



United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

FEB 26 2013

MEMORANDUM

TO: IBB – Richard M. Lobo

FROM: OIG – Harold M. Geisel *RBL for*

SUBJECT: Compliance Followup Review of the International Broadcasting Bureau Germany Transmitting Station, ISP-IB/C-13-20

Executive Summary

The Office of Inspector General (OIG) compliance followup review (CFR) of the International Broadcasting Bureau (IBB) Germany Transmitting Station found that the transmitting station had complied overall with the recommendations from the September 2011 inspection report (ISP-IB-11-66). The OIG team reissued two of the recommendations.

Purpose, Scope, and Methodology

In conducting the CFR, the inspectors verified whether agreed-upon corrective actions for recommendations issued in the 2011 report were fully and properly implemented. The inspectors reviewed the previous inspection report and reported corrective actions, conducted interviews by telephone and email, reviewed and collected documentation to substantiate reported corrective actions, addressed new, significant deficiencies or vulnerabilities during the course of the CFR, and where appropriate, issued new recommendations, and discussed the substance of the report with the head of the inspected office. The CFR took place in Washington, DC, between September 4 and 25, 2012, and in Germany between October 9 and 16, 2012.

Background

Little has changed since the OIG inspection team visited the IBB Germany Transmitting Station in 2011. One Foreign Service officer serves as the station manager, and there are 19 locally employed staff members at two functioning sites, Lampertheim and Biblis, both located in the Consulate General Frankfurt consular district. The IBB Germany Transmitting Station sold the property at Erching, a third nonfunctioning site.

Evaluation of Compliance

Management

The 2011 OIG report recommended that the IBB Germany Transmitting Station implement a procurement process that adequately separates requestor and procurement duties to meet internal control requirements. The IBB Germany Transmitting Station hired an

administrative assistant and revised procurement procedures so that adequate internal controls over the procurement process were in place. A revised management instruction assigns responsibilities, delegations, and accountability for the ordering, receiving, and inventory functions. This recommendation is closed.

The 2011 OIG also report recommended that Embassy Berlin send a *démarche* to the Germany Ministry of Foreign Affairs to request recognition of duty and tax exemptions granted by previous agreements and seek clarification of the procedure for successful submission of requests for refund of value-added taxes paid. The embassy sent a note verbale (diplomatic note) in July 2011. In April 2012, the Ministry of Foreign Affairs notified the embassy that it was working with the Finance Ministry and the Department of Protocol on “this legally complicated issue.” The Finance Ministry said it could not issue the value-added tax exemption; however, an exemption may be requested and granted from the European Union in Brussels. The embassy sent the *démarche* as requested. This recommendation is closed.

Information Technology

During the 2011 inspection, two recommendations were issued regarding the information technology operations of IBB Germany Transmitting Station. Both recommendations remain open and are reissued as a result of this CFR.

The IBB did not implement a standard operating procedure detailing how account administration and support will be handled for transmitting stations. IBB management reports that administrative network management will be centralized in Washington, DC, eliminating the need for it to be handled by all transmitting stations. The centralization of administrative network management is in response to the 2011 OIG inspection report that noted there were no standard operating procedures for administering, configuring, and maintaining the administrative network for the IBB Germany Transmitting Station. (b) (5)

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] A newsletter has been sent to staff discussing account management; however, it did not provide detailed procedures for information management staff to follow. Without a defined standard operating procedure, potential information security vulnerabilities could arise.

Recommendation CFR 1: The International Broadcasting Bureau should implement a standard operating procedure for administering, configuring, and maintaining the International Broadcasting Bureau Germany Transmitting Station’s administrative network. (Action: IBB)

OIG made an additional recommendation in the 2011 inspection report, requesting the development of an information technology training plan for locally employed systems staff. The report noted that locally employed staff had not received formal training in areas of information security and network administration. In its compliance response, IBB reported that the Office of Information Technology plans to visit the IBB Germany Transmitting Station in FY 2013. An information technology training plan for the locally employed staff will be developed during the visit. In the interim, IBB management has provided staff with information on industry-recommended training for desktop and server administration. Without adequate training, staff

may be unprepared to fulfill network administration support requirements and could unintentionally compromise the confidentiality, integrity, and availability of the network.

