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

Report of Inspection

Embassy Baghdad, Iraq

Report Number ISP-I-09-30A, July 2009

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PURPOSE, SCOPE AND METHODOLOGY OF THE INSPECTION

This inspection was conducted in accordance with the Quality Standards for Inspections, as issued by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General for the U.S. Department of State (Department) and the Broadcasting Board of Governors (BBG).

PURPOSE

The Office of Inspections provides the Secretary of State, the Chairman of the BBG, and Congress with systematic and independent evaluations of the operations of the Department and the BBG. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved; whether U.S. interests are being accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; whether instance of fraud, waste, or abuse exist; and whether adequate steps for detection, correction, and prevention have been taken.

METHODOLOGY

In conducting this inspection, the inspectors: reviewed pertinent records; as appropriate, circulated, reviewed, and compiled the results of survey instruments; conducted on-site interviews; and reviewed the substance of the report and its findings and recommendations with offices, individuals, organizations, and activities affected by this review.



**United States Department of State
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 JUDGMENTS

- With strong leadership and a dedicated staff, Embassy Baghdad has advanced the interests of the United States by helping the Iraqis improve security, promote reconciliation, and take steps toward the creation of a stable, representative government.
- Cooperation between the Embassy and the U.S. military is exemplary, and embassy leaders have earned the respect of their military colleagues.
- The Embassy must make a transition from a large, sprawling wartime entity where people and resources have been mobilized to implement hundreds of projects and programs to a more normal diplomatic mission in which it will have constraints on personnel and funding.
- Embassy Baghdad is overstaffed for its evolving mission. The Embassy and the Department should conduct a rightsizing review before the summer 2009 assignment cycle begins. This would help strike a better balance between personnel and mission requirements and synchronize with the Department's assignment process.
- Despite security constraints, the quality of political reporting is high. This could be done with fewer officers, however, if the Embassy could hire more Iraqi staff. Reporting from the provincial reconstruction teams (PRTs) is much appreciated in Washington but it varies in quality. Some PRT reporting officers could benefit from additional training.
- The Office of Provincial Affairs (OPA) is managing the phase-down of PRTs and their assistance programs. It is important during the transition period that PRTs focus on programs that can earn Iraqi buy-in, serve longer-term development goals, and are sustainable.
- The management section earns respect from most employees for delivering quality services under difficult conditions.
- Management controls in key areas such as overtime and property accountability are weak, leaving Embassy Baghdad vulnerable to waste, fraud, and mismanagement.

- Travel into and out of Baghdad is onerous for the traveler and consumes a considerable amount of the management section's time and energy. (b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) The Embassy, led by the chargé, is developing alternatives, but these could require additional funding.
- (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2) But a day and a half per week, at least, should be freed up for people to use as they wish. The Department can assist in this effort through reviewing the number and timing of its taskings and other demands on the Embassy. Embassy leadership has already made commendable efforts in this direction.
- The incentive package and tour-of-duty length offered to Foreign Service and Civil Service employees in Iraq may be outdated in the context of service need, impact on the work force, and continuity. Reassessment and any modification take on some urgency due to the upcoming summer 2009 assignment cycle.
- The consular section is successful in providing public services in what is still a war zone. Nevertheless, expansion of nonimmigrant visa services to all categories of visa applicants is impractical until the consular section makes vital operational improvements, such as on-line appointment systems. At the same time, overall numbers will remain limited until the Embassy's security procedures and facilities permit a greater number of applicants.
- Months-long processing delays caused by mandatory Security Advisory Opinion requirements that do not reflect current conditions and are not implemented in a timely manner are undermining important U.S. interests and impairing efforts to normalize relations.
- Embassy Baghdad does not have a strategic and operational plan for public diplomacy outreach to build on lessons learned and memorialize successes so that successors have institutional knowledge and a base from which programs can expand.

The inspection took place in Washington, DC, between January 5 and February 3, 2009, and in Baghdad, Iraq, between February 5 and March 4, 2009. Ambassador John Campbell and Ambassador Richard Hecklinger (co-team leaders), Thomas Furey (deputy team leader), William Belcher, James Dandridge, Mary Ellen Gilroy, Ambassador Morris Hughes, Dolores Hylander, Michael Kirby, Ralph Kwong, Michael Lynch, Keith McCormick, J. Paul Reid, Dwight Rhoades, Keith Powell, and Alfred Vincent conducted the inspection.

CONTEXT



This Office of Inspector General (OIG) inspection of Embassy Baghdad took place from February 5 to March 4, 2009. During the inspection, Ambassador Ryan Crocker departed post for retirement on February 13, and deputy chief of mission (DCM) became chargé d'affaires, *ad interim*. When the inspection took place, there were more than 140,000 American troops in Iraq and an additional 150,000 Department of Defense

(DOD) contractors. Embassy Baghdad — including the PRT — numbered about 1,873 employees in a variety of personnel categories.

The structure of the relationship with Iraq has been altered dramatically by the signing of the bilateral Security Agreement and the Strategic Framework Agreement (SFA) on November 27, 2008, and their subsequent approval by the Iraqi parliament; by the Iraqi Government assuming full control over security for the country on January 1, 2009; by the successful provincial elections on January 31, 2009; and finally by the U.S. President's announcement on February 27, 2009 of a staged timetable for the complete withdrawal of U.S. military forces by the end of 2011.

As the U.S. military withdraws, the Embassy must take the lead on most of the elements of the U.S.-Iraqi relationship. It faces a challenge, in that Iraq is still a war zone, and the relative stability that now exists remains fragile.

The Iraqis will now make the decisions. They may not do so in a way and at a speed that the United States may prefer, but while the U.S. Government can offer its best advice and assistance, it is the Iraqis themselves who are responsible. The Iraqi Government needs to plan for the assumption of much of the reconstruction and development costs borne by the United States up to now.

The U.S. presence will become more civilian in both substance and form. The military's conduct of its own relationship with Iraqi civilian ministries will end. U.S. civilian agencies, in particular the United States Agency for International Development (USAID), will carry out most development and capacity-building programs.

The Embassy will phase down the network of PRTs, which are almost 30 in number, over the next 2 1/2 years. The U.S. presence then will focus on the Embassy and possibly two or more consulates, with the Department, USAID, and other agencies using them as platforms to engage the Iraqis at the provincial and local as well as national level.

For Embassy Baghdad, the process of normalization will mean increased responsibility in some areas and less in others. However, it should be able to carry out all of its responsibilities with significantly fewer staff and in a much-reduced footprint in the International Zone as it optimizes the use and functionality of the new embassy compound (NEC). The rightsizing process has to begin immediately, before the next assignment cycle and before employees in special categories (5 U.S.C. 3161 authority) can be hired or extended.

As Ambassador Crocker pointed out, the Embassy has to begin to increase the number of Iraqi employees in its workforce and its security force. The current dependence on locally employed (LE) staff from other U.S. embassies is unsustainable because of both cost and Iraqi sensitivities. The use of Iraqi personnel should be part of a broader effort to move from a policy of risk avoidance to risk management.

The arrival of a new Ambassador provides an excellent opportunity to take a new look at the form and function of the Embassy. The Department should make as much effort to ensure this restructuring process is well supported as it did to support the earlier "civilian surge."

CROSS-CUTTING ISSUES

RIGHTSIZING

There is a clear consensus from the top to the bottom of the Embassy: the time has come for a significant rightsizing. For some, it is much overdue as they believe the “civilian surge” went too far. For others, it is a necessary result of the now changed circumstances in Iraq and in our bilateral relationship. The administration’s decisions in February 2009 on deployment of military and civilians in Iraq set the stage for rightsizing. The beginning of the Department’s assignment cycle in June 2009 sets the timeframe.

Mission Iraq has become one of the largest U.S. missions in the world. Given the high priority placed on Iraq, and the policy of the previous administration to encourage all relevant U.S. agencies to send employees to the Embassy and the PRTs, many of the normal limits on staffing have not been imposed. Cost has not seemed to be a factor. International Cooperative Administrative Support Services (ICASS), the system designed to allocate support costs in a mission among all U.S. Government agencies present there, has not been applied. Housing and office space in the NEC, fully occupied in January 2009, have now become major constraints, particularly as over 1,200 people are now jammed into apartments designed for about 600. While ideally policy goals rather than the capacity of facilities should dictate staffing levels, the U.S. Government cannot escape the limiting effects of the facilities in Baghdad. Moreover, after rightsizing, the Embassy should be able to carry out its mission in Iraq with a staff able to fit comfortably in 600 apartments.

A number of factors have contributed to the size of this Embassy: (1) implementation of a civilian assistance program of over \$24 billion; (2) a wide-ranging capacity-building program covering most key ministries in the Iraqi National Government and, through the PRTs, all provincial governments; (3) the legacy of running the country and then working hand-in-glove with the Iraqis as they assumed more responsibility for funding their own development; (4) the need to coordinate with the U.S. military in practically all aspects of the Embassy’s responsibilities; and (5) the inability to have host-country LE staff provide the support and services that

they do in almost all other embassies in the world. Also, the fact that employees can take three separate 22-day long rest and recuperation trips (R&Rs) means that staffing has to be larger to ensure full coverage.

While views vary on whether the current level of staffing was ever fully necessary, the facts now warrant a substantial reduction. This report highlights rightsizing plans already initiated or underway in the Embassy and makes some additional suggestions and recommendations. Our intention is to reinforce the embassy's efforts and provide information to a Department-based team and the Embassy as they conduct a rightsizing exercise.

While specific examples are found in the relevant sections of this report, in sum they include the following rightsizing actions, planned and proposed. Some of these can be implemented in 2009, others over the next 2 1/2 years:

- a reduction in the front office staff of about seven or eight positions;
- a phase-out of the 42-person Iraq Transition Assistance Office by the planned date of May 2010, with a few positions being moved to the economic cluster;
- a phase-down of the PRTs and their home office in the Embassy — the OPA — by the end of 2011 (about 340 and 40 positions respectively);
- a cut in the political section of at least eight positions and a phase-out of its 12-person constitutional and legislative affairs unit;
- a reduction in the economic section by about eight positions;
- a reduction in the management, information management, and security staff as the number of employees served decreases (some increases in certain categories of management staff may be necessary as the Embassy takes over services currently provided by the military);
- a reduction in the staff of various agencies when ICASS is implemented and as funding for assistance programs decreases and programs are consolidated in traditional assistance agencies such as USAID;
- a possible increase in the Bureau of International Narcotics and Law Enforcement Affairs (INL) staffing as INL takes over training of the Iraqi police;
- an increase in staffing in the consular section to serve an expansion of visa services; and
- an increase in Foreign Commercial Service staffing as the Iraqi economy recovers.

The positions retained should be in accord with the definitions outlined in National Security Decision Directive (NSDD) 38 to include: all direct-hire (including limited-hire) employees; employees on detail or temporary duty; LE staff from Iraq; LE staff on temporary duty from U.S. Embassies around the world; and contractors. Once a new baseline is established the chief of mission should apply NSDD-38 criteria for further staffing decisions, including extensions as well as new hires.

Embassy leadership asked for a senior level team from the Department to develop a rightsizing plan responsive to the new policy objectives. The OIG team supported this request. The Office of the Under Secretary for Management subsequently tasked the Embassy to produce its own plan, after which, and in consultation with the new Ambassador, the Under Secretary will decide whether sending a senior level rightsizing team to Baghdad is necessary.

Recommendation 1: The Under Secretary for Management, in coordination with Embassy Baghdad and the Bureau of Near Eastern Affairs, should devise and implement a rightsizing of the Embassy, establishing a new baseline of positions that meets the requirements of the President's policy on Iraq. (Action: M/PRI, in coordination with Embassy Baghdad and NEA)

An essential element of rightsizing should be an embassy assessment of which of its many assistance programs should be phased out, continued, or expanded. Such an assessment should focus on overall goals and outcomes and the likelihood of continued funding. It should have a direct impact on staffing as well as promote the most efficient use of declining resources. The assessment, plus the introduction of ICASS, can determine how many agencies will remain in Iraq. The Ambassador and DCM should lead the assessment. While there are three coordinators for assistance programs in the fields of economic development, rule of law, and anticorruption, they have limited influence on the programs carried out by agencies in their clusters, and none of them can pull together all the programs the Embassy is implementing. The front office should review the assessment every 6 months, given the constantly changing environment in Iraq. The process can also be used to improve the coherence and coordination embassy-wide of ongoing assistance programs. The Embassy is developing operational and performance plans and reports with the Director of U.S. Foreign Assistance, and these could be of help in implementing this recommendation.

Recommendation 2: Embassy Baghdad, in coordination with the Director of United States Foreign Assistance and the Bureau of Near Eastern Affairs, should undertake a comprehensive assessment of the assistance programs the embassy is implementing to determine which should be continued, phased out, or expanded. (Action: Embassy Baghdad, in coordination with F and NEA)

RELATIONS WITH THE MILITARY

Iraq remains a war zone. Relations with the military thus affect the entirety of the Embassy's policy and operational agenda. The Embassy's security, though day-to-day in the hands of the Department's large Bureau of Diplomatic Security (DS) operation, is ultimately guaranteed by the U.S. military. Most of the Embassy's life support requirements are met through subcontracts with DOD. Before December 2008, the Embassy had been, in effect, the U.S. military's co-tenant in the Republican Palace. The Embassy's move to the NEC underscored and promoted the Embassy's separate identity, though its dependence on the military remains.

The U.S. military runs a country-wide civilian assistance program. Military leaders deal directly with the Iraqi Prime Minister and President and most civilian ministries. The military's combined joint civil affairs staff (CJ9) maintains a virtually parallel embassy operation, focusing on political and economic affairs, public diplomacy, and economic development. Military commanders routinely brief congressional and other high-ranking delegations on internal Iraqi political and economic developments.

Embassy civilians and their military counterparts work together and live together. Coordination is essential and takes a significant amount of time and effort — an estimated average of about 30 percent of the time of Department employees. The centerpiece of the coordination is the Joint Campaign Plan (JCP), which lays out in great detail common goals and means of achieving them. Of course there are problems. Civilians and military often pursue the same contacts; their methods of briefing superiors and preparing decisions are markedly different; there is a great disparity in size of staff and resources; and assistance programs often reflect a difference in objectives and time frames.

Nevertheless, the relationship between the Embassy and the military is remarkably good. Ambassador Crocker and the military commanders insisted on “one team, one mission,” and their subordinates followed suit. One general officer characterized

the overall relationship as one of “interdependence.” Embassy leadership characterized it in the same way.

Shortly before the inspection team left Baghdad, President Obama announced on February 27, 2009, a fundamental shift in U.S. policy toward Iraq, moving from a military-dominated approach toward a civilian-led, diplomatic relationship with the Iraqi Government and people. President Obama said the U.S. combat role in Iraq would end in August 2010. A transitional force of 35,000-50,000 would remain to carry out three functions: (1) training, equipping, and advising the Iraqi Security Forces; (2) conducting targeted counterterrorism missions; and (3) protecting ongoing U.S. civilian and military efforts. These forces would then leave by the end of 2011. This policy is consistent with the bilateral Security Agreement signed by the United States and Iraq.

The new Iraq policy will require a realignment of the Embassy’s activities and resources as the military draws down. For example, the Embassy will need to meet in new ways its requirements for security, fuel, food, and emergency medical attention. This will pose special challenges to the management section over the next 2 1/2 years. Between now and the end of 2011, the Embassy will need to accelerate its move to management procedures and budget discipline characteristic of other embassies around the world. The departure of the military will also require the Embassy to develop an emergency evacuation plan, as was recommended in a special OIG inspection in 2007.

The military’s current diplomatic and development activities will phase out as part of its draw down. Accordingly, the functions of the Embassy, including political, economic, and public diplomacy, will have to refocus, expand, or contract to fit new circumstances. The prime example of military-civilian cooperation — the PRTs — will phase down as the military withdraws. The PRTs are led by Department officers and are staffed with many civilian experts, but they depend on the military for implementing programs, security, transportation, and life support. Military officers act as deputy directors in most PRTs. The programs and projects of the PRTs will be completed and turned over to the Iraqis, or be taken over by other entities, such as USAID, nongovernmental organizations, or international organizations.

This process of transition of functions as the military withdraws should be well planned and orderly. The OIG team advised that the new Ambassador work with his senior military counterparts to develop an overall strategy for managing the effects of the military’s withdrawal. They should also ensure effective coordination of those areas where the military and civilian efforts overlap, particularly the relationships with civilian Iraqi ministries and officials.

EXECUTIVE DIRECTION

While the military surge of 2007-08 and other factors reduced levels of violence in Iraq, threats to security were such that under similar circumstances, almost any other mission would have remained closed. During the course of the OIG inspection, there were weekly American military casualties and daily Iraqi casualties.

Notwithstanding the difficult environment, the achievements of the Ambassador and the Commanding General, supported by the Embassy and the U.S. military, have been outstanding. In the months before the OIG inspection, they led the successful 2008 bilateral negotiations with the Iraqi Government that established a new basis for the U.S. military presence and its eventual end. They supported significantly the provincial elections that strengthened the country's nascent democracy. The front office led the Iraqi-mandated move from the Republican Palace to the NEC. The move both symbolized and promoted the evolution toward a more normal bilateral relationship with Iraq.

The mission led the formation of U.S. policy in post-Saddam Iraq to an exceptional extent. The Ambassador and the Commanding General developed and implemented policy toward Iraq directly with President Bush, the Vice President, the Secretaries of State and Defense, and the National Security Advisor. The Ambassador and the Embassy also made a direct, major contribution to the new administration's Iraq policy review, which was the basis for President Obama's February 27 announcement.

Well before the inspection, the Embassy had assumed a presence nearly as salient as the military's. The Ambassador and DCM personally devoted much energy to sustaining a good relationship with the military and its Commanding General. What could be seen by some as giving in too much to military requests was part of the Ambassador's approach to do all that he could to facilitate the military's operations in a war zone and to ensure that there was no light between the military and the embassy. Repeatedly, in turn, the military leadership expressed to the OIG team their admiration for the Ambassador and the DCM and clearly listened to their advice. With respect to the Ambassador, a senior military officer said: "I would follow him anywhere." Meeting military requirements sometimes strained the less-resourced civilian workforce. Nevertheless, the close cooperation between the Embassy and the military in Iraq was exemplary.

In addition to building the essential relationship with the military, the OIG team found that the Ambassador and DCM had placed a high priority on working closely with the many U.S. Government agencies operating in Iraq. Heads of agencies praised the availability of the front office when needed and its willingness to be involved in their issues and to make tough decisions when equities collided.

With respect to leadership and management of the Embassy, the Ambassador followed the classic model of focusing on policy and the bilateral relationship, leaving to his DCM responsibility for day-to-day operations and liaison with other diplomatic missions. The Ambassador and DCM worked to make the Embassy more like most others. The Ambassador's stated goal to replace temporary duty LE staff from around the world with growing numbers of Iraqi LE staff, and his request for this inspection, were parts of his strategy to make Baghdad resemble more closely a typical embassy operation.

Up to now the Department has not used ICASS in Iraq, and the embassy has not systematically implemented NSDD-38. Continuing violence and the previous administration's policy that all relevant U.S. Government agencies participate in our efforts in Iraq imposed different priorities. The need to build quickly a large, multidisciplinary staff led to creation of a thicket of different personnel systems that posed unique management challenges and had the potential for abuse.

Now, with the decline in violence and President Obama's announced timetable for the departure of U.S. military forces, a new Ambassador and his senior leadership will need to move quickly to impose the management procedures and budgetary discipline typical of our other diplomatic missions. The management section of this report discusses these challenges in greater detail.

