United States Government Accountability Office

GAO

Report to the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

November 2009

STATE DEPARTMENT

Diplomatic Security's Recent Growth Warrants Strategic Review

GAO-10-156

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GAO Accountability • Integrity • Reliability

Highlights

Highlights of GAO-10-156, a report to the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

State Department's (State) Bureau of Diplomatic Security (Diplomatic Security) is responsible for the protection of people, information, and property at over 400 foreign missions and domestic locations. Diplomatic Security must be prepared to counter threats such as crime, espionage, visa and passport fraud, technological intrusions, political violence, and terrorism. GAO was asked to assess (1) how Diplomatic Security's mission has evolved since 1998, (2) how its resources have changed over the last 10 years, and (3) the challenges it faces in conducting its missions. GAO analyzed Diplomatic Security data; reviewed relevant documents; and interviewed officials at several domestic facilities and 18 international missions.

What GAO Recommends

GAO recommends that the Secretary of State review the Bureau of Diplomatic Security—as part of the Quadrennial Diplomacy and Development Review (QDDR) or separately—to ensure that its mission addresses the department's priority needs. This review should address challenges such as: (1) operating with adequate staff, (2) securing facilities that do not meet security standards, (3) staffing foreign missions with officials who have appropriate language skills, (4) operating programs with experienced staff, and (5) balancing security with State's diplomatic mission.

State agreed with GAO's recommendation and stated that it is completely committed to ensuring that Diplomatic Security's mission will benefit from the QDDR.

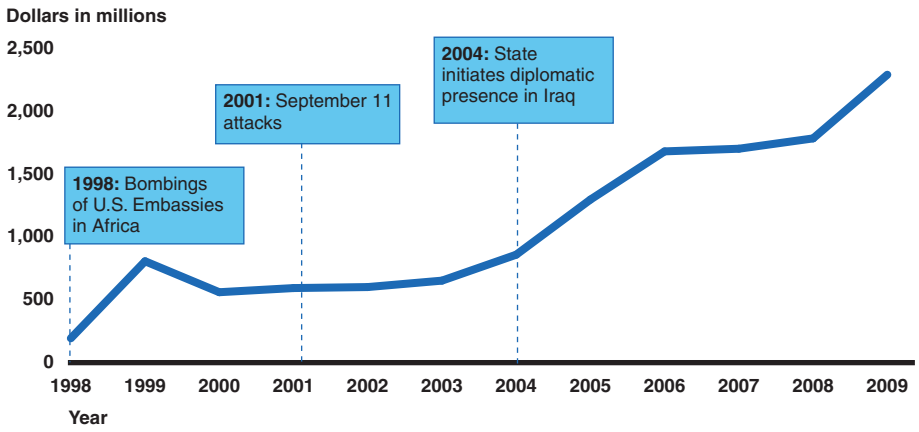
View GAO-10-156 or key components.
For more information, contact Jess T. Ford at (202) 512-4128 or fordj@gao.gov.

What GAO Found

Diplomatic Security's mission, to ensure a safe environment for the conduct of U.S. foreign policy, involves activities such as the protection of people, information, and property overseas, and dignitary protection and passport and visa fraud investigations domestically. These activities have grown since 1998 in reaction to a number of security incidents.

Diplomatic Security funding and personnel have also increased considerably over the last 10 years. In 1998, Diplomatic Security's budget was about $200 million; by fiscal year 2008, it had grown to approximately $1.8 billion, of which over $300 million was for security in Iraq (see fig.). In addition, the size of Diplomatic Security's direct-hire workforce has doubled since 1998 and will likely continue to expand. Recently, Diplomatic Security's reliance on contractors has grown to fill critical needs in high-threat posts.

Diplomatic Security Budget, 1998-2009



Source: GAO analysis of Diplomatic Security data.

Diplomatic Security faces several challenges that could affect the bureau's ability to provide security and use its resources efficiently. First, State's policy to maintain missions in increasingly dangerous posts requires a substantial amount of resources. Second, although Diplomatic Security's workforce has grown considerably over the last 10 years, staffing shortages in domestic offices and other operational challenges—such as inadequate facilities, language deficiencies, experience gaps, and balancing security needs with State's diplomatic mission—further tax its ability to implement all of its missions. Finally, Diplomatic Security's tremendous growth has been in reaction to events and does not benefit from adequate strategic guidance. Neither State's departmental strategic plan nor Diplomatic Security's bureau strategic plan specifically addresses the bureau's resource needs or management challenges.

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Abbreviations

ARSO	Assistant Regional Security Officer
ARSO-I	ARSO-Investigator
ATA	Antiterrorism Assistance
Diplomatic Security	Bureau of Diplomatic Security
DSS	Diplomatic Security Service
GPRA	Government Performance and Results Act
JTTF	Joint Terrorism Task Force
LES	Locally Employed Staff
MSD	Mobile Security Deployment
OBO	Bureau of Overseas Building Operations
OSAC	Overseas Security Advisory Council
QDDR	Quadrennial Diplomatic and Development Review
RPG	Rocket Propelled Grenade
RSO	Regional Security Officer
SPS	Security Protection Specialist
State	U.S. Department of State
WPPS	Worldwide Personal Protective Services

GAO
Accountability * Integrity * Reliability

United States Government Accountability Office
Washington, DC 20548

November 12, 2009

The Honorable Daniel K. Akaka, Chairman
The Honorable George V. Voinovich, Ranking Member
Subcommittee on Oversight of Government Management,
the Federal Workforce, and the District of Columbia
Committee on Homeland Security and Governmental Affairs
United States Senate

On August 7, 1998, terrorists detonated truck bombs almost simultaneously outside the U.S. Embassies in Kenya and Tanzania, killing over 300 people, including 12 Americans, and injuring over 5,000. The 1998 bombings marked a pivotal moment in the conduct of U.S. diplomacy, as it became clear that terrorist networks had the ability and intent to exploit security vulnerabilities at American diplomatic missions. Since 1998, the scope and complexity of threats facing Americans abroad and at home has continued to increase.

The State Department's (State) Bureau of Diplomatic Security (Diplomatic Security) is responsible for the protection of people, information, and property at State's 285 foreign missions and 122 domestic locations. In addition to terrorism, Diplomatic Security must also be prepared to counter threats such as crime, espionage, visa and passport fraud, technological intrusions, political violence, and weapons of mass destruction.

In this light, we examined (1) how Diplomatic Security's mission has evolved since the embassy attacks in 1998, (2) the change in human and financial resources for Diplomatic Security over the last 10 years, and (3) the challenges Diplomatic Security faces in conducting its missions.

To address these objectives, we (1) interviewed numerous officials at Diplomatic Security headquarters, several domestic facilities, and 18 international postings; (2) analyzed Diplomatic Security and State budget and personnel data; and (3) assessed challenges facing Diplomatic Security through analysis of interviews with personnel positioned domestically and internationally, budget and personnel data provided by State and Diplomatic Security, and planning and strategic documentation.

We conducted this performance audit from September 2008 to November 2009, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to

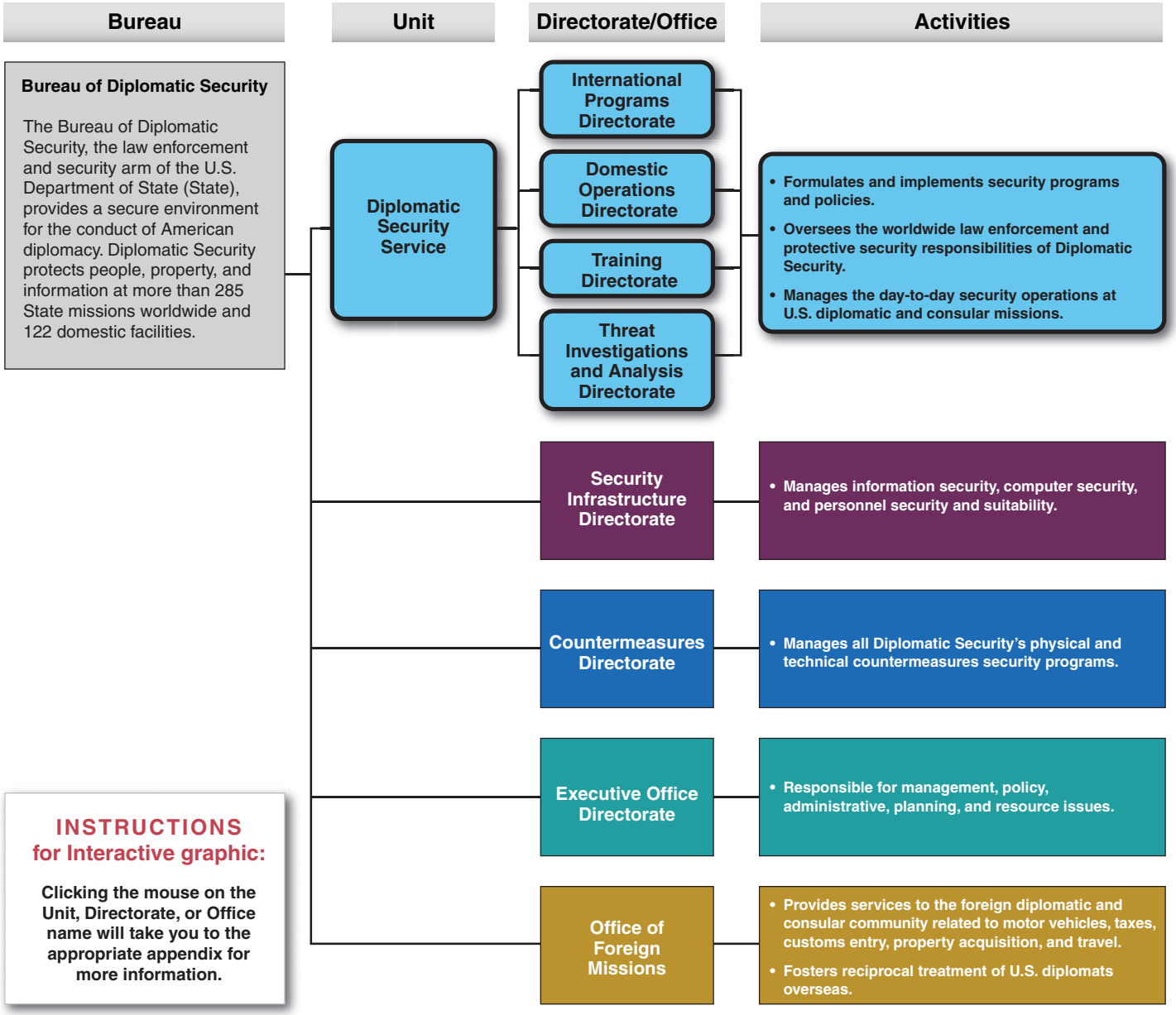
obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. (See app. I for a more complete description of our objectives, scope, and methodology.)

Background

State established Diplomatic Security's predecessor in 1916 to conduct sensitive investigations, particularly on the operations of foreign agents and their activities in the United States. Two years later, when Congress passed legislation requiring passports for Americans traveling abroad and visas for aliens wishing to enter the United States, the office's responsibilities grew to include investigating passport and visa fraud. Diplomatic Security special agents also began protecting distinguished visitors to the United States at that time. In the 1940s, State began posting special agents overseas to manage security issues at diplomatic missions.

Diplomatic Security's mission is to provide a safe and secure environment for the conduct of U.S. foreign policy worldwide. (See fig. 1.)

Figure 1: Organization of Diplomatic Security



Source: GAO analysis of State data.

The Diplomatic Security Service is the bureau's most expansive division—both in terms of funding and personnel—and is responsible for: personal protection, protection of facilities, investigations, threat analysis, and

training. The other divisions provide important support functions, such as the protection of information. (See apps. II through VII.)

Personal protection: Diplomatic Security provides protection to the Secretary of State, foreign dignitaries visiting the United States, and several other U.S. government officials.[1] Diplomatic Security dedicates 72 special agents to provide a 24-hour protective detail for the Secretary of State.[2] The bureau pulls additional support from field offices when the Secretary travels and relies on the support of Regional Security Officers to provide advance work for the Secretary's travels overseas. Providing protection to dignitaries visiting the United States requires similar levels of resources. Diplomatic Security also protects U.S. athletes at several international events such as the Olympic Games and the World Cup.[3] As with other protective duties, Diplomatic Security draws special agents primarily from its field offices to cover these periodic events.

Protection of facilities: Diplomatic Security Service, in conjunction with the Countermeasures Directorate, ensures that physical security standards are met at more than 285 diplomatic missions overseas and 122 domestic facilities. The physical security features at many of State's diplomatic facilities overseas include: a 100-foot setback from uncontrolled areas, high perimeter walls or fences that are difficult to climb, antiram barriers to ensure that vehicles cannot breach the facility perimeter, blast-resistant construction techniques and materials, and controlled access of pedestrians and vehicles at the perimeter of a compound. Diplomatic Security uses similar physical security measures to secure 122 domestic facilities, including State's headquarters, the President's guest quarters, the U.S. Mission to the United Nations, 9 Diplomatic Security field offices, 14 resident agent offices, and 20 passport agency offices. Diplomatic

[1]In addition to the Secretary, Diplomatic Security provides protection to the Deputy Secretary of State, the U.S. Ambassador to the United Nations, and congressional delegations traveling overseas.

[2]Because Secretary Clinton is both the Secretary of State and a former First Lady, Diplomatic Security shares protection responsibilities with the Secret Service.

[3]Diplomatic Security has played a key protective role in all Olympic Games since 1984.

Security's uniformed protection officers, a standing force of 750, ensure the controlled access to these domestic facilities. [4]

Investigations: Diplomatic Security is responsible for conducting investigations on visa and passport fraud, domestically and internationally, as well as other State matters. Domestically, Diplomatic Security has Foreign Service special agents and civil service Criminal Investigators in field offices and resident offices across the country, responsible for investigating visa and passport fraud, threats and suspicious activity against State personnel and facilities, and allegations of criminal and administrative misconduct among State personnel.[5] Special agents also conduct counterintelligence investigations. Overseas, special agents in part work with their law enforcement counterparts to pursue leads on U.S. fugitives wanted for crimes such as homicide, narcotics trafficking, and pedophilia. Special agents also conduct visa and passport fraud investigations at posts. (See app. VIII for more information on Diplomatic Security's collaboration with other agencies on investigations.)

Threat analysis: In May 2008, Diplomatic Security created the Threat Investigations and Analysis Directorate, which consolidated the monitoring, analysis, and distribution of both open source and classified intelligence on terrorist activities directed toward U.S. citizens and U.S. diplomatic and consular facilities abroad. The Threat Investigations and Analysis Directorate monitors, analyzes, and investigates threats made against the Secretary of State, senior U.S. officials, visiting foreign dignitaries, resident foreign diplomats, and foreign missions in the United States for whom Diplomatic Security has protective security responsibility. In addition, the Threat Investigations and Analysis Directorate helps to determine threat ratings for U.S. diplomatic missions that affect security preparedness.

[4]For a review of State's Bureau of Overseas Building Operations' (OBO) Compound Security Upgrade Program see GAO, *Embassy Security: Upgrades Have Enhanced Security, but Site Conditions Prevent Full Adherence to Standards*, GAO-08-162 (Washington, D.C.: Jan. 18, 2008).

[5]State's Office of Inspector General is also authorized to conduct investigations on alleged misconduct of State personnel. The Office of Inspector General and Diplomatic Security are in the process of delineating areas of responsibility. For more information, see GAO, *Inspectors General: Activities of the Department of State Office of Inspector General*, GAO-07-138 (Washington, D.C.: Mar. 23, 2007).

Training: Diplomatic Security trains its law enforcement and technical security specialists and runs several specialized programs that enhance Diplomatic Security's capacity overseas. Diplomatic Security is in the process of establishing an integrated training center that would house most of its training programs that are currently located in several different states. Through its Office of Antiterrorism Assistance, Diplomatic Security also enhances the antiterrorism awareness and skills of foreign law enforcement officials and civilians.[6] As part of its training mission, Diplomatic Security has a Mobile Security Deployment Office that deploys teams to provide three core services: on-site security training, tactical security, and enhanced security support. Available courses provide embassy personnel training in protective tactics such as terrorist surveillance, hostage survival, and defensive driving. Tactical security missions provide counterassault capability for Diplomatic Security protective security details operating both domestically and overseas. These missions are unscheduled deployments, requested by senior Diplomatic Security officials based on assessed threats to the dignitary or official being protected. Finally, security support missions provide emergency support to overseas posts experiencing civil disorder, armed conflict, or increased threat of attack.

