

UNCLASSIFIED



Office of Inspector General
United States Department of State

ISP-I-25-15

Office of Inspections

May 2025

Inspection of Embassy Muscat, Oman

BUREAU OF NEAR EASTERN AFFAIRS

UNCLASSIFIED



HIGHLIGHTS

Office of Inspector General
United States Department of State

ISP-I-25-15

What OIG Inspected

OIG inspected the executive direction, policy and program implementation, resource management, and information management operations of Embassy Muscat.

What OIG Recommends

OIG made 18 recommendations to Embassy Muscat. In its comments on the draft report, the Department concurred with 18 recommendations. OIG considers 18 recommendations resolved. The Department's response to each recommendation and OIG's reply can be found in the Recommendations section of this report. The embassy's formal response is reprinted in its entirety in Appendix B.

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What OIG Found

- The Ambassador and Deputy Chief of Mission generally modeled the Department of State's leadership principles, particularly communication, self-awareness, and valuing and developing people.
- Embassy Muscat's Political-Economic Section advanced Integrated Country Strategy and Department priorities.
- The Public Diplomacy Section's grants files did not consistently meet Department standards.
- Embassy Muscat's Consular Section had deficiencies related to managing workload, inadequate space, the inventory of controlled items, and answering correspondence.
- Embassy Muscat had internal control issues in general services, facility management, financial management, and human resources.
- The embassy had information management internal control deficiencies related to the telephone system, inventory, training, and procurement of information technology equipment.

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CONTEXT



Figure 1: Map of Oman. (Source: CIA World Factbook)

Since the British withdrawal from the Persian Gulf in the 1970s, Oman has relied on the United States as a key defense partner.¹ Successive U.S. presidential administrations have considered Oman important to regional stability and peace in the Middle East.

Over the past decade, Oman has served as a discreet mediator and intermediary to resolve the ongoing civil conflict in Yemen. Oman's strategic location near the Strait of Hormuz, a key naval chokepoint through which 30 percent of the world's maritime oil shipments pass, provides it with regional and global influence.

Pursuant to a 2009 bilateral Free Trade Agreement (FTA), the United States and Oman expanded their trade and diplomatic ties. In 2022, U.S. bilateral

trade in goods and services with Oman totaled an estimated \$4.9 billion, with \$2.9 billion in imports and \$2 billion in exports. As of 2022, the United States was the second largest foreign direct investor in Oman, with investments totaling \$6.5 billion. Additionally, U.S.-Oman cooperation spans environmental protection, emergency management, health, defense, nonproliferation, intelligence, counterterrorism, and law enforcement.

Embassy Muscat's two strategic goals, as outlined in the FY 2022 Integrated Country Strategy (ICS), are to:

- Expand economic partnership to support sustainable green growth, increase bilateral trade and investment, and create American jobs.
- Use the strong U.S.-Oman strategic partnership to promote regional stability and protect the U.S. homeland.

At the time of the inspection, Embassy Muscat had 108 authorized U.S. direct-hire positions and 20 eligible family member positions. Of the 108 U.S. direct-hire employees, 65 worked for the Department of State (Department) and 43 for other U.S. government agencies, which

¹ Oman and the United States signed a military cooperation agreement in 1980, which was revised and renewed in 2010, continuing their close military partnership.

included the Departments of Defense, Health and Human Services, Homeland Security, and Justice. The embassy also had 191 locally employed (LE) staff members, of which 181 worked for the Department and 10 for other agencies.

The Office of Inspector General (OIG) evaluated Embassy Muscat's executive direction, policy and program implementation, resource management, and information management operations consistent with Section 209 of the Foreign Service Act of 1980.² A related classified inspection report discusses the embassy's security program and certain aspects of its execution of foreign policy and goals.

On January 21, 2025, the Secretary of State issued guidance to the Department on the Administration's priorities³ The Department subsequently disseminated initial guidance on foreign assistance, public diplomacy, consular operations, personnel evaluation, planning and policy documents, and other Department activities. At the time of the inspection, the Department was developing detailed implementation guidance for these and other policy initiatives. Therefore, OIG did not assess the embassy's implementation of the new guidance as part of this inspection.

EXECUTIVE DIRECTION

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

Tone at the Top and Standards of Conduct

The Ambassador, a career member of the Senior Foreign Service, arrived in Muscat in November 2023. She served previously as the Consul General at Consulate General Montreal, Canada and as Deputy Chief of Mission (DCM) in the Yemen Affairs Unit in Riyadh, Saudi Arabia. The DCM, a career member of the Foreign Service, arrived in Muscat in August 2023 and immediately began serving as Chargé d'Affaires after serving as the Chargé d'Affaires of the Libya External Office in Tunis, Tunisia. He began serving as the DCM upon the arrival of the Ambassador 3 months later.

OIG found the Ambassador and DCM led the embassy in a manner consistent with the Department's leadership and management principles in 3 Foreign Affairs Manual (FAM) 1214b.⁴ In both interviews and responses to OIG questionnaires, staff commended the Ambassador for communication, self-awareness, and in valuing and developing people. Washington agencies described the Ambassador as knowledgeable about the region, thoughtful, and collaborative.

² See Appendix A.

³ Cable 25 STATE 5156, "New Administration Priorities," January 21, 2025.

⁴ The Department's leadership and management principles outlined in 3 FAM 1214b include (1) model integrity, (2) plan strategically, (3) be decisive and take responsibility, (4) communicate, (5) learn and innovate constantly, (6) be self-aware, (7) collaborate, (8) value and develop people, (9) manage conflict, and (10) foster resilience.

Embassy staff described the Ambassador as very open and approachable, someone who enjoyed brainstorming, and receptive to feedback. During the inspection, OIG observed meetings reviewing the embassy's ICS, changes to embassy reporting, and administration of grants. The Ambassador encouraged input from all participants and provided guidance on actions to advance ICS goals and to recover funding from a recipient of an embassy grant. Additionally, the Ambassador held seven town hall meetings after her arrival, including one to explain her approval of the decision to reduce LE staff benefits due to budgetary constraints and another during the inspection to address employee concerns about conflicts in the Middle East that could potentially affect embassy staff in Oman.

The Ambassador told OIG that upon her arrival, she found the embassy community still recovering from the trauma of a 2022 security incident involving a knife attack on an embassy employee. This incident divided the community and led to six voluntary assignment curtailments in 2022 and 2023. In response, the Ambassador and DCM signed a memorandum of understanding with the Foreign Service Institute's Consulting Services Unit for a year-long program to strengthen and sustain organizational performance.⁵ During the inspection, Foreign Service Institute consultants led the embassy staff through phase four of the program's five-phase process to create action plans and a "tiger team" for implementation. Because the training was ongoing, embassy staff told OIG they were waiting to see if concrete improvements would result.

OIG found the Ambassador and the DCM upheld high ethical standards and modeled integrity consistent with Department guidance in 3 FAM 1214b(1). Prior to the inspection, the embassy consulted with the Department on potential outside employment for the Ambassador's spouse. The Ambassador heeded the Department's advice that the position would bring potential conflicts of interest that could not be mitigated. Additionally, the Ambassador referred to the Department for potential disciplinary action reports of malfeasance by two U.S. direct-hire employees during their tenure at the embassy. Also, both the Ambassador and DCM supported the efforts of an embassy section chief to recover grant funds that may have been improperly awarded. The embassy also issued a new gifts policy shortly after the Ambassador's arrival. OIG's review of documentation determined that the embassy's gift registry complied with Department guidance.

