

D&CP – OFFICE OF FOREIGN MISSIONS

Resource Summary

(\$ in thousands)

| Appropriations | FY 2009 Actual | FY 2010 Enacted | FY 2011 Request | Increase / Decrease |
|----------------|----------------|-----------------|-----------------|------------------------|
| Funds | 4,608 | 4,866 | 4,974 | 108 |

Program Description

The Office of Foreign Missions (OFM) was established pursuant to the Foreign Missions Act of 1982. Its primary missions are to:

- Facilitate relations between the United States and foreign governments;
- Protect the national security and other interests of the United States;
- Assist in resolving disputes affecting United States interests involving a foreign mission or sending state;
- Encourage members of foreign missions and international organizations with diplomatic immunity to respect local law;
- Advocate for better treatment of U.S. diplomatic missions and personnel abroad;
- Ensure the application of reciprocity to the benefits and services accorded foreign diplomatic missions in the United States and assist such missions in addressing local legal requirements and working with local officials; and
- Serve foreign diplomats by operating programs for diplomatic motor vehicles, tax, customs, property, and travel and ensure appropriate benefits and services to the foreign mission community in the United States on a reciprocal basis.

Foreign Tax Relief Agreements

OFM aggressively pursues arrangements for the relief of foreign taxes imposed on U.S. diplomatic and consular missions worldwide. OFM leads negotiations for tax-relief arrangements for the Department's foreign diplomatic operations, with an emphasis on high cost capital construction projects under the Capital Security Cost Sharing Program. Since FY 2005, OFM's efforts have led to the establishment of roughly 50 construction tax-relief arrangements which are expected to yield an estimated cost savings in excess of \$330M. Appropriately resourced, in FY 2011 OFM will negotiate construction tax-relief arrangements to cover the overseas construction projects scheduled for award. Additional OFM resources are required to achieve maximum benefit for the Department's tax-relief requirements.

Services for the Foreign Diplomatic, Consular, U.N. and International Agency Communities in the U.S.

OFM provides a wide variety of services to thousands of diplomats and staff at more than 170 Embassies, 200 UN missions, and 700 foreign consulates nationwide. OFM also provides critical support to the Secretary of State's Office of the Chief of Protocol (S/CPR), which enabled that office to process approximately 50,000 accreditations for members of the foreign diplomatic community and international organizations in the United States. With full funding, OFM will enhance its ability to provide reciprocal services as described above, which benefits U.S. government operations abroad.

The Office of Foreign Missions Information System (TOMIS)

This critically important system collects and transmits valuable information and service requests from foreign embassies, UN missions, and international organizations using e-Government (paperless) technology throughout the government to appropriate agencies. These required system upgrades will support additional business processes that are currently paper-based thus simplifying administration of

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the data and most importantly providing faster and more reliable access to critical data for the broad and growing OFM user community. This user community encompasses an array of federal, state, and local law enforcement and security entities which must rely on and make use of the TOMIS data. On a 24/7/365 basis, OFM's TOMIS database provides support to OFM duty officers and the Diplomatic Security Command Center, as a vitally important tool to respond to official and law enforcement inquiries involving the foreign diplomatic community resident in the United States.

Federal Income Tax Withholdings and Compliance

OFM continues to identify information sharing opportunities that support other government agencies. In FY 2011, OFM information will allow the Internal Revenue Service to increase the compliance efforts with regard to locally engaged staff members of foreign missions in the United States who are required to comply with federal and state income tax filing requirements. The cooperation between OFM and the IRS is expected to further increase the rate of compliance by such individuals through consistent enforcement and heightened awareness and understanding of the relevant federal, state and local income tax laws. Additional resources will allow for much needed inter-agency liaison and cooperation.

Import Clearance for Foreign Missions

In accordance with the Safe Port Act of 2006 and the Foreign Missions Act, OFM continues to work with representatives of the Bureau of Customs and Border Protection to implement a single electronic portal through which OFM collects and distributes information associated with the clearance of imports consigned to foreign missions, international organizations and their members in the United States. The system must adhere to OMB requirements for Service Component Based Architecture. Increased funding will allow OFM to achieve the requirements defined in the Federal Enterprise Architecture and the Joint Enterprise Architecture.

OFM Regional Offices – Foreign Mission Community (exclusive of Washington, D.C.)