At the time of the inspection, seven active or former chiefs of mission were working as embassy section heads or as the DCM in Baghdad; the Ambassador had personally recruited all of them. This concentration of senior Foreign Service talent reflected the importance of Iraq and was congruent with the rank structure of the U.S. military with whom they worked.

All Department positions in Iraq (with the exception of the Ambassador and the DCM) are 1-year tours of duty and are unaccompanied. The Department has not permitted family members, with the exception of those spouses who qualified for approved eligible family member (EFM) jobs at the Embassy. Shared housing is cramped and privacy minimal. Recreational opportunities are limited. The work tempo is intense; in part because the embassy is in a war zone.

The OIG team found a culture of working 7 days a week. To encourage a better work-life balance, the chargé shuttered the front office on Friday mornings and sought to minimize meetings on Fridays and Saturdays (the weekend in Iraq). Demands from Washington and the military did not make this always possible, but the OIG team encouraged this initiative.

The Ambassador and the DCM were sensitive to Equal Employment Opportunity (EEO) issues; when there was an upsurge of sexual harassment incidents, they instituted a mandatory training regime. In general, the Ambassador and DCM pursued a policy of “zero tolerance” for misbehavior or poor professional performance. They believed it was necessary in a difficult, high-pressured, and dangerous environment to handle problems quickly and decisively. The Embassy sent home employees who failed to follow the rules.

In the difficult circumstances of Baghdad, Department employee morale was variable. It was high among section and agency heads and those who routinely worked closely with the front office. They repeatedly expressed to the OIG inspectors pride in being part of a historic endeavor. However, the OIG personal questionnaires and face-to-face interviews confirmed that morale was mixed among those more junior or more distant from the front office. Some complained that there had been an accretion of unnecessary rules or regulations, most of which resulted from operating a diplomatic facility in a war zone. Because of the 1-year tour of duty, only a small percentage of the Embassy’s population had experienced the March and April 2008 missile and mortar attacks. To some of the more recent arrivals, the current relative calm made the arduous security procedures appear onerous and unnecessary. Yet, the front office took into account the fact that the security situation might change abruptly, and it rightly saw the security of its personnel as its primary responsibility.

Many outside the chancery complained that the front office did not communicate “sufficiently,” and that it was “distant,” though the OIG team found a plethora of staff notices and the full range of conventional information-sharing events ranging from country team meetings and town halls to award ceremonies. Nevertheless, to mitigate the sense of isolation from the front office among many, the inspectors suggested that the chargé expand her personal contact with all elements of the mission and that a new Ambassador do the same. For example, the OIG team suggested that both take some of their meals in the central dining facility, that they visit offices outside the chancery informally, and that they increase their attendance at community events.

Many personnel of all levels said that arrival and departure arrangements from Baghdad had a negative impact on their morale. The OIG inspectors agreed that the transit is especially difficult. It is also a drain on the resources of the management section. During the course of the OIG inspection, the chargé ordered an inter-agency review of the travel arrangements. The staff appreciated her active engagement. (This issue is dealt with more thoroughly in the Quality of Life section of the report.)

The front office included two office management specialists (OMS), a multi-officer secretariat, a military advisor, a protocol office, language services, legislative services, a chief of staff, and a joint strategic planning and assessment office. In addition, there were two senior advisors of ambassadorial standing, one handling the relationship with the north of the country and the other with the south. The support staff was divided, with some serving the Ambassador, and others serving the DCM. Communication between the two groups was limited. Apart from one special assistant who had already departed, there was no Arabic language capability within the support staff.

During the inspection, the chargé was working with the chief of staff to rationalize and slim down these entities, improve their coordination, and provide sufficient Arabic-speaking capability. The inspectors commended her efforts. They encouraged the planned merger of the two senior advisor positions into the political section, the merger of the two halves of the support staff, and the elimination of at least one staff assistant.

The OIG team proposed reducing the eight-person joint strategic planning and assessment office to at most two persons, and to incorporate those two positions in the secretariat. No other embassy has such a large planning staff. Its primary functions — coordination with the military planners, particularly on the JCP, and coordinating the preparation of the Mission Strategic Plan — can be done by two people working with the relevant embassy sections. Finally, the OIG team supported the front office's conclusion that the three-person legislative services staff remains as long as the number of congressional visits remains at current levels.

POLICY AND PROGRAM IMPLEMENTATION

POLITICAL AFFAIRS

Reporting and Analysis

Led by a seasoned Arabist, a large section of 25 officers produces well-informed reporting on Iraqi politics. Despite security constraints, political officers maintain extensive contacts with Iraqi politicians, though meetings outside the International Zone require elaborate protective details. The quantity of reporting has declined in the past year but its quality has increased, as the section carried out a plan to send a smaller number of higher value cables tightly targeted to policy concerns.

Reporting is at several levels. Many reports go only to the Ambassador. Others are sent to the country desk or other Washington consumers. A large percentage is intended only for U.S. military planners and intelligence analysts in Iraq. Cables are only the tip of a pyramid of information that is gathered, analyzed, and circulated first within the mission and then through Washington agencies.

These cables show a sophisticated grasp of the political dynamics behind Iraqi actions that help shape the outcome of U.S. initiatives. They use local concepts, not imported paradigms, to analyze sectarian, ethnic, national, and other motivations. They track personal ties among Iraqi leaders to assess their shifting alliances. They have a high predictive value, alerting Washington to issues such as growing Arab-Kurdish tensions or a return to a pattern of control by the center after a period of expanded power by provincial governors. Working closely with each PRT, political officers fanned out across the country to observe the country's first provincial elections, melding their reports into a clear, combined analysis.

Reporting from the PRTs provides important insights into developments outside Baghdad. While their primary focus is on reconstruction, PRTs are in close contact with provincial leaders and develop first-hand information on political as well as other issues. This information is extremely valuable to Washington consumers, but the quality of reporting varies because, at many PRTs, it is done by Foreign Service officers or 3161 employees (a category of employees with special skills who are hired

on a noncareer basis) who have not been trained in foreign affairs reporting. As a result, Embassy Baghdad devotes extensive resources to coordinating, editing, and collating such reports.

Recommendation 3: The Bureau of Human Resources should include training on reporting tradecraft in the pre-deployment training of officers and employees assigned to Provisional Reconstruction Teams whose duties will include political or economic reporting. (Action: HR)

The sheer volume of reporting, combined with the rapid rotation of individuals in Washington and Baghdad, creates a risk that important trends will be obscured by a daily flow of details. The OIG team recommended informally that the Embassy make more use of quarterly summaries and recapitulations. Some reports can also be discontinued or combined. The section has a well-thought-out and flexible reporting plan that focuses on broader themes and policy priorities.

Recommendation 4: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Intelligence and Research, should review political reporting to determine which reports can be combined or discontinued. (Action: Embassy Baghdad, in coordination with NEA and INR)

Reporting is heavily focused on internal issues. The section led the Embassy's successful efforts to persuade more Arab countries to reopen embassies in Baghdad but does relatively little reporting on Iraq's relations with its neighbors. It needs to create a unit to follow regional issues, in particular Iran. In 2008, the political/military section created a unit to follow Iranian issues. The OIG team agreed with the Embassy that this unit, and responsibility for reporting on Iran, should move to the political section.

Recommendation 5: Embassy Baghdad should transfer positions dedicated to reporting on Iran from its political/military to its political section. (Action: Embassy Baghdad)

Some of the mission's best political reporting is produced by special advisers for the North and South. These senior officers focus on the Kurdish region and on Basra, stronghold of a radical Shi'a militia. The special advisers operate out of the front office but require extensive support from political officers, creating tensions

over contradictory taskings. The OIG team endorsed the Embassy's plan to transfer these positions to the political section when the present incumbents rotate.

Recommendation 6: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Human Resources, should eliminate its special advisers for North and South Iraq, and transfer the positions and the responsibility for these issues to its political section. (Action: Embassy Baghdad, in coordination with NEA and HR)

Staffing and Management

This section of 25 officers is overstaffed. Its numbers were determined in 2007, when Ambassador Crocker requested a civilian surge to match the military's surge of troops. Crocker cabled that he needed up to twice as many political officers, including more qualified Arabists. The Department was unable to provide enough Arabic speakers — the section has only three or four available at any one time — but it did agree to double the number of officers. The result is overly narrow portfolios, competition for information and contacts, and more reporting than is strictly needed. Officers returning for a second tour found “more bureaucracy but less real work” this time around.

The OIG team reviewed positions carefully with the political minister-counselor and concurred with his conclusion that the section would have higher morale and productivity with fewer officer positions, though it cannot function with fewer than two OMS positions because of gaps from the frequent R&Rs. The Embassy has already identified positions it wishes to cut.

Recommendation 7: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Human Resources, should eliminate at least eight officer positions in the political section that had been added during the civilian surge of 2007. (Action: Embassy Baghdad, in coordination with NEA and HR)

The key to reducing American positions will be to rebuild the section's LE staff. As the inspection began, it had only a single Iraqi LE staff member. When the Embassy opened in 2004, it had eight who provided it with invaluable insights, contacts, and interpretation. One was murdered in 2005. (b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)

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The weakest aspect of reporting is the lack of tools to support it. Too many officers keep track of their contacts on back-of-the-envelope systems, some of them little more than stacks of business cards. The biographic information needed for successful meetings in the Middle East is dispersed in several files where it is difficult to find. The Embassy’s strategy of relying on a contractor in the Ambassador’s office for some of its most important contacts suffered when the contractor departed post and took his files with him rather than turning them over to the political section. Short assignments and constant rotations also place a premium on the transfer of knowledge from departing officers to new ones. In theory, mandatory overlaps allow each new arrival to be trained by a predecessor, but departing officers are often too exhausted to pass needed information on. There are few standard operating procedures (SOPs). Many officers consider their pre-deployment training weak, particularly in tradecraft.

These problems are compounded by the absence of a deputy responsible for day-to-day management of the section. Following the Ambassador’s instructions, the minister-counselor focuses on substance. Three co-equal unit chiefs focus on the section’s products rather than its processes. Strong as the minister-counselor is in mentoring individuals, he cannot effectively manage a section this large without a full-time deputy who could create more tools to support reporting officers, including SOPs, “smart books” on portfolios, and a contact management system that is accessible to all section officers. The latter could contain protected estimates of reliability, be searchable by issue as well as by name, and be interoperable with protocol and other contact databases.

Recommendation 8: Embassy Baghdad should reorganize its political section to create a deputy responsible for management who would develop tools to support reporting officers, such as standard operating procedures, “smart books” on portfolios, and a unified contact management system. (Action: Embassy Baghdad)

Advocacy and Programs

As U.S. policy moves from trying to control Iraq to seeking to influence it, the Embassy relies less on traditional demarches than on lobbying Parliament directly. The Foreign Ministry is isolated from the real centers of power in the Prime Minister’s office and is still developing (with U.S. help) a professional, post-Baathist diplomatic service. However, political officers carry out extensive and effective advocacy with Iraq’s new Parliament. Because Iraqi law treats all international agreements as treaties, the 2008 Security and Strategic Framework Agreements had to be ratified by Parliament. The Embassy mounted a full-court lobbying blitz to push the legislation through, rounding up wavering votes, and identifying interest groups and coalitions. Political officers also played a crucial role in encouraging passage of the provincial elections law and worked with PRTs to advocate directly with provincial governments for U.S. policies and interests.

The section is responsible for overseeing \$300 million in democracy promotion programs. Much of this is in grants to organizations such as the Democratic and Republican parties’ international foundations or the U.S. Institute of Peace. Some of these currently operate only in Kurdistan, where there have been no attacks on coalition forces since 2003, but the Embassy is urging the expansion of their operations throughout the country. In 2007 the Bureau of Democracy, Human Rights and Labor (DRL) assigned two officers to the section to oversee these programs. Both are diplomats who concentrate on monitoring and designing programs for their policy relevance; accounting and management of the grants is done in Washington.

DRL objected when the Embassy attempted to eliminate one of the two positions without consulting the bureau. The OIG team concurred with the interim decision to retain both positions for 1 year but review the need for them at the end of 2009. The team was more troubled by the absence of a mechanism for coordinating democracy assistance by the political section, USAID, and other parts of the mission. Information sharing among these offices is limited. A working group on the issue rarely meets.

Recommendation 9: Embassy Baghdad should revive its working group on democracy and governance and use it to coordinate programs in these areas by all agencies within the mission. (Action: Embassy Baghdad)

The political section also oversees the work of a 12-person constitutional and legislative affairs unit. Staffed by contractors and 3161 employees, this unit provides technical assistance to the Iraqi parliament on how the actual business of legislation is done. The present director is bringing more order and discipline to the unit, whose records indicate that some employees were not documenting overtime or otherwise being properly supervised and managed. The political section is attempting to assist her, but is handicapped by the fact that the unit sits in a different building as the space intended for it in the chancery was assigned to military offices. The OIG team found close coordination of the unit's work with political officers but little evidence of coordination with USAID, which administers similar programs. The unit's technical assistance was a key part of the mission's strategy to aid Iraqi legislators who had no practical experience in legislating. With the success of provincial elections, the Embassy can begin to plan for the phasing out of this work after national elections are held at the end of 2009.

Recommendation 10: Embassy Baghdad should develop a plan for the closure of its constitutional and legislative affairs unit after the holding of national elections in Iraq now scheduled for the end of 2009, initiating no new programs or contracts and bringing existing ones to conclusion. (Action: Embassy Baghdad)

POLITICAL/MILITARY AFFAIRS

Baghdad is one of the few embassies in the world to maintain a separate political/military section. The primary measure of its value is not reporting but coordination. This section has the action for a wide range of traditional political/military issues, but it also functions as the Embassy's chief liaison to the many layers of military headquarters in Iraq, including the following: (1) Multi-National Force—Iraq (MNF-I), headed by a four-star general; (2) Multi-National Corps—Iraq and Multi-National Force Security Transition Command—Iraq, each headed by a three-star general; (3) Force Strategic Effects Cell, headed by a British two-star general; and (4) several offices including operations, plans, and CJ9. A number of these headquarters

plan to merge in 2010, reducing their personnel by as much as 40 percent. The section has close links to all of them and acts as a conduit for intensive, daily exchanges of information.

Working with the Military

As noted, key parts of the section's work address traditional political/military issues. Work on weapons of mass destruction remains important. The section led the Embassy's successful efforts to get Iraq to sign the Chemical Weapons Convention and is helping Iraq develop an interagency capacity to meet the international obligations that it entails. It works with U.S. missions in Geneva and New York to dismantle remaining UN sanctions. It carries out a \$20 million program to remove and store conventional weapons, oversees demining operations, and works closely with the science unit in the economic section to support a program redirecting to civilian employment Iraqi scientists who were involved in Saddam Hussein's program to develop weapons of mass destruction.

The section monitors conditions at Camp Ashraf, where Iranian dissidents belonging to Mujahedin-e-Khalq live. The Mujahedin-e-Khalq is designated by the United States as a foreign terrorist organization. U.S. forces monitor their treatment by the Iraqi Government pending their repatriation to third countries or other disposition of their situation. It also reports in depth on issues including the transfer to the Iraqi Government of responsibility for paying 100,000 Sunni tribesmen, known as the Sons of Iraq, who switched sides to fight for the coalition forces against Al-Qaeda in Iraq. In order to ensure that such important issues are followed up consistently, the OIG team recommended informally that the section do more of its reporting in formal cables that get wide distribution.

The biggest part of the section's work, however, is coordination. Seven days a week, officers help prepare detailed briefings on political, diplomatic, and other issues in the Embassy's jurisdiction for the commander's morning Battlefield Update and Assessment, an intensely choreographed event supported by several hundred personnel. Since there are far more military officers seeking input for this and other briefings than there are embassy officers to provide it, the process can be frustrating for both sides. The section also works with military and civilian planners to help produce the JCP, a comprehensive 200-page outline of coordinated military-civilian actions in Iraq. Senior military leaders understand that "we must drive the embassy crazy with our insatiable demand for data," but they still demand it. By learning how to work with the military in this and other areas, while helping other sections navigate the military bureaucracy, the section saves the rest of the mission considerable time and effort.

As noted in the section on executive direction above, Embassy Baghdad has managed to forge a remarkably productive civil-military partnership. However, new arrivals still spend too much time deciphering each other's corporate culture. Many civilians do not recognize American or British military ranks or understand which units are responsible for what, while many military personnel have little understanding of an embassy. Many employees indicated in their personal questionnaires that they had not received sufficient preparation on these issues in their predeployment training or initial orientation. The mandatory Iraq Familiarization course run by the Foreign Service Institute (FSI) has included segments on military culture and organization and on civilian-military relations. These subjects are covered in greater depth in training for political advisors and for working in the PRTs. The political/military section participates in orientation seminars for incoming MNF-I officers. It should take the lead in developing information on the military to be used within the Embassy and to be included by the FSI in training.

Recommendation 11: Embassy Baghdad, in coordination with the Foreign Service Institute and the Bureau of Political-Military Affairs, should develop a package of information for its employees on working with military units in Iraq; distribute it to incoming personnel; and share it with the Foreign Service Institute to be included in training for Iraq-bound personnel or as part of a broader module for personnel bound for conflict zones. (Action: Embassy Baghdad, in coordination with FSI and PM)

Contact discipline is weak. Too many U.S. officials, military and civilian, compete to meet with the same small number of Iraqis, interfering with their work and with each other's. Despite the political/military section's interventions, issues get backed up like airplanes waiting to land; there are only so many Iraqi Government officials who can make decisions, while the U.S. message can be blurred or contradicted. In some cases, embassy officers called ministries to discuss an issue only to be told that military officers had already been there to discuss it but had not coordinated their approach. MNF-I attempted to restore some lane control by drawing up a matrix of Key Leader Engagements, setting out who was authorized to contact whom. This reduced confusion at the cabinet level but not at working levels. During the run-up to provincial elections, the Ambassador ordered that all mission personnel, including military officers assigned to political duties, were to coordinate their actions before contacting Iraqi politicians. The Embassy needs to reassert this discipline.

Recommendation 12: Embassy Baghdad should implement a process to coordinate with the U.S. military on issuing written instructions clarifying contact policy for both civilian and military officers in the mission. (Action: Embassy Baghdad)

Staffing and Management

The section is well-run. A senior deputy focuses on management, freeing the minister-counselor to be what the commanding general called “part of my inner circle” of advisers. The reorganization of the section, replacing a portfolio-and-backup system with small teams, helped overcome its weakest point: the difficulty in ensuring continuity with officers away on frequent R&Rs. For example, in 2008, unclear responsibilities caused the Embassy to be late in submitting inputs for the annual Patterns of Terrorism report. The new approach helps alert the section leadership when e-mails sent to an individual instead of “Embassy Baghdad” languish unread in the in box of an absent officer. Section leaders make extensive use of orientation materials to help new arrivals. They are also starting to build a contact management system to reduce their excessive dependence on a single LE staff member with Iraqi contacts.

The section is appropriately staffed or will be when the two Iran positions transfer to the political section as recommended above. It currently carries out several functions that in future may be handled by a Defense attaché office. As U.S. combat troops withdraw, the DOD is also likely to create an office of Defense cooperation to administer a large security assistance program. Embassy Baghdad does not need to change the size or structure of its political/military section until these future missions are clarified. For the immediate future, the section’s major goals should be the implementation of the Security Agreement, through its complex system of joint U.S.-Iraqi committees, and the expansion of Iraq’s security relationships with regional and other bodies capable of adding to stability.

