



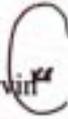
**United States Department of State
and the Broadcasting Board of Governors**

Inspector General

October 30, 2001

MEMORANDUM

TO: The Secretary

FROM: OIG – Clark Kent Erwin 

SUBJECT: Semiannual Report To Congress, April 1 to September 30, 2001

I am pleased to transmit to you the Office of Inspector General's semiannual report to the Congress for the period ending September 30, 2001. A classified annex to the report will be sent under separate cover.

During this reporting period, OIG reorganized its structure and adopted new strategic goals better to focus on our core statutory functions – inspections, audits, and investigations.

As for specific projects during this reporting period, OIG completed an audit of the Department's background investigations program, and we conducted several inspections. A review of the Department's Anti-Terrorism Assistance Program (ATA) identified the need for S/CT and DS to clarify their respective ATA program responsibilities and to establish country-specific objectives. Evaluation of the Department's information security program concluded that information security weaknesses jeopardize Department operations domestically and abroad. A review of the Department's critical infrastructure protection program found that the Department needs to assess the vulnerability of overseas operations to cyber-based disruptions and to conduct security control evaluations at least every three years.

OIG's follow-up review of HR found that its 2001-2002 performance plan clearly enunciates the objective of greater assignment integration and expanded training and professional development for civil service personnel. Despite recent improvements to some workforce planning system components, the overall situation has not changed. The Department's workforce planning remains separate from strategic planning and is focused on the Foreign Service, which comprises only one-third of the total workforce.

OIG review of counternarcotics activities in Bolivia and Ecuador found the need for more structured coordination between the Department and other agencies. Inspections at several African posts found understaffed embassies operating in inadequate facilities. An inspection of a European post found that critical staffing gaps in the assignment of senior officers have severely hindered the embassy's ability to manage U.S. policy. The Department needs to review procedures for executive-level assignments and to develop and implement a plan to ensure that experienced officers of appropriate rank cover anticipated gaps in the leadership of diplomatic missions.

Investigations conducted during this period included alleged theft, employee misconduct, conflict of interest, and visa fraud.

The IG Act requires that you transmit the report to the appropriate committees of the Congress by November 30, 2001, together with any comments you may wish to make.

SECURITY

During the reporting period, the OIG Office of Security and Intelligence Oversight (SIO) completed an audit of the Department's background investigations program. SIO also conducted six security inspections or follow up reports and a summary of the security inspections of U.S. diplomatic posts in the Bureau of European Affairs. Continuing its practice of sending a security inspector to accompany OIG post management inspection teams, SIO completed 13 classified security annexes. Because SIO reports discuss specific security vulnerabilities of the Department and its posts, synopses of SIO classified reports will be published in the classified annex to this report, which has limited distribution. The titles of the classified reports issued during this semiannual period are listed in the appendix of this report.

Audit of the Department's Background Investigations (01-SIO-R-061)

This audit evaluated the Department's personnel security investigations program. Specifically, OIG examined the status of the Department's backlog of periodic re-investigations, along with the Department's plan for eliminating the backlog. Audit work focused on the Department's personnel security investigations for top secret clearances and whether those investigations complied with the Federal investigative standards and were conducted in a timely manner. The audit also included a review of the Department's internal controls over the personnel security investigation files.

The audit found that the Department has not fully complied with the Executive Order 12968, which established uniform Federal requirements for granting employees access to classified information to wit:

- The Department is not conducting a periodic re-investigation every five years of employees holding a top secret clearance. DS does not know the actual extent of its backlog, but was working on a list of 3,793 periodic re-investigations overdue as of the time of the audit.

- In a random sample of 50 background investigations reviewed for compliance with the Federal standards, 49 (98 percent) were incomplete. One or more of the nine required investigative areas was not adequately addressed.
- Temporary clearances have not been restricted to exceptional circumstances, the full investigations have not been expedited, and preliminary steps were not completed as required. Clearances have been revalidated for returning employees who lacked a current background investigation.
- The Department's background investigations are often not completed in a timely manner. In a random sample of 171 investigations, the length of time to complete the investigations varied considerably. The median timeframe was 6.9 months.

OIG recommends that the Department fund background investigations based on projected hiring levels and a 5-year cycle for periodic re-investigations; improve guidance and oversight over background investigations and issuance of clearances; implement a standard time frame for completing background investigations; and increase the number of personnel overseeing background investigations based on a staffing needs analysis and caseload requirements.

Audit of the State Department's Anti-Terrorism Assistance Program (01-SIO-R-085)

OIG initiated this audit to determine whether the Anti-Terrorism Assistance (ATA) program was being administered in an efficient manner and enhancing the capabilities of foreign governments to counter terrorism. This entailed reviewing ATA program management, contracting issues, performance measurement, and curriculum quality. OIG found that Department officials had different views on the direction of the evolving ATA program and the appropriate use of ATA funds. OIG also found that the use of a cooperative agreement was not appropriate and may not be the most economical or effective means of implementing ATA training. In addition, DS has not established measurable goals for participating countries to determine whether ATA training was reaping not just enhanced diplomatic relationships, but also improved anti-terrorism capabilities.