Protection of information: Diplomatic Security administers a number of programs designed to protect State's information. Diplomatic Security manages a robust information security program, staffed by security engineers and technicians, to detect and prevent the loss of sensitive information from technical espionage. Diplomatic Security also collaborates with Marine Security Guards who provide a cleared, 24-hour American presence at the facilities to protect classified information,[7] and also operates a courier service to ensure the secure movement of classified U.S. government materials across international borders through the use of the diplomatic pouch. In 2008, the courier service delivered more than 55 million pounds of classified diplomatic pouch materials to U.S. embassies and consulates throughout the world.

[6]For GAO's review of Antiterrorism Assistance, see *Combating Terrorism: State Department's Antiterrorism Program Needs Improved Guidance and More Systematic Assessments of Outcomes*, GAO-08-336 (Washington, D.C.: Feb. 29, 2008).

[7]Currently, there are more than 130 Marine Security Guard detachments with more than 1,200 officers assigned to diplomatic missions throughout the world.

Coordination and Establishment of Security Standards

Diplomatic Security coordinates its work overseas with a number of actors. The head special agent, known as the Regional Security Officer (RSO), works closely with the Chief of Mission (Ambassador or Principal Officer) who is ultimately responsible for the security of facilities, information, and all personnel under Chief of Mission authority at the post. The Chief of Mission and RSO are assisted by an Emergency Action Committee in planning and preparing for crises. Diplomatic Security also coordinates with State's Bureau of Overseas Building Operations (OBO) on security measures for State's facilities.[8] According to State, Diplomatic Security creates the Diplomatic Security Vulnerability List each year, which ranks facilities according to their vulnerability across a wide variety of security threats. OBO uses this list to prioritize its projects. In addition, Diplomatic Security created the building standards that OBO has used to complete 68 major construction projects since 2001. Diplomatic Security also works with host country governments who are required by the Vienna Convention on Diplomatic Relations to provide security to the U.S. missions.[9]

The security standards that form the basis for Diplomatic Security's work at posts overseas were created by the Overseas Security Policy Board, which includes representatives from several U.S. government agencies that have a presence overseas and is chaired by the Assistant Secretary for Diplomatic Security. Diplomatic Security, in consultation with posts, other State bureaus, and other government agencies, uses these standards, called the Security Environment Threat List, to assign threat levels to each post. There are six threat categories: international terrorism, indigenous terrorism, political violence, crime, human intelligence, and technical threat. Each post is assigned one of four threat levels for each threat category. A post's threat level dictates what security measures should be in place. The levels are as follows:

[8]OBO directs State's overseas building program; its mission is to create more secure, safer, and well-maintained facilities for the conduct of U.S. diplomacy worldwide.

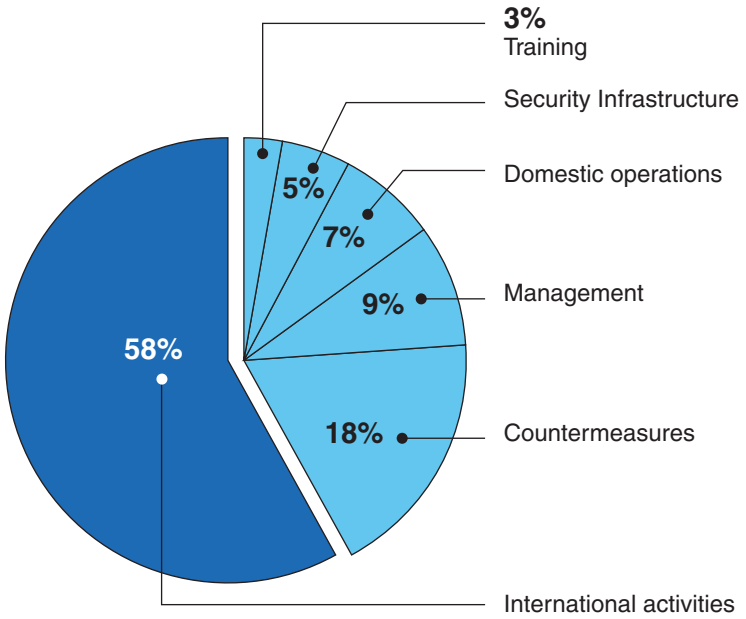
[9]The Vienna Convention on Diplomatic Relations, of 1961, outlines several security items for which the host country government is responsible, namely: (1) protecting the premises of the mission, including private residences of all diplomats, (2) ensuring diplomats' freedom of movement and travel in its territory; and (3) in the case of armed conflict, enabling diplomats to evacuate the country at the earliest possible moment. Diplomatic Security overseas agents enhance security measures provided by host governments.

- *Critical*: grave impact on American diplomats
- *High:* serious impact on American diplomats
- *Medium:* moderate impact on American diplomats
- *Low:* minor impact on American diplomats

Diplomatic Security Budget Overview

Approximately 60 percent of Diplomatic Security's budget is dedicated overseas. Diplomatic Security domestic operations include funding for protection operations and investigations at 25 domestic offices. Diplomatic Security international activities include security upgrades to residences and existing diplomatic posts, as well as Diplomatic Security guard forces. Approximately 20 percent of the Diplomatic Security budget is for the Countermeasures Directorate, which provides physical and technical security enhancements at posts, as well as diplomatic courier services for all of State. Diplomatic Security also funds Security Infrastructure activities, which provide for the security of all of State's classified and sensitive information (including computer networks), as well as background investigations on all State personnel. Funding for Management is primarily for the Executive Directorate, which provides management and administrative support functions to all of Diplomatic Security. The majority of funding for Training is for operating the Diplomatic Security training center, which provides training to security specialists, as well as counterterrorism training for State diplomats assigned to certain high-risk posts. (See fig. 2.)

Figure 2: Diplomatic Security Budget, by Program Area, Fiscal Year 2008



Source: Diplomatic Security.

Note: The figure depicts Diplomatic Security's financial plan for fiscal year 2008, which was based on regularly appropriated funds and fees and does not include supplemental appropriations intended solely for operations in Iraq and Afghanistan.

Diplomatic Security Workforce Overview

Diplomatic Security employs a broad workforce of over 40,000 to carry out its missions and activities. Diplomatic Security utilizes a combination of direct-hire employees, other U.S. government support staff, and contractors. Table 1 below details the position name, number of employees, and description of Diplomatic Security positions for fiscal year 2008.

Table 1: Overview of Diplomatic Security Personnel, Fiscal Year 2008

Direct-hires		
Position	**Number**	**Description**
Special agents	1,585	Special agents are the lead operational employees of Diplomatic Security. About 40 percent serve as RSOs (and assistants) overseas, managing all post security requirements. About 60 percent serve domestically, conducting investigations and providing protective details to foreign dignitaries. Special agents also serve in headquarters positions that support and manage Diplomatic Security operations.
ARSO-Investigator (ARSO-I)		ARSO-Is are special agents that focus on investigations into passport and visa fraud at posts with high levels of fraud. ARSO-Is also augment post security on an as needed basis. In 2008, 50 special agents were assigned as ARSO-Is.
Criminal Investigator	44	Diplomatic Security posts civil service Criminal Investigators at domestic field offices to conduct criminal investigations—including visa and passport fraud cases—alongside the Foreign Service special agents.
Security engineers and technicians	293	Engineers and technicians are responsible for technical and informational security programs domestically and at overseas posts. They service and maintain security equipment at posts overseas, such as cameras, alarms, and screening systems that help to secure posts, among other responsibilities.
Couriers	98	Couriers ensure the secure movement of classified U.S. government materials across international borders.
Security Protection Specialists (SPS)	0[a]	SPS agents are intended to serve as supervisory agents on protective details in Iraq, Afghanistan, and Pakistan.
Locally Employed Staff (LES)[b]	350	LES at overseas posts support Diplomatic Security operations. LES staff remain at the same post and provide continuity and institutional knowledge for the Regional Security Offices at posts.
Management support staff	548	Management support staff includes nonagent civil service employees who provide managerial and administrative services.
Subtotal	**2,918**	
Other U.S. government support staff		
Marine Security Guards	1,134	Marine Security Guards' primary role is to protect classified information at posts. Marine Security Guards control access to State facilities overseas.
Seabees	166	Seabees are active duty Navy construction personnel with skills in building construction, maintenance, and repair essential to State facilities and security programs located worldwide.
Subtotal	**1,300**	
Contract and support staff		
Private security contractors	2,000[c]	Private security contractors provide protective services for dignitaries in critical threat environments in Iraq, Afghanistan, Pakistan, and Israel.
Diplomatic Security guards and surveillance detection	33,491	Diplomatic Security guards provide perimeter security to post compounds, as well as residential security. Surveillance detection teams augment post security by identifying suspicious activity outside of post compounds.

Contract and support staff		
Position	**Number**	**Description**
Support contractors	1,300	Diplomatic Security also employs contractor support staff at headquarters, who provide administrative support.
Uniformed protective officers	775	Officers provide security at domestic facilities, such as State's headquarters
Subtotal	**37,566**	
Total	**41,784**	

Source: GAO review of documentary and testimonial evidence provided by State and Diplomatic Security.

[a]The SPS position is currently under development. There were no SPSs in 2008. The first four entered duty on July 29, 2009.

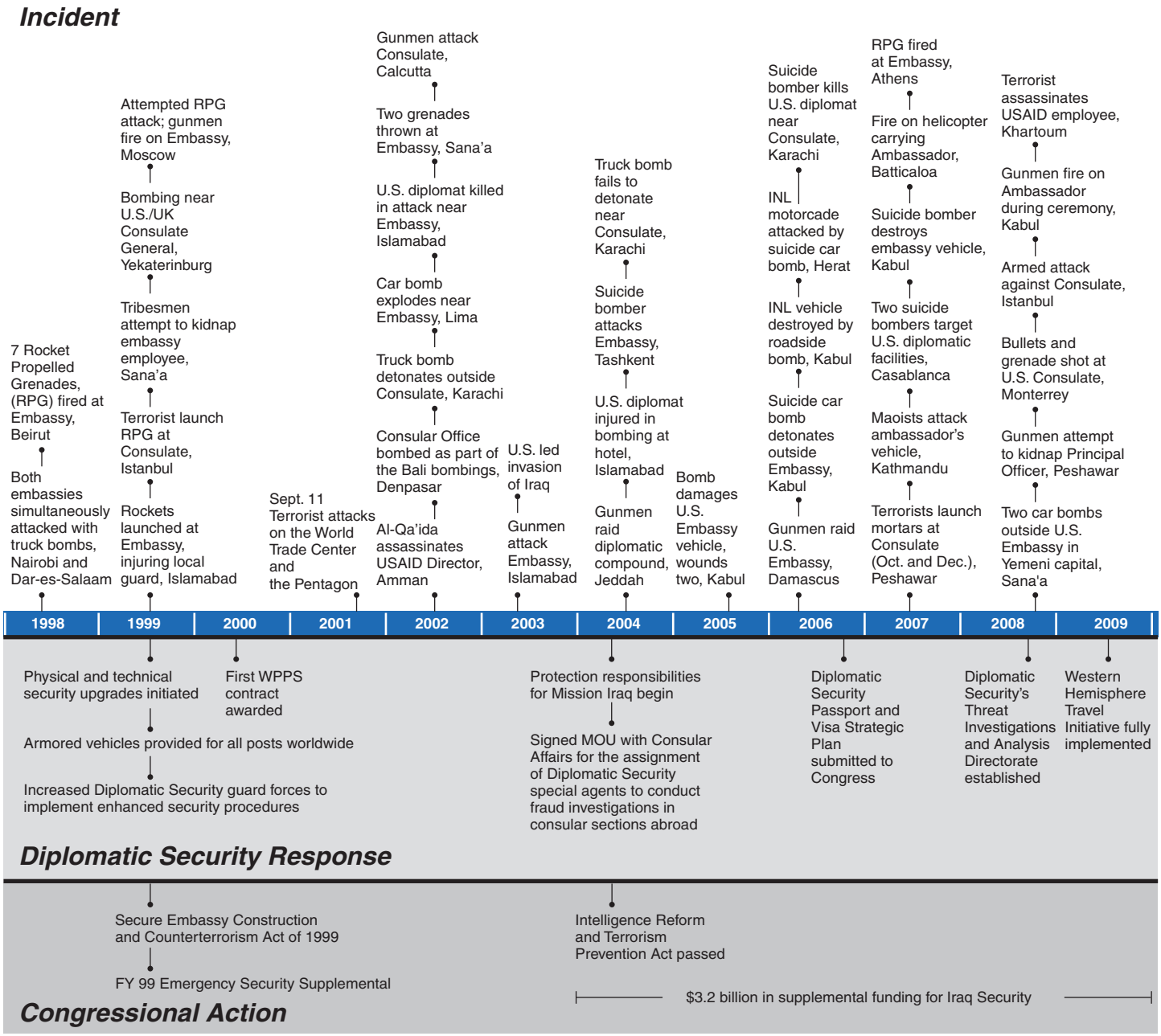
[b]State uses the term "Locally Employed Staff" to characterize employees hired locally who do not have diplomatic status and can either be from the host country, a third country, or the United States.

[c]The number of private security contractors is an estimate provided by senior Diplomatic Security officials.

Diplomatic Security's Mission Has Grown in Reaction to a Number of Major Security Incidents

Over the last decade, Diplomatic Security's mission and activities have grown in reaction to a number of security incidents. These include 39 attacks on embassies, consulates, or official U.S. personnel—starting with the 1998 attacks against the U.S. embassies in Kenya and Tanzania; the attacks on September 11, 2001; and the U.S. involvement in Iraq starting in 2003. (See fig. 3 for a timeline of significant events affecting Diplomatic Security missions and activities.)

Figure 3: Timeline of Events Affecting Diplomatic Security



Source: GAO analysis of State data.

1998 Bombings Created a New Focus on the Physical Security of Posts Overseas

In response to the 1998 attacks on U.S. embassies in Kenya and Tanzania, Diplomatic Security sought to improve U.S. security and antiterrorism efforts worldwide. Following the 1998 attacks, State determined that more than 85 percent of diplomatic facilities did not meet security standards at that time and were also vulnerable to terrorist attacks. In response, Diplomatic Security added many of the physical security measures currently in place at most U.S. missions worldwide such as additional barriers, alarms and public address systems, and enhanced access procedures such as mandatory inspections of vehicles entering the U.S. diplomatic facilities. Diplomatic Security also introduced the concept of "surveillance detection teams" at nearly all of their diplomatic postings. These teams look for terrorist surveillance directed against diplomatic facilities. In addition, Diplomatic Security expanded antiterrorism training to aid foreign police in combating terrorism, and determined that it was imperative that each Chief of Mission and Principal Officer be provided with a fully armored vehicle. Prior to the 1998 bombings, 50 armored vehicles were provided to chiefs of mission at critical and high-threat posts. Now there are more than 3,600 armored vehicles worldwide, including 246 armored vehicles for Chiefs of Mission and over 1,100 for operations in Iraq and Afghanistan. Diplomatic Security also increased its security personnel and hired additional local guards and assigned additional security personnel to missions abroad.

Since 1998, there have been 39 attacks aimed at U.S. Embassies or Consulates or Chief of Mission personnel, not including regular attacks against the U.S. Embassy in Baghdad since 2004. The nature of some of these attacks has led Diplomatic Security to adapt its security measures. (See app. IX for a list of attacks.) The December 6, 2004, attack on the U.S. consulate in Jeddah, Saudi Arabia, provides a specific example of how Diplomatic Security adjusts its security procedures. According to State, the attackers gained entry into the U.S. consulate by running through the vehicle access gate. While Diplomatic Security had installed a device to force vehicles to stop for inspection before entering a compound, it did not prevent the attackers from entering the compound by foot once the barrier was lowered. To correct that vulnerability, Diplomatic Security has incorporated "man-traps" in conjunction with the vehicle barriers at

vehicle entry points at most high and critical threat posts,[10] whereby, when the barrier is lowered, the vehicle enters a holding pen, or "man-trap," for inspection before a second barrier in front of the vehicle opens into the compound. In addition to the direct attacks on U.S. facilities and personnel overseas, Diplomatic Security's workload has also been affected by the recent attacks aimed at hotels frequented by Westerners in Pakistan, India, and Indonesia.[11] To address these security threats, Diplomatic Security has a increased its focus on security awareness training to employees traveling outside of the official State compound. In addition, the emergence of terrorist tactics in targeting nongovernment personnel and facilities led to the rapid expansion of another Diplomatic Security program, the Overseas Security Advisory Council (OSAC). Formed in 1985 to improve the exchange of security information between the government and the private sector, OSAC has formed councils in more than 100 cities around the world to improve security for American organizations operating outside of the United States.

