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

Report of Inspection

Embassy
Sanaa, Yemen

Report Number ISP-I-10-63A, June 2010

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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 President's Council 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 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
Deputy Inspector General

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KEY JUDGMENTS

- Embassy Sanaa, operating in a country with a mercurial relationship with the United States, has become the key forward operating base for the broad spectrum of counterterrorism efforts against Al Qaeda in the Arabian Peninsula.
- Traditional embassy sections—reinforced by steadily growing military elements based at the embassy—fortify expanding bilateral relations under the firm hand of an effective and respected Ambassador.
- Longer range whole-of-government planning and goal setting does not get the attention it merits.
- There is need for a common communication strategy among agencies for explaining American policy in its larger context to Yemeni leaders and public.
- The amalgamation of a military information support team with the public diplomacy operation results in an effective and well-resourced communication capability.
- The U.S. Government has little hard or qualitative data about Yemeni attitudes and opinions concerning the United States, as well as about how to affect them.
- While the consular section is performing admirably, staffing shortages and backlogs increase the risk to U.S. homeland security caused by pervasive fraud and the threat of terrorism.
- The Department's response to this post's staffing and resource needs has been insufficient, while other U.S. Government entities increase staff rapidly.
- Communication within the mission, which is constantly receiving new hires and temporary duty employees, should be more effective.

- The management section provides commendable support to permanent staff, as well as a large number of long- and short-term temporary duty employees.
- Embassy Sanaa is not following a number of the Department's standards for emergency preparedness.

The inspection took place in Washington, DC, between January 4 and 27, 2010, and in Sanaa, Yemen, between January 29 and February 11, 2010.

CONTEXT

Strategically located on the Straits of Mandeb (“The Gate of Tears”) separating Asia’s Arabian Peninsula from the Horn of Africa, Yemen is endowed



with spectacular geography, sufficient rainfall, and fertile lands. Yemen’s culture has been recorded for 3,000 years, and historically has been both a destination and a hub. Today, however, it is a troubled land. Yemen’s instability has helped Al Qaeda in the Arabian Peninsula to take root, which has resulted in bold attacks against U.S., Yemeni, and other interests. Complicating these security and political challenges are the dual devils of declining oil exports and diminished aquifers. Oil makes up more than half the country’s

export earnings, production is declining rapidly, and the government has done little post-oil planning, while water shortages threaten to fundamentally change the way of life.

Considered by the World Bank to be “the single largest development challenge in the Middle East,” Yemen also suffers from low per capita development assistance levels, as a result of a lack of political reform, high population growth, the security situation, and limited absorptive capacity.

The host nation’s 24 million people face multiple internal challenges, among them a violent conflict in the northwest, discontent among southerners who were part of the former People’s Democratic Republic of Yemen, some of whom have begun to advocate secession, and restive tribes less loyal to President Saleh than traditionally has been the case. Yemeni security forces

have only limited control of much of the country, and the national addiction to qat (a local plant which, when chewed, induces mild euphoria and excitement) displaces food production, drains water resources, and diminishes the productivity of much of the population.

After years of neglect, recent terror attacks in America linked to Yemen have thrust Sanaa back into the limelight. A modest development program, flourishing military relationship, and interagency efforts to counter Al Qaeda in the Arabian Peninsula all are expanding dramatically, straining embassy support resources.

Life in Sanaa is dangerous. A deadly assault on the chancery in September 2008 killed 11 and disrupted operations for months. In addition, a complex consular workload, with very high fraud and a large (55,000) American citizen services component, is an important focus.

The Office of Inspector General (OIG) last inspected Embassy Sanaa in the fall of 2005. At present, employees receive 30 percent danger pay and 20 percent hardship for service in Yemen. Children are not allowed at the post, but working spouses are permitted. Standard tours are 24 months with three rest-and-recuperation trips.

EXECUTIVE DIRECTION

President Obama said he will not send American ground troops into Yemen. However, he also has said the United States will not ignore the problems that make Yemen a launching point for terrorist missions and a refuge for Al Qaeda. Therein lies the issue for Embassy Sanaa.

The United States has renewed its focus on Yemen, and government agencies from the ranging Department of Homeland Security to the U.S. Agency for International Development (USAID) are stepping up with programs and resources. To support these initiatives, the embassy faces challenges that would be daunting enough, even without the counterterrorism focus.

U.S. policy in Yemen has focused heavily on fighting Al Qaeda in the Arabian Peninsula and, until recently, has put less emphasis on how to address the conditions that make the country fertile ground for terrorists. U.S. bilateral development and security assistance increased in Yemen from \$17 million in FY 2008 to \$40 million in FY 2009. Although the U.S. Government has not yet made final determinations, total FY 2010 assistance may reach \$67 million. The President's FY 2011 budget includes \$106 million for Yemen. Separately, the Pentagon recently said it would like to double the roughly \$67 million Yemen received in 2009 in section 1206 security assistance. Some of that funding goes to civil and humanitarian as well as information programs.

COUNTRY TEAM AND INTERAGENCY RELATIONS

Calibrating and targeting the American effort falls to an experienced, Arabic-speaking Chief of Mission who is unusually well suited for this job. He brings a high level of personal energy and sharp policy engagement to the post. His personal style is to be directly involved in and acutely aware of everything the various agencies and departments are planning. The result is that he shapes programs, actions, and deployments to reflect the necessary policy sensitivity. He engages equally intently with colonels as with four star generals.

The deputy chief of mission (DCM) brings the same qualities to the number two job and for two and a half years has daily directed a very complex mission. Her qualifications are excellent, and she is performing with a senior officer's self confidence and judiciousness. The DCM and the Ambassador ensure that they present unanimity of viewpoint, and together they make a formidable team. Coordination and cooperation are hallmarks of embassy activities.

Experienced country team members rate this embassy as “the most productive” they have worked in, and they call the cross-agency coordination “seamless.” Agency heads describe both the Ambassador and DCM as “hands on” managers who are accessible and thoughtful, but quick, in their responses. They admit knowing they will have won some and lost some, when they come out of the Ambassador's office—but all believe he will respect their equities.

THE MISSION STRATEGIC PLAN PROCESS

Each year the Ambassador and DCM host an offsite retreat to develop the Mission Strategic Plan (MSP)¹, with the participation of all section chiefs and agency heads, other officers (including entry-level personnel), and key senior locally employed (LE) staff. An important sub-unified command (Special Operations Command Central) participated in 2009. The result is a thorough, point-in-time forecast of upcoming and desirable activities, woven into a context of current policy priorities. Washington observers noted that the 2011 edition of the MSP is similar to the 2010 submission, and changes in the Yemeni environment since that time would call for a different roadmap.

There is no shortage of plans for Yemen. Besides the Department's MSP, the National Security Council created a Yemen plan in early 2009, USAID developed its own plan, and the U.S. Central Command has its own Yemen Action Plan. At Embassy Sanaa's request, the Office of the Coordinator for Reconstruction and Stabilization will contribute to the next MSP process.

