



UNITED STATES DEPARTMENT OF STATE  
AND THE BROADCASTING BOARD OF GOVERNORS  
*OFFICE OF INSPECTOR GENERAL*

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# **Audit of the Department of State Management of the Marine Security Guard Program and Plans for Program Expansion**

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United States Department of State  
and the Broadcasting Board of Governors

*Office of Inspector General*

(U) PREFACE

(U) This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, and Section 209 of the Foreign Service Act of 1980, as amended. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its responsibility to promote effective management, accountability, and positive change in the Department of State and the Broadcasting Board of Governors.

(U) This report is the result of an assessment of the strengths and weaknesses of the office, post, or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

(U) The recommendations therein have been developed on the basis of the best knowledge available to OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

(U) I express my appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in blue ink, appearing to read "N. P. Brown".

(U) Norman P. Brown  
(U) Assistant Inspector General  
for Audits

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## Acronyms

ARB	Accountability Review Board
CSE	Center for Security Evaluation
DoD	Department of Defense
DS	Bureau of Diplomatic Security
FAM	<i>Foreign Affairs Manual</i>
GAO	Government Accountability Office
HTP	High Threat Programs Directorate
MSAU	Marine Security Guard Security Augmentation Unit
MSG	Marine Security Guard
MOA	Memorandum of Agreement
OBO	Bureau of Overseas Buildings Operations
OMB	Office of Management and Budget
OIG	Office of Inspector General
OSPB	Overseas Security Policy Board
SBU	Sensitive But Unclassified
SETL	Security Environment Threat List
USMC	U.S. Marine Corps

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## Executive Summary

In the aftermath of the September 2012 attacks on the diplomatic facilities in Benghazi, Libya, and the report of the Department of State's (Department) Accountability Review Board (Benghazi ARB) that studied those attacks,<sup>1</sup> Congress directed the Secretary of Defense "to develop and implement a plan to increase the number of [Marines] assigned to the Marine Corps Embassy Security Group ... and Marine Security Group detachments at United States embassies, consulates, and other diplomatic facilities by up to 1,000 Marines." Prior to this legislation, 1,012 Marines were assigned as Marine Security Guards (MSG) at posts around the world, so the full additional 1,000 Marines, if assigned, will double the program's size.<sup>2</sup> The purpose of this authorized increase was to provide the additional end strength and the resources necessary to support enhanced U.S. Marine Corps (USMC) security at U.S. embassies, consulates, and other diplomatic facilities, particularly at locations identified by the Secretary of State as in need of additional security because of threats to U.S. personnel and property.<sup>3</sup>

The Benghazi ARB report states that "[t]he recommendations in this report ... err on the side of increased attention to prioritization and to fuller support for people and facilities engaged in working in high risk, high threat areas." The ARB's first recommendation states that "[t]he Department must strengthen security for personnel and platforms beyond traditional reliance on host government security support in high risk, high threat posts."<sup>4</sup> Against this backdrop, Recommendation 11 of the Benghazi ARB report expresses the Board's "support" of "the State Department's initiative to request additional Marines and expand the Marine Security Guard (MSG) Program" and "recommends that the [Department of State] and [Department of Defense] (DoD) identify additional flexible MSG structures and request further resources ... to provide more capabilities and capacities at higher risk posts." The Department initiative referred to by the ARB included the proposal to establish new MSG detachments at 50 additional high and medium threat posts by 2014. The MSG program expansion was one part of the Department's "Increased Security Proposal" furnished to Congress in the fall of 2012 that also included deployment of additional Bureau of Diplomatic Security (DS) personnel and additional embassy security construction to be funded through reallocation of Overseas Contingency Operations funds.<sup>5</sup> As a result of geographic limitations in the use of the funds, the MSG expansion proposal

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<sup>1</sup> *Accountability Review Board Report on Benghazi*, Dec. 18, 2012, at <http://www.state.gov/documents/organization/202446.pdf>, accessed on Jan. 25, 2013 (also referred to as the "Benghazi ARB report").

<sup>2</sup> In its response to the draft report, DS noted that on September 11, 2012, the MSG program had 1,449 authorized positions.

<sup>3</sup> National Defense Authorization Act for Fiscal Year 2013 (Pub. L. No. 112-239 § 404, 10 U.S.C. 5983 note, 126 Stat. 1632, 1708) (Jan. 2, 2013). Congress directed that the Secretary of Defense's plan be developed and implemented in consultation with the Secretary of State pursuant to the responsibility of the Secretary of State for diplomatic security under sec. 103 of the Diplomatic Security Act (22 U.S.C. 4802) and in accordance with any current memorandum of understanding between the Department of State and the USMC.

<sup>4</sup> The Benghazi ARB report (pp. 3 and 8). Also, the report (p. 9) recommends that the Department "work with Congress to expand utilization of Overseas Contingency Operations funding to respond to emerging security threats and vulnerabilities and operational requirements in high risk, high threat posts."

<sup>5</sup> The Department of State Increased Security Proposal (Nov. 2012) total requirement for FY 2013 is \$1.4 billion, which consists of three parts: (1) additional Marine Security Guard detachments (\$553 million), (2) DS personnel increase (\$130 million), (3) and additional Embassy Security Construction for security upgrades and construction (\$691 million).

for new detachments at 50 high and medium threat posts was reduced to 35 posts, and ultimately, as of June 2014, only 25 posts were scheduled for new detachments by the end of 2014.<sup>6</sup>

Following receipt of the Benghazi ARB report recommendations and the legislation directing increased staffing for the MSG program, the Department and the Department of Defense (DoD) developed the implementation plan for the MSG program expansion.<sup>7</sup> The plan has three components: (1) adding MSG detachments to certain posts that lack a detachment, (2) increasing staffing levels for all existing MSG detachments, and (3) creating nine Marine Security Augmentation Units (MSAU).<sup>8</sup> For the 25 new MSG detachments that were planned for deployment, the detachments are being activated over an ambitious 2-year timetable, 2013–2014. At the end of the initial phase, in December 2013, new MSG detachments had been activated at eight of the 25 posts selected for new detachments. Through June 2014, five additional detachments had been activated.

The Office of Inspector General (OIG) conducted this audit to determine (1) whether DS's overall management of the MSG program was in accordance with program objectives and requirements and (2) to what extent DS's ongoing expansion of the MSG program had implemented the Benghazi ARB report recommendations and effectively used the resources made available.

### **Formal Guidance and Periodic Reassessments Are Needed for the Identification and Selection of Posts for Marine Security Guard Detachments and Optimal Worldwide Allocation of Marine Security Guard Resources**

OIG found that DS could not demonstrate that it had consistently managed key aspects of the MSG program in accordance with program objectives and requirements. Specifically, DS did not demonstrate that it had formal, documented procedures to guide the identification and selection of overseas posts that should be afforded new MSG detachments or to guide any reconsideration of whether existing MSG detachments should be reallocated among posts. For example, DS's documentation of how posts were selected to receive MSG detachments or how they compared with other considered posts was not always complete and properly maintained. According to DS officials, there had been limited efforts to formalize a process because of the infrequent selection of posts for new detachments prior to the Benghazi ARB report and the 2013 legislative authority to increase staffing for the MSG program.<sup>9</sup> In addition, OIG found that DS

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<sup>6</sup> In November 2012, Office of Management and Budget officials reduced the list of posts from 50 to 35 because of a decision they made that Overseas Contingency Operations funds could not be used in the Western Hemisphere. DS made adjustments to the list of 35 in February 2014, and most of the posts removed were delayed for a variety of reasons. Also, of the 25 posts currently scheduled for new detachments, three were not on the original list of 35. Five were alternates, and one was already planned for activation prior to the expansion. In its general comments to the draft report (Appendix D), DS refers to 29 posts that were scheduled for activation as of June 2014, consisting of 20 completed by the end of calendar year 2014, five awaiting construction project completions, and four awaiting host country approval.

<sup>7</sup> Cable 2013 STATE 70833, "Planning for the Proposed Expansion of the Marine Security Guard Program," June 20, 2013.

<sup>8</sup> The MSAUs based in Quantico, Virginia, number 122 Marines, consisting of nine squads (one for each MSG region), and are intended to respond to temporarily heightened security conditions.

<sup>9</sup> According to MSG branch officials at the time we conducted audit fieldwork, DS activated six new MSG detachments from 2008 through 2011, which OIG confirmed. According to DS's response to the draft report, the correct number of detachments activated during that period was seven, which included [REDACTED]

had, prior to 2012, selected and assigned MSG detachments to posts in a manner that did not appear to be consistent with the established primary criterion for adding MSG detachments, which at the time was to provide internal security services to prevent the compromise of classified information and equipment located at a post.<sup>10</sup> For example, of 154 overseas posts that were afforded MSG detachments as of 2012, 110 (71 percent) of the posts had medium or low threat ratings related to stored or processed classified information, and only 44 (29 percent) were rated high or critical for threat ratings related to stored or processed classified information.

[Redacted] (b) (5), [Redacted] (b) (7)(F)

As mentioned previously, [Redacted] (b) (5), [Redacted] (b) (7)(F) documentation regarding these MSG detachment assignments was deficient, making it difficult to ascertain which documents matched up to specific decisions. Without formal documented procedures to guide the identification and selection of posts that should be afforded MSG detachments and without proper documentation of previous selection decisions, MSG officials may not apply selection criteria consistently and could overlook posts most in need of MSG detachments. In addition, the *Foreign Affairs Manual* (FAM)<sup>11</sup> requires that managers establish systems of management controls to ensure U.S. Government activities are managed effectively and efficiently. However, OIG found no evidence that MSG program officials were performing periodic assessments (or reassessments) of where MSG detachments had been placed or needed to be placed.<sup>12</sup> Without conducting and properly documenting periodic reassessments, MSG program officials did not know whether MSG detachments could be reallocated to better address current security priorities.

### **The Department's Management of the Ongoing MSG Expansion Has Not Been Fully Consistent With the Benghazi ARB Report Recommendations' Priority of Strengthening Security at "High Risk, High Threat Posts"**

OIG found that the Department's ongoing expansion of the MSG program has thus far made modest contributions to strengthening security for personnel in "high risk, high threat posts." Specifically, the Department and the USMC have increased staffing levels at *existing* MSG detachments (including those at high risk, high threat posts) and created MSAUs based in Quantico, Virginia, for response to temporarily heightened threat conditions. However, the Department had made only limited progress in the critical area of adding *new* MSG detachments to high threat posts that were most in need of additional security.<sup>13</sup>

<sup>10</sup> Memorandum of Agreement between the U.S. Department of State and the U.S. Marine Corps dated May 5, 2011. The current MOA, signed in June 2013, includes the reprioritized MSG mission: to provide protection to mission personnel and prevent the compromise of national security information and equipment.

<sup>11</sup> 2 FAM 021.1, "Policy and Scope."

<sup>12</sup> OIG did note that reevaluations were being conducted by the Center for Security Evaluation (CSE), Office of the Director of National Intelligence, prior to 2011. CSE provides input on behalf of the intelligence community for both the annual Security Environment Threat List ratings and the selection of posts afforded MSG detachments to protect classified equipment and information. According to a CSE representative, CSE had led a revalidation committee that met periodically to consider each post's current security needs and the possible revalidation of MSGs to other posts worldwide. This initiative was conducted to support the Department in executing its responsibilities to ensure the protection of classified national security information in accordance with Department policy.

<sup>13</sup> Initially, the MSG branch office identified 50 posts for MSG program expansion efforts. In November 2012, OMB reduced this number of posts to 35 because of restrictions on the use of Overseas Contingency Operation funds. The three-part expansion plan, dated May 24, 2013, consisted of the following: (1) deploying 232 Marines to certain posts that lack a detachment, (2)

With respect to the deployment of 25 *new* MSG detachments, OIG found that 15 (60 percent) of the new posts the Department had selected for new MSG detachments had low or medium threat ratings for political violence or terrorism and that only 10 (40 percent) of the selected posts had high or critical threat ratings for political violence or terrorism.<sup>14</sup> Because the Department's plan assigns new MSG program resources to some lower threat posts but does not assign detachments to all high threat posts,<sup>15</sup> the planned expansion is not fully consistent with the Benghazi ARB report recommendations' focus on prioritizing security improvements at high risk, high threat posts or the stated purpose of the MSG expansion legislation: "to provide the additional end strength and the resources necessary to support enhanced USMC security ... particularly at locations identified by the Secretary of State as in need of additional security because of threats to United States personnel and property." OIG acknowledges that the Department considered other factors in selecting posts for new MSG detachments<sup>16</sup> and that there are external factors why new MSG detachments could not be immediately deployed to some high threat posts.<sup>17</sup> However, these considerations, as documented and explained by the Department, do not fully account for the lack of prioritization for high threat posts. Indeed, the lack of a formal detailed expansion plan, the MSG program's static resources, and the ambitious MSG program expansion timeline may have been contributing factors. The current program expansion timeline put pressure on MSG officials to select posts and deploy detachments as quickly as possible, which may have detracted from prioritization of high threat posts.

The imbalance between high threat posts and other posts appears striking when examining the creation of *new* detachments during the first year of the ongoing MSG expansion. Only two of the eight posts that received new MSG detachments in 2013 had high threat ratings

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adding 460 Marines to bolster the staffing levels for existing MSG detachments, and (3) creating nine MSAUs (122 Marines). As of June 2014, the number of planned activations had been further reduced by DS to 25 posts by the end of 2014. According to DS's response to the draft report, the correct number of Marines to be deployed is 811 as follows: (1) 325 Marines for posts that lack a detachment, (2) 364 Marines to bolster staffing at existing MSG detachments, and (3) creating nine MSAUs (122 Marines).

<sup>14</sup> OIG analysis is based on the 2012 Security Environment Threat List, which is established by DS and updated annually to designate the overall security risk of a post based on the following risk categories: terrorism, residential crime, political violence, compromise of classified information and equipment, and non-residential crime. In its response to the draft report, DS stated that it felt the threat level analysis would be a more accurate representation if it were made using the list of 35 posts. DS calculated that 16 (46 percent) of the 35 posts had low or medium threat in both political violence and terrorism ratings and that 19 (54 percent) of the 35 posts had high or critical threat ratings in either political violence and/or terrorism.

<sup>15</sup> This report uses the term "high threat posts" to refer to posts that meet the Benghazi ARB report (p. 8) definition of "high risk, high threat" posts, which are those posts in countries with high to critical threat levels of political violence and terrorism, governments of weak capacity, and security platforms that fall well below established standards.

<sup>16</sup> Tangible factors included [Redacted] (b) (5) requests, the ability and willingness of the host country to provide adequate protection to U.S. diplomatic missions, the ability of the United States to send military forces in a timely manner, and the size of the population at the diplomatic post. Intangible factors were also considered, which include the geo-political situation in the area of a given post, whether other U.S. diplomatic posts in the immediate region had a detachment, and whether the lack of a detachment presented a U.S. diplomatic post as a soft target.

[Redacted] (b) (5), [Redacted] (b) (7)(F)

for political violence and/or terrorism. [Redacted] (b) (5), [Redacted] (b) (7)(F)

Moreover, the Department has committed an estimated \$90 million to send MSG detachments to six lower threat posts, while some high threat posts remain without an MSG detachment. The estimated cost of establishing detachments at lower threat posts will increase to \$225 million if the current activation schedule is realized.