Execution of Foreign Policy Goals and Objectives

OIG found the Country Team, led by the Ambassador, advanced ICS priority objectives while reviewing and adjusting strategies as necessary to address the effects in Oman resulting from the Israel-Hamas conflict. In meetings with Omani officials, the Ambassador discussed the Israel-Hamas conflict as well as areas of potential bilateral cooperation. The Ambassador's leadership in this area was consistent with Department guidance in 2 FAM 113.1b(7) to obtain

⁵ FSI's Leadership and Management School's Consulting Services Unit offers transformational services that support senior leaders and their teams to align their culture, strategy, and leadership to better achieve organizational goals. FSI's consultants and practitioners are certified professionals with expertise in coaching, supporting change, fostering strengths-based leadership, and improving organization effectiveness.

support for U.S. policies and positions, and with 3 FAM 1214 guidance to plan strategically. After the start of the Israel-Hamas conflict in October 2023, the embassy held five ICS reviews and adjusted strategic plans, as necessary, in accordance with Department guidance. Following the ICS reviews, the embassy focused its public diplomacy on science and educational ties between the United States and Oman, and on the bilateral FTA. For example, during the inspection, the embassy rebranded its participation in an exhibition in the city of Salalah. The embassy shifted its focus from the United States to scientific and educational cooperation and the FTA, which reversed an emerging boycott of the U.S. exhibit by Omani participants.

The embassy advanced the ICS mission goal to expand the economic partnership between the United States and Oman by concentrating on the bilateral Strategic Dialogue with Oman and use of the FTA. In April 2024, Strategic Dialogue talks focused on the three working groups that the United States and Oman agreed were priorities: trade and investment; clean energy; and science, education, and culture. During the inspection, the Ambassador accompanied Oman's Minister of Commerce to Washington, D.C. and Arizona to pursue potential trade and investment opportunities under the FTA along with activities focused on the 2022 state partnership agreement between Oman and the Arizona National Guard.⁶

Additional details on the embassy's advancement of ICS goals are contained in the companion classified inspection report.

Adherence to Internal Controls

OIG determined Embassy Muscat complied with Department management control guidelines in 2 FAM 022.7, 2 FAM 024d, and cable 24 STATE 334.⁷ The Ambassador and DCM reviewed and signed the FY 2024 annual Statement of Assurance, and the embassy included no reportable deficiencies or issues. Following the Ambassador's arrival, the embassy issued several policies on internal controls, including designation of officer responsibilities and guidance to avoid making unauthorized commitments. During the inspection, the embassy issued an updated policy on official visits to better capture indirect International Cooperative Administrative Support Services (ICASS) costs.⁸ The DCM reviewed nonimmigrant visa adjudications in accordance with Department guidance in 9 FAM 403.12-3(A)(a) and 9 FAM 403.12-4a.

⁶ The State Partnership Program supports the security cooperation objectives of the United States and the Geographic Combatant Commands by developing enduring relationships with partner countries and carrying out activities to build partner capacity, improve interoperability, and enhance U.S. access and influence while increasing the readiness of U.S. and partner forces to meet emerging challenges.

⁷ Cable 24 STATE 334, "Your Role and Responsibilities for Management Controls and Oversight over Post Operations," January 2, 2024.

⁸ ICASS is the principal means by which the U.S. government agencies share the cost of common administrative support services at most diplomatic and consular posts overseas. Through the ICASS working capital fund, service providers recover the cost of delivering administrative support services to other agencies at overseas missions.

Security and Emergency Planning

OIG interviews and reviews of documentation found the Ambassador and DCM generally supported the embassy's security program, consistent with Department guidance in 2 FAM 113.1b(5), (13), and (14) to develop policies and programs to protect U.S. government personnel and their dependents, and advise, protect, and assist U.S. citizens abroad. In September 2024, the Ambassador participated in a Consular Section outreach event for American citizens in Salalah and hosted a reception for American Liaison Network volunteers.⁹ During this same time, the embassy's Emergency Action Committee reviewed and approved the security memorandum of agreement between the Ambassador and the geographic combatant commander that detailed the division of security responsibilities as required by 2 Foreign Affairs Handbook (FAH)-2 H-116.4.

A description of the embassy's response to a July 2024 terrorist attack on a mosque in Muscat is contained in the classified inspection report.

Equal Employment Opportunity

OIG determined the embassy's Equal Employment Opportunity (EEO) program was consistent with Department standards in 3 FAM 1212.1. The embassy issued a notice to inform all employees about the EEO counselors and LE staff EEO liaisons available to them and displayed that information prominently in the cafeteria. EEO counselors and LE staff EEO liaisons also participated in briefings for embassy newcomers.

Developing and Mentoring Foreign Service Professionals

OIG found the embassy had an active mentoring and professional development program for First- and Second-Tour (FAST) professionals in accordance with 3 FAM 2242.5a and b and 3 FAM 1214b(8). The program included professional development activities led by the embassy's mid-level managers as well as meetings with high-level Department visitors that covered both career development and policy issues. FAST personnel told OIG the DCM fully supported the program and encouraged them to take an active role in shaping the program's activities, consistent with Department advice to DCMs to solicit input from FAST personnel.¹⁰ The Ambassador told OIG she looked for opportunities for FAST personnel to serve as coordinators of embassy activities and she appointed one to coordinate the U.S. Election Watch event held during the inspection.

⁹ According to 7 FAM 071b, an American Liaison Network is a country-based network of volunteers composed of representatives from key U.S. citizen constituencies, including faith groups, business communities, retirees, and students. The program facilitates regular two-way communication between embassies, consulates, and U.S. citizen constituencies abroad on topics such as security, health, voting, and travel. As described in 7 FAM 073a and b, the volunteers, known as Citizen Liaison Volunteers, are private U.S. citizens who assist consular sections in several ways, including emergency assistance to U.S. citizens, disseminating information, identifying local resources to assist U.S. citizens, and maintaining local contacts who might be of use to consular operations.

¹⁰ Bureau of Global Talent Management, Mentoring Discussion Guidance for Deputy Chiefs of Mission.

POLICY AND PROGRAM IMPLEMENTATION

OIG assessed Embassy Muscat's policy and program implementation through a review of the advocacy and analysis work of the Political-Economic and Public Diplomacy Sections, and the U.S. citizen and visa services provided by the Consular Section. OIG found the embassy generally met Department requirements for policy and program implementation. However, OIG made recommendations to address issues in the Public Diplomacy and Consular Sections, as discussed below.

Political-Economic Section

OIG reviewed the Political-Economic Section's leadership and management, policy implementation, reporting, foreign assistance coordination¹¹ and Leahy vetting¹² and found the section operated according to Department standards. OIG reviewed 54 cables drafted between January and September 2024. During interviews with OIG, Washington end users described the section reporting as of good quality, responsive to their needs, timely, and in line with embassy strategic objectives. In several instances, Embassy Muscat's reporting was included in products for the Secretary of State and White House officials.