¹Beginning in FY 2012, this initiative will be called the Mission Strategic Resources Plan.

While multiple plans for Yemen policy compete for attention, it is perhaps not surprising that the Ambassador and DCM manage a daily flow of proposals for engagement by the U.S. military, new initiatives by Washington agencies, National Security Decision Directive-38 requests, and country clearances for temporary duty (TDY) personnel from different agencies. The Ambassador is in regular contact by email and secure video teleconference with senior National Security Council officials, and he correctly back-briefs Department leaders on the content of those exchanges.

The OIG team observed the absence of a single, unified, and clearly articulated vision for U.S. policy in Yemen over the next five years. The OIG team believes the Sanaa country team, led by this respected Ambassador, should lay out such a vision, obtain broad U.S. Government agreement, and then communicate that vision consistently to the interagency community as well as the Yemeni public. Such a policy vision can ensure an enduring commitment that balances the use of diplomacy, deterrence, containment, economic assistance, counterterrorism, public diplomacy, and military resources to meet the complex mix of threats and opportunities over a medium term.

Such a vision can serve as an effective policy management tool for the burdened embassy's executive office, especially if it is communicated clearly and often to both the U.S. Government interagency community and the host nation.

Recommendation 1: Embassy Sanaa should develop a unified, clearly articulated vision for U.S. policy in Yemen, to drive whole-of-government planning and goal setting over the next five years. (Action: Embassy Sanaa)

Discussion of a medium-term vision for U.S. policy in Yemen led naturally to the questions: What do people in Yemen believe about U.S. intentions? What is their explanation for American actions? Are leadership's perceptions different from those of the general public or tribal leaders?

PUBLIC DIPLOMACY AND STRATEGIC COMMUNICATION

The OIG team repeatedly sought reporting or empirical data on what the Yemeni public understands about U.S. policy objectives and the American presence in their country. Embassy officers agree that cultural and practical obstacles limit our ability to understand attitudes among many Yemenis, especially in view of the widely dispersed population. Open Source Center reporting on the Yemeni media, buttressed by embassy media summaries and indigenous English language newspapers, blogs and Web sites, indicates significant suspicion of U.S. motives and antipathy toward any greater American military presence. It is impossible, however, to know whether these sentiments are widespread, how deeply the beliefs are held, or what might cause a change in those beliefs.

During the survey in Washington and the inspection in Sanaa, the OIG team asked how individual sections and agencies coordinate on or contribute to a communication strategy aimed at the Yemeni public and leadership. The embassy disseminates press releases on official visitors and individual events, and the Ambassador and other officers host and speak at media events. There is not much outreach. It is not evident that the embassy is effectively offering Yemenis a narrative to help them make sense of U.S. actions.

The OIG team concluded that a communication strategy—to which all the agencies at post including the Department commit—would help to explain U.S. policy in its larger context to Yemeni leaders and the public. Such a strategy should not depend solely on messaging, but should drive visible actions, build relationships with key audiences, and develop credible voices within Yemen to serve as our allies. This subject is discussed further in the public diplomacy section of this report.

MORALE AND LEADERSHIP

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(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) The Ambassador pays careful attention to security issues, but this is an area that could benefit from more robust internal communication. Often faced with tough choices, the Ambassador correctly balances the constant flow of threats against the job the embassy must do. The DCM has a supportive relationship with the regional security officer (RSO) and his staff.

The executive office also knows that many employees believe the embassy is not getting support from the Department. One Foreign Service officer described Sanaa as a “do-it-yourself, high-threat, danger post,” where an undergraded, shorthanded staff, equipped with inadequate resources, is expected to keep the U.S. Government’s operation running. There is a perception that all agencies have lots of people and resources for Yemen—except the Department of State.

Despite this situation, morale is remarkably high, something the OIG team attributes to excellent leadership and participatory decision making, as well as a shared sense of striving in the national interest. Moreover, in rare cases when an individual is pulling a section down or causing problems for others, the Ambassador and DCM are not reluctant to take action.

The OIG team believes that the mission’s dedication to training, developing, and acculturating the first- and second-tour employees is laudable. “They are the backbone of the embassy,” said the DCM who assures that these employees from all agencies get special attention and opportunities. For example, in a post that does a lot of work with the military, it was useful to arrange a seminar during which the various military entities explained and answered questions about their different functions, commands, capabilities, and authorities. When New York Times journalist Tom Friedman came by to interview the Ambassador during the inspection, it was understood that Friedman also would spend a free-ranging hour a dozen first- and second-tour employees.

Throughout its time in Sanaa, the OIG team repeatedly was impressed with the intellectual capabilities, language qualifications, and sound judgment of the Department’s entry-level officers.

POLICY AND PROGRAM IMPLEMENTATION

U.S. policy aims to develop a relationship with Yemen to support regional stability, to combat terrorism, and to partner in economic development and institutional instruments of democracy. These goals require sustained, prolonged commitment and dedicated resources. Embassy Sanaa has been operating at breakneck speed since the attacks in 2008 on the embassy and its residential compound.

The embassy has responded with equal fervor to the dynamic leadership and determination of the Ambassador and DCM to achieve mission-wide coordination. These relationships work effectively, despite the intensity of attention from all quarters in Washington. The doubling of both military and foreign assistance requires more people to manage the growth in training and programs. In addition, there is a substantial increase in the number of high-profile administration and congressional visitors who require substantial support.

MILITARY PROGRAMS

The office of military cooperation (OMC), the senior defense representative, is under the authority of the U.S. Central Command. Military assistance is expected to increase from \$60 million in FY 2009 to more than \$150 million in FY 2010. The OMC commander is an effective senior officer dedicated to contributing to a cooperative environment with the Ambassador and his team. The Ambassador has said he values and appreciates the OMC commander's work to coordinate and support the growing U.S. military footprint.

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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT PROGRAMS

The USAID mission director is a seasoned officer who has developed and coordinated a multiagency strategic development plan to promote stability and local governance in key governorates. Foreign assistance is projected to increase to \$121 million over the next three fiscal years. The USAID Office of Transition Initiatives is examining how, and how quickly, to make operational its 2009 strategic development plan. (The USAID mission director hopes for a six-month timeframe.)

The combined universe of security and development assistance was approximately \$100 million in FY 2009, and it is expected to double or more in FY 2010. The embassy internally shares information regularly and easily, to identify programs and projects being considered and funded. The clearance process also gives the embassy the opportunity to coordinate similar projects being supported by different U.S. Government sources.

POLITICAL/ECONOMIC SECTION

Both Department of Defense and USAID foreign assistance teams have included the embassy's political/economic section in their interagency deliberations. These entry-level officers are performing well above their pay grade. Moreover, the political/economic section chief position was vacant for three months in the summer of 2009, and the incumbent has just curtailed. The Ambassador and DCM provide daily guidance and direction to this unit, at the expense of time they might otherwise give to longer-term strategic planning.

