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United States Department of State
and the Broadcasting Board of Governors
Office of Inspector General

Middle East Regional Office

Performance Audit of the Triple Canopy Contract for Personal Protective Services in Jerusalem

Report Number MERO-IQO-09-05, May 2009

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and the Broadcasting Board of Governors**

Office of Inspector General

PREFACE

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.

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.

The recommendations therein have been developed on the basis of the best knowledge available to the 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.

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

A handwritten signature in black ink, appearing to read "H. W. Geisel".

Harold W. Geisel
Acting Inspector General

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KEY FINDINGS

- Jerusalem's security situation is complicated. Nevertheless, Triple Canopy's personal protective services have effectively ensured the safety of chief of mission personnel.
- Triple Canopy has recruited an experienced pool of personal security specialists and established a satisfactory continuing professional education program focused on a number of training topics.
- Triple Canopy has reliable inventory controls for government-furnished equipment, including weapons, radios, and tracking equipment; it has also instituted physical security procedures that effectively protect all equipment.
- Triple Canopy management in Jerusalem forwards personnel rosters (muster sheets) to Triple Canopy's U.S. headquarters for further delivery to the Department of State's Bureau of Diplomatic Security in Washington, DC for review and payment. The regional security officer at Consulate General Jerusalem is not involved in the review of these muster sheets and cannot verify their accuracy or completeness. However, since the OIG audit, the Regional Security Office in Jerusalem has corrected the muster sheet validation issue.
- The Contracting Officer's Representative (COR) duties are not fully executed on-site. The Bureau of Diplomatic Security assigned the regional security officers at the Consulate General as the COR and assistant COR and introduced a COR checklist to provide COR guidance. However, due to the regional security officers' primary focus on security operations duties, a lack of clearly defined COR duties, and deficient COR training, contract management responsibilities are not fully executed and contractor invoices (for labor or equipment) are not reviewed by government personnel on-site.
- Consulate General Jerusalem has had some issues with the maintenance of the post's 50 armored vehicles used by Triple Canopy for protection missions. This situation has been largely due to a lack of assets (e.g., mechanics and repair facilities) and has been exacerbated by the use of old, high-mileage armored protection vehicles on rough terrain. However, the consulate general has taken steps to improve this situation.

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INTRODUCTION

In June 2005, Triple Canopy, a private security firm, was awarded a base contract with four option years under the Department of State's second Worldwide Personal Protective Services (WPPS II) contract. Subsequently, in August 2005, Triple Canopy was awarded Task Order 2 to provide personal protection to officials who fall under the authority of chiefs of mission in Jerusalem and Tel Aviv. Since the start of the task order, the Bureau of Diplomatic Security (DS) has provided Triple Canopy with a total obligation of \$41.6 million for fiscal years 2005 through 2008. As of December 2008, Triple Canopy had a total of 46 employees providing personal protective services in Jerusalem.

The Middle East Regional Office (MERO) of the Office of Inspector General (OIG) initiated this work under the authority of the Inspector General Act of 1978, as amended,¹ due to concerns about the Department's exercise of control over the performance of security contractors. The objectives of this review were to determine: (1) the requirements and provisions of the contract and task orders; (2) whether contract performance measures were established and being achieved; and (3) how effectively the Department was administering the contract to provide proper oversight of Triple Canopy's cost and performance.

This report is the fourth in a series on the Department's management of the personal protective services program.² In developing this assessment, OIG met with officials from DS, the Bureau of Administration's Office of Acquisition Management, the U.S. Consulate General in Jerusalem, and with Triple Canopy's management and security professionals under contract to the Department to provide personal protective services. In addition, OIG visited Jerusalem where Triple Canopy provides movement protection and personal security for U.S. mission personnel.

¹5 USC App. 3

²See *Status of the Secretary of State's Panel on Personal Protective Services in Iraq Report Recommendations*, MERO-IQO-09-01, December 2008; *Review of Diplomatic Security's Management of Personal Protective Services in Iraq*, MERO-IQO-09-02, January 2009; *Performance Audit of the Triple Canopy Contract for Personal Protective Services in Iraq*, MERO-IQO-09-03, April 2009

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EXECUTIVE SUMMARY

RESULTS

Jerusalem's security situation is complicated. Triple Canopy protects U.S. Government personnel carrying out official business in Jerusalem, Tel Aviv, and the West Bank. This relatively small area, with its diverse population, is politically sensitive and can be volatile at times, particularly in the West Bank. Nevertheless, Triple Canopy's personal protective services have effectively ensured the safety of chief of mission personnel. In 2008, Triple Canopy conducted 1,425 personal protection missions.