Although MSG program officials were diligently working toward the deployment of the 25 additional MSG detachments, significant challenges remained to effectively meet the ambitious MSG detachment activation timelines. For example, MSG program officials had not developed a formal, detailed expansion plan to facilitate the expansion, and, according to MSG program officials, the current DS staff resources dedicated to implementing the expansion were insufficient to properly plan and execute the MSG program. MSG program officials stated that the final selection of the lower threat posts occurred because selections were based, in part, on the readiness of the post to accommodate an MSG detachment and not just the post's rating for political violence and/or terrorism. In response to the draft report, DS stated that the original list of 50 was created based on threat and a variety of other factors with no considerations given to the readiness of a post to accept a detachment. Prioritization of which posts would be activated first did not occur until after the list of 35 was approved and funding was reallocated by Congress.

MSG program officials were making a concerted effort to use the additional Marines as quickly as possible, and many of the posts with high or critical threat ratings for political violence and/or terrorism were not capable of supporting the physical security requirements for MSG detachments, or were otherwise unable to receive detachments, at the time of our audit. For example, OIG was advised that some high threat posts were not prioritized for MSG detachments because they could not readily provide secure housing for the Marines within the established activation timeline. [Redacted] (b) (5), [Redacted] (b) (7)(F)

In addition, to achieve the stated timeline for activating the remaining 25 detachments by the end of 2014, beginning in January 2014, an average of one detachment would need to be activated each month over the 12-month period.

To better align the MSG program expansion with the focus of the Benghazi ARB report recommendations, high threat posts without an MSG detachment should be the Department's priority for assigning new detachments.

[Redacted] (b) (5), [Redacted] (b) (7)(F)

Additionally, 122 Marines were re-assigned to fully staff the MSAU. In 2013, MSAU deployed squads to 13 locations where additional security augmentation was needed.

<sup>19</sup> According to the Bureau of Overseas Buildings Operations, the average cost to prepare an overseas post for an MSG detachment is \$15 million (Post One area construction of \$4 million plus MSG quarters construction of \$11 million); therefore, the estimated cost for six posts is \$90 million (\$15 million multiplied by six posts).

Capital funding was made available to support the preparation of high threat posts to accommodate new MSG detachments (as well as other purposes).<sup>20</sup> Therefore, it is imperative that MSG branch officials take the necessary measures to perform a comprehensive staffing and resource assessment and, as appropriate, obtain and use the available resources to prepare remaining high threat posts without adequate security protection to receive an MSG detachment.

OIG is making six recommendations to DS that are intended to improve the Department's management of the MSG program. These recommendations are also intended to help program officials achieve the security improvement goals established by the Benghazi ARB report recommendations and facilitated by the MSG expansion legislation and the resources made available to the Department for MSG capital expenses.

### **Management Comments**

In June 2014, OIG provided a draft of this report to DS; the Bureau of Overseas Buildings Operations (OBO); the Center for Security Evaluation (CSE), Office of the Director of National Intelligence; and the USMC. DS was the primary action office. DS and the USMC responded to the report's recommendations. Those responses are provided in Appendices B and C, respectively. Neither OBO nor CSE provided comments on the draft report.

In its June 2014 response (see Appendix B), DS generally concurred with all six of the recommendations. However, DS did not specify all the actions it planned to take to establish a process to periodically reassess the worldwide allocation of Marine Security Guard detachments and adjust the assignment of Marine Security Guards and detachments among posts.

DS also discussed the progress it had made in its program expansion and included comments that were not specific to the recommendations. OIG considered DS's comments and incorporated them into the report as appropriate and also responded to DS's general comments (see Appendix D).

Although not required to comment, the USMC concurred with the report's six recommendations (see Appendix C). However, for Recommendations 4 and 6, the USMC stated that any long-term plan that prioritizes the use of MSG program expansion resources and any assessment of the MSG program needed to include the USMC's participation. As a result of these comments, OIG revised draft report Recommendations 4 and 6 to DS to include the USMC's input before DS specifies the actions to be taken to resolve the recommendations.

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<sup>20</sup> Consolidated and Further Continuing Appropriations Act, 2013 (Pub. L. No. 113-6, div. F, title VII, §1707). The authorizing legislation funding security improvements states in part: "Diplomatic and Consular Programs, \$3,210,650,000, of which \$918,435,000 is for Worldwide Security Protection (to remain available until expended); and Embassy Security, Construction, and Maintenance, \$1,272,200,000, of which \$1,261,400,000 is for the costs of worldwide security upgrades, acquisition, and construction, as authorized: *Provided*, that funds made available under this subsection shall be used for operations at high threat posts, security programs to protect personnel and property under the Chief of Mission authority, preventing the compromise of classified United States Government information and equipment, and security construction or upgrade requirements at Department of State facilities worldwide, including for Worldwide Security Upgrades."

Based on the responses, OIG considers Recommendations 1, 3, 4, and 6 resolved, pending further action, and Recommendations 2 and 5 unresolved. DS's responses to the recommendations and OIG's replies are presented after each recommendation, and USMC's comments relevant to OIG's recommendations and OIG's replies are also presented after each recommendation.

## **Background**

### **Accountability Review Board Findings on Benghazi**

On December 18, 2012, the Benghazi ARB<sup>21</sup> published its findings on the September 2012 attacks on various compounds in Benghazi, Libya. The attacks involved arson, small-arms and machine-gun fire, rocket-propelled grenades, and mortars that killed four U.S. citizens and severely wounded two U.S. citizens and three Libyan contract guards. The report concluded that few of the local guard forces present during the attacks had actually assisted in the defense of the facilities. As a result, the Benghazi ARB report's first recommendation stated that "[the] Department must strengthen security for personnel and platforms beyond traditional reliance on host government security support in high risk, high threat posts"<sup>22</sup> and expand the MSG program.<sup>23</sup> Former Secretary of State Hillary Rodham Clinton accepted all of the recommendations in the Benghazi ARB's report and directed that actions commence to implement them.

On January 2, 2013, the President signed the 2013 National Defense Authorization Act, which authorized the assignment of up to 1,000 additional Marines to support enhanced USMC security at U.S. embassies, consulates, and other diplomatic facilities, particularly at locations identified by the Secretary of State as in need of additional security because of threats to U.S. personnel and property.<sup>24</sup> Congress directed the Secretary of Defense "to develop and implement a plan to increase the number of [Marines] assigned to the Marine Corps Embassy Security Group ... and Marine Security Group detachments at United States embassies, consulates, and other diplomatic facilities by up to 1,000 Marines."<sup>25</sup> Prior to this legislation, 1,012 Marines were assigned as MSGs at posts around the world, so the full additional 1,000 Marines, if assigned, would double the program's size.<sup>26</sup>

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<sup>21</sup> Per 12 FAM 030, "Accountability Review Board," the Secretary of State convenes an ARB to thoroughly investigate security-related incidents to determine accountability and promote and encourage improved security programs and practices.

<sup>22</sup> The Benghazi ARB report (p. 8) defines "high risk, high threat" posts as those in countries with high to critical threat levels of political violence and terrorism, governments of weak capacity, and security platforms that fall well below established standards.

<sup>23</sup> The recommendation included language expressing ARB's "support" of "the State Department's initiative to request additional Marines and expand the Marine Security Guard (MSG) Program" and recommended that "the [Department] and DoD identify additional flexible MSG structures and request further resources ... to provide more capabilities and capacities at higher risk posts." (Benghazi ARB report, p. 10).

<sup>24</sup> National Defense Authorization Act for Fiscal Year 2013 (Pub. L. No. 112-239 § 404, 10 U.S.C. 5983, note 126, Stat. 1632, 1708) (Jan. 2, 2013).

<sup>25</sup> Congress directed that the Secretary of Defense's plan be developed and implemented in consultation with the Secretary of State pursuant to the responsibility of the Secretary of State for diplomatic security under section 103 of the Diplomatic Security Act (22 U.S.C. 4802) and in accordance with any current memorandum of understanding between the Department of State and the USMC.

<sup>26</sup> In its response to the draft report, DS noted that on September 11, 2012, the MSG program had 1,449 authorized positions.

## Department and U.S. Marine Corps Cooperation on Embassy Security

The Department and the USMC have had a long history of cooperating on embassy security issues, and the present day MSG program is considered to have begun with the Foreign Service Act of 1946. The Act authorized the Secretary of the Navy to assign Marines overseas to be custodians at any embassy, legation, or consulate.<sup>27</sup> The Department and the U.S. Navy signed the initial Memorandum of Agreement (MOA) that established the terms and conditions for the program on December 15, 1948.

Since then, the program has grown considerably, from Marines at two posts to 154 detachments as of October 2012.<sup>28</sup> Until the June 2013 update to the MOA, the MSG program had two missions: (1) the primary mission, the protection of classified equipment and information at designated U.S. diplomatic and consular facilities, and (2) the secondary mission, the protection of U.S. citizens and property located at designated U.S. diplomatic and consular facilities during exigent circumstances.<sup>29</sup>

The Deputy Assistant Secretary for International Programs is responsible for establishing the policies, coordination, and supervision necessary to implement the MSG program within DS and the Department. Within International Programs, the Director of Special Programs and Coordination is responsible for providing guidance and policy assistance in support of the MSG program. Within DS, the Marine Security Guard program office has primary responsibility for the MSG program, which includes coordination with the USMC on plans and policies and the coordination of day-to-day operations of the MSG program, including the activation of MSG detachments. At overseas posts, the Chief of Mission exercises operational authority over MSG detachments, and DS Regional Security Officers serve as the operational supervisors for MSG detachments. The Regional Security Officers ensure that the MSG detachment is assigned duties within the parameters set forth in the MOA and is responsible for the proper utilization, support, and safety of the Marines assigned.

The role of the USMC in the MSG program includes identifying, screening, training, and assigning Marines to MSG detachments at overseas posts. The USMC Embassy Security Group Regional Command exercises administrative authority over the Marines assigned to MSG detachments in nine respective regions.<sup>30</sup> Each Regional Command conducts visits to each detachment; inspects each detachment at least twice annually; reviews operations and maintenance budgets; and advises the Regional Security Officers at post on performance, discipline, administration, utilization, safety, training, morale, welfare, conduct, and living conditions.

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<sup>27</sup> 10 U.S.C. 5983, "State Department: Assignment of Enlisted Members as Custodians of Buildings in Foreign Countries."

[Redacted] (b) (5), [Redacted] (b) (7)(F)

<sup>29</sup> Exigent circumstances are defined as urgent temporary circumstances that require immediate aid or action. These would include situations where the MSG force would have a defensive role, such as providing protection during catastrophic events or on-compound threats.

<sup>30</sup> The nine regions are Region 1– Eastern Europe and Eurasia, Region 2 – Near East and South Asia, Region 3 – East Asia and Pacific, Region 4 – Western Hemisphere–South, Region 5 – Western Europe and Scandinavia, Region 6 – Eastern and Southern Africa, Region 7 – North and West Africa, Region 8 – Central Europe, and Region 9 – Western Hemisphere–North.

CSE provides input on behalf of the intelligence community for both the annual Security Environment Threat List (SETL) ratings and the selection of posts afforded MSG detachments to protect classified equipment and information.

On June 28, 2013, as part of the MSG expansion process, the Department and the USMC updated the MSG mission statement, under the MOA, and announced<sup>31</sup> that there was now equal weight given to the protection of classified information and the protection of people and facilities. [Redacted] (b) (5), [Redacted] (b) (7)(F)



## **Bureau of Diplomatic Security**

### **High Threat Programs Directorate**

The HTP Directorate is responsible for evaluating, managing, and mitigating the security threats at high threat diplomatic posts. Further, the Deputy Assistant Secretary is responsible for evaluating, managing, and mitigating the security threats, as well as for the direction of resource requirements at high threat diplomatic missions. As of November 2013, this new directorate had under its purview 28 high threat posts within 19 countries. [Redacted] (b) (5), [Redacted] (b) (7)(F)



### **Security Environment Threat List**

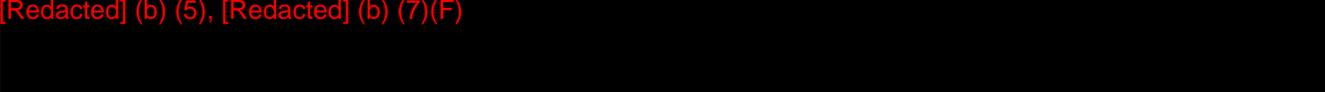
Under the Diplomatic Security Act of 1986, as amended (22 U.S.C. 4802(a)(2)(C)), the Secretary of State is responsible for conducting threat analysis programs on behalf of the Department. DS conducts and disseminates the SETL annually, reflecting threat ratings for all Foreign Service posts permanently staffed by direct-hire U.S. personnel who operate under the Chief of Mission. The SETL may also reflect threat ratings for some selected Foreign Service posts where operations have been temporarily suspended or closed but where threat ratings continue to be relevant to certain DS programs. Various threat categories, such as Terrorism and Political Violence, Human Intelligence and Technical Intelligence are evaluated, and the threat ratings of low, medium, high, and critical are assigned. The two ratings most directly connected to the safety of personnel are terrorism and political violence. When assessing the appropriate

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<sup>31</sup> Cable 2013 STATE 72611, "Corrected Modification to the Marine Security Guard Mission Statement," June 28, 2013.

<sup>32</sup> Watchstanders are American employees authorized by a Chief of Mission to act as a "cleared American presence for a facility to require security integrity."

[Redacted] (b) (5), [Redacted] (b) (7)(F)



rating for terrorism, consideration is given to the capability of groups to execute a local attack against U.S. interests. The rating for political violence considers the threat of civil disorder and inter-state or intra-state conflicts.

### **MSG Detachment Coordination and Post Selection**

The MSG program office coordinates input from Department bureaus, such as OBO and the Department's regional bureaus, and it chairs the Activation/Deactivation Working Group.<sup>34</sup> The program office provides advice on MSG detachment selections, activations, and deactivations. OBO plays an important role in this process because of its oversight of compound security construction projects and assistance with required security upgrades, such as upgrades to Marine Security Guard Residences prior to the activation of an MSG detachment. The Regional Security Officers at posts selected for MSG detachments also provide input as to what must be done to meet requirements prior to activation. However, the selection of posts that will be afforded MSG detachments is ultimately approved or denied by an interagency committee comprising members from the following bureaus and offices: DS Deputy Assistant Secretary for International Programs (Chair); the DS Office of Regional Directors; Executive Directors of the regional bureaus; OBO; the Bureau of the Comptroller and Global Financial Services (formerly Resource Management); CSE; and the USMC (Headquarters) Plans, Policies and Operations Unit.

### **Identifying Posts for MSG Program Expansion**

The MSG program expansion was one part of the Department's "Increased Security Proposal" furnished to Congress in the fall of 2012 that also included deployment of additional DS personnel and additional embassy security construction.<sup>35</sup> The Department initiative for the MSG program expansion, referred to in the ARB report, included the proposal to establish new MSG detachments at 50 additional high and medium threat posts by 2014. As a result of an Office of Management and Budget (OMB) decision (November 2012) that Overseas Contingency Operations funds could not be used in the Western Hemisphere, the Department subsequently modified the planned expansion of detachments to include only 35 posts. Ultimately, in June 2014, these posts were further reduced by DS based on various factors to only 25 posts scheduled for new detachments by the end of 2014.<sup>36</sup> MSG branch officials used the SETL ratings for political violence and terrorism, as well as for intelligence-related ratings

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<sup>34</sup> The Activation/Deactivation Working Group is composed of individuals from OBO, the Bureau of the Comptroller and Global Financial Services (formerly Resource Management), CSE, USMC, and various other components within DS.