The Political-Economic Section maintained productive relationships with other agencies. The section coordinated foreign assistance-related activities within the embassy and with relevant bureaus in Washington and incorporated these activities in strategic planning discussions and documents, including the ICS. The section also provided support for multiple senior level visits that contributed to U.S. government successes. For example, in mid-October, the Deputy Associate Administrator of the National Aeronautics and Space Administration and the First Vice President and Vice Chair of the Export-Import Bank of the United States visited Oman to increase bilateral cooperation in telecommunications, renewable energy, and space sectors.

OIG found the Political-Economic Section did not consistently upload diplomatic notes into the State Messaging and Archive Retrieval Toolset (SMART system)¹³ pursuant to Department

¹¹ The Political-Economic Section's foreign assistance work provided policy analysis and coordination support to Embassy Muscat officials from the Office of Military Cooperation, the Regional Security Office, and to Washington bureaus including the Department's Bureaus of International Security and Nonproliferation and Political-Military Affairs.

¹² The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the United States from furnishing certain assistance to a unit of a foreign security force if the Department has credible information that the unit has committed a gross violation of human rights. See 22 United States Code (U.S.C.) § 2378d and 9 FAM 303.8-5(B). Leahy vetting is the process of determining whether the Department has credible information that units or individuals proposed to benefit from certain assistance have committed a gross violation of human rights. The Department helps implement a similar law applicable to "amounts made available to the Department of Defense" for assistance to foreign security forces. See 10 U.S.C. § 362.

¹³ SMART is the Department's cable and record email application. SMART enables users to send and receive organizational authority messages and other messages with long term value using Microsoft Outlook on the Department's Sensitive But Unclassified and classified networks. These messages are stored and searchable in the SMART Archive.

guidance in 5 FAH-1 H-611e, archiving them instead on the embassy's SharePoint site. After OIG raised this issue, the section chief took action to bring the diplomatic notes into compliance with Department requirements by working with the embassy's Bureau of Diplomatic Technology (DT) staff to set up a standard operating procedure for the section to follow. Therefore, OIG did not make a recommendation to address this issue.

Public Diplomacy

OIG reviewed the Public Diplomacy Section's leadership, strategic planning and reporting, resource and knowledge management, federal assistance awards, education and cultural programs, and media engagement. OIG determined the section supported the embassy's ICS goals and objectives. The section also supported the U.S.-Oman Strategic Dialogue's education and cultural initiatives, including re-establishing a Fulbright Visiting Scholars Program¹⁴ and the Department's International Visitor Leadership Program,¹⁵ both of which had been inactive for almost 10 years. The section also promoted Omani student attendance in U.S. universities and developed cultural exchanges, partnerships, and programs to promote U.S. values and culture, such as an English language teaching project targeting visually impaired students and exchanges with the Smithsonian Institution. OIG determined the Public Diplomacy Section's operations and programs generally complied with Department standards and guidance, with two exceptions discussed below.

Public Diplomacy Section Did Not Complete an FY 2024 Public Diplomacy Implementation Plan

The section did not complete a Public Diplomacy Implementation Plan¹⁶ for FY 2024.¹⁷ Staff told OIG this was due in part to shifting priorities resulting from the Israel-Hamas conflict and that the section had not conducted strategic planning as a team in several years. The lack of an annual implementation plan undermined the section's ability to (1) communicate country-specific public diplomacy priorities to U.S. government partners for consideration in their planning, (2) report on and track public diplomacy activity outputs and outcomes, and (3) manage and track section spending in accordance with 18 FAM 301.2-1 and 301.2-4(A). During the inspection, the Public Diplomacy Section Chief emphasized the importance of strategic planning and the section conducted a 2-day strategic planning session and upon its conclusion,

¹⁴ The Fulbright Program is a bilateral agreement between the U.S. government and the government of another country pursuant to the provisions of the Fulbright-Hays Act. The Act established a binational commission to conduct a program of educational and cultural exchange between two countries using funds made available by both governments.

¹⁵ The International Visitor Leadership Program is the U.S. Department of State's premier professional exchange program. Through short-term visits to the United States, current and emerging foreign leaders in a variety of fields experience the United States firsthand and cultivate lasting relationships with their American counterparts.

¹⁶ Through the Public Diplomacy Implementation Plan process, a public diplomacy section conveys how it will advance policy goals, objectives, and sub-objectives. It helps the section design public diplomacy campaigns, activities, and interventions that measurably advance policy priorities; report on and track activity; and manage section budgets.

¹⁷ Cable 23 STATE 107314, "ACTION REQUEST: FY 2024 Public Diplomacy Implementation Plan (PDIP) Process Instructions," October 2, 2023.

the section completed a draft FY 2025 Public Diplomacy Implementation Plan.¹⁸ Therefore, OIG did not make a recommendation to address this issue.

Public Diplomacy Grant Files Did Not Meet Department Standards for Documentation

OIG found that although the Public Diplomacy Section's grants generally supported relevant strategic objectives, grant file documentation did not consistently meet the Department's Federal Assistance Directive (FAD) standards.¹⁹ OIG reviewed 18 grants from FY 2020 to FY 2024 totaling \$776,280 out of a universe of 20 grants totaling \$778,735.²⁰ OIG found that all of the reviewed files were sole-sourced and lacked key documentation for all phases of the grants life cycle, including one or more of the following: evidence of competition or valid sole-source justification,²¹ merit review,²² signed notice of award,²³ performance monitoring,²⁴ or final grant's officer or grantee reports as part of grants closeout.²⁵ Staff told OIG that migration to a new grants management system, lack of a grants administration standard operating procedure, and lack of staff training on grants documentation standards caused these deficiencies. Staff also said that a lack of not-for-profit organizations in Oman limited the section's ability to conduct open competitions for grants.

During the inspection, the section began to add evidence of past monitoring and evaluation to the files and provided sufficient information for OIG to determine that grant funds were used as intended. The section implemented an action plan to close out expired grants, worked with one awardee to recover unused funds, and re-scoped one of its existing awards to conform with Department guidelines. The section instituted a new grants administration standard operating procedure that reflected FAD requirements and staff attended two training sessions on grants management. However, failure to compete grants, conduct merit reviews, and document grants and their activities, impairs the ability of grants officers to identify and mitigate risk, monitor program implementation, evaluate program results, and ensure accountability for public diplomacy resources.

Recommendation 1: Embassy Muscat should bring its public diplomacy grants into compliance with Department standards. (Action: Embassy Muscat)

¹⁸ Cable 24 STATE 87808, "FY 2025 PDIP Process," August 13, 2024.

¹⁹ The FAD establishes internal guidance, policies, and procedures for all domestic and overseas grant-making bureaus, offices, and posts administering federal financial assistance and is updated annually by the Bureau of Administration, Office of the Procurement Executive.

²⁰ Grants reviewed by OIG were subject to FAD, Version 6.0, effective October 8, 2021 through October 2, 2022; FAD, Version 7.0, effective October 3, 2022, through April 30, 2024, and FAD, Version 8.0, effective May 1, 2024.

²¹ Standards relevant to this finding were FAD, May 2024: Chapter 2.F: "Pre-Federal Award Requirements: Conduct an Open Competition to Select a Recipient."

²² *Ibid.*, Chapter 2.H: "Pre-Federal Award Requirements: Conduct a Merit Review of Proposals and Recipient Selection."

