

United States General Accounting Office

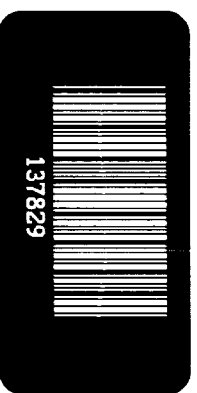
**GAO**

Report to the Chairman, Subcommittee on  
International Operations, Committee on  
Foreign Affairs, House of Representatives

December 1988

**STATE  
DEPARTMENT**

**Security Issues Related  
to Selected Employees**



---

About Our New Cover

The new color of our report covers represents the latest step in GAO's efforts to improve the presentation of our reports.

---

**National Security and  
International Affairs Division**

B-202491

December 28, 1988

The Honorable Daniel A. Mica  
Chairman, Subcommittee on  
International Operations  
Committee on Foreign Affairs  
House of Representatives

Dear Mr. Chairman:

In response to your September 15, 1988, request, we have reviewed (1) the qualifications of foreign national employees and the appropriateness of using them to conduct security-related investigations at U.S. missions overseas and (2) the use of personnel in the State Department's mail room and the possible consequences if some of these personnel have failed background security reviews.

Our review showed that foreign investigators are commonly used to help conduct investigations—principally background investigations of foreign national employees—and that, for a variety of reasons, State considers this practice necessary and reasonable. The investigators are supervised by U.S. regional security officers.

We also found that State has had difficulty employing mail room employees who can satisfy State's security requirements. As a result, State has separated the mail room into classified and unclassified sections to isolate employees without security clearances from areas where classified material is handled.

---

**Conducting  
Investigations Abroad  
Using Foreign  
National Investigators**

Regional security officers (i.e., American employees) are responsible for conducting security investigations at U.S. diplomatic posts abroad, in addition to other security-related duties.<sup>1</sup> These investigations include (1) routine background investigations of foreign nationals and U.S. employees, (2) investigative assistance abroad on behalf of other U.S. departments or agencies, (3) investigations in the areas of passport and visa fraud and munitions control, (4) support for State's Inspector General, and (5) ad hoc investigations requested by the Chiefs of Mission.

---

<sup>1</sup>Regional security officers' other duties include (1) informing and advising the Chiefs of Mission on security-related issues; (2) overseeing all aspects of physical and personnel security affecting post operations; (3) liaison with host security elements, U.S. business representatives, and other diplomatic missions as appropriate; and (4) providing security protection services for traveling dignitaries.

Most overseas posts employ foreign national security investigators, who are primarily responsible for performing security background investigations under the supervision of the regional security officer. Our survey of 27 overseas posts (via cables) showed that foreign nationals were involved in investigations at 24 posts. These foreign national investigators were serving in such capacities as (1) advisors and assistants to the regional security officer and (2) liaisons between the embassy and local authorities at various levels (including the national and local police) and the embassy and other security agencies.

Typically, foreign national investigators are involved in gathering information for background investigations by performing such tasks as interviewing job applicants' neighbors and previous employers, checking police and credit records, and interviewing job applicants. After the local investigator summarizes the results of the background investigation in a written report, the regional security officer determines whether the individual is eligible for employment.

The minimum education requirement of a foreign national security investigator is completion of secondary school, although a college degree is desirable. Work experience—usually 4 to 6 years—with the military police or a private security firm is also required. One to 3 years of this experience must be with a U.S. government agency. Additionally, comprehension of English is essential because investigators must interact extensively with Americans, and reports must be written in English.

### **Rationale for Using Foreign National Security Investigators**

According to State officials, certain functions are most efficiently performed by personnel with the requisite language skills who are thoroughly familiar with the local government and culture. Since investigators must deal with local officials and analyze local records, familiarity with local customs as well as the language enables foreign nationals to more readily obtain needed information than an American investigator temporarily assigned to the post.

While many investigative functions could be performed by American employees, State officials believe that cost and continuity concerns strongly support retaining permanent local investigators rather than dealing with the frequent turnover of Americans assigned overseas. For example, the expense involved in replacing a foreign national with an American employee is estimated at an average annual cost of \$130,000 per American in Eastern Europe. Overall, the present annual expenditure for Eastern Europe local staff is approximately \$3.5 million, while

the annual expenditure for salaries and benefits, housing, travel, and other expenses for replacement Americans is estimated by the Department of State to be more than \$45 million.

## Security Considerations Related to State's Diplomatic Mail Room

State has had personnel management problems in its mail room relating to granting security clearances, theft or pilfering of pouch mail, and high employee turnover. State's Bureau of Administration and Information Management is generally responsible for providing mail and pouch services for the Department of State, its posts abroad, and other U.S. government agencies having foreign affairs activities. State has taken actions to minimize the security risk of its mail operation.

At State's headquarters in Washington, D.C., all domestic and international diplomatic mail is centrally collected and then sorted as classified or unclassified regular mail or "diplomatic pouch" mail (which is delivered by diplomatic couriers).<sup>2</sup> State's mail facilities are located in the basement of the State headquarters building and at a warehouse mail facility in Newington, Virginia. These facilities are managed by a contractor. Some contractor employees at the mail room at State's headquarters are required to have security clearances; those in Newington do not need such clearances. The Newington facility handles only unclassified bulk, large, and heavy items (e.g., all parcels over 2 pounds, magazines, newspapers, catalogs, and similar mail). The State headquarters mail room includes a classified and an unclassified section.