This report included recommendations for implementing a Memorandum of Agreement between S/Coordinator for Counterterrorism and DS, soliciting competitive bids for training services, and establishing country-specific training objectives and measurements.

INSPECTIONS

Inspection of Embassy Algiers, Algeria (01-FP-R-046)

Energy-rich Algeria provides significant opportunities for American diplomacy, but widespread violence in the early 1990s forced the Embassy to reduce staff and limit activities. As of early 2001, the capital (but not the countryside) was far safer, and the Department would like to conduct a more normal diplomacy program. The Embassy, however, is neither equipped nor staffed to do so.

Extensive security precautions are still needed and limit what the Embassy can accomplish. The post must also cope with chronic deficiencies in almost all support operations, from housing to basic inventory controls. All American personnel live on the Embassy compounds, but wide disparities in housing quality lower morale. Housing should be upgraded. Although allowances are generous, it remains difficult to attract experienced personnel. Security constraints and short tours contribute to, but do not excuse, poor performance. For example, there was no inventory reconciliation for eight years. When the post finally reconciled its inventory in 2000, \$1.8 million in equipment and supplies was missing.

The number of American direct hire employees appears adequate for the post's current responsibilities. Of the 35 American employees, 21 are in nonsecurity-related positions. The Algerian staff forms the backbone of the post, but few had adequate supervision.

Inspection of Djibouti, Republic of Djibouti (01-FP-R-047)

Djibouti's port and airport have proved useful in dealing with humanitarian disasters and military contingencies in the region. The U.S. Embassy facilitates access, while France plays a key stabilizing role by stationing 3,000 military personnel in

Djibouti. The Embassy has eight direct hire Americans and a budget of \$3.5 million. The small, expensive Embassy rightly participates in the Special Embassy Program. The decision to cover the neighboring northwest portion of Somalia (Somaliland) from Djibouti, however, appears to reflect a loss of perspective and has resulted in needless security risks. The Department should assess the advantages and risks of a continued role for Embassy Djibouti in Somaliland. OIG also recommended immediate disposal of a costly, but still unseaworthy, boat used for recreation.

Inspection of Embassy Asmara, Eritrea (01-FP-R-049)

United States interests in Eritrea, which gained independence from Ethiopia in 1993, are largely humanitarian. The post has 22 direct hire American staff, including a U.S. Agency for International Development mission and two military offices. Designation of Embassy Asmara as part of the Special Embassy Program rightly acknowledges the limited nature of American interests. This isolated post could be more productive, particularly in procurement and commercial work, if it had better Internet access. Improved planning can achieve better balance in reporting on key issues.



Open-air conference room at Embassy Asmara.

Inspection of Embassy Accra, Ghana (01-FP-R-O63)

U.S.-Ghana relations are excellent. Official visitors pour in, attracted by Ghana's democratic transition in December 2000, its pro-U.S., pro-business stance, and its increasingly significant role in regional peacekeeping. However, there may be too

much activity, considering the Embassy's support capabilities. Embassy people like their jobs: they speak of doing important work, at an interesting time, in a country with which the United States has good relations and which seems to be moving forward. All sections, however, operate at maximum tempo and Mission people are stretched and tired in the daily conduct of their business.

Accra is already a major presence for the United States in African embassies, and it is continuing to grow. The staff is comprised of 77 direct hire Americans, 15 contract Americans, and 362 Foreign Service nationals. The Embassy's FY 2000 budget was approximately \$7.3 million. U.S. Agency for International Development programs dispense \$55 million a year. Other agencies at post include the Peace Corps, the INS, and Defense. The Administrative section is concerned about the need to find office space for three to five additional direct hire Americans.

The Embassy must conduct its relations with the Government of Ghana via dysfunctional Embassy offices and communication systems. It is difficult to build a coherent team when the cramped, overcrowded Embassy offices are spread over six campuses. Poor intramission communications (traffic, congested streets, bad phones, limited e-mail connectivity, too few motorpool vehicles, and no Internet in the chancery) make it even more difficult. A new office building is about ten years in the future.

The well written, 60-page Mission Performance Plan (MPP) may be too ambitious, both for Ghanaians and for the United States. The Embassy's coordination of the various available U.S. government assistance programs in support of MPP goals is masterful. On the other hand, Ghana's new government must focus first on survival.