<sup>35</sup> The Department of State Increased Security Proposal (Nov. 2012) total requirement for FY 2013 was \$1.4 billion, which consisted of three parts: (1) additional Marine Security Guard detachments (\$553 million), (2) DS personnel increase (\$130 million), (3) and additional Embassy Security Construction for security upgrades and construction (\$691 million).

<sup>36</sup> Three of the 25 posts were not part of the original 35, five were alternates, and one was planned for activation prior to the expansion and would be considered an extra post. Most of the remaining 16 posts, which were part of the original 35, were delayed for a variety of issues that affected their activation.

and other tangible<sup>37</sup> and intangible factors,<sup>38</sup> to recommend the initial posts for MSG detachments.

Following receipt of the Benghazi ARB report's recommendations and the legislation directing increased staffing for the MSG program, the Department of State and DoD developed the plan to implement the MSG program expansion. On June 20, 2013, the Secretary issued a Department-wide cable<sup>39</sup> that presented details of a three-part plan for the expansion of the MSG program as follows: (1) adding MSG detachments to certain posts that lack a detachment, (2) increasing staffing levels for existing MSG detachments, and (3) creating nine MSAUs.<sup>40</sup> The cable also stated that [REDACTED]

### **Audit Objective**

OIG conducted this audit to determine (1) whether DS's overall management of the MSG program was in accordance with program objectives and requirements and (2) to what extent DS's ongoing expansion of the MSG program had implemented the Benghazi ARB report recommendations and effectively used the resources made available.

### **Audit Results**

#### **Finding A. Formal Guidance and Periodic Reassessments Are Needed for the Identification and Selection of Posts for Marine Security Guard Detachments and Optimal Worldwide Allocation of Marine Security Guard Resources**

OIG found that DS could not demonstrate that it had consistently managed key aspects of the MSG program in accordance with program objectives and requirements. Specifically, DS did not demonstrate that it had formal, documented procedures to guide the identification and selection of overseas posts that should be afforded new MSG detachments or to guide any reconsideration of whether existing MSG detachments should be reallocated among posts. For example, DS's documentation of how posts were selected to receive MSG detachments or how they compared with other posts being considered was not always complete and properly maintained. DS also did not provide OIG documentation of an established process or requirement to periodically reassess the allocation of MSG detachments around the world to determine whether those resources were being used as effectively as possible.

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<sup>37</sup> Tangible factors included [REDACTED] (b) (5) requests, the ability and willingness of the host country to provide adequate protection to U.S. diplomatic missions, the ability of the United States to send military forces in a timely manner, and the size of the population at the diplomatic post.

<sup>38</sup> Intangible factors were also considered, which included the geo-political situation in the area of a given post, whether other U.S. diplomatic posts in the immediate region had a detachment, and whether the lack of a detachment presented a U.S. diplomatic post as a soft target.

<sup>39</sup> Cable 2013 STATE 70833.

<sup>40</sup> The MSAUs based in Quantico, Virginia, which number 122 troops, consist of nine squads (one for each MSG region) and are intended to respond to temporarily heightened security conditions.

The FAM<sup>41</sup> states that all Department managers must establish systems of management controls to ensure U.S. Government activities are managed effectively and efficiently and further states that management control systems must incorporate the Government Accountability Office (GAO) internal control standards. These standards include control activities, which are policies and procedures, techniques, and mechanisms that enforce management's directives. According to MSG program officials, there had been limited efforts to formalize the deliberation process because of the infrequent selection of posts to receive new detachments prior to the Benghazi ARB report.<sup>42</sup> MSG program officials told OIG that the working group used the MSG Decision Matrix to facilitate the identification and the selection of posts for new detachments,<sup>43</sup> and DS officials stated that the Decision Matrix adequately documented a standard process. The Decision Matrix consists of a number of weighted factors, such as the SETL ratings, post size, post security, post profile, and post processing/storage of classified information, and it ranks each of the posts accordingly. A compilation of these factors based on the designed weight results in the mathematical process ranking of all U.S. diplomatic facilities for appropriateness and/or necessity for an MSG detachment.

The MSG Decision Matrix was developed using the commercial decision support software Expert Choice.<sup>44</sup> Various factors that were used in the Decision Matrix are used as inputs to Expert Choice. The output from running the software is a listing of posts ranked in priority order for receiving new MSG detachments. The decision process for selecting posts for new detachments is not based solely on the software output; other factors are also considered, such as the Long Range Overseas Building Plans for new embassy and consular construction [Redacted] (b) (5), [Redacted] (b) (7)(F)

Although DS has used a decision matrix and Expert Choice software as tools to facilitate the selection of posts for new MSG detachments, MSG branch officials did not have formalized guidance or procedures regarding how to identify and evaluate posts for MSG detachment consideration. Such procedures are needed to help guide incoming Foreign Service officers responsible for managing the MSG program and to maintain best practices and continuity in program procedures. OIG found, however, that in the case of the six posts most recently activated pre-Benghazi, DS failed to consistently maintain adequate documentation of how MSG detachments were selected or how they compared with other posts being considered. Documentation of the process was missing for one of the six posts, and the other documentation was fragmented, making it difficult to ascertain which documents matched up to specific decisions. From the time of OIG's initial request, it took DS one year to thoroughly review its files and provide even this limited documentation.<sup>45</sup>

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<sup>41</sup> 2 FAM 021.1, "Policy and Scope."

[Redacted] (b) (5), [Redacted] (b) (7)(F)

<sup>43</sup> MSG branch officials use the MSG Decision Matrix as an analytical tool to assist senior management in developing recommendations for the addition and deletion of MSG detachments from future activations.

<sup>44</sup> Expert Choice is based on the Analytic Hierarchy Process. It is intended to help decision makers arrive at a decision and provide a rationale for it.

<sup>45</sup> OIG submitted multiple requests to DS for this information from April to September 2013. However, in April 2014, DS finally provided OIG the documentation, including decision memoranda, meeting notes, and other supporting documentation. OIG

OIG also reviewed the complete list of posts to which MSG detachments were assigned as of 2012. OIG found that the Department had selected and assigned MSG detachments to posts in a manner that did not appear to be consistent with the pre-Benghazi primary criterion for adding MSG detachments, which was to provide internal security services to prevent the compromise of classified information and equipment located at the principal building(s) on the diplomatic and/or consular premises.<sup>46</sup> For example, of 154 overseas posts that were afforded MSG detachments as of 2012, 110 (71 percent) of the posts had medium or low threat ratings related to stored or processed classified information, and only 44 (29 percent) were rated high or critical for threat ratings related to stored or processed classified information. [Redacted] (b) (5), [Redacted] (b) (7)(F)

[Redacted] Without formal documented procedures to guide and document the identification and selection of posts that should be afforded MSG detachments, there is no assurance that DS will apply proper selection criteria consistently and, as a result, could overlook the posts that warrant MSG detachments the most.

Furthermore, without a current established requirement and process to periodically reassess the worldwide allocation of MSG detachments, managers have no way to assess whether they are using all available resources (available MSG detachments) as effectively as possible and they will have difficulty in identifying and correcting any previous misallocations of resources. Although OIG found that a reevaluation process led by CSE existed prior to 2011,<sup>47</sup> there was no documentation showing that either CSE or the MSG program had a current process for reassessment of posts that were afforded MSG detachments.

OIG has previously noted the need for improved management of the MSG program, and GAO has previously recommended that DS improve its program planning. In the last OIG audit report<sup>48</sup> of the MSG program, in 1997, OIG recommended that the Assistant Secretary for Diplomatic Security develop a methodology, based on risk management principles and the Overseas Security Policy Board (OSPB) standards, to prioritize the need for MSG detachments. The finding stated that a methodology for establishing MSG detachments at overseas posts should greatly improve the current process and provide an objective analysis based on DS's risk management policy. The recommendation was considered implemented and was therefore closed in 1998. In response to the draft report, DS explained that the 1997 OIG report prompted DS and the USMC to add Annexes D and J to the MOA between the Department and the USMC for the operational supervision of the MSG Program. Annex D provides procedures for establishing MSG detachment size and for periodic assessments of the size of existing detachments, and Annex J provides procedures for activations and deactivations.

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received the documents in response to an OIG memorandum only after a memorandum was sent to the Director, Special Programs and Coordination, Diplomatic Security, with the intent of closing OIG's open data requests.

<sup>46</sup> MOA between the U.S. Department of State and the U.S. Marine Corps (May 5, 2011). The current MOA, signed in June 2013, includes the reprioritized MSG mission: to provide protection to mission personnel and prevent the compromise of national security information and equipment.

<sup>47</sup> According to a CSE representative, CSE had led a committee that met periodically to consider each post's current security needs and the possible reallocation of MSGs to other posts worldwide.

<sup>48</sup> *Audit of the 24 Hour Protection of Classified Materials* (SIO-A-97-16, March 1997).

GAO reported in 2009<sup>49</sup> on weaknesses in the Department's strategic planning related to DS's international affairs programs, finding weaknesses in the Department's strategic planning and performance measurement efforts. For example, GAO reported that the Department had significantly expanded DS without the benefit of strategic planning to ensure that DS's missions and activities addressed the Department's priority needs. According to GAO, "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." The report criticized the reactive nature of DS to certain events and how it did not benefit from adequate strategic guidance. As of May 2014, GAO had not closed out the report's one recommendation for the Department to conduct a strategic review of the demands on DS.

OIG makes the following recommendations to improve the Department's long-term management of the Marine Security Guard program:

**Recommendation 1.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish guidance and procedures to formalize and document the decision process used in the identification and selection of posts for Marine Security Guard detachments.

**DS Response:** DS agreed with this recommendation, stating that it is in the process of expanding these documents (the Memorandum of Agreement – MOA, Appendix J, dated June 28, 2013) into formalized standard operating procedures to guide the identification and selection of posts for activating and deactivating MSG detachments.

**OIG Reply:** OIG considers the recommendation resolved. This recommendation can be closed when OIG reviews and accepts documentation showing that DS has established guidance and procedures for formalizing and documenting the decision process used to identify and select posts for MSG detachments.

**Recommendation 2.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish a process to periodically reassess the worldwide allocation of Marine Security Guard detachments and adjust the assignment of Marine Security Guards among posts, as necessary, to maintain optimal allocation of available Marine Security Guard resources among all posts.

**DS Response:** DS agreed with this recommendation, stating that it has an "established formal procedure used to continually identify and assess the worldwide allocation of marine security guard assets."

**OIG Reply:** Although DS stated that it agreed with the recommendation, OIG considers the recommendation unresolved. DS needs to specify the actions it plans to take to

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<sup>49</sup> *State Department: Diplomatic Security's Recent Growth Warrants Strategic Review* (GAO-10-156, Nov. 2009).

establish a process to periodically reassess the worldwide allocation of MSG detachments and adjust the assignment of Marine Security Guards and detachments among posts as necessary. The process that DS referred to in its response is a semiannual review by the USMC of post-specific operations and not a worldwide assessment and comparison of all posts to determine whether MSG assets are optimally allocated among them.

**Recommendation 3.** OIG recommends that the Bureau of Diplomatic Security incorporate into the *Foreign Affairs Manual* (12 FAM 430) and the Memorandum of Agreement with the U.S. Marine Corps the formal guidance and procedures to be used in the identification and selection of posts for Marine Security Guard detachments and the periodic reassessment and reallocation of available Marine Security Guard detachments among all posts.

**DS Response:** DS agreed with the recommendation, stating that it “will codify its existing procedures into the Foreign Affairs Manual (12 FAM 430) and the Memorandum of Agreement (MOA) with the USMC. These procedures will incorporate all variables that DS and the USMC currently consider when selecting posts for Marine security guard (MSG) detachments.”

**OIG Reply:** OIG considers the recommendation resolved. The recommendation can be closed when OIG reviews and accepts documentation showing that DS has codified into the FAM and MOA the formal guidance and procedures to be used in the identification and selection of posts for MSG detachments and the periodic reassessment and reallocation of available MSG detachments among all posts.

### **Finding B. The Department’s Management of the Ongoing MSG Expansion Has Not Been Fully Consistent With the Benghazi ARB Report Recommendations’ Priority of Strengthening Security at “High Risk, High Threat Posts”**

OIG found that the Department’s ongoing expansion of the MSG program has thus far made only modest contributions to strengthening security for personnel in “high risk, high threat posts.” Specifically, the Department and the USMC have increased staffing levels at existing MSG detachments (including those at high risk, high threat posts) and created MSAUs based in Quantico, Virginia, for deployment to diplomatic facilities in temporarily heightened security situations. However, the Department has made only limited progress in the critical area of adding *new* MSG detachments to high threat posts that are most in need of additional security. Table 1 shows the progress made in the three parts of the expansion program.

**Table 1. MSG Program Expansion Progress**

<b>MSG Staffing Increase Category</b>	<b>MSG Staffing (35 Post Plan)</b>	<b>Actually Deployed</b>	<b>Percent Completed</b>
New Detachments	232	104	45
Increase of Existing Detachments	460	154*	33
MSAUs	122	122	100

\* Derived from OIG analysis based on the MSG expansion plan, which determined that 89 Marines have been deployed to increase the size of existing detachments at non-high threat posts [REDACTED]

Source: OIG analysis derived from the review of DS's three-part MSG expansion plan, dated May 2013, and updated MSG expansion plan through June 2014.

### **Planned Expansion Shows Insufficient Prioritization of Assigning New Detachments to High Threat Posts**

With respect to the deployment of 25 new MSG detachments, OIG found that 15 (60 percent) of the new posts selected by the Department for new MSG detachments had low or medium threat ratings for political violence and/or terrorism and only 10 (40 percent) of the selected posts had high or critical threat ratings for political violence and/or terrorism.<sup>50</sup> Because the Department's plan assigns new MSG detachments to some lower threat posts but does not assign detachments to all high threat posts,<sup>51</sup> the planned expansion is not fully consistent with the Benghazi ARB report recommendations' focus on prioritizing security improvements at high risk, high threat posts or the stated purpose of the MSG expansion legislation "to provide the additional end strength and the resources necessary to support enhanced USMC security ... particularly at locations identified by the Secretary of State as in need of additional security because of threats to United States personnel and property." As discussed in the sections that follow, OIG acknowledges that the Department considered other factors in selecting posts for new MSG detachments and that there were external factors as to why new MSG detachments could not be immediately deployed to some high threat posts and had to be deployed to other posts.<sup>52</sup> However, these considerations, as documented and explained by the Department, do not fully account for the lack of prioritization for high threat posts. Indeed, the lack of a formal

<sup>50</sup> OIG analysis is based on the 2012 SETL, which is established by DS and updated annually to designate the overall security risk of a post based on the following risk categories: terrorism, residential crime, political violence, compromise of classified information and equipment, and non-residential crime. In its response to the draft report, DS stated that it felt the threat level analysis would be a more accurate representation if it were made using the list of 35 posts. DS calculated that 16 (46 percent) of the 35 posts had low or medium threat in both political violence and terrorism ratings and that 19 (54 percent) of the 35 posts had high or critical threat ratings in either political violence and/or terrorism.