²³ *Ibid.*, Chapter 3.F: "Notice of Award Approval Process."

²⁴ *Ibid.*, Chapter 4.D: "Post Federal Award Requirements: Monitoring and Reporting."

²⁵ *Ibid.*, Chapter 5.C: "Closeout: Grants Officer Responsibilities."

Consular Operations

OIG reviewed Embassy Muscat's consular operations, including U.S. citizen services, fraud prevention programs, nonimmigrant and immigrant visa services, training, management controls, communications and outreach, consular cashiering and fees, consular space, and crisis preparedness. Except for the issues discussed below and in the companion classified report, OIG found consular programs generally complied with guidance in 7 FAM, 7 FAH-1, 8 FAM, 9 FAM, applicable statutes, and other Department policies.

Consular Section Did Not Manage Its Workload in Accordance with Department Standards

OIG found the Consular Section did not properly manage its resources when scheduling visa appointments and allocating work. Specifically, in FY 2024, consular management increased the nonimmigrant visa workload from 120 applicant interviews to 160 applicant interviews daily to reduce appointment wait times, which strained the section's physical workspace and staff capacity. For example, although the section had four windows available for use, only two of the three consular visa adjudicators were able to conduct interviews at the same time, because the LE staff used the other two windows to collect consular fees and receive documents before interviews. This created an overflow of applicants who routinely had to wait in the embassy's foyer due to space limitations in the consular waiting room. As a result, embassy employees and non-consular visitors had to negotiate their way around the visa applicants and embassy security personnel stationed in the lobby had to monitor them. In addition, consular staff told OIG there were too few LE staff to manage the additional workload, resulting in officers and LE staff working through breaks and lunch, some non-routine work not being completed, and officers performing work typically done by LE staff. According to 7 FAH-1 H-261, 7 FAH-1 H-262.5, and 7 FAH-1 H-281a, consular managers should carefully analyze existing space, staffing, demands for services, and current practices to ensure mission accomplishment. However, OIG was unable to find evidence that section management had appropriately analyzed its existing resources when making workload allocation and visa scheduling decisions. Not properly managing the consular workload led to long waits for customers and consular staff struggled to keep up with the workload.

Recommendation 2: Embassy Muscat should bring the Consular Section's workload management into compliance with Department standards. (Action: Embassy Muscat)

Consular Section Physical Space Did Not Comply with Department Standards

OIG found that the Consular Section's physical space did not fully meet Department standards. Specifically:

- The consular cashier's work area was not completely enclosed with a solid core door, leaving consular monetary collections and cashier equipment accessible to anyone in the Consular Section, contrary to requirements in 7 FAH-1 H-742a, 4 FAM 317.2-2, and 4 FAM 393.4-3a.

- The section lacked an interview window at the appropriate height for wheelchair access, as required by 7 FAH-1 H-282(1)(m).
- The section did not have adequate waiting space as required by 7 FAH-1 H-282f. For example, an overflow of applicants routinely had to wait in the embassy's main foyer due to space limitations in the consular waiting room.

The embassy cited the prospect of lengthy disruptions to consular operations as the reason it did not enclose the consular cashier's work area or modify an interview window to meet Department standards. The lack of an enclosed, controlled access cashier space increases the risk of fraud, mismanagement, or abuse in consular cashiering operations. Furthermore, failure to provide a secure, accessible, and efficient consular workspace could impede productivity and increase the risk of malfeasance.

Recommendation 3: Embassy Muscat, in coordination with the Bureau of Overseas Buildings Operations and Bureau of Consular Affairs, should bring the Consular Section's physical space into compliance with Department standards. (Action: Embassy Muscat, in coordination with OBO and CA)

Embassy Muscat Did Not Complete Quarterly Audits of Controlled Supplies

Embassy Muscat's consular managers did not complete quarterly audits of controlled supplies as required by 7 FAH-1 H-655.2. Consular staff completed audits of controlled consular supplies only twice per year in 2022, and once per year in 2023 and 2024²⁶ rather than quarterly. Consular managers told OIG they had not done quarterly inventories because they thought the consular system would automatically prompt them to do so. Failure to conduct regular inventory audits of controlled consular supplies leaves the embassy vulnerable to theft or misuse of sensitive national security documents.

Recommendation 4: Embassy Muscat should complete audits of controlled consular supplies in accordance with Department standards. (Action: Embassy Muscat)

Embassy Did Not Respond to Congressional Correspondence Within 3 Working Days, as Required by Department Standards

Consular staff did not respond to congressional correspondence within 3 working days, as required by 9 FAM 601.7-1(c). Specifically, the Consular Section routinely responded to congressional inquiries past the mandated time limit, with some responses delayed for several weeks. Consular staff told OIG that they were late in responding to correspondence due to workload and staffing issues. Delayed responses to congressional correspondence negatively impact customer service and often generate additional inquiries, which increase the section's workload.

²⁶ The audits were completed on August 8, 2022, August 18, 2022, February 12, 2023, and August 22, 2024.

Recommendation 5: Embassy Muscat should reply to congressional correspondence in accordance with Department standards. (Action: Embassy Muscat)

RESOURCE MANAGEMENT

OIG reviewed Embassy Muscat's internal control systems in general services, facility management, human resources, and financial management operations. During the inspection, Embassy Muscat corrected five issues identified by OIG. Specifically, the embassy:

- Completed a mandatory annual review of blanket purchase agreements²⁷ (Department of State Acquisition Regulation, Section 613.303-6).
- Completed a biennial hotel and restaurant report (Department of State Standardized Regulations, Sections 072.1 and 920).
- Formalized a process to track accounts receivable (4 FAM 492.1a).
- Closed post-funded travel advances for individual temporary duty travel open for more than 30 days (4 FAM 033.5-1(1)).
- Conducted an inventory of Health Unit property (14 FAM 418.1-1f, 16 FAM 713d).

OIG found the embassy's Management Section generally implemented required processes and procedures in accordance with applicable laws and Department guidance, apart from those described below. Management Section staff attributed most deficiencies to workload and competing work priorities, and unfamiliarity with Department regulations.

General Services

Embassy Did Not Comply With Department's Motor Vehicle Safety Standards

OIG found the embassy did not fully comply with the Department's Motor Vehicle Safety Management Program standards. Specifically, OIG reviewed data maintained by the embassy in the Integrated Logistics Management System (ILMS)²⁸ and found:

- Twenty-four incidental (self-drive) drivers did not receive medical certifications or held expired medical certifications (14 FAM 433.4a and c).
- Twenty-seven incidental (self-drive) drivers did not receive driver's safety training or retraining (14 FAM 433.5a).

²⁷ A blanket purchase agreement is a simplified method of filling anticipated repetitive needs for supplies and services by establishing "charge accounts" with qualified sources of supply.

²⁸ The ILMS is a unified web-based information system designed to integrate the Department's supply chain by improving processing in areas such as purchasing, procurement, warehousing, transportation, receiving, property management, personal effects, and diplomatic pouch and mail. It is the only Department-approved system for property management accountability and consists of several modules.

- The embassy did not track all incidental drivers' compliance with driver safety training and medical clearance requirements in the Department's Fleet Management Information System²⁹ (14 FAM 433.5d and 14 FAM 433.4e).

