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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20546

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FEBRUARY 26, 1980

The Honorable Max S. Baucus
Chairman, Subcommittee on Limitations
of Contracted and Delegated Authority
Committee on the Judiciary
United States Senate

SEN 02518

Dear Mr. Chairman:

Subject: [Diplomatic and Official Passport
Retrieval Systems] (ID-80-17)

Your letter of June 15, 1979, outlined concern that executive branch procedures for retrieving passports issued to agency officials may be somewhat lax and requested that we examine the matter.

We selected, in consultation with your staff, the Federal Maritime Commission and the Departments of Agriculture, Housing and Urban Development, Commerce, and State, for review. We examined the (1) kinds of passports issued by the U.S. Office of Passport Services (herein referred to as the Passport Office), an entity within the Department of State; (2) criteria for issuing each type of passport; and (3) procedures and practices followed by each selected agency for securing, controlling, and retrieving passports required for its officials.

We found that U.S. Government officials whose duties require travel to foreign countries are issued either official or diplomatic passports, depending on their positions or the nature of their duties. At the time of our review there were 350,000 diplomatic and official passports outstanding. We were unable to develop a list of all holders of diplomatic and official passports as you requested, because the files for these passports are not segregated from the nearly 14 million regular or tourist passports.

Both diplomatic and official passports are the property of the U.S. Government and are to be returned to the Government upon demand. Written in each passport is the instruction

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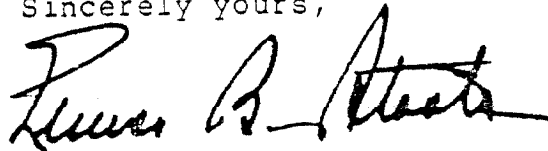
informing the bearer that the passport is to be surrendered upon termination of official duties or when requested to do so by the Department of State.

Passport officials state that certain courtesies are generally granted holders of diplomatic passports. At the Vienna Convention on Diplomatic Relations in 1961, 134 countries agreed on reciprocal regulations concerning diplomats clearing customs. Thus, foreign officials with diplomatic passports are allowed to enter a country free from "arrest, search or detention." The baggage and effects of such passport holders are admitted free of duty. A Federal employee may not concurrently hold both an official and diplomatic passport in his/her possession.

Our examination of the passport control and retrieval system in the five agencies revealed varying degrees of effectiveness as summarized in enclosure I. Additional details together with an outline of the measures needed to make the system in each agency more effective are included in enclosure II.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of issue. At that time, we will send copies to the Chairman of the Federal Maritime Commission, the secretaries of each of the above-mentioned departments, and interested Members of Congress.

Sincerely yours,



Comptroller General
of the United States

Enclosures - 3

Diplomats
Diplomatic privilege and
immunities
Federal employees
Public officials

Vital records
Records management
International
Travel
International agreements

SUMMARY OF THE PASSPORT CONTROL AND
RETRIEVAL SYSTEM IN THE FIVE AGENCIES REVIEWED

<u>Agency</u>	<u>GAO Rating of Passport Control and Retrieval System</u>	<u>Responsibility Established for System</u>	<u>Does System Have Written Procedures?</u>	<u>Are Passports Retrieved When Not being used?</u>	<u>Are Passports Retrieved When employees Leave Agency?</u>
Maritime Commission	No system	No	No	No	No
Agriculture	Reasonably effective	Yes	Yes	Yes	GAO test check found approx. 80% retrieved. Dept. lax in returning passports for cancel- lation.
HUD	Ineffective	Yes	No	Yes—but GAO test reveals that retrieval procedures are somewhat ineffective	GAO test check disclosed that passport disposition was unknown for 55 percent of employees leaving agency.
Commerce— International Trade Admini- stration (ITA)	Reasonably effective	Yes	Yes	Yes	GAO test check showed 92% of passports retrieved.
Commerce other than ITA	Ineffective	Yes	Yes	No	GAO's test check unable to determine disposition of passports for selected employees.
State	Ineffective	No	No	No	GAO unable to determine disposition of passports for 60 percent of employees in its test check.