After 2001, Diplomatic Security Increased Focus on Domestic Security

The September 11, 2001, terrorist attacks underscored the importance of Diplomatic Security upgrading its domestic security programs and enhancing its investigative capacity. Following the attacks, Diplomatic Security significantly upgraded its domestic technical and procedural security programs and strengthened its counterintelligence program. In addition, Diplomatic Security acquired additional security personnel to provide added perimeter control and surveillance detection to address the changing threat environment, and hired and deployed additional security engineers, to provide necessary technical expertise in support of Diplomatic Security's technical security programs. In addition, in 2006, Diplomatic Security submitted to Congress a strategic plan that entailed

[10]OBO incorporates man-traps into the design of new embassy compounds and as part of major physical security upgrade projects at existing facilities. Diplomatic Security, in coordination with OBO and the Overseas Security Policy Board, is in the process of formalizing physical security standards mandating the construction of man-traps at all existing embassy and consulate compounds to the maximum extent feasible.

[11]Recent attacks on hotels frequented by Westerners occurred in Pakistan on September 20, 2008 (Islamabad) and June 9, 2009 (Peshawar); in India on November 26, 2008 (Mumbai); and in Indonesia on July 17, 2009 (Jakarta).

significantly expanding the bureau's investigative capacity.[12] For example, Diplomatic Security expanded its liaison and task force efforts with several federal law enforcement agencies and intelligence organizations and assigned additional special agents to Consular Affairs' Fraud Prevention offices, the National Passport Center, the National Visa Center, and the Kentucky Consular Center to ensure the timely investigation of suspected fraudulent travel documents.

U.S. Involvement in Iraq Was Followed by a Policy of Maintaining Diplomatic Missions in War-Torn, Hostile Environments

Following the onset of U.S. operations in Iraq in 2003, Diplomatic Security has had to provide security in the Iraq war zone and other increasingly hostile environments. On June 28, 2004, Diplomatic Security assumed protection responsibilities of the U.S. Embassy in Baghdad. The Embassy is located within the International Zone, an area in the center of Baghdad completely surrounded by high concrete blast walls and barbed wire, which was controlled by United States and other Coalition forces, until January 2009 when the Iraqi government assumed responsibility. A bilateral security agreement between the United States and the new government of Iraq requires the United States to remove all of its remaining forces by December 31, 2011, which will impact Diplomatic Security's operations.[13]

Conducting diplomacy in a war zone was part of a Bush administration initiative called "Transformational Diplomacy." Former Secretary of State Rice stated that the objective of transformational diplomacy was to build and sustain democratic, well-governed states that will respond to the needs of those nations' people and conduct themselves responsibly in the international system. State's transformational diplomacy initiative has required a shift of human resources to increasingly critical regions such as Africa, East Asia, and the Middle East and, in turn, Diplomatic Security has been required to provide security to more dangerous posts in these regions, such as in Iraq and Afghanistan.

[12]In December 2004, Congress passed the Intelligence Reform and Terrorism Prevention Act to implement the recommendations of the 9/11 Commission report. The 9/11 Commission had identified a number of factors that allowed terrorists to exploit the vulnerabilities of U.S. travel documents. The act mandated Diplomatic Security to devise a strategic plan to target individuals involved in the fraudulent production, disruption, and use of U.S. travel documents.

[13]GAO has ongoing work regarding the drawdown of U.S. military in Iraq and its impact on civilian organizations.

Diplomatic Security Funding Has Increased Considerably, and Personnel Has Doubled Since 1998

In response to the growing Diplomatic Security mission, Diplomatic Security funding and personnel have increased considerably since the 1998 bombings of the U.S. Embassies in Kenya and Tanzania. Prior to the bombings, Diplomatic Security operated on an annual budget of about $170 million;[14] by fiscal year 2008, the Diplomatic Security budget was approximately $1.8 billion, of which over $300 million was for security in Iraq. In addition to major increases in funding, Diplomatic Security has doubled the size of its direct-hire workforce since 1998 and continues to increase levels of direct-hires and contract support personnel to address growing security needs.

The Diplomatic Security Budget Has Increased Considerably Since 1998, though Total Security Costs Are Not Captured in Diplomatic Security Data

Diplomatic Security reports that its budget[15] has increased from about $200 million in 1998 to $1.8 billion in 2008. The budget increased largely due to new security procedures put in place after the 1998 bombings in Africa, as well as the need to provide security for diplomats in the conflict zones of Iraq and Afghanistan. Diplomatic Security budget data does not capture all of the expenses related to the bureau. In fiscal year 2008, State allocated approximately $2.2 billion for all Diplomatic Security functions.

In response to the 1998 embassy attacks, Diplomatic Security received a considerable increase in funds to immediately address security vulnerabilities at posts worldwide and, since then, funding for worldwide operations outside of conflict zones has grown steadily. Prior to the bombings, from 1995-1998, the Diplomatic Security budget averaged about $173 million annually. In 1999, the Diplomatic Security budget spiked to $784 million after Congress provided Diplomatic Security with emergency supplemental funding to begin an overhaul of security standards at posts worldwide.[16] Diplomatic Security has continued to receive funding to

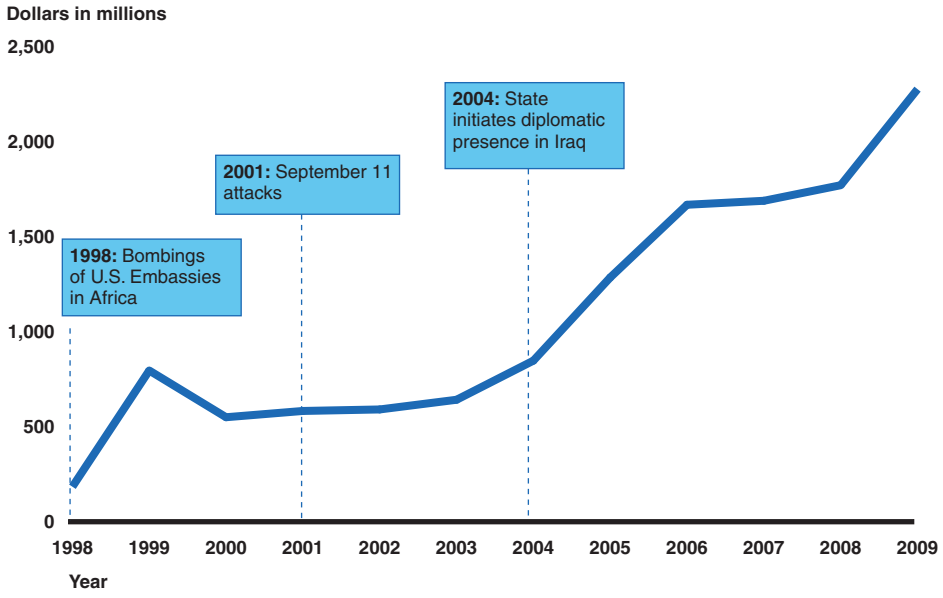
[14]Diplomatic Security noted that the $170 million figure for fiscal year 1998 does not include fees, reimbursements, and other funds. Diplomatic Security did not provide us with other data for this fiscal year.

[15]By "budget," we are referring to what Diplomatic Security calls "Bureau Managed Funds," which is composed of funds received through annual appropriations, fees collected through visa processing, reimbursements from other agencies, and appropriated funds carried over from prior fiscal years. Diplomatic Security has management authority over Antiterrorism Assistance (ATA) programs, but did not provide ATA funding data and, therefore, ATA funds are not included in the discussion of the Diplomatic Security budget.

[16]The increase in funding for Diplomatic Security in fiscal year 1999 was part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, which provided State with a total of $1.4 billion to reestablish diplomatic facilities in Kenya and Tanzania and to overhaul overseas security standards.

implement and maintain security upgrades. (See fig. 4.) Funding is provided through annual appropriations for Worldwide Security Protection.[17] Worldwide Security Protection funds are used primarily for: (1) physical and technical security upgrades at posts,[18] (2) replacement of armored vehicles at posts worldwide, (3) increased diplomatic security guard forces to implement enhanced security procedures, and (4) additional direct-hire personnel and crisis management training. State's foreign affairs budget allocated for security more than tripled from 1998 to 1999, from 9 percent of the total foreign affairs budget to 22 percent.

Figure 4: Historical Trend in Diplomatic Security Budget



Source: GAO analysis of Diplomatic Security budget data.

Note: This figure represents the Diplomatic Security annual budget for fiscal years 1998-2009 and does not include Antiterrorism Assistance funding, personnel salaries, or support costs for overseas agents. Budget data is presented in nominal dollars. However, when adjusting for inflation, the Diplomatic Security budget still had tremendous growth from 1998 to 2009. For example, using the chain-weighted GDP Price Index, the 1998 budget figure of $172 million would be $222 million in 2009 dollars.

[17]The Worldwide Security Protection program was initially named the Worldwide Security Upgrades program; however, the name changed in 2007.

[18]Physical and technical improvements have been implemented continually over the course of many years.

A large portion of the increase in the Diplomatic Security budget is due to security requirements associated with State operations in the conflict areas of Iraq and Afghanistan. Diplomatic Security received approximately $3.5 billion to provide security in Iraq and Afghanistan from 2004-2009, about 40 percent of the budget for all security operations domestically and worldwide during this time period. In fiscal year 2009, the Diplomatic Security budget for Iraq security alone is estimated at $900 million, representing approximately 40 percent of the total Diplomatic Security budget. Much of the funding for Iraq is dedicated to contractor support personnel for protective details and compound security. For example, the department obligated over $1.1 billion from fiscal years 2006 through 2008 to fund five task orders under the Worldwide Personal Protective Services contract, employing approximately 1,400 private security contractors who provide high-threat protection to U.S. officials traveling in Iraq. In addition, Diplomatic Security funds over 1,800 contract guards in Iraq under the Baghdad Embassy Security Force contract, and over 600 guards and private security contractors in Afghanistan. Spending on Diplomatic Security guards worldwide has also nearly doubled since 2003, from $267 million per year to $490 million in 2009.

The Diplomatic Security budget does not capture all the funding directed to the bureau and its employees, which was approximately $2.2 billion in fiscal year 2008. This estimate includes salaries of all Diplomatic Security employees, support costs, antiterrorism training provided to overseas partners, and indirect funding for Diplomatic Security personnel operating overseas.[19] The Diplomatic Security budget is composed of direct funding through appropriations, fees collected through visa processing, and reimbursements from other bureaus and agencies. However, Diplomatic Security receives indirect funding through State regional bureaus, which as of fiscal year 2008, provided for the salaries and expenses of over 600 special agents and 350 Locally Employed Staff (LES) posted overseas.[20] Additionally, Diplomatic Security, along with the State Office of Coordinator for Counterterrorism, manages funds under the Antiterrorism

[19]The $2.2 billion estimate for fiscal year 2008 is based on actual 2008 appropriations as reported in the Fiscal Year 2010 Congressional Budget Justification document for State.

[20]Special agents posted overseas as RSOs and assistant RSOs are assigned to the State regional bureaus, and salaries and expenses are paid for out of regional bureau funds. For example, the State Western Hemisphere Affairs Bureau pays salaries and expenses for special agents assigned to the U.S. Embassy in Mexico City.

Assistance Program, which provides partner nations with counterterrorism training and equipment.[21]

Diplomatic Security Has Doubled Its Direct-Hire Workforce Since 1998 and Become Increasingly Reliant on Contractor Support

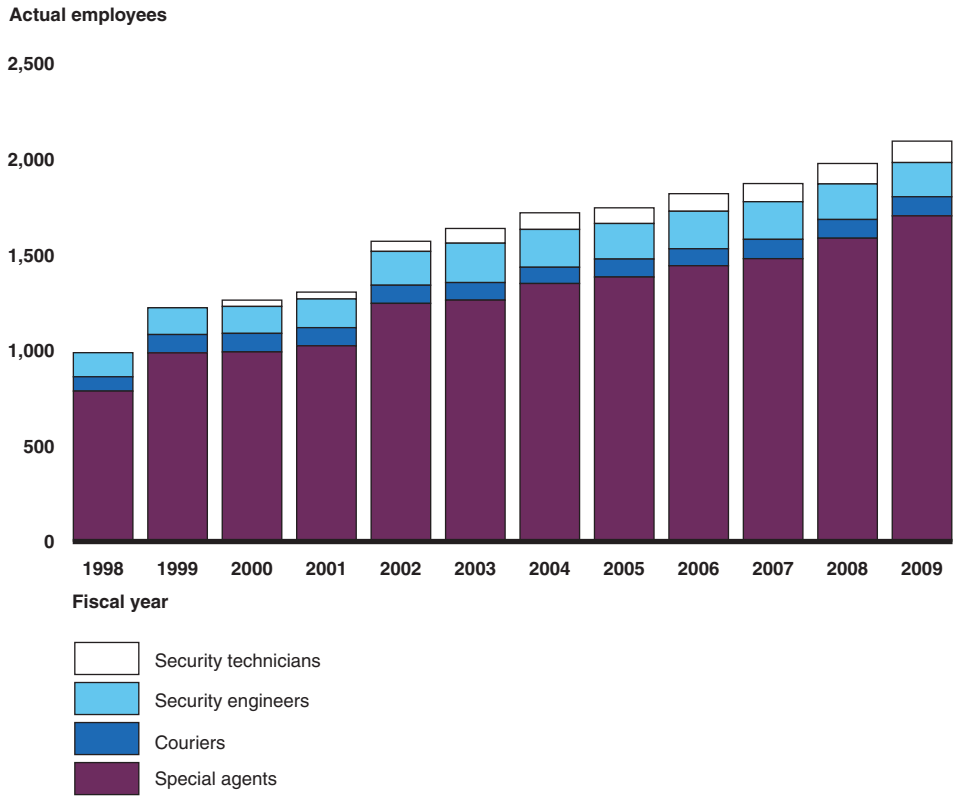
The size of the direct-hire workforce has doubled since 1998, and Diplomatic Security plans to continue to expand its workforce. At the same time, Diplomatic Security's reliance on contractors has grown, largely to fill critical needs in the high-threat posts of Iraq and Afghanistan.

Diplomatic Security Has More than Doubled the Number of Direct-Hire Security Specialists Since 1998

The size of Diplomatic Security's direct-hire security specialist workforce (special agents, engineers, technicians, and couriers) has doubled since 1998. The number of direct-hire security specialists increased from just under 1,000 in 1998 to over 2,000 in 2009. In response to the bombings in 1998, the Worldwide Security Protection program provided for the first major increase in Diplomatic Security personnel in 13 years, and personnel numbers continued to climb throughout the decade as U.S. diplomatic missions and official U.S. personnel overseas faced 39 attacks between 1998 and 2008. Diplomatic Security had an almost 60 percent increase in the security specialist workforce from 1998-2002. The initial funding for the Worldwide Security Protection program provided an additional 271 security specialists and 89 support personnel. Diplomatic Security requested additional staff in 2001 in order to bolster its investigative capabilities at domestic field offices, as well as the many global security programs. Diplomatic Security also requested additional domestic personnel at program offices at headquarters to coordinate Diplomatic Security programs. Since 2002, Diplomatic Security personnel numbers have continued to grow steadily. Much of the growth has been among special agents, which increased from 1,244 agents in 2002 to 1,702 agents in 2009 (about 37 percent). (See fig. 5.) Diplomatic Security is projected to add over 350 security positions in fiscal year 2010, in part to increase the number of security personnel in high-threat environments.

[21]In fiscal year 2008, approximately $128 million was provided for the Antiterrorism Assistance program. For more information on the Antiterrorism Assistance Program, see GAO-08-336.

Figure 5: Growth of Security Specialist Workforce: 1998-2009



Source: GAO analysis of State data.