According to State officials, although security clearances are not required of certain contractor employees since no access to classified materials is involved, National Agency Checks are required on all employees assigned to Department of State facilities. All Diplomatic Pouch Room contract employees assigned to State Department headquarters and Newington have undergone or are in process for National Agency Checks.<sup>3</sup>

<sup>2</sup>"The diplomatic pouch" refers to a properly documented, sealed bag, sack, briefcase, envelope, or other container used to transmit approved correspondence, documents, publications, and other articles between the State Department and posts and between posts. Couriers are Foreign Service Specialists and are direct hires of the Bureau of Diplomatic Security.

<sup>3</sup>A National Agency Check consists of checking the results of previous background investigations with the Office of Personnel Management, obtaining the subject's fingerprints, and checking for past criminal activity with the Federal Bureau of Investigation.

State currently has 37 contractor personnel assigned to State's mail room, of which 13 with security clearances work in the classified section. In addition, 26 contractor employees without security clearances are assigned to the Newington facility. The contractor personnel who require security clearances are investigated and issued top secret security clearances by State.

Our review indicated that State has had difficulty in clearing and retaining contractor mail room employees with security clearances. During 1987, 32 contractor employees submitted applications for clearances: 16 received clearances; 12 left prior to decisions being rendered; and 4 were rejected. In 1988, as of October, 35 employees had submitted applications for clearances: 20 are being investigated; 8 were rejected; 6 received clearances; and 1 left prior to a decision. State security personnel told us that rejections had been made for a variety of reasons, including past work records, indebtedness, and undesirable attitudes. In addition, State officials told us that they have had difficulty retaining cleared employees because of undesirable working conditions and low salaries.

In addition to the difficulty in clearing contractor personnel, State has reassigned to the headquarters mail room direct-hire Foreign Service communicators who have had their security clearances reduced or suspended. Currently four communicators who had their clearances suspended are assigned to work in the unclassified section of the State mail room until State officials make a final determination of the employees' eligibility to hold security clearances.

A draft study conducted by the Bureau of Diplomatic Security in August 1987 recommended that additional security measures be instituted in State's mail room. Because of security concerns and several cases of suspected mail theft or pilfering of pouch mail, State divided the headquarters mail room into two sections in August 1988. A chain-link fence equipped with a sliding gate door and secured by a push button lockset was installed to separate the classified from the unclassified areas of the room.

Diplomatic Security made other recommendations to further enhance security. As a result, the following procedures were established to control entry into the classified section and make classified mail processing more secure:

- The lockset was modified so that employees cannot reach through the fence and release the latch.
- The combination to the lockset is changed at a minimum every 3 months or upon change of personnel.
- Strict control is maintained over access to the lock combination.
- Measures are taken to ensure that uncleared personnel are not in any area of the mail room without cleared personnel present.
- All employees are required to wear their building passes conspicuously at all times, not concealing them in pockets or handbags.

State is currently trying to lease industrial work space in the Dulles International Airport access corridor. This facility will allow the complete separation of classified and unclassified mail handling and mail operations at one location. The Newington, Virginia, facility will be abandoned.

---

## Conclusions

State hires foreign national investigators to assist regional security officers in conducting security investigations overseas. Although this practice does pose some security risk, these investigators are investigated, must have previously worked for another U.S. government agency, and are supervised by post regional security officers. Using foreign national investigators to gather data from other foreign nationals is not unreasonable. Employing foreign nationals in this capacity results in cost and continuity benefits and facilitates the conduct of investigations because of their knowledge of local government and customs.

State has had difficulty in obtaining and retaining cleared personnel to work in State's mail room. However, uncleared personnel are separated from classified operations, and recent initiatives should further improve the security of State's mail room operation and minimize any consequence of failed security reviews.

---

## Objectives, Scope, and Methodology

Our objectives were to determine (1) the qualifications of foreign national employees and the appropriateness of using them to conduct security-related investigations at U.S. missions overseas and (2) the security clearances of personnel in State's diplomatic courier center and pouch room and the possible consequences if some of these personnel have failed background security reviews.

We met with officials from the State Department's Bureaus of Administration and Information Management and of Diplomatic Security and

---

reviewed pertinent documentation. We also used information obtained from an earlier review of State security investigation practices conducted in nine countries.

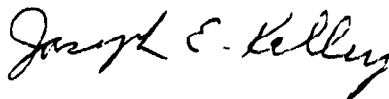
Our work was performed between October and November 1988 in accordance with generally accepted government auditing standards. We discussed the results of our work with State Department officials and considered their comments in preparing this report. As you requested, we did not ask the Department of State to provide official comments on a draft of this report.

---

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from its issue date. At that time, we will send copies to the Secretary of State and other interested parties.

GAO staff members who made major contributions to this report were Joseph F. Murray, Group Director; James Martino; and Calvin D. Watson. If we can be of further assistance, please call me on 275-4128.

Sincerely yours,



Joseph E. Kelley  
Senior Associate Director



Requests for copies of GAO reports should be sent to:

U.S. General Accounting Office  
Post Office Box 6015  
Gaithersburg, Maryland 20877

Telephone 202-275-6241

The first five copies of each report are free. Additional copies are \$2.00 each.

There is a 25% discount on orders for 100 or more copies mailed to a single address.

Orders must be prepaid by cash or by check or money order made out to the Superintendent of Documents.

United States  
General Accounting Office  
Washington, D.C. 20548

Official Business  
Penalty for Private Use \$300

First-Class Mail  
Postage & Fees Paid  
GAO  
Permit No. G100