<sup>51</sup> This report uses the term "high threat posts" to refer to posts that meet the Benghazi ARB report (p. 8) definition of "high risk, high threat" posts, which are those posts in countries with high to critical threat levels of political violence and terrorism, governments of weak capacity, and security platforms that fall well below established standards.

[Redacted] (b) (5), [Redacted] (b) (7)(F)

detailed expansion plan, the MSG program's static resources, and the ambitious MSG program expansion timeline may have been contributing factors. The current program expansion timeline put pressure on MSG officials to select posts and deploy detachments as quickly as possible, which may have detracted from prioritization of high threat posts.

The imbalance between high threat posts and other posts appears striking when examining the creation of *new* detachments during the first year of the ongoing MSG expansion. (Table 2 presents the posts that have activated MSG detachments in 2013 as part of the expansion). [Redacted] (b) (5), [Redacted] (b) (7)(F)

[Redacted] Moreover, the Department had committed an estimated \$90 million to send MSG detachments to these six lower threat posts, while some high threat posts remained without an MSG detachment. The estimated cost of establishing detachments at lower threat posts will increase to \$225 million if the current activation schedule is realized.

[Redacted] (b) (5), [Redacted] (b) (7)(F)

The Benghazi ARB report set forth 29 recommendations to the Department in six core areas. The first core area pertained to "Overarching Security Considerations." The report recommended that the Department strengthen its support for personnel and platforms beyond

[Redacted] (b) (5), [Redacted] (b) (7)(F)

<sup>54</sup> According to OBO, the average cost to prepare an overseas post for an MSG detachment is \$15 million (Post One area construction, \$4 million, plus MSG quarters construction, \$11 million); therefore, the estimated cost for six posts is \$90 million (\$15 million times six posts).

local guard forces “in high risk, high threat posts.” The report stated that “[t]he recommendations in this report ... err on the side of increased attention to prioritization and to fuller support for people and facilities engaged in working in high risk, high threat areas.”<sup>55</sup> Recommendation 11 stated that “[t]he Board supports the State Department’s initiative to request additional Marines and expand the Marine Security Guard (MSG) Program – as well as corresponding requirements for staffing and funding.” Recommendation 11 also “recommends” that the Department and DoD “identify additional flexible MSG structures and request further resources ... to provide more capabilities and capacities at higher risk posts.”

### **Lack of Strategic Planning and Staffing Considerations**

As of December 31, 2013, the MSG program had activated eight MSG detachments. However, the MSG branch office had not developed a formal, detailed plan to expand the program to include staffing considerations. For example, at the outset of the audit, OIG requested from DS documentation on the MSG expansion plan. The initial document provided to OIG in May 2013, regarding the expansion, consisted of a schedule showing the planned 35 posts and year of activation with no other details. Also, the documents provided by the MSG branch office lacked specific details about construction timelines; operational environments; and inherent risks and threats to achieving the activation of MSG detachments at selected posts, including planned staffing needs. In October 2013, the MSG branch provided OIG with a revised expansion schedule with some added detail, such as region, month, and date of activation, but that information was still inadequate for a project of this size (with an estimated cost to the Department in excess of \$500 million). MSG branch office officials stated that they had found it difficult to create a formal detailed plan for the expansion because of their static resources and the ambitious MSG program expansion timeline.

MSG branch officials expressed concern about whether the size of the MSG branch office was sufficient to meet the additional workload generated by the MSG program expansion. The MSG branch office at the time of our audit consisted of three DS Foreign Service officers supported by one Civil Service employee and five contractors to address strategic, operational, fiscal, logistical, and administrative tasks. Although the MSG program received congressional authorization to nearly double the number of USMC personnel at overseas posts, the staffing level for the MSG branch office has remained static. For example, an MSG official expressed concern that putting additional Marines in the field would increase the time-consuming administrative issues associated with the program and that the office was not staffed adequately to handle the corresponding increase.

GAO standards for internal controls in the Federal Government emphasize the importance of having control activities such as detailed project plans.<sup>56</sup> A formal, detailed expansion plan is an important program management control that can help managers compare actual results with expected results and to make adjustments as necessary to close any variance.

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<sup>55</sup> Benghazi ARB Report (pp. 3 and 8). The report (p. 9) also recommends that the Department “work with Congress to expand utilization of Overseas Contingency Operations funding to respond to emerging security threats and vulnerabilities and operational requirements in high risk, high threat posts.”

<sup>56</sup> *Standards for Internal Control in the Federal Government* (GAO/AIMD-00-21.3.1, Nov. 1999).

MSG program officials did not recognize the importance of strategic planning and project management, and they should have set out a 2-year project plan proposing adequate resources, including staffing, to plan and activate detachments at posts rated as high threat in the categories of political violence and terrorism. The primary goal of the authorizing legislation and the Benghazi ARB report recommendations was not to expand the program for the sake of expansion but rather to increase security at high threat posts and to therefore safeguard U.S. personnel and facilities considered at highest risk. Further, without an assessment of the adequacy of the current staff resources, the Department cannot be assured that the level dedicated to the MSG branch office is sufficient to complete the planning and execute the program expansion, thereby hampering efforts to increase security for U.S. personnel at high threat posts as recommended by the Benghazi ARB report.

### **Post Readiness, Physical Security, and Other Reasons High Threat Posts Were Not Selected for MSG Detachments**

According to MSG branch officials, the selection of posts with low or medium threat levels in lieu of posts with higher threat levels was based, in part, on the readiness of the respective post to accommodate an MSG detachment. For example, some high threat posts were not prioritized for MSG detachments because they could not readily provide secure housing for the Marines within the established activation timeline. All MSG detachments require secure Marine housing, a Commander's office, a change/response room, and a Post One area.<sup>57</sup>

[Redacted] (b) (5), [Redacted] (b) (7)(F)

In addition, MSG program officials were making a concerted effort to put into service the additional Marines approved through the National Defense Authorization Act as quickly as possible. According to MSG program officials, the National Security Council established the timelines for the expansion of the MSG program.

According to OBO, it costs \$15 million on average to activate an MSG detachment at a post. This cost is due to the necessary preparations to meet the security standards required for MSG detachments, in accordance with OSPB security standards. [Redacted] (b) (5), [Redacted] (b) (7)(F)

According to MSG program officials, other reasons why certain high threat posts were not selected for MSG detachments were due to the [Redacted] (b) (5), [Redacted] (b) (7)(F)

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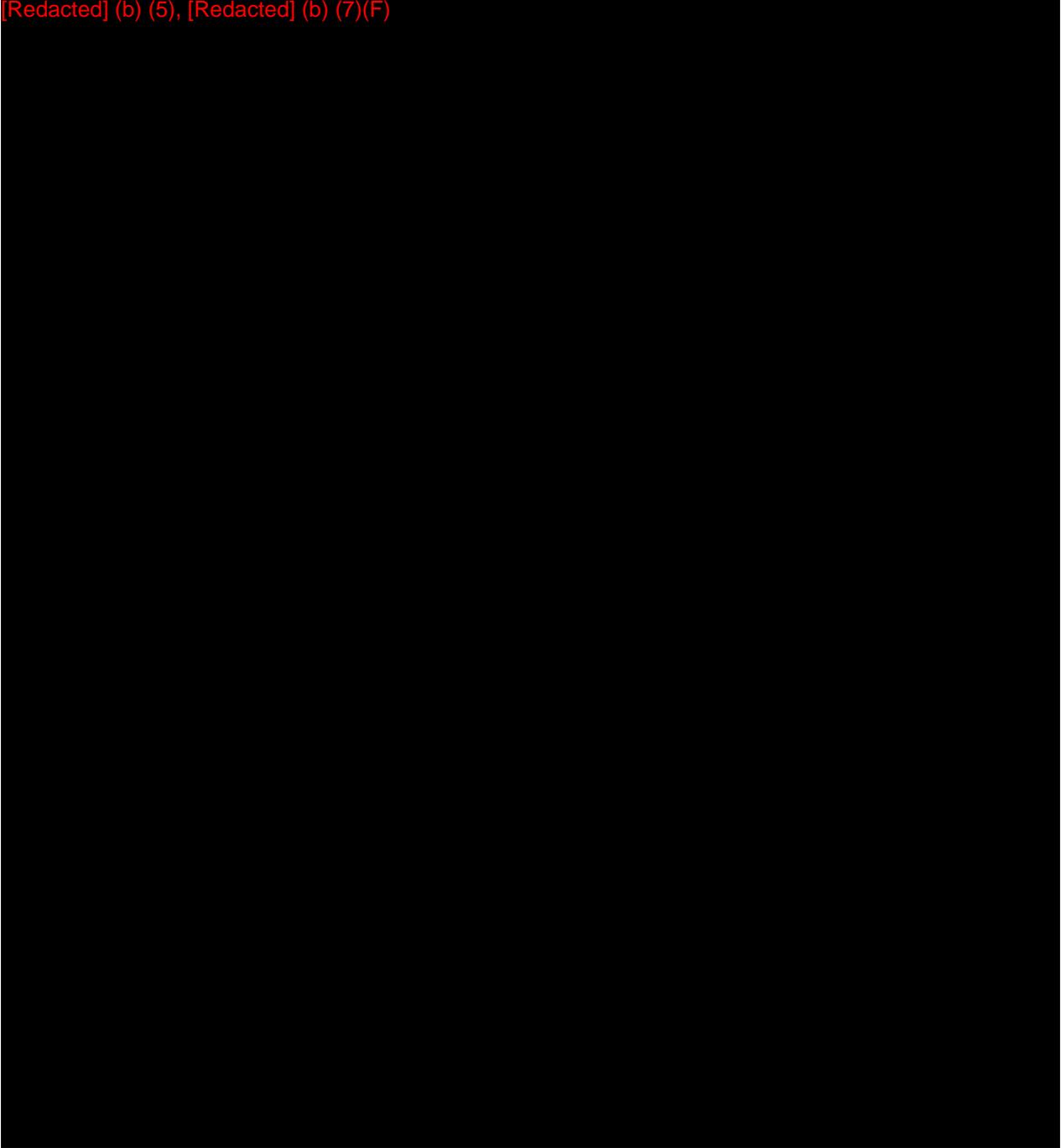
<sup>57</sup> Post One is the name given to the main MSG watch post on a compound manned 24-hours a day. Larger compounds may have additional posts.

[Redacted] (b) (5), [Redacted] (b) (7)(F). This scenario provides a prime example of why MSG program officials must operate under a formal, documented process as recommended in the preceding paragraphs and must develop a comprehensive, long-term plan for the MSG program expansion. Such a plan should include deployment of detachments to these posts as soon as possible after [Redacted] (b) (5), [Redacted] (b) (7)(F)

### **Meeting the Timeline for Completion of MSG Program Expansion**

As of December 31, 2013, the MSG branch office had activated eight MSG detachments. However, both OBO and the USMC officials expressed concerns about meeting the timelines for the remaining posts. Officials from the MSG branch office stated that the required coordination and collaboration with other Department components and the USMC would make it difficult to meet the shortened MSG program expansion timeline. In addition, according to the officials, the MSG branch office is required to closely coordinate with the HTP Directorate in the expansion process to high threat posts, which has added decision making delays. Table 3 presents the posts and the MSG detachments activated or to be activated as part of MSG program expansion.

[Redacted] (b) (5), [Redacted] (b) (7)(F)



The timeline established for expanding the program put pressure on the MSG branch office to select posts and deploy detachments as quickly as possible, which may have detracted from prioritization of high threat posts. During the initial expansion planning, MSG program officials' long-term goal was to activate all detachments in 3 years, which was an ambitious goal given that immediately prior to Benghazi, internal guidance allowed a minimum of 18 months to activate a new detachment. Specifically, DS and the USMC had initially established a timeline to activate 10 detachments during 2013, while the timeline for the remaining

detachments was under review. However, MSG branch officials stated in July 2013 that officials from the National Security Council required that the MSG branch office instead complete the expansion of MSG detachments to posts within 2 years.

However, to achieve the stated timeline of activating the 25 detachments by the end of 2014, beginning on January 1, 2014, an average of one detachment would need to be activated each month over this 12-month period. From March through June 2014, five detachments had been activated, with 12 remaining to be activated by December 31, 2014. This would bring the total of activated detachments to 25 (eight activated in 2013 plus the 17 in 2014).

The focus of the expansion should not be on how quickly MSG detachments could be assigned to posts but rather to assign MSG detachments to the right high threat posts, that is, those with the greatest need for enhanced security to protect U.S. personnel and facilities. To properly align with the priority of the Benghazi ARB report recommendations, all high threat posts without MSG detachments should be the priority. Capital funding was made available to support the preparation of high threat posts to accommodate new MSG detachments (as well as other purposes).<sup>58</sup> The accelerated timeline of 2 years to activate 25 MSG detachments is more than ambitious given that the normal time to activate a detachment is 18 months. Therefore, it is imperative that MSG branch officials take the necessary measures to perform a comprehensive staffing and resource assessment and, as appropriate, request and use the appropriated resources to prepare all remaining high threat posts without adequate security protection for an MSG detachment.

**Recommendation 4.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs, in consultation with the U.S. Marine Corps, develop a comprehensive, long-term plan that prioritizes the use of dedicated Marine Security Guard program expansion resources for those embassies and other diplomatic facilities that are high threat posts.

**DS Response:** DS concurred with this recommendation, stating that it has “a comprehensive, long-term plan to activate [MSG] detachments at appropriate high threat, high risk (HTHR) posts, which will be formally codified.”

**USMC Response:** USMC also concurred with this recommendation, stating that it “budgets for and provides the funding” for the MSG program and that any long-term plan “should include Marine Corps participation.”

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<sup>58</sup> Consolidated and Further Continuing Appropriations Act, 2013 (Pub. L. No. 113-6, div. F, title VII, §1707). The authorizing legislation funding security improvements states in part: “Diplomatic and Consular Programs, \$3,210,650,000, of which \$918,435,000 is for Worldwide Security Protection (to remain available until expended); and Embassy Security, Construction, and Maintenance, \$1,272,200,000, of which \$1,261,400,000 is for the costs of worldwide security upgrades, acquisition, and construction, as authorized: *Provided*, that funds made available under this subsection shall be used for operations at high threat posts, security programs to protect personnel and property under the Chief of Mission authority, preventing the compromise of classified United States Government information and equipment, and security construction or upgrade requirements at Department of State facilities worldwide, including for Worldwide Security Upgrades.”

**OIG Reply:** Based on the USMC response, OIG revised the recommendation to have DS consult with the USMC to ensure that full consideration is given to meeting the requisite funding and manpower requirements for the MSG program. OIG considers the recommendation resolved. This recommendation can be closed when OIG reviews and accepts documentation showing that DS has developed a comprehensive, long-term plan that prioritizes the use of MSG program expansion resources for high threat posts fully consistent with the Benghazi ARB report recommendations.

**Recommendation 5.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs ensure that the Bureau of Diplomatic Security's High Threat Programs Directorate shifts resources currently being used to expand Marine Security Guard detachments from the low and/or medium threat posts to high threat posts.

**DS Response:** DS agreed with the recommendation "in principle," stating that it has "worked closely" with the USMC "to develop a long-term plan for providing the manpower necessary to activate and/or expand" MSG detachments at high threat posts. DS also stated that it will "quickly deploy these forces once the necessary infrastructure is in place."