Recommendation CFR 2: The International Broadcasting Bureau should implement an information technology training plan for locally employed systems staff at the International Broadcasting Bureau Germany Transmitting Station. (Action: IBB)

Security Annex

The OIG inspection team examined the compliance for Recommendations 34 and 35 from the 2011 security annex report and found that the reported actions were sufficient to close these two recommendations for acceptable compliance.

I would be happy to meet with you to discuss this matter further, or your staff may contact Robert Peterson, Assistant Inspector General for Inspections, by email at [\(b\)\(2\)\(b\)\(6\)@state.gov](mailto:(b)(2)(b)(6)@state.gov) or by telephone on (b)(2)(b)(6).

cc: Kelu Chao, Director, International Broadcasting Bureau
Barbara Tripp, Management Analyst, International Broadcasting Bureau

List of Compliance Followup Review Recommendations

Recommendation CFR 1: The International Broadcasting Bureau should implement a standard operating procedure for administering, configuring, and maintaining the International Broadcasting Bureau Germany Transmitting Station's administrative network. (Action: IBB)

Recommendation CFR 2: The International Broadcasting Bureau should implement an information technology training plan for locally employed systems staff at the International Broadcasting Bureau Germany Transmitting Station. (Action: IBB)

Abbreviations

BBG	Broadcasting Board of Governors
CFR	Compliance followup review
IBB	International Broadcasting Bureau
OIG	Office of Inspector General

Appendix: Status of 2011 Inspection Formal Recommendations

Recommendation 1: The International Broadcasting Bureau Germany Transmitting Station should implement a procurement process that adequately separates requestor and procurement duties to meet internal controls requirements. (Action: IBB Germany Transmitting Station)

Pre-CFR Status: BBG concurred with the OIG recommendation, and the IBB Germany Transmitting Station manager continued to work with Embassy Berlin and Consulate General Frankfurt to create a new position and hire a new administrative assistant by the end of 2011. The IBB Germany Transmitting Station manager also revised Station Management Instruction 15 to address changes in the procurement process related to the duties of the new administrative assistant, providing for separation of requestor and procurement duties.

CFR Findings: The recommended action has been taken. The recommendation is closed.

Recommendation 2: Embassy Berlin, in coordination with the Office of Foreign Missions, the International Broadcasting Bureau, and the International Broadcasting Bureau Germany Transmitting Station should démarché the Foreign Ministry and Ministry of Finance to get recognition of duty and tax exemptions already granted by previous agreements and seek clarification of the procedure for successful submission of requests for the refund of value-added taxes paid. (Action: Embassy Berlin, in coordination with OFM, IBB, and IBB Germany Transmitting Station)

Pre-CFR Status: Closed.

CFR Findings: The embassy sent a démarché (diplomatic note). The recommended action has been taken. The embassy followed up and received a response that the German Ministry of Foreign Affairs forwarded the request to the Ministry of Finance, which responded that it could not issue a value-added tax exemption and that such a request must be made to the European Union in Brussels. This recommendation remains closed.

Recommendation 3: The International Broadcasting Bureau Germany Transmitting Station should develop and implement standard operating procedures for administering, configuring, and maintaining the station's administrative network. (Action: IBB Germany Transmitting Station)

Pre-CFR Status: Closed.

CFR Findings: Although the IBB Office of Information Technology pledged to visit the IBB Germany Transmitting Station to implement standard operating procedures for administering, configuring, and maintaining the station's administrative network, BBG has not supplied the OIG inspection team with the documents outlining the standard operating procedures. Neither has the Office of Information Technology made the visit to IBB Germany Transmitting Station to implement the procedures. This recommendation has been reissued as Recommendation CFR 1.

Recommendation 4: The International Broadcasting Bureau Germany Transmitting Station should develop and implement an information technology training plan for locally employed systems staff. (Action: IBB Germany Transmitting Station)

Pre-CFR Status: The IBB Office of Technology, Services, and Innovation, Office of Information Technology was planning a visit to the IBB Germany Transmitting Station in FY 2012 to provide transmitting station staff with detailed information on the configuration of the planned new services and workstations. However, the response from BBG did not adequately address the situation found during the inspection and described in the inspection report, which focused on the absence of formal training for locally employed staff and the lack of standard operating procedures and guidelines. BBG has not confirmed that this training had been instituted.

CFR Findings: BBG Washington, DC, reported that it is preparing the documents, but inspectors have not received completed documents. The IBB Office of Information Technology site visit is still pending and training has not been instituted. This recommendation is reissued as Recommendation CFR 2.