Triple Canopy has recruited an experienced pool of personal security specialists, most of whom have a military and/or law enforcement background. Of the 46 personal security specialists in Jerusalem at the time of OIG's visit, 32 were military veterans, many of whom had been in special forces units, and eight came from civilian law enforcement. There is a satisfactory continuing professional education program in place, focused on a number of training topics, including firearms and vehicle safety, security awareness, and emergency medical procedures. Triple Canopy also places a great deal of emphasis on ensuring its personnel are well-versed in the Department's use of force policy.

Triple Canopy has reliable inventory controls for government-furnished equipment, including weapons, radios, and tracking equipment; it has also instituted physical security procedures that effectively protect all equipment. In a complete review of Triple Canopy's armory, the OIG team verified all serial numbers and quantities, and found no discrepancies in any inventories. When not in use, all equipment is stored in a vault within a secure area of the consulate general.

Regional security officers (RSO) at the Consulate General are not involved in the validation of the Triple Canopy prepared personnel rosters (muster sheets) prior to the submittal. Muster sheets document staff members who are present and available for duty. Triple Canopy management in Jerusalem reviews muster sheets for accuracy and forwards them to Triple Canopy's U.S. headquarters for further review and submittal to DS (in Washington, DC). These muster sheets serve as documenta-

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tion for labor invoices, and they are the basis for the Department's payment to Triple Canopy. The RSO at Consulate General Jerusalem receives a courtesy copy of completed muster sheets, but does not review or certify any muster sheets before or upon submission. However, since the OIG audit, the Regional Security Office in Jerusalem has addressed this muster sheet validation deficiency. Muster sheets are now reviewed monthly by the RSO and assistant RSO prior to the submittal.

Consulate General Jerusalem has had some issues with maintenance of the post's 50 armored vehicles used by Triple Canopy for protection missions, largely due to a lack of assets (e.g., mechanics and repair facilities) and exacerbated by the use of old, high-mileage armored protection vehicles on rough terrain. OIG has learned the armored vehicle issues have received a great deal of attention since the team visited Jerusalem. For example, the consulate general recently received two new armored vehicles for the West Bank security program and is scheduled to receive three additional vehicles in 2009. Additionally, OIG has been advised that the consulate general's International Cooperative Administrative Support Services (ICASS) Council³ has approved, but not yet funded, two positions for armored protection vehicle fleet maintenance. OIG encourages expedited funding of these positions.

OIG found that COR duties are not fully executed at the consulate general. DS assigned the RSOs at the consulate general as the COR and assistant COR and introduced a COR checklist to enhance contract oversight. However, due to the RSOs' primary focus on security operations and 30 to 40 other program duties, a lack of clearly defined COR duties, and deficient COR training, COR duties are not fully carried out at the consulate general. Invoices are not reviewed or validated by the CORs on-site; instead all are reviewed at the Triple Canopy program office and DS in the United States for payment. There is no on-site government review of items (labor or equipment) that incur costs under the contract.

³The ICASS system is the principal means by which the U.S. Government provides and shares the cost of common administrative support at its more than 200 diplomatic and consular posts overseas. At post, the ICASS system is established under the authority of the chief of mission. The post's ICASS Council is comprised of cabinet department and independent agency representatives who focus on broad issues of resources and performance, such as, but not limited to, approving the post's ICASS budget and approving new ICASS support positions.

RECOMMENDATIONS*

Recommendation 1: The Bureau of Diplomatic Security should ensure that regional security officers at Consulate General Jerusalem review and verify the accuracy of muster sheets prepared by Triple Canopy before they are submitted to Triple Canopy program management and subsequently to the Bureau of Diplomatic Security in the United States. (Action: DS)

Recommendation 2: The Bureau of Diplomatic Security should better define required contracting officer's representative duties, ensure contract management and invoice reviews are performed on site, and provide additional contracting officer's representative training opportunities. (Action: DS)

*Recommendations to resolve similar issues are included in *Review of Diplomatic Security's Management of Personal Protective Services in Iraq* (MERO-IQO-09-02, January 2009).

MANAGEMENT COMMENTS AND OIG RESPONSE

The Bureau of Diplomatic Security did not provide comments to the draft report. Consulate General Jerusalem provided technical comments and updated information that has been incorporated into the report as appropriate. In response to Recommendation 1, Consulate General Jerusalem noted that the COR and assistant COR had recently taken over their responsibilities in Jerusalem and were unaware of the deficiency in muster sheet review. Since the OIG audit, the COR and assistant COR corrected the muster sheet oversight issue and began reviewing the muster sheets monthly. OIG commends Consulate General Jerusalem on resolving this issue promptly and fully supports the corrective actions.

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BACKGROUND

In March 2000, DS developed and awarded the first Worldwide Personal Protective Services (WPPS) contract to provide personal protection in the former Yugoslavia, Palestinian Territories, and Afghanistan. The WPPS contract was initially awarded to DynCorp International.