**OIG Reply:** Because DS did not indicate full agreement with the recommendation, OIG considers the recommendation unresolved. As explained in the report, shifting resources to high threat posts that are most in need of additional security aligns with the priorities set forth by the ARB report recommendations. This recommendation can be closed when OIG reviews and accepts documentation demonstrating that the Bureau of Diplomatic Security's High Threat Programs Directorate has prioritized resources to meet the security needs of high threat posts.

**Recommendation 6.** OIG recommends that the Bureau of Diplomatic Security, in consultation with the U.S. Marine Corps, conduct a comprehensive staffing and resource assessment of the Marine Security Guard program and, based on the assessment results, judiciously allocate appropriate resources to facilitate compliance with the Benghazi Accountability Review Board report to upgrade security for personnel at high threat posts.

**DS Response:** DS agreed with the recommendation, stating that it recognizes the need to appropriately staff and resource the MSG program to facilitate compliance with the Benghazi ARB report. DS also said that it had added one contractor and one special agent position to DS's Office of Special Programs and Coordination (DS/IP/SPC), that a second new special agent position was being created, and that two other temporary positions had been added. According to DS, it also plans on adding one General Schedule position to DS/IP/SPC to provide additional oversight for MSG issues.

**USMC Response:** USMC stated that any assessment concerning the MSG program needed to include Marine Corps participation because the Marine Corps budgets for and provides funding to the Department to pay for the MSG program.

**OIG Reply:** Based on the USMC response, OIG revised the recommendation to have DS consult with the USMC to ensure complete Marine Corps participation in any assessments concerning the MSG program. OIG considers the recommendation resolved. This recommendation can be closed when OIG reviews and accepts documentation showing that DS has conducted a comprehensive staffing and resource assessment of the DS/MSG program and, based on the results, has judiciously allocated appropriated resources to facilitate compliance with the Benghazi Accountability Review Board report to upgrade security for personnel at high threat posts.

## List of Recommendations

**Recommendation 1.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish guidance and procedures to formalize and document the decision process used in the identification and selection of posts for Marine Security Guard detachments.

**Recommendation 2.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish a process to periodically reassess the worldwide allocation of Marine Security Guard detachments and adjust the assignment of Marine Security Guards among posts, as necessary, to maintain optimal allocation of available Marine Security Guard resources among all posts.

**Recommendation 3.** OIG recommends that the Bureau of Diplomatic Security incorporate into the *Foreign Affairs Manual* (12 FAM 430) and the Memorandum of Agreement with the U.S. Marine Corps the formal guidance and procedures to be used in the identification and selection of posts for Marine Security Guard detachments and the periodic reassessment and reallocation of available Marine Security Guard detachments among all posts.

**Recommendation 4.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs, in consultation with the U.S. Marine Corps, develop a comprehensive, long-term plan that prioritizes the use of dedicated Marine Security Guard program expansion resources for those embassies and other diplomatic facilities that are high threat posts.

**Recommendation 5.** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs ensure that the Bureau of Diplomatic Security's High Threat Programs Directorate shifts resources currently being used to expand Marine Security Guard detachments from the low and/or medium threat posts to high threat posts.

**Recommendation 6.** OIG recommends that the Bureau of Diplomatic Security, in consultation with the U.S. Marine Corps, conduct a comprehensive staffing and resource assessment of the Marine Security Guard program and, based on the assessment results, judiciously allocate appropriate resources to facilitate compliance with the Benghazi Accountability Review Board report to upgrade security for personnel at high threat posts.

## Scope and Methodology

The Department of State (Department), Office of Inspector General (OIG), Office of Audits, conducted this audit to determine whether the Bureau of Diplomatic Security (DS) had managed the Marine Security Guard (MSG) program in accordance with program objectives and requirements and to what extent DS's ongoing expansion of the MSG program had implemented the Benghazi Accountability Review Board (ARB) report recommendations and effectively used the resources made available. This audit was conducted as part of a series of concurrent audits examining the security posture of overseas diplomatic posts, including physical and procedural security measures, as well as threat information sharing. The audit teams coordinated their efforts to present a comprehensive view of the Department's management of its tiered security.

The Office of Audits conducted this audit from April to December 2013<sup>1</sup>; subsequently during April 2014, upon receipt of additional documentation from the Department that was requested during the initial fieldwork period; and again in June 2014, upon the receipt of an updated MSG Expansion Schedule. All audit work was performed in the Washington, DC, metropolitan area. OIG conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that OIG plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objective. OIG believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objective.

To obtain background information, OIG researched and reviewed Federal laws and regulations relating to the MSG program, such as the Memorandum of Agreement between the Department and the U.S. Marine Corps (USMC),<sup>2</sup> the *Foreign Affairs Manual* and the *Foreign Affairs Handbook*, a Government Accountability Office (GAO) report,<sup>3</sup> and prior OIG reports. The audit team also met with key personnel, including Department officials involved in the MSG program and expansion process. In addition, the team met with outside officials from the USMC and the Center for Security Evaluation.

### Prior Reports

OIG reviewed prior GAO and OIG audit and inspection reports to identify information previously reported relating to the MSG program. OIG had conducted an audit in 1997<sup>4</sup> that identified several issues with the MSG program, such as Marines had been assigned to non-essential locations at a post and that posts with more critical needs did not have detachments while lower threat posts had large detachments.

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<sup>1</sup> OIG also received updates from DS on changes to the expansion plan subsequent to the end of audit fieldwork, which are incorporated into Tables 1 and 3 in the report.

<sup>2</sup> OIG reviewed the 2008 and 2011 Memoranda of Agreement as well as the 2013 revisions.

<sup>3</sup> *State Department: Diplomatic Security's Recent Growth Warrants Strategic Review* (GAO-10-156, Nov. 2009).

<sup>4</sup> *Audit of the 24 Hr Protection of Classified Materials* (SIO-A-97-16, March 1997).

### **Use of Computer-Processed Data**

In the course of this audit, OIG reviewed hard-copy documentation provided by DS's Office of Special Programs, Marine Security Guard Branch, but the audit team did not utilize electronically processed data as evidence. Thus information systems controls were not significant to the audit objective, and it was not necessary to assess the usage of controls for computer-processed data.

### **Review of Internal Controls**

OIG performed steps to assess the adequacy of internal controls related to the areas audited. For example, OIG gained an understanding of the Department's processes for monitoring and expanding the MSG program. OIG reviewed guidance such as the Memorandum of Agreement, the *Foreign Affairs Manual*, the *Foreign Affairs Handbook*, and other Department guidance such as cables and memoranda to determine our findings. OIG's conclusions are presented in the Audit Results section of this report.

**Bureau of Diplomatic Security Response**



**United States Department of State**

*Assistant Secretary of State  
for Diplomatic Security*

*Washington, D.C. 20520*

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**INFORMATION MEMO FOR INSPECTOR GENERAL LINICK – OIG**

FROM: DS – Gregory B. Start 

SUBJECT: Draft Report Response – Audit of State Management of the Marine Security Guard Program and Plans for Program Expansion – Report Number AUD-SI-14-XX, dated June 2014

Attached are the DS comments and draft report responses to Recommendations 1, 2, 3, 4, 5, and 6 of the subject report.

Attachments:

- Tab 1 – Draft Report Response, Recommendation One
- Tab 2 – Draft Report Response, Recommendation Two
- Tab 3 – Draft Report Response, Recommendation Three
- Tab 4 – Draft Report Response, Recommendation Four
- Tab 5 – Draft Report Response, Recommendation Five
- Tab 6 – Draft Report Response, Recommendation Six
- Tab 7 – DS Comments for Draft Report

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Approved: DS – Gregory B. Starr

Drafted: DS/MGT/PPD – [Redacted] (b) (6) ext. [Redacted] (b) (6) home/cell: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)



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**(U) Audit of Department of State Management of the Marine Security Guard Program and Plans for Program Expansion, Report Number 14-AUD-SI-XX, June 2014**

(U) **Recommendation 1:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish guidance and procedures to formalize and document the decision process used in the identification and selection of posts for Marine Security Guard detachments.

~~(SBU)~~ **DS Response (06/16/14):** DS concurs with this recommendation. DS has an established procedure to formalize and document the decision process used in the identification and selection of posts for activating and deactivating Marine security guard (MSG) Detachments. The Memorandum of Agreement (MOA) between the Department and the U.S. Marine Corps (USMC), Annex J: “Activations and Deactivations,” provides for a specific working group of stakeholders to determine MSG activations and deactivations. The current MOA and Annex J, dated June 28, 2013, is an exhibit of the 12 FAM 430. DS is also in the process of expanding these documents into formalized standard operating procedures.

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Approved: DS – Gregory B. Starr (ok)

Drafted: [Redacted] (b) (6)

Analyst: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)

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**(U) Audit of Department of State Management of the Marine Security Guard Program and Plans for Program Expansion, Report Number 14-AUD-SI-XX, June 2014**

(U) **Recommendation 2:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish a process to periodically reassess the worldwide allocation of Marine Security Guard detachments and adjust the assignment of Marine Security Guards among posts, as necessary, to maintain optimal allocation of available Marine Security Guard resources among all posts.

~~(SBU)~~ **DS Response (06/16/2014):** DS concurs with this recommendation. The Deputy Assistant Secretary for International Programs (DS/IP) has an established, formal procedure used to continually identify and assess the worldwide allocation of Marine security guard assets. The Marine Security Guard (MSG) Program, in coordination with United States Marine Corps (USMC) counterparts, may adjust the assignment of Marine security guards, as necessary, to maintain optimal allocation of resources. The Memorandum of Agreement (MOA) between the Department and the USMC, Annex D, "Detachment Size and Table of Organization Modifications," provides for a basic MSG detachment size, guidelines for MSG detachment modifications, and a joint post review of detachment right sizing. The joint post review is conducted at least twice a year and recommendations (if any) are reported back to Marine Corps Embassy Security Group (MCESG) and the Marine Security Guard Staff (DS/SPC/MSG) for action. The current MOA Annex D, dated June 28, 2013 is an exhibit of 12 FAM 430.

~~(SBU)~~ To supplement post security during periods of increased threat, very important person (VIP) visits, or special events, Marine Security Guard Augmentation Units (MSAU) were also established. These units deploy on a temporary basis, provide the capability and resources to quickly augment existing MSG detachments when the need arises. Regional security officers can request MSAU support by contacting DS/IP (or the High Threat Programs Directorate (DS/HTP) if the requesting post falls under its purview) directly or by submitting an on-line request for future MSG resource requirements. Requests are validated

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by DS/IP and DS/HTP when appropriate, and reviewed by USMC to ensure they fall within the parameters of the MOA. Once validated, DS/IP can quickly deploy MSAU.

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Approved: DS – Gregory B. Starr (ok)

Drafted: [Redacted] (b) (6)

Analyst: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)

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**(U) Audit of Department of State Management of the Marine Security Guard Program and Plans for Program Expansion, Report Number 14-AUD-SI-XX, June 2014**

(U) **Recommendation 3:** OIG recommends that the Bureau of Diplomatic Security incorporate into the *Foreign Affairs Manual* (12 FAM 430) and the Memorandum of Agreement with the U.S. Marine Corps, the formal guidance and procedures to be used in the identification and selection of posts for Marine Security Guard detachments and the periodic reassessment and reallocation of available Marine Security Guard detachments among all posts.

~~(SBU)~~ **DS Response (06/16/2014):** DS concurs with this recommendation. Procedures to identify and select posts exist, but not in the form of formal guidance. DS will codify its existing procedures into the Foreign Affairs Manual (12 FAM 430) and Memorandum of Agreement with the U.S. Marine Corps (USMC). These procedures will incorporate all variables that DS and the USMC currently consider when selecting posts for Marine security guard (MSG) detachments.

~~(SBU)~~ The Deputy Assistant Secretary for International Programs (DS/IP) has an established, formal procedure to continually identify and assess the worldwide allocation of MSG assets. The Memorandum of Agreement (MOA) between the Department and the USMC, Annex D: "Detachment Size and Table of Organization Modifications," provides for a basic MSG detachment size, guidelines for MSG detachment modifications, and a joint post review of detachment right sizing. The joint post review is conducted at least twice a year, and recommendations (if any) are reported back to the Marine Corps Embassy Security Group (MCESG) and the Marine Security Guard Staff (DS/SPC/MSG) for action. The current MOA Annex D, dated June 28, 2013, is an exhibit of 12 FAM 430.

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Approved: DS – Gregory B. Starr (ok)

Drafted: [Redacted] (b) (6)

Analyst: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)

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**(U) Audit of Department of State Management of the Marine Security Guard Program and Plans for Program Expansion, Report Number 14-AUD-SI-XX, June 2014**

(U) **Recommendation 4:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs develop a comprehensive, long-term plan that prioritizes the use of dedicated Marine Security Guard program expansion resources for those embassies and other diplomatic facilities that are high threat posts.

~~(SBU)~~ **DS Response (06/16/2014):** DS concurs with this recommendation. DS has a comprehensive, long-term plan to activate Marine security guard (MSG) detachments at appropriate high threat, high risk (HTHR) posts, which will be formally codified. This plan has allowed DS program officials to activate MSG detachments more rapidly than in the past, when it took 18-24 months to activate an MSG detachment. For instance, only seven MSG detachments were activated in the five years prior to the Benghazi-related detachment activations, while 12 MSG detachments were activated in the 10 months between August 2013 and May 2014. This plan allows the Department to expedite establishing the minimum adequate level of infrastructure required to activate MSG detachments at HTHR posts [REDACTED]

[Redacted] (b) (5), [Redacted] (b) (7)(F)

[REDACTED]. This plan also allows the Department to quickly increase staffing levels at newly designated HTHR posts to ensure MSG detachments are appropriately sized. The Department can also use Marine Security Guard Augmentation Units (MSAUs) to immediately support a staff increase, then replace MSAUs with MSGs when the MSG schoolhouse can train additional Marines.

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Approved: DS – Gregory B. Starr (ok)

Drafted: [Redacted] (b) (6)

Analyst: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)

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**(U) Audit of Department of State Management of the Marine Security Guard Program and Plans for Program Expansion, Report Number 14-AUD-SI-XX, June 2014**

(U) **Recommendation 5:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs, in coordination with the Bureau of Diplomatic Security's High Threat Programs Directorate, shift resources currently being used to expand MSG detachments from the low and/or medium threat posts to high threat posts.

~~(SBU)~~ **DS Response (06/16/2014):** DS concurs with this recommendation in principle. The Deputy Assistant Secretary (DAS) for International Programs (DS/IP) and the DAS for High Threat Programs (DS/HTP) worked closely with the United States Marine Corps (USMC) to develop a long-term plan for providing the manpower necessary to activate or expand Marine security guard (MSG) detachments at high threat, high risk (HTHR) posts. DS will quickly deploy these forces once the necessary infrastructure is in place to support the MSG detachments.

~~(SBU)~~ The development of this infrastructure has been particularly challenging due to the limited availability of space at some HTHR posts, and the requirement that MSG detachments [REDACTED]. DS and the USMC stand ready to either use Marine Security Augmentation Units (MSAUs) or other MSGs to quickly staff the facilities as the list of designated HTHR posts adjusts to match volatile threat environments. The absence of adequate infrastructure exposes MSGs to unacceptable levels of threat and risk while concurrently diminishing the MSGs' ability to carry out their mission of protecting personnel and information. Delaying the activation of MSG detachments at posts that do have the required infrastructure in place until detachments in all the HTHR posts are activated provides no advantage and delays activations for those posts that are prepared to receive an MSG detachment.