For their part, the Ambassador and DCM recognize fully the importance of the political/economic section having a section chief to provide management, direction, and career mentoring. They and the Bureau of Near Eastern Affairs are actively engaged in identifying a section chief to fill the staffing gap until September 2011.

As part of the professional development of first- and second-tour officers, the DCM has assigned responsibility for refugee reporting to a consular cone officer. The OIG team applauds the effort to provide a career development opportunity for the officer but has counseled the DCM that this growing reporting responsibility needs supervision. Given the paucity and debatable reliability

of official Yemeni Government data, the reporting officer will have to do time consuming ground research through nongovernmental organizations and anecdotal evidence. The OIG team has counseled Embassy Sanaa to consider seeking funding from the Bureau of Population, Refugees, and Migration and the Bureau of International Organization Affairs to pay for an LE staff position to conduct the research. The OIG team also has counseled Embassy Sanaa also to clarify who will oversee and direct the refugee reporting.

Trade Promotion

The political/economic section has expanded the embassy's contact base in the Yemeni business community, and has hired an LE staff member to facilitate outreach. Yemen, which faces a serious decline in oil revenues, has just begun its participation in the liquid natural gas market. Section officers, supported by the Ambassador, have been very active in working with U.S. oil and gas companies, in particular, to access and market Yemeni natural gas resources. Embassy Sanaa partners with the local Chamber of Commerce on business outreach.

Agriculture Programs

The U.S. Department of Agriculture food security program in Yemen had been dormant for several years, but for the past six and a half months the embassy has had a Department of Agriculture position, held by an LE staff member. The regional agricultural attaché at Embassy Riyadh serves as the direct supervisor to oversee the food security program in Yemen. Embassy Sanaa and the regional agricultural attaché in Riyadh are seeking to develop a strategy for the use of Department of Agriculture program funds. The Ambassador is personally engaged on this matter, and is determined to effectively use resources directed to Yemen, in close coordination with the agricultural attaché.

Environment, Science, and Technology

Significant environmental challenges seriously threaten Yemen. Widespread poverty, water shortages (especially in the Sanaa basin), and the water-consuming cultivation of qat are interrelated challenges. In addition, by hoarding water, people are providing breeding areas for disease carrying mosquitoes. To address all these problems, the embassy's political/economic section and USAID coordinate closely to implement "community livelihoods" employment programs along with water and environmental projects.

Law Enforcement Coordination

The Federal Bureau of Investigation (FBI) office in Embassy Sanaa is the primary law enforcement entity. The legal attaché, a 20-year veteran of the FBI, is assisted by three staff members: another FBI agent, a language specialist, and an administrative support specialist. There is no LE staff assigned to the office. The office has regional responsibility for not only Yemen, but also Ethiopia and Djibouti.

While the primary mission of the FBI office is to liaise with the local police and security organizations, it also conducts criminal investigations of cases (including counterterrorism) referred by the FBI headquarters or generated locally. Other activities include limited joint investigations with local counterparts and implementation of various training and assistance programs for Yemen's law enforcement and security organizations. The legal attaché coordinates closely with the consular section, the regional security office, and other sections of the embassy, as appropriate.

Labor

The political/economic section coordinates with USAID and meets with Yemeni Government officials and nongovernmental organizations to examine labor trends (40 percent unemployment, much more underemployment), and child labor exploitation. (Since there is virtually no indigenous manufacturing, nonagricultural child labor is mostly limited to begging.)

PUBLIC AFFAIRS AND PUBLIC DIPLOMACY

Overview

Security issues and societal and technological constraints severely limit the public affairs section's (PAS) efforts to carry out its public diplomacy mission. In addition, the able and collegial, but relatively inexperienced, LE staff must cope with heavy demands from other embassy elements and from Washington, which has meant that much of the section's work has been directed toward internal, rather than Yemeni, audiences. The challenge for public diplomacy is to overcome the persistent perception that the United States' only interest in Yemen is military. The embassy could meet this challenge by developing a

strategic communication plan that involves all agencies in a common effort to communicate to Yemenis the U.S. role in their country.

PAS is headed by a third tour public affairs officer (PAO) supported by a first-tour assistant PAO and a Yemeni LE staff of 10, half of whom have been on the job less than a year. Both officers are concerned that stringent security requirements prevent American speakers, Fulbright scholars and students, artists and performers, etc. from coming to Yemen to help PAS present a more comprehensive view of the United States. The PAO received 7 weeks of Arabic language training before coming to post; the assistant PAO speaks Arabic well.

The recent increase in U.S. and international media interest in Yemen—beginning with growing awareness of the threat posed by Al Qaeda in the Arabian Peninsula, including reports of U.S. military strikes against Al Qaeda targets in Yemen and Yemen’s association with the Nigerian “Christmas bomber”—has made the PAO a virtual full time information officer, a job she performs admirably and to the Ambassador’s satisfaction. These demands, however, restrict her ability to carry out some managerial responsibilities, and prevent her from developing a complete vision for an American image in Yemen.

The Department rejected Embassy Sanaa’s Diplomacy 3.0 program request for the addition of an information officer position, which had the support of the Ambassador and the Bureau of Near Eastern Affairs. Given the surge in U.S. activities in Yemen, the presence of an information officer would permit the PAO to devote greater attention to managing the section, coordinating a strategic communication plan that assesses host country perceptions and attitudes, and identifying appropriate measures to promote an accurate image of the United States and its intentions. Because the matter is urgent, the embassy should search for a temporary solution, while the Department resolves the long-term issue.

Recommendation 2: The Bureau of Human Resources, in coordination with the Bureau of Near Eastern Affairs and Embassy Sanaa, should assign an Arabic-speaking information officer to Embassy Sanaa as soon as possible. (Action: HR, in coordination with NEA and Embassy Sanaa)

Planning and Assessment

The PAO told the OIG team that the MSP provides the blueprint for the section's outreach efforts. The programs, which address religious tolerance; press freedom; trafficking in persons; and human rights, among other issues, are well targeted and appropriate. Moreover, they are bolstered by the efforts of the military information support team, which is colocated with the PAS and operates within a framework developed jointly by the previous military information support team and the current PAO. The support team's program activities are particularly noteworthy for their sophisticated identification of, and quiet collaboration through, indigenous nongovernmental organizations in Yemen, such as women's networking, governance, and volunteer organizations.

The PAO considers these programs successful, but there is a danger that this approach, while addressing discrete concerns, does not provide a long-term strategy to bring U.S.-Yemeni relations to a position of mutual trust and support. The hallmark of success is clear planning that has Chief of Mission support and a PAO lead on implementation. Both exist here.

PAS does not have an institutional analysis describing important and influential institutions in Yemen. Such an analysis would be a useful instrument for focusing the section's outreach efforts. The OIG team has made an informal recommendation that PAS Sanaa prepare such an analysis.