ENCLOSURE I

ENCLOSURE I

DESCRIPTION AND ANALYSIS OF
PASSPORT CONTROL AND RETRIEVAL SYSTEMS AT
THE FEDERAL MARITIME COMMISSION AND
THE DEPARTMENTS OF AGRICULTURE,
HOUSING AND URBAN DEVELOPMENT, COMMERCE, AND STATE

Passports have been used for centuries as a means of identification and protection of persons traveling in foreign countries. A U.S. passport, a formal document issued by the State Department establishing the holder's identity and citizenship, requests in the name of the Secretary of State that the holder be permitted "to pass without delay or hindrance" and in case of need be given "all lawful aid and protection."

The United States issues three types of passports: diplomatic, official, and regular. State Department officials estimated, as of October 1979, the following number of U.S. passports were outstanding.

Diplomatic	50,000
Official	300,000
Regular or Tourist	<u>13,700,000</u>
Total	<u>14,050,000</u>

Diplomatic passports are issued to Foreign Service Officers, persons in the diplomatic service, and to persons having diplomatic status either because of the nature of their foreign mission or by reasons of the office they hold. Their dependents are also issued diplomatic passports when appropriate. (Enc. III lists all officials entitled to diplomatic passports.)

Official passports are issued to all other officials or employees of the U.S. Government traveling abroad on official Government business. When appropriate, dependents of such persons are also issued official passports.

The Passport Office, Passport Agencies, and Passport Agents (all part of the Department of State) issue all passports. In October 1978, the Passport Office instituted an automated system. However, as of October 30, 1979, over 1.6 million passport actions had not been fed into the system. Passport Office officials estimated the backlog represents about 1-1/2 years of passport transactions, and occurred because of unanticipated increases in the number of passport actions and decreases in personnel.

All passports are valid for a period not to exceed 5 years. 1/ All agencies, including the Department of State, which need official and diplomatic passports for their employees must obtain them from the Passport Office. Upon termination of an employee's employment or when the passport is no longer needed, Passport Office regulations require it to be returned to the Passport Office for cancellation.

FEDERAL MARITIME COMMISSION

The Federal Maritime Commission does not have a passport retrieval system and does not maintain records of passports secured for its officials or the location or disposition of such passports. Employees are permitted to maintain their official passport when not traveling. Also no efforts are made to retrieve passports upon termination of employment by an employee.

As of November 1979, only 9 of the Commission's 300 employees held passports--all official. The Office of the General Counsel in the Commission is responsible for securing passports. Once a passport is issued to an employee, the Commission does not attempt to further control it (i.e., passports remain in the possession of the holders).

To determine the disposition of passports upon termination of the holders employment, we identified the 10 top-level employees (GS-15 and above) who had terminated their employment at the Commission in 1978 and 1979. According to the Commission's General Counsel, 4 of these 10 people had been issued passports of which only 1 was retrieved and returned to the Passport Office for cancellation. The three other employees retained their passports when terminating their employment. However, the Commission's General Counsel stated that one passport had expired and the other two employees destroyed their passports. Because no records were maintained concerning these passports, we were unable to verify this information at the Commission. Our check of Passport

1/ Tourist and official passports have for some time had a 5-year life. Prior to January 1, 1977, diplomatic passports were valid for the life of the holder. On that date all outstanding diplomatic passports were declared invalid as of December 31, 1977, and all new-issue diplomatic passports were made valid for a period of 5 years from date of issue.

Office files disclosed no record of any cancellations. However, as indicated above, the Passport Office estimates it is 1-1/2 years in arrears in filing passport actions.

To assure that all passports issued to employees are under Commission control when not required on overseas travel, the Federal Maritime Commission would need to (1) adopt policies and procedures for retrieving and controlling passports, (2) develop a system of documentation showing the location and/or disposition of all passports secured, (3) assign responsibility for implementation of such a system, and (4) require periodic audits or tests of the system.

Following our review, Federal Maritime Commission officials told us that they have inserted in employees' personnel files, copies of approved passport applications and that improved procedures for retrieving and controlling passports are being developed.

DEPARTMENT OF AGRICULTURE

The Department of Agriculture has a sophisticated and reasonably effective passport issuance and retrieval system. Regulations and policies have been developed setting forth how passports are to be obtained, used, retrieved, and canceled. The Department has audited the passport control system, but little emphasis was placed on the passport retrieval process.