Management Section staff told OIG these issues occurred because of insufficient management oversight, competing priorities, and difficulties enforcing the standards with all agencies present at the embassy. Failure to enforce Department motor vehicle standards increases the risk of injury to drivers and the public, as well as damage to U.S. government property.

Recommendation 6: Embassy Muscat should comply with all Department Motor Vehicle Safety Management Program standards for incidental drivers under chief of mission authority. (Action: Embassy Muscat)

Contracting Officer's Representative Program Did Not Comply With Department Standards

Embassy Muscat's contracting officer's representative (COR) program did not fully comply with Department standards.³⁰ Specifically, OIG found:

- None of the embassy's CORs maintained COR files in ILMS' COR e-Filing module, as required in 14 FAH-2 H-142b(16)(b).
- Neither the CORs nor the contracting officer completed mandatory performance reviews in the Contractor Performance Assessment Reporting System³¹ for six of the embassy's contracts, contrary to guidance in 14 FAH-2 H-572a, c, and d, and Federal Acquisition Regulation 42.1502(a) and (b).
- CORs did not implement preventing trafficking in persons monitoring plans, as required in 14 FAH-2 H-524g(2).

Despite these issues, OIG's interviews with embassy staff and reviews of other documentation found the embassy monitored contracts, received goods and services for which it had contracted, and addressed issues with contractor performance, as required. Management Section staff told OIG they were in the process of transitioning COR files to ILMS COR e-Filing; however, the timeline for completion was unclear. Regarding the lack of performance evaluation in the Contractor Performance Assessment Reporting System and lack of preventing trafficking in persons monitoring plans, CORs told OIG they were unfamiliar with the requirements. A non-compliant COR program increases the risk of contract mismanagement.

²⁹ The Fleet Management Information System, a module within ILMS, is the Department's enterprise system for managing all fleet operations. It is designed to capture key operational data on vehicle dispatch, maintenance, and fuel.

³⁰ The embassy had 9 contracting officer's representatives who oversaw a total of 14 contracts worth approximately \$9.7 million.

³¹ The Contractor Performance Assessment Reporting System is the government-wide evaluation reporting tool for all past performance on contracts and orders. An annual performance assessment must be done in the system for each contract above the simplified acquisition threshold of \$250,000, according to 48 Code of Federal Regulations (C.F.R.) § 42.1502(b) and 48 C.F.R. § 2.101.

Recommendation 7: Embassy Muscat should bring its contracting officer's representative program into compliance with Department standards. (Action: Embassy Muscat)

Embassy Did Not Systematically Require Vendors To Register in the System for Award Management

Embassy Muscat did not systematically require vendors to register in the System for Award Management.³² According to Federal Acquisition Regulation 52.204-7(b), a vendor is required to be registered in the System for Award Management when submitting an offer or quotation and shall continue to be registered until the time of award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from the solicitation. Management Section staff told OIG the System for Award Management registration requirement was not always enforced because the registration process was complex for some of the embassy's local vendors. Staff explained that they tried to assist vendors but were not always able to do so due to their heavy workload. Failure to require vendors to register in the System for Award Management hinders the embassy's ability to identify vendors who may have been excluded from receiving federal contracts.

Recommendation 8: Embassy Muscat should enforce the requirement for vendors to register in the System for Award Management. (Action: Embassy Muscat)

Embassy Did Not Close Out Procurement Files Within Required Timeframes

The embassy did not close out procurement files in ILMS within the required timeframes. Specifically, the embassy did not close out 114 procurement files from FY 2015 to FY 2023. In addition, another 2,152 procurement files could not be closed out until procurement staff and financial management staff completed all required steps. Guidance in 14 FAH-2 H-573.2b³³ states contracts under the simplified acquisitions procedures should be closed out immediately after the contracting officer receives evidence of receipt of property and final payment. Management Section staff told OIG this issue occurred because high customer demand for procurement services limited the amount of time available to perform contract closeout processes. Failure to close out procurement files within the required timeframe increases the risk of inaccuracies in procurement records and internal control issues in procurement operations.

Recommendation 9: Embassy Muscat should close out procurement files in accordance with Department standards. (Action: Embassy Muscat)

³² The System for Award Management is the primary government repository for prospective Federal awardee and Federal awardee information and the centralized government system for certain contracting, grants, and other assistance-related processes. Information includes the identification of parties excluded from receiving Federal contracts.

³³ Guidance in 14 FAH-2 H-573.2b also cites 48 C.F.R. § 4.804-1.

Embassy Did Not Manage Property in Accordance With Department Standards

OIG found the embassy did not manage its property in accordance with Department standards. Specifically, the embassy did not:

- Account for all Facility Management Unit expendable property³⁴ in ILMS' Expendable Management System (14 FAM 414.2-1a(2)).
- Maintain proper separation of duties. The Facility Management Unit property clerk ordered supplies to replenish stock, controlled the issuance of supplies, and performed his own annual inventory for expendable property under his purview (14 FAH-1 H-112.2j).
- Conduct quarterly, unannounced spot checks of Facility Management Unit expendable property (14 FAM 411.2-2b(8)).
- Ensure all assets were properly classified in ILMS. The embassy had \$72,000 worth of furniture and appliance pool program³⁵ assets potentially misclassified in the system (6 FAH-5 H-514.1d(3)).
- Ensure all assets were used for their intended purpose. The embassy had approximately \$25,000 worth of furniture and appliance pool program assets in use in unauthorized locations, such as office spaces or the Chief of Mission Residence (6 FAH-5 H-514.1d(2) and 6 FAH-5 H-514.2-3c(1)).
- Systematically document all property transfers using an ILMS-generated DS-584 Property Transaction form (14 FAM 414.3a).
- Ensure the receiving clerk received all incoming property (14 FAM 413.3a).
- Ensure receipt of goods and services was consistently documented using an ILMS-generated DS-127 Receiving and Inspection Report (14 FAM 411.4 and 14 FAH-1 H-312.3-3).

Management Section staff told OIG these issues occurred because of unfamiliarity with Department standards and a lack of management oversight. Failure to manage property in accordance with Department standards increases the risk of theft and mismanagement.

Recommendation 10: Embassy Muscat should manage its property in accordance with Department standards. (Action: Embassy Muscat)

³⁴ Expendable property is property which, when put in use, is consumed, loses its identity, or becomes an integral part of another item of property. Examples are office supplies, automobile tires, and machine parts.

³⁵ A furniture and appliance pool program includes the purchase, replacement, refurbishment, maintenance, inventory control, warehousing, pick-up and delivery, and eventual disposal of residential furniture, furnishings, appliances, and equipment. The program can achieve economies of scale and greatly reduce the time and effort required to oversee and manage residential furnishings.

Facility Management

Safety, Health, and Environmental Management Program Did Not Fully Comply With Department Standards

The embassy's safety, health, and environmental management program did not fully comply with Department standards. Specifically, OIG found:

- The embassy did not systematically provide a safety orientation to new employees and safety training to supervisors, in accordance with 15 FAM 965e, g, and h.
- Some of the embassy's facility management workshops lacked eyewash stations, contrary to requirements in 29 C.F.R. § 1910.151(c).

Management Section staff told OIG that their workload and competing priorities made it difficult to address these issues. Failure to adhere to all safety, health, and environmental management standards increases the risk of injury to staff.