In August 2005, DS drafted a second WPPS (WPPS II) contract, under which Triple Canopy was awarded Task Order 2 to take over personal protective services requirements in Jerusalem and Tel Aviv. Throughout the task order performance years, Triple Canopy staff numbers went from 35 to 29, and finally to 46. Under Task Order 2, the original staffing plan called for 37 employees, with two separate details in Jerusalem and Tel Aviv. However, by the end of December 2005, the Triple Canopy staffing requirement was adjusted to 35 with consolidation of the Jerusalem and Tel Aviv details. In May 2006, with further consolidation of the Tel Aviv detail, the staff was reduced to 29. In February 2008, due to expanded mission requirements and increased trips to the West Bank, the number of staff rose to 46. Table 1 shows changes in staff numbers and funding.

Task Order 2, currently in its third option year, provides personal protective services for the Quartet⁴ special envoys, staff, and others operating under the authority of the chiefs of mission in Jerusalem and Tel Aviv, as directed by the regional security office at Consulate General Jerusalem. These people include the consul general, the deputy principal officer, members of Congressional delegations, U.S. Agency for International Development (USAID) employees, the U.S. Security Coordinator, and the Special Envoy for Middle East Regional Security.

⁴The Quartet, consisting of the United States, Russia, the European Union, and the United Nations, is involved in mediating the peace process in the Israeli-Palestinian conflict.

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Table 1: Triple Canopy Staff Changes and Funding (in millions)

	Base Year (9/28/05 – 9/27/06)		Option Year 1 (9/28/06 – 9/27/07)	Option Year 2 (9/28/07 – 9/27/08)	Option Year 3 (9/28/08 – 9/27/09)	Total Funded to Date
Total Staff	35	29		46		
Total Obligated	\$11.5		\$12.2	\$17.9	In Progress*	\$41.6
Total Expended	\$11.5		\$12.2	\$13.9		\$37.7**

* Option Year 2 funding being used until it runs out in February 2009

** Total expenditures through December 2008

Source: OIG analysis of DS data

The total task order value is \$72.6 million for a five-year program. Since the start of the task order, DS has obligated \$41.6 million to Triple Canopy from fiscal years 2005 to 2008. Through December 2008, DS expended \$37.7 million.

The staff for Task Order 2 consists of personal security specialists, as well as administrative and support employees. Organizationally, the staff is broken down into two groups, a management and support team and seven personal security detail teams (one 2-person team and six 6-person teams).

Unlike private security operations OIG evaluated in Iraq, there is no third country guard force, intelligence analyst, armorer, dedicated defensive marksman, explosive detection dog team, field security technician, or deputy detail leader. Regional Security Office staff members at Consulate General Jerusalem handle translation for the security teams. The consulate general also has mission protective details with 17 locally engaged staff members who speak Arabic, Hebrew, and English. Table 2 shows Triple Canopy staff composition from calendar years 2005 to 2008.

Table 2: Triple Canopy Staff Composition

Calendar Year / Positions	2005	2006	2007	2008
Project Manager	1	1	1	1
Detail Leader	1	1	1	1
Shift Leader	5	4	4	7
Personal Security Specialist (PSS)	16	12	12	26
PSS Firearms Instructor	2	2	2	1
PSS Operations Chief	1	1	1	1
PSS Emergency Medical Technician	6	5	5	6
Admin & Log Security Specialist	2	2	2	2
Operations Security Specialist	1	1	1	1
Total Staff	35	29	29	46

Source: OIG analysis of contract provisions

PROTECTION AREA OF RESPONSIBILITY

Triple Canopy provides personal protective services to U.S. Government personnel carrying out official business in Jerusalem, Tel Aviv, and the West Bank (see Figure 1). This politically sensitive region is characterized by the ongoing Israeli-Palestinian conflict, threats from Palestinian militant groups, and civil unrest. The security environment in the West Bank, in particular, is highly volatile with violent demonstrations, kidnappings, and shootings occurring regularly, often without warning. Moreover, the Israeli Defense Forces carry out security operations in the West Bank, including raids that require vigilance and close coordination for U.S. Government personnel traveling in the area.

Triple Canopy operates in a relatively small area with a diverse population. Jerusalem itself, has a land area of 125.1 square kilometers and a population of 747,600, which is approximately 70 percent Jewish, 27 percent Muslim, and 2 percent Christian. The West Bank has a land area of 5,640 square kilometers (slightly smaller than Delaware) and a population of about 2.4 million, of which 75 percent is Muslim, 17 percent is Jewish, and 8 percent is Christian. Gaza Strip has a land area of 360 square kilometers (slightly larger than Washington, DC) with a population of about 1.5 million people, who are mostly (99.3 percent) Muslim with a small percentage (.7 percent) of Christians.