OIG concurs with the assessment of Washington readers that "...Ghana's reporting is the most outstanding all around." Embassy officers' relationships of trust with their contacts paid off during Ghana's December 2000 pre-election jitters, enabling the Mission to report on possible problems and to act in a timely manner to avert them. Even though a lack of support from the U.S. Foreign & Commercial Service hampers the Mission's ability to exploit opportunities for U.S. business, the Mission has logged some commercial successes. In the consular section, work is needed on written standard operating procedures, staff training, computerization of files, and anti-fraud measures. With sharply increased nonimmigrant visa applications boosted by Ghana's collapsing economy, there is a rising incidence of fraud.

OIG advised the Embassy to moderate and better control the pace of relations. Slowing the tempo would help not only internally, but perhaps also with the newly appointed and overwhelmed officials of the Ghanaian government.

Inspection of Embassy Libreville, Gabon (01-FP-R-O65)

No senior Department officer has visited Libreville, Gabon in many years. At U.S. urging, Gabon contributed troops to a U.N. peacekeeping mission in the Central African Republic. During Gabon's recent term on the U.N. Security Council, it voted more often with the United States than any country but the United Kingdom. Libreville has served as a base for five noncombatant evacuation operations in the last 7 years; there could be more. Gabon exports \$2 billion in oil, mostly to the United States. Gabon's per capita income is Africa's highest. Gabon's human rights performance is fair. There were no reports last year of politically motivated killings, and the press was allowed to criticize the government in a limited way.

Embassy Libreville's Mission Performance Plan goals are ambitious, and the Embassy's resources are overextended. This applies especially to the Embassy's support for extensive activities on behalf of the Department of Defense (Defense), which maintains no representation in Gabon. It has prevented the Embassy from developing and reporting on contacts with a full range of significant political figures. It has also had an adverse impact on consular management in an environment of persistent fraud. The Department is providing a no cost platform for another U.S. Government agency, at the expense of traditional diplomacy, which is the Department's core mission.

Administrative services burden an overworked administrative officer who is responsible for security, immediate oversight of budget and fiscal and human resource operations, the community liaison officer, and the medical unit the Department shares with the Peace Corps. Further, he also supervises the general services officer, a first-term junior officer who is located at the warehouse, and the information management officer, whose section has suffered prolonged staffing gaps.

Support from the Department and regional officers is inadequate. The post has faced long gaps at crucial positions. Working conditions are poor, and a 3-year tour of duty policy further discourages mid-grade officers from putting Libreville on their bid lists. Section chiefs are often on their first or second tour, and they are overwhelmed by the challenges of working in Central Africa. Embassy staff who coordinate assistance programs lack the training and information resources for efficient management.

After its 1995 withdrawal from Libreville USIA adopted a “no residuals” policy, denying public diplomacy resources of any kind to posts with no U.S. Information Service operation. The Bureau of African Affairs’ Public Diplomacy Office is now considering a proposal known as “Africa Public Diplomacy-Lite” to provide basic product and program support plus access to specific programs, which could be ideal in meeting Libreville’s public diplomacy needs.

OIG recommended that the Department, in conjunction with other agencies, especially Defense, determine whether to remain in Gabon. If a decision is made to continue U.S. presence in Gabon, the Department and Defense must provide the post with adequate personnel and material resources.

Inspection of Embassy Lome, Togo (01-FP-R-066)

Togo is one of Africa’s poorest nations. Togo has a deplorable record on human rights and receives no direct U.S. aid. The United States seeks to promote democracy, human rights, and sustainable economic development there. However, it has few resources to apply to these goals, and trends in Togo often seem to be moving in a negative direction. With Togo’s economy at a low ebb trade with the United States is at minimal level, with few near-term opportunities for increased U.S. sales. Consular fraud is a persistent problem.

The Ambassador and DCM provide superb leadership to their Embassy of 11 direct hire Americans, 3 of whom are first-tour officers. There are 12 other Americans on the Embassy staff. OIG has rarely seen a post whose ratings for front office leadership and administrative satisfaction were both as high.

The local hire staff is not small: it includes 167 local security personnel and 105 Foreign Service nationals. The Embassy’s budget is \$3.5 million. Department, bureau, and regional support, however, falls far short of what is needed to attain or even to approach the Embassy’s goals. The Embassy has endured long personnel vacancies. Local staff has no reliable retirement scheme. There is little prospect of early movement on a badly needed new chancery complex. Our people, meanwhile, work in an unsafe, cramped, and inefficient work environment.

OIG recommends that the Department and the Bureau of African Affairs evaluate the need for continued U.S. presence in Togo. If the Department intends to keep an embassy in Lome, an increased level of support is necessary.

Inspection of Embassy Montevideo, Uruguay (01-FP-R-056)

Embassy Montevideo has undertaken an aggressive commercial program coupled with efforts to remove Uruguayan legal and practical impediments to U.S. trade. The Embassy pursues improved cooperation in other areas such as protection of intellectual property, the environment, and law enforcement. The United States also seeks to strengthen democracy in Uruguay by improving civil-military relations, which are complicated. A long democratic tradition was interrupted by a 12-year period of military dictatorship beginning in 1973. Uruguay is a significant partner in international peacekeeping efforts, contributing specialized military units to a number of peacekeeping operations. The United States has a small counternarcotics assistance program to encourage Uruguayan efforts against money laundering and the transit of drugs.