The Department has about 30 sub-agencies and employs about 140,000 people. About 4,580 (3.3 percent) of these have duties requiring travel to foreign countries. Of these 4,580 about 140 held diplomatic passports and 4,440 held official passports as of November 1979.

The Foreign Agricultural Service (FAS), one of the Department's 30 agencies, has been delegated the responsibility for overall management of the passport issuance and retrieval system. Department regulations provide that all passports are to be returned to FAS when not in use and allow travelers 10 days in which to turn in their passports.

Each sub-agency of the Department has a foreign travel coordinator. These coordinators have day-to-day contact with the Foreign Travel Section of the FAS in coordinating passport matters for their employees. The FAS maintains their control over all passports with the aid of a computer. Since July 1978 the Foreign Travel Section has had complete access to a computer terminal. Also, monthly printouts are issued showing all outstanding passports, their location, date due to be returned to FAS, and the passport expiration date.

To check the extent and timeliness of passport retrievals upon completion of official travel (in compliance with the rule that passports must be returned to FAS for safekeeping within 10 days after completion of foreign travel) we reviewed the passport return dates for all foreign travelers from August 1 through September 25, 1979. All passports were returned to FAS but not always within 10 days. The results of our test are shown below:

	<u>Number</u>	<u>Percent</u>
No. of travelers turning in passports within:		
10 days	12	71
11-20 days	3	18
20-30 days	2	11
	—	—
Total travelers	<u>17</u>	<u>100</u>

To check the adequacy of passport retrievals upon termination of employment, we examined the 254 top-level employees who had terminated their employment at the Department during 1978 and 1979. Of the 254, we independently identified 87 (34 percent) who had been issued passports. The results of our test of these 87 were as follows:

	<u>Number</u>	<u>Percent</u>
Number of employees allowed to keep passports upon termination	5	6
Retrieved & held in FAS active file	41	47
Retrieved & returned to Passport Office	31	36
Passport disposition unknown	<u>10</u>	<u>11</u>
Total terminations who had been issued passports	<u>87</u>	<u>100</u>

According to FAS, two of the terminated employees were permitted to keep their passports because they are frequently employed as consultants by the Department. However, the Department failed to retrieve the passports of the three remaining employees who left the Department.

An internal audit in February 1979 included the passport control system initiated by FAS, but did not include a check of passport retrievals.

The Department of Agriculture's present passport retrieval system could be strengthened by requiring (1) final salary payments for terminating employees to be conditioned upon the employee turning in his/her passport, as is done in FAS; (2) that passports retrieved from terminating employees be returned to the Passport Office for immediate cancellation; (3) further action to recover passports of any employee who terminates without turning in his/her passport; and (4) periodic audits of the passport retrieval system.

Department of Agriculture officials agreed with our findings and conclusions. They also told us they are attempting to locate and retrieve the three passports held by terminated employees.

DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT (HUD)

HUD does not have effective passport operations. Although passports, when not in use, are held by the Department and travel vouchers are not processed until passports are returned to the appropriate office, a system of documentation has not been established to show the disposition of employees' passports, or whether passports are retrieved from employees when they leave the Department. The Department also lacks (1) written passport procedures, (2) independent auditing of the passport control and retrieval system, and (3) adequate communication between the Office of Personnel and the office responsible for passports.

HUD employs approximately 16,000 people of which 95 (less than 1 percent) have duties requiring foreign travel. Of the 95, 2 held diplomatic passports and 93 held official passports as of November 1979.

The Office of International Affairs (OIA) is responsible for the control of passports. Although there are no written passport retrieval regulations, it is the practice of HUD to hold passports when they are not in use. Also,

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foreign travel vouchers are not processed by OIA until passports are returned. A reminder that passports are to be returned upon completion of travel is issued to the employees when they pick up their passports.

OIA periodically checks the passport files to determine the status of terminated employees' passports. However, the HUD passport retrieval system has not been audited by its internal auditors in recent years (there is no requirement that this be done periodically).