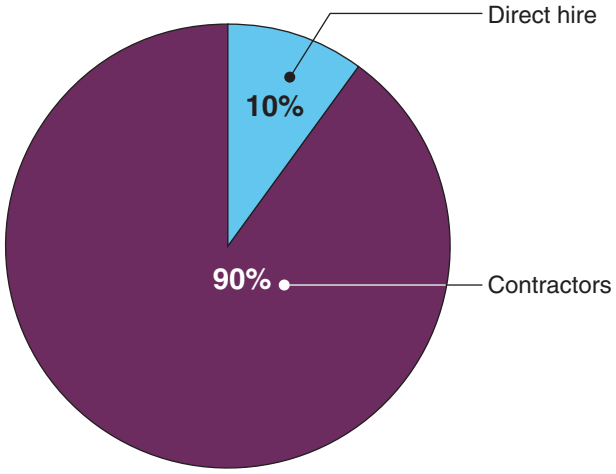
Since 1998, Diplomatic Security has increased the size of the civil service workforce and has positioned many additional special agents domestically. Between 1998 and 2008, the number of civil service personnel more than doubled, from 258 to 592 personnel. Diplomatic Security identified the need for more domestically based security personnel to allow maximum control and flexibility of resources, as well as to provide more personnel to conduct investigations and staff protection details for foreign dignitaries and the Secretary of State. Additionally, Diplomatic Security noted in 2001 that domestic offices were facing backlogs and were frequently understaffed due to protective detail and emergency overseas requirements and wanted to increase the size of the domestic offices to better meet program requirements.

In 2004, Congressional legislation mandated Diplomatic Security to enhance its efforts to provide for greater visa and passport security in order to target and disrupt terrorist travel.[22] In response, Diplomatic Security has increased the number of special agents at domestic field offices, and has also increased the number of civil service Criminal Investigator positions that only work domestically.[23] From 2004 to 2009, Diplomatic Security increased the number of criminal investigators from 17 to 59.

Diplomatic Security Has Become Increasingly Reliant on Contractors

Diplomatic Security has increased its use of contractors to support security operations worldwide, specifically through increases in the Diplomatic Security guard force and the use of contractors to provide protective details for American diplomats in high-threat environments. Diplomatic Security also utilizes contractors in management support positions. Approximately 90 percent of all Diplomatic Security personnel are contractors. (See fig. 6.)

Figure 6: Diplomatic Security Reliance on Contractors



Source: GAO analysis of Diplomatic Security data.

[22]The Intelligence Reform and Terrorism Prevention Act of 2004 mandated Diplomatic Security to produce a strategic plan to target individuals involved in the fraudulent production, distribution, and use of U.S. travel documents.

[23]Foreign Service specialists rotate assignments every 1-3 years and may not serve in a domestic capacity longer than 5 consecutive years. Civil service Criminal Investigators work at domestic field offices and are not required to serve overseas, thereby providing continuity and leadership in domestic investigations.

The majority of Diplomatic Security contractors are part of the global Diplomatic Security guard force. Diplomatic Security uses contracts for diplomatic guard forces that provide physical protection at overseas posts. While host governments are required to provide security for U.S. facilities overseas, Diplomatic Security augments security with Diplomatic Security guards at posts, two-thirds of which are provided through contracts with guard companies with the rest hired through Personal Service Agreements, where individuals contract directly with the U.S. mission to provide security.[24] Following the 1998 bombings, Diplomatic Security increased staffing under the Diplomatic Security guard program to help implement new security procedures. For example, State made inspection of all vehicles entering all U.S. posts abroad mandatory, and new Diplomatic Security guard teams were established to detect terrorist surveillance of U.S. personnel and facilities. Diplomatic Security guards are usually composed of host country nationals, and their numbers are largely driven by the threat level and security situation in the host country. For example, Mexico has one of the largest guard programs in the world, with 563 guards covering the U.S. Embassy in Mexico City, six Consulates General, two Consulates, and two Consular Agencies.

State has acknowledged that it relies on thousands of private security contractors to meet the agency's increasing requirements for protective details, specifically in conflict zones. Over the past 10 years, State has increasingly assigned Diplomatic Security to provide protective services in conflict zones, and Diplomatic Security has been unable to do so from the limited cadre of special agents. State's Worldwide Personal Protective Services (WPPS) program began in 2000 to provide contractor support for such protective details. Diplomatic Security uses contractors for functions it does not have the personnel capacity to support, and in situations where it may have to increase or decrease the number of personnel rapidly. Persistent turmoil in the Middle East and prolonged postwar stabilization efforts in Afghanistan and Iraq have required the continuous deployment of WPPS contractors, with the largest growth in contract usage beginning in 2004 due to operations in Iraq. Diplomatic Security has spent over $2.1 billion on 581 separate WPPS contracts to date. As of October 2008, there are 1,400 WPPS contractors in Iraq alone. According to State, the use of

[24]Personal Service Agreements are individual contracts between a U.S. diplomatic post and a person hired to work as a Diplomatic Security guard. Under a Personal Service Agreement, guards are paid directly by the post, and the Regional Security Officer is responsible for providing training.

contractors is critical in quickly placing needed personnel in high-threat environments.

Diplomatic Security utilizes contractors to fill administrative support positions but is planning to replace some contractor roles with full-time positions. In addition to guards and security contractors, Diplomatic Security uses over 1,000 contractors to provide administrative functions. According to Diplomatic Security officials, the previous administration advocated for the increased use of contractor support; however, the current administration is reexamining this approach and is seeking to reduce expenses related to contractors. Diplomatic Security officials said the bureau is seeking to increase the number of civil service positions intended in part to replace some contractors in key positions.

Dangerous Environments, Staffing Shortages, and Reactive Planning Challenge Diplomatic Security

Diplomatic Security faces several policy and operational challenges. First, according to Diplomatic Security officials, State is maintaining missions in countries where it would have previously evacuated personnel, which requires more resources and, therefore, makes it more difficult for Diplomatic Security to provide a secure environment. Second, although Diplomatic Security has grown considerably in staff over the last 10 years, staffing shortages in domestic offices and other operational challenges further tax Diplomatic Security's ability to implement all of its missions. Finally, State has expanded Diplomatic Security without the benefit of solid strategic planning; neither State's departmental strategic plan nor Diplomatic Security's bureau strategic plan specifically addresses the bureau's resource needs or its management challenges.

Maintaining Missions in Iraq and Other Increasingly Dangerous Posts Significantly Affects Diplomatic Security's Work

Maintaining diplomatic missions in Iraq, Afghanistan, and other increasingly dangerous environments has required an unprecedented amount of security resources, straining Diplomatic Security's ability to provide security.

Iraq

In 2004, when the U.S. government and Coalition forces transferred sovereignty to the interim Iraqi government, security for the U.S. Embassy in Baghdad transferred from the U.S. Department of Defense to Diplomatic Security. Since then, keeping staff secure, yet productive, in Iraq has been one of Diplomatic Security's largest challenges because the mission is subject to regular threats and attacks. The U.S. mission in Baghdad—with 1,300 authorized U.S. civilian personnel—is one of the largest in the world. Maintaining Diplomatic Security operations in Iraq has required

approximately 36 percent of its entire budget each fiscal year since 2004 and, as of September 2008, it required 81 special agents to manage security operations. In order to support the security operations in Iraq, Diplomatic Security has had to draw staff and other resources away from other programs and activities.

Special agents posted in Baghdad report that one of the most difficult aspects of their work—and, therefore, an area that has required many physical and staff resources—is protecting embassy personnel from attacks when traveling outside the embassy. Due to the dangerous security environment, Diplomatic Security provides a protective detail for embassy officials when they leave the embassy compound. This has required Diplomatic Security to maintain a costly transportation network, which includes an air wing, a fleet of armored vehicles, and the appropriate contract staff to operate the aviation equipment. Iraq is the only country where Diplomatic Security maintains an aviation program, which is needed to provide transportation for U.S. officials to other cities within Iraq, quick reaction to security incidents, search and rescue missions, and motorcade surveillance. Diplomatic Security stated that, as of October 2009, there were 914 armored vehicles in service in Iraq—approximately 32 percent of all armored vehicles Diplomatic Security has in service worldwide. Each armored vehicle costs, on average, approximately $173,000 and, according to Diplomatic Security, has a useful life of about 3 years due to constant use in Iraq's difficult terrain.

Diplomatic Security constantly needs agents to fill the positions in Iraq, which draws from other programs and activities. The Iraq mission has more special agents than any other post in the world[25] in part because State has required that Diplomatic Security include a special agent in all contractor convoys to provide better oversight of the contractors who provide the personal security details.[26] Furthermore, the assignments are only 1-year long due to the dangerous nature of the post. In an effort to decrease the number of special agents needed to staff the mission in Iraq, Diplomatic Security officials stated that the bureau has created a new

[25]While the majority of State posts have between 1 and 3 special agents, there are 81 special agents assigned to Iraq.

[26]On September 16, 2007, an incident involving a personal security contractor firm working for the Department of State resulted in the deaths of 17 Iraqi civilians in Baghdad. For GAO's review of security contractors in Iraq, see GAO-08-966.

employee position, Security Protection Specialists (SPS), that is trained only to provide oversight to protection details.

Diplomatic Security's operations in Iraq will again be affected as the U.S. military withdraws its troops from the country. State has relied on support from the U.S. military to secure the embassy personnel and safeguard embassy information in Iraq; however, under the November 2008 bilateral security agreement between the United States and Iraq, the United States must remove all of its remaining forces by December 31, 2011. Earlier in 2009, GAO reported that Diplomatic Security's workload—and thus its resource requirements—will likely increase as the U.S. military transitions out of Iraq;[27] GAO will continue to monitor the plans as part of our engagement on civilian planning for the drawdown of U.S. troops in Iraq.

Afghanistan

U.S. policymakers' increased focus on Afghanistan poses another significant challenge for Diplomatic Security. The security situation in Afghanistan has deteriorated since 2005, and the number of attacks increased from 2,388 in 2005 to 10,889 in 2008. As with Iraq, the special agents in Afghanistan reported that the greatest challenge for them is safely transporting American officials from the embassy to other locations. Afghanistan is currently Diplomatic Security's second largest overseas post with a staff of 16 special agents in 2008, which increased to 22 special agents in 2009. As of April 2009, Diplomatic Security was responsible for the security of approximately 300 authorized U.S. civilian personnel, although Diplomatic Security expects that number to increase if State opens consular offices in the cities of Herat and Mazar-e-Sherif. While Diplomatic Security has not been placing a special agent in every contractor-led convoy, as in Iraq, Diplomatic Security plans to increase the use of Diplomatic Security staff for all convoys. To address these changes, Diplomatic Security plans to add an additional 25 special agents in 2010, effectively doubling the number of agents in Afghanistan.

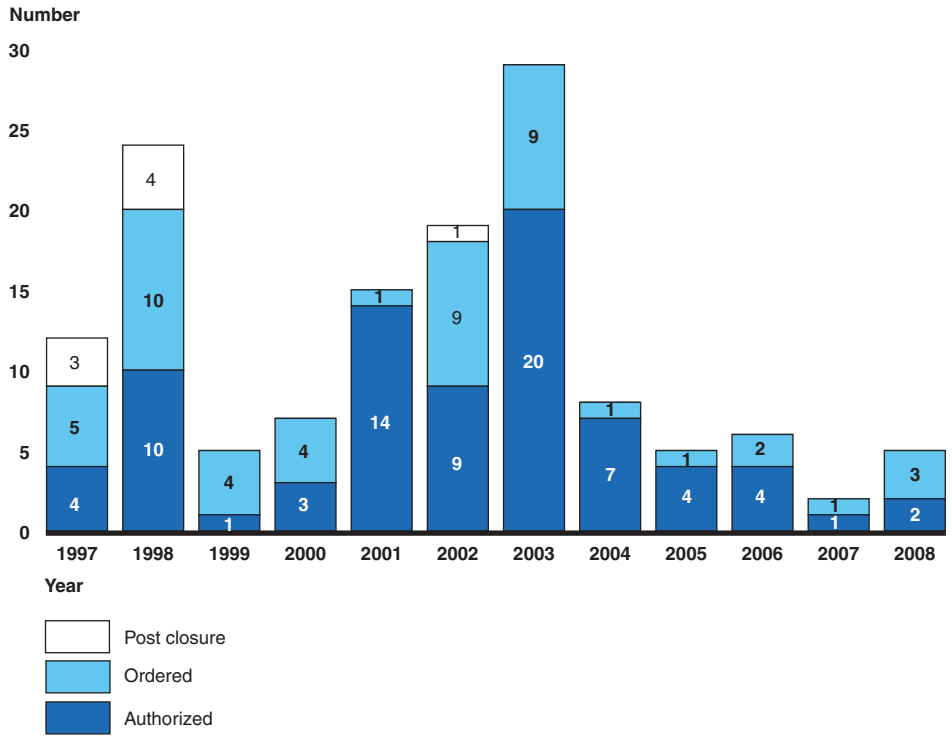
State Operates in More Dangerous Environments Than 10 Years Ago, Which Affects Diplomatic Security's Work

In addition to operating in war zones, State is maintaining missions in countries where it would have previously evacuated personnel. According to Diplomatic Security officials, maintaining missions in these dangerous environments requires more resources and, therefore, makes it more difficult for Diplomatic Security to provide a secure environment. (Fig. 7 shows that the number of posts evacuated for security-related reasons

[27]GAO, *Iraq: Key Issues for Congressional Oversight*, GAO-09-294SP (Washington, D.C.: Mar. 24, 2009).

increased after significant events in 1998, 2001, and 2003, and has subsequently decreased since 2003; it also shows that State did not close any posts between 2003 and 2008.)

Figure 7: Evacuations of U.S. Missions, 1997-2008



Source: GAO analysis of State data.

Note: GAO did not include evacuations for weather, pandemic, or technological (Y2K) reasons and evacuations for nonofficial Americans in this tabulation. In addition, only the most serious action is counted. For example: if there was an authorized evacuation followed by an ordered evacuation, we counted that as an ordered evacuation only.

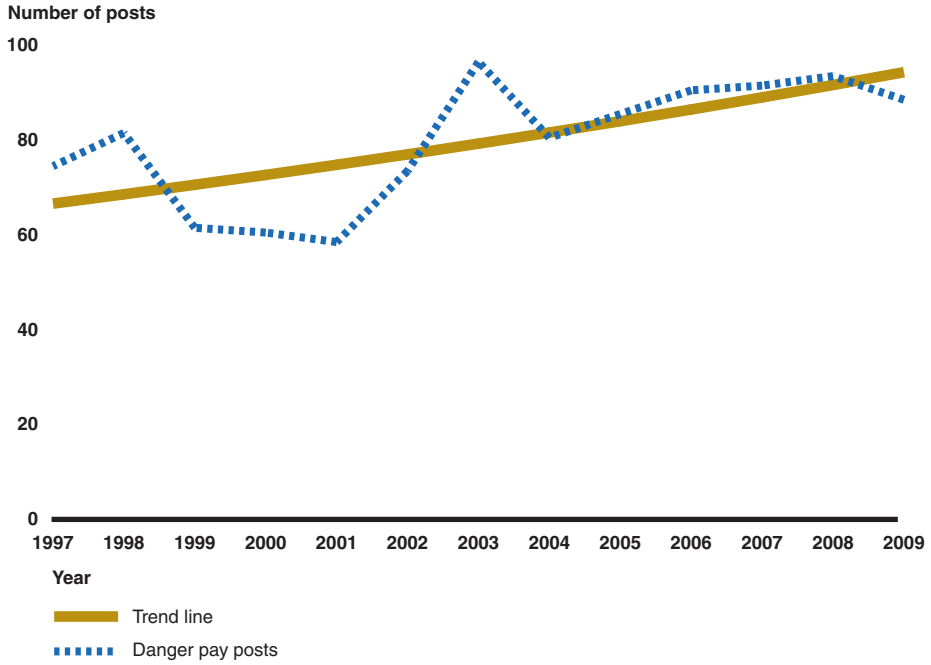
Several Diplomatic Security officials cited the agency's Transformational Diplomacy Initiative as a reason that State maintains missions in areas where previously it would have evacuated. Implementing Transformational Diplomacy involved repositioning U.S. diplomats from countries where the United States had established partnerships, such as those in Western Europe, to those where democratic governance needed support, such as China and India. According to one official, for example, prior to the Transformational Diplomacy Initiative, State would have evacuated the post in Peshawar, Pakistan, 2 years ago. However, the U.S. government considers its operations in Pakistan to be critically important.