Moreover, the U.S. Government has surprisingly little data on, and limited insight into, the attitudes and opinions of the Yemeni public and likely ways to affect it. PAS conducts informal focus groups to gauge reactions to new U.S. policy initiatives and other significant developments; they could augment this practice with a concerted effort to obtain access to formal public opinion polling and other qualitative measures that would assist policy makers in planning strategic communications. Many U.S. Government agencies operating in Yemen have polling, social network analysis, and academic capabilities that are not being used by the embassy.

PAS needs a strategic communication plan that assesses current Yemeni perceptions of U.S. policy and objectives, establishes a policy vision, and identifies both the audiences and the credible voices with which to reach them. A strategic communication plan would enable the embassy to present a complete picture of the U.S. presence and role in Yemen. The embassy will need to communicate this strategic plan clearly and often, to both the embassy's interagency contingents in Washington and the host nation.

Recommendation 3: Embassy Sanaa, in coordination with the Bureau of Near Eastern Affairs, should establish a broad, interagency-supported strategic communication plan, to assess the Yemeni perceptions of U.S. policy and to develop ways to foster greater Yemeni understanding of U.S. actions and intentions. (Action: Embassy Sanaa, in coordination with NEA)

Administrative Issues

The PAO is committed to a productive work environment. Her support for the professional development of her employees is reflected by her developing a training continuum for each LE staff member on her team.

The PAO does not hold a grants warrant; the embassy management office processes grants, which the PAO sends to the Department for approval. The PAO reported that the relationship between the two offices is excellent, with no undue delays or other problems in completing contract procedures. The PAO has applied to take the requisite training to obtain a grants warrant.

The PAO noted that one senior LE staff member often leaves work early without explaining his absence or whereabouts. She stressed that the employee performs his duties extremely well and willingly works extra hours when requested. In addition, the human resources office reported the PAO was late in filing evaluation reports for two probationary LE staff members.

The OIG team discussed with the PAO the importance of conducting timely performance evaluations, to show LE staff that a supervisor is paying attention to their work. During the discussion, the OIG team also noted that even a high performing employee must be held to the same time and attendance standards as the rest of the staff, to avoid the appearance of favoritism, and that those standards must be communicated to, understood by, and adhered to by all staff members.

Information Advocacy and Media Outreach

The embassy's press section comprises an information specialist, an information assistant, and an audio-visual technician. The PAO and the information specialist provide a daily morning press briefing for the Ambassador and other staff members, plus a daily press summary for Washington and other embassy audiences. The section also monitors news broadcasts (principally Al Jazeera)

and provides copies of important stories to the Ambassador. The assistant PAO reports frequently to Washington on press freedom issues.

Information Resource Center

The Information Resource Center (IRC) is in the chancery and has no public access. The IRC is directed by an LE staff member; an assistant also manages the embassy's public Web site.

A review of the last six IRC monthly reports shows that more than half of the requests for IRC services—and two thirds of the requests for in-depth research—come from within the mission. While support for embassy elements is an important IRC function, the disproportionate amount of in-house service suggests the embassy could do more to reach potential clients among media, academic institutions, nongovernmental organizations, and Yemeni Government bodies.

The International Telecommunications Union estimates that only 1.4 percent of Yemenis use the Internet. Yemen's low Internet usage and weak technical infrastructure limit the embassy Web site's utility as an outreach tool. In January 2010 the embassy Web site tallied over 33,000 visits, with 54 percent from the United States and about 22 percent from Yemen. The IRC director reports that most visitors are seeking consular information. The PAO does not regard the Web site as a significant resource for disseminating information about U.S. policy and society.

Nevertheless, the OIG team noted that, despite the recent surge of interest in U.S.-Yemeni relations, the Web site offers little U.S. policy information. For example, in January 2009, senior Department officials appeared several times before Congress to speak about U.S. relations with Yemen, but their testimony did not appear on the embassy's Web site. The site also does not offer an easy way to obtain information on key public affairs focus areas, such as interfaith dialogue, press freedom, or trafficking in persons. Also, there currently is no USAID Web page, but the IRC is working with that agency to create one.

The embassy Web site is not welcoming to non-English speakers. Although news releases and consular information usually are translated into Arabic, users can reach the Arabic texts only through an English-language link; there is no separate Arabic page.

The IRC recently established an embassy Facebook page, and, as of early February 2010, it had 662 fans. The page has links to embassy news releases and other information, and includes some content in Arabic. This initiative holds great promise as a communications tool, particularly for reaching those younger Yemenis who have an open mind toward the United States.

The OIG team informally recommended that the embassy strengthen its public Web site, emphasizing U.S. policy based on key MSP themes and making Arabic-language text more readily accessible.

Cultural Section

The cultural section is headed by the assistant PAO. Cultural programs are among the embassy's most effective tools for communicating directly with Yemenis, but security concerns severely hamper section operations. PAS correctly directs much of its outreach to young audiences.

Speakers – Embassy Sanaa has a speakers bureau composed of officers from PAS, political/economic section, regional security office, and other embassy sections, who respond to requests from schools, clubs, and other organizations. Timing and venue are coordinated closely with the RSO; the program appears to be popular with both the sponsoring organizations and the speakers themselves, who enjoy the opportunity to meet informally with the generally young Yemenis.

The embassy has not requested any State Department Bureau of International Information Programs speakers since 2008, when the RSO first judged the security risk to be too great. This caution is understandable, but it means the bilateral relationship does not benefit from the sharing of ideas and establishment of personal and professional linkages that often stem from such programs.

Arts – In November 2009, Embassy Sanaa programmed a bluegrass group, the first and only Bureau of Educational and Cultural Affairs-sponsored cultural offering in Yemen since 2008. The group performed at five RSO-vetted venues around Sanaa, including a concert at the Sanaa Cultural Center before an audience of 700 top embassy contacts. The assistant PAO noted the “excellent” cooperation of both the RSO and Yemeni security authorities and rated the concert series highly successful in presenting a “softer” side of America to Yemenis. This success bodes well for future endeavors.

Academic Exchanges – There are no American Fulbright Program participants in Yemen. Presently, 10 Yemeni Fulbright Program students are in graduate studies at U.S. universities. There are no Humphrey Fellows from Yemen in the 2009-10 academic year; 21 Yemenis have participated in the Humphrey program since its inception in 1979.

English Teaching – Bureau of Educational and Cultural Affairs contracts with the American nongovernmental organization, AMIDEAST, to provide English language teaching to about 1,000 students a year and counseling for Yemeni students interested in higher education in the United States. AMIDEAST operates from a clean and pleasant (albeit heavily guarded) facility in downtown Sanaa; it also maintains programs in Aden. During the survey phase of the inspection, some Bureau offices expressed concern at what they felt were AMIDEAST's high program overhead costs. The PAO and assistant PAO regard English teaching as an important vehicle for communicating information about American culture to Yemenis and believe AMIDEAST is performing this vital service effectively.