The section also contains a small hostage affairs unit that acts as a coordinating forum for the tracking and rescue of kidnapped persons. It works closely and harmoniously with U.S. Army Special Forces and Iraqi military units and enables the embassy to devote the kind of attention to civilian cases that the military would devote to kidnapped soldiers. As violence has dropped in Iraq from its high point in 2006, this unit has successfully reduced its staff by half while still meeting its goals. As the Embassy moves from risk aversion to a more risk-managed approach to security, the kidnapping danger for Americans may increase. The office is currently managed, with the concurrence of the Office of the Coordinator for Counterterrorism, by a

direct-hire DS special agent. At some point in the future, the unit could be transferred to the RSO. However, in the interim, the OIG team agrees that the responsibility for the unit should be shared between the RSO and the political counselor and the unit should remain in the political/military section.

While no additional officer positions are required, the section needs an administrative assistant. This position should take over logistical duties on which officers are spending too much time and provide a backup for the section's single OMS. The OIG team recommended informally that the embassy create such a position through reprogramming within current staffing levels or by using the EFM system.

Military Training and Human Rights

The Embassy has not yet developed a sophisticated way to vet Iraqi trainees, as required by U.S. legislation, to ensure that they have not committed human rights abuse. In part because so many records in Iraq are chaotic, the Embassy forwards names to Washington and asks the Department to conduct most checks. However, programs training Iraqi military and police will become an even more central part of the U.S. mission in Iraq in the future, and the human rights component of that training is important. At some point in the future, carrying out Leahy Amendment vetting may require a cleared dedicated clerical position.

Recommendation 13: Embassy Baghdad should obtain software for the Department International Vetting and Security Tracking System and begin building a database to carry out required Leahy Amendment vetting. (Action: Embassy Baghdad)

PROVINCIAL RECONSTRUCTION TEAMS AND THE OFFICE OF PROVINCIAL AFFAIRS

The Department established the Iraq PRT program in June 2005 to strengthen the capabilities of provincial governments, assist in coordinating U. S. Government reconstruction and development assistance efforts, provide enhanced reporting on political and economic developments, and advocate U. S. policy goals. The PRT program's five-pronged focus on governance, political development, reconciliation, rule of law, and economic development has been implemented in all 18 of Iraq's provinces.

Unlike in Afghanistan, the Department supplies the PRT leader, while a military officer often serves as deputy. The military provides security, transportation, and life support on a reimbursable basis for almost all PRTs. The PRTs are staffed with experts hired directly by the Department or supplied by other government agencies, such as the Departments of Justice (DOJ) and Agriculture and USAID. Programs and projects, now directed primarily at capacity building, receive funding from the Department and DOD. Close cooperation between the civilian and military staff is essential and to a large extent determines the effectiveness of the PRT. The Department's FY 2009 budget for the current 29 PRTs and two regional embassy offices (REOs) is \$498 million; this includes salaries and operations, support for staff and security for the two REOs in Basra and Hillah, and the Regional Reconstruction Team in Erbil.

This inspection did not cover the programs of the PRTs, in part because they have already been the subject of numerous inspections, studies, and assessments. This report addresses the relationship between the embassy and the PRTs, including the phase-down of the PRTs over the next 2 1/2 years, and focuses on the PRT's home office—OPA. Members of the OIG team attended a 2-day conference of PRT leaders and interviewed them individually. Team members also visited three PRTs.

The creation of the PRTs provided a national framework within which the parallel strategies of counterinsurgency and economic/political development could be pursued. The very nature of the PRTs is to “work themselves out of a job” over a period of time. This period became more clearly defined during the OIG inspection when President Obama announced the withdrawal of combat troops from Iraq by August 2010, leaving a transitional force of 35,000-50,000 in Iraq until December 2011. Such a force could, in cooperation with the Iraqi Security Forces, host PRTs in most provinces until 2011. The PRTs thus could be phased down carefully over the next 2 1/2 years; thereafter, the relationship between the U.S. and Iraqi provincial and local governments would be carried out in a more traditional fashion from the Embassy and any newly created consulates.

One of the most important elements of this transition is how to manage the disposition of ongoing assistance programs, both civilian and military. Some projects will be completed and some could be taken over by the Iraqis, by civilian assistance agencies (such as USAID), or by nongovernment organizations or international organizations. This puts a premium on ensuring that any new or existing program or project be one that would serve longer term development goals and thus be more likely to be continued after the PRTs are closed. Ensuring Iraqi buy-in as well as sustainability is essential. This should apply to programs and projects funded by the

Commanders' Emergency Reaction Program as well as the Department's quick response funds and other sources of economic support. The need for projects serving primarily counterinsurgency and stability objectives will decline as the withdrawal of U.S. forces proceeds. In this transition, coordination between the military and civilian agencies, and with their Iraqi counterparts, is essential. The embassy/military Joint PRT Steering Group (JPSG) is the logical body to implement such coordination.

Embassy Baghdad is developing an action plan through the JPSG to manage the phase-down of PRT projects and programs. The OIG team discussed with the Embassy the importance of the plan meeting longer term development objectives that earn Iraqi buy-in and are sustainable after the phase-out of the PRTs.

The OPA director, supported by her staff, has played a strong role in shaping the overall policy toward PRTs and regional embassy offices, particularly in the lead-up to the major policy review conducted by the new administration. She devised scenarios for phasing down the PRTs as the U.S. military stages its withdrawal. In doing so, she built upon her earlier initiative to develop a conditions-based assessment as to when PRTs would complete their work. She provided timely input to the Washington-Iraq policy review process, which then clarified the schedule both for the military withdrawal and for the transition and phase-down of the PRTs. The OIG team noted how the OPA director moved seamlessly from policy articulation to implementation through the interagency JPSG process. The process of taking the new policy directions and turning them into concrete planning is well underway.

While PRTs make a unique and valuable contribution to the U.S. effort in Iraq, they are expensive. A budget of \$498 million in FY 2009 may not be much in comparison to the overall cost of the military effort in Iraq, but it is a large sum for the Department. While the phase-down schedule will allow savings to be realized over the next few years, the Embassy can encourage the JPSG to consider a more rapid phase-out for some PRTs, if consistent with the administration's policy guidelines. Over \$155 million of the \$498 million is the cost to the Department for providing security support to the REOs in Basra and Hillah, and to the Regional Reconstruction Team in Erbil. The planned closing of the REO in Hillah and the turning over of security in Basra to the U.S. military will produce considerable savings, as will increased reliance on local Iraqi guards in Erbil.

OPA exercises oversight and coordination of the PRTs throughout Iraq. Although its original mandate was to provide policy direction for the overall PRT program, it does not now provide specific policy direction for program activities. That must come from the relevant sections and agencies of the embassy. The political and economic sections coordinate the PRTs' reporting, and the assistance offices and agencies work with them on projects. After a difficult beginning, OPA seems to be

finding its place. It manages the PRTs' evaluation system, ensures that the PRTs are not being over-tasked by various elements of the Embassy, coordinates movements of visitors and PRT members within Iraq, and advocates for the PRTs in embassy deliberations. Importantly, the OPA director and her staff maintain continuous coordination with their military counterparts. OPA has to give the PRTs flexibility and discretion as conditions vary from province to province, while the nature of the military units in which PRTs are embedded can be quite different, which also influences the types of activities the PRTs can conduct.

Opinions differed on OPA's day-to-day work with the PRTs. Some PRT leaders observed that OPA had not played a major role in their program development. Some also felt that OPA staff were not sufficiently aware of the challenges faced by the PRTs and that support was often more forthcoming from the military than from the Embassy. Some team leaders felt that there should have been more frequent visits from OPA staff to assess the real difficulties involved in trying to execute development projects in combat zones. Many PRT programs were implemented through the initiative of team leaders, team members, and supporting military units, outside of the coordinating framework of OPA. Most team leaders recognize that they need to have the flexibility to devise their own projects and programs to fit local needs and conditions and would not appreciate a strong hand of OPA. In any event, the coordination between the PRTs and OPA is improving as security problems have eased in many areas and as the OPA director has realigned OPA staffing and program focus.

In response to an embassy rightsizing initiative, OPA requested the Bureau of Near Eastern Affairs to conduct a desk audit of OPA staffing levels. This led to the abolition of three positions and the transfer of two more to the management section. The OIG team concurs in these reductions.

OPA needs to review its staffing in light of the now clearer schedule for phasing out the PRTs. At the time of the inspection, there were 39 positions filled in OPA, including (among others) 17 Foreign Service officers in direct-hire positions and 14 employees hired under 3161 authority.

There are several layers in OPA. For example, desk officers report to a supervisory desk officer who reports to the deputy director who reports to the director. A deputy supervisory desk officer position was created at the recommendation of the desk audit team, which determined that the relatively inexperienced desk officers needed more help with drafting and reporting.

During the OIG inspection, the Administration's Iraq policy was announced phasing out PRTs beginning in the summer of 2009. The number of desk officers will also be reduced. There will be a disproportionate number of supervisory layers for a decreasing number of desk officer positions.

Recommendation 14: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs, should abolish the position of deputy supervisory desk officer in the office of provincial affairs at the end of the incumbent's assignment. (Action: Embassy Baghdad, in coordination with NEA)

The reprogramming of positions to the embassy management section and to OPA's operational support section has freed up desk officers to focus more on policy and program support. This is an area that PRT leaders mentioned to the OIG team that could be strengthened, particularly during the period of transition.

Recommendation 15: Embassy Baghdad should prepare a plan for the phased reduction of positions in the office of provincial affairs as a contribution to the embassy-wide rightsizing process. (Action: Embassy Baghdad)

ECONOMIC AFFAIRS

Coordinator for Economic Transition in Iraq

The economic cluster is a large and diverse assembly of agencies and functions reporting to the Ambassador through the coordinator for economic transition in Iraq (CETI). The CETI himself is an experienced veteran of multiple-agency missions and has broad service in developing countries. With the expiration of Iraq Relief and Reconstruction Funds (IRRF), he no longer enjoys his predecessor's authority to allocate this funding among embassy programs. This puts a premium on his ability to persuade and build consensus.

With nearly 250 employees, the CETI cluster is the largest in the Embassy. In addition to the CETI's own staff and the embassy economic section, the cluster contains the Foreign Commercial Service, the Iraq Transition and Assistance Office (ITAO), USAID, and the Departments of Agriculture, Energy, Health and Human Services, Transportation, and Treasury. The staff of these agencies falls under a

range of personnel categories. For example, nearly all personnel in ITAO are 3161 employees; in the Treasury section, roughly half are military (CJ9), while nearly half of USAID's 93 positions are for LE staff.

Coordination of work is the CETI's most time consuming function. With a complex division of labor, frequent meetings are necessary to ensure that each part of the cluster is aware of what the others are doing. As noted before, however, a virtual parallel embassy exists in the form of CJ9, which organizes itself along functional lines similar to those of the Embassy. Coordination is thus necessary not only among the civilian agencies, but among these and the military, whose mission and its approach to it differ significantly. "Lane control" is a constant challenge.

The tempo of coordination and briefing meetings is relentless: daily meetings begin at 7:30 a.m., including two "small group" meetings before the 9:15 a.m. senior staff meeting of agency heads with the chief of mission. On most days, there follow one or a series of thematic meetings, working groups on economic sectors, assessment groups, synchronization boards, or briefings of the Commanding General. CETI convenes a late afternoon meeting twice a week, as well as a monthly or twice-monthly Ministerial Engagement Coordinating Committee (MECC). Senior officers typically are thus away from their offices much of the day in routine meetings. Meanwhile their staffs are intensively engaged with their military counterparts: coordinating, deconflicting, and exchanging information, which they must help reformat and improve to be suitable for military briefings. The regularly scheduled workload will only increase with implementation of the SFA.

Rationalizing Functions

The pressure of launching programs and establishing embassy functions on the fly and the serial reorganizations of the Embassy have left responsibility for many functions widely dispersed and misaligned with traditional lines of expertise. For example, USAID is not involved in health or education sectors; ITAO has the lead on electricity, while the economic section leads on oil; all are involved in capacity building. Gaps or redundancies in the work program result, and confusion or disputes over turf are common and time consuming.

The best example is the range of capacity development efforts the U.S. Government has sponsored in Iraqi ministries. USAID, ITAO, Department of Transportation, and DOD, among others, carry these out, yet have only recently adopted a mechanism to coordinate among themselves. The MECC aims to align these efforts. The Government Accountability Office, the Special Inspector General for Iraq Reconstruction, and a recent consultant study have all recommended that a single

organization or individual be designated as responsible for all capacity development efforts. Integration will become all the more important as financing for these efforts declines, gaps grow, and redundancies become more costly. The OIG team recommended above that the Ambassador and DCM lead a reassessment of all of the assistance programs that the Embassy is implementing and review these programs periodically. That mechanism can also serve to develop an overall embassy-wide capacity building strategy and to ensure effective coordination among program implementers.

On a larger scale and as noted above, the missions of the military and civilian agencies diverge. During the conflict phase, the military priorities of pacification and counterinsurgency were paramount. The military undertook an assistance effort that emphasized quick projects and cash payments, frequently at the expense of local buy-in and planning for sustainability. As conflict has diminished, more traditional development considerations have come to the fore. These favor community involvement, coherence among donors, and capacity building to ensure sustainability. While the military has come to value the need for capacity development, its operations tempo still makes its accommodation of priorities of civilian economic agencies difficult. The result is overburdening Iraqi capacity.

The OIG team expects that the drawdown of military personnel, the expiry of 3161 authority, and the adoption of ICASS will result in fewer personnel dedicated to engagement with the Iraqis on development and the economy, and will provide an opportunity to rationalize the overly complex structure of the cluster's work. The environment is now appropriate for a longer term effort that stresses policy coherence, Iraqi ownership, and aid effectiveness. Most CETI officers recognize that USAID is the agency best suited for this hand-off (though some functions might be moved to the economic section). However, there has been no discussion of how to accommodate new responsibilities in USAID's strategy. Given the time needed for USAID to plan for any new responsibilities, CETI should begin this discussion without delay.

Recommendation 16: Embassy Baghdad should identify which programs should continue in the event of the departure of agency heads under the coordinator for economic transition in Iraq and determine how the United States Agency for International Development could best incorporate programs of existing agencies into its own work program. (Action: Embassy Baghdad)

The Strategic Framework Agreement

The SFA, the counterpart to the Security Agreement, is likely to become the foundation for virtually all of the cluster's work in the near term. This bilateral agreement integrates fundamental strategies for Iraq that the United States was instrumental in developing (the International Compact with Iraq and the National Development Strategy) into a bilateral framework and lays out areas of cooperation between the United States and Iraq in the economic, political, cultural, legal, science, and health spheres. The SFA sets up a structure of joint committees and working groups to work in these fields. All CETTI agencies are engaged in one or more working groups or coordinating committees and those bodies' subject matter reflects home agency concerns. Embassy-based working groups follow this same structure.

The SFA provides clear priorities that are well-suited to diminishing resources. The SFA promises to be an effective mechanism in prioritization and providing for monitoring progress toward agreed objectives. In order to be effective in doing so, however, the cluster will need to use the SFA structure to support its own work and its coordination with the military. For example, working groups — and thus agencies — could adopt a reporting protocol that keeps other actors informed of their activities, while keeping that function clearly within the purview of the lead agency. This should enable CETTI to limit coordination meetings largely to those that are dedicated to advancing SFA priorities while avoiding those that do not.

Recommendation 17: Embassy Baghdad should, within the coordinator for economic transition in Iraq cluster, develop a plan that tracks the priorities set forth in the Strategic Framework Agreement, a work schedule to support the priorities, and a reporting protocol and monitoring mechanism for assessing implementation of the plan. (Action: Embassy Baghdad)

IRAQ TRANSITION ASSISTANCE OFFICE

ITAO is the result of a series of reorganizations dating back to the Coalition Provisional Authority (CPA). Throughout, its vocation has been to be the core institution for reconstruction. Its goal has been to support the counterinsurgency effort and advance stability by strengthening the link of the population to their government through the provision of essential services. It is the most unusual of the Embassy's entities: led by a single Foreign Service officer and staffed with sectoral experts (pri-

marily 3161 employees), it is highly programmatic and undertakes, in coordination with the Army Corps of Engineers, the construction of large and complex infrastructure projects. It and its predecessors, the project management office and Iraq reconstruction and management office, have overseen the expenditure of most of the \$19.6 billion in IRRF monies.

ITAO obligated the last of its IRRF funds on September 30, 2008, and currently manages some \$800 million in economic support funds, a large part of which go to Provincial Reconstruction Development Council projects and capacity development activities. ITAO's authority expires on May 10, 2010, by which time all of its infrastructure projects should be complete (though unforeseen circumstances could further delay some).

Completing its projects, transferring them to the Iraqis, and satisfying the legal requirements related to its closeout will be the primary challenges facing ITAO. It needs to have a workforce in place to perform these functions, and will probably require a different mix of expertise to do so. Once it has closed out, some legacy issues may require some staff with technical expertise and program experience. The embassy should place these legacy personnel firmly within a section, logically the CETI office.

Recommendation 18: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs, should provide as soon as possible a proposal for the number, function, and organizational affiliation of any legacy personnel from the Iraq transition assistance office to oversee after May 10, 2010. (Action: Embassy Baghdad, in coordination with NEA)

ITAO's staff is primarily made up of 3161 employees. Working as experts in specific areas such as agricultural development or road construction outside normal Department expertise, they have relatively less familiarity with the operations of embassies and of legal provisions relating to records management. They frequently store their records regarding projects and contacts in personal electronic files or otherwise fail to incorporate their records into official files, resulting in the loss of information when the employees leave government service. ITAO has not created and preserved records that adequately and properly document its organization, functions, policies, decisions, and essential transactions in accordance with 5 FAM 400 and 5 FAH-4.

Recommendation 19: Embassy Baghdad should design and implement a plan to ensure that the records of departing employees of the Iraq Transition Assistance Office are handled in accordance with the Foreign Affairs regulations on records management. (Action: Embassy Baghdad)

ECONOMIC SECTION

About half of the economic section consists of Foreign Service officers; the remainder is a combination of personal services contractors, third country nationals, and 3161 employees. The economic counselor acts for the CETI in the latter's absence and oversees an ambitious reporting, advocacy, and analysis program. Both economic counselor and the deputy received high marks for their leadership, expertise, and regard for their personnel's well-being.

The section has been on the front line in developing and launching the SFA. Under the current leadership, the section has worked with the Foreign Commercial Service to produce Iraq's first Country Commercial Guide, updated its Investment Climate Statement, and submitted its Barriers to Trade on a timely basis. For the first time, it is developing capacity for labor reporting and building a contact base among officials, unions, and nongovernmental organizations. It is active in the Iraq Scientist Engagement Program and will reorganize the section to place greater emphasis on environment, science, technology, and health cooperation.

The section's three pillars — finance and development; trade and investment; and energy infrastructure, which include environment, science, technology, and health cooperation — carry a broad and intense workload. Reporting is timely and insightful across the full range of issues. The section frequently reports fast-breaking items in the Embassy's daily official-informal message. Where these are part of a longer narrative or a broader policy issue, the section will fill them out as full-fledged reporting cables.

The economic section has been active in encouraging and facilitating PRT reporting, which Washington end-users find particularly valuable. It has developed a set of reporting priorities for the PRTs, and economic officers occasionally visit PRTs to help identify reporting topics and assist with drafting. The section also maintains close cooperation with their military counterparts, which, despite the heavy investment in time, yields positive trade-offs, including the benefits of their contacts, mobility, and data resources.

The finance and development unit concentrates on liaison with the international financial institutions — mainly the World Bank — encouraging them to increase their presence in Baghdad. It also works with other embassies on donor coordination and collaborates closely with the treasury section on Iraq fiscal issues and budget execution. The energy and infrastructure unit follows developments in Iraq's petroleum sector, which provides over 90 percent of the government's budget. Two 3161 employees and a Department of Energy official (who recently left) work closely with the Oil Ministry on a variety of issues, including financing and other special projects. The trade and investment unit has been heavily involved in moving forward Iraq's World Trade Organization membership and, in collaboration with the DOD's Task Force on Business and Stability Operations, encouraging foreign investment and improvements in Iraq's investment climate. A 3161 employee works closely with national and local officials and foreign partners on a wide variety of private sector development issues. One Foreign Service officer and two 3161s cover environment, science, technology, and health issues.