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Approved: DS – Gregory B. Starr (ok)

Drafted: [Redacted] (b) (6)

Analyst: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)

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**(U) Audit of Department of State Management of the Marine Security Guard Program and Plans for Program Expansion, Report Number 14-AUD-SI-XX, June 2014**

(U) **Recommendation 6:** OIG recommends that the Bureau of Diplomatic Security conduct a comprehensive staffing and resource assessment of the MSG program and, based on the assessment results; judiciously allocate appropriated resources to facilitate compliance with the Benghazi Accountability Review Board report to upgrade security for personnel at high threat posts.

~~(SBU)~~ **DS Response (06/16/2014):** Diplomatic Security concurs with this recommendation. DS recognizes the need to appropriately staff and resource the Marine Security Guard (MSG) Program to facilitate compliance with the Benghazi ARB report. One contractor and one special agent position were added to the Office of Special Programs and Coordination (DS/IP/SPC) to permanently increase staffing, in August and October, respectively. Additionally, a second new special agent position is in the process of being created. Two positions of limited duration, one contractor position and one special agent, were temporarily added to provide surge capacity. A General Schedule (GS) position will also be added to DS/IP/SPC to provide additional representation, support, continuity, and oversight for MSG issues with senior-level counterparts in the Department of Defense and Department of State.

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Approved: DS – Gregory B. Starr (ok)

Drafted: [Redacted] (b) (6)

Analyst: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)

**(U) Audit of Department of State Management of the Marine Security Guard Program and Plans for Program Expansion, Report Number 14-AUD-SI-XX, June 2014**

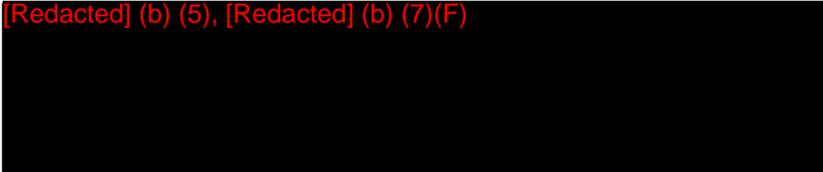
~~(SBU)~~ **DS Comments (6/16/2014):**

**Page 1:**

- **Paragraph (Para) One** - The report erroneously states there are 1,012 Marines assigned as Marine security guards (MSGs). On September 11, 2012, the MSG Program had 1,449 authorized positions. Congress authorized up to 1,000 additional MSGs. This brings the new total up to 2,449 authorized positions. Recommend that OIG clarifies what it defines as “assigned” vice “authorized.”
- **Para Two** - The report states funding limitations resulted in the reduction of 50 new detachments to 35 new detachments. The statement is misleading. The Department intended to ask Congress to approve the Department’s request to reallocate Overseas Contingency Operations (OCO) funds to fund all 50 posts. Before the Department went to Congress to request the reallocation, the Office of Management and Budget (OMB) determined there were regional limitations to where the OCO funding could be used. OMB only authorized the Department to request the re-appropriation of OCO funds for the 35 non-Western Hemisphere Affairs (WHA) posts on the list.

**Page 2:**

- The report states that ultimately only 23 of the original 35 posts have been scheduled for new detachments. This is incorrect. The numbers are:
  - ~~[Redacted] (b) (5), [Redacted] (b) (7)(F)~~



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- 26 of the original 35 are still scheduled for activation;

○ [Redacted] (b) (5), [Redacted] (b) (7)(F)

○

- **NOTE:** The above error referencing 23 posts is repeated throughout the report to include:
  - Page 2, para 2 and footnote 5
  - Page 3, footnote 12
  - Page 4, para 1 and para 3
  - Page 9, para 3 and footnote 32
  - Page 14, para 1
  - Page 16, para 2
  - Page 20, para 1 and 2
- **Footnote 5** - The footnote states that one of the planned alternates was planned prior to Benghazi. It should be noted that DS/SPC/MSG never counted [Redacted] (b) (7)(F) as part of the list of 35. [Redacted] (b) (7)(F) was scheduled for activation prior to Benghazi, and as a result, the activation process is separate and distinct.
- **Footnote 7** - The report states that the Marine Security Augmentation Unit (MSAU) was anticipated to be fully staffed by June 2014. MSAU was fully staffed with 122 Marines in December 2013.
- **Footnote 8** - States that DS activated six new MSG detachments from 2008-2012. The correct number is seven.

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**Page 3:**

- **Para 1-** States that 25 Posts rated critical or high did not have detachments prior to Benghazi. DS/SPC/MSG calculates this number as 17.
  - This report uses current Security Environment Threat List (SETL) data to evaluate past decisions on activating detachments. However, the SETL did not exist prior to 1986. Additionally, SETL ratings are not static. To accurately assess the decision-making regarding any particular MSG detachment's activation, one must review the SETL rating the year the decision was made to activate the detachment.
  - This report uses the terms "High Threat Post" and "High Threat/High Risk" interchangeably, but these terms have distinct and different definitions, and the posts included in each group are not mutually inclusive.
- **Footnote 12** – Correct numbers should read: (1) 325 Marines for posts lacking a detachment; (2) 364 Marines to bolster staffing levels at existing detachments; and (3) 122 Marines for MSAU. The total is 811 Marines.

**Page 4:**

- **Para 1-** This report calculates what percentage of the posts that are scheduled for activations have high or critical threat ratings for political violence or terrorism. The calculations are made using only 23 of the 35 posts for which the Department requested ISP/OCO funds. It would be a more accurate representation if the calculations were made using the list of 35. DS/SPC/MSG calculations show that 16 of the 35 posts had low or medium threat in both political violence AND terrorism ratings (46%); and 19 of the 35 posts had high or critical threat ratings in either political violence and/or terrorism (54%).
- **Para 2 -** The report states that the "imbalance between expansion and high threat posts is striking", then goes on to explain that only 16 of the 48 Marines deployed in 2013 were sent to posts with high threat ratings. This is incorrect. The term "expansion" encompasses activations, staffing

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increases, and the creation of the MSAU, yet the 48 Marines mentioned only captures activations. [Redacted] (b) (5), [Redacted] (b) (7)(F)

[Redacted]

[Redacted] Additionally 122 Marines were re-assigned to fully staff the MSAU. In 2013, the MSAU deployed to 13 locations where additional security augmentation was needed.

- **Footnote 16** - This should be changed to reflect that [Redacted] (b) (5), [Redacted] (b) (7)(F)

[Redacted]

Page 5:

- **Para 1-** The report states that the final selection of lower threat posts for activations was based in part on the readiness of a post to accept a detachment, and not on posts threat ratings. This is incorrect. The original list of 50 was created based on threat and a variety of other factors with no considerations regarding the readiness of a post to accept a detachment. Prioritization of which posts would activate first did not occur until after the list of 35 was approved and funding was re-appropriated by Congress.
  - When calculating the list of 50, DS began with the 285 posts that are staffed worldwide. Of the 285, 152 had an active MSG detachment at the time of the attack on Benghazi. Of the remaining 133, only 63 of the posts had an RSO assigned. The 63 posts were assessed and of these, the list of 50 was developed.
  - Prioritization was developed as follows:
    - Once funding was obtained from Congress, DS and the United States Marine Corps (USMC) calculated how quickly the USMC could train and qualify 1,000 additional MSGs while still maintaining the existing program. It was determined the MSG School could schedule five classes a year, and increase

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class sizes to provide up to 50-60 additional MSGs per class. This totaled up to 1,000 new MSGs over a three-year timetable to staff the activations, staffing increases, and the MSAU. Department equities then assessed the 35 posts to determine what renovations would be needed to prepare posts for the MSGs, and based on how quickly each post could become operational, DS assigned a projected activation date for each post. Unfortunately, [Redacted] (b) (5), [Redacted] (b) (7)(F) [Redacted] and as a result the challenges associated with preparing the housing, there were significant delays at all of these locations.

**Page 6:**

- **Para 2** - The report states “Marine Security Group detachments.” The term is “Guard” vice “Group.”
- **Footnote 20** - Repeats footnote 14. Please see footnote 14 reference.

**Page 7:**

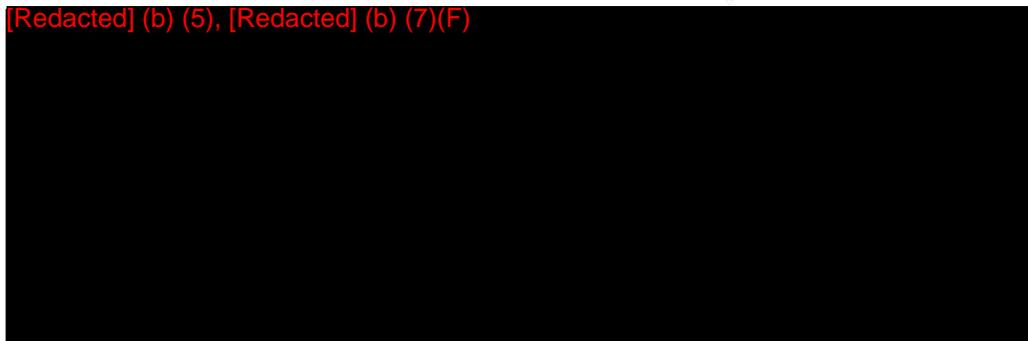
- **Para 4** - The report lists USMC Embassy Security Group Regional Command exercises authority over Marines. This is incorrect. The Ambassador exercises Operational Authority over the MSG detachment, and the Regional Command exercises administrative authority.

**Page 8:**

- **Para 1** - The report uses the term “Commander” for this position. This should be changed to reflect the correct term of “Detachment Commander.”
- **Para 2** - [Redacted] (b) (5), [Redacted] (b) (7)(F) [Redacted]

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[Redacted] (b) (5), [Redacted] (b) (7)(F)



- **Para 3-** The paragraph pertaining to the SETL should be changed to reflect that human intelligence and technical intelligence are also rated categories since both were considered extensively before and after Benghazi (to determine the placement of MSG detachments).

**Page 9:**

- **Para 2 -** This report erroneously states that the Department subsequently modified the proposal after an OMB decision. This should be changed to reflect that the Department did not modify the proposal but was instructed by OMB to not use ISP/OCO funds for WHA posts. The list of which posts were on the list did not change.

**Page 10:**

- **Footnote 38 -** Erroneously states that six new MSG detachments were activated between 2008 and 2012, but this must be changed to seven.

**Page 12:**

- **Para 3 -** The report states that in 1997 the OIG recommended that DS develop a methodology for establishing MSG detachments. On page 10 in para 3, the report infers that DS could not provide documentation of an established process. It should be noted that as a result of the 1997 recommendations, DS and USMC added Annex D and J to the MOA between the Department and USMC for the Operational Supervision of the MSG Program. Annex J provides procedures for activations and de-activations, and Annex D provides a procedure for establishing MSG

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detachment size, and periodic assessments of the size of existing detachments.

**Page 14:**

- Table 1 numbers are incorrect. The correct numbers are:
  - New Dets – 325 planned and 60 deployed as of 12/31/2013; and,
  - Increases – [Redacted] (b) (5), [Redacted] (b) (7)(F)

**Page 17:**

- **Para 2** - This report erroneously states that some HTPs were not prioritized for MSG detachments. This is incorrect. All HTP detachments were prioritized for activation, and will receive MSGs as soon as a Post 1 and housing can be completed by the Bureau of Overseas Buildings Operations (OBO).
- This report erroneously states that the National Security Council established the timelines for the expansion of the MSG Program. This should be changed to reflect that the White House established the timeline.
- **Para 4** - [Redacted] (b) (5), [Redacted] (b) (7)(F)  
[Redacted]  
[Redacted]  
[Redacted]
- **Para 4** - The report states that delays resulting from host country approvals is a valid reason why a formal documented process should be created. It should be noted that DS has a formal process that was used prior to Benghazi. However, when DS was directed to expand the program by up to 1,000 MSGs in three years, a more fluid plan was needed that would provide the Department with the ability to have space available in concert with the USMC's ability to provide the 1,000 new MSGs. This resulted in a plan that gave activations a priority, but allowed DS to redirect MSGs to MSAU, or to

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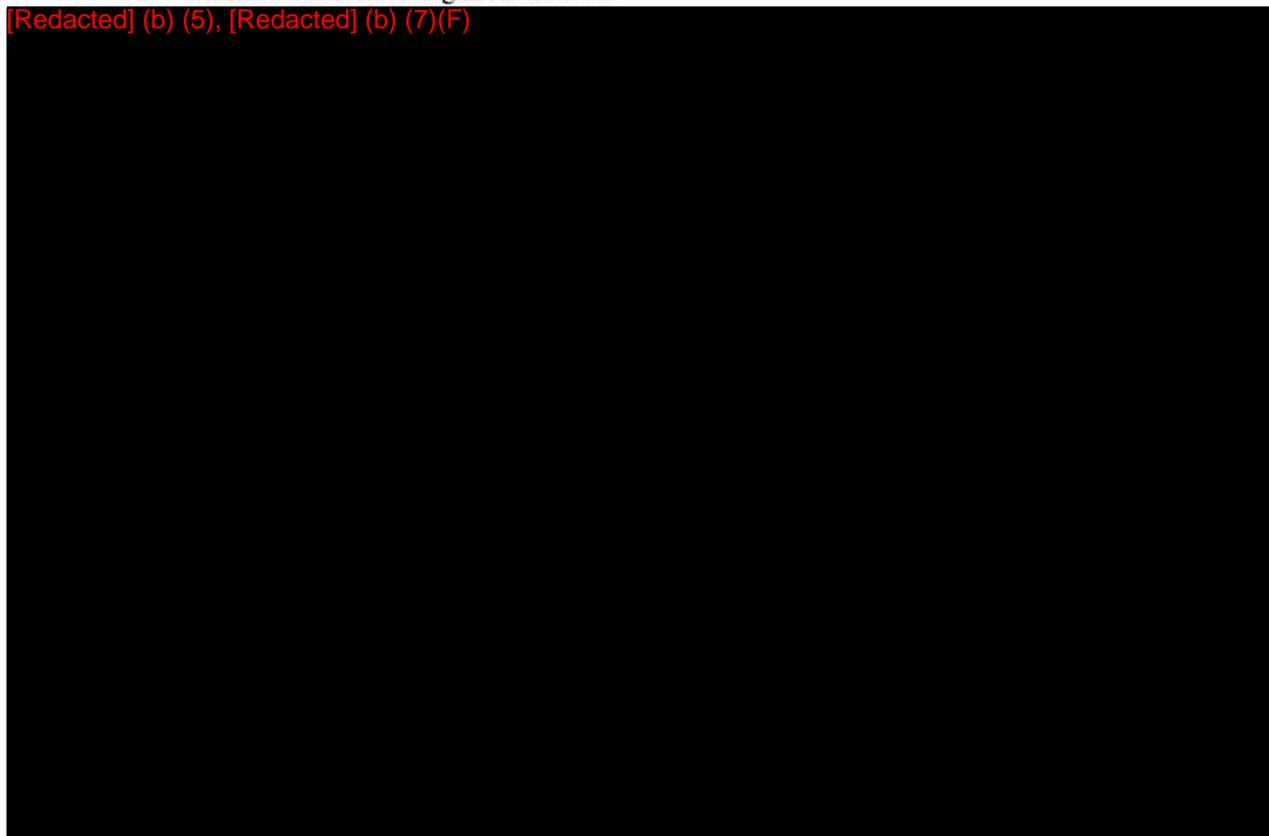
increase staffing at existing posts if activation was delayed, and the MSGs from a graduating class could not be used for the activation. The expansion plan required alterations on an almost weekly basis for the first 12 months of the expansion.