Another indication that State is operating in an increasing number of hostile environments is its growing use of danger pay.[28] Despite the fluctuation in the number of posts warranting danger pay, there is a statistically significant trend to maintain operations in more countries warranting danger pay.[29] (See fig. 8.) Peshawar is one example of a post that has become increasingly more volatile over the last 10 years. While the danger pay rating for Peshawar decreased from 25 percent in 1997 to 15 percent in 1998, the rating has subsequently increased three times, returning to 25 percent in 2002, increasing to 30 percent in 2008, and increasing again in 2009 to 35 percent. Sana'a, Yemen, is another example: prior to 2002, U.S. officials living in Sana'a did not receive a danger pay differential. State instituted a 15 percent differential for Sana'a in 2002, which increased to 20 percent in 2006 and to 30 percent in 2009.

[28]Danger pay is additional compensation above basic compensation given to all U.S. government civilian employees for service in foreign areas where there exists conditions of civil insurrection, civil war, terrorism, or wartime conditions that threaten the health or well-being of an employee.

[29]The relationship between the number of danger pay posts and time is statistically significant at the 1 percent level. In other words, the likelihood of seeing this trend over time if there were no relationship is roughly 1 percent.

Figure 8: Trend in Number of Posts with Danger Pay, 1997-2009



Source: GAO analysis of State data.

Note: The trend line in this figure assumes a constant exponential rate of growth over time. Data for 2009 is as of June 2009.

In addition to exposing employees to riskier situations, maintaining posts in dangerous environments requires more security resources. Diplomatic Security recognizes a post's deteriorating security environment by increasing its security threat level rating. Each threat level requires different security measures, as laid out in the Overseas Security Policy Board interagency coordinated standards. Below is one example of how more is required of the local guard force as the security threat heightens. (See table 2.)

Table 2: Change in Perimeter Patrol Requirements by Threat Level

Threat level	Requirement for local guards to patrol the perimeter of official facilities
Low	No provision for foot patrol of official facilities' perimeters.[a]
Medium	12-hour foot patrol of perimeter during the day and at residences at night, where required, to supplement host country support at official facilities.
High	24-hour foot patrol at official facilities and residences for the Ambassador, Deputy Chief of Mission, Principal Officers, and Marine Security Guards.
Critical	24-hour foot patrol at official facilities and residences for the Ambassador, Deputy Chief of Mission, Principal Officers, and Marine Security Guards. Guards are to be armed unless prohibited by law.

Source: Foreign Affairs Handbook (12 FAH 6, H-110 through H-114).

[a]Except in unusual, individual circumstances.

Very dangerous environments might require Diplomatic Security to provide additional resources beyond what the security standards require. For instance, to maintain the consulate in Peshawar, Pakistan, Diplomatic Security officials stated that they had to enhance the compound's physical security by deploying two Security Support Teams. Diplomatic Security usually uses these teams as emergency support to overseas posts experiencing civil disorder, armed conflict, or increased threat of attack. However, because the security situation in Peshawar is so critical, Diplomatic Security has had two teams posted there since late 2008. In addition, Diplomatic Security provided $4 million toward the improvement of access controls to the diplomatic enclave in Islamabad, Pakistan. According to Diplomatic Security, these improvements are part of a collective effort to improve highly vulnerable locations.

Diplomatic Security Faces Operational Challenges That Negatively Affect Its Ability to Implement Important Activities

Diplomatic Security's ability to fully carry out its mission of providing security worldwide is hindered by staffing shortages in domestic offices—even in light of its workforce growth—and other operational challenges such as inadequate facilities, pervasive language proficiency shortfalls, and host-country constraints, among others.

Some Diplomatic Security Offices Operate with Severe Shortages of Staff

Despite Diplomatic Security's growth in staff over the last 10 years, some offices have been operating with severe staffing shortages. Some of the shortages are caused by unpredictable circumstances—like visits from foreign dignitaries who require protection details—however, the annual staffing cycle, while predictable, also affects staffing shortages. Diplomatic Security has taken some steps to address the staffing shortage, but challenges remain.

In 2008, approximately one-third of Diplomatic Security's domestic suboffices operated with a 25 percent vacancy rate or higher. Several offices report that this shortage of staff affected their ability to conduct their work:

- The Houston field office reported that for 6 months of the year, it operated at 50 percent capacity of nonsupervisory agents or lower and for 2 months during the summer, it dipped down to a low of 35 percent. This staffing gap happened while the field office was experiencing a significant increase in its caseload due to the Western Hemisphere Travel Initiative. As a result, the Houston field office management reported that this combination overwhelmed its capabilities and resulted in a significant backlog of cases.[30]

- The New York field office reported that the number of special agents dropped to 66 in 2008 from more than 110 agents in 2007. As a result, the office had to draw special agents from other field offices to cover their heavy dignitary protection load.

- In 2008, the Mobile Security Deployment (MSD) Office was authorized to have 94 special agent positions, but only 76 were filled. Furthermore Diplomatic Security officials noted that not all filled staff positions are available for duty. For example, in 2009, 22 agents assigned to MSD were in training. As a result of the low level of available staff, Diplomatic Security reported that many posts go for years without updating their security training.[31] Officials noted that this lack of available teams is particularly problematic given the high number of critical threat posts that are only 1-year tours that would benefit from frequent training.

- Officials in the Professional Responsibility Office stated in February 2009 that only 60 percent of its positions were filled. They also stated that their staff allocation was insufficient in comparison with sister organizations with similar functions, noting that Diplomatic Security staffs their office with 1 professional responsibility investigator for every 2,000 employees, while the Drug Enforcement Agency maintains a 1:288 ratio, and the Department of Justice maintains a 1:170 ratio.

[30]Houston field office planned to use an increased number of agents scheduled to arrive in early 2009 to address the backlog of cases.

[31]Currently, the MSD Office has two teams posted in Peshawar, Pakistan, and one in Iraq supplementing security. The office must use its four remaining teams to (1) prepare to relieve one of the sitting teams in Peshawar and Baghdad and (2) cover the other parts of its mission.

Diplomatic Security officials maintain that most of the special agent staffing shortages are in domestic offices. However, three overseas posts we visited also reported staffing gaps:

- *New Delhi, India:* The Regional Security Office had only two of seven allocated special agents until late fall of 2008, which embassy officials reported was insufficient to carry out its full workload.

- *Tunis, Tunisia:* Because one special agent curtailed his tour to go to Iraq, there was a 6-week gap before the replacement RSO could arrive. During that 6-week gap a first tour ARSO handled all the RSO duties.

- *Abuja, Nigeria:* There was a period of 2 months when the Regional Security Office only had one of four staff members assigned. Because of the lack of staff, the RSO was unable to properly oversee the surveillance detection program, which relied on contractors who were no longer fulfilling their duties.

State officials attributed these shortages to three main factors: staffing the Iraq mission, protection details, and the annual staffing/training cycle.

- *Staffing the Iraq mission:* As previously discussed, staffing the large number of special agents at the Iraq embassy has drawn staff away from other missions and offices. Iraq is a critical threat post; therefore, Diplomatic Security fills it and other critical threat posts first. In 2008, 81 Diplomatic Security special agents—or 16 percent of Diplomatic Security staff—were posted to Iraq for 1-year tours. To fill this need, State officials reported that special agents frequently leave positions in other countries before completing the end of their tours to serve in Iraq. In 2008, we reported that, in order to provide enough Diplomatic Security special agents in Iraq, Diplomatic Security had to move agents from other programs, and those moves have affected the agency's ability to perform other missions, including providing security for visiting dignitaries and visa, passport, and identity fraud investigations.[32]

- *Protection details:* Diplomatic Security draws agents from field offices, headquarters, and overseas posts to participate in protective details and special events. At least three field offices provided 12 or more agents for temporary duty assignment during 2008 on the Secretary's protective detail that often lasted 30 days or more. One field office noted that the number of details doubled from the previous year. Field offices also

[32]GAO-08-966.

provided agents to protect a number of visiting foreign dignitaries. In addition, Diplomatic Security's role in providing protection at major events—such as the Olympics—has grown, which will require more staff to cover these events. Several field offices reported that they provided multiple agents for the 2008 Olympics in Beijing, China, for tours that lasted between 30 and 60 days.

- *Normal rotations:* Staff take home leave between postings and sometimes are required to take training before starting the next assignment. This process regularly creates a labor shortage, which affects Diplomatic Security's ability to meet the increased security demands placed on the bureau. For example, Diplomatic Security reported that, in November 2004, 100 special agents were in training, on temporary duty, or leave-without-pay, leaving the duties of those positions unperformed. Our fieldwork confirmed that this situation continues. In 2005, Diplomatic Security identified the need for a training float—additional staff that would allow the bureau to fill critical positions and still allow staff time for critical job training—but the bureau has not been able to implement one.

Diplomatic Security Efforts to Address Staffing Challenges

Diplomatic Security has taken several steps to address the staffing shortages, including doubling the staff size since 1998 and requesting funding to hire over 350 security positions in fiscal year 2010. While Diplomatic Security's staff size has increased dramatically, new hires cannot be immediately deployed to critical overseas posts. According to Diplomatic Security, it takes approximately 3 years to prepare a new hire for his or her first tour overseas due to required law enforcement, RSO, and on-the-job investigative training at a domestic field office. According to Diplomatic Security officials, the bureau has shortened the basic training requirements and the required time spent in first rotation in order to get new hires overseas more quickly.

In addition to hiring new special agents, Diplomatic Security created the SPS position in February 2009. The bureau's intent was to hire, on a limited-term basis, a cadre of professionals specifically trained in personnel protection who would serve in Iraq and other high-threat posts to provide oversight for the contractor-operated protective details. Because of the more targeted training requirements, Diplomatic Security would be able to deploy the SPS staff more quickly than new hire special agents. However, Diplomatic Security has had difficulty recruiting and hiring a sufficient number of SPS candidates. Diplomatic Security originally intended to hire and train 25 SPSs and later add 20 more

positions. Diplomatic Security officials reported having difficulty filling the positions because they compete with private security contractors for new hires and, at the end of September 2009, only 10 positions had been filled. According to senior Diplomatic Security officials, the bureau may cancel the program if they can not recruit enough qualified candidates.

In order to make special agents available for critical posts, Diplomatic Security has also enacted three administrative initiatives. First, Diplomatic Security stated that it fills all positions in Iraq and Afghanistan before filling any other positions. Second, Diplomatic Security has identified a number of positions that it will not fill in this year's staffing cycle. According to Diplomatic Security officials the identified positions are usually at posts that have a number of assistant RSOs (ARSO) and, therefore, are better able to distribute the workload. Finally, Diplomatic Security stated that it has begun restricting its employees' annual leave on a limited basis, during major events requiring a large protective security commitment such as the UN General Assembly. While these measures help ensure that critical needs missions are adequately staffed, they can exacerbate staffing shortages for other missions and offices.

Other Operational Challenges Also Impede Diplomatic Security's Ability to Fully Implement Its Missions and Activities

Diplomatic Security also faces a number of other operational challenges that impede the full implementation of its missions and activities. However, Diplomatic Security is not always able to implement security programs to the established standard because of certain operational challenges, including the following:

- *Inadequate buildings:* While State is in the process of updating and building many new facilities, in a previously published report, GAO identified many posts that are still situated in buildings that do not meet all security standards delineated by the Overseas Security Policy Board and in the Secure Embassy Construction and Counterterrorism Act of 1999. For example, many buildings do not have a 100-foot setback, increasing the risk of serious injury from bomb blasts.[33] As a result, many buildings and their occupants may remain vulnerable to attack.

- *Foreign language deficiencies:* Earlier this year, GAO found that 53 percent of RSOs do not speak and read at the level required by their positions. According to officials in Diplomatic Security, language training for security officers is often cut short because many ambassadors are

[33]For a review of OBO's Compound Security Upgrade Program see GAO-08-162.

unwilling to leave security positions vacant. However, GAO concluded that these foreign language shortfalls could be negatively affecting several aspects of U.S. diplomacy, including security operations. For example, an officer at a post of strategic interest said because she did not speak the language, she had transferred a sensitive telephone call from a local informant to a local employee, which could have compromised the informant's identity.[34]

- *Experience gaps:* Thirty-four percent of Diplomatic Security's positions (not including those in Baghdad) are filled with officers below the position's grade. In a previous publication, GAO reported that experience gaps can compromise diplomatic readiness.[35] In addition, Diplomatic Security officials stated that these gaps between the experience level required by the position and the experience level of the employee assigned can affect the quality of Diplomatic Security's work. For example, several ARSOs with whom we met were in their first overseas positions and stated that they did not feel adequately prepared for their job, particularly their responsibility to manage large security contracts.

- *Host country laws:* At times, host country laws prohibit Diplomatic Security from taking all the security precautions it would like outside the embassy. For example, Diplomatic Security officials said that they prefer to arm their local guard forces and their special agents; however, several countries prohibit it. In cases of attack, this prohibition limits Diplomatic Security's ability to protect the compound.

- *Balancing security with diplomatic mission:* Diplomatic Security's desire to provide the best security possible for State's diplomatic corps has, at times, been in tension with State's diplomatic mission. For example, Diplomatic Security has established strict policies concerning access to U.S. facilities that usually include personal and vehicle screening. Some public affairs officials—whose job it is to foster relations with host country nationals—have expressed concerns that the security measures discourage visitors from attending U.S. embassy events or exhibits. In addition, the new embassies and consulates, with their high walls, deep setback, and strict screening procedures, have evoked the

[34]For GAO's review of language training at State, see GAO, *Department of State: Comprehensive Plan Needed to Address Persistent Foreign Language Shortfalls*, GAO-09-955 (Washington, D.C.: Sept. 17, 2009).

[35]For GAO's review on experience gaps at hardship posts, see GAO, *Department of State: Additional Steps Needed to Address Continuing Staffing and Experience Gaps at Hardship Posts*, GAO-09-874 (Washington, D.C.: Sept. 17, 2009).

nickname, "Fortress America." State has also received criticism from U.S. think tanks for adopting what seems to be a "zero tolerance" for security incidents. Two are encouraging State to change its security culture and practices from risk avoidance to risk management.

Although Some Planning Initiatives Have Been Undertaken, Diplomatic Security's Growth Has Been More Reactive Than Strategic

Although some planning initiatives have been undertaken, neither State's departmental strategic plan nor Diplomatic Security's bureau strategic plan specifically address the bureau's resource needs or its management challenges. Therefore, Diplomatic Security's tremendous growth over the last 10 years has been in reaction to events and has not benefited from adequate strategic guidance.

State's departmental strategic plan does not specifically address Diplomatic Security's resource needs or management challenges. State is required by the Government Performance and Results Act (GPRA) to regularly submit a strategic plan for the department. GPRA requires that a strategic plan contain six elements.[36] The committee report[37] accompanying GPRA summarizes the requirements, stating that a multiyear strategic plan should articulate the fundamental mission (or missions) of an organization and lay out its long-term general goals for implementing that mission, including the resources needed to reach these goals. GAO has further suggested that addressing management challenges, in addition to other factors, would enhance the usefulness of agencies' strategic plans. While State's strategic plan for 2007-2012 does have a section identifying security priorities and goals, we found that it did not identify the resources needed to meet these goals or address all of the management challenges we identified in this report.

Diplomatic Security has undertaken some planning efforts at the bureau and office level, but these efforts also have limitations. As with every State bureau, Diplomatic Security produces an annual bureau strategic plan.[38] While the plan lists priorities, goals, and indicators for the bureau, they do not always track. For example, in the fiscal year 2011 plan, Diplomatic

[36]The six elements are: (1) Mission Statement, (2) General (also known as Strategic or Long-Term) Goals and Objectives, (3) Approaches or Strategies to Achieve Goals and Objectives, (4) Relationship between General Goals and Annual Goals, (5) External Factors, and (6) Program Evaluations.

[37]S. Rpt. 103-58.

[38]Bureau strategic plans were previously called bureau performance plans. State changed the document's name in fiscal year 2009.