The flagship of Embassy Sanaa's English teaching program is the Yemen-American Language Institute (YALI), which this year celebrates its 35th anniversary. Originally an adjunct of the embassy, the institute now is part of the Yemen College of Middle Eastern Studies (YCMES), but YALI remains associated in the public mind with the U.S. Government. The IRC maintains a satellite operation at YALI.

Reports of mismanagement of YALI income and questionable personnel decisions have led to a crisis of confidence between YCMES and the embassy. In conversation with the OIG team, two YALI administrators complained that the YCMES president's management decisions have "destroyed" morale, led to resignations of senior teachers, and created distrust among faculty and staff. The embassy-YCMES relationship is governed by a memorandum of understanding, which the PAO is seeking to terminate.

The OIG team shares the embassy's conviction that YALI is an important positive symbol of the United States in Yemen. English teaching is an important and efficient door to elites, youth, and other key audiences, many of whom are otherwise difficult for Embassy Sanaa to engage. The OIG team believes the embassy should try to turn the present situation to its advantage by redefining its relationship with YALI. The OIG team has discussed with the PAS some possible approaches.

Recommendation 4: Embassy Sanaa should work with Yemen-American Language Institute to design a robust, autonomous binational teaching and cultural information institution with embassy participation and support. (Action: Embassy Sanaa)

CONSULAR AFFAIRS

Embassy Sanaa's consular section is performing admirably despite huge challenges. Backlogs in scheduling and processing—ranging from 1 month for nonimmigrant visas, to 6 months for passport/Consular Report of Birth Abroad interviews, to years for immigrant visa cases—generate added work and created strain. In addition, the section operates in one of the most difficult fraud environments in the world. Security concerns restrict consular officers from freely traveling in most of the country, inhibiting services to a population of U.S. citizens estimated to be more than 55,000. Finally, the world recently has awoken to the serious threat of terrorism in Yemen, putting Sanaa's visa and passport services in the homeland security cross-hairs.

Despite these hurdles, the section is very well managed by an officer serving in a stretch position in her second consular assignment. The other mid-level position is filled by a Civil Service officer on excursion, and all of the full-time vice consul positions are encumbered by first-tour officers. The DCM provides appropriate support and advice, and the front office does not interfere with visa processes.

The section has an extensive set of standard operating procedures that cover its important functions. There is also a training syllabus for new officers, which introduces them over a two-week period to the normal operations of the section.

Public information is another challenge, especially in regard to telephone communications. Because the recorded information on the embassy's main line is not helpful, callers with consular requests have learned to bypass the automated message and ask the embassy operator for assistance. Answering the calls puts an unnecessary strain on the operators, as they cannot answer the questions themselves and cannot forward the calls directly to the consular section, because the section only takes routine telephone inquiries—and even those, for just one hour a day. According to 7 FAH-1 H-263.6, "providing

information to the public by a variety of means can dramatically improve efficiency. An educated consumer of consular services requires less expenditure of time explaining the process.” At present, the automated telephone system is not helping inform the public, and both the consular and information management (IM) sections are paying the price.

Recommendation 5: Embassy Sanaa should revamp its automated telephone answering system to provide accurate information about consular services and give the public an opportunity to inquire about specific cases. (Action: Embassy Sanaa)

The management and internal controls are in good shape, but the section has focused on the formidable day-to-day workload and is spending relatively less time developing strategies to improve its processes and procedures, some of which are not as efficient as possible. The OIG team left an informal recommendation that the consular section regularly take time to train, plan, and improve its processes and procedures.

Staffing

As evidenced by the massive backlogs in most areas of work, authorized personnel levels are not adequate, both for U.S. and LE staff. The staffing shortfall has been exacerbated by a 14-month gap in an eligible family member (EFM) fraud supervisor position. In addition, the assistant regional security officer-investigator (ARSO-I) reports that he spends most of his time working on RSO matters, rather than on consular investigations. Recently, one assistant in the fraud prevention unit and another assistant in the American citizen services unit have augmented the LE staff, which should help reduce the stress on local employees.

While it is clear that the present staffing is inadequate, the extent of the staffing shortage is obscured by the backlogs themselves, which generate a heavy correspondence and logistical workload. In addition, the automated consular systems that process the cases do not always document the amount of unproductive work caused by the high fraud and low education of their clientele. The immediate need is to quantify the backlog, so that the section can eliminate it, with outside help. The OIG team informally recommended that the embassy analyze backlogs, to identify the quantities and characteristics of

In addition, consular clients are inconvenienced, as they must physically go to the embassy for virtually all services, and each time they do, the embassy's perimeter guards must examine them. On its Bureau of Consular Affairs intranet site, the Department recommends a courier pass-back system (whereby a user-paid professional courier service delivers documents to consular clients) as a "simple way to reduce crowds and enhance security, while promoting customer service."

Recommendation 7: Embassy Sanaa should establish a courier pass-back system for consular documents. (Action: Embassy Sanaa)

Visa Processing

Nonimmigrant visa processing is a relatively small part of the post's consular workload, and it is managed successfully by one part-time officer. The section adjudicates about 20 cases a day, with a refusal rate of about 60 percent. Commendably, the section chief reviews nearly 100 percent of the visa adjudications.

The OIG team's review of the nonimmigrant visa processing system indicated that, in January 2010 alone, there were 142 closed or refused nonimmigrant visa cases without associated documents. The Foreign Affairs Manual (FAM) states that the paper nonimmigrant visa application and, if applicable, the supplemental nonimmigrant visa application should be scanned into the Consular Consolidated Database record of the case (9 FAM 41.121 PN1.2-10 [b]). Not doing so inhibits the review of visa refusals by limiting the information available. Once the OIG team brought this matter to the section's attention, the staff immediately began scanning the required documents.

IVs in Sanaa are a big business. Many of the issues that complicate U.S. citizenship determinations are in play for IVs—lack of reliable documents, poorly educated/illiterate applicants, and endemic fraud. Indeed, there is considerable overlap between American citizen services and immigrant visa processing, as a significant number of the children who are being documented as immigrants may be U.S. citizens because they were born to Americans, and the consular section cannot process their visa cases to conclusion until an officer determines whether they are U.S. citizens.

Over the years, a massive backlog of immigrant visa processing has built up. Housed in some 50 bar-lock cabinets, the workload will require a concerted effort to eliminate. Many of the cases are the result of either customers who abandoned their cases or people who could not obtain the correct documentation to complete their applications, but are continuing to inquire about their cases. There also are many cases in which the processing status of the paper file is not reflected in the Consular Consolidated Database. In conducting an analysis of the backlog, as informally recommended above, the embassy will need to focus on the immigrant visa caseload.