The core objectives of the Consulate General Jerusalem are to support negotiations aimed at achieving a two-state solution to the ongoing Israeli-Palestinian conflict; establish the political, economic, and security foundations of a future Palestinian state; and improve conditions in the West Bank and Gaza Strip. To fulfill these objectives, U.S. Government personnel must be able to meet regularly with their counterparts in Jerusalem, the West Bank, and Gaza Strip; Triple Canopy personal security specialists are integral to ensuring they are able to do so.

Figure 1: Map showing Jerusalem, the West Bank, and Gaza Strip



Source: CIA World Factbook

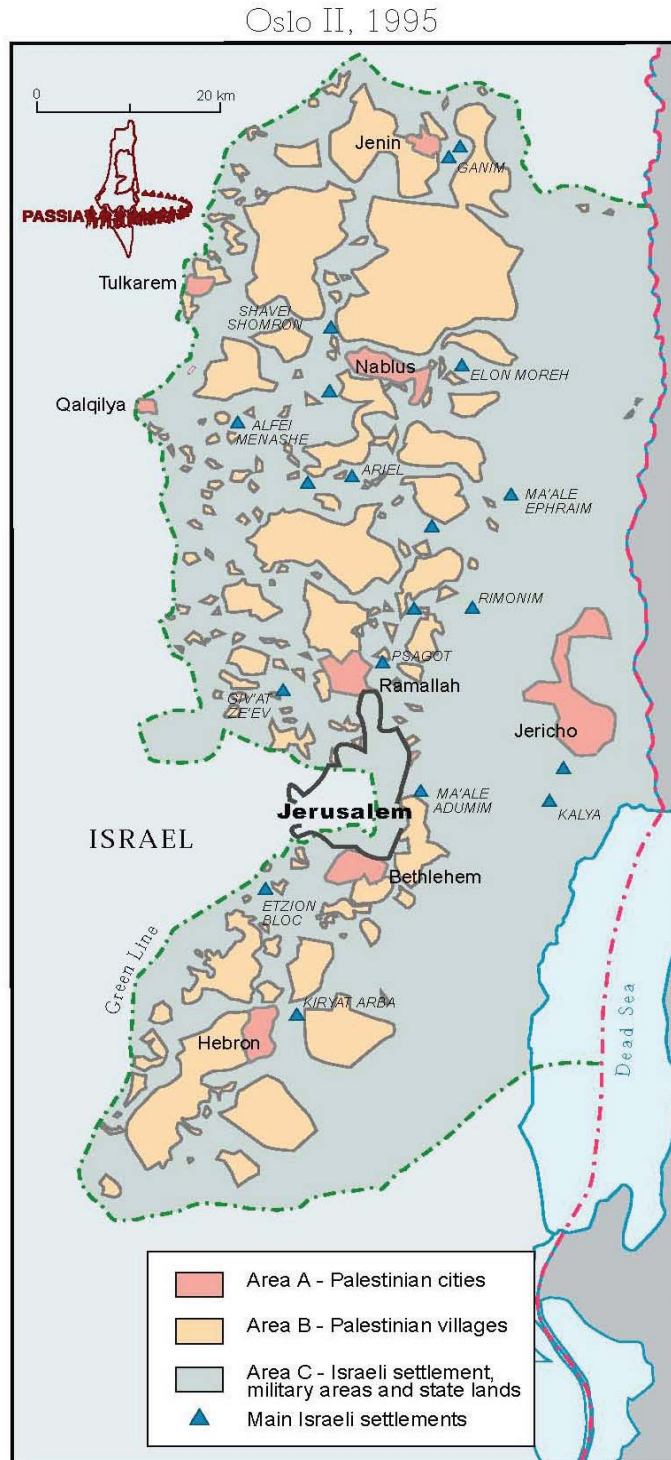
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The Consulate General Jerusalem's engagement model focuses on meeting with Israeli and Palestinian officials and citizens in government offices, public places, and homes, to the maximum extent possible. Unfortunately, the unstable security situation, particularly in the West Bank and Gaza Strip, adversely affects the ability to carry out these objectives. Currently, all personnel under chief of mission authority are prohibited from traveling to Gaza, and only mission-critical travel is permitted to the West Bank. Each requested trip to the West Bank requires approval from the deputy principal officer at the consulate general, in consultation with the RSO. Approval is based on the essential nature of the travel, available security resources, and favorable security conditions.

The level of protection provided for official West Bank travel is based on the Israeli-Palestinian Interim Agreement on the West Bank and Gaza Strip (September 2005) which established different areas of control within the West Bank (see Figure 2). These areas are:

- Area A, composed of eight Palestinian cities within the West Bank, is assigned to the Palestinian Authority (PA). In this area, both security and civil administration are under PA control. Area A is approximately 3 percent of the West Bank. Area A has been further divided into low threat (Jericho), medium threat (Bethlehem and Ramallah), and high threat (any cities in Area A other than Bethlehem, Jericho, and Ramallah) areas.
- Area B, composed of a large number of Palestinian villages, is locally administered by Palestinians but is under Israeli control. Hence, PA control extends only to civil services; Israeli forces are in primary control. In some cases, PA security forces conduct security operations, but only in coordination with Israeli Defense Forces.
- Area C is controlled entirely by Israel. This area includes Israeli settlements, bypass roads, military bases, and some Palestinian villages.