The economic section is in a good position to accommodate the transition to a post-3161 staffing model. Section leadership plans to align section operations with the SFA, which focuses heavily on bilateral cooperation, and to combine finance and development with trade and investment sections. The draw down in the military presence will also take pressure off the staff, enabling it to phase out its remaining 3161 staff in 2009 and replace existing bilingual contract staff with qualified LE staff as soon as possible. This would reduce the section by about eight positions. There will likely be scope to reduce staff further as assistance declines. The section should do so carefully, however. When the Embassy introduces ICASS, some agencies under CETI could eliminate their presence in Baghdad and leave their functions to the economic section.

ANTICORRUPTION COORDINATOR OFFICE

The Ambassador promoted the anticorruption function in 2008, putting a full-time coordinator in charge and making that officer a full participant in the country team. These actions came in the wake of a series of Special Inspector General for Iraq Reconstruction recommendations to bolster the anti-corruption function and of congressional interest in improving Iraq's dismal record on the bribery front. Its goal is to transform the way Iraq is governed from the institutionalized corruption of the Saddam era to a modern, transparent, and accountable system. The anticorruption coordinator office received an initial allocation of \$10 million from IRRF funds, which the coordinator programmed to help the Government of Iraq implement, in

partnership with the UN Development Programme, the provisions of the UN Convention Against Corruption, and to contract with the University of Utah to provide technical assistance on anticorruption legislation. The anticorruption coordinator office has requested another \$4 million to help strengthen local government anticorruption capacity.

The current coordinator, an experienced Arabist, has shifted the focus of the section toward engagement with his Iraqi counterparts: the 35 Inspectors General the U.S. Government has advised be established in the ministries; the Commission on Public Integrity, the Iraqi counterpart to the Federal Bureau of Investigation; and, the long-standing Board of Supreme Audit. He has reenergized the anticorruption working group, and now convenes a well-attended monthly meeting to coordinate the anticorruption coordinator office's crosscutting portfolio.

Anticorruption is likely to continue to be a high priority for the United States and Iraq, and funding levels will probably continue at a high level. Its number of Foreign Service officers — two, including the coordinator — is insufficient to manage a program of any size. It should consider extending 3161 personnel or hiring contract employees or other limited term employees as staffing options

Recommendation 20: Embassy Baghdad should determine the appropriate staffing level and structure for the anticorruption coordinator office in order to manage the programs for which it will receive funding and develop a plan to retain current staff or hire new employees. (Action: Embassy Baghdad)

LEGAL AFFAIRS

Because of the complex legal issues involved in so much of its work, the Embassy maintains an office staffed by two attorneys from the Office of the Legal Adviser (L). It serves as the mission's general counsel and provides advice on U.S., international, and Iraqi law.

The Embassy and L are weighing when to regard the mission of this office as complete. In the meantime, colleagues praise it for facilitating the work of many other agencies and sections. The expiration of the UN mandate for U.S. military operations in Iraq at the end of 2008 created important new legal issues, including questions about immunities and privileges for the U.S. diplomatic mission, assistance

programs, and contractors. The Embassy is also laying the foundations for international agreements that will govern U.S. relations with Iraq for years to come. Resident legal advisers work directly on these issues and, because no single office in L has overall responsibility for Iraq, help the Embassy obtain the legal advice it needs from Washington.

The office has had difficulty with information technology support. Attorneys complained that some of their electronic files had suddenly disappeared. The OIG team found that information technology officers had inadvertently deleted them while trying to protect the system from capacity overload by shedding data. Some of the files were later recovered. The OIG team recommended informally that the legal and information management offices review the methods used to reduce electronic storage to prevent the loss of vital records.

Among the office's files are original records from the CPA. Edicts issued by the CPA, including its dissolution of the Iraqi Army and restrictions on activity by senior members of the Baath Party, are part of Iraqi law under its new constitution. Iraq has asked for the records to be transferred to its control.

The DOD, which supervised the CPA and oversaw its transfer of sovereignty to Iraq in 2004, has archived other CPA materials. Return of the documents held by the Embassy to Iraq could improve bilateral relations and increase the effectiveness of U.S. programs aimed at promoting the rule of law in post-Saddam Hussein Iraq. The records also cannot be given adequate protection for the long term in the chancery, particularly if the embassy legal office changes or is closed.

Recommendation 21: Embassy Baghdad, in coordination with the Office of the Legal Adviser, should send the archived originals of Coalition Provisional Authority orders to the Department of State for safekeeping and request a ruling on whether they should be turned over to the Government of Iraq. (Action: Embassy Baghdad, in coordination with L)

RULE OF LAW

To improve coordination and reduce the number of officers reporting to the DCM, Embassy Baghdad grouped several agencies promoting the rule of law into a cluster and appointed an attorney from the DOJ to coordinate it. He does not exercise direct authority, but focuses on bringing more coherence and less duplication of

a range of programs in the areas of justice, law enforcement, and corrections. The cluster loosely groups components from INL; the Department of Homeland Security; and several parts of the DOJ, including the U.S. Marshals Service; the Federal Bureau of Investigations; the Drug Enforcement Administration and the Bureau of Alcohol, Tobacco, Firearms and Explosives. An OIG inspection in 2006 identified approximately \$400 million being spent by several Federal agencies on rule-of-law programs in Iraq, three-quarters of it on physical infrastructure.¹

At most embassies, coordination of programs in this area would be managed by a law enforcement working group chaired by the DCM. Embassy Baghdad's approach has helped reduce the burden on the DCM. The coordinator, drawn from the agency that has the largest number of personnel and programs in the area, provides the front office with a single point of contact and disseminates information and instructions.

The approach has helped maintain strategic focus. Programs concentrate on three main goals: building new prisons that comply with international norms and training Iraqi guards to deal humanely with large numbers of detainees; introducing modern methods of forensic evidence to Iraqi police and encouraging judges to expect evidence instead of only "confessions;" and equipping Iraqi courts with everything from legal training to protection facilities for witnesses and judges. The objective is not to "do it for them" but to help Iraq rebuild the independent judiciary and professional, apolitical police force that, to some extent, existed before it was corrupted by Saddam Hussein.

The OIG team found evidence of progress in these areas. Projects like the Judicial Education and Development Institute, a capacity building center in Baghdad under a joint U.S.-Iraqi board, could prove to be a centerpiece of what the U.S. occupation leaves behind. Iraq is taking over its operating and maintenance costs, suggesting a serious level of commitment to its programs. DOJ has also seen a sharp decrease in human rights abuse at prisons where it has run training programs for guards. Although such findings are not systematically verified by embassy human rights officers, DOJ is confident that abuse has nearly disappeared from prisons operated by the Ministry of Justice and fallen sharply at those administered by the Ministry of Interior.

The cluster approach has not been without its problems. It remains an unwieldy collection of agencies that focus on their individual programs and separate areas of responsibilities. There are tensions between its INL component, the largest unit in

¹ OIG Report ISP-IQO-06-01, Inspection of Rule-of-Law Programs, Embassy Baghdad

the cluster and the one that funds most projects, and the DOJ attorneys who often carry them out. INL managers take their lead from policy priorities in Washington, which are often driven by decisions INL must make within its worldwide budget. DOJ officials argue for priorities determined on the ground in Baghdad. There is also a built-in tension between INL's focus on long-term capacity building and DOJ's focus on prosecution and other immediate results. The two groups answer to different committees and funding streams in Congress, one of them focused on foreign assistance and the other on prosecution.

One area for improvement is its comprehensiveness. Although it carries out programs in the rule of law, for example, USAID does not participate in the rule-of-law cluster because of concerns about its past effectiveness. Another is the anomaly of having a senior Department INL officer report to the DCM through a more junior official from another agency, though the DCM does the performance evaluation of the INL chief.

The rule of law cluster lacks a single list of programs in its area, as agencies resist sharing information on their budgets out of concern that decisions on their allocation will be taken out of their control. The OIG team did not recommend any changes in the current structure, which effectively reduces burdens on the front office, but does recommend that the embassy create an integrated data base of programs in rule of law to enhance coordination and feed into the embassy-wide assistance review recommended in this report.

Both of these problems can be alleviated when the embassy front office can free up sufficient time to take over coordination of rule of law and related programs, as it does in other embassies.

Recommendation 22: Embassy Baghdad should create an integrated database of programs in the rule of law cluster. (Action: Embassy Baghdad)

The embassy must also coordinate its rule-of-law programs with the military. Presidential Directive 36 assigned the lead responsibility for training civil police in Iraq to the military, but the military plans to phase out of this area and concentrate on training Iraqi soldiers. INL will resume control over police training. This will send a much more effective political message than using uniformed military lawyers to teach civilian law.

In the meantime, the possibilities for “lane crossings” and confusion are enormous. The military has more legal officers working with Iraqi civil courts than all other agencies combined. Military commanders routinely consult with Ministry of Justice officials without the knowledge of the coordinator. Such occurrences undermine the role of the chief of mission in coordinating U.S. policy in support of the rule of law. The evolution of the U. S. military’s stability operations and support to nation building activities in Iraq dictates closer coordination with the Embassy.

Recommendation 23: Embassy Baghdad should conclude a memorandum of agreement with Multi-national Force—Iraq outlining areas of responsibility and coordination on the conduct of civil judicial training and capacity building in the Iraqi civil judiciary system. (Action: Embassy Baghdad)

PUBLIC AFFAIRS

Given the poor security conditions in Iraq, the extreme difficulties of in-country travel, and the challenges of identifying Iraqi partners and establishing institutional contacts, it is to Embassy Baghdad’s credit that it conducts an active, countrywide public diplomacy program focused on media outreach and training, and educational and cultural exchanges. The section’s leadership established systems and procedures that set the stage for normal operations in an environment that is still far from normal. The section’s goal is to establish planning, programming, and reporting standards characteristic of a section of similar size and budget. Success will be contingent on circumstances outside the control of Embassy Baghdad, especially the establishment of internal security in Iraq. Nevertheless, the public affairs officer and his staff are working with other embassy sections, the PRTs, MNF-I, the Government of Iraq, and institutional partners to deepen and expand their existing program foundation.

Given the realities of working in a war zone, the public affairs section (PAS) in Baghdad has been remarkably successful in its outreach to the Arabic-language media. PAS releases are carried in the provincial as well as national media. PAS is committed to making more extensive use of e-diplomacy. However, they are stymied by the poor Iraqi infrastructure (unreliable electricity) and their own internal technical resources (no permanently assigned webmaster).

Resources: Fiscal and Human

Embassy Baghdad's FY 2009 public diplomacy budget is \$5.15 million. This figure does not include additional funds dedicated to Iraq, but controlled by Washington, such as the annual \$2.5 million budgeted for Fulbright grants and \$14 million for the multiyear Iraq Cultural Heritage Program. It also does not include funds dedicated to public diplomacy programs carried out by the PRTs. There is widespread uncertainty surrounding the exact amount of money controlled by PAS Baghdad.

Recommendation 24: The Bureau of Resource Management, in coordination with the Office of Policy, Planning, and Resources, the Bureau of Near Eastern Affairs, and Embassy Baghdad, should produce a simple multiyear spreadsheet for accurate tracking of the multiple sources of public affairs program funding in Iraq. (Action: RM, in coordination with R/PPR, NEA, and Embassy Baghdad)

PAS Baghdad is authorized 52 positions, including six from the DOD. The PRTs have an additional 20 positions dedicated to public affairs and public diplomacy programs under the daily supervision of the PRT leader and the overall guidance of a position in PAS called the regional coordinator. The current regional coordinator has initiated a series of checklists and program guidelines for use by the PRTs to help them follow standard public affairs procedures. The regional coordinator also serves as a resource for those in the PRTs unfamiliar with public diplomacy programs. This relationship, along with the advice and oversight provided the PRTs by other PAS Foreign Service officers, is similar to that between PAS in a large embassy and constituent posts. When the PRTs end operations, and one or more consulates are established in Iraq, PAS will be well-positioned to transition from its PRT model to a more traditional embassy-consulate relationship.

One of the management challenges for PAS leadership is the creation of sustained, coherent countrywide programs in support of Department goals and objectives in Iraq with the current staffing mix of Foreign Service generalists and specialists and Civil Service excursionists (both subject to 1-year tours); EFMs; contractors; limited appointment cleared Americans employed under 3161 authority (who work on 1-year contracts renewable annually for up to 5 years); and DOD-contracted bilingual bicultural advisors (BBAs), some of whom are American citizens and some of whom are not. There are only four Iraqi LE staff; five LE staff from other embassies and consulates on temporary duty of 6 to 12 months; and four third country national employees from Jordan and Egypt. The section's institutional memory re-

sides with the contractors, 3161s, bilingual bicultural advisors, and those members of the military assigned to PAS who have served multiple tours in Iraq. Two impending deadlines will affect PAS staffing and its ability to conduct programs: the drawdown of U.S. troops that could result in the disappearance of the bilingual bicultural advisors and the sunset clause² in the legislative authority that gave the Department the ability to hire 3161s. Balancing worldwide public diplomacy core staffing realities with the need for sustained public diplomacy engagement outreach in Iraq presents the mission with a significant planning challenge.

PAS Baghdad is flexible and responsive to evolving policy needs. This means quick shifts in program and outreach emphasis and the ability to move people from one area to another within the section, not only to support new initiatives but to cover gaps caused by end-of-tour rotations and multiple R&Rs. PAS Baghdad is fortunate that the current regional coordinator has a strong human resources background. The regional coordinator is, in effect, performing two very demanding full time jobs: coordinating public diplomacy programming among the Embassy and PRTs and, within the staffing ceiling, moving staff within PAS to meet current program demands. The sole assistant cultural affairs officer also performs two full time jobs: managing an extremely active exchanges portfolio and budget planning and tracking. Public affairs sections in other missions of similar size and budget would normally have one or more full-time LE staff tracking administrative support and liaising with the management section on budget, human resources, procurement, and general services support.

Now that the Embassy is settled into the NEC, is preparing for the arrival of a new Ambassador, and is anticipating complete turnover of PAS Foreign Service officers in 2009, PAS should focus on future planning to ensure continuity of operations. Certain assumptions can be made based on commitments the Bureau of Educational and Cultural Affairs (ECA) and the Government of Iraq already made to cultural and educational exchanges. The long term nature of public diplomacy and the multiyear funding of certain programs such as the Iraq Cultural Heritage Program, should encourage PAS to focus on operational and strategic planning for the next 2 to 3 fiscal years. The ability to carry out programs in support of policy requires the right mix of staff — generalists and specialists, American and Iraqi. As noted earlier, the bilingual bicultural advisors, all of whom speak Arabic, will likely leave Iraq. Under the current staffing plan, only four of the 12 Foreign Service positions are language-designated. The disappearance of 3161 positions, especially those requiring technical expertise in the teaching of English as a second language, production studio management, and cultural preservation, will create critical gaps that may

² 5 U.S.C. 3161

or may not be bridged with existing expertise in the Department. Finding solutions to PAS operational challenges will be as important as the conduct of public diplomacy programs.

Recommendation 25: Embassy Baghdad, in coordination with the Bureaus of Educational and Cultural Affairs, International Information Programs, and Near Eastern Affairs, should draft and implement an operational and strategic plan for public affairs and public diplomacy in Iraq covering the next 20 to 30 fiscal years. (Action: Embassy Baghdad in coordination with ECA, IIP and NEA)

Recommendation 26: Embassy Baghdad should, as part of an operational and strategic plan for public affairs and public diplomacy in Iraq, realign the staffing needs of the public affairs section to a more traditional mix of American and Iraqi staff, allowing as necessary for eligible family member, third country national, and contractor positions. (Action: Embassy Baghdad)

Recommendation 27: Embassy Baghdad should, as part of an operational and strategic plan for public affairs and public diplomacy in Iraq, create position descriptions and recruit and hire no more than four locally employed staff positions at the appropriate grade to liaise and coordinate with the management section on budget, procurement, logistics, human resources and other needed administrative support. (Action: Embassy Baghdad)

Recommendation 28: Embassy Baghdad, in coordination with the Bureaus of Human Resources and Near Eastern Affairs, should reassess the need for spoken and written Arabic language skills for Foreign Service generalists and specialists in the public affairs section and, if needed, increase or decrease the number of language-designated positions. (Action: Embassy Baghdad, in coordination with HR and NEA)

Recommendation 29: The Bureau of Human Resources, in coordination with Embassy Baghdad and the Bureau of Near Eastern Affairs, should identify, recruit, and assign Arabic-language-qualified candidates to positions in the public affairs section of Embassy Baghdad. (Action: HR, in coordination with Embassy Baghdad and NEA)

Information

Until recently, PAS Baghdad outreach to the press was mostly to the Western media. As the Western media shifted its focus away from Iraq, PAS was able to devote more energy and resources to the Arab media, both in Iraq and pan-Arab. The information unit is devoting considerable effort to the identification and cultivation of local media contacts. It provides Iraqi journalists and bureau chiefs with specialized training both in country and in the United States. In a parallel effort, the information unit reached out to Government of Iraq spokesmen both at the national and the provincial levels, providing them with training and mentoring. The embassy spokesperson meets weekly with the senior Government of Iraq spokesperson to share information and to coordinate major public statements affecting the bilateral relationship.

The information unit produces daily media summaries from Western and Arab media. On Friday and Saturday, it translates and summarizes sermons from the major mosques in Baghdad and key cities in Iraq. These products are labor intensive, requiring quick and accurate translations. The information unit also uses translated material from the Director of National Intelligence Open Source Center (the successor to the Foreign Broadcast Information Service). While the daily products may seem duplicative of some material available through the Department's INFOCENTRAL Web site, the 8-hour time difference and the critical needs of the chief of mission and the Commanding General for time-sensitive information will require the information section to continue producing daily media summaries for the foreseeable future.

The information unit has excellent relations with the U.S. military and MNF-I public affairs officers. The current public affairs officer and information officer and their immediate predecessors spent time and effort developing strong, productive working relations with their uniformed counterparts. The presence in PAS of two senior uniformed public affairs officers, one American, one British, also contributes to the two-way flow of information and helps anticipate and deconflict any potential areas of misunderstanding between the Embassy and MNF-I public affairs sections.

Cultural

In spite of an existing travel warning that "reiterates the dangers of the use of civilian aircraft and of road travel within Iraq" and a security environment which "remains dangerous, volatile and unpredictable," PAS conducts strong and important programs throughout the country, always working in close consultation with the RSO. The multiyear Iraq Cultural Heritage Project is a multimillion dollar collabo-

ration among the governments of the United States and Iraq and eight major U.S. museums and universities to preserve and restore significant archaeological sites and the Iraq National Museum, and to create a conservation center in the northern part of Iraq. Embassy officers and civilian and military members of the PRTs nominated candidates for exchange programs such as the International Visitor Leadership Program (IVLP), the Iraqi Young Leaders Exchange Program, the Youth and Exchange Program, and the Fulbright program. In January 2009, PAS organized a visit to Baghdad by the presidents and deans of several U.S. universities and colleges to meet with their Iraqi counterparts and with Government of Iraq education officials. PAS sponsored a trip by Iraqi education officials to the United States for meetings with American counterparts. In March 2009, PAS will present several concerts in Iraq by an American jazz group sponsored by ECA's Rhythm Road-American Music Abroad program.