Visa Referral System

The visa referral system meets the needs of the other offices in the mission. A large number of the referrals are official (“A”) visas, which are not necessary but are of value to the referring office. A spot review of referrals found that all were appropriate, and in the majority of cases the referring officers justified them well. The consular section chief recently had counseled one office that was writing pro-forma referral justifications, and the justifications subsequently improved. The OIG team noted that the referral policy is not available on the embassy’s intranet site, which has migrated to a SharePoint platform. (This problem is the subject of an IM recommendation.)

In addition, the Embassy Sanaa referral policy is a recitation of the Department’s worldwide policy, lacking any local procedures, as required by 9 FAM Appendix K, 201(b). The OIG team informally recommended that the embassy issue local procedures for processing referrals, and make the policy, procedures, and forms readily accessible to the referrers.

Because of staffing limitations, Embassy Sanaa is not doing the required annual reviews of its visa referral system. This important internal control is mandated by 9 FAM Appendix K 105(d). Not regularly reviewing referrals deprives consular management of important information on the adjudication process and potentially improper behavior.

Recommendation 8: Embassy Sanaa should implement a schedule to perform annual reviews of its visa referral system. (Action: Embassy Sanaa)

American Citizen Services

Providing American citizen services in Yemen is exceedingly difficult. As a consequence of generations of immigration to the United States, and the subsequent return of thousands of U.S. citizens, there is a large (at least 55,000) U.S.-Yemeni community. Many of the U.S. citizens have no connection to the United States except their U.S. passport. Indeed, a large number of the Yemeni-Americans reflect local standards of illiteracy and lack of education. This situation, coupled with the pervasive fraud and a complete lack of reliable civil documents, creates a huge challenge for routine passport and citizenship transactions. Because of these challenges, the embassy uses deoxyribonucleic acid (DNA) testing extensively to determine blood relationships.

One complication of the illiteracy and ignorance is that consular clients usually arrive at the embassy missing the required documents. Another complication is that the applicants often cannot show that the U.S. citizen parent has remained in the United States for the requisite five years in order to transmit citizenship to their children. Finally, fraud is a huge issue, as U.S. citizenship is highly valued in Yemen. Fathers can receive up to \$50,000 (45 times the per capita Gross Domestic Product) as a bride price for a U.S.-citizen daughter. As a result, parents often claim children as their own who are in fact from other families, in order to fraudulently document the children as U.S. citizens and use them as a potential source of income.

Getting emergency information to the large U.S.-citizen population scattered throughout Yemen also is a challenge. The consular section uses a combination of email, text message, and public media to disseminate warden messages. The section correctly believes that only a small percentage of the Yemeni-Americans would leave in an emergency. There is a growing population of true expatriates, including many Islamic converts who have come to Yemen for religious studies.

Children's issues are complicated by Yemeni societal norms, which include widespread polygamy, child marriage, and the control of women's travel by male relatives. Nonetheless, there has been some success, as evidenced by the recent return of a child to its family in the United States.

There is a 6-month wait for appointments for first-time U.S. passports and Consular Report of Birth Abroad cases. In addition to this delay, some U.S. citizens are waiting several hours in the consular section waiting room before an officer interviews them. In order to improve public service, the OIG team

informally recommended that the embassy change its American citizen services intake procedures to reduce the maximum waiting period to 2 hours.

Fraud Prevention and Border Security

The failed attempt by a Yemeni-trained Nigerian terrorist to blow up a Detroit-bound jet on Christmas Eve 2009 and the Yemeni links to the U.S. Army major who, in November 2009, allegedly killed 13 of his countrymen in Fort Hood, Texas, have raised the public consciousness of Yemen as a center for terrorism. This awareness has underscored the importance to homeland security of all consular activities. Issuing a passport or visa to a terrorist is a real risk, and Embassy Sanaa works hard to make sure that their product is free of fraud.

The consular section works closely with the RSO and the legal attaché to identify and share information on fugitives and possible terrorists. This model of cooperation has resulted in the voluntary return of four fugitives last year who had sought consular services in Sanaa.

On paper, Sanaa's fraud prevention unit is robust, with an ARSO-I, a part time vice consul, an EFM, and three LE staff members. In practice, however, the ARSO-I spends about one quarter of his time on consular investigations; the vice consul is mostly on the visa or passport window; the EFM position has been vacant since January 2009; one of the LE staff members just left the section for a higher paying job in another section of the embassy; and the Department just created a third LE staff position that the embassy has not yet filled. The section is left with less than one full-time equivalent U.S. position, and one LE staff analyst. The fraud prevention unit will be sufficiently staffed when the embassy fills all the positions and the ARSO-I works full-time on fraud prevention. The OIG team encouraged the consular section chief to designate a full-time fraud officer (ideally a second tour or mid-level officer) as soon as resources allow.

Embassy Sanaa uses DNA testing to great effect, to identify children and other purported relatives as frauds. They process some 500 DNA tests a month, which creates a large burden on the section. While the DNA confirmation rate is fairly high, it is difficult to measure the many people who, when faced with the reality that a DNA test will expose their fraud, simply refuse to show up for the test or claim that the applicant has died.

Despite the importance of DNA testing, Embassy Sanaa's procedures for DNA processing do not fully adhere to the Department's recently disseminated guidance in 9 FAM 42.44. The embassy is not complying with 12 subparagraphs under the 9 FAM 42.44 notes,² all of which relate to restrictions, standards, and procedures for conducting genetic tests to verify biological relationships. The Bureau of Consular Affairs gave Embassy Sanaa a waiver from the prohibition against using DNA tests to disprove a relationship (9 FAM 42.44 N4 a.). In addition, Embassy Sanaa requested waivers for three other subparagraphs³ involving where DNA samples may be collected, and by whom; procedures for accountability and storage of test kits; and procedures for verifying the identity of genetic sample donors (Cable 09 State 097431).

The section can resolve some of these discrepancies (such as N(6)(c) – applicants choosing their own laboratory) by changing procedures or by posting information in the embassy's Web site. Others, such as the Sanaa Medical Laboratory sending kits directly to people in the United States (in contravention to 9 FAM 42.44 N6(d)) and having the kits sent from the consular section to the Sanaa Medical Laboratory 2 weeks in advance of the testing (in contravention of 9 FAM 42.44 N8(f)), are potentially serious breaches of the chain of custody. These shortcomings diminish the value of this important tool.

Recommendation 9: Embassy Sanaa should bring its deoxyribonucleic acid testing procedures into compliance with Department regulations. (Action: Embassy Sanaa)

Visas Viper

The embassy held all required Visas Viper meetings in the past 12 months, and the consular section submitted all required reports on time. During the past year, there were 11 reports of monthly meetings that did not contain any names of potential terrorists, one monthly report containing names, and two independent name submissions. The consular section did not make any classified Visas Viper submissions during the period in question. The offices that contributed names were the legal attaché (Yemeni police had arrested the

² 9 FAM 42.44 N4 a., N6 c., N6 d., N7 c., N7 d., N7 g., N8 c., N8 e., N8 f., N8 i., N8 j.(7), and N10 (2).