The Embassy's Mission Performance Plan provides a road map of clear performance indicators and is used as an ongoing management tool. The Embassy does an outstanding job of communicating its message to the Uruguayan public and elites, despite very limited staffing in the public affairs section. One of the post's principal staff resources, the political/labor/economic/commercial section, needs better internal communication and more structured interaction with other mission units.

The consular section is adequately staffed to meet reduced needs in the wake of the application of the visa waiver program to Uruguay. Poor management within the section has led to morale problems and missed deadlines. The administrative section is well staffed and delivers excellent services. OIG made several recommendations to speed response time and bring post practice into alignment with Department policy. The current retirement "system," whereby FSN employees are left to plan for the future on their own, is unfair. The post and the Department should accelerate the effort to enroll employees in a responsible private retirement fund.

The post should consider replacing the local guard force with a contract guard force. The increased cost that will occur should no longer be used as a pretext to postpone this essential step.

Inspection of Lima, Peru (01-FP-R-057)

U.S. interests in Peru center on promoting democracy, combating narcotics trafficking, and encouraging free market economic development. The experienced country team is cohesive and well led by an active Chief of Mission, whose counsel influences the Washington policy process. The Mission Performance Plan is comprehensive but needs updating to account for the dramatic political developments of the past year. Reporting assets also should be better integrated. Public affairs activities are effectively employed in support of Embassy goals.

U.S. support for a free and fair presidential election has helped Peru recover somewhat from former president Fujimori's scandal-plagued legacy. Democracy is intact but fragile. Continued U.S. engagement and coordination with the international community will be crucial. Counternarcotics operations, particularly eradication of coca (the raw material for cocaine), have slowed as the government copes with the immediacy of other issues. Peru's weak economy fosters widespread poverty that provides fertile ground for the lure of drug cultivation and trafficking. The Embassy is effective in promoting U.S. trade with Peru.

The large chancery, built to Inman security standards, and U.S. personnel are well protected, although consolidation of U.S. agencies on the compound is ongoing and public access is difficult. American staff has grown by 33 percent since 1995, leading to overcrowding in some parts of the chancery and overburdened support systems. This will grow worse when 157 U.S. Agency for International Development (USAID) staff move to a new building on the compound next year. Insufficient resources hamper Embassy operations. The consular section is addressing a massive growth in visa demand that has led to long lines and poor customer service. More local staff is needed, and public access must be facilitated. Foreign Service national employee morale has suffered because of large increases in health insurance premiums and the Embassy's inability to adjust salaries and benefits according to the results of the latest local wage surveys.

Inspection of Embassy Asuncion, Paraguay (01-FP-R-058)

Embassy Asuncion's primary goal is strengthening democratic institutions and civil society in this emerging democracy. Inadequate Paraguayan institutions impede Mission programs to combat narcotics trafficking, money laundering, intellectual property piracy, and international terrorist organizations. The Ambassador and DCM provide clear and effective executive direction and enlist the support of counterparts from Brazil and Argentina to increase diplomatic and economic leverage on the Government of Paraguay.

Support to American business interests is exemplary. The post has been imaginative in bringing Paraguayan businessmen into contact with American trade missions and aggressive in assisting American companies caught in the maze of Paraguay's judicial system. The Embassy does an outstanding job of promoting environmental protection in a country that has two sensitive endangered ecosystems. Well-orchestrated public diplomacy, with careful attention to the media, is a key component of Embassy success in meeting its goals.

The post is administered well, despite modest American staffing. In the recent past, long gaps between assignments of American supervisors led to institutional drift, which a new management team is addressing. The Interagency Cooperative Administrative Support Services Council should meet more regularly and explore ways to eliminate duplicate services such as shipping and customs, procurement, and residential maintenance now offered by the Embassy, USAID, and U.S. military component administrative sections.

Embassy Asuncion has outgrown its chancery buildings. Office space is crowded and inefficiently arranged. Parts of the main building, the administrative annex, and the Marine residence do not have adequate setback from a major road. The approximately 15-acre compound is large enough to resolve all issues through new construction. Long-range planning for such construction should not delay needed short-term fixes, however, such as remodeling the consular section to address internal controls inadequacies, relocating the offices of the Drug Enforcement Administration, and restoring to the Embassy its much needed conference room. The inspection found post physical security and emergency preparedness programs to be in good working order. Inattention to customer service by the security staff has led to a perception of ineffectiveness and a loss of confidence in the section by Mission personnel. Post management is working with DS to improve the performance of the security team.