After years of isolation under the regime of Saddam Hussein, Iraqis are eager to resume exchanges with the United States. The Government of Iraq demonstrated its commitment to sending Iraqi students to American universities by matching ECA's \$2.5 million annual budget for the Fulbright Student Program and by creating a special fund in the Prime Minister's office, "The 10,000 Students' Scholarship Initiative," which aims to place thousands of Iraqi students per year in U.S. tertiary education for studies ranging from the certificate level through graduate degrees. These programs are in the long-term U.S. national interest. For the Fulbright academic year 2008-09, PAS organized a bilateral selection committee composed of equal numbers of American and Iraqi members, all of whom have degrees from U.S. universities or colleges. PAS provided advice and guidance to the Prime Minister's Office on advertising for and selecting a U.S.-based program agency to organize and run "The 10,000 Students Scholarship Initiative."

One of the primary hurdles to a speedy growth of student exchanges is the lack of English language ability among Iraqi potential participants. Most Iraqi students of English are at least two academic generations removed from native speaker teachers of English as a second language. PAS is commendably addressing this need. Working closely with the regional English language officer based in U.S. Embassy Amman, PAS launched an extensive teacher training program, which includes distribution of ECA-produced Teaching of English as a Second Language materials, the annual purchase and distribution of over \$600,000 worth of instructional books and materials, workshops (both in and outside Iraq), and online courses. To keep up with the strong demand for English teaching materials and support, PAS, using 3161 au-

thority, hired a single country English language officer to oversee day-to-day English in-country teaching operations and outreach. Using post funds, PAS purchased and distributed countrywide thousands of classic and popular American books translated into Arabic.

Educational exchanges of more than several months' duration pose a dilemma for the embassy. Fulbright students, who receive a 2-year Master's degree grant, and the high school students participating in the 1-year Youth and Exchanges Program, have lower rates of return to Iraq at the end of their respective programs than do Iraqi grantees participating in exchange programs of shorter duration. This cannot be attributed exclusively to the difficult security situation of the past few years. Discussion over the rates of return created friction between the Embassy and ECA. The Embassy believes that the deeper commitment of the Government of Iraq to long-term study in the United States, both through its partnership with Fulbright and "The 10,000 Students' Scholarship Initiative," will reverse this trend. The nomination and selection process will emphasize the importance of rebuilding Iraqi institutions and society as well as mutual understanding and the building of bilateral ties. The inspection team noted that, during the inspection, PAS and ECA Fulbright followed through with an earlier commitment to conduct regularly scheduled calls to consult on improvements to the process for Fulbright and other educational exchanges.

Recommendation 30: Embassy Baghdad, in coordination with the Bureau of Educational and Cultural Affairs, should continue to conduct regularly scheduled conference calls to improve communication and strengthen the educational exchange programs in Iraq. (Action: Embassy Baghdad, in coordination with ECA)

Until FY 2009, the IVLP and the Voluntary Visitors program were almost exclusively single-country programs. This reflected difficulties in obtaining visas to the United States and the Embassy's emphasis on building unity among Iraqis from different regions and backgrounds. For many early participants, the IVLP was their first opportunity to get to know Sunni, Shi'a, and Kurdish compatriots. Beginning with FY 2009 IVLP nominations, the Embassy included Iraqis in regional and multi-regional programs as well as single-country programs as part of the effort to normalize PAS programming and to help Iraqis reestablish ties outside their borders.

The public diplomacy grants program in Iraq is not limited to PAS as it is in many posts. In addition to the grants warrant held by officers of PAS, the Bureau

of Administration's Office of the Procurement Executive, trained and issued grants warrants to Americans in OPA and in PRTs as a pilot project. This has contributed to the confusion about the size and scope of the public diplomacy budget. In addition, the frequent turnover of Foreign Service officers and temporary duty LE staff from other embassies and consulates led to poor record keeping of the grants files. The security situation constrains PAS from grants oversight and monitoring. PAS requires all its grantees to provide final narrative and financial reports at the end of the grant. Embassy Baghdad is currently exempt from entering information into the Office of the Procurement Executive grants management data base. However, PAS grants appear to be in conformity with standard Office of the Procurement Executive procedures.

With the security situation improving, PAS is expanding its countrywide programs at a brisk pace. Current PAS Foreign Service officers will not see the results of most of the programs they are creating. This raises the potential for things to fall through the cracks and little time to memorialize lessons learned. As PAS continues to transition to a more standard operating environment, it is likely that more Iraqi LE staff will be hired. These new staff will not have the benefit of more experienced colleagues who can introduce them to the work of PAS and provide a degree of on the job training that is found in other embassies.

Recommendation 31: Embassy Baghdad should design and implement a plan to ensure that Foreign Service officers and temporary duty locally employed staff from other embassies create checklists and standard operating procedures, especially for programs in the cultural section, to reduce the learning curve and to increase the productivity of their successors. (Action: Embassy Baghdad)

CONSULAR AFFAIRS

The consular section in Baghdad successfully provides a wide range of services while operating under conditions and challenges unlike any other in the world. The consular section is attempting to establish public services in what is still a war zone. The mission has a clear goal of providing the full range of consular services as a key element of normal bilateral relations with Iraq. Security conditions do not presently permit this. Nonetheless, with careful preparation, the section should be able to add additional services, specifically meeting the anticipated explosive growth in special immigrant visas and an expansion of nonimmigrant visa services for the traveling public.

Section morale is high, and this is a tribute to the enthusiastic leadership of the consular chief. The relatively small staff of six officers, one part-time eligible family member position (currently unfilled), and six LE staff of various nationalities and employment categories, conduct their business with an amazing sense of “can do” and team spirit. Until recently most visas for Iraqis were handled by neighboring consular sections, particularly in Amman. They still provide necessary support to operations in Baghdad. In the past year, consular services in Baghdad have expanded to include the full range of passport and citizenship services, special consular services, immigrant visa services, and an expanded, but still limited, range of nonimmigrant visa services (students and exchange visitors). The consul general and his team have strong support from the front office.

The challenges facing consular operations in Baghdad fall into three broad areas: logistics, continuity, and the security advisory opinion (SAO) process.

Logistics

The first challenge is simply getting the public into the consular section. No other consular section in the world has to expend such time and energy on organizing how clientele get to the front door. Without a call center or even reliable phone network, applicants make appointments through an e-mail system, which involves considerable negotiation with each potential applicant. The public may not freely travel in the International Zone. They must be shuttled under escort to the Embassy from remote checkpoints. The general services office (GSO) currently provides this limited service, but that will be withdrawn shortly. Consular staff (including officers) often have to intervene to resolve glitches such as when consular clients miss the shuttle. When the customers do arrive at the embassy entrance, the entry security check takes several minutes per adult as guards do a thorough check of documents and a detailed security screening. While they await screening, the applicants wait outside without cover where summer temperatures can reach 120 degrees. There is another metal detector and security check inside the small consular waiting room. Fees can only be paid on the premise. After the interview, applicants must return a second time, often months later, for their completed paperwork (visas or passports).

This process suffices for the low volume of passport and visa cases the consular section now processes. However, the consular section expects sharply increased demand for special immigrant visas, immigrant visas and nonimmigrant visas, particularly for students. The section is adding needed officers and staff, but as the number of public clients expands, the current arrangements present several choke points. Mission management must resolve a number of operational elements before the post can successfully expand consular services in the manner that the embassy envisions.

The current e-mail system for setting appointments is very labor-intensive. Elsewhere, the Department has deployed on-line appointment systems that Embassy Baghdad could use for various consular services.

Recommendation 32: Embassy Baghdad should establish a reliable on-line appointment system for consular services prior to any further expansion of consular services. (Action: Embassy Baghdad)

The GSO intends to end this year the current limited shuttle service. The shuttle currently makes its first run only in mid-morning so that applicants are not present at the opening of business. The twice-a-day schedule limits the number of applicants who can be brought into the section. The limited schedule also causes overcrowding in the waiting room, and inconveniences applicants as they must sit in the waiting room at the end of the day until everyone is finished before the shuttle will return to the checkpoint.

Recommendation 33: Embassy Baghdad should establish an escorted shuttle service to start at the opening of business and run throughout the day, providing applicants access and egress to the consular entrance. (Action: Embassy Baghdad)

Guards at the consular entrance check appointment letters and documents as well as conduct the actual security screening. This dual function slows down the screening process, and the guards do not always understand the services that the clientele are coming for. Before the security check point opens and when a shuttle bus arrives (see above), there is a line of applicants outside the entrance. The guards process the line fairly quickly, but as consular operations expand, the potential for backlogs of applicants waiting outside the entrance in extreme summer temperatures will grow. The section's customer service and security suffer without an LE staff member at the consular entrance to perform reception and document checking services.

Recommendation 34: Embassy Baghdad should hire two additional consular locally employed staff (Arabic/Kurdish speakers) to provide reception and document checking services. (Action: Embassy Baghdad)

Applicants work their way through the screening and interview process at irregular intervals, and there is confusion about where applicants should go at any given point in the process. Better signage in English and Arabic in the entrance and any future waiting areas would help.

Recommendation 35: Embassy Baghdad should establish signage in English and Arabic that briefly explains basic consular procedures, directs applicants to have certain documents ready for presentation, and provides directions on where to go. (Action: Embassy Baghdad)

The consular section has a nascent queuing system that was included in the construction of the NEC. However, the system has never been activated as management was unable to identify a service or maintenance provider in Iraq. The system has not been connected to the consular compound access control.

Recommendation 36: Embassy Baghdad should identify a queuing system service provider to activate, maintain, and support the consular section system prior to any further expansion of consular services and to extend connections to support the system inside the consular compound access control. (Action: Embassy Baghdad)

The consular section public waiting room has a capacity for approximately 60 people. The workload projections for special immigrant visas, immigrant visas, and nonimmigrant visas, together with the uneven pace of shuttle arrivals, security screening, document checking, and interviews, will result in periods when the number of clients exceeds the waiting room holding capacity. This will result in applicants being forced to wait outside in conditions that can reach 120 degrees in the summer. This would be dangerous to the applicants' health and would be a serious public relations problem.

Recommendation 37: Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should establish a climate-controlled holding area to handle overflow from the consular section waiting room. (Action: Embassy Baghdad, in coordination with OBO)

Until recently the banking system within the country was functioning poorly, and all consular fees had to be accepted on the premise. Other options now exist. The

present arrangement requires applicants to carry large amounts of cash, exposes them to theft and robbery, and creates unnecessary work for consular staff.

Recommendation 38: Embassy Baghdad should establish, prior to any further expansion of consular services, a standard fee collection contract for machine-readable visas to cover multiple locations in Iraq. (Action: Embassy Baghdad)

Iraqi visa applicants are subject to extensive processing requirements. Ninety-five percent require various SAOs as part of their visa applications. This percentage is higher than for almost any other nationality. Further implications and a recommendation regarding the SAO process are dealt with separately below. For routine consular operations, this requirement adds eight hours or more of administrative processing each day. The lengthy delays in this interagency process mean that a visa applicant often waits 4 to 6 months or longer to receive an SAO clearance and have a visa issued. In the meantime, the anxious applicants are constantly inquiring as to the status of their pending applications. The need to respond to these inquiries is very time consuming. Embassies Cairo and Amman have on-line tracking systems in place where applicants can check their case progress.

Recommendation 39: Embassy Baghdad should establish, prior to any further expansion of consular services, an on-line method for applicants to check the status of their pending visa cases. (Action: Embassy Baghdad)

Initiating unrestricted visa processing before a reliable and secure method is in place to send back travel documents poses a danger to the applicants and additional work for embassy staff. An applicant's return increases the strain on security screening procedures and the danger to the individual of travel within Iraq. Established courier services already exist in Iraq.

Recommendation 40: Embassy Baghdad should, prior to any further expansion of consular services, contract with a courier service to establish a method for returning travel documents without requiring a second personal trip to the Embassy. (Action: Embassy Baghdad)

Continuity

The struggle to maintain consistency and continuity in operations is a common theme among all the sections of an embassy with such frequent turnover of all Foreign Service personnel. It is even more pronounced due to the shortage of traditional LE staff. Iraqis working for the U.S. embassy face personal threats. Those willing to work for the Embassy can take 6 to 9 months to obtain the necessary DS security clearance. And those who are employed, are eligible to obtain special immigrant visa status and depart for the United States after just 1 year of satisfactory service under special legislation passed in early 2008. While efforts are being made to employ new Iraqi LE staff, in the meantime the consular section makes do with a mixture of temporary duty LE staff from other missions and Jordanian employees hired on renewable annual contracts.

The consular section has not done enough to maximize the effectiveness of these employees while they are in Iraq and to improve the smooth transition among the frequently rotating staff. The section has not made enough use of the experienced temporary duty LE staff from various consular sections that are in Baghdad for 6 month periods. In addition, they have not trained the Jordanian contract employees, whose multiyear tenure provides key institutional memory. The section has taken full advantage of the Foreign Service Institute consular distance learning courses.

Recommendation 41: Embassy Baghdad should designate a training officer in the consular section, design and implement an in-service formal training program for contract and long-term locally employed staff, and facilitate locally employed staff enrollment in the Foreign Service Institute consular distance learning courses. (Action: Embassy Baghdad)

Two positions in the Embassy Amman consular section, one officer and one LE staff, are dedicated to support visa processing for Iraq. They were established when Embassy Baghdad was unable to process visas and the logistical constraints indicated above show that Embassy Amman will still need to process a large number of Iraq visa cases for some time to come. These Amman positions, with their longer tenure, can provide a degree of continuity lacking in Baghdad itself. In addition, other Amman consular staff, such as the fraud prevention investigator, can provide valuable preparation and context for issues new consular staff are likely to face in Iraq. However, there is no regular interaction between Embassy Amman and Embassy Baghdad consular operations. Although nearly all personnel on assignment to Baghdad enter via Amman, not all arrange for consultations at Embassy Amman en route.

Recommendation 42: Embassy Baghdad, in coordination with the Bureau of Human Resources, should add 2 to 3 days of consultations at Embassy Amman to all orders for consular personnel, both officer and locally employed staff, en route to assignment in Baghdad for any duration. (Action: Embassy Baghdad, in coordination with HR)

Similarly, the two Embassy Amman employees in the Iraq support positions do not travel to Baghdad on a regular scheduled basis to keep current with the rapidly changing conditions in Baghdad and to coordinate on visa issuance matters between the two embassies.

Recommendation 43: Embassy Baghdad, in coordination with Embassy Amman, should establish a schedule for the Embassy Amman employees in the Iraq support positions to travel to Baghdad on a regular (quarterly) basis for 2 weeks of temporary duty. (Action: Embassy Baghdad, in coordination with Embassy Amman)

Security Advisory Opinions

The SAO requirements that now apply to 95 percent of Iraqi visa and refugee applicants, regardless of classification, are a major hindrance to the growing bilateral relationship. The current requirements, which were established many years ago, are among the most severe in the world. Combined with the resource limitations of various partners in the interagency process, they result in delays of 4 to 6 months in case processing; thus, high-level Iraqi Government officials, businessmen, scholars, exchange visitors, and journalists (many of whom are on travel sponsored by the U.S. Government) often have to cancel their travel plans. Even routine student visas are delayed for 3 or 4 months.

Many things have changed in Iraq since the SAO requirements were established: security, economic development, regional integration, and political institutions. The U.S. relationship with Iraq is transitioning into a civilian-led interaction characterized by cultural exchanges, scholarships for study abroad, development assistance, and rule-of-law programs. Yet, Iraqis still face SAO requirements more stringent than for citizens of Pakistan or Saudi Arabia and effectively similar to those for nationals of state sponsors of terrorism such as Syria, Iran, and North Korea. This is having a serious negative effect on several aspects of the bilateral relationship.

Recommendation 44: The Bureau of Consular Affairs should request the members of the interagency Security Advisory Opinion Requirements Review Board to undertake a full review of the existing security advisory opinion requirements for Iraqi citizens, weighing changed security conditions with the full range of foreign policy interests. (Action: CA)

REFUGEE/MIGRATION AFFAIRS

The office of refugees and internally displaced persons has done an admirable job of responding to rapidly changing conditions and requirements related to refugees in Iraq. The office has three Foreign Service officers, six temporary duty LE staff, and 12 interviewers who are employed by the International Organization for Migration. With strong front office support, it has grown rapidly in the year since Congress mandated in-country refugee processing and the office was given responsibility for managing Embassy Baghdad's unique special immigrant visa program. It is adequately staffed at present.

Management of this sprawling operation is a challenge. The senior refugee coordinator is located in the chancery, providing him with ready access to classified communications. The rest of the section is located in Embassy Annex One. The refugee processing center itself is located in another location inside the International Zone but at some distance from the Embassy. The senior refugee coordinator is often on the road or out of the country carrying out his official duties. In the office's explosive operational growth, some organizational elements have lagged. The coordinator has not formally designated either of the deputies to be the acting coordinator in his absence, leading to some confusion about responsibilities at such times.

Recommendation 45: Embassy Baghdad should designate one of the deputies of the senior refugee coordinator to serve as acting coordinator in the senior coordinator's absence and include this responsibility in the designee's work requirements. (Action: Embassy Baghdad)

Program Coordination

The Bureau of Population, Refugees and Migration funds assistance programs for Iraqi refugees through international organizations and on a regional basis. In FY 2008 there was \$287 million for refugee assistance in the Middle East region. The

senior refugee coordinator and his deputy for assistance work effectively to provide regular reporting and feedback to the Bureau of Population, Refugees and Migration while also coordinating closely with international organization counterparts on the ground in Iraq. Recently, they have been pressing the Iraqi Government to create conditions to encourage refugees and internally displaced persons to return home.

Admissions

An estimated two million Iraq refugees are spread through the Middle East, most in Syria and Jordan, and another two million internally displaced persons remain inside Iraq. Until 2008 refugees were processed exclusively outside Iraq. However, Congress passed the Refugee Crisis in Iraq Act³ mandating in-country processing of Iraq refugees; it provided special consideration for those whose work in connection with the United States placed them and their families in danger. The program is reminiscent of the Orderly Departure Program from Vietnam. The region appears well on the way to meeting its target of resettling 17,000 Iraqi refugees to the United States in FY 2009. The same legislation also provided for Iraqis who had worked directly for the U.S. Government for 1 year to qualify for special immigrant visas. The legislation allows for up to 5,000 special immigrant visas each year for 5 years.

The current scale of the refugee and special immigrant visa processing programs is not accurately reflected in the grade of the position for the refugee admissions coordinator.

Recommendation 46: Embassy Baghdad, in coordination with the Bureau of Population, Refugees, and Migration, should upgrade position 13001034 for the refugee admissions coordinator FS-03 to FS-02. (Action: Embassy Baghdad, in coordination with PRM)

In-Country Refugee Processing

OIG's Middle East Regional Office carried out a detailed examination of refugee processing of Iraqis in 2008.⁴ The report noted that the establishment from scratch of an overseas processing entity for in-country processing in just a few months was a tremendous achievement. It also described the logistical challenges and high costs associated with in-country refugee processing. At Embassy Baghdad's request, the

³ The Refugee Crisis in Iraq Act of 2007, enacted on January 28, 2008, as part of the National Defense Authorization Act for Fiscal Year 2008 (P.L. 110-181)

⁴ MERO-IQO-08-02, July 2008

Bureau of Population, Refugees and Migration recently expanded the in-country processing contract team to 12 people, which is probably the limit that can be sustained under current conditions in Baghdad. The processing center managers estimate that there is at least a 2-year backlog of cases waiting for review. Refugee processing in Jordan and Syria will need to continue to complement in-country processing for the foreseeable future.