³ 9 FAM 42.44 N7 c., N8 c., and N8 i.

subjects), the RSO (names were from a list that the Yemeni Interior Ministry published), and the Defense attaché (names of Yemenis whom the U.S. Government had returned from Guantanamo Bay). There is no evidence that any other offices in the embassy contributed names to the Visas Viper process in the past 12 months.

Department of Homeland Security

The Department of Homeland Security is planning to open a visa security unit in Embassy Sanaa, and the embassy was processing a National Security Decision Directive-38 request during the inspection. The consular section is making room in its already cramped work area for the Homeland Security personnel, and it welcomes their expertise in visa adjudication. As noted in the management section of this report, the Bureau of Overseas Buildings Operations OBO will need to allocate space for the Homeland Security visa security unit in the consular section of the unclassified new office annex.

RESOURCE MANAGEMENT

Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff	Locally Employed Staff	Total Staff	Funding FY 2010 (\$000)
State – D&CP*	53		25	78	\$2,356
State – ICASS	5	5	142	152	5,523
State – Public Diplomacy	2		11	13	452
State – Diplomatic Security	6		329	335	3,610
State – Marine Security Guard	7		3	10	153
State – Representation					29
State – OBO	1			1	1,422
U.S. Agency for International Development	4		13	17	35,199
Defense Attaché Office**	26		1	27	350
Office of Military Cooperation	6			6	186
SOC Forward Yemen***	49			49	1,400
Department of Justice Legal Attaché	4			4	346
Force Protection Element	4			4	193
Totals	167	5	524	696	\$51,219

*Includes 17 POL/MIL permanent TDY

**Includes 20 Permanent TDY

***Includes 44 Permanent TDY

Management Section

The management section is composed of eight U.S. direct-hire employees: a management officer, a supervisory general services officer, an assistant general services officer, a facilities maintenance officer, a financial management officer (FMO), a regional medical officer, an information management officer, and an IM specialist. There are four EFMs working in the section, including a full-time community liaison office (CLO) coordinator.

The management officer, who moved up from the FMO position, arrived in August 2007. This individual provides continuity to the section, which is generally well run and performs all the necessary services required in a high-threat, expanding mission. The section handles well the myriad issues associated with supporting 80 permanent and hundreds of short term TDY employees.

Embassy Sanaa does not lend itself well to many of the Department's rightsizing and regionalization initiatives. Security conditions change quickly: at the time of the February 2010 inspection even the January 2009 rightsizing report already had been overcome by events. The Christmas 2009 "underwear bomber" changed the U.S. foreign policy, placing a higher emphasis on Yemen. The OIG team believes that Embassy Sanaa should make rightsizing and regionalization decisions on a case-by-case basis and should be flexible enough to adapt to changed circumstances on the ground.

Facilities

The embassy compound opened in 1990. Built to Inman standards, it includes the chancery, the Ambassador's residence, Marine security guard quarters, a warehouse, recreational facilities, and parking areas. Because of the growth of embassy personnel, the OBO has contracted to build a new office annex on the existing compound. The consular section, public diplomacy section, and USAID will move into the new facility, thereby freeing up space in the chancery for possible conversion into additional controlled access area space. OBO also added on-compound housing to the project. The award includes the design and construction of the unclassified annex, 60 housing units, a new DCM residence, recreation facilities, motor pool/maintenance shops, a warehouse annex, new compound access controls, parking lots, gardens, related landscaping, and all associated site development.

The consular section's needs have changed since OBO drew up the plans for the new office annex. The current OBO design does not include space for the ARSO-I and the new Department of Homeland Security unit.

Recommendation 10: The Bureau of Overseas Buildings Operations should work with Embassy Sanaa to amend its unclassified office annex construction plan for the consular section, to include space for a new unit of the Department of Homeland Security and for the new assistant regional security officer-investigator. (Action: OBO)

OBO also is attempting to secure a site for additional staff housing, because the 60 new housing units planned for the embassy compound will not suffice to meet future housing demands. OBO identified a site less than a kilometer from the embassy compound, but political issues have delayed the completion of the sale. Embassy Sanaa is cautiously optimistic that it will complete this transaction in the coming months and construction will begin in 2011.

Facilities Management

The facilities management section is well organized and provides good customer service to the embassy community. It keeps the chancery and other buildings on the embassy compound in good working order. It advises landlords regarding how to make new residences ready for incoming employees. The landlords primarily maintain short-term leased properties.

Embassy Sanaa hosted a safety, health, and environmental management inspection in September 2009, and an OBO fire inspection in November 2007. The facilities management section has worked hard to respond to all the recommendations produced by these inspections. The section also works closely with the health unit to test water and inspect the safety of cafeteria food storage and handling. Embassy Sanaa has recently developed a robust recycling program.

General Services

The general services section is headed by a strong supervisory general services officer, who manages the section well despite daunting logistical and legal challenges, including leasing of the TDY employees' group houses necessitated by the security situation in Yemen.

Three contracting officers have \$250,000 procurement warrants. These contracting officers use full and open competition in soliciting offers and awarding contracts. However, they have not included in their service and construction contracts the relevant clause from the Federal Acquisitions Regulations dealing with trafficking in persons (52.222.50), as is required (FAR 22.1705). The OIG team notes that the Office of the Procurement Executive reviewed and approved one of the two contracts in which this clause did not appear. Embassy Sanaa must remain vigilant against promoting trafficking in persons, as it is a key element of U.S. foreign policy.

Recommendation 11: Embassy Sanaa should develop written procedures whereby all service and construction contracts over \$2,500 include Federal Acquisitions Regulations clause 52.222-50. (Action: Embassy Sanaa)

The general services section uses the Department's Overseas Contracting and Simplified Acquisitions Handbook and has access to electronic commerce. The purchase card program, which is well organized, contains the necessary management controls. The section uses simplified acquisitions, including blanket purchase agreements correctly. Contract files are maintained in accordance with the handbook. The section, however, does not have an annual acquisition plan, as required in 14 FAM 221.1. The OIG team left an informal recommendation to develop and submit an annual acquisitions plan.

The general services section has, designated in writing, an employee to serve as a receiving clerk, who physically inspects and accepts property and records each piece of property and its serial number. The receiving clerk also attaches bar code labels before the property is moved from the receiving area. The section, however, does not have written operating procedures for receiving property, particularly when items are received in areas other than the warehouse. The OIG team left an informal recommendation that Embassy Sanaa develop and distribute such written procedures.

The section has appropriate separation of duties in property management, with the property management officer, accountable property officer, and property disposal officer designated in writing. The accountable property officer conducts periodic, unannounced spot checks of property to verify property records. The embassy conducted its annual inventory reconciliation, which was within the one percent tolerance permitted by the Department, and it submitted the inventory on time. The section takes physical inventories of residential furniture at the time of change in occupancy, but only 30 percent of all residents have signed and returned their residential inventories. The OIG team left an informal recommendation that Embassy Sanaa issue a notice to all employees who have not signed and returned their inventories to do so within 30 days of the notice. The general services office maintains inventory records for all expendable property and uses requisitions properly for expendable and nonexpendable property requests.