Recommendation 11: Embassy Muscat should bring its safety, health, and environmental management program into compliance with Department standards. (Action: Embassy Muscat)

Embassy Lacked Required Formal Justification To Purchase Bottled Drinking Water

OIG found the embassy lacked the required Department justification to purchase bottled drinking water for the chancery compound, the warehouse annex, and residences. According to 4 FAM 447.3a, bottled water for employee use is ordinarily considered a personal expense, and appropriated funds may not be expended for such purchases where the public water supply is safe for drinking. Where public water supply is unsafe, the Government Accountability Office has permitted the use of appropriated funds for the purchase of bottled water.³⁶ This exception requires an analysis by appropriate authorities to deem the water unsafe for drinking and found to pose a health risk to employees. According to guidance found in the Department's Drinking Water Safety Program,³⁷ the Bureau of Overseas Buildings Operations, Office of Safety, Health, and Environmental Management, provides a memorandum for the embassy's Financial Management Officer that provides the justification, in accordance with the requirement outlined in 4 FAM 447.3a. Management Section staff told OIG they had made the determination that the public water supply was unsafe based on their own assessment of water supply testing results and review of the public water supply system. Staff also told OIG they were unaware of the requirement to validate their findings and obtain a justification memorandum from the Office of Safety, Health, and Environmental Management. Not adhering to all Department drinking water safety program standards increases the risk of unnecessary expenses.

³⁶ Government Accountability Office decisions A-91465 (March 2, 1938), B-247871 (April 10, 1992), and B-301152 (May 28, 2003).

³⁷ Department of State Drinking Water Safety Program, November 1, 2023.

Recommendation 12: Embassy Muscat, in coordination with the Bureau of Overseas Buildings Operations, should determine if the purchase of bottled drinking water is necessary, in accordance with Department standards. (Action: Embassy Muscat, in coordination with OBO)

Human Resources

Embassy Did Not Authorize Overtime in Advance

The embassy did not comply with requirements for authorizing overtime in advance. In FY 2024, the embassy incurred approximately \$308,000 of LE staff overtime. OIG's review of FY 2024 overtime records for pay periods 16 and 17 for five embassy sections found that 31 of the 47 overtime forms submitted (66 percent) were not approved in advance. According to 4 FAH-3 H-523.2 and 3 FAM 2332.4(5), supervisors must approve overtime in writing and in advance of the work performed. OIG determined the embassy did not comply with advance overtime approval because it did not establish management controls to monitor compliance with Department standards for overtime. Failure to approve overtime in advance is an internal management control weakness and may lead to fraud, waste, and abuse of resources.

Recommendation 13: Embassy Muscat should require supervisors to approve staff requests for overtime in advance, in accordance with Department standards. (Action: Embassy Muscat)

Financial Management

Only One of Three Diplomatic Technology Positions Programmed to International Cooperative Administrative Support Services

OIG found ICASS funded only one of the embassy's three DT U.S. direct-hire positions although the section provided support to other agencies. The Department paid for the remaining two positions, even though the embassy estimated that one of those two positions allocated more than 50 percent of its time to ICASS services. According to 6 FAH-5 H-013.2, an operating principle of the ICASS system is that agencies pay their share of mission administrative costs based on usage. Additionally, 6 FAH-5 H-341.9³⁸ states that ICASS should include salaries and benefits of all U.S. direct-hire and LE staff who allocate time to the respective cost centers, overhead costs associated with those staff members, and equipment required to provide services. According to 6 FAH-5 H-341.4-3, Note 1, at overseas missions with two U.S. direct-hire DT officers and specialists, the Department pays for the first position, while the second one is always paid through ICASS. Where there are more than two such employees, the mission determines an appropriate mix of Department-funded and ICASS-funded positions. The embassy's failure to reprogram additional DT positions to ICASS meant the Department subsidizes most of the costs for DT services that are provided to other agencies. OIG estimated

³⁸ See Department guidance in 6 FAH-5 H-341.9-1(B), 6 FAH-5 H-341.9-2(B), and 6 FAH-5 H-341.9-3(B).

the Department could recover funds that could be put to better use for each additional position converted to ICASS.

Recommendation 14: Embassy Muscat, in coordination with the Bureaus of Budget and Planning, the Comptroller and Global Financial Services, and Near Eastern Affairs, should reprogram additional Department-funded Diplomatic Technology positions to International Cooperative Administrative Support Services-funded positions in accordance with Department standards. (Action: Embassy Muscat, in coordination with BP, CGFS, and NEA)

INFORMATION MANAGEMENT

OIG reviewed Embassy Muscat's DT operations, including classified, unclassified, and non-enterprise network³⁹ computer operations; physical and environmental protection of IT resources; classified communications security; mobile device management; emergency communications preparedness; telephone programs; and pouch and mail services at the embassy. OIG determined the embassy's DT operations generally complied with Department standards. However, OIG identified four issues requiring attention, as discussed below.

Embassy Did Not Have a Functioning Local Configuration Management Protocol

Embassy Muscat did not have a functioning local configuration management protocol as required by 5 FAM 114.6-2 to ensure hardware, software, or network components installed on the embassy's computer networks did not adversely affect the existing IT infrastructure. DT managers told OIG they did not need a local protocol because they only used Department-approved technologies. However, OIG found locally procured network devices operating on the embassy's non-enterprise networks and a cloud services platform that were not approved by the Department. Without a local configuration management protocol to review network devices, DT managers cannot inform users of configuration control requirements and manage risks to the Department's information.

Recommendation 15: Embassy Muscat should implement a local configuration management protocol to comply with Department standards. (Action: Embassy Muscat)

Telephone Operations Did Not Comply With Department Standards

Embassy Muscat's telephone operations did not comply with Department standards found in 5 FAH-2 H-621, which require telephone equipment to be procured, installed, and maintained in accordance with security standards. Specifically, OIG found the embassy did not repair the telephone system's incoming call recorder, which had been inoperable since spring 2024. The recorder creates a record of all incoming calls to embassy operators and the Marine Security Guard Detachment. It is also an important feature that allows the embassy to retrieve and archive calls. Additionally, OIG observed that telephone parts and supplies were not inventoried

³⁹ A non-enterprise network is a Department-procured and locally managed computing environment. Non-enterprise networks are used by a specific entity to meet their mission requirements that cannot be achieved using an enterprise managed solution.

as required by 5 FAM 527b. DT staff told OIG they did not know that the telephone recorder was inoperable and were unfamiliar with the requirement to inventory telephone parts and supplies. Failure to maintain and repair the telephone system and inventory telephone parts and supplies could jeopardize embassy communications and operations.

Recommendation 16: Embassy Muscat should bring telephone operations into compliance with Department standards. (Action Embassy Muscat)

Locally Employed Staff Lacked Information Assurance Training

Embassy Muscat's DT staff lacked mandatory role-based information assurance training as required by 12 FAM 623.5a(2) and 12 FAH-10 H-212.2-1.⁴⁰ Specifically, OIG found information assurance training for four LE staff system administrators was outdated. OIG also found the LE staff supervisor had not taken the information assurance training since 2017. According to 5 FAM 845b, information assurance training is valid for 3 years. Lack of required information assurance training impedes the embassy's ability to protect and secure technical resources, and to perform essential duties.