Inspection of Embassy Budapest, Hungary (01-FP-R-090)

For the past several years, Embassy Budapest has pursued an initiative-based approach to policy management. At the urging of the former Ambassador, the Mission launched a series of related activities to advance specific objectives. Some accomplished much. Others were less impressive. Embassy Budapest, under new leadership now, should initiate a mission-wide review and establish a new Embassy work program reflecting U.S. priorities and changed circumstances within Hungary and the Mission.

There was a long period during which there was no U.S. Ambassador in Budapest. The absence of a Chief of Mission hampered Embassy Budapest's ability to coordinate and manage U.S. policy in Hungary. The problem was further complicated by the lack of senior officers at the post and by the departure of several experienced country team members. The Department needs to review procedures for executive-level assignments and to develop and implement a plan to ensure that anticipated gaps in the leadership of diplomatic missions are covered by experienced officers of appropriate rank.

Embassy Budapest, at the direction of the former Chief of Mission, raised significant sums of money for cultural programming under authorities transferred from USIA to the Department following consolidation. The post, in several instances, went beyond guidelines for both the solicitation and acceptance of gifts. Solicitations were made to firms that did not meet established criteria. Some donors were involved with both the Mission and the host country. Others were not U.S. organizations. The same donors were repeatedly approached, and some funds had to be returned. The Department needs to review its guidance and strengthen its oversight procedures in this area.

Embassy Budapest needs to reassess its cultural programming and bring these activities into better balance with U.S. interests and the Mission's ability to sustain them.

Although the USAID mission has closed its doors in Budapest, significant U.S.-funded assistance activities continue. Embassy Budapest is hard pressed to track, much less coordinate, these activities. There is an extensive network of other government and private sector donors. The Embassy has some contact with these groups, but the effort is far less comprehensive than when the USAID mission was

present. Embassy Budapest needs to improve coordination with other donors and ensure that U.S.-funded activities are consistent with mission priorities.

Embassy Budapest is host to a growing number of U.S. Government agencies with responsibilities outside Hungary. This has generated increased demands on the Mission for support and office space. While there are good reasons to select Budapest as a center for regional activities, neither the Department nor the Embassy has a plan that defines the post's regional role and establishes a framework for the post's future development. Without such a strategy, sound judgments cannot be made about staffing, infrastructure, and other resource needs.

Embassy Budapest, in its search for additional work space for an expanding staff, has proposed a property trade to acquire two buildings adjacent to the chancery. Funds have not been identified for the extensive renovations needed to make these buildings usable. An alternate, interim location would have to be found for the Marine security guard detachment, which currently occupies the property to be traded. The Department and Embassy Budapest must determine future staffing needs in Hungary before a decision is made on this or any other proposal to expand facilities at Embassy Budapest.

The nonimmigrant visa workload has risen by 30 percent in the last two years, as has the related refusal rate. This has reduced Hungary's prospects for participation in the Visa Waiver Program, leading to increased pressures from Hungarian authorities for the United States to find a way to include Hungary in the program despite the high refusal rate. Embassy Budapest, which is doing a commendable job so far, needs to redouble its efforts to explain U.S. visa laws and procedures, the reasons for refusals, and the factors affecting Hungary's accession to the Visa Waiver Program.

Embassy Budapest deserves great credit for the outstanding support it provided to the Office of Yugoslav Affairs. By providing an effective platform for U.S. efforts to restore democracy to Yugoslavia, while still pursuing its bilateral agenda, Embassy Budapest made a major contribution to a critical U.S. objective in the region. Others can benefit from this experience, and Embassy Budapest needs to prepare a report on lessons learned.

There are few management controls for nonexpendable property. Shortages in excess of \$160,000 were reported and still have to be fully resolved. In addition, controls for funds needed to support the Office of Yugoslav Affairs, as well as controls over the collection, expenditure, and reporting of monies raised for cultural events, need strengthening. The certification of management controls by the former Chief of Mission did not identify these weaknesses.

Inspection of Embassy Warsaw, Poland (01-FP-R-091)

Embassy Warsaw is doing an outstanding job of promoting U.S. interests in Poland. The United States strongly supported Poland's application for membership in NATO and backs its current efforts to join the European Union. Poland, a recent graduate of U.S. bilateral assistance and Peace Corps programs, is firmly committed to democracy and a market economy. Poland is a success story both for the Polish people and for the United States.

The United States has a growing economic stake in Poland. Between 1993 and 2000, U.S. investment increased almost sixfold to over \$7 billion. Exports from the United States, on the other hand, declined more than 8 percent in 2000, in part as a result of tariff discrimination in favor of EU products. Embassy Warsaw is focused on this issue but needs to coordinate its advocacy and reporting more effectively with similar efforts by the U.S. Mission to the EU and U.S. embassies in EU member states.

