standards. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with the recommendation. Post expects to complete the annual anti-nepotism reviews of American and LE staff in July 2026.

OIG Recommendation 10: Embassy Baku, in coordination with the Bureau of European and Eurasian Affairs and the Bureau of Human Resources, should review the embassy's anti-nepotism review agreements to confirm compliance with anti-nepotism standards. (Action: Embassy Baku, in coordination with the EUR and HR)

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Management Response: Embassy Baku concurs with the recommendation. Post will work with the EUR Bureau and Bureau of Human Resources to confirm compliance. Post expects to complete the annual anti-nepotism review in July 2026.

OIG Recommendation 11: Embassy Baku should complete the required allowance and differential surveys in accordance with Department standards. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with this recommendation. The updated differential survey was drafted in May 2026 and is currently in the clearance process. Post expects this task to be completed by July 2026.

OIG Recommendation 12: Embassy Baku should review employee association Department standards and then bring its employee association into compliance with those standards. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with the recommendation. Post updated the annual Principal Officer certification in May 2026 (locally referred to as EAGC) and is in compliance with 6 FAM 554(a) for FY2026. Post will bring the BEA into full compliance with 6 FAM 531(e) by approving and adopting the CY2026 budget; the expected completion date is June 30, 2026. Prior to the January 2026 OIG inspection, the BEA experienced irretrievable data loss due to a computer crash; the oversight office (referenced in 6 FAM as A/GO/PST/CR, locally EAGC) has been informed and is providing guidance consistent with its policy and operational support role for employee associations. Post will finalize its recurring compliance calendar for annual budget adoption and certification by August 1, 2026.

OIG Recommendation 13: Embassy Baku should complete its unclassified and classified IT contingency plans in accordance with Department standards. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with the recommendation. The unclassified IT contingency plan (ITCP) was completed on February 17, 2026, and signed by all parties on March 3, 2026. The classified ITCP is still in progress and will be sent for signatures once testing has been completed. Post expects to complete the testing no later than June 2026.

OIG Recommendation 14: Embassy Baku should relocate the unclassified server room emergency power-off switch in accordance with Department standards. (Action: Embassy Baku)

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Management Response: Embassy Baku concurs with the recommendation. The unclassified server room emergency power-off switch was relocated inside the server room by an IMAP team on April 18, 2026, in accordance with Department standards.

OIG Recommendation 15: Embassy Baku should protect its network components and cabling in accordance with Department standards. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with the recommendation. Post was scheduled for an Information Technology Infrastructure Remediation (ITIR) for both unclassified and classified systems in Fall 2025 per 24 STATE 116946, but the project was postponed. Post will work with the appropriate DT offices to coordinate the remediation of all issues related to the protection of network components and cabling in accordance with Department standards. The project is expected to take approximately four months to complete.

OIG Recommendation 16: Embassy Baku should manage its non-enterprise networks in accordance with Department standards. (Action: Embassy Baku)

Management Response: Embassy Baku concurs with the recommendation. Post removed 70 percent of the non-enterprise (NEN) endpoint devices and replaced them with Managed Internet Devices (MIDs) or Enterprise Managed Devices (EMDs). The remaining devices are required for sections with mission-critical operations that cannot be performed through a MID or EMD. Those devices have the Qualys tool installed to help manage and monitor endpoint connections. Most of the hardware and software for the endpoint devices have been approved through the Technology Review Board process in Washington, and the DT team is currently working on the installation. Post is currently configuring the devices and obtaining approvals for the firewall licenses. Post expects to be compliant by September 2026,; Post requires DT support teams in Washington to complete the necessary configurations.



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WPEAOmbuds@stateoig.gov