Special Immigrant Visas

OIG's Middle East Regional Office also reviewed the special immigrant visa program.⁵ Embassy Baghdad decided to place responsibility for vetting applications for the special immigrant visa status, on behalf of the chief of mission, with the senior refugee coordinator. The refugee office established an extensive in-house program to screen, check, and make recommendations regarding thousands of potential special immigrant visa applicants. After the senior refugee coordinator approves a recommendation, the case is forwarded to the Department. Eventually the National Visa Center sends it back to the consular section for the final immigrant visa interview.

The National Visa Center will soon take over preparing the cases for the refugee coordinator's initial decision. This will speed up preparation of the nearly 2,000 applications now in the pipeline. It will, however, place more of a strain on the already hard-pressed senior refugee coordinator to make the decision on a recommendation. Even now, at a lower volume, cases may wait several weeks for his decision.

Recommendation 47: Embassy Baghdad should designate an additional or alternate person with chief of mission authority to approve or deny recommendations for special immigrant visa status. (Action: Embassy Baghdad)

⁵ MERO-IQO-01-46, May 2008

RESOURCE MANAGEMENT

Funding and Personnel at Post

Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff (EFM)	Foreign National Staff		Embedded Military Personnel	Total Staff	Total Funding FY 2008	Notes
State – D&CP	404	2	27	32	18	483	\$15,125,758	Footnote 1
State – ICASS	34	4	76	17	0	131		Hypothetical if ICASS existed post
State – Public Diplomacy	23	2	16	5	6	52	\$401,283	Footnote 2
State – Diplomatic Security	81	3	27	36	37	184	\$8,798,020	2 appropriations (one multiyear)
State – Marine Security	20	0	0	0	0	20	\$23,200	
State – Representation	n/a	n/a	n/a	n/a	n/a	n/a	\$94,500	
State – OBO	4	2	3	18	0	27	\$1,292,488	
State - Refugee Office	5	0	7	0	0	12		
State -INL	15	0	9	1	0	25		
State - Iraq Transition Assistance Office	41	0	0	4	4	49		
State - Office of Provincial Affairs	31	0	0	2	7	40		
State - OIG	4	0	0	0	0	4		
Foreign Commercial Service	2	0	4	2	0	8	\$172,916	
Foreign Agricultural Service	9	0	4	2	0	15	\$131,000	
Department of Transportation	15	0	1	1	2	19		
D/Health & Human Services	5	0	0	0	2	7		
D/Energy	4	0	0	0	0	4		
D/Treasury	19	0	1	1	5	26		
D/Treasury-IRS	1	0	0	0	0	1		
D/Homeland Security	21	0	0	0	0	21		
DOJ/Rule of Law Coordinator	11	0	0	4	1	16		
DOJ/Attaché's Office	5	0	0	1	0	6		
DOJ/Federal Bureau of Investigation	10	0	0	0	0	10		

DOJ/US Marshal Service	4	0	0	0	0	4		
DOJ/Alcohol, Tobacco & Firearms	3	0	0	0	0	3		
Major Crimes Task Force	8	0	0	0	0	8		
ICITAP	1	0	0	3	0	4		
DOJ/Liaison to Ministries	4	0	0	2	0	6		
Special IG for Iraq Reconstruction	35	0	3	0	0	38		
USAID	27	0	47	24	0	98		
GAO	3	0	0	0	0	3		
Defense Contracting Audit Agency	6	0	0	0	0	6	\$78,239,111	3 appropriations (2 multiyear)
Baghdad Total	855	13	225	155	82	1330		
PRT Total	321	0	26	145	51	543		
Country Total	1176	13	251	300	133	1873		

Note: Data were provided by the sections listed.

Footnote 1: Includes LE staff salaries and American danger pay, overtime for specialists, special differential for generalists, Sunday differential for specialists, and language incentives. It does not include base pay for Americans or hardship differential.

Footnote 2: Includes LE staff salaries and overtime. No American salaries are included.

Contract Personnel at Post

DOJ/Rule of Law	39
State/DS	3379
State/Miscellaneous	880
State/Facilities	270
LOGCAP	3141
INL	1356
USAID	4191
Total	13,256

**Planned Expenditures for FY 2008 Supplemental and FY 2009 Bridge Funds
Appropriated in the Act for the Department of State Operations in Iraq
(Submitted to Congress November 5, 2008)**

Diplomatic & Consular Programs – Iraq Operations

(\$ in thousands)

Funding/Program Activities	FY 2007 Actual	FY 2008 Estimate	FY 2009 Funds Available
Beginning Balance	944,139	439,802	1,136,734
Estimated			
Recoveries/Reimbursements	-	-	5,907
FY 2007 Supplemental	750,000	-	-
FY 2008 Bridge	-	575,000	-
FY 2008 Supplemental	-	1,150,000	
FY 2009 Bridge	-	-	518,500
Total Funding Appropriated	1,694,139	2,164,802	1,661,141
Less for terrorism rewards	8,500	11,500	-
Less for BPMA transfer	-	26,000	-
Total Funding Available	1,685,639	2,127,302	1,661,141
U.S. Mission Basic Operations	68,428	86,443	128,000
REO/ITAO/Other Support Activities	44,915	39,537	68,200
Logistics Support	194,733	299,366	393,400
Security	577,269	299,483	552,500
Information Technology	23,579	16,934	21,041
PRT Operations	336,913	248,805	498,000
Total Program Activities	1,245,837	990,568	1,661,141
Ending Balance	439,802	1,136,734	-

The leadership of the management section has widespread respect. Almost all agencies recognize the responsiveness and quality of services provided by the section. Coordination with the front office is strong. The section has had notable successes, particularly in moving from the palace to the NEC.

Embassy Baghdad is unlike most other missions in the world. The Embassy has operated in a war zone with extreme logistical and security hurdles. It has also had plentiful funding and the assistance of contractors in providing life support services.

This environment is changing with the drawdown of the U.S. military and the move toward a more normal funding stream. At the time of the inspection, many management section efforts to address these new realities were being developed.

Current resource management is inadequate in a number of areas for the future success of Mission Iraq. The Embassy and the Department should accelerate the transition away from a period when policy justified any expense and turmoil made it almost impossible to be cost effective or implement normal internal controls to avoid waste, fraud, and mismanagement. With the opening of the NEC at the end of 2008, all sections of the embassy are in modern office spaces with good communications within the Embassy and with Washington. There are warehouses and storage facilities under Embassy control. It is time for the management section to propose and for the Embassy to impose normal internal controls and management policies followed in embassies worldwide.

The OIG team found that the units within the management section are adequately supervised. The team estimates that a rightsizing review (as recommended in this report) may lead to a reduction of 30 percent in the staffing of the management section. The Embassy has plans to reduce the management staff, and the OIG team encourages the mission to implement these reductions to coincide with overall embassy staff reductions through mid-2010. At the same time, Iraqi LE staff numbers should increase. It is cost effective to replace contract support staff and temporary duty LE staff with Iraqi employees. This is in keeping with the Embassy's timely policy to increase the number of Iraqi employees in its workforce.

Continuity is a serious problem. The Department should review its current tour-of-duty policy (see a further discussion in the Human Resources section of this report). Management controls are more difficult to implement under the current tour-of-duty policy of 12 months interrupted by up to 66 days of R&R. To add to the problem, there are few Iraqi LE staff, and temporary duty LE staff from other embassies do not provide the usual continuity found in American diplomatic missions. A special immigrant visa policy that guarantees an Iraqi employee of the U.S. Government an immigrant visa after 1 year of service is an obstacle to good management.

The Embassy should improve the housing situation before the tour-of-duty policy is changed. Approximately 1,200 people live and work on the NEC in space designed for 600. There is inadequate space to house all those currently entitled to embassy housing. Only senior officers have an apartment to themselves. The majority of direct-hire employees share what were designed as one-bedroom apartments that have been modified to create two bedrooms with one bath and no living area. It is an unacceptable situation, which can only be resolved when the Embassy reduces staffing by 30 to 40 percent as recommended in this inspection report.

Once there is a change in the tour-of-duty policy, HR should plan additional language training and functional training for employees assigned to Iraq in order to maintain a summer cycle rotation for as many direct-hire employees as possible.

The reduction of the U.S. military presence in Iraq will have a significant impact on the operations of the Embassy. Embassy Baghdad has been participating in the DOD contract for basic life support services — the Logistics Civil Augmentation Program (LOGCAP). These include reliance on the military for essential services such as fuel, air and land transportation, convoy support for supplies imported from abroad, food services, Army and Air Force Exchange Services, and mail service. The Department provides its employees in Iraq with free food and laundry service under LOGCAP. The Department's share of the costs associated with this contract for FY 2009 could be as much as \$96 million.

As the number of military personnel and assets continues to shrink, embassy managers will need to find funding and alternative solutions to meet operational requirements previously supplied by the military. Since its move to the NEC, the management section has started to make changes to decrease its reliance on LOGCAP.

The embassy has not implemented ICASS because supplemental appropriations fund all costs associated with mission requirements. ICASS would require each agency represented in Iraq to pay for its own support and help move the embassy towards more standardized operations and rational staffing. To its credit, the management section is compiling workload data in anticipation of a move to an ICASS system. When implemented, ICASS will produce far-reaching and immediate effects on the composition, size, and daily operations of Mission Iraq.

It is essential that the Embassy adjust the size and composition of its workforce to meet the requirements of its changing mission. The Embassy and the Department must continue to attract the best qualified Foreign Service personnel to fill critical jobs while continuing to reduce the mix of contractors, functional area experts hired under 3161 authority, detailees, and temporary duty staff that make up the mission's diverse complement. The Embassy, with the support of the Department, is implementing a program to hire more third-country nationals as LE staff. The employees would not be drawn from LE staff from other Foreign Service posts as is now the case—though some may choose to apply for the positions—nor would they be assigned on a temporary duty basis. The Department expects many, if not all, of these third-country nationals to remain in place longer than the one year that has become the norm for the vast majority of Iraqi national LE staff. This will lay the foundation for a more stable LE staff workforce and reduce the mission's reliance on off-site or contractor-provided administrative assistance and support which may not be cost effective.

OFFSHORE SUPPORT

For the time being, there is a continuing need to maintain the staffing of the Iraq Support Units (ISUs) in the U.S. Embassies in Amman and Kuwait. ISU Amman provides general services and human resources support for Embassy Baghdad and assists employees who are traveling into and out of Baghdad. It hires Jordanians and Egyptians to serve in Iraq and provides travel and procurement services. ISU Kuwait provides travel assistance — including airline tickets for transiting staff, transportation, and support for very important visitors into and out of Iraq.

Similarly, the embassy will continue to rely on the Global Financial Services in Charleston and the Regional Financial Center in Bangkok to assist in budgeting, accounting, obligating, and voucher processing. Although located far from Baghdad, the Charleston and Bangkok centers — along with the ISUs — prove the value of offshore support for embassies and other operations in high-risk and/or high cost environments. Using existing information systems, Department managers can immediately begin drawing upon the ISU's and financial centers' proven methods for servicing high cost/high risk missions in all management areas not requiring the personal presence of an American Foreign Service employee.

Recommendation 48: Embassy Baghdad should conduct a review of standard operating procedures to determine whether there are additional functions that offshore centers could handle, thus reducing the number of management personnel resident in Baghdad. (Action: Embassy Baghdad)

REGIONAL MANAGEMENT

The three regional management officers are performing their intended missions, but the unit is overstaffed for the workload. The Embassy created the three positions to support the PRTs, the REOs in Basra and Hillah, and the Regional Reconstruction Team in Erbil. The officers are supposed to be the equivalent of post management officers for these teams. They concentrate on administrative and logistical support for the teams, thereby relieving OPA desk officers of this burden and allowing the latter to focus on substantive matters.

In practice, the regional management officers divide their time between supporting the teams and management process improvements for the mission as a whole. The Embassy expects the positions to be phased out as the PRTs draw down.

HUMAN RESOURCES

Embassy Baghdad is not following Department procedures in a number of human resources operations areas and could improve in some areas that are specific to Iraq. The move in late 2008 to the NEC should facilitate the transition to more standard practices and procedures, but circumstances now dictate a more rapid evolution than currently planned.

First, the Department has not rationalized mission staffing and must complete this process for career direct-hire American positions by June 2009 so as to establish recruiting goals for the 2010 assignment cycle and to avoid assignments into positions that will be abolished (see Recommendation 1). During the 2009 assignment cycle, the Department assigned Foreign Service officers to positions that were abolished during the time between assignment and arrival at post. The officers therefore were placed in vacant positions created for functional area experts under 3161 authority. The Department should not repeat this practice as it circumvents normal procedures and standards for creating and funding positions. It also leads to overstaffing while embassies around the world continue to experience lengthy staffing gaps accepted in the past as the “Iraq tax” or the “freeze.”

Rationalization of mission staffing should yield a formal staffing pattern. Beyond the symbolic move to the Department’s standard tool for human resources accounting and staffing, this should prompt more discipline in overall management of positions, such as evaluating and grading LE staff positions using the computer-aided job evaluation in preparation for the establishment of a longer term local staff.

Recommendation 49: Embassy Baghdad, in coordination with the Bureau of Human Resources, should establish and manage its personnel assets using the Department of State’s standard automated application, WebPASS Post Personnel. (Action: Embassy Baghdad, in coordination with HR)

Second, the Department and the Embassy have not reassessed the length of its tour of duty in the context of continuity and sustained operations. Embassy Baghdad has a 1 year tour-of-duty policy, which applies to temporary duty personnel (Americans and LE staff), contractors, and employees hired under 3161 authority. The resulting lack of continuity is a serious problem that has a negative impact on effectiveness in every section in the mission. Conditions are changing, and the Department should review its policy. The frequent turnover of American staff is exacerbated by the small number of Iraqi LE staff members, which was less than 30 at the time of the inspection. The Embassy has a sound policy to increase the number

of Iraqi employees in the workforce, but it will take years to create a stable LE staff. It is still dangerous for Iraqis to work for the American Government, and those who make that choice are offered special immigrant visas after only 1 year of service. To fill the gap created by the dearth of Iraqi employees, the Embassy and the Department created a program of rotating temporary duty LE staff from embassies all over the world into Baghdad. The program is effective for filling vacancies, but does not help with continuity and adds to the logistical challenge of moving people in and out of Iraq by military aircraft.

Recommendation 50: The Bureau of Human Resources should extend the tour of duty in Iraq from 12 months to 18 months or 24 months as soon as each direct-hire employee can be housed without having to share apartments. In the meantime, the Department should encourage employees to volunteer for 18 or 24 month assignments and make necessary adjustments in linked assignments. (Action: HR)

Recommendation 51: The Bureau of Human Resources should adjust training to keep as many assignments as possible in the summer cycle when the tour of duty is extended. Additional functional area training, language training, and area studies should be used to fill as much as 6 months before or after an 18-month tour should that become the norm while the Department transitions to 2-year tours of duty. (Action: HR)

Third, the embassy does not have a uniform policy for managing requests for extensions that applies to all employees. This leaves employees uncertain about their eligibility to extend and confuses supervisors who need to decide whether or not to support a request for extension. One section chief refuses all extension requests, while employees and contractors in other sections of the Embassy have been approved for multiple extensions.

Recommendation 52: Embassy Baghdad should publish a single policy on extension requests that describes the process by which extension requests will be reviewed and approved or denied. (Action: Embassy Baghdad)

The lack of a policy for managing extensions applies also to the 3161 employees hired under 5 USC 3161 who work under chief of mission authority in Iraq, in the Amman ISU, and in the Department in offices that support the Iraq mission. They are government employees in the same way as general service employees except that

their employment is temporary. Positions for 3161 hires do not require approval through the NSDD-38 process and do not count against the mission's complement of full time equivalent employees. The Department used 3161 authority in Iraq to create temporary positions for subject matter experts not normally found in the ranks of the Department. More recently, the Embassy has used the authority to provide staffing for every perceived purpose for which it did not have a Foreign Service position or could not find a career direct-hire employee. Supplemental appropriations have provided plentiful funding for 3161 positions, but the Embassy must deal with the normal budget process starting in FY 2011 budget cycle, and it is unlikely that it can sustain the current spending levels for 3161 hires.

Recommendation 53: Embassy Baghdad should establish a strict review process, under the supervision of the minister counselor for management, for hiring, extending, or transferring employees hired under 3161 authority, and requiring the deputy chief of mission to approve or disapprove recommendations in writing. (Action: Embassy Baghdad)

Fourth, the Embassy does not have an adequate system of performance management or reference for future employment of 3161 employees. The 3161 authority to hire employees for a limited time is an effective way to respond to policy initiatives that may require exceptional staffing in a war zone or an area of risk for which the Foreign Service either does not have the expertise or the worldwide staffing numbers to support. With the likelihood of future need, the Department should maintain reference files on past 3161 hires to develop a rapid reaction cadre who have a proven record of good performance to call on as necessary. Currently the vetting system is informal and recommendations for 3161 employees are conveyed orally as a kind of "corridor reputation," rather than a more formal system with adequate documentation to justify acceptance or rejection of a candidate for a 3161 position. The documentation should be available to the Department for review prior to sending forward a list of candidates for 3161 positions to a potential Foreign Service supervisor. The future supervisor does not need to see the performance file of an applicant who has previous 3161 experience, but the recruiting office in the Department should review it before forwarding a candidate name to the field.

Recommendation 54: The Bureau of Human Resources should develop a written rating system for employees hired temporarily under 3161 authority to make possible a vetting system for reemployment. (Action: HR)

Fifth, the Embassy is not enforcing a mission policy on overtime, resulting in inordinate amounts of premium time claimed and possible abuse of overtime. The OIG team found that paid overtime for 24 pay periods in CY 2008 amounted to more than \$11 million. In a number of instances employees claimed and were paid for over 2,000 hours of overtime during this same period. A work year is 2,080 hours, which means some employees claimed they worked the equivalent of 11 hours a day, 7 days a week for nearly a year. That is not credible. Supervision of overtime for employees hired under 3161 authority appeared particularly weak.

The embassy streamlined its time and attendance procedures at the expense of internal controls. Individuals are reporting data directly to the financial service center with little, if any, supervisory approval or verification of premium time worked. It is therefore vulnerable to fraud.

Recommendation 55: Embassy Baghdad should review procedures for managing and controlling overtime and standardize time and attendance and overtime reporting to reflect the pay period just ending. (Action: Embassy Baghdad)

Recommendation 56: Embassy Baghdad should review a representative sample of time and attendance reports from the fourth quarter of calendar year 2008 and the first quarter of calendar year 2009. The review should focus on individuals who reported more than 40 hours of overtime per pay period and determine whether inappropriate payments were made. The Embassy should report to the Department whether the results of the sample study merit an audit of all overtime payments. (Action: Embassy Baghdad)

Sixth, the Embassy does not have a system that ensures that raters, reviewers, and rated employees complete work requirement statements and employee evaluation reports in a timely manner. According to information provided by the human resources section, approximately 30 percent of employees have current work requirements statements. The OIG team requested information on the number of evaluations submitted late and the number of evaluations currently outstanding, but the Embassy did not have the data available during the on-site phase of the inspection.

Recommendation 57: Embassy Baghdad should develop and implement a plan to complete, process, and submit work requirement statements and employee evaluation reports in a timely manner. (Action: Embassy Baghdad)

Finally, the Department should reassess the policy of linked assignments. While it is an important incentive for some, but certainly not all, personnel in Iraq, it is the most difficult to continue to implement. As pointed out in a 2007 OIG report on human resources, it may not be sustainable. The policy has also diminished the ability of some onward assignment posts to carry out their responsibilities effectively. For example, a recent OIG inspection of Embassy London noted that by 2010 linked assignments will result in only one experienced economic officer in that Embassy's large and busy economic section. A senior officer in Embassy Baghdad felt strongly that the linked assignment policy should be terminated, saying he preferred to have people in Iraq who chose the assignment on its merits rather than as a means to get another job. The OIG recognizes that this is a complex issue and that it requires further analysis by the Department in the context of a more general review of the incentive packages for Iraq and Afghanistan.