The Office of Foreign Missions includes six regional office located in New York, Chicago, Los Angeles, San Francisco, Houston, and Miami. Regional Offices extend the Department's reach to local and state governmental partners as well as serve the growing consular and international community outside Washington through the OFM programs of property, tax exemption, importation/customs clearance, travel restrictions, and motor vehicles. Local partnerships established by Regional Offices benefit both the Department and the U.S. government as a whole. An as example, in 2009 Chicago was placed in the top 5 cities that may host the 2016 Olympics. The City of Chicago was interested in providing smooth and hassle free Diplomatic and Consular VIP travel through O'Hare Airport to showcase the exceptional service provided to the international community. The Chicago OFM Regional Office brokered several meetings and discussions with US Department of Homeland Security, City of Chicago, and the Consular Corps that resulted in an agreement to facilitate this program at O'Hare Airport. The diverse and increasing responsibilities of Regional Offices have increased in past years with no increase in staffing. This level of support will be difficult to maintain without increased staffing and administrative support resources. There may also be an extension of responsibilities to the Regional Offices in the case of an emergency that affects regional or national foreign missions. To prepare for this contingency, regional offices need additional staffing to meet those challenges.

Outreach

The Office of Foreign Missions establishes and maintains professional liaison relationships with a variety of U.S. law enforcement and security entities at the federal, state, and local levels. OFM seeks to expand its law enforcement outreach program work in FY 2011 to educate these entities on OFM's programs as well as on diplomatic privilege and immunity issues. These outreach and training

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seminars are often carried out in conjunction with other representatives from the DS Bureau, the Bureau of Consular Affairs, and the Office of Protocol.

TSA Screening Courtesies

As an advocate for reciprocal agreements, OFM presses for the fair treatment of U.S. missions and personnel abroad, while assuring foreign missions and their member resident in the United States receive the same treatment that their respective governments provide in return to U.S. diplomats abroad. In coordination with the Transportation Security Administration, the Office of Foreign Missions manages the VIP airport screening exemption program throughout the United States.

Motor Vehicle Compliance

The Office of Foreign Missions' Motor Vehicle Office, pursuant to the Foreign Missions Act of 1982 and the 1978 Diplomatic Relations Act, ensures that diplomats and foreign missions carry federally mandated high levels of liability insurance while also addressing the problems that arise with diplomats who commit motor vehicle infractions, but whose immunity prevents them from being subject to the jurisdiction of US courts. OFM performs this critical function to protect public safety throughout the U.S. and it is severely understaffed.

In addition, this office ensures that U.S. missions abroad enjoy important and reciprocally balanced motor vehicle privileges and treatment. Additional funding will allow OFM to build upon the highly successful introduction of a more secure diplomatic license plate by designing and launching a new Department of State Drivers' License. This license will substantially comply with the implementing regulations for the REAL ID Act of 2005, and thereby meet critically important Department of Homeland Security equities.

Custodial Properties

In accordance with the Vienna Conventions on Diplomatic and Consular Relations, the Office of Foreign Missions has the responsibility to protect and preserve diplomatic and consular properties of foreign governments with which the United States has severed diplomatic relations. OFM is the designated custodian of 11 Iranian diplomatic and consular properties throughout the United States. Over the years OFM has had custody of properties belonging to the governments of Cambodia, Iran, Iraq, Somalia, Vietnam, and the former Yugoslavia. OFM's superior care of these properties has greatly benefited the Department when relations have been restored. In the case of Vietnam, for example, when relations were restored the superior condition of its former chancery in the United States stood in marked contrast to the condition of the Department's diplomatic properties in Vietnam and, as a result, the Department was able to negotiate a favorable property settlement.

Justification of Request

Current services has been increased \$108,000 above the FY 2010 level of activity for inflation and Cost of Living Allowances (COLA)

Resource Summary

| | Positions | | | Funds (\$ in thousands) | | | |
|--------------------------|-----------|----------|-----|-------------------------|-------------------|----------------------|----------------|
| | American | | FSN | Pos Total | Bureau Managed | American Salaries | Funds Total |
| | Domestic | Overseas | | | | | |
| FY 2009 Actual | 0 | 0 | 0 | 0 | 4,608 | 0 | 4,608 |
| FY 2010 Estimate | 0 | 0 | 0 | 0 | 4,797 | 69 | 4,866 |
| FY 2011 Built-in Changes | | | | | | | |