There is a lack of adequate communication between HUD's Personnel Office and OIA concerning the retrieval of a terminating employee's passport. Also, OIA does not maintain records of passports returned to the State Department. These records are essential to the effective monitoring of passport retrievals.

To check the adequacy of passport retrieval upon termination of employment, we identified 109 top-level employees who had terminated their employment at HUD in 1978 and 1979. Twenty (18 percent) had been issued passports. Of the 20, 8 passports were on file at HUD; 1 was canceled according to State Department records; and the disposition for the remaining 11 was unknown.

To check the compliance with HUD's policy to hold all passports when not in use, we identified the passports not on file and compared these with the active foreign travel vouchers on file. As of November 30, 1979, 15 passports were not on file. Our examination of HUD's active travel orders showed that only six HUD employees were in a foreign travel status. We found that the remaining nine passports were being held by employees who had completed their travel, as shown below:

No. of travelers holding passports after completion of travel	<u>Number</u>	<u>Percent</u>
Less than 10 days	1	11
10 - 30 days	1	11
31 - 50 days	4	45
over 50 days	<u>3</u>	<u>33</u>
	<u>9</u>	<u>100</u>

To develop a more effective passport control and retrieval system, the Department would need to (1) require written procedures establishing HUD's passport control system, including a time limitation for return of passport upon completion of travel, (2) develop documentation showing the location and disposition of all passports, (3) condition final salary payments for terminating employees upon the employee turning in his/her passport, and (4) review periodic audits of the passport retrieval system.

HUD officials concurred with the above, but were uncertain about whether the improved controls would be implemented.

DEPARTMENT OF COMMERCE

The Department of Commerce has two separate travel offices that handle passport issuance and retrieval. The International Trade Administration (ITA) handles the passport control and retrieval function of all ITA employees. The Office of the Secretary of Commerce is responsible for the function in the remainder of the Department. Each system is discussed separately below.

ITA

ITA has a reasonably effective passport retrieval system. Passport regulations and policies have been developed, and are implemented by ITA. However, the Department does not provide independent auditing of the passport system.

As of September 1979, ITA had 1,665 employees--348 (21 percent) held official passports. The Travel Office located in ITA is responsible for the management of the ITA passport issuance and retrieval system. It is the ITA policy that everyone, except frequent travelers, return their passports to the Travel Section upon completion of travel. ITA officials estimated that about 5 percent of the passport holders are frequent travelers. Upon termination of employment, an employee's final salary is conditioned on clearance of a termination checkout sheet which includes a passport retrieval clearance.

The Travel Office maintains a passport filing system that includes essential passport issuance and retrieval information. The form "Request for Security and Official Passport Clearance for Foreign Travel" serves as a record of passports being used. Employees receive their passports when they pick up their travel package. There is no time limit specified for returning passports upon completion of travel.

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The passport issuance and retrieval system has not been audited by the Department's internal auditors in recent years, and there is no requirement that this be done on a periodic basis.

To check the effectiveness of passport retrieval upon termination of employment, we independently identified 13 (20 percent) of the top-level officials who held passports and terminated employment since January 1977. Of the 13 employees' passports, 12 had been retrieved and sent to the Passport Office. One was not retrieved but expired in October 1978.

To check compliance with ITA's policy that 95 percent of the passports are held by ITA, we examined the actual passports in the ITA Travel Office. Our check in December 1979 disclosed that 334 passports (96 percent) were on file at the Travel Office.

We further examined the number of officials traveling overseas at the time of our review and found that six (1.7 percent) were in overseas travel status; suggesting that about 1 (2.3 percent) were not in a travel status but were holding their passports.

To further strengthen the present passport retrieval system, ITA could require periodic audits of the passport issuance and retrieval system by the internal audit staff.

ITA agreed with the findings and conclusions of our review; however, they feel that there should be only one department focal point for passport issuance, control and retrieval. They also believe that ITA could handle this function with additional resources.

Office of the Secretary

The passport retrieval system in Commerce's Office of the Secretary is unsatisfactory because (1) uncertainty exists as to who is responsible for the passport retrieval function, (2) no records are maintained on which officials are furnished passports or on the location or disposition of such passports and (3) no attempt is made to retrieve passports from employees upon completion of their foreign travel, and (4) the Department has not provided for independent auditing of the passport issuance and retrieval functions.