Recommendation 58: The Bureau of Human Resources should conduct a review of the policy on linked assignments to determine whether it continues to serve the needs of the Foreign Service. (Action: HR)

FINANCIAL MANAGEMENT

The financial management unit is an experienced, knowledgeable and cohesive team that provides quality services to its customers. With only two American officers and six LE staff members, it is relatively small in number. However, elements of the Bureau of Near Eastern Affairs, the financial service centers in Charleston and Bangkok, and ISU Amman augment the unit. The unit has improved business systems and processes to reduce cash risk and strengthen internal controls.

The LE staff hail from five different Foreign Service missions and have a combined 104 years of service. Together, they form an excellent team that handles day-to-day operations, while simultaneously implementing new programs and initiatives that are moving financial services toward normalcy.

The unit's work on the Quick Response Fund program exemplifies its ability to apply technical expertise and problem solving techniques to define processes, automate functions, and manage risk while maintaining high standards of service. In this case, the outcomes were significant: closeout of a Class B cashier accountability

valued at \$6.9 million; a resultant reduction of cash exposure; development of a training package for subcashiers to facilitate implementation; and use of Momentum, the existing automated financial management system to administer the program.

The unit is also conducting an exercise to calculate notional ICASS costs based on workload and capitation counts collected by various management section units. The information will supply prospective tenant agencies and service providers with valuable data in preparation for eventual ICASS implementation. Other initiatives that represent progress include the establishment of a commercial bank branch on the embassy compound, scheduled for March 2009, and increased use of electronic funds transfers for vendor payments. In addition, the senior financial management officer produced the first budget since the reestablishment of the Embassy and has made great strides in integrating financial planning with the mission's strategic planning.

The financial management unit's small size belies the resources committed to servicing Embassy Baghdad's budget and fiscal needs. A financial management officer in the Bureau of Near Eastern Affairs dedicates her time to higher level financial matters concerning Iraq, and the bureau processes transactions involving funds that are many times that of the embassy-held allotments. Department financial service centers in Charleston and Bangkok provide budgeting, accounting, and voucher services, for which Embassy Baghdad in FY 2008 paid \$869,000. The costs are expected to exceed \$900,000 in FY 2009. Finally, ISU Amman, with a total operating budget in FY 2008 of \$2.77 million, provides financial services related primarily to travel and procurement. Thus, the financial management unit has taken effective advantage of offshore services, though at some cost, to minimize its presence on the ground while maintaining the capabilities needed to support the mission. All of the financial offices that support Embassy Baghdad characterized the system and relationships as excellent.

Overall, the financial management unit deserves praise for its accomplishments, particularly its measures to standardize procedures, reduce dependence on cash, and automate functions. As most of the team will depart post within weeks of each other, their progress in these areas should mitigate some of the challenges in providing continuity.

GENERAL SERVICES

The GSO in Baghdad consists of a supervisory general services officer and five assistant general services officers. Baghdad also received general services support from two officers in ISU Amman.

Baghdad moved operations to the NEC 45 days prior to the arrival of the OIG team. The GSO was key, perhaps the key, to the successful move. The unit carried out the move on short notice and under a tight time frame. Interviewees consistently praised GSO, along with the entire management section, for its performance during the move.

With the relocation from the Republican Palace to the NEC, GSO is turning its attention to establishing normal Department standards and procedures. At the time of inspection, GSO used a variety of acquisition methods. For orders placed through the ISU, GSO Procurement initiated a purchase request in Integrated Logistics Management System Arriba Acquisitions. ISU followed up with necessary market research, creation of a purchase order, and placement of the order with a vendor. Upon arrival in Baghdad, GSO manually created a receiving report (DS-0127) and entered the property into inventory. Orders not routed through ISU Amman are processed in another system, PASS Procurement, and are placed by Baghdad GSO Procurement. The mixed acquisition systems are inherently inefficient, but they are meeting the present needs of Baghdad. Reconciliation of the systems can await resolution of other, more immediate concerns.

PROPERTY MANAGEMENT

Embassy Baghdad does not have adequate control of government personal property. The Embassy possesses a large amount of property that has not been received and entered into inventory. Inspectors noted that the NEC warehouse is already completely filled, and shipments continue to arrive. The assistant general services officer and the property staff are working diligently to correct the condition of the inventory.

A number of factors contribute to the condition of internal controls on property. Legacy property moved from former office spaces may not have been received and entered into the inventory at the Republican Palace. Warehouse and receiving staff now must identify the origin and ownership of property, with very little information to provide guidance. Some shipments arrive with little or no indication of

the ordering or destination office or activity. Cargo arriving without documentation interrupts workflow while receiving staff seek to determine ownership. The OIG team advised management that warehouse staff should complete receiving reports with available information, assign property numbers, and place the property in the warehouse pending resolution. This will establish a property record, however incomplete, and unidentified property can then be removed from the busy receiving area.

Recommendation 59: Embassy Baghdad should establish receiving procedures for found property and unidentified deliveries to collect available data and establish inventory records. (Action: Embassy Baghdad)

The property management unit did not have process maps or SOPs established and documented at the time of inspection. The mixed acquisition systems, variation in experience among U.S. and temporary duty LE staff, and rapid turnover of personnel in Baghdad require SOPs to ensure consistency and continuity of operations.

Recommendation 60: Embassy Baghdad should require that each subordinate unit in the general services office create process maps and establish standard operating procedures. These should be provided to incoming staff and updated regularly to ensure efficiency and continuity in the general services operations. (Action: Embassy Baghdad)

Motor Vehicles

At the time of inspection, the Baghdad Inventory of On Hand Vehicles Report showed a total of 750 vehicles in Baghdad, with a total value of over \$91 million. Vehicles are controlled by multiple offices within the embassy. There is no single, accurate motor vehicle inventory, although both the GSO and RSO are making an effort to identify all their vehicles and account for them. The RSO conducts quarterly inventories, although it is not possible to assemble all their vehicles (said to number 805 of all types) and say for sure that they are all present. The existence of conflicting inventories for a fleet with a total acquisition cost of at least \$91 million indicates a significant vulnerability exists. The Embassy needs to update the On Hand Motor Vehicle Report with the best numbers available and use it as the basis for regular inventories. The report can be flagged to indicate whether a vehicle belongs to RSO if DS wants to continue to conduct its own inventories. A single inventory will help Embassy Baghdad account for motor vehicle holdings.

Recommendation 61: Embassy Baghdad should establish a motor vehicle program in accordance with 15 FAM 957.3, including naming a motor vehicle accountable officer. (Action: Embassy Baghdad)

Recommendation 62: Embassy Baghdad should conduct and reconcile an inventory of its motor vehicles. (Action: Embassy Baghdad)

The size of the Baghdad vehicle fleet continues to grow, despite the fact that it is so large that it cannot be accommodated on the NEC. Inspectors were shown 70 new armored Suburban vehicles parked on a contractor's lot. The vehicles had not been put into service because they were not yet needed. In addition, there was no room for them at the NEC. At the same time, inspectors were told that Baghdad had received notifications of shipments in route for 100 more of the same type of vehicle. Most armored Suburban units on the Inventory of On Hand Vehicles Report have an acquisition cost of between \$101,000 and \$150,000, indicating an estimated value for the 70 parked vehicles of between \$7 million and \$7.4 million. Additional parking areas on the NEC were under construction at the time of inspection. Creating additional parking lots is not an appropriate response to the fundamental problem of vehicles arriving faster than they can be put into service. Regulations stipulate that each post will conduct an annual fleet review to assess and record the condition of each vehicle in its fleet. The review becomes the basis for acquisitions planning and disposal of aging units.

Recommendation 63: Embassy Baghdad should, upon completion of its motor vehicle inventory, carry out a fleet review of the vehicles on hand and develop plans to keep, repair, or dispose of inoperable units. (Action: Embassy Baghdad)

Recommendation 64: Embassy Baghdad should suspend acquisition of additional vehicles until completion of a fleet review and establishment of an acquisition plan designed to maintain a stable vehicle fleet appropriately sized to meet the genuine needs of post. (Action: Embassy Baghdad)

QUALITY OF LIFE

COMMUNITY LIAISON OFFICE

At first look, one might question the need for a community liaison office coordinator at an unaccompanied post, but the current coordinator is filling a valid need. He focuses much of his attention on corporate communications and information management, helping to distill the massive amount of data on policies, procedures, and news into a more digestible format in his weekly newsletter. He also coordinates closely with the embassy employee association, the Marine detachment, and KBR — the contractor that provides morale/welfare/recreation services for NEC residents who, for the most part, are confined to the compound. The community liaison office coordinator has good access to the front office and meets monthly with the DCM, which provides an effective means to relay community concerns. He has concentrated much of his effort on morale issues, such as the fitness center, the dining facility, and program activities; he also attends emergency action committee meetings and is appropriately involved in such matters as family member employment.

EQUAL EMPLOYMENT OPPORTUNITY ISSUES

Inspectors met before departure with the Office of Civil Rights staff to discuss the status of EEO issues in Baghdad and the PRTs. The Office of Civil Rights recounted receiving reports of serious levels of EEO complaints in Iraq, primarily harassment issues. Once the problem was identified, the Office of Civil Rights and the embassy responded with a number of initiatives that had good results.

The Office of Civil Rights now presents a 45-minute block of instruction during the Iraq predeployment course, which all employees are required to attend. A training team also went to Iraq on temporary duty specifically to carry out training. Employees are now required to read and sign the post policy on EEO and sexual harassment.

Interviews with Baghdad's five EEO counselors during the inspection indicate the response is working. Counselors with the longest tenure at post reported handling up to 14 complaints. Those with less time had drastically lower numbers of cases, and in one case, a counselor with 4 months' service reported zero complaints. Significantly, all counselors reported the number of actual complaints had dropped following the Embassy and Department efforts to increase training and awareness among employees of Department policy on harassment. All counselors, likewise, recommended that pre-deployment training for all incoming personnel should be made mandatory, as the wide range of experience and backgrounds among the staff virtually guaranteed different levels of EEO and sexual harassment awareness.

EMPLOYEE ASSOCIATION

The employee association is one component of a larger system that provides morale, welfare, and recreation activities to embassy compound personnel. Volunteers operate the association by contributing their free time to staffing the club facility and selling memorabilia to support association activities. As mentioned earlier, the association works closely with the community liaison office, the Marine detachment, and KBR to provide distractions and entertainment to embassy employees. While the activities and operations of the association are limited, the other organizations fill the void in providing as full a range of services as possible. The Army and Air Force Exchange Service operates a retail store that stocks a relatively wide assortment of goods. Two well-known fast food restaurants provide alternatives to the dining facility. KBR operates a gymnasium that is open 24 hours a day, as well as an indoor swimming pool and a recreation center. KBR also provides technical and personnel support for activities that range from karaoke night to 5-kilometer runs.

The Embassy faces a challenge in sustaining these operations in the future, particularly if the population and funding fall significantly. The retail and food concessions would have to be profitable in order to remain open, and KBR costs could prove to be prohibitive, thereby placing a burden on the association to support itself. In the meantime, its limited bar and memorabilia operations fit in well with the overall morale support system. However, the OIG team advised the association to improve its inventory and accountability records to ensure management controls are maintained.

HEALTH UNIT

The embassy health unit is more than adequately staffed under current conditions, particularly the diminished number of indirect fire incidents and the continued availability of the military's combat support hospital and medical evacuation services. The health unit facility on the NEC is adequate in terms of space and equipment. The workload is by all accounts light.

Despite indications of mental health issues among employees, the Department has no comprehensive system to screen, monitor, and treat personnel assigned to high stress, unaccompanied tours of duty such as Iraq. Department offices and embassy medical personnel provided statistically unsubstantiated information regarding mental health issues, such as possible post-traumatic stress disorder among U.S. direct-hire and LE staff employees. Anecdotally, interviewees estimated that approximately 12 employees have filed workman's compensation claims, that up to 2 percent of personnel may suffer from post-traumatic stress disorder, and that the Department requests about once a month the Embassy's opinion regarding the assignment of an employee due to psychological issues.

LE staff members are perhaps more difficult to track as they return to their point of origin and into their respective local medical systems. The Office of Medical Services has a loose system of referring LE staff members to the regional psychiatrist for consultations, as needed, but the system is not monitored or enforced. In the interest of taking care of employees who volunteer to serve at high stress posts, providing adequate medical treatment to Department employees and managing risk associated with possible future liability, the Department should address these mental health issues.

A voluntary consultation/counseling system will likely not be effective, as Foreign Service personnel are reluctant to seek help. They fear it will impact negatively on them when their security clearance is updated.

Recommendation 65: The Office of Medical Services, in coordination with the Bureau of Human Resources, should develop and implement a plan to evaluate and monitor personnel before, during, and after assignment to what it determines to be high stress posts for post traumatic stress disorder and other mental health disorders. (Action: MED, in coordination with HR)

TRAVEL

Travel into and out of Baghdad for Department employees is onerous and can be grueling. The current arrangement calls for employees to travel to and from Baghdad through either Amman or Kuwait. The mode of transportation is a military C-130 cargo aircraft. Flights do not always stick to schedules, so outbound passengers are required to go to Camp Sully, a Department installation on the military side of Baghdad International Airport, and spend the night in a trailer before their flight. These trailers do not have sanitary hookups. About one in three military flights gets cancelled, which throws the scheduling of departures on connecting commercial flights into chaos and strands passengers in Amman or Kuwait until alternative flights can be arranged on regularly scheduled commercial flights to Baghdad. A UN charter is sometimes available as an alternative on a space available basis.

R&R travelers sometimes require 2 or 3 days to travel to their destination. Every day away from the job is counted as part of an authorized 22-day R&R. A number of employees cited this policy in their personal questionnaires and interviews as an unnecessary requirement and a negative morale factor.

If security standards at the Baghdad International Airport remain inadequate, the Department and the Embassy should consider alternative means of transporting personnel into and out of Iraq. The U.S. military could eliminate the C-130 service at any time. In any case, the service does not, as currently operated, meet high standards of quality and efficiency. Alternatives could include charter flights with appropriate security features that could fly into the military side of Baghdad International Airport. This would be expensive but not prohibitive when viewed in the context of the overall cost of the U.S. Government civilian presence in Iraq.

To the credit of post management, the emergency action committee has a working group that is studying the issues surrounding alternatives to using the C-130 in travelling to and from Baghdad. The chargé chaired an emergency action committee meeting attended by the inspection team and communicated clear interest in moving toward commercial flights whenever the security concerns are met.

MANAGEMENT CONTROLS

MANAGEMENT

Internal controls in the management section are weak in a number of key areas and are addressed in more detail elsewhere in this report. The most recent chief of mission annual management controls certification acknowledged many of these deficiencies. The Embassy has almost no system of controls on the approval, verification, and control of overtime, leaving it vulnerable to fraud and abuse. The human resources section also does not track adequately employee work requirements statements or evaluation reports to ensure they are processed and submitted in a timely manner, thereby weakening the performance management system. In the area of general services, the Embassy has insufficient management controls over many components of the supply chain management system, e.g., receiving, inventory, and disposal of property. The Embassy has requested, and the Bureau of Administration has granted, relief from the requirement to reconcile its nonexpendable and expendable supply inventories, so a baseline inventory does not exist. In the specific area of motor vehicles, the Department has issued the embassy hundreds of vehicles, many of them fully armored and categorized as sensitive items. The Embassy has no accurate inventory of its vehicles. At the time of the inspection, the contractor responsible for vehicle maintenance was awaiting disposition instructions for 78 unserviceable vehicles. The contractor had custody for approximately 6 months of an additional 70 new vehicles, unused and unissued pending instructions from the Embassy. Moreover, the embassy is using two different automated logistics management systems that are incompatible with one another and therefore negate some of the built-in management control advantages.

Recommendation 66: Embassy Baghdad should conduct a comprehensive and formal review of management controls including, but not limited to, premium time management, performance management, supply chain management, property management, and vehicle management. (Action: Embassy Baghdad)

Recommendation 67: Embassy Baghdad should develop and implement a plan to improve internal controls and mitigate vulnerabilities identified in its comprehensive and formal review of management controls. (Action: Embassy Baghdad)

CONSULAR MANAGEMENT CONTROLS

In general, consular management controls in Baghdad are good. However, the OIG team identified three areas for improvement: referral program management, automated system access controls, and visa adjudication review. All identified problems can be resolved easily.

Embassy Baghdad has an excellent visa referral process and a parallel method to identify and expedite cases involving government officials or other persons of interest. The OIG team advised consular managers to combine these multiple policies into a single unified mission referral policy. During the inspection, the consular managers were doing exactly that. However, beyond the referral process, the consular section is subject to significant case advocacy by various sections in the Embassy, including the front office, via multiple e-mails and phone calls. The DCM and consular chief should explain the referral system and security advisory opinion system at country team meetings and town hall meetings, and emphasize this system as the only appropriate mechanism for visa advocacy.

Recommendation 68: Embassy Baghdad should amend its visa referral policy to mandate that all visa case advocacy should be handled through the Embassy Baghdad referral system, and the Embassy should scan into the electronic visa case file any communications on behalf of a visa application by any part of the mission. (Action: Embassy Baghdad)

Embassy Baghdad has a large contingent of security officers. The RSO is involved with large numbers of security clearances for potential embassy employees, among others. Nonetheless, it seems excessive to have 20 people from the Embassy Baghdad security office with access to the consular consolidated database. A review of the consular shared tables revealed that several individuals had never activated their accounts after nearly a year and others had already departed post, but their accounts were still active.

Recommendation 69: Embassy Baghdad should establish standard operating procedures for granting access to the consular consolidated database for employees designated by the regional security office and for notifying the consular section when employees with consular system access depart from the Embassy. (Action: Embassy Baghdad)

In accordance with 9 FAM 41.113 PN 17.1, all visa adjudications must be reviewed by the adjudicator's supervisor. The consular chief in Baghdad does not adjudicate many visa cases, but he does a handful each week, primarily visa referrals. The DCM is required to review these adjudications in the consular system. However, she has not been doing so.