Figure 2: Map of the West Bank showing Areas A, B, and C



Source: Palestinian Academic Society for the Study of International Affairs (PASSIA)

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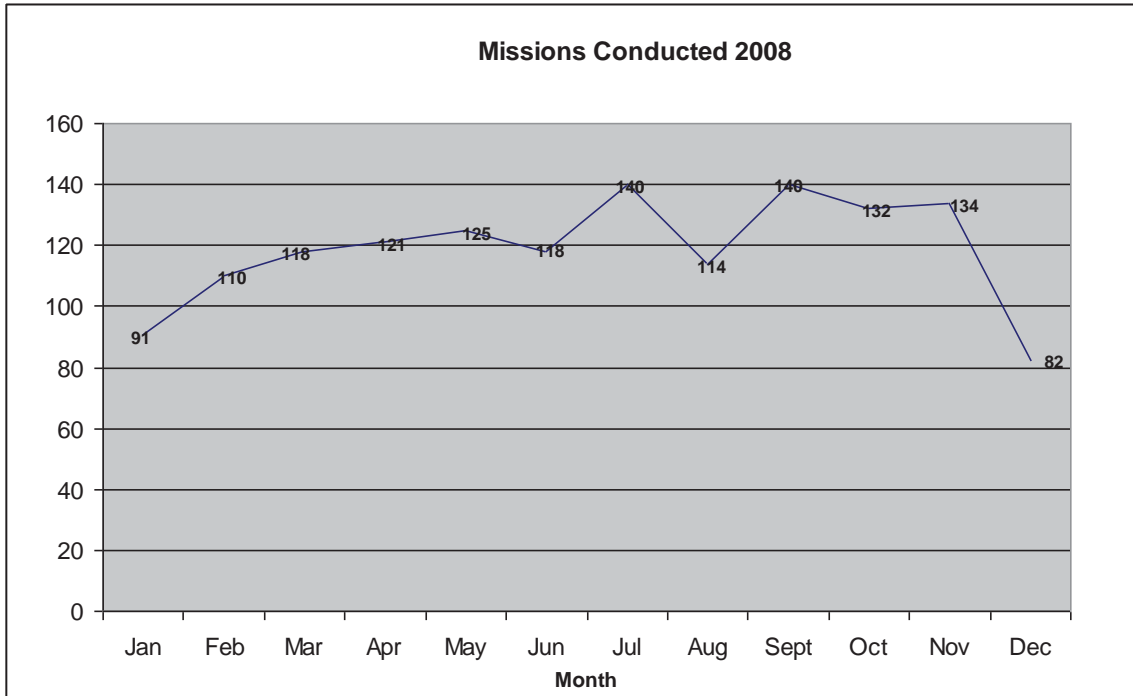
Travel to low threat areas of Area A and to all of Area C requires minimal security resources, but travel to high threat locations in Area A requires numerous resources. Thus, the number of trips that can be supported in a given day is based on the destinations. Trips to high threat areas in Area A affect the number of other protection movements that can be conducted.

Regardless of the destination, protection movements require significant resources and precise coordination of personnel, communications equipment, weapons, and vehicles. Each protection movement necessitates an initial planning session; advance surveys of the route, meeting location, and emergency egress routes; a pre-mission briefing of all personnel; the conduct of the actual protection movement, which, in many cases, includes the positioning of a Quick Reaction Force in case of an emergency; and a post-mission briefing for all security personnel. Additionally, whenever a movement is underway, the tactical operations center is staffed and operational. All communications with teams in the field flow primarily through the tactical operations center, which also monitors team movements through use of Blue Force Trackers⁵, and relays intelligence and any plan changes.

In 2008, Triple Canopy conducted 1,425 personal protection missions in support of staff from the Department of State, including the Bureau of International Narcotics and Law Enforcement Affairs, and staff from USAID, as well as the U.S. Security Coordinator, the Special Envoy for Middle East Regional Security, and various Congressional delegations (see Table 3). It is particularly noteworthy that during the entire time Triple Canopy has been in Jerusalem, there has not been a single incident involving the use of deadly force and not a single person under Triple Canopy's protection has been killed or injured.

⁵The Blue Force Tracker system consists of a computer, satellite antenna, and Global Positioning System receiver. The system displays the location of the host vehicle on the computer's terrain map display, along with other platforms in their respective locations.