- It should also be noted that DS fully staffed MSAU ahead of schedule. MSAU has been operational for 10 months and has deployed over 30 times. This resource has provided the MSG Program with a great deal of flexibility, which is what the ARB felt was lacking in the program.

Page 19:

- Table 3 should be changed as follows:

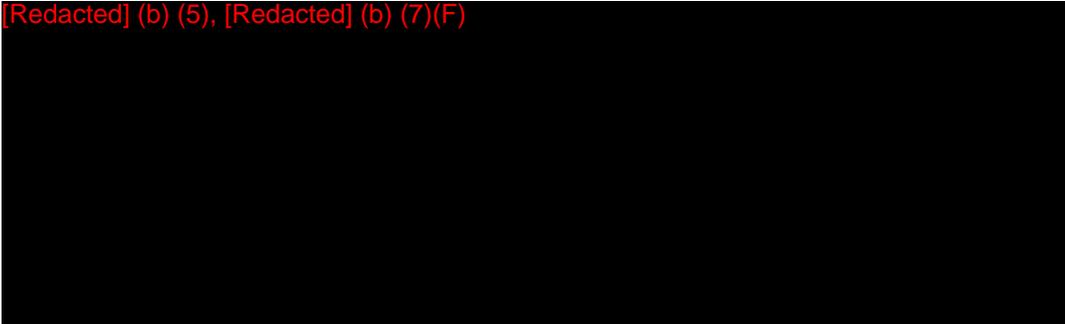
[Redacted] (b) (5), [Redacted] (b) (7)(F)



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[Redacted] (b) (5), [Redacted] (b) (7)(F)



- **Para 2** - DS senior management did not mandate that the expansion of the MSG Program be completed within two years. This was an NSC requirement placed on the Department. The initial plan developed by the Department was for three years, but in June 2013, the NSC advised the timetable should be collapsed so that the activations would be completed in twelve months.

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Approved: DS – Gregory B. Starr (ok)

Drafted: [Redacted] (b) (6)

Analyst: [Redacted] (b) (6)

Cleared: [Redacted] (b) (6)

**U.S. Marine Corps Response**

**From:** [Dove, CIV Charles K](#)  
**To:** [Brown, Norman P \(OIG\)](#); [Meade, Regina \(OIG\)](#); [Miller, Laura G](#); [Irving, William S \(OIG\)](#)  
**Cc:** [Harris, Sheila M CIV NAVINSGEN, N141](#); [HOMCAuditLiaisons](#); [\[Redacted\] \(b\) \(6\)](#); [Muller Col Paul L](#); [Shelton CIV Carlyle F](#); [Trimble Col Alphonso](#); [Lopez CIV Mark D](#); [Raney CIV Johnny R](#)  
**Subject:** U.S. Marine Corps Response to Dept of State draft audit rpt AUD-SI-14-XX  
**Date:** Thursday, June 26, 2014 8:54:51 AM  
**Attachments:** [U.S. Marine Corps Response to Dept of State draft audit rpt AUD-SI-14-XX.PDF](#)

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Mr. Brown,

Good morning, sir.

Attached Marine Corps comments are provided in response to Dept of State draft audit report AUD-SI-14-XX. The attached response was coordinated by the Headquarters, U.S. Marine Corps (HQMC) Plans, Policies and Operations (PP&O) Dept Security Division, and the Marine Corps Embassy Security Group.

Thank you for the opportunity to comment on the report.

V/R,

Keith Dove  
Head, Audit Coordination  
Office of the Staff Director  
Headquarters Marine Corps  
Pentagon 4B688  
Office: [\[Redacted\] \(b\) \(6\)](#)  
Email: [\[Redacted\] \(b\) \(6\)](#)



DEPARTMENT OF THE NAVY  
HEADQUARTERS UNITED STATES MARINE CORPS  
3000 MARINE CORPS PENTAGON  
WASHINGTON, DC 20350-3000

IN REPLY REFER TO:  
7500  
DMCS-A  
24 JUN 2014

From: Commandant of the Marine Corps  
To: Office of Inspector General, U.S. Department of State  
Subj: U.S. DEPARTMENT OF STATE OFFICE OF INSPECTOR GENERAL  
DRAFT AUDIT REPORT AUD-SI-14-XX, AUDIT OF DEPARTMENT OF  
STATE MANAGEMENT OF THE MARINE SECURITY GUARD PROGRAM AND  
PLANS FOR PROGRAM EXPANSION, DATED JUNE 2014

Ref: (a) DOS OIG Memorandum of June 10, 2014

Encl: (1) Marine Corps Responses

1. Official responses required by the reference are provided at the enclosure.

2. The Marine Corps appreciates the opportunity to respond to the report.

3. If you have any questions about the responses, please contact Mr. Charles Keith Dove, Headquarters, U.S. Marine Corps Senior Audit Liaison, email [Redacted] (b) (6) or phone

[Redacted] (b) (6)

Handwritten signature of M. R. Regner in black ink.

M. R. REGNER  
Staff Director

Copy to:  
NAVINGEN (N11)  
IGMC  
DC, PP&O

DEPARTMENT OF STATE (DOS) AND THE BROADCASTING BOARD OF  
GOVERNORS, OFFICE OF INSPECTOR GENERAL (OIG)  
DRAFT REPORT DATED JUNE 2014  
PROJECT # AUD-SI-14-XX

“AUDIT OF THE DEPARTMENT OF STATE MANAGEMENT OF THE  
MARINE SECURITY GUARD PROGRAM AND PLANS FOR PROGRAM  
EXPANSION”

UNITED STATES MARINE CORPS COMMENTS  
TO THE DOS RECOMMENDATIONS

**RECOMMENDATION 1:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish guidance and procedures to formalize and document the decision process used in the identification and selection of posts for Marine Security Guard detachments.

**USMC RESPONSE:** Per the Memorandum of Agreement (MOA), Annex J, between the Department of State (DoS) and the Marine Corps; “(11) The Secretary of State has the final authority when deciding where a detachment will be activated, within the constraints of the Marine Corps’ established personnel and funding ceiling.”

The Marine Security Guard (MSG) program is in a support role to Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs (DS/IP). The process used by DoS to decide on the identification and selection of posts is an internal function that the Marine Corps does not have input, therefore establishing guidance and procedures to formalize and document the decision process used in the identification and selection of posts is purely a DoS matter.

The MSG program, via the Marine Corps Embassy Security Group (MCESG), does provide assistance in planning for the activation by ensuring certain basic security and support requirements are met prior to activation. The Marine Corps also recommends that DoS utilize some kind of formal tracking system software similar to the Marine Corps Action Tracking System (MCATS). The MCATS allows an originating agency to assign a task to specific offices with a specific due date. This would improve the DoS staffing of important tasks to ensure they are properly assigned, completed and returned to the originating office.

**RECOMMENDATION 2:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs establish a process to periodically reassess the worldwide allocation of Marine Security Guard detachments and adjust the assignment of Marine Security Guards among posts, as necessary, to maintain optimal allocation of available Marine Security Guard resources among all posts.

Encl (1)

**USMC RESPONSE:** Semi-annually, each MSG detachment is formally inspected by an Inspecting Officer (IO) from the respective MCESG regional headquarters that is administratively responsible for that detachment. These inspections include a joint validation of the correct number of posts that the Marines stand and the correct number of MSGs it takes to stand those posts; the embassy's Regional Security Officer (RSO) is tasked by DS to participate in this validation with the IO. Should there be a disagreement on the post validation, it is referred to Diplomatic Security Service/MSG and Headquarters, Marine Corps for adjudication.

Should a disagreement remain, the Marine Corps has traditionally deferred to DoS' manning request. A copy of each semi-annual inspection report is also sent to the DS/IP and in the past, these reports were also shared with DoS OIG for their situational awareness, especially before an inspection of a specific embassy/consulate where a detachment is located. Additionally, each MCESG region commanding officer visits each detachment at least once a year. During these command visits, the commanding officers are observing and advising post officials on the utilization of the detachments. Again, however, DoS has the final say on the number of Marines and their locations.

Due to contractual obligations for leases, salaries and other expenses as well as all the equipment necessary for a detachment that the Marine Corps pays for, relocating a detachment is not something that is done quickly.

Per the National Defense Authorization Act of 2013, wherein Congress authorized expansion of the MSG program, a 122 MSG Security Augmentation Unit (MSAU) was activated in August 2013 at the MCESG headquarters in Quantico, VA. This unit is specifically designed to directly support DoS by providing additional security during periods of increased threat. Able to deploy rapidly, the MSAU has become the Dept. of State's preferred means of providing a flexible, scalable and rapidly deployable unit for post reinforcement and VIP support. As of 19 Jun 2014, the MSAU has performed over 30 missions in support of the DoS.

**RECOMMENDATION 3:** OIG recommends that the Bureau of Diplomatic Security incorporate into the Foreign Affairs Manual (12 FAM 430) and the Memorandum of Agreement with the U.S. Marine Corps, the formal guidance and procedures to be used in the identification and selection of posts for Marine Security Guard detachments and the periodic reassessment and reallocation of available Marine Security Guard detachments among all posts.

**USMC RESPONSE:** As noted in the response to Recommendation 1, the decision of where to locate an MSG detachment is a DoS responsibility, not the Marine Corps'; however, having the DoS decision-making process codified and formalized in the FAM and MOA would be beneficial for setting guidelines for DS/IP to follow. This would provide more transparency to the Marine Corps on where and why its manpower is being deployed to certain locations. It would also assist in assuaging outside scrutiny.

**RECOMMENDATION 4:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs develop a comprehensive, long-term plan that prioritizes the use of dedicated Marine Security Guard program expansion resources for those embassies and other diplomatic facilities that are high threat posts.

**USMC RESPONSE:** Concur. The Marine Corps budgets for and provides the funding to DoS for the MSG program. Any long-term plan should include Marine Corps participation in order to ensure that the requisite funding and manpower requirements can be met.

**RECOMMENDATION 5:** OIG recommends that the Bureau of Diplomatic Security Deputy Assistant Secretary for International Programs, in coordination with the Bureau of Diplomatic Security's High Threat Programs Directorate, shift resources currently being used to expand MSG detachments from the low and/or medium threat posts to high threat posts.

**USMC RESPONSE:** The actual decision of where to put MSG detachments is a DoS decision. Per the Memorandum of Agreement (MOA) between the Department of State (DoS) and the Marine Corps; Annex J, paragraph (11) "The Secretary of State has the final authority when deciding where a detachment will be activated, within the constraints of the Marine Corps' established personnel and funding ceiling."

The Marine Corps is prepared to activate detachments at locations requested by DoS. The OIG should be aware that per the expansion authorized by Congress and accelerated by POTUS, the Marine Corps has greatly increased the student through-put at MSG School. Once graduated, these new MSGs have to be assigned to a post within 14 to 30 days to make room for the next class of student MSGs. While manning all high threat posts first would be ideal, the reality is that due to the difficulties of the embassy being able to support the MSGs quickly, and the host nation's willingness to allow their presence, it is impossible in some cases, for those embassies to be prepared to receive a detachment. If low or medium threat posts are able to host MSGs, this is preferable to them sitting at the HQs at Quantico, waiting for a high threat post to prepare, which could take months or even years. Should DoS be unable to provide locations for MSGs, the through-put at MSG School would be reduced and the momentum of the expansion will be slowed.

**RECOMMENDATION 6:** OIG recommends that the Bureau of Diplomatic Security conduct a comprehensive staffing and resource assessment of the MSG program and, based on the assessment results; judiciously allocate appropriated resources to facilitate compliance with the Benghazi Accountability Review Board report to upgrade security for personnel at high threat posts.

**USMC RESPONSE:** Any assessment concerning the MSG program needs to include Marine Corps participation. Since 1997, the Marine Corps has budgeted for and provided funding to the DoS to pay for the MSG program. The Marine Corps has budgeted the following amounts for FY14-\$67.2M and FY15-\$74.1M. This funding also provides for five contractor positions at DS/MSG that are supposed to support the MSG program. The

Marine Corps feels five positions are sufficient and will not authorize any further use of Marine Corps funds for contractor support. Furthermore, the Marine Corps strongly encourages DS/IP to analyze funding requirements for courier, billeting and messing support for the MSAU when deployed in support of DoS requested missions.

**ADDITIONAL TECHNICAL COMMENTS:** To reiterate, the decision to open a post is a purely Department of State decision. In support of DoS, the Marine Corps is prepared to support all activation requests within the constraints of the Marine Corps' established personnel and funding ceiling. If requested, the Marine Corps stands ready to provide input and assist DoS in formalizing their procedures and decision making processes in regards to the MSG program.

**Office of Inspector General Replies to  
Bureau of Diplomatic Security General Comments**

**DS Comments (6/16/2014):**

**Corrections Suggested in Bureau of Diplomatic Security Response**

The report erroneously states there are 1,012 Marines assigned as Marine security guards (MSGs). On September 11, 2012, the MSG Program had 1,449 authorized positions. Congress authorized up to 1,000 additional MSGs. This brings the new total up to 2,449 authorized positions. Recommend that OIG [Office of Inspector General] clarify what it defines as “assigned” vice “authorized.”

*OIG Reply: Wording adjustment was made to address comment.*

The report states funding limitations resulted in the reduction of 50 new detachments to 35 new detachments. The statement is misleading. The Department intended to ask Congress to approve the Department’s request to reallocate Overseas Contingency Operations (OCO) funds to fund all 50 posts. Before the Department went to Congress to request the reallocation, the Office of Management and Budget (OMB) determined there were regional limitations to where the OCO funding could be used. OMB only authorized the Department to request the re-appropriation of OCO funds for the 35 non-Western Hemisphere Affairs (WHA) posts on the list.

*OIG Reply: Wording adjustment was made to address comment.*

The report states that ultimately only 23 of the original 35 posts have been scheduled for new detachments. This is incorrect. The numbers are:

o Six of the original 35 [Redacted] (b) (5), [Redacted] (b) (7)(F)  
[Redacted]  
[Redacted] 26 of the original 35 are still  
scheduled for activation;

o [Redacted] (b) (5), [Redacted] (b) (7)(F)  
[Redacted] and,

o [Redacted] (b) (5), [Redacted] (b) (7)(F)  
[Redacted]

- **NOTE:** The above error referencing 23 posts is repeated throughout the report to include:
- Page 2, para 2 and footnote 5
- Page 3, footnote 12
- Page 4, para 1 and para 3
- Page 9, para 3 and footnote 32
- Page 14, para 1
- Page 16, para 2
- Page 20, para 1 and 2

***OIG Reply: Changes were made in the text and in Footnote 5 to help clarify and/or address the comment. OIG’s analysis was based on DS’s Marine Security Guard (MSG) planned activations through calendar year 2014. (Note: OIG updated Table 3 in the final report based on the June 2014 MSG Program Expansion Schedule.)***

The report states that [Redacted] (b) (5), [Redacted] (b) (7)(F) did not have detachments prior to Benghazi. DS/SPC/MSG calculates this number as [Redacted]

o This report uses current Security Environment Threat List (SETL) data to evaluate past decisions on activating detachments. However, the SETL did not exist prior to 1986. Additionally, SETL ratings are not static. To accurately assess the decision-making regarding an particular MSG detachment’s activation, one must review the SETL rating the year the decision was made to activate the detachment.

o This report uses the terms “High Threat Post” and “High Threat/High Risk” interchangeably, but these terms have distinct and different definitions, and the posts included in each group are not mutually inclusive.