Embassy Warsaw places appropriate high priority on Holocaust issues. Absence of a strategic approach that places these concerns in a larger international context, however, encourages Embassy Warsaw to view matters raised by the Jewish-American communities as potential irritants to bilateral relations rather than in the larger context of which they form a part. These concerns in Poland can most effectively be addressed as part of an overall U.S. Government approach to the full range of Holocaust issues, including an international regime for historic preservation of the extermination camps in Poland and elsewhere.

The United States has provided billions of dollars in assistance to Poland in the past decade. Although the USAID mission closed in late 2000, the United States continues to supply substantial sums to Poland through regional programs and activities managed from Washington. Embassy Warsaw needs to develop a mechanism to ensure that all U.S. Government assistance activities fit into a mission-wide strategy reflecting U.S. priorities and objectives.

Embassy Warsaw has or is developing the tools to make an already impressive outreach effort even more effective. It was making good use of working groups to address mission-wide concerns. It had taken steps to develop a comprehensive contacts database. These efforts need to be expanded to include more systematic mission outreach to other groups, including nongovernmental organizations, drawing on information already available as a result of efforts by Mission elements and decade-long USAID and Peace Corps activities throughout Poland.

Polish-American communities in the United States play a significant role (both in the United States and Poland) in the debate on policy issues relating to their country of ethnic origin. Communities in the United States were heavily engaged in the domestic discussion of NATO expansion and in earlier consideration of major bilateral assistance programs for Poland. These groups, however, are less informed about other foreign policy aspects of U.S.-Polish relations. Embassy Warsaw and the Department need to expand and maintain continuing contacts with the Polish-American communities in the United States.

The Mission makes good use of technology, including digital video conferencing, to improve outreach and communication within the Mission. However, internal communication and coordination remain uneven. Shortcomings in the downward and lateral flow of information were consistent themes in staff responses to OIG questionnaires. These matters will require the continuing attention of post management.

The chancery and annex buildings in Warsaw need additional major renovations and a reconfiguration of space to permit more efficient operations. Additional piecemeal changes will be more costly than developing a plan that addresses all aspects of the project, including financing. Embassy Warsaw has requested funds for a master architectural plan to rationalize chancery facilities. OIG endorsed this request.

Embassy Warsaw's Mission Performance Plan is a well organized document, reflecting extensive consultations within the Mission. It is less impressive in developing performance indicators for evaluating progress toward the objectives it identifies. The plan's uncertain linkage with resource allocation decisions, either in Warsaw or Washington, is a more serious shortcoming that the Department needs to address.

Embassy Warsaw has a first-rate consular operation, which includes Consulate General Krakow and a Consular Agency in Poznan. The nonimmigrant visa workload is steadily increasing, rising 17.5 percent in FY 2000 over the previous fiscal year. The demand for American citizens services is also increasing. Embassy Warsaw's growing consular workload could be eased by transferring responsibility for processing Ukrainian K visas from Embassy Warsaw to Embassy Kiev and by tightening diversity visa controls.

Management controls are in place and functioning well, with one notable exception. There was a serious vulnerability in the financial management of grants awarded by the public affairs section. Obligations under the Democracy Commission Small Grants Program were mistakenly recorded and the grants were not executed until the subsequent fiscal year, constituting a possible administrative violation of the Anti-Deficiency Act.

Best Practices

During the course of its post inspections, OIG noted the following “best practices” that are worthy of consideration by other posts.

Electronic Human Rights Log

Information relevant to the annual country report on human rights practices may come through a variety of open and confidential sources. Coordinating the annual update normally would involve many hours of painstaking research. In response, the American and FSN reporting officers at Embassy Accra have access to a common unclassified document in a shared computer drive, the human rights log. As each of them obtains information, they create unclassified entries suitable for inclusion in the annual update of the country report. As a result, the task of updating the human rights report each year can now be accomplished efficiently.

Electronic Biographic Files

In a busy political section, where everyone is pressed for time, it is difficult to keep the biographic files current. In response, the front office, American and FSN reporting officers, and office management specialists have access to a shared unclassified computer drive in which unclassified biographic sketches are filed. As they obtain new information about listed people, they update the entries. The Embassy also maintains classified biographic files on a shared classified computer drive. When the Ambassador, DCM, or visiting delegations are preparing for meetings, they have immediate access to the biographic information they need without extra effort by staff members.

Electronic Document Template for Creating Diplomatic Notes

The creation, delivery, distribution and filing of diplomatic notes is a problem at many posts. Different sections may have the action on different diplomatic notes; typing the notes in the correct format to fit on the specially sized paper is time consuming. Host government action may pass from one office to another. Filing and subsequent retrieval can be problematic. In response, Embassy Accra uses an electronic document template for diplomatic notes. It eases the procedure of assigning a note number. It creates a cover sheet that records host government delivery information as opening and closing courtesies, and permits electronic insertion of text

directly from demarche instructions or other documents. It also eases the creation of any necessary attachments.