Table 3: Missions Conducted 2008



Source: OIG analysis of Triple Canopy mission data

BUREAU OF DIPLOMATIC SECURITY MANAGEMENT OF THE TRIPLE CANOPY CONTRACT

Overall, OIG found DS effectively managed Triple Canopy's contract for personal protective services. In the U.S., DS works closely with Triple Canopy program management on pre-employment screening and training of personal security specialists. DS and the Triple Canopy program office in the United States hold bi-weekly program meetings that provide timely information on the security environment of Jerusalem and can be used to help resolve issues. DS conducts periodic program management reviews (PMR) of Triple Canopy. The WPPS program manager at DS in Washington, DC is the primary COR, and he sends DS representatives to conduct these PMRs in Jerusalem every six months. In Jerusalem, the RSOs and Triple Canopy communicate well and follow the proper chain of command. The deputy RSO and the assistant RSO at Consulate General Jerusalem are also the COR and assistant COR, respectively.

OIG noted that DS's on-site monitoring of contract provisions and contractor performance could be improved in two areas. First, personnel rosters (muster sheets) are not validated by the RSO at the consulate general prior to the submittal. Triple Canopy is contractually required to prepare and regularly submit muster sheets to document that staff members are present and available for duty. These muster sheets are the basis for invoicing and the Department's payment to Triple Canopy. Muster sheets are reviewed by the Triple Canopy project manager in Jerusalem, but the RSO receives only a courtesy copy of the muster sheet when it is sent to Triple Canopy in the United States and subsequently to DS. The RSO does not review or certify muster sheet accuracy either prior to or upon submission. Second, due to primary RSO-related responsibilities and deficiency in COR training, OIG confirmed that COR duties are not fully executed in the field. DS has given the CORs a checklist to provide guidance on COR duties and enhance oversight, but the CORs find this checklist too generic. Furthermore, according to the COR checklist, labor invoices, in addition to muster sheets, should be reviewed and certified at the consulate general. Currently, however, the RSO does not review or validate any labor or equipment invoices. Instead, invoices are sent directly to Triple Canopy headquarters in the United States, and are then forwarded to DS in Washington, DC for review and payment.

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MANAGING CONTRACT PROVISIONS

In Jerusalem, OIG found overall that Triple Canopy complies with personal protective services contract requirements. Triple Canopy meets requirements by recruiting, screening, training, and providing skilled personal security specialists. Continuing professional education in Jerusalem is timely, proper, and also meets contract requirements. Training is conducted in emergency medicine, improvised explosive devices, vehicle safety, and weapons training and qualification. Finally, Triple Canopy has reliable inventory controls for government-furnished equipment, including weapons, radios, and tracking equipment; it has also instituted physical security procedures that effectively protect all equipment.

QUALIFICATIONS AND TRAINING

DS works closely with Triple Canopy's U.S.-based program management to assess pre-employment screening and training of personal security specialists before they deploy to Jerusalem. DS in Washington, DC and Triple Canopy's program management office further this coordination through bi-weekly program meetings. These meetings provide information on the quickly changing security environment of Jerusalem and can be used to help resolve issues in many areas including personnel, equipment, and invoicing. DS also conducts periodic reviews to evaluate Triple Canopy personnel's marksmanship, driver training, and protection operations. In fact, while doing field work in Jerusalem, the OIG team met with DS officials conducting a PMR of Triple Canopy's operation.

In Jerusalem, Triple Canopy personnel are required to participate in continuing professional education including firearms and vehicle safety, security awareness, and emergency medical procedures. This training is regularly conducted in a formal classroom environment. The Department's policy on use of force is greatly emphasized. Upon arrival in Jerusalem, every Triple Canopy employee receives this policy and must sign a statement of understanding. Additionally, the use of force policy is discussed at every pre-mission briefing, so understanding is reinforced several times each week. In addition to classroom training, when arriving in Jerusalem and on

a quarterly basis thereafter, all Triple Canopy personnel must re-qualify with their weapons to demonstrate proficiency.

Through structured interviews with Triple Canopy personnel, OIG obtained information on their background, experience, and training in personal protection. Overall, Triple Canopy personal security specialists are well-trained and highly professional, with noteworthy experience in the military and/or law enforcement organizations. For example, of the 46 Triple Canopy personnel in Jerusalem at the time of the team's visit, 32 were military veterans, and many of them had been in special forces units. Additionally, eight employees had a background in civilian law enforcement. Finally, many of the personal security specialists had worked for Triple Canopy for several years, some in Iraq, and others in Jerusalem, providing important continuity of experience.

PROPERTY MANAGEMENT

While in Jerusalem, OIG physically inventoried the government-furnished weapons, radios, and tracking equipment and found that Triple Canopy has effective inventory controls and proper physical security procedures to protect all equipment. OIG conducted a 100 percent visual inventory and inspection of Triple Canopy's armory to verify the serial numbers and on-hand quantities of all handguns, rifles, automatic weapons, scopes, and related equipment. The team also verified the serial numbers and on-hand quantities of all radios and tracking equipment issued to Triple Canopy. No discrepancies were noted in any of these inventories.