***OIG Reply: No change. As they relate to the scope period of the audit, the 2012 SETL threat ratings provided the best available criteria for assessing the need for security protection over classified information in the form of an MSG detachment. At that time, the primary mission of the MSG program was the protection of classified information. OIG identified [Redacted] without MSGs with [Redacted] (b) (5), [Redacted] (b) (7)(F)***

***[Redacted] Periodic reassessments of posts’ need for increased security would assist in the identification of those posts that should be afforded an MSG detachment. Footnote 14 defines the term “high threat posts” as used in the report.***

This report calculates what percentage of the posts that are scheduled for activations have high or critical threat ratings for political violence or terrorism. The calculations are made using only 23 of the 35 posts for which the Department requested ISP/OCO funds. It would be a more accurate representation if the calculations were made using the list of 35. DS/SPC/MSG calculations show that 16 of the 35 posts had low or medium threat in both political violence AND terrorism ratings (46%); and 19 of the 35 posts had high or critical threat ratings in either political violence and/or terrorism (54%).

***OIG Reply: OIG updated Table 3 of the final report based on DS's June 2014 MSG Program Expansion Schedule. Therefore, OIG used the most up-to-date DS figures on post activation scheduled for the 2-year timeframe. The 35 was originally the number of posts that were scheduled to be activated during the expansion plan period (at that time over 3 years). The 25 posts represent those posts that were ultimately scheduled for activation during the established timetable for completing the MSG expansion, as set by the National Security Council. Since DS has changed the number of posts that were scheduled for activation under the expansion over the past year, the original 35 have less relevance.***

The report states that the “imbalance between expansion and high threat posts is striking,” then goes on to explain that only 16 of the 48 Marines deployed in 2013 were sent to posts with high threat ratings. This is incorrect. The term “expansion” encompasses activations, staffing increases, and the creation of the MSAU, yet the 48 Marines mentioned only captures activations. DS also deployed 127 Marines in 2013 to support staffing increases. Of the [Redacted] (b) (5), [Redacted] (b) (7)(F) [Redacted] went to posts that fall under the purview of the High Threat Programs Directorate (DS/HTP). Additionally, 122 Marines were re-assigned to fully staff the MSAU. In 2013, the MSAU deployed to 13 locations where additional security augmentation was needed.

***OIG Reply: Wording adjustment was made to address comment.***

The report states that the final selection of lower threat posts for activations was based in part on the readiness of a post to accept a detachment, and not on posts threat ratings. This is incorrect. The original list of 50 was created based on threat and a variety of other factors with no considerations regarding the readiness of a post to accept a detachment. Prioritization of which posts would activate first did not occur until after the list of 35 was approved and funding was re-appropriated by Congress.

When calculating the list of 50, DS began with the 285 posts that are staffed worldwide. Of the 285, 152 had an active MSG detachment at the time of the attack on Benghazi. Of the remaining 133, only 63 of the posts had an RSO assigned. The 63 posts were assessed and of these, the list of 50 was developed.

Prioritization was developed as follows:

Once funding was obtained from Congress, DS and the United States Marine Corps (USMC) calculated how quickly the USMC could train and qualify 1,000 additional MSGs while still maintaining the existing program. It was determined the MSG School could schedule five classes a year, and increase sizes to provide up to 50-60 additional MSGs per class. This totaled up to 1,000 new MSGs over a three-year timetable to staff the activations, staffing increases, and the MSAU. Department equities then assessed the 35 posts to determine what renovations would be needed to prepare posts for the MSGs, and based on how quickly each post could become operational, DS assigned a projected activation date for each post. Unfortunately, all [Redacted] (b) (5), [Redacted] (b) (7)(F) [Redacted]

[Redacted] there were significant delays at all of these locations.

***OIG Reply: Additional text was added to the paragraph to address the comment. The information presented to explain why lower threat posts were selected for activation was based on information obtained from the former DS/MSG Branch Chief and other MSG program officials during the conduct of the audit fieldwork.***

The report states “Marine Security Group detachments.” The term is “Guard” vice “Group.”

***OIG Reply: No change. This statement was a direct quotation from the 2013 National Defense Authorization Act.***

The report lists USMC Embassy Security Group Regional Command exercises authority over Marines. This is incorrect. The Ambassador exercises Operational Authority over the MSG detachment, and the Regional Command exercises administrative authority.

***OIG Reply: Wording adjustment was made to address comment.***

The report uses the term “Commander” for this position. This should be changed to reflect the correct term of “Detachment Commander.”

***OIG Reply: Wording adjustment was made to address comment.***

The report states there are 28 HTPs, and of these, 16 have detachments and three are scheduled for a MSG detachment. The correct numbers are:

[Redacted] (b) (5), [Redacted] (b) (7)(F)



***OIG Reply: No change. This statement was based on data available during the period of audit fieldwork and was obtained from the Department of State’s published list of 28 high threat posts dated November 20, 2013.***

The paragraph pertaining to the SETL should be changed to reflect that human intelligence and technical intelligence are also rated categories since both were considered extensively before and after Benghazi (to determine the placement of MSG detachments).

***OIG Reply: Wording adjustment made to address the comment.***

This report erroneously states that the Department subsequently modified the proposal after an OMB decision. This should be changed to reflect that the Department did not modify the

proposal but was instructed by OMB to not use ISP/OCO funds for WHA posts. The list of which posts were on the list did not change.

***OIG Reply: Wording adjustment was made to address comments.***

The report states that in 1997 the OIG recommended that DS develop a methodology for establishing MSG detachments. On page 10 in para 3, the report infers that DS could not provide documentation of an established process. It should be noted that as a result of the 1997 recommendations, DS and USMC added Annex D and J to the MOA between the Department and USMC for the Operational Supervision of the MSG Program. Annex J provides procedures for activations and deactivations, and Annex D provides a procedure for establishing MSG detachment size, and periodic assessments of the size of existing detachments.

***OIG Reply: DS's response has been added to the body of the report.***

Table 1 numbers are incorrect. The correct numbers are:

- o New Dets – 325 planned and 60 deployed as of 12/31/2013; and,
- o Increases – [Redacted] (b) (5), [Redacted] (b) (7)(F) as of 12/31/2013  
[Redacted] (b) (6), [Redacted] (b) (7)(F) and 50 to non-HTPs)

***OIG Reply: No change to the table, as OIG's analysis was based on the MSG expansion plans and actual deployments verified during fieldwork. However, this comment has been included in Footnote 12 in the report.***

This report erroneously states that some HTPs were not prioritized for MSG detachments. This is incorrect. All HTP detachments were prioritized for activation, and will receive MSGs as soon as a Post 1 and housing can be completed by the Bureau of Overseas Buildings Operations (OBO).

***OIG Reply: No change. OIG's analysis was based on the plans provided during fieldwork.***

This report erroneously states that the National Security Council established the timelines for the expansion of the MSG Program. This should be changed to reflect that the White House established the timeline.

***OIG Reply: No change. The National Security Council is part of the White House.***

This report lists [Redacted] (b) (5), [Redacted] (b) (7)(F) [Redacted] Negotiations are ongoing, and DS will move forward with the activations as soon as approval is granted.

***OIG Reply: No change. This sentence is intended to pertain to posts under the Directorate of High Threat Programs.***

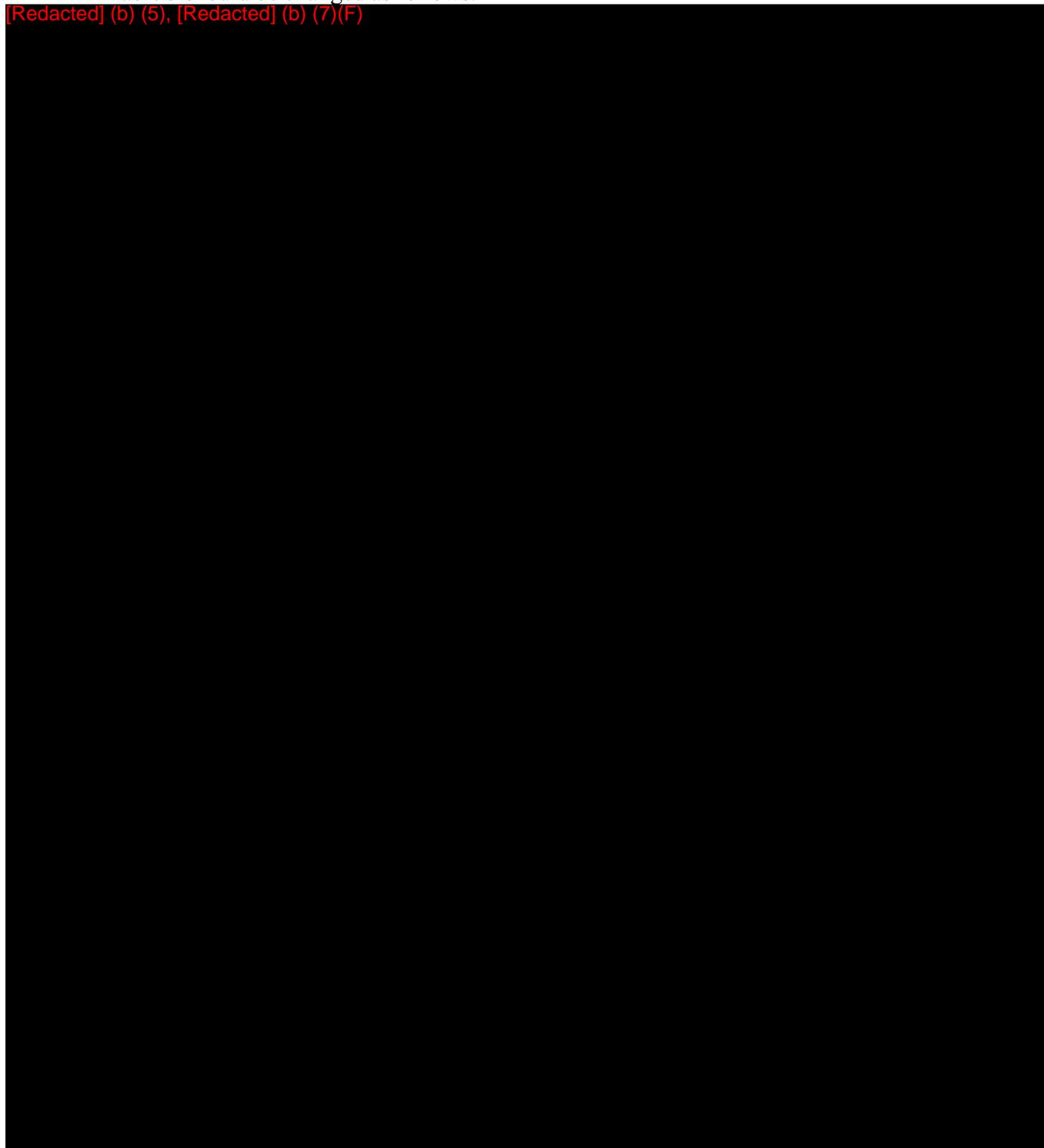
The report states that [Redacted] (b) (5), [Redacted] (b) (7)(F) is a valid reason why a formal documented process should be created. It should be noted that DS has a formal process that was used prior to Benghazi. However, when DS was directed to expand the program by up to 1,000 MSGs in three years, a more fluid plan was needed that would provide the Department with the ability to have space available in concert with the USMC's ability to provide the 1,000 new MSGs. This resulted in a plan that gave activations a priority, but allowed DS to redirect MSGs to MSAU, or to increase staffing at existing posts if activation was delayed, and the MSGs from a graduating class could not be used for the activation. The expansion plan required alterations on an almost weekly basis for the first 12 months of the expansion.

It should also be noted that DS fully staffed MSAU ahead of schedule. MSAU has been operational for 10 months and has deployed over 30 times. This resource has provided the MSG Program with a great deal of flexibility, which is what the ARB felt was lacking in the program.

***OIG Reply: No change. OIG's analysis was based on information verified during the conduct of audit fieldwork.***

- Table 3 should be changed as follows:

[Redacted] (b) (5), [Redacted] (b) (7)(F)



*OIG Reply: Adjustments were made as appropriate to address DS's comments. (Note: OIG updated Table 3 of the final report based on DS's June 2014 MSG Program Expansion Schedule.)*

DS senior management did not mandate that the expansion of the MSG Program be completed within two years. This was an NSC requirement placed on the Department. The initial plan developed by the Department was for three years, but in June 2013, the NSC advised the timetable should be collapsed so that the activations would be completed in twelve months.

*OIG Reply: Wording adjustment was made to address comments.*

**Footnote 5** - The footnote states that one of the planned alternates was planned prior to Benghazi. It should be noted that DS/SPC/MSG never counted [Redacted] (b) (5), [Redacted] (b) (5), [Redacted] (b) (5) as part of the list of 35. [Redacted] (b) (5), [Redacted] (b) (5) was scheduled for activation prior to Benghazi, and as a result, the activation process is separate and distinct.

*OIG Reply: No change in the footnote. This distinction had been noted in the footnote to the draft report that one of the three alternate posts [Redacted] (b) (5), [Redacted] (b) (5) was not on the original list of 35 posts and was planned for activation prior to the expansion.*

**Footnote 7** - The report states that the Marine Security Augmentation Unit (MSAU) was anticipated to be fully staffed by June 2014. MSAU was fully staffed with 122 Marines in December 2013.

*OIG Reply: Wording adjustment was made to address the comment.*

**Footnote 8** - States that DS activated six new MSG detachments from 2008-2012. The correct number is seven.

*OIG Reply: Additional text was added to the footnote to address the comment. During the audit, OIG requested a list of MSG detachments activated between 2008 and 2012. DS responded by identifying six posts that were activated during that period: [Redacted] (b) (5), [Redacted] (b) (5)*

**Footnote 12** – Correct numbers should read: (1) 325 Marines for posts lacking a detachment; (2) 364 Marines to bolster staffing levels at existing detachments; and (3) 122 Marines for MSAU. The total is 811 Marines.

*OIG Reply: Additional text was added to the footnote to address the comment. OIG used May 2013 Marine Corps numbers provided during the conduct of audit fieldwork.*

**Footnote 16** - This should be changed to reflect that [Redacted] (b) (5), [Redacted] (b) (7)(F)

*OIG Reply: Additional text was added to the footnote to address the comment. The data contained in the footnote was based on information provided by DS officials during the conduct of audit fieldwork.*

**Footnote 20** - Repeats footnote 14. Please see footnote 14 reference.

*OIG Reply: No change. While the information in both footnotes is the same, the footnotes are contained in two different sections of the report: the executive summary section of the report and the background section of the report. The footnotes were retained to provide clarity.*

**Footnote 38** - Erroneously states that six new MSG detachments were activated between 2008 and 2012, but this must be changed to seven.

*OIG Reply: Additional text was added to the footnote to address the comment. During the audit fieldwork, OIG requested a list of MSG detachments activated between 2008 and 2012. In response, DS identified six posts that had been activated during this period:*

[Redacted]

[Redacted] (b) (5), [Redacted]

## Major Contributors to This Report

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