Excluding the International Trade Administration, Commerce employs approximately 18,200 people. The Office of the Secretary's Travel Section handles travel-related functions and

secures passports for all Commerce employees except ITA. However, there is uncertainty as to who is actually responsible for the passport retrieval process. The Travel Section believes the various bureaus are responsible, while the bureaus believe the opposite. Thus, the lack of passport issuance or retrieval files made it impossible to determine what, if anything, was being done.

As of November 1979, the Travel Section estimated that 2 employees held diplomatic passports and 500 employees held official passports. Department regulations do not provide for retrieving passports from employees upon completion of their foreign travel. The regulations do provide that upon termination of employment, an employee clear all fiscal and administrative accountability. This final clearance is in the form of a checkout sheet which includes a passport retrieval clearance. An employee's final salary is to be conditioned on clearance of this checkout procedure. However, this process is ineffective because there is no record of those employees' furnished passports, thus, there is no way of determining which employees should return passports. There is a requirement that a "Request for Security and Official Passport Clearance for Foreign Travel" be submitted to the Travel Section before each foreign trip. This form is to be submitted by employees who have passports as well as those who are applying for passports. However, the Travel Section does not keep a systematic record of these forms. These forms, if properly maintained, could serve as a record of passports in use, as is currently the case in the International Trade Administration.

To check the adequacy of passport retrievals, we independently selected 11 (55 percent) of the top-level employees who had terminated their employment in 1978 and 1979. Due to the lack of records at Commerce we checked the records at the Passport Office. We found that 4 of the 11 had been issued passports, with no record of cancellation. However, due to the backlog in filing of passport actions at the Passport Office, it is possible that the four unaccounted for passports could be included in the backlog.

The passport issuance and retrieval system has not been audited by Commerce's internal auditors or inspectors in recent years (there is no requirement that this be done periodically).

To strengthen the present unsatisfactory passport retrieval system, the Department needs to (1) assign responsibility for the passport retrieval function; (2) require the retrieval of passports when not needed for foreign travel; (3)

design and implement a records system which will identify all passports secured for departmental officials, their location and final disposition; and (4) require periodic auditing of the passport issuance and retrieval system by the internal audit staff.

Officials of the Office of the Secretary were in agreement with the above. They told us they are designing and implementing a passport record system and are attempting to verify all passport holders. We were informed that a new staff member has been hired specifically to perform passport control duties.

DEPARTMENT OF STATE

The Department of State's operating bureaus do not maintain the records necessary to permit measuring the effectiveness of their passport retrieval system. Employees are permitted to hold their official and diplomatic passports when not traveling or not on overseas tour of duty. Our check of the cancellation records at the Passport Office for 25 percent of the top-level employees who left the Department in 1978 and 1979 disclosed that passport disposition was unknown for 63 percent.

About 12,400 people are employed by the State Department. Department officials estimate that 6,200 (50 percent) of these employees have duties requiring travel to foreign countries. Approximately 1,240 diplomatic and 4,900 official passports have been issued. State Department operating bureaus have an executive officer who assists in the securing and renewal of passports. However, these officers do not retrieve passports.

There are no written passport retrieval procedures. Passports are not returned to the Department for safekeeping after completion of overseas tours of duty. Because of the nature of the duties of certain employees, there may be occasions when such duties require them to maintain their passports. An employee's final salary is not conditioned on clearance of a termination checkout sheet which includes a passport retrieval clearance. We were unable to check the effectiveness of the checkout process, because the checkout sheets are destroyed once the employee has been cleared and terminated employment with the State Department.

To check the adequacy of passport retrievals upon termination of employment, we independently identified 32 (25 percent) of the top-level Foreign Service Officers who had terminated their employment at the Department during 1978 and 1979, and then checked the files in the Passport Office

to see if the passports had been canceled. All 32 employees had been issued passports. The results of our test of these 32 were as follows:

	<u>Number</u>	<u>Percent</u>
Retrieved and returned to Passport Office	12	37.5
Disposition not shown in Passport Office files	<u>20</u>	<u>62.5</u>
Total terminated employees examined	<u>32</u>	<u>100</u>

The passport issuance and retrieval process has not been audited by State's internal auditors in recent years and there are no requirements that this be done on a periodic basis.