Recommendation 17: Embassy Muscat should require all Diplomatic Technology staff to complete the required information assurance training in accordance with Department standards. (Action: Embassy Muscat)

Embassy Did Not Implement an Acquisition Plan for Information Technology Equipment

Embassy Muscat did not implement an acquisition plan to limit excessive procurement of IT equipment. According to 14 FAM 412a, personal property, including IT assets, must not be acquired unless a bona fide need exists. The standard in 5 FAM 915.1 states offices must perform acquisition planning and conduct market research for all acquisitions. OIG observed the embassy purchased mobile devices, computers, and laptops that exceeded the embassy's needs. For example, OIG determined the embassy purchased 60 desktop computers and 42 laptop computers in 2024. This was in addition to the 80 desktop computers automatically shipped by DT's Supply Chain Management Division⁴¹ for the annual life cycle refresh of 25 percent of the embassy's 307 desktop computers in accordance with 6 FAH-5 H-341.4-2. Additionally, the Department's Bureau of Consular Affairs shipped 17 new computers to the embassy in April 2024. The computer shipments and purchases resulted in a 51 percent

⁴⁰ According to 12 FAM 623.5a(2), the Department must ensure personnel having significant information system security roles and responsibilities are adequately trained to carry out their information security related assigned duties. Additionally, 12 FAH-10 H-212.2-1, outlines the Department responsibility for ensuring the availability of cybersecurity role-based training to users identified as having significant information security roles and responsibilities.

⁴¹ The 80 desktop computers were provided under the Global IT Modernization Program, a life cycle management program for enterprise-wide operating system deployment throughout the Department of State. The primary objective of the program is to protect the Departments IT investments through modernization and deployment of unclassified and classified systems to worldwide government locations.

replacement rate. OIG determined this issue occurred because of inadequate planning and Department coordination.

DT staff also procured and deployed mobile telephones that exceeded the cost and quality thresholds of personal property established in 14 FAM 412a. For example, instead of procuring the base iPhone model approved by the Department, DT staff purchased the iPhone Max and iPhone Pro models. DT and Management Section staff told OIG the Department-approved base model was not available on the local market. Without an acquisition plan for IT needs, managers cannot ensure the embassy's technology needs are met in the quantity and quality necessary for the cost-effective use for U.S. government business.

Recommendation 18: Embassy Muscat should implement an acquisition plan that is cost effective and efficient in accordance with Department standards. (Action: Embassy Muscat)

RECOMMENDATIONS

The Office of Inspector General (OIG) provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to Embassy Muscat. The embassy's complete response can be found in Appendix B. The embassy also provided technical comments that were incorporated into the report, as appropriate.

Recommendation 1: Embassy Muscat should bring its public diplomacy grants into compliance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat brought its public diplomacy grants into compliance with Department standards.

Recommendation 2: Embassy Muscat should bring the Consular Section's workload management into compliance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat brought the Consular Section's workload management into compliance with Department standards.

Recommendation 3: Embassy Muscat, in coordination with the Bureau of Overseas Buildings Operations and Bureau of Consular Affairs, should bring the Consular Section's physical space into compliance with Department standards. (Action: Embassy Muscat, in coordination with OBO and CA)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat brought the Consular Section's physical space into compliance with Department standards.

Recommendation 4: Embassy Muscat should complete audits of controlled consular supplies in accordance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat completed audits of controlled consular supplies in accordance with Department standards.

Recommendation 5: Embassy Muscat should reply to congressional correspondence in accordance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat replied to congressional correspondence in accordance with Department standards.

Recommendation 6: Embassy Muscat should comply with all Department Motor Vehicle Safety Management Program standards for incidental drivers under chief of mission authority. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat complied with all Department Motor Vehicle Safety Management Program standards for incidental drivers under chief of mission authority.

Recommendation 7: Embassy Muscat should bring its contracting officer's representative program into compliance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat brought its contracting officer's representative program into compliance with Department standards.

Recommendation 8: Embassy Muscat should enforce the requirement for vendors to register in the System for Award Management. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat enforced the requirement for vendors to register in the System for Award Management.

Recommendation 9: Embassy Muscat should close out procurement files in accordance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

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

Recommendation 10: Embassy Muscat should manage its property in accordance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat managed its property in accordance with Department standards.

Recommendation 11: Embassy Muscat should bring its safety, health, and environmental management program into compliance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat brought its safety, health, and environmental management program into compliance with Department standards.

Recommendation 12: Embassy Muscat, in coordination with the Bureau of Overseas Buildings Operations, should determine if the purchase of bottled drinking water is necessary, in accordance with Department standards. (Action: Embassy Muscat, in coordination with OBO)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat determined if the purchase of bottled drinking water is necessary, in accordance with Department standards.

Recommendation 13: Embassy Muscat should require supervisors to approve staff requests for overtime in advance, in accordance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat required supervisors to approve staff requests for overtime in advance, in accordance with Department standards.

Recommendation 14: Embassy Muscat, in coordination with the Bureaus of Budget and Planning, the Comptroller and Global Financial Services, and Near Eastern Affairs, should reprogram additional Department-funded Diplomatic Technology positions to International Cooperative Administrative Support Services-funded positions in accordance with Department standards. (Action: Embassy Muscat, in coordination with BP, CGFS, and NEA)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation. In its response, the embassy noted that it agreed with the intent of the recommendation. However, it noted that all changes must be approved by the International Cooperative Administrative Support Services (ICASS) Executive Board.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat reprogrammed additional Department-funded Diplomatic Technology positions to ICASS-funded positions in accordance with ICASS Executive Board approval and Department standards.

Recommendation 15: Embassy Muscat should implement a local configuration management protocol to comply with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat implemented a local configuration management protocol to comply with Department standards.

Recommendation 16: Embassy Muscat should bring telephone operations into compliance with Department standards. (Action Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat brought telephone operations into compliance with Department standards.

Recommendation 17: Embassy Muscat should require all Diplomatic Technology staff to complete the required information assurance training in accordance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat required all Diplomatic Technology staff to complete the required information assurance training in accordance with Department standards.

Recommendation 18: Embassy Muscat should implement an acquisition plan that is cost effective and efficient in accordance with Department standards. (Action: Embassy Muscat)

Management Response: In its April 4, 2025, response, Embassy Muscat concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Muscat implemented an acquisition plan that is cost effective and efficient in accordance with Department standards.

PRINCIPAL OFFICIALS

Agency/Section/Title	Name	Arrival Date
Chiefs of Mission:		
Ambassador	Ana Escrogima	11/2023
Deputy Chief of Mission	Leslie Ordeman	8/2023
Chiefs of Sections:		
Management	Lauren O'Doherty	07/2023
Consular	Rachel Washington	07/2022
Political-Economic	Aaron Garfield	09/2024
Political-Military	Michael Zebley	08/2023
Public Diplomacy	Elie Teichmann	08/2024
Regional Security	Danielle Sharpe	08/2024
Other Agency Representatives:		
Department of Defense	Col. Nathan Mann	07/2024
Department of Justice (FBI)	Matthew Stecher	06/2021
Department of Health and Human Services (CDC)	Heather Burke	08/2020
Department of Homeland Security (HSI, CBP)	Rebecca Peters (Based in Abu Dhabi)	08/2020

Source: OIG generated from data provided by Embassy Muscat.