American Warden Recognition

A consular section is tasked with providing protection to American citizens residing in or visiting a consular district. American wardens help the consular section keep track of the American community and are the Mission's main route for passing emergency messages to the American community as part of the emergency preparedness program.

To achieve this, wardens are required to keep track of the American citizen population in their residential areas and to attend a minimum of one warden meeting a year. Keeping track of who is present and who has departed the area is difficult for the consular section without the assistance of conscientious wardens.

In response, in January 2001, the consular section at Embassy Lome hosted an American community town meeting to introduce the new Ambassador, DCM, and consular officer. The wardens were also available to meet new arrivals to their areas and each other. The consular section had selected four wardens who had performed their duties well by notifying the consular section of new arrivals and recent departures. The Ambassador presented certificates of appreciation to these wardens. This resulted in acknowledgment of the importance of a warden network and of its service to the American community.

Timeliness and Presentation of Reporting

The number of senior officials who read cable reports has diminished as the volume of cable reporting has increased. As a result, Embassy Budapest is sending record traffic via classified e-mail, using a new, more attractive and readable format, including photographs, charts, and other graphics, to enhance the effectiveness of the reports. The improved reports have drawn high praise from analysts and policy makers in the Department and other agencies.

American Travelers Victimized by Scams

In Budapest, some unscrupulous nightclubs and restaurants lure in customers, especially tourists, and force them to pay exorbitant bills. In response, the embassy has begun tracking the location and details of

such incidents, publicizing them in the local media, and warning the embassy staff and visitors, thereby reducing the number of Americans victimized in these scams.

Using Teamwork to Promote Military Sales

At the direction of the Ambassador, Embassy Warsaw established Team Falcon in an effort to convince Poland to purchase U.S.-made F-16 aircraft to meet its NATO force requirements. Team Falcon, chaired by the Deputy Chief of Mission, and including civilian and military components of the mission, has worked closely with the U.S. manufacturer to develop a comprehensive strategy for promoting the F-16 and ensuring a level playing field in stiff competition with European Union companies. Public diplomacy activities in support of the effort included an F-16 website and a defense symposium highlighting the capabilities of the U.S. multi-role fighter. As a result of the efforts of this task force, the F-16 is expected to win the sale when the results of the public tender are announced.

Digital Video Conferencing

To enhance mission communications and expand outreach activities, the American Information Resource Center (AIRC) of the public affairs section at Embassy Warsaw created a multipurpose media room that can be used to conduct digital video conferences. As a result, communication and coordination between the Embassy and the consulate general in Krakow, which has similar facilities, have been enhanced through weekly digital conferences. The new telecommunications systems allow the embassy to take part in programs linking Polish and American entities, including academic institutions and the media.

User Friendly Information Systems Services and Support

The Information Systems Center at Embassy Warsaw designed and distributed an attractive brochure detailing available information systems services, including information about computer training, the print shop and the locations of common user work stations. The pamphlet also contains access request forms, as well as photos of members of the information staff. As a result, mission personnel are better informed about what services are available, and are more familiar with the information systems staff.

Compliance Follow-Up Review of the Inspections of the Bureau of Human Resources and The Foreign Service Institute (01-HR-R-060)

This review found that the Bureau of Human Resources is well aware of the need to draw the two personnel systems closer together and has clearly enunciated this objective in its Bureau Performance Plan (BPP) for 2001-2002. This plan evidences a strong interest in greater assignment integration and in expanding training and professional development for Civil Service personnel.

Despite improvements to some individual workforce planning system components since 1997, the overall situation has not changed. The Department's workforce planning remains separate from strategic planning and focused on the Foreign Service, a third of the workforce. Resources needed to develop a workforce planning system are in short supply.

The Department lacks the human resources necessary to mount a fully effective job training and professional education program for the current workforce. Managers at every level in the Department consistently acknowledge the need to do more in management training and leadership development, but point to a severe lack of resources as the principal barrier. M/DGHR estimates that the current workforce needs to be enlarged by approximately 1,200 positions, at a cost of approximately \$1 billion annually. These additional resources are needed to release employees from their jobs to pursue identified training requirements (a so-called "personnel float" similar to that used by the U.S. military).

The Department's emphasis on expanding training, and its intent to seek the staffing increases needed before a major increase in training, are both set forth in the M/DGHR BPP for 2001-2002. However, these future increases in training assignments, by expanding both the importance and the volume of skill and assignment-oriented training, will require a more comprehensive, systematic approach to planning and anticipating the Department's overall training workload.

Review of Implementation of the Federal Voter Assistance Program (01-FP-M-045 and 01-FP-L-055)

At the request of the American Foreign Service Association, OIG reviewed the Department's implementation of the Federal Voter Assistance Program (FVAP), including mail support for FVAP. This review was conducted concurrently with the Department of Defense (Defense) OIG and the General Accounting Office (GAO) reviews of the Uniformed and Overseas Citizens Absentee Voting Act of 1986 (Public Law 99-410). The purpose of FVAP is to help members of the United States Uniformed Services, family members, and nonmilitary American citizens residing abroad to participate in primary and general elections when they are unable to vote in person at the polls. Defense is the lead agency for FVAP, and the Department implements FVAP for over 3.8 million nonmilitary American citizens residing abroad.