Security lists Foreign Affairs security training center activities as a priority, but it does not list corresponding goals or indicators that would track the bureau's progress. In addition, the plan does not identify what staff, equipment, or funding would be needed. Diplomatic Security has also created a plan to guide its visa and passport fraud investigative work. Diplomatic Security created the Visa and Passport Security Strategic Plan to guide its efforts to disrupt individuals and organizations that attempt to compromise the integrity of U.S. travel documents. According to Diplomatic Security officials, in response to the plan, the bureau has increased the number of domestic positions for investigators and the number of investigators overseas through its ARSO-I program. However, Diplomatic Security noted that it has not been able to expand the overseas investigator portion to the extent planned due to resource limitations.[39] In addition, Diplomatic Security uses established security standards and staffing matrixes to determine what resources are needed for various activities. However, while the tools help specific offices or missions plan their resource requests, they are not useful for determining overall bureau needs.

Several senior Diplomatic Security officials noted that Diplomatic Security remains reactive in nature. Diplomatic Security officials in charge of workforce planning gave us several reasons for their lack of long-term strategic planning. First, Diplomatic Security provides a support function and, therefore, must react to the needs of State; therefore, the bureau cannot plan its own resources until State determines its policy direction. For example, given that the U.S. military has helped provide security to U.S. diplomats in Iraq, the planned drawdown of U.S. forces significantly affects Diplomatic Security's workload. Diplomatic Security, however, could not provide us a plan for how they will address that change because they must wait for the department to decide what its overall footprint will be in the country at that time. Diplomatic Security is, however, participating in State's "2012" exercise to determine what its presence will look like in Iraq when the U.S. military withdraws. Second, while State has a 5-year workforce plan that addresses all bureaus, several senior Diplomatic Security officials stated that Diplomatic Security does not use the plan to determine their staffing needs. The officials also stated that Diplomatic Security did not have its own workforce plan but rather plans

[39]As of October 2009, Diplomatic Security reported that several directorates were also in various stages of developing their own strategic plans; however, they provided us with limited information regarding these efforts.

positions 2 years out—based on strategic priorities developed by the Assistant Secretary—as part of the annual budget and planning process. Finally, past efforts to further plan Diplomatic Security resources have gone unheeded. Diplomatic Security's bureau strategic plan for fiscal year 2006 (written in 2005) identified a need to (1) develop a workforce strategy to recruit and sustain a diverse and highly skilled security personnel base and (2) to establish a training float to address recurring staffing problems. As of September 2009, Diplomatic Security had not addressed either of those needs. However, Diplomatic Security reported that it is currently examining all of its security programs to determine how funding and personnel resources are distributed and supporting the bureau's strategic goals.

Diplomatic Security officials stated that they hope to participate in a new department management initiative. On July 10, 2009, the Secretary of State announced the creation of a new Quadrennial Diplomatic and Development Review (QDDR). This review, which will be managed by a senior leadership team under the direction of the Secretary of State, is designed to provide the short-, medium-, and long-term blueprint for State's diplomatic and development efforts, including how to transition from approaches no longer commensurate with current challenges. It will offer guidance on how State develops policies; allocates its resources; deploys its staff; and exercises its authorities.

Conclusions

In the last decade, Diplomatic Security's missions and responsibilities have expanded internationally and domestically, largely in reaction to security incidents and changing diplomatic priorities of the United States. Internationally, Diplomatic Security has been required to provide security at an ever-increasing number of posts in hostile areas, including many facing conditions that historically may have triggered evacuation. This has resulted in major security costs and increased risks to American diplomats. Domestically, Diplomatic Security's traditional responsibilities have expanded to include a more prominent role in protecting the United States through increased investigations of visa and passport fraud, as well as increased protection responsibilities. Diplomatic Security resources have significantly expanded in response to these changes. However, due to mission priorities, several Diplomatic Security offices operate with staffing shortages and important tasks—such as security training and program oversight—may not get done. Diplomatic Security's Domestic Operations have been particularly affected as the bureau often draws security personnel from domestic offices to cover gaps at critical posts overseas and to provide protection details. While this stopgap measure prioritizes

life and safety issues, it interrupts important investigations needed to protect the United States and limits specialized training for high-threat posts and investigations. Moreover, Diplomatic Security faces human capital challenges, such as inexperienced staff and foreign language proficiency shortfalls. The implications of this growth—in conjunction with the potential for increased challenges in Iraq, Afghanistan, and other hostile environments as well as the management challenges listed above—have not been strategically reviewed by the department. Nevertheless, State leadership acknowledges the importance of broad strategic planning, as evidenced by the Secretary's new QDDR, which is intended to ensure people, programs, and resources serve the highest priorities at State.

Recommendations for Executive Action

We recommend that the Secretary of State—as part of the QDDR or as a separate initiative—conduct a strategic review of the Bureau of Diplomatic Security to ensure that its missions and activities address the department's priority needs. This review should also address key human capital and operational challenges faced by Diplomatic Security, such as

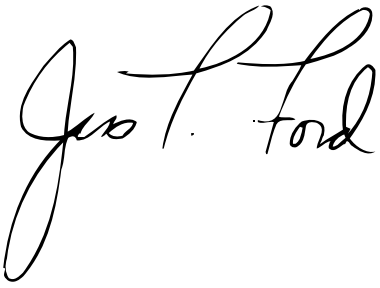
- operating domestic and international activities with adequate staff;
- providing security for facilities that do not meet all security standards;
- staffing foreign missions with officials who have appropriate language skills;
- operating programs with experienced staff, at the commensurate grade levels; and
- balancing security needs with State's need to conduct its diplomatic mission.

Agency Comments and Our Evaluation

We provided a draft of this report to State for review and comment. State agreed with the report's recommendation and noted that, although it is currently not planning to perform a strategic review of the full Diplomatic Security mission and capabilities in the QDDR, the Under Secretary for Management and the Assistant Secretary for Diplomatic Security are completely committed to ensuring that Diplomatic Security's mission will benefit from this initiative. State's official comments are reprinted in appendix X. Technical comments provided by the department were incorporated, as appropriate.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to interested congressional committees and to the Secretary of State. The report also will be available at no charge on the GAO Web site at http://www.gao.gov.

If you or your staffs have questions about this report, please contact Jess T. Ford at (202) 512-4128 or fordj@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff members who made contributions to this report are listed in appendix XI.



Jess T. Ford
Director, International Affairs Trade

Appendix I: Objectives, Scope, and Methodology

To conduct our review of the Department of State's (State) Bureau of Diplomatic Security (Diplomatic Security), we examined (1) how Diplomatic Security's mission has evolved since the embassy attacks in 1998, (2) the change in human and financial resources for Diplomatic Security over the last 10 years, and (3) the challenges Diplomatic Security faces in conducting its missions.

In order to address all three objectives, we interviewed senior Diplomatic Security officials in each of the directorates and most of the suboffices. We interviewed Diplomatic Security special agents at the New York and Washington, D.C., field offices and the San Diego resident office. We selected the New York and Washington, D.C., domestic field offices because they are the largest Diplomatic Security field offices. We selected the San Diego resident office to allow for observation of activities along the border region, including coordination between Diplomatic Security and the Department of Homeland Security, as well as the U.S. Attorney's Office. In addition, we observed Diplomatic Security protection activities at the UN General Assembly and attended the annual meeting of the Overseas Security Advisory Council (OSAC).

We met with the Regional Security Officers (RSO), Chiefs of Mission, other State officials, and representatives from other U.S. law enforcement agencies at 15 diplomatic posts in 9 countries: Egypt (Cairo and Alexandria), Germany (Frankfurt), India (New Delhi and Mumbai), Mexico (Mexico City, Tijuana, and Merida), Tunisia (Tunis), Turkey (Ankara and Istanbul), Saudi Arabia (Riyadh and Jeddah), the Philippines (Manila), and Indonesia (Jakarta). We also conducted video-teleconferences with RSOs in 3 additional posts: Iraq (Baghdad), Afghanistan (Kabul), and Pakistan (Islamabad). We selected the overseas posts we visited based on multiple criteria that allowed us to observe a variety of different types of posts. Post selection criteria included post size (small, medium, and large), the number of posts in the same country, threat levels (low, medium, high, critical), new embassy construction, the presence of an ARSO-Investigator, and whether posts were unaccompanied or restricted. We conducted video-teleconferences with officials in Iraq, Afghanistan, and Pakistan because a significant amount of Diplomatic Security resources are dedicated to these countries, and because Diplomatic Security considers these locations to have the most challenging security environments.

In order to determine how Diplomatic Security's mission has evolved since the embassy attacks in 1998, we discussed the growth of mission and activities with cognizant Diplomatic Security officials. We also reviewed

relevant documents including State Congressional Budget Justifications; briefing materials provided by Diplomatic Security; Diplomatic Security performance/strategic plans for fiscal years 2002-2011 (for an overview of the planned growth for the bureau at that time and to provide the context under which strategic shifts were made); the State Foreign Affairs Manual (to determine the organization responsibilities and authorities of Diplomatic Security); and House hearings on State Appropriations for fiscal years 1999-2004 (to determine how the Diplomatic Security mission and activities expanded during this period).

In order to determine the change in human and financial resources for Diplomatic Security over the last 10 years, we interviewed cognizant officials in both Diplomatic Security and State's Management Bureau. We reviewed data from both of those offices and from State's Congressional Budget Justification. To determine the growth of Diplomatic Security personnel since 1998, we reviewed Diplomatic Security human resources data that presented total career full-time permanent security specialist employees and positions (both Foreign Service and civil service) as of the end of each fiscal year. We also reviewed data on all domestic career full-time permanent employees by major occupational category, as of the end of each fiscal year. To determine staffing gaps over time, we analyzed the differences between employees and positions. To determine the growth of civil service security specialists over time, we reviewed historical data provided by Diplomatic Security's Executive Directorate. To determine the total Diplomatic Security workforce for fiscal year 2008, we collected data from Diplomatic Security on direct-hire employees, other U.S. government support staff, and contractor and support staff.

To determine the growth of Diplomatic Security's budget over time, we reviewed Diplomatic Security financial data, including bureau managed funds, contract costs, and historical budget data. We also reviewed annual State Congressional Budget Justifications and House Hearings on State Appropriations for Fiscal Years 1999-2004, including details of the fiscal year 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act, which provided for a major increase in funding to Diplomatic Security. To determine all State expenditures for Diplomatic Security operations, we used data from the fiscal year 2010 Congressional Budget Justification that presents actual numbers for fiscal year 2008. Diplomatic Security and State officials told us financial data provided by Diplomatic Security does not reflect salaries for personnel, while the Congressional Budget Justifications always reflect salaries. We experienced challenges in receiving budget and personnel data from Diplomatic Security. In addition, budget and personnel data contained

inconsistencies, and we encountered difficulty in seeking clarification on the numbers.

In order to determine the challenges Diplomatic Security faces in conducting its missions we interviewed numerous officials from State (listed earlier), the State Office of Inspector General, and collaborating agencies (such as Secret Service, Federal Bureau of Investigation, U.S. Customs and Border Protection, and Immigration and Customs Enforcement). We reviewed bureau planning and reporting documents from Diplomatic Security including: field office reports from all 12 field offices for 2006 and 2008 and briefing materials from several Diplomatic Security offices. We also reviewed reports on security issues conducted by GAO, the State Office of Inspector General, several think tanks, and the Congressional Research Service.

To determine the trend in post evacuations, we analyzed State evacuation data through September 8, 2008. We tabulated the number of evacuations due to security reasons and excluded those due to earthquakes, hurricanes, cyclones, flooding, other environmental factors, Severe Acute Respiratory Syndrome, or Y2K computer program design problems. In cases where post evacuations were listed as more than one type (authorized, ordered, or post closure), we only recorded the most serious action. For example, if there was an authorized evacuation followed by an ordered evacuation, we counted that as an ordered evacuation only.

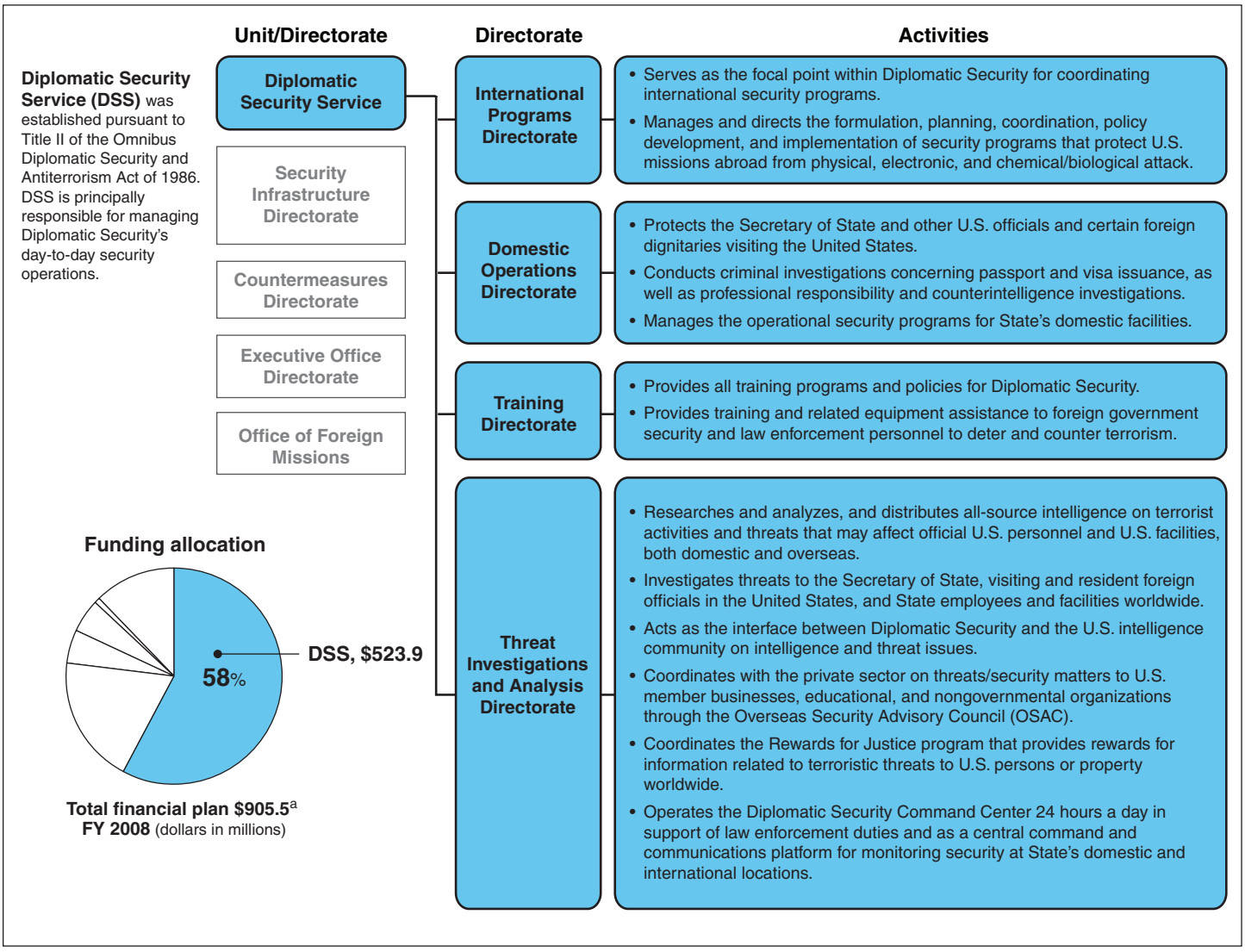
To determine the trend in danger pay time series, we analyzed State data regarding Danger Pay Allowance Percentage of Basic Compensation and estimated a time series model of the number of danger pay posts in a given year (from 1997-2009). We estimated a simple model with an intercept and time trend. We estimated a total of four models with combinations of the following four factors: linear vs. exponential model and independent and identically distributed (iid) normal errors vs. Newey-West errors. (Linear model: $y = \alpha + \beta t + \varepsilon$; Exponential model: $y = \alpha e^{\beta t} + \varepsilon$ (equivalent to $\ln y = \alpha + \beta t + \tilde{\varepsilon}$)) where y is the number of danger pay posts, ε is the error term, and α, β are coefficients to be estimated. We first estimated exponential and linear models of the data with iid normal errors and found visual evidence of autocorrelation, so we then estimated exponential and linear models with Newey-West standard errors, which slightly altered the standard errors and therefore degree of statistical significance (but did not change coefficient values).