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted from September 5, 2024, to January 21, 2025, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2020 by the Council of the Inspectors General on Integrity and Efficiency (CIGIE), and the Inspections Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM).

Objectives and Scope

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

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

Methodology

OIG used a risk-based approach to prepare for this inspection. OIG conducted portions of the 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 surveys and compiled the results; and discussed the substance of this report and its findings and recommendations with offices, individuals, and organizations affected by the inspection. OIG used professional judgment and analyzed physical, documentary, and testimonial evidence to develop its findings, conclusions, and actionable recommendations.

APPENDIX B: MANAGEMENT RESPONSE

April 4, 2025

UNCLASSIFIED

THRU: NEA Senior Bureau Official Timothy Lenderking

TO: OIG – Arne Baker, Assistant Inspector General for Inspections

FROM: U.S. Embassy Muscat Ambassador Ana Escrogima

SUBJECT: Response to Draft OIG Report – Inspection of U.S. Embassy Muscat, Oman

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

OIG Recommendation 1: Embassy Muscat should bring its public diplomacy grants into compliance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. The Public Affairs Section coordinated with A/OPE/FA to close out all prior year grants. For FY25, the section has implemented a new grants standard operating procedure to ensure the proper advertisement, competitive selection, and administration of grants in compliance with Department standards. The section's GORs and GO also meet monthly to monitor grantee compliance and ensure the timely submission of all required documentation.

OIG Recommendation 2: Embassy Muscat should bring the Consular Section's workload management into compliance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. Consular hired an additional staff member and redesigned internal processes to reduce customer service times to under 30 minutes per appointment.

OIG Recommendation 3: Embassy Muscat, in coordination with the Bureau of Overseas Buildings Operations and Bureau of Consular Affairs, should bring the Consular Section's physical space into compliance with Department standards. (Action: Embassy Muscat, in coordination with OBO and CA)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation as written. Embassy Muscat will work with OBO and CA to incorporate significant changes to the Consular space into the scope of work of OBO's FY28 Significant Improvement Project.

OIG Recommendation 4: Embassy Muscat should complete audits of controlled consular supplies in accordance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with this recommendation and has established a quarterly inventory schedule.

OIG Recommendation 5: Embassy Muscat should reply to congressional correspondence in accordance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. With the recent hiring of consular staff, Consular now has sufficient staff to ensure that Congressional correspondence is responded to within three business days.

OIG Recommendation 6: Embassy Muscat should comply with all Department Motor Vehicle Safety Management Program standards for incidental drivers under chief of mission authority. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. GSO has informed all incidental drivers who are not in compliance with the Medical and Safety Training (SMITH) certifications that they may not drive government owned vehicles. GSO has begun to collect and record the Medical and SMITH certifications. Post expects to be in full compliance by July 31, 2025.

OIG Recommendation 7: Embassy Muscat should bring its contracting officer's representative program into compliance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. The Contracting Officer has conveyed to the CORs the importance of maintaining COR files. COR files in ILMS COR e-Filing are being created and information migrated. CORs have been instructed to complete mandatory performance reviews in CPARS as required. A plan for preventing Trafficking in Persons has been developed and is being utilized. Post expects to be in compliance by 31 July 2025.

OIG Recommendation 8: Embassy Muscat should enforce the requirement for vendors to register in the System for Award Management. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation.

OIG Recommendation 9: Embassy Muscat should close out procurement files in accordance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. Post will work with A/GA on a plan for closing out the e-files in accordance with regulations.

OIG Recommendation 10: Embassy Muscat should manage its property in accordance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. GSO will work with Facility Management to develop a compliant inventory system with appropriate separation of duties and quarterly spot checks. GSO Property initiated actions to correct the asset classifications and to ensure all receiving is done according to proper procedures.

OIG Recommendation 11: Embassy Muscat should bring its safety, health, and environmental management program into compliance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. Employees receive a SHEM briefing as part of their orientation program. The Embassy purchased emergency shower and eye wash stations to install in 2025.

OIG Recommendation 12: Embassy Muscat, in coordination with the Bureau of Overseas Buildings Operations, should determine if the purchase of bottled drinking water is necessary, in accordance with Department standards. (Action: Embassy Muscat, in coordination with OBO)

Management Response (4/4/2025): Embassy Muscat concurs with the recommendation. OBO determined that bottled drinking water is necessary for residences and documented the decision in a memo to Post. For the chancery, the Embassy will conduct a full water panel test which will be submitted to OBO to determine if bottled drinking water is necessary. Rectification of this issue is expected in calendar year 2025.

OIG Recommendation 13: Embassy Muscat should require supervisors to approve staff requests for overtime in advance, in accordance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with this recommendation. The Financial Management Officer will reject requests for overtime pay that were not approved in advance.

OIG Recommendation 14: Embassy Muscat, in coordination with the Bureaus of Budget and Planning, the Comptroller and Global Financial Services, and Near Eastern Affairs, should reprogram additional Department-funded Diplomatic Technology positions to International Cooperative Administrative Support Services-funded positions in accordance with Department standards, and put funds of up to \$243,993 over 3 years per position to better use. (Action: Embassy Muscat, in coordination with BP, CGFS, and NEA)

Management Response (4/4/2025): Embassy Muscat, in coordination with the Bureau of Budget and Planning (BP), the Comptroller and Global Financial Services (CGFS), and Near

Eastern Affairs agrees with the intent of this recommendation. However, all changes must be approved by the ICASS Executive Board (IEB), which meets on a quarterly basis. The Department will propose during the FY 2026 initial ICASS Target process that one Diplomatic Programs (DP) funded Diplomatic Technology (DT) position be reprogrammed from DP-funded to ICASS-funded. Ultimately, the ICASS Executive Board is responsible for approving changes, including reprogramming DP-funded positions to ICASS.

OIG Recommendation 15: Embassy Muscat should implement a local configuration management protocol to comply with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with this recommendation and adheres to the newly established protocols of the Diplomatic Technology Office of the Chief Architect's Enterprise Technology Review Board.

OIG Recommendation 16: Embassy Muscat should bring telephone operations into compliance with Department standards. (Action Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with this recommendation. Post will implement a new phone system, expected to arrive by the end of 2025.

OIG Recommendation 17: Embassy Muscat should require all Diplomatic Technology staff to complete the required information assurance training in accordance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with this recommendation. All locally employed staff completed the refresher training. One USDH is pending a refresher training but has enrolled in the course.

OIG Recommendation 18: Embassy Muscat should implement an acquisition plan that is cost effective and efficient in accordance with Department standards. (Action: Embassy Muscat)

Management Response (4/4/2025): Embassy Muscat concurs with this recommendation. All sections develop acquisition plans as part of the annual budget request process.

The point of contact for this memorandum is Lauren O'Doherty, Management Officer at U.S. Embassy Muscat.

ABBREVIATIONS

COR	Contracting Officer's Representative
DCM	Deputy Chief of Mission
DT	Diplomatic Technology
EEO	Equal Employment Opportunity
FAD	Federal Assistance Directive
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FAST	First- and Second-Tour
FTA	Free Trade Agreement
ICASS	International Cooperative Administrative Support Services
ICS	Integrated Country Strategy
ILMS	Integrated Logistics Management System
LE	Locally Employed

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