To provide for complete control over passports issued to its employees, the State Department needs to: (1) establish a focal point within the Department for the passport retrieval function, (2) design and implement a record system which will identify all passports secured for Department officials, their location and final disposition, (3) adopt a policy and practice of retrieving and holding passports for employees on assignments not requiring foreign travel, (4) condition final salary payment for terminating an employee upon the employee turning in his/her passport, and (5) provide for periodic audits of the passport retrieval system.

Department of State officials agreed with the above. However, they said a legal decision prevents them from holding salaries of terminating employees, but were unable to furnish us with this decision.

CRITERIA FOR THE ISSUANCE OF
DIPLOMATIC AND COURTESY
DIPLOMATIC PASSPORTS

The following officers of the U.S. Government and other persons are entitled to use diplomatic passports.

1. The President and the Vice President of the United States.
2. The President and the Vice President Elect.
3. The Chief Justice and Associate Justices.
4. Members of Congress.
5. The Secretary and the Deputy or Under Secretary of Cabinet-Level Departments.
6. U.S. Ambassadors and Ministers.
7. Foreign service personnel of the Foreign Affairs Agencies.
8. Civil Service personnel of Foreign Affairs Agencies, GS-14 and above, inclusive.
9. U.S. Government employees who have been accorded diplomatic titles.
10. Consultants to the Secretary of State.
11. Inspectors and Auditors, including consultants of the Foreign Affairs Agencies and the Defense Intelligence Agency, and public members of Foreign Affairs Agency and Defense Intelligence Agency inspection or audit teams.
12. Diplomatic couriers and personnel of Foreign Affairs Agencies serving as non-professional couriers.
13. Foreign Affairs Agency security and communications officers, technicians, and specialists.
14. U.S. Government personnel assigned to foreign service posts where the State Department has determined diplomatic passports are necessary for reasons of personal security or unusual local conditions which prevent the accomplishment of assigned duties without diplomatic passports.

15. Persons traveling as delegates of the United States to an international conference which has been determined by the Secretary of State to be of a diplomatic nature.
16. Personal and special representatives of the President.
17. U.S. Commissioners and their deputies appointed for international exhibitions.
18. The chief and deputy of diplomatic offices of a continuing nature or Missions of a diplomatic character attached to Foreign Service Offices abroad.
19. Former U.S. Ambassadors traveling abroad on official business for the U.S. Government.
20. Retired Foreign Service Officers returning to the Department of State as temporary consultants.
21. The President of the Export-Import Bank of the United States.
22. The President, International Bank for Reconstruction and Development (World Bank).
23. The Chairman, Board of Governors, Federal Reserve System.
24. Judge, International Court of Justice.
25. Members of the Board for International Broadcasting and the Executive Director.
26. Members, U.S. Advisory Commission on Public Diplomacy (seven members).
27. The Director and Deputy Director, and the Associate Director for International Operations, ACTION/Peace Corps.
28. The President, Executive Vice-President, and Members of the Board of the Overseas Private Investment Corporation.

29. Senior White House Staff assigned to the immediate office of the President or the Vice President and other personnel who require diplomatic passports in support of presidential or vice presidential travel abroad.
30. Military personnel who the Department has determined need diplomatic passports because their assignments involve diplomatic negotiations.
31. Regional and Assistant Regional Marine Guard Officers.
32. Naval Construction Battalion (Seabee) personnel assigned to the Naval Support Unit, Department of State.

The following persons and their spouses and surviving spouses may be issued courtesy diplomatic passports upon application and payment of the regular passport fees. Courtesy diplomatic passports may be used solely for private tourist travel.

1. Former Presidents of the United States, their spouses, surviving spouses, and their unmarried children.
2. Former Vice Presidents of the United States.
3. Former Secretaries of State of the United States.
4. Former Justices of the Supreme Court.
5. Former Deputy Secretaries of State.
6. Former Foreign Service Officers who have served as Under Secretaries of State prior to retirement.
7. Former career ambassadors and former career ministers.
8. Former Foreign Service Officers who have been Chiefs of Mission prior to retirement.