Recommendation 70: Embassy Baghdad should establish a process in which the deputy chief of mission performs the required adjudication reviews of the consular chief's visa decisions. (Action: Embassy Baghdad)

LIST OF RECOMMENDATIONS

- Recommendation 1:** The Under Secretary for Management, in coordination with Embassy Baghdad and the Bureau of Near Eastern Affairs, should devise and implement a rightsizing of the Embassy, establishing a new baseline of positions that meets the requirements of the President's policy on Iraq. (Action: M/PRI, in coordination with Embassy Baghdad and NEA)
- Recommendation 2:** Embassy Baghdad, in coordination with the Director of United States Foreign Assistance and the Bureau of Near Eastern Affairs, should undertake a comprehensive assessment of the assistance programs the embassy is implementing to determine which should be continued, phased out, or expanded. (Action: Embassy Baghdad, in coordination with F and NEA)
- Recommendation 3:** The Bureau of Human Resources should include training on reporting tradecraft in the pre-deployment training of officers and employees assigned to Provisional Reconstruction Teams whose duties will include political or economic reporting. (Action: HR)
- Recommendation 4:** Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Intelligence and Research, should review political reporting to determine which reports can be combined or discontinued. (Action: Embassy Baghdad, in coordination with NEA and INR)
- Recommendation 5:** Embassy Baghdad should transfer positions dedicated to reporting on Iran from its political/military to its political section. (Action: Embassy Baghdad)
- Recommendation 6:** Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Human Resources, should eliminate its special advisers for North and South Iraq, and transfer the positions and the responsibility for these issues to its political section. (Action: Embassy Baghdad, in coordination with NEA and HR)
- Recommendation 7:** Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Human Resources, should eliminate at least eight officer positions in the political section that had been added during the civilian surge of 2007. (Action: Embassy Baghdad, in coordination with NEA and HR)

Recommendation 8: Embassy Baghdad should reorganize its political section to create a deputy responsible for management who would develop tools to support reporting officers, such as standard operating procedures, “smart books” on portfolios, and a unified contact management system. (Action: Embassy Baghdad)

Recommendation 9: Embassy Baghdad should revive its working group on democracy and governance and use it to coordinate programs in these areas by all agencies within the mission. (Action: Embassy Baghdad)

Recommendation 10: Embassy Baghdad should develop a plan for the closure of its constitutional and legislative affairs unit after the holding of national elections in Iraq now scheduled for the end of 2009, initiating no new programs or contracts and bringing existing ones to conclusion. (Action: Embassy Baghdad)

Recommendation 11: Embassy Baghdad, in coordination with the Foreign Service Institute and the Bureau of Political-Military Affairs, should develop a package of information for its employees on working with military units in Iraq; distribute it to incoming personnel; and share it with the Foreign Service Institute to be included in training for Iraq-bound personnel or as part of a broader module for personnel bound for conflict zones. (Action: Embassy Baghdad, in coordination with FSI and PM)

Recommendation 12: Embassy Baghdad should implement a process to coordinate with the U.S. military on issuing written instructions clarifying contact policy for both civilian and military officers in the mission. (Action: Embassy Baghdad)

Recommendation 13: Embassy Baghdad should obtain software for the Department International Vetting and Security Tracking System and begin building a database to carry out required Leahy Amendment vetting. (Action: Embassy Baghdad)

Recommendation 14: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs, should abolish the position of deputy supervisory desk officer in the office of provincial affairs at the end of the incumbent’s assignment. (Action: Embassy Baghdad, in coordination with NEA)

Recommendation 15: Embassy Baghdad should prepare a plan for the phased reduction of positions in the office of provincial affairs as a contribution to the embassy-wide rightsizing process. (Action: Embassy Baghdad)

Recommendation 16: Embassy Baghdad should identify which programs should continue in the event of the departure of agency heads under the coordinator for economic transition in Iraq and determine how the United States Agency for International Development could best incorporate programs of existing agencies into its own work program. (Action: Embassy Baghdad)

Recommendation 17: Embassy Baghdad should, within the coordinator for economic transition in Iraq cluster, develop a plan that tracks the priorities set forth in the Strategic Framework Agreement, a work schedule to support the priorities, and a reporting protocol and monitoring mechanism for assessing implementation of the plan. (Action: Embassy Baghdad)

Recommendation 18: Embassy Baghdad, in coordination with the Bureau of Near Eastern Affairs, should provide as soon as possible a proposal for the number, function, and organizational affiliation of any legacy personnel from the Iraq transition assistance office to oversee after May 10, 2010. (Action: Embassy Baghdad, in coordination with NEA)

Recommendation 19: Embassy Baghdad should design and implement a plan to ensure that the records of departing employees of the Iraq Transition Assistance Office are handled in accordance with the Foreign Affairs regulations on records management. (Action: Embassy Baghdad)

Recommendation 20: Embassy Baghdad should determine the appropriate staffing level and structure for the anticorruption coordinator office in order to manage the programs for which it will receive funding and develop a plan to retain current staff or hire new employees. (Action: Embassy Baghdad)

Recommendation 21: Embassy Baghdad, in coordination with the Office of the Legal Adviser, should send the archived originals of Coalition Provisional Authority orders to the Department of State for safekeeping and request a ruling on whether they should be turned over to the Government of Iraq. (Action: Embassy Baghdad, in coordination with L)

Recommendation 22: Embassy Baghdad should create an integrated database of programs in the rule of law cluster. (Action: Embassy Baghdad)

Recommendation 23: Embassy Baghdad should conclude a memorandum of agreement with Multi-National Force-Iraq outlining areas of responsibility and coordination on the conduct of civil judicial training and capacity building in the Iraqi civil judiciary system. (Action: Embassy Baghdad)

Recommendation 24: The Bureau of Resource Management, in coordination with the Office of Policy, Planning, and Resources, the Bureau of Near Eastern Affairs, and Embassy Baghdad, should produce a simple multiyear spreadsheet for accurate tracking of the multiple sources of public affairs program funding in Iraq. (Action: RM, in coordination with R/PPR, NEA, and Embassy Baghdad)

Recommendation 25: Embassy Baghdad, in coordination with the Bureaus of Educational and Cultural Affairs, International Information Programs, and Near Eastern Affairs, should draft and implement an operational and strategic plan for public affairs and public diplomacy in Iraq covering the next 2 to 3 fiscal years. (Action: Embassy Baghdad in coordination with ECA, IIP and NEA)

Recommendation 26: Embassy Baghdad should, as part of an operational and strategic plan for public affairs and public diplomacy in Iraq, realign the staffing needs of the public affairs section to a more traditional mix of American and Iraqi staff, allowing as necessary for eligible family member, third country national, and contractor positions. (Action: Embassy Baghdad)

Recommendation 27: Embassy Baghdad should, as part of an operational and strategic plan for public affairs and public diplomacy in Iraq, create position descriptions and recruit and hire no more than four locally employed staff positions at the appropriate grade to liaise and coordinate with the management section on budget, procurement, logistics, human resources and other needed administrative support. (Action: Embassy Baghdad)

Recommendation 28: Embassy Baghdad, in coordination with the Bureaus of Human Resources and Near Eastern Affairs, should reassess the need for spoken and written Arabic language skills for Foreign Service generalists and specialists in the public affairs section and, if needed, increase or decrease the number of language-designated positions. (Action: Embassy Baghdad, in coordination with HR and NEA)

Recommendation 29: The Bureau of Human Resources, in coordination with Embassy Baghdad and the Bureau of Near Eastern Affairs, should identify, recruit, and assign Arabic-language-qualified candidates to positions in the public affairs section of Embassy Baghdad. (Action: HR, in coordination with Embassy Baghdad and NEA)

Recommendation 30: Embassy Baghdad, in coordination with the Bureau of Educational and Cultural Affairs, should continue to conduct regularly scheduled conference calls to improve communication and strengthen the educational exchange programs in Iraq. (Action: Embassy Baghdad, in coordination with ECA)

- Recommendation 31:** Embassy Baghdad should design and implement a plan to ensure that Foreign Service officers and temporary duty locally employed staff from other embassies create checklists and standard operating procedures, especially for programs in the cultural section, to reduce the learning curve and to increase the productivity of their successors. (Action: Embassy Baghdad)
- Recommendation 32:** Embassy Baghdad should establish a reliable on-line appointment system for consular services prior to any further expansion of consular services. (Action: Embassy Baghdad)
- Recommendation 33:** Embassy Baghdad should establish an escorted shuttle service to start at the opening of business and run throughout the day, providing applicants access and egress to the consular entrance. (Action: Embassy Baghdad)
- Recommendation 34:** Embassy Baghdad should hire two additional consular locally employed staff (Arabic/Kurdish speakers) to provide reception and document checking services. (Action: Embassy Baghdad)
- Recommendation 35:** Embassy Baghdad should establish signage in English and Arabic that briefly explains basic consular procedures, directs applicants to have certain documents ready for presentation, and provides directions on where to go. (Action: Embassy Baghdad)
- Recommendation 36:** Embassy Baghdad should identify a queuing system service provider to activate, maintain, and support the consular section system prior to any further expansion of consular services and to extend connections to support the system inside the consular compound access control. (Action: Embassy Baghdad)
- Recommendation 37:** Embassy Baghdad, in coordination with the Bureau of Overseas Buildings Operations, should establish a climate-controlled holding area to handle overflow from the consular section waiting room. (Action: Embassy Baghdad, in coordination with OBO)
- Recommendation 38:** Embassy Baghdad should establish, prior to any further expansion of consular services, a standard fee collection contract for machine-readable visas to cover multiple locations in Iraq. (Action: Embassy Baghdad)
- Recommendation 39:** Embassy Baghdad should establish, prior to any further expansion of consular services, an on-line method for applicants to check the status of their pending visa cases. (Action: Embassy Baghdad)

Recommendation 40: Embassy Baghdad should, prior to any further expansion of consular services, contract with a courier service to establish a method for returning travel documents without requiring a second personal trip to the Embassy. (Action: Embassy Baghdad)

Recommendation 41: Embassy Baghdad should designate a training officer in the consular section, design and implement an in-service formal training program for contract and long-term locally employed staff, and facilitate locally employed staff enrollment in the Foreign Service Institute consular distance learning courses. (Action: Embassy Baghdad)

Recommendation 42: Embassy Baghdad, in coordination with the Bureau of Human Resources, should add 2 to 3 days of consultations at Embassy Amman to all orders for consular personnel, both officer and locally employed staff, en route to assignment in Baghdad for any duration. (Action: Embassy Baghdad, in coordination with HR)

Recommendation 43: Embassy Baghdad, in coordination with Embassy Amman, should establish a schedule for the Embassy Amman employees in the Iraq support positions to travel to Baghdad on a regular (quarterly) basis for 2 weeks of temporary duty. (Action: Embassy Baghdad, in coordination with Embassy Amman)

Recommendation 44: The Bureau of Consular Affairs should request the members of the interagency Security Advisory Opinion Requirements Review Board to undertake a full review of the existing security advisory opinion requirements for Iraqi citizens, weighing changed security conditions with the full range of foreign policy interests. (Action: CA)

Recommendation 45: Embassy Baghdad should designate one of the deputies of the senior refugee coordinator to serve as acting coordinator in the senior coordinator's absence and include this responsibility in the designee's work requirements. (Action: Embassy Baghdad)

Recommendation 46: Embassy Baghdad, in coordination with the Bureau of Population, Refugees, and Migration, should upgrade position 13001034 for the refugee admissions coordinator FS-03 to FS-02. (Action: Embassy Baghdad, in coordination with PRM)

Recommendation 47: Embassy Baghdad should designate an additional or alternate person with Chief of Mission authority to approve or deny recommendations for special immigrant visa status. (Action: Embassy Baghdad)

Recommendation 48: Embassy Baghdad should conduct a review of standard operating procedures to determine whether there are additional functions that off-shore centers could handle, thus reducing the number of management personnel resident in Baghdad. (Action: Embassy Baghdad)

Recommendation 49: Embassy Baghdad, in coordination with the Bureau of Human Resources, should establish and manage its personnel assets using the Department of State's standard automated application, WebPASS Post Personnel. (Action: Embassy Baghdad, in coordination with HR)

Recommendation 50: The Bureau of Human Resources should extend the tour of duty in Iraq from 12 months to 18 months or 24 months as soon as each direct-hire employee can be housed without having to share apartments. In the meantime, the Department should encourage employees to volunteer for 18 or 24 month assignments and make necessary adjustments in linked assignments. (Action: HR)

Recommendation 51: The Bureau of Human Resources should adjust training to keep as many assignments as possible in the summer cycle when the tour of duty is extended. Additional functional area training, language training, and area studies should be used to fill as much as six months before or after an 18-month tour should that become the norm while the Department transitions to two-year tours of duty. (Action: HR)

Recommendation 52: Embassy Baghdad should publish a single policy on extension requests that describes the process by which extension requests will be reviewed and approved or denied. (Action: Embassy Baghdad)

Recommendation 53: Embassy Baghdad should establish a strict review process, under the supervision of the minister counselor for management, for hiring, extending, or transferring employees hired under 3161 authority, and requiring the deputy chief of mission to approve or disapprove recommendations in writing. (Action: Embassy Baghdad)

Recommendation 54: The Bureau of Human Resources should develop a written rating system for employees hired temporarily under 3161 authority to make possible a vetting system for reemployment. (Action: HR)

Recommendation 55: Embassy Baghdad should review procedures for managing and controlling overtime and standardize time and attendance and overtime reporting to reflect the pay period just ending. (Action: Embassy Baghdad)

Recommendation 56: Embassy Baghdad should review a representative sample of time and attendance reports from the fourth quarter of calendar year 2008 and the first quarter of calendar year 2009. The review should focus on individuals who reported more than 40 hours of overtime per pay period and determine whether inappropriate payments were made. The Embassy should report to the Department whether the results of the sample study merit an audit of all overtime payments. (Action: Embassy Baghdad)

Recommendation 57: Embassy Baghdad should develop and implement a plan to complete, process, and submit work requirement statements and employee evaluation reports in a timely manner. (Action: Embassy Baghdad)

Recommendation 58: The Bureau of Human Resources should conduct a review of the policy on linked assignments to determine whether it continues to serve the needs of the Foreign Service. (Action: HR)

Recommendation 59: Embassy Baghdad should establish receiving procedures for found property and unidentified deliveries to collect available data and establish inventory records. (Action: Embassy Baghdad)

Recommendation 60: Embassy Baghdad should require that each subordinate unit in the general services office create process maps and establish standard operating procedures. These should be provided to incoming staff and updated regularly to ensure efficiency and continuity in the general services operations. (Action: Embassy Baghdad)

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Recommendation 63: Embassy Baghdad should, upon completion of its motor vehicle inventory, carry out a fleet review of the vehicles on hand and develop plans to keep, repair, or dispose of inoperable units. (Action: Embassy Baghdad)

Recommendation 64: Embassy Baghdad should suspend acquisition of additional vehicles until completion of a fleet review and establishment of an acquisition plan designed to maintain a stable vehicle fleet appropriately sized to meet the genuine needs of post. (Action: Embassy Baghdad)

Recommendation 65: The Office of Medical Services, in coordination with the Bureau of Human Resources, should develop and implement a plan to evaluate and monitor personnel before, during, and after assignment to what it determines to be high stress posts for post traumatic stress disorder and other mental health disorders. (Action: MED, in coordination with HR)

Recommendation 66: Embassy Baghdad should conduct a comprehensive and formal review of management controls including, but not limited to, premium time management, performance management, supply chain management, property management, and vehicle management. (Action: Embassy Baghdad)

Recommendation 67: Embassy Baghdad should develop and implement a plan to improve internal controls and mitigate vulnerabilities identified in its comprehensive and formal review of management controls. (Action: Embassy Baghdad)

Recommendation 68: Embassy Baghdad should amend its visa referral policy to mandate that all visa case advocacy should be handled through the Embassy Baghdad referral system, and the Embassy should scan into the electronic visa case file any communications on behalf of a visa application by any part of the mission. (Action: Embassy Baghdad)

Recommendation 69: Embassy Baghdad should establish standard operating procedures for granting access to the consular consolidated database for employees designated by the regional security office and for notifying the consular section when employees with consular system access depart from the embassy. (Action: Embassy Baghdad)

Recommendation 70: Embassy Baghdad should establish a process in which the deputy chief of mission performs the required adjudication reviews of the consular chief's visa decisions. (Action: Embassy Baghdad)

INFORMAL RECOMMENDATIONS

Informal recommendations cover operational matters not requiring action by organizations outside the inspected unit and/or the parent regional bureau. Informal recommendations will not be subject to the OIG compliance process. However, any subsequent OIG inspection or on-site compliance review will assess the mission's progress in implementing the informal recommendations.

Political Affairs

The volume of reporting from Iraq, combined with rapid rotations in both Washington and Baghdad, creates a risk that important trends could be obscured by a daily flow of details.

Informal Recommendation 1: Embassy Baghdad should use quarterly summaries to recapitulate key developments and identify important trends.

Political/Military Affairs

The current reorganization of the Department's structure for providing policy guidance to the Embassy will require greater use of record traffic to report ongoing issues such as the transfer to Iraqi authorities of the responsibility for paying and overseeing Sunni levies that have fought alongside coalition forces.

Informal Recommendation 2: Embassy Baghdad should make greater use of front-channel cables to ensure continuous reporting on key issues.

While responsibility for hostage issues could eventually be transferred to the RSO, a separate hostage affairs unit in the political/military section will be necessary for as long as the Iraqi military, not the Iraqi police, are the Embassy's main interlocutors in hostage rescue situations.

Informal Recommendation 3: Embassy Baghdad should maintain its hostage affairs unit in its current form in mission strategic planning documents for FY 2010.

A single OMS cannot provide sufficient secretarial, administrative, and logistical support to the political/military section.

Informal Recommendation 4: Embassy Baghdad should create an administrative assistant position in the political/military section, reprogramming within existing staffing levels or using the eligible family member program.

Legal Affairs

The Office of the Embassy Legal Adviser inadvertently lost records when information management offices deleted files to protect the Embassy's overloaded computer systems.

Informal Recommendation 5: Embassy Baghdad should review procedures for deleting electronic files to ensure that it is done in consultation with affected sections.

PRINCIPAL OFFICIALS

Date	Name	Arrival
Ambassador	Ryan Crocker	3/07
Deputy Chief of Mission	Patricia Butenis	7/07
Chiefs of Section:		
Management	Kathleen Austin-Ferguson	5/08
Consular	Jeffrey Lodinsky	7/08
Political	Robert Ford	7/08
Political/Military	Michael Corbin	9/08
Economic	Michael Dodman	8/08
Public Affairs	J. Adam Ereli	6/08
Regional Security	Mark Hipp	8/08
Iraq Transition Assistance Office	Karen Aguilar	5/08
Office of Provincial Affairs	Phyllis Powers	6/07
International Narcotics and Law Enforcement	Dundas McCullough	9/07
Anticorruption Coordinator	Joseph Stafford	12/08
Regional Medical Officer	Peter Guerin	7/08
Other Agencies:		
Foreign Agricultural Service	Fred Kessel	10/08
Foreign Commercial Service	Alan Long	3/08
U.S. Agency for International Development	Christopher Crowley	3/07
Department of Energy	Edgar K. Parks	11/07
Department of Health and Human Services	Terry Cline	9/08
Department of Transportation	David de Carme	10/08
Department of Treasury	James G. Wallar	12/08
Department of Justice (Rule of Law)	Doug Allen	1/09
Department of Homeland Security	Stephen Mangino	4/06
Special IG for Iraq Reconstruction	Michael Smith	8/08

ABBREVIATIONS

CJ9	combined joint civil affairs staff
CETI	coordinator for economic transition in Iraq
CPA	Coalition Provisional Authority
DCM	deputy chief of mission
Department	U. S. Department of State
DOD	U. S. Department of Defense
DOJ	U.S. Department of Justice
DRL	Bureau of Democracy, Human Rights and Labor
DS	Bureau of Diplomatic Security
ECA	Bureau of Educational and Cultural Affairs
EEO	Equal Employment Opportunity
EFM	eligible family member
FSI	Foreign Service Institute
GSO	general services office
HR	Bureau of Human Resources
ICASS	International Cooperative Administrative Support Services
INL	Bureau of International Narcotics and Law Enforcement Affairs
IRRF	Iraq Relief and Reconstruction Funds
ISU	Iraq Support Unit
ITAO	Iraq Transition and Assistance Office
IVLP	International Visitor Leadership Program
JCP	Joint Campaign Plan
JPSG	Joint PRT Steering Group
L	Office of the Legal Adviser
LE	locally employed

LOGCAP	Logistic Civil Augmentation Program
MECC	Ministerial Engagement Coordinating Committee
MNF-I	Multi-National Force— Iraq
NEC	new embassy compound
NSDD	National Security Decision Directive
OIG	Office of Inspector General
OMS	office management specialist
OPA	Office of Provincial Affairs
PAS	public affairs section
PRT	provincial reconstruction team
REO	regional embassy office
R&R	rest and recuperation
RSO	regional security office or officer
SAO	security advisory opinion
SFA	Strategic Framework Agreement
SOP	standard operation procedure
USAID	United States Agency for International Development

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