Embassy Sanaa maintains motor pool vehicles at a central point during office hours and dispatches vehicles for each trip. The drivers complete the Daily Vehicle Use Record (Form OF-108) for all official vehicles, but passengers were not signing the OF-108 at the completion of each trip. The embassy

promptly corrected this deficiency, and no further action is required. There are not adequate controls on the distribution of fuel, which is discussed in the management controls section of this report.

The embassy maintains third party liability on all official vehicles, up to the maximum level allowed by local law. The management section has issued a motor vehicle policy, but it is 18 months old. The OIG team left an informal recommendation that Embassy Sanaa update and reissue its motor vehicle usage policy.

The management team runs a good residential housing program. The Ambassador has designated a real property manager, the management officer, who is a nonvoting member of the housing board. The embassy has a current housing guide in place. The RSO approves all housing prior to leasing. The housing section requests lease waivers from OBO, when needed. The embassy submits quarterly reports to OBO, as required. The general services officer maintains well organized files on each property. The Interagency Housing Board meets regularly, and the general services officer maintains minutes of each meeting.

Human Resources

The human resources (HR) staff includes an experienced HR specialist and three HR clerks. At the time of the inspection, one of the clerk positions was vacant and interviews were in progress to fill it. Once the new office annex and housing projects commence, the embassy will hire an additional HR clerk, funded by OBO, for the local guard force and other project personnel.

The embassy's rapid growth, from 548 employees in October 2005 to 696 in February 2010, is mainly attributed to about 80 TDY officers and Department of Defense personnel. These additional employees also need services from HR.

The embassy is seeking to fill some vacant positions: an assistant RSO position, which has been vacant since November 2009, and LE staff positions that include an HR clerk, budget analyst, administrative assistant, an immigrant visa assistant, and fraud prevention supervisor in the consular section, and a political assistant. Candidates for some of these positions have been identified.

EFMs are required to have a job after they arrive. The HR section routinely sends position descriptions for potential job openings to the spouses of assigned employees prior to their arrival in Yemen.

Recruitment and Retention of American Employees

In the past, Embassy Sanaa has filled a number of U.S. direct-hire positions with employees below the grades of their positions. While the Americans who are expected to arrive at the embassy in the summer of 2010 are for the most part at-grade, recruitment problems remain at Embassy Sanaa. The Department has not named a replacement for the supervisory general services officer, which is a key position in a small management section. A replacement for the IM specialist was identified during the inspection.

The grades of key positions, particularly the DCM and the RSO, appear to be below what is required for the effective operation of the mission, considering the growth of the embassy and the increased emphasis on Yemen in U.S. foreign policy.

The OIG team notes that the Ambassador, DCM, OMC commander, and the leaders of the political/economic section are due to rotate before the end of 2010. It is unfortunate that permanent change of station schedules will result in a wholesale departure of top staff from Yemen this year. Prudent management calls for the staggered departure of key personnel. These players are essential to smooth embassy coordination at a time when embassy staff is substantially outnumbered by TDY personnel and visitors. Moreover, their successors will need to have in hand the strategic and communications plans previously recommended in this report. The OIG team counseled the embassy to develop an arrival-departure schedule for key personnel that minimizes disruption of the embassy's operations.

Recommendation 12: The Bureau of Human Resources, in coordination with the Bureau of Near Eastern Affairs, Bureau of Diplomatic Security, and Embassy Sanaa, should conduct a strategic review of staffing at Embassy Sanaa, to include the numbers of positions, grade levels, assignment incentives, timing of officer rotations, and the requirement that spouses find employment. (Action: HR, in coordination with NEA, DS, and Embassy Sanaa)

Regional Support

The regional HR officer at the U.S. Embassy in Manama, Bahrain, who provides support to Embassy Sanaa, visited Yemen only twice last year, most recently in December 2009. Embassy Sanaa does not have the expertise to handle complicated HR issues without oversight, policy guidance, and technical assistance. The memorandum of agreement between the two embassies specifies that the regional officer will make quarterly visits to ensure adequate coverage. However, other bureaus, such as the Bureau of Western Hemisphere Affairs, set the standard at six visits to each supported post per year. Without onsite regional human resources support, Embassy Sanaa has neither continuous oversight of its HR function, nor sufficient technical guidance—particularly in regard to American allowances and benefits.

Recommendation 13: Embassy Sanaa, in coordination with Embassy Manama, should seek to amend the current memorandum of agreement to increase the number of regional human resources officer visits from four to six per year. (Action: Embassy Sanaa, in coordination with Embassy Manama)

Exception Rate Range Employees

There are 12 LE staff members hired under the exception rate range (ERR) who do not fall under the local compensation plan and are paid on a separate salary scale. They receive health insurance and the “unique conditions of work” allowance, but they are not entitled to the annual bonus, miscellaneous benefits allowance, or defined contribution fund. These employees comprise both third country nationals and Yemeni nationals, and they work primarily in information systems, the IRC, and facilities maintenance. The ERR was originally established for third country nationals, due to nonavailability of technical expertise in the Yemeni local labor market 10 years ago. The third country nationals in the facilities management section are granted a 10 year residential and work permit, which is renewable on a yearly basis for continued employment at the embassy. The embassy also has Yemeni nationals who receive ERR pay, such as employees in information systems and the IRC.

Regular employees at the FSN-1 to FSN-6 pay grades received a 15 percent increase in salary, effective January 3, 2010, and employees at the FSN-7 to FSN-12 levels received a 25 percent increase.

Regulations require overseas posts to make a preliminary determination of whether the current salary range is substantially above or below the salary ranges for the comparable positions in the locality (3 FAH-2 H-240). The embassy established ERR positions as far back as 2001, but the embassy has not made a determination as to the salary ranges for the EER positions.

Because of the prevalence of locally educated and trained information technology and computer specialists, the Government of Yemen is becoming stricter about granting work permits for non-Yemenis. The Government of Yemen assumes over time that Yemeni nationals will fill these IT and computer specialist positions. Since the Yemeni Ministry of Labor makes the final decision on retention of third country nationals, the embassy may soon be deprived of some of its key IT local staff.

The embassy normally requests revisions to ERR schedules during the salary survey, to cover all employees at the embassy. At the time of the 2009 annual compensation review, the embassy did not indicate a need to revise the ERR salary schedules. If the regional HR officer and the embassy believe that they should revise these schedules in order to recruit and retain employees, they should send a request to the Bureau of Human Resources indicating the series, grade, and title of the ERR to be changed. The OIG team could not determine whether salaries for the ERR employees are keeping pace with local compensation being paid by local institutions and companies to employees in similar positions.

Recommendation 14: Embassy Sanaa should ask the Bureau