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| | Positions | | | Funds (\$ in thousands) | | | |
|-------------------------------|-----------|----------|-----|-------------------------|-------------------|----------------------|----------------|
| | American | | FSN | Pos Total | Bureau Managed | American Salaries | Funds Total |
| | Domestic | Overseas | | | | | |
| Annualization of FY 2010 COLA | 0 | 0 | 0 | 0 | 14 | 0 | 14 |
| Domestic Inflation | 0 | 0 | 0 | 0 | 36 | 0 | 36 |
| FY 2011 American COLA | 0 | 0 | 0 | 0 | 58 | 0 | 58 |
| Total Built-in Changes | 0 | 0 | 0 | 0 | 108 | 0 | 108 |
| FY 2011 Current Services | 0 | 0 | 0 | 0 | 4,905 | 69 | 4,974 |
| FY 2011 Request | 0 | 0 | 0 | 0 | 4,905 | 69 | 4,974 |

Funds by Program Activity (\$ in thousands)

| Office of Foreign Missions | FY 2009 Actual | FY 2010 Enacted | FY 2011 Request | Increase / Decrease |
|---------------------------------|-------------------|--------------------|--------------------|------------------------|
| Conduct of Diplomatic Relations | 2,820 | 3,005 | 3,045 | 40 |
| Bureau Direction | 3,608 | 3,825 | 3,045 | (780) |
| Domestic Administrative Support | 788 | 820 | 850 | 30 |
| Bureau Direction | 0 | 0 | 850 | 850 |
| Office Automation | 692 | 720 | 0 | (720) |
| Political Affairs | 308 | 321 | 0 | (321) |
| Information Resource Management | 692 | 720 | 747 | 27 |
| Office Automation | 0 | 0 | 747 | 747 |
| Policy Formulation | 308 | 321 | 332 | 11 |
| Political Affairs | 0 | 0 | 332 | 332 |
| Total | 4,608 | 4,866 | 4,974 | 108 |

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Program Activities

| Department Of State | Positions | | | Funds (\$ in thousands) | | | |
|--|-----------|----------|----------|-------------------------|-------------------|----------------------|----------------|
| | American | | FSN | Pos Total | Bureau Managed | American Salaries | Funds Total |
| | Domestic | Overseas | | | | | |
| Conduct of Diplomatic Relations | 0 | 0 | 0 | 0 | 2,976 | 69 | 3,045 |
| Bureau Direction | 0 | 0 | 0 | 0 | 2,976 | 69 | 3,045 |
| Domestic Administrative Support | 0 | 0 | 0 | 0 | 850 | 0 | 850 |
| Bureau Direction | 0 | 0 | 0 | 0 | 850 | 0 | 850 |
| Information Resource Management | 0 | 0 | 0 | 0 | 747 | 0 | 747 |
| Office Automation | 0 | 0 | 0 | 0 | 747 | 0 | 747 |
| Policy Formulation | 0 | 0 | 0 | 0 | 332 | 0 | 332 |
| Political Affairs | 0 | 0 | 0 | 0 | 332 | 0 | 332 |
| Total | 0 | 0 | 0 | 0 | 4,905 | 69 | 4,974 |

Funds by Domestic Organization Unit

(\$ in thousands)

| Office of Foreign Missions | FY 2009 Actual | FY 2010 Enacted | FY 2011 Request | Increase / Decrease |
|---|-------------------|--------------------|--------------------|------------------------|
| Chicago Field Office | 425 | 388 | 338 | (50) |
| Houston Field Office | 400 | 355 | 345 | (10) |
| Los Angeles Field Office | 450 | 450 | 415 | (35) |
| Miami Field Office | 375 | 425 | 375 | (50) |
| New York Field Office | 375 | 400 | 354 | (46) |
| Office of Property, Taxes, Services, and Benefits | 375 | 500 | 331 | (169) |
| Office of Vehicles, Tax, Customs | 1,533 | 1,700 | 1,500 | (200) |
| Office of the Deputy Assistant Secretary | 425 | 348 | 966 | 618 |
| San Francisco Field Office | 250 | 300 | 350 | 50 |
| Total | 4,608 | 4,866 | 4,974 | 108 |

Funds by Object Class

(\$ in thousands)

| Office of Foreign Missions | FY 2009 Actual | FY 2010 Enacted | FY 2011 Request | Increase / Decrease |
|--------------------------------|-------------------|--------------------|--------------------|------------------------|
| 1100 Personnel Compensation | 2,080 | 2,097 | 2,090 | (7) |
| 1200 Personnel Benefits | 500 | 522 | 512 | (10) |
| 2100 Travel & Trans of Persons | 90 | 100 | 98 | (2) |
| 2500 Other Services | 1,938 | 2,147 | 2,274 | 127 |
| Total | 4,608 | 4,866 | 4,974 | 108 |