The purpose of this review was to determine how well the Department and voting assistance officers have implemented FVAP in support of American citizens abroad; what impediments, if any, there are to the Department's implementation of FVAP; and how the Department can improve FVAP services, including mail, for all American citizens supported by our posts abroad.

OIG found that the Department's policies, procedures, and implementation of FVAP, in partnership with nongovernmental organizations (NGOs), are generally meeting the absentee voting needs of American citizens abroad. Post voting assistance officers received favorable overall satisfaction ratings of 75 percent by those U.S. Government and private American citizens polled by OIG. OIG found, however, that the Department's implementation of FVAP needs improvement, specifically its outreach to nonmilitary American citizens abroad. Additionally, the Department's FVAP planning, funding, and training have not adequately prepared it to provide voter assistance to the 3.8 million nonmilitary Americans residing abroad. Of the 136 posts responding to OIG's absentee voting survey only 18 indicated that their voting assistance officers had received Defense Federal Voter Assistance program training.

OIG's review of the military postal system and the Department's diplomatic mail and pouch support to posts abroad resulted in OIG's finding no evidence to support assertions that the lack of postmarks caused many absentee ballots to be disqualified by local election officials. GAO has testified that its limited review of the

military postal system and postmarking procedures after the election did not indicate that either missing postmarks or the lack of timeliness of mail delivery represented a systemic problem.

Among a number of recommendations, the OIG urged the Department to position itself for a more active role in FVAP implementation by structuring, planning, and programming for increased outreach to American citizens abroad, by identifying its FVAP training needs, and by developing FVAP instructors of its own

unilaterally to train or assist Defense FVAP instructors in training Department and NGO voting assistance officers abroad. OIG also recommended that the Department acknowledge the contributions of NGOs in providing absentee voter assistance abroad and foster increased cooperation in the future.

A related but separate project was a review of the mail support for the FVAP. OIG evaluated the Department's FVAP services during the 2000 elections and identified ways those services could be improved. Specifically, OIG reviewed the Department's mail and pouch service used to transport absentee ballot material for authorized public and private American citizens residing abroad. OIG found no systemic problems with the mail and pouch system.



Sample post outreach material, coordinated and implemented with nongovernmental organizations.

We found, however, that a lack of mail forwarding procedures resulted in up to four month delays in processing mail for personnel who had departed a post. OIG also found that the Department's guidelines for mailing absentee voting materials to the United States restricted authorized use by private American citizens abroad.

OIG recommended that the Department develop and implement guidelines to establish procedures for forwarding mail that include a locator system, maximum processing times by which mail must be forwarded, and internal controls to ensure that mail is expeditiously forwarded. We also recommended that the Department update the Foreign Affairs Manual to communicate clearly that private American citizens can use the Department's diplomatic mail and pouch system to return absentee voting materials to the United States.

Review of Mission Counternarcotics Activities in Bolivia/Ecuador (01-FP-PM-087)

OIG reviewed counternarcotics programs and activities under the umbrella of Chief of Mission oversight at Embassies La Paz and Quito. The review focused on Chief of Mission oversight, direction, and coordination of in-country counternarcotics activities; interagency coordination and communication; counternarcotics assistance programs and activities, particularly coordination and oversight of assistance programs, law enforcement activities, and public diplomacy; personnel and budgetary resources available to the Chief of Mission; and regional issues, including coordination and communication among the regional embassies and with Washington.

In Bolivia, the team found an Embassy committed to implementing a far-reaching counternarcotics strategy focused on both eradication and interdiction. However, serious challenges lie ahead, as Bolivia faces a period of political uncertainty with President Banzer's passing from the political scene. During this difficult transition period, the Embassy needs a more structured approach to coordination between the programs of INL and USAID, and leadership continuity in the Narcotics Affairs Section (NAS).

In Ecuador, counternarcotics have traditionally been a secondary priority. However, program growth under the Andean Regional Initiative (ARI) and the presence of the Manta Forward Operating Location demand a readjustment in Mission priorities. The review cites a need to strengthen the NAS, to upgrade the Mission priority accorded to counternarcotics, and to develop a more effective approach for dealing effectively with the Ecuadorian military's reluctance to accept a primary counternarcotics role.

In the Washington arena, INL and the Bureau for Western Hemisphere Affairs have provided effective and energetic interagency leadership. In order to implement the ARI, OIG recommends that both bureaus consider a more structured approach and possibly new mechanisms for interagency coordination. INL should also consider assigning a full-time senior level ARI coordinator.