To evaluate State and Diplomatic Security's strategic planning for security activities, we compared State and Diplomatic Security planning documents with standards established in the Government Performance and Results Act (GPRA). We reviewed State's strategic plan for 2007-2012; Diplomatic Security's bureau strategic/performance plans for fiscal years 2001 through 2011; Diplomatic Security's Visa and Passport Security Strategic Plan; and planning documents for Diplomatic Security's initiative to create a strategic plan for their International Programs Directorate.

We conducted this performance audit from September 2008 to November 2009, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Diplomatic Security Service

INSTRUCTIONS for Interactive graphic: Click your mouse here ◄ to return to Figure 1.

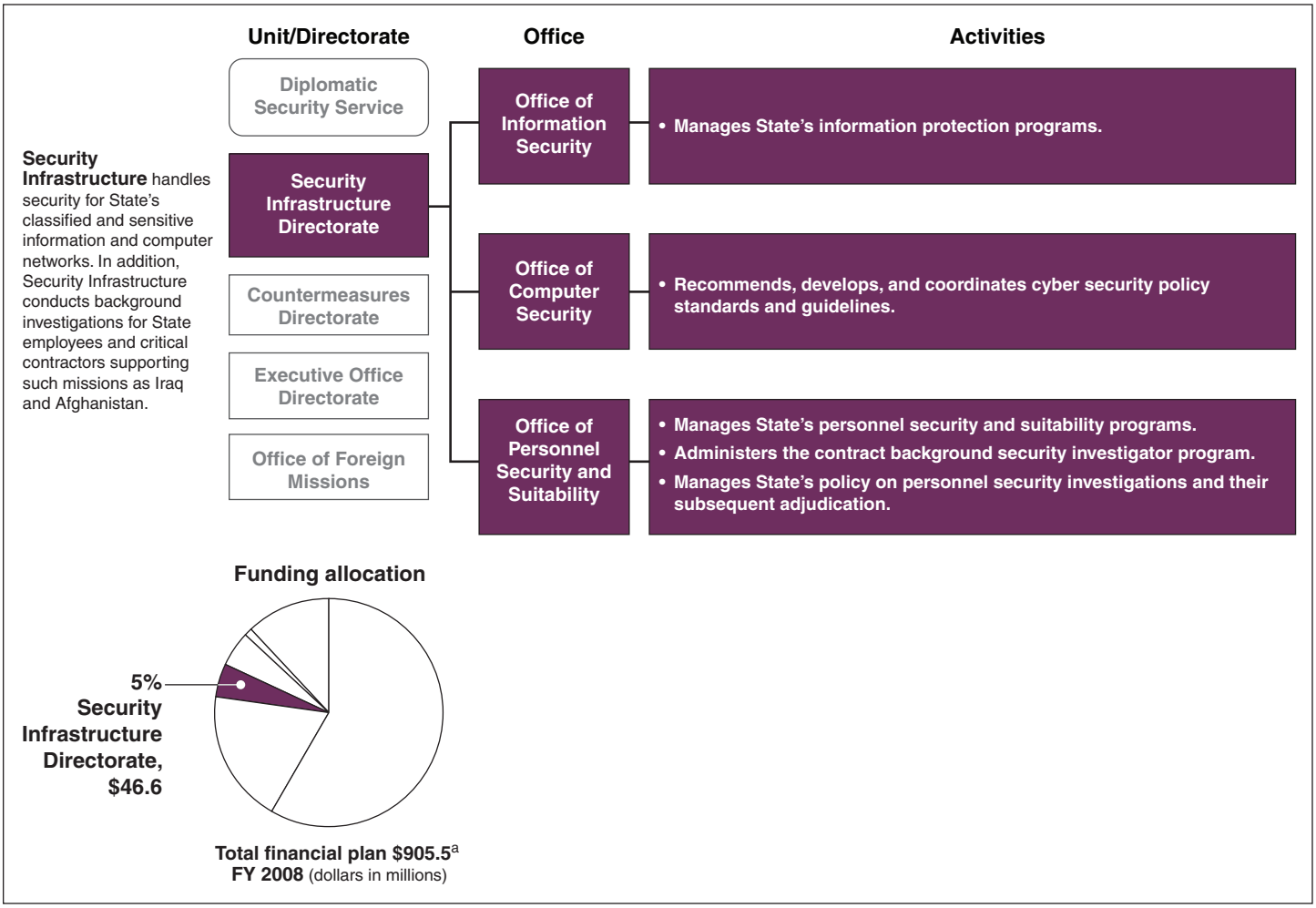


Source: GAO analysis of State data.

[a]The total depicts Diplomatic Security's financial plan for fiscal year 2008, as well as the budget for the Office of Foreign Missions, which are based on regularly appropriated funds and fees. The total does not include salaries or other expenses for special agents overseas, Antiterrorism Assistance funds, or supplemental appropriations intended for operations in Iraq and Afghanistan.

Appendix III: Security Infrastructure

INSTRUCTIONS for Interactive graphic: Click your mouse here ◄ to return to Figure 1.

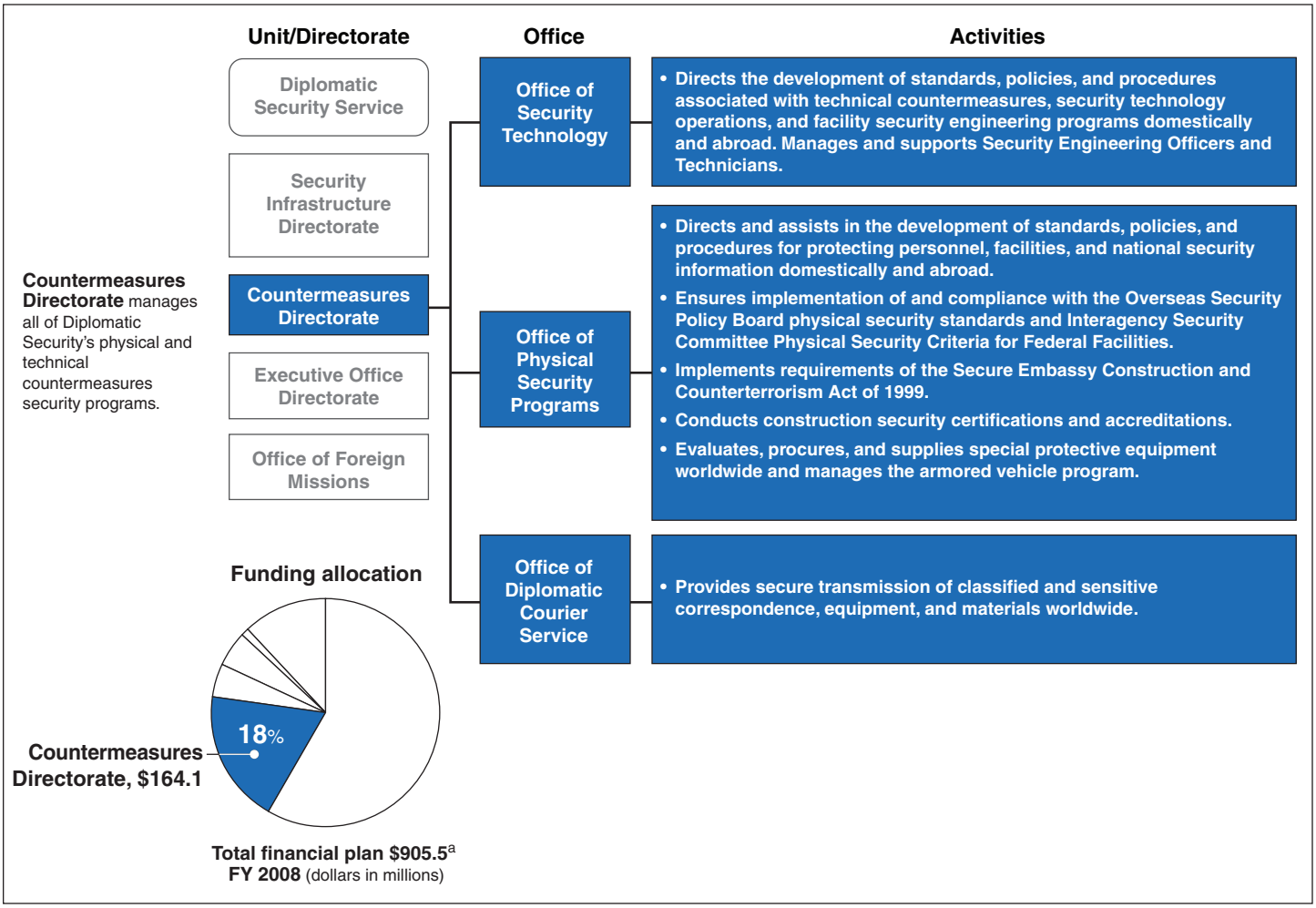


Source: GAO analysis of State data.

[a]The total depicts Diplomatic Security's financial plan for fiscal year 2008, as well as the budget for the Office of Foreign Missions, which are based on regularly appropriated funds and fees. The total does not include salaries or other expenses for special agents overseas, Antiterrorism Assistance funds, or supplemental appropriations intended for operations in Iraq and Afghanistan.

Appendix IV: Countermeasures

INSTRUCTIONS for Interactive graphic: Click your mouse here ◄ to return to Figure 1.

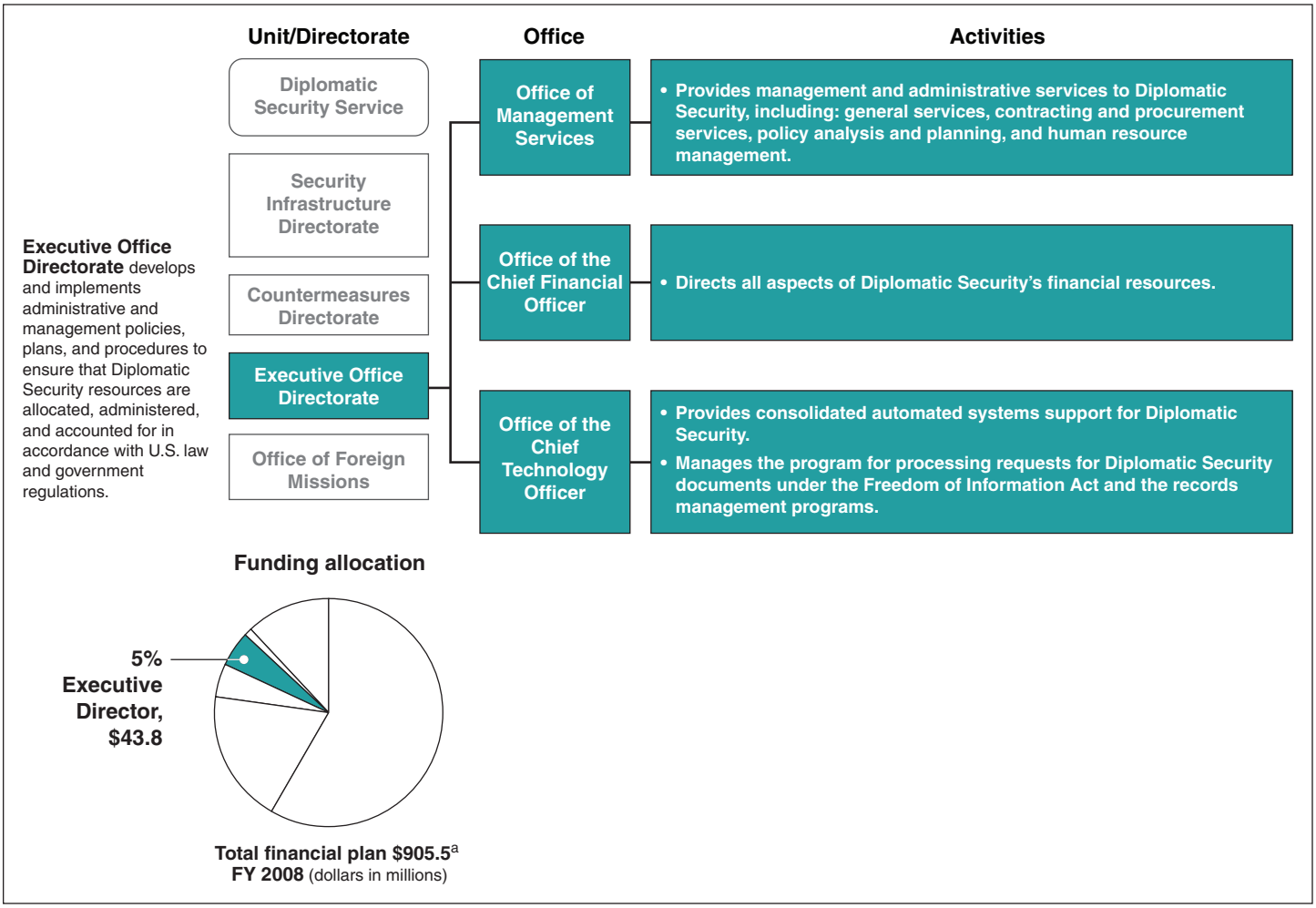


Source: GAO analysis of State data.

[a]The total depicts Diplomatic Security's financial plan for fiscal year 2008, as well as the budget for the Office of Foreign Missions, which are based on regularly appropriated funds and fees. The total does not include salaries or other expenses for special agents overseas, Antiterrorism Assistance funds, or supplemental appropriations intended for operations in Iraq and Afghanistan.

Appendix V: Executive Office

INSTRUCTIONS for Interactive graphic: Click your mouse here ◄ to return to Figure 1.

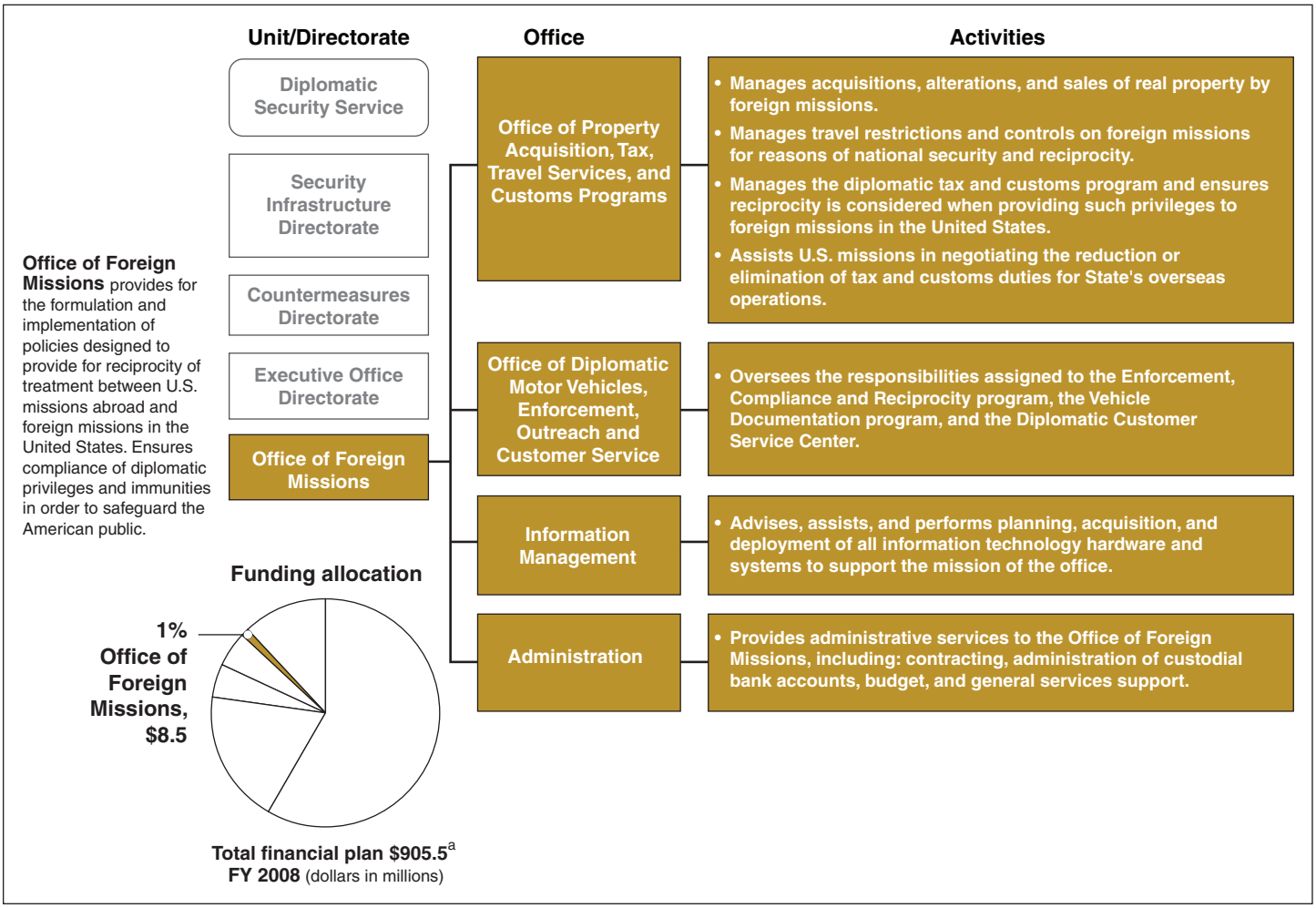


Source: GAO analysis of State data.