OIG found Triple Canopy has effective control over government-furnished equipment. When not in use for protection missions or training, all weapons, radios, and tracking equipment are stored in locked cabinets in a security vault, within the secure area of the consulate general.

PERSONNEL ROSTERS

Triple Canopy is contractually required to prepare and submit personnel rosters (muster sheets) to document that staff members are present and available for duty. The muster sheets list the names, labor categories, and dates Triple Canopy personnel are present and available for work. Completed muster sheets are supporting documentation for labor invoices and serve as the basis for the Department's payment to Triple Canopy.

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OIG observed that the muster sheets are reviewed by the Triple Canopy project manager in Jerusalem, but are not reviewed or certified by the RSO prior to submission. In Jerusalem, the muster sheets are completed using information from a separate daily manning report. This daily manning report includes numbers for Triple Canopy personnel on-site (including any personnel shortages), missions conducted, principals protected, and venues visited each day. The Triple Canopy operations security specialist completes the report, and the Triple Canopy project manager reviews it daily. Muster sheets are compiled using these daily manning reports and are sent to the project manager at various intervals during the month (the 10th, 25th, and last day) for review. At the end of the month, the Triple Canopy project manager submits (via e-mail) the muster sheet to Triple Canopy's U.S. headquarters (Herndon, VA) for review and subsequent submittal to DS in Washington, DC. However, during this process, the RSO at Consulate General Jerusalem only receives a courtesy copy and is not involved in verifying and certifying the muster sheet's accuracy.

VEHICLES

The Consulate General Jerusalem's General Services Office delivers and maintains the armored vehicles Triple Canopy uses for personal protection missions. Triple Canopy only operates these assigned armored protection vehicles and is not responsible for their maintenance. According to Triple Canopy personnel, once a vehicle is checked out, it is operated until a maintenance issue arises or the vehicle breaks down. Vehicles are returned to the General Services Office motor pool when they require service, which occurs on average, once every couple weeks. Once turned back for service, it can take a long time for the armored protection vehicle to be returned to Triple Canopy for use. Additionally, Triple Canopy personnel informed the OIG team that requested repairs are not completed or are not done properly, making the armored vehicle not ready for use. Triple Canopy must then return the vehicle a second time for servicing. In the past, a lack of assets (e.g., mechanics and repair facilities) contributed to the maintenance problem. The situation is exacerbated by the use of old, high-mileage armored protection vehicles on rough terrain and in situations where the motors may run for ten to twelve hours per day.

Since its December 2008 fieldwork in Jerusalem, the OIG team has learned that the issues with armored protection vehicles have received a great deal of attention. For example, the consulate general recently received two new armored vehicles for the West Bank security program and is scheduled to receive three additional vehicles in 2009. Additionally, OIG has been advised that the consulate general's ICASS Council has approved, but has not yet funded, two positions for armored vehicle

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fleet maintenance. The positions are an armored vehicle fleet manager for the consulate general's fleet of 50 armored protection vehicles who will ensure timely, correct maintenance and repairs, as well as an armored vehicle mechanic to provide specialized service, maintenance, and vehicle repair. The new positions, when funded, will enhance the maintenance of armored vehicles used for personal protection missions, and OIG encourages expedited funding.

MANAGING CONTRACTOR PERFORMANCE

Triple Canopy provides effective personal protective services with professionalism and competence. There is a well-understood chain of command and good communication between the RSO and Triple Canopy, and there have not been any major incidents resulting in injuries or deaths during the protection mission. However, OIG noted that in managing the contract and carrying out the COR duties, additional attention is needed to improve on-site contract monitoring.

The COR is responsible for assuring, through liaison with the contractors, that the contractors accomplish the technical and financial aspects of the contract.⁶ The WPPS program manager is the primary COR, and he sends DS representatives to conduct PMRs in the field every six months.⁷ While OIG was in Jerusalem, a PMR was being conducted.

In September 2008, to enhance on-site monitoring, the new deputy RSO and the assistant RSO at Consulate General Jerusalem were assigned additional duties as the COR and assistant COR, respectively. In early December 2008, DS introduced a COR checklist to provide guidance on COR duties and enhance oversight.

Nevertheless, OIG confirmed COR duties are not fully executed in the field, and the RSOs lack adequate training to effectively carry out COR duties. RSOs stated that they see the value and importance of the COR duties at the consulate general. They find the COR checklist helpful, but too generic to fully carry out contract management and COR duties. In addition, RSOs receive only a 40-hour COR training course through the Foreign Service Institute. They consider the course deficient in providing the technical knowledge and skills needed to manage and administer the contract. Moreover, the RSOs' primary duties are overseeing security operations, managing the West Bank security program, resolving consulate general-specific security issues, and managing 30-40 other program responsibilities.

⁶14 FAH-2H-111

⁷PMRs were not conducted in 2006 and in the second half of 2007.

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According to the COR checklist, in addition to the muster sheets, monthly contractor labor invoices should be reviewed and certified at the consulate general. Currently, however, the RSO at the consulate general does not review or validate any labor or equipment invoices. Instead, invoices are sent directly to Triple Canopy headquarters in the United States, and are then forwarded to DS in Washington, DC for review and payment. All actual expenditures, including staffing costs, supplies, and equipment, are tracked through Triple Canopy headquarters. For contractor-furnished equipment, Triple Canopy orders all equipment and ships it to the consulate general where, upon receipt, the Triple Canopy project manager in Jerusalem signs the invoice and submits to the Triple Canopy headquarters office. Although invoice reviews and billing are handled at Triple Canopy headquarters and DS in Washington, the lack of on-site invoice review by a U.S. Government employee is a contract monitoring deficiency in which the actual labor and materials that incur costs are not verified.

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ABBREVIATIONS

COR	Contracting Officer's Representative
Department	Department of State
DS	Bureau of Diplomatic Security
ICASS	International Cooperative Administrative Support Services
MERO	Middle East Regional Office (Office of Inspector General)
OIG	Office of Inspector General
PMR	Program Management Review
RSO	Regional Security Officer
USAID	U.S. Agency for International Development
WPPS	Worldwide Personal Protective Services

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APPENDIX I – PURPOSE, SCOPE, AND METHODOLOGY

The Middle East Regional Office of the OIG initiated this work under the authority of the Inspector General Act of 1978, as amended, due to concerns about the Department's exercise of control over the performance of security contractors performing work under the WPPS II contract. The objectives of this review were to determine: (1) the requirements and provisions of the contract and task orders; (2) whether contract performance measures were established and being achieved; and (3) how effectively the Department was administering the contract to provide proper oversight of Triple Canopy's cost and performance.

OIG analyzed the WPPS II contract and task orders against requirements within the Federal Acquisition Regulations and the Foreign Affairs Handbook. The team reviewed the Department's internal controls based upon requirements established in OMB Circular A-123 and standards set forth by the U.S. Government Accountability Office. OIG also reviewed the contract provisions, interviewed contracting officers, contracting officer's representatives, and staffs in the United States (Washington, DC) and Jerusalem to determine Triple Canopy's level of performance compared to the base contract standards prescribed for: (1) qualification of personnel; (2) quality of training; (3) security clearances; (4) firearms qualification and re-qualification; (5) personnel work schedules; and (6) reporting on personal protective services in Jerusalem. OIG documented and analyzed the organization of DS, as well as its policies and procedures for contract oversight

In Washington, DC, OIG met with senior officials from DS and the Department's Bureau of Administration, and with corporate representatives from Triple Canopy. The team reviewed the procedures in place to evaluate contractor performance and contractor oversight policies in the WPPS II contract with DS. OIG met with officials from DS's International Programs Office of Overseas Protection Operations, High Threat Protection Division. OIG also met with several contracting officers and specialists from the Bureau of Administration's Office of Acquisition Management, as well as with former DS officials associated with the WPPS program.

In Jerusalem, OIG focused primarily on Triple Canopy's performance, including the conduct of 1) personal protective services; (2) continuing professional training; (3) firearms re-qualification; and (4) accountability, maintenance, and safeguarding

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of government-furnished equipment. OIG held discussions with senior consulate general officials, including the RSO and the deputy principal officer, as well as with other consulate general personnel to determine the contract performance, internal controls, and contract oversight.

OIG reviewed and observed several sources of evidence, documentation of internal controls, program operation, and results of Triple Canopy's performance against the legal, regulatory, and contractual requirements of WPPS II. OIG analyzed the personal protection movement data for 2007 and 2008, monthly contractor performance reports, DS program management reviews, in-country training program reports, and the regional security office incident database to evaluate contractor performance, utilization, and the nature of protection missions. OIG also observed mission planning, execution, and post-protection movement de-briefings.

The OIG team conducted a physical inventory of government-furnished equipment -- specifically, the weapons, radios, and tracking equipment -- provided to Triple Canopy under the WPPS II contract. OIG also reviewed the security procedures in place for safeguarding this equipment.

OIG conducted this evaluation from November 2008 through February 2009. OIG did not use computer-processed data to perform this evaluation. Following generally accepted government auditing standards, OIG obtained sufficient and appropriate evidence and conducted a thorough analysis to provide a reasonable basis for its findings on Triple Canopy's performance and the Department's oversight of WPPS II in Jerusalem.

This report was prepared under the direction of Richard "Nick" Arntson, Assistant Inspector General for MERO. The following staff members conducted the evaluation and/or contributed to the report: Patrick Dickriede, Wayne Ekblad, Kelly Herberger, Kelly Moon, and Judith Morsy.

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