[a]The total depicts Diplomatic Security's financial plan for fiscal year 2008, as well as the budget for the Office of Foreign Missions, which are based on regularly appropriated funds and fees. The total does not include salaries or other expenses for special agents overseas, Antiterrorism Assistance funds, or supplemental appropriations intended for operations in Iraq and Afghanistan.

Appendix VI: Office of Foreign Missions

INSTRUCTIONS for Interactive graphic: Click your mouse here ◄ to return to Figure 1.

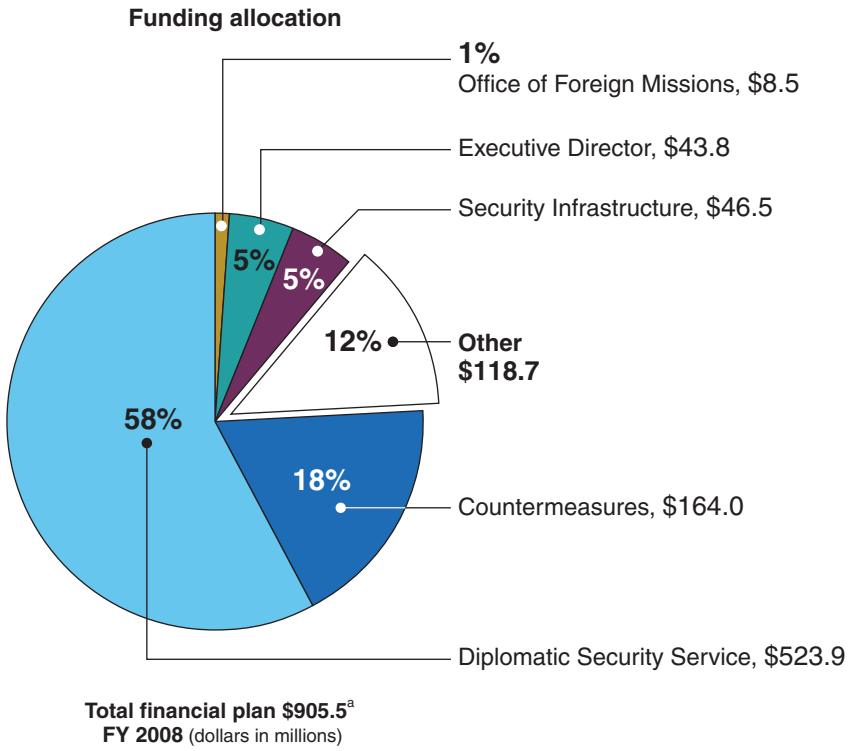


Source: GAO analysis of State data.

[a]The total depicts Diplomatic Security's financial plan for fiscal year 2008, as well as the budget for the Office of Foreign Missions, which are based on regularly appropriated funds and fees. The total does not include salaries or other expenses for special agents overseas, Antiterrorism Assistance funds, or supplemental appropriations intended for operations in Iraq and Afghanistan.

Appendix VII: Funding Allocations, Other

In addition to funding specifically allocated to its directorates and offices, Diplomatic Security's financial plan includes cross-cutting categories such as: Diplomatic Security Central Costs, Bureau Wide Costs, and support for the Assistant Secretary's office. Those categories are represented below as “Other.”



Total financial plan $905.5[a]
FY 2008 (dollars in millions)

Source: GAO analysis of State data.

[a]The total depicts Diplomatic Security’s financial plan for fiscal year 2008, as well as the budget for the Office of Foreign Missions, which are based on regularly appropriated funds and fees. The total does not include salaries or other expenses for special agents overseas, Antiterrorism Assistance funds, or supplemental appropriations intended for operations in Iraq and Afghanistan.

Appendix VIII: Diplomatic Security Collaborates with Other U.S. Government Agencies to Meet Its Mission

Diplomatic Security collaborates with a number of other federal and local law enforcement agencies in order to carry out its investigation and protection activities.

Investigations

Domestically, Diplomatic Security participates in a number of multiagency task forces to enhance their ability to investigate visa and passport fraud. Some of those collaborative efforts include the following:

- *Joint Terrorism Task Force (JTTF):* The Federal Bureau of Investigation brings together more than 40 federal, state, and local agencies to pursue criminal investigations involving terrorist activities. Diplomatic Security special agents participate in 26 JTTFs and the National JTTF. A Department of Justice official noted that it is useful to have a Diplomatic Security presence on the JTTF because if the Department of Justice cannot arrest a suspected criminal on terrorism charges, frequently they can arrest them on visa or passport fraud charges.

- *Document and Benefit Fraud Task Forces:* Led by U.S. Immigration and Customs Enforcement, the document and benefits fraud task forces bring investigators together from a variety of agencies to target two types of crimes: (1) document fraud refers to the manufacture, sale, or use of counterfeit identity documents—such as Resident Alien cards, birth certificates, Social Security cards, or passports—for immigration fraud or other criminal activity, including efforts to obtain genuine identity documents through fraudulent means, and (2) benefit fraud refers to the misrepresentation or omission of material facts on an application to obtain an immigration benefit one is not entitled to—such as U.S. citizenship, political asylum or a valid visa. Any case in which a sufficient nexus to terrorism is discovered will be referred to the JTTFs. Diplomatic Security has special agents assigned to 11 document and benefit fraud task forces.

- *High Intensity Drug Trafficking Area Fusion Center:* Diplomatic Security participates in the New York/New Jersey High Intensity Drug Trafficking Area Fusion Center. Supported with funding from the Office of National Drug Control Policy, Diplomatic Security is one of the local and federal law enforcement organizations within the fusion center that combats the production, manufacture, transportation, distribution, and chronic use of illegal drugs and money laundering.

  Several officials from the other collaborating agencies noted that Diplomatic Security is an asset to the task forces because it has access to a global network of colleagues posted in the embassies and consulates around the world. According to two U.S. Immigration and Customs

Enforcement officials we met with, other U.S. law enforcement agencies are able to leverage the contacts and other valuable information gleaned overseas through Diplomatic Security's expansive global network of law enforcement agents.

Diplomatic Security participates in several other collaborative initiatives such as the following:

- *Border Initiatives:* Diplomatic Security stated that the bureau has posted several Diplomatic Security agents to high traffic border crossing points, such as at San Ysidro, California, to work with the U.S. Customs and Border Protection and the U.S. Attorney's Office to identify, investigate, and prosecute visa and passport fraud. In 2008, a representative from the U.S. Attorney's office in San Diego reported that his unit prosecuted 167 passport cases in 2008 compared to an average of 25 to 30 cases in past years. He attributed this increase in cases, in part, to greater collaboration with Diplomatic Security and Diplomatic Security's involvement on the border.

- *Global Pursuit Initiative:* Through Diplomatic Security's Global Pursuit Initiative, Diplomatic Security special agents are assigned to major international airports throughout the United States to assist the U.S. Department of Homeland Security in investigating visa and passport irregularities.

Protection

Diplomatic Security collaborates with local law enforcement agencies and the U.S. Secret Service to conduct its protection activities. Diplomatic Security officials stated that the bureau relies on state and local police for assistance with crowd control and extra patrols at consulates when there is an indication of a threat. For special events, Diplomatic Security relies on local police forces. For example, every year, Diplomatic Security works with the New York police force to provide security at the UN General Assembly.

Diplomatic Security also collaborates with U.S. Secret Service when the Secretary of State and the President travel together and other joint missions, such as coordination between Diplomatic Security Regional Security Officers and the Secret Service when their protectees travel overseas. Diplomatic Security is responsible for providing protection to the Secretary of State and visiting dignitaries at the Secretary's level, while the Secret Service provides protection to the President and visiting heads of state. These two agencies frequently have to work together when, for example, the Secretary of State and the President travel together.

Secretary Clinton has brought a new level of coordination between the two agencies given her unique status as both a former first lady—whose protection falls under the purview of Secret Service—and as the current Secretary of State—whose protection falls under the purview of Diplomatic Security.

Overseas

At overseas posts, Diplomatic Security collaborates closely with other U.S. law enforcement agencies that have a presence at a particular post. Diplomatic Security has the widest representation of security and law enforcement officials overseas; however, other law enforcement agencies may place agents in embassies or consulates in areas with specific needs. For example, the Drug Enforcement Agency has officers in many U.S. missions to work with the host governments on combating drug trafficking. To coordinate the various agencies' work, some posts have established a Law Enforcement Working Group. The RSO chairs a working group.

Appendix IX: Attacks against U.S. Embassies and Consulates (excluding Baghdad), 1998-2008

There were 39 attacks against U.S. embassies and consulates and official U.S. personnel overseas between 1998 and 2008, in addition to regular attacks on the U.S. Embassy in Baghdad since 2004 (see table 3).[1]

Table 3: Attacks against U.S. Embassies and Consulates

Year	Date	City	Description of attack
1998	June 21, 1998	Beirut	7 rocket propelled grenades (RPG) fired at embassy.
	August 7, 1998	Nairobi	Both embassies simultaneously attacked with truck bombs.
	August 7, 1998	Dar-es-Salaam	
1999	March 28, 1999	Moscow	Attempted RPG attack; gunmen fire on embassy.
	April 24, 1999	Yekaterinburg	Bombing near U.S./UK Consulate General.
	May 27, 1999	Sana'a	Tribesmen attempt to kidnap embassy employee.
	June 4, 1999	Istanbul	Terrorist launch RPG at Consulate.
	November 12, 1999	Islamabad	Rockets launched at embassy, injuring local guard.
2002	January 22, 2002	Calcutta	Gunmen attack Consulate.
	March 15, 2002	Sana'a	Two grenades thrown at embassy.
	March 17, 2002	Islamabad	U.S. diplomat killed in attack near embassy.
	March 22, 2002	Lima	Car bomb explodes near embassy.
	June 14, 2002	Karachi	Truck bomb detonates outside Consulate.
	October 12, 2002	Denpasar	Consular Office bombed as part of the Bali bombings.
	October 28, 2002	Amman	Al-Qa'ida assassinates USAID Director.
2003	February 28, 2003	Islamabad	Gunmen attack embassy.
2004	March 15, 2004	Karachi	Truck bomb fails to detonate near consulate.
	June 30, 2004	Tashkent	Suicide bomber attacks embassy.
	October 28, 2004	Islamabad	U.S. diplomat injured in bombing at hotel.
	December 6, 2004	Jeddah	Gunmen raid diplomatic compound.
2005	August 21, 2005	Kabul	Bomb damages U.S. embassy vehicle, wounds two.
2006	March 2, 2006	Karachi	Suicide bomber kills U.S. diplomat near Consulate.
	May 19, 2006	Herat	International Narcotics and Law Enforcement Affairs motorcade attacked by suicide car bomb.
	August 29, 2006	Kabul	International Narcotics and Law Enforcement Affairs vehicle destroyed by roadside bomb.
	September 8, 2006	Kabul	Suicide car bomb detonates outside embassy.

[1]Diplomatic Security does not include attacks against U.S. Embassy in Baghdad in its significant incident report. Iraq is a war zone and inclusion of each incident that occurs there would overshadow the overall number of significant attacks that have been conducted against other embassy facilities around the world.

Year	Date	City	Description of attack
	September 12, 2006	Damascus	Gunmen raid U.S. embassy.
2007	January 12, 2007	Athens	RPG fired at embassy.
	February 27, 2007	Batticaloa	Fire on helicopter carrying Ambassador.
	March 19, 2007	Kabul	Suicide bomber destroys embassy vehicle.
	April 14, 2007	Casablanca	Two suicide bombers target U.S. diplomatic facilities.
	May 25, 2007	Kathmandu	Maoists attack Ambassador's vehicle.
	October 27, 2007	Peshawar	Terrorists launch mortars at Consulate.
	December 9, 2007	Peshawar	Terrorists launch mortars at Consulate.
2008	January 1, 2008	Khartoum	Terrorist assassinate USAID employee.
	April 27, 2008	Kabul	Gunmen fire on Ambassador during ceremony.
	July 9, 2008	Istanbul	Armed attack against Consulate.
	October 12, 2008	Monterrey	Bullets and grenade shot at U.S. Consulate.
	August 26, 2008	Peshawar	Gunmen attempt to kidnap Principal Officer.
	September 17, 2008	Sana'a	Two car bombs outside U.S. embassy in Yemeni capital.

Source: Diplomatic Security Office of Investigations and Threat Analysis.

Appendix X: Comments from the U.S. Department of State

United States Department of State

Assistant Secretary and Chief Financial Officer

Washington, D.C. 20520

November 2, 2009

Ms. Jacquelyn Williams-Bridgers
Managing Director
International Affairs and Trade
Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548-0001

Dear Ms. Williams-Bridgers:

We appreciate the opportunity to review your draft report, "STATE DEPARTMENT: Diplomatic Security's Recent Growth Warrants Strategic Review," GAO Job Code 320607.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

If you have any questions concerning this response, please contact Paul Ginsburg, Program Analyst, Bureau of Diplomatic Security at (571) 345-2742.

Sincerely,

James L. Millette

cc: GAO – Miriam Carroll
DS – Eric Boswell
State/OIG – Mark Duda

Department of State Comments to GAO Draft Report

STATE DEPARTMENT: Diplomatic Security's Recent Growth Warrants Strategic Review

(GAO-10-156, GAO Code 320607)

The Department of State appreciates the opportunity to comment on GAO's draft report, "STATE DEPARTMENT: Diplomatic Security's Recent Growth Warrants Strategic Review."

The GAO recommends that the Secretary of State – as part of the Quadrennial Diplomacy and Development Review (QDDR) or as a separate initiative – conduct a strategic review of the Bureau of Diplomatic Security (DS) to ensure that its mission and activities address the Department's priority needs. This review should also address key human capital and operational challenges faced by DS such as:

- Operating domestic and international activities with adequate staff;
- Providing security for facilities that do not meet all security standards;
- Staffing foreign missions with officials who have appropriate language skills;
- Operating programs with experienced staff, at the commensurate grade levels; and
- Balancing security needs with State's need to conduct their diplomatic mission.

The Department of State agrees with GAO's recommendation. The Secretary of State announced her QDDR initiative in July 2009 and the QDDR initiative will soon begin the critical process of analysis that will strengthen and elevate diplomacy and development as key pillars of our national security strategy. The aim is to make our diplomacy and development tools and institutions more agile, responsive and complementary. It will set institutional priorities and provide strategic guidance on the capabilities we need in the 21st century, the organizational structures best suited to our objectives, the most efficient and effective allocation of resources, and the best deployment models to maximize our impact on the range of challenges we face.

This inaugural QDDR is just the beginning of a longer-term process to institutionalize an ethic of review, analysis, and responsiveness within our diplomatic and development agencies. Although the Department of State is currently not planning to perform a strategic review of the full DS mission and capabilities in the QDDR, the QDDR has five strategic focus areas in process, including the strategic focus to "building operational and resource platforms for success" which will review how the Department can develop the people, processes and systems for flexible, responsive operations and efficient use of resources. However, we do not have all the specific detail in place at this time given the QDDR is still in the early phase. The Under Secretary for Management and the Assistant Secretary for Diplomatic Security are completely committed to working with the QDDR group to ensure that DS's mission will benefit from this initiative.

Appendix XI: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the individual named above, the following individuals made key contributions to this report: Anthony Moran, Assistant Director; Miriam Carroll Fenton; Jon Fremont; Antoine Clark; and Zina Merritt. The following individuals provided technical assistance: Joe Carney, Etana Finkler, Jena Sinkfield, Amanda Miller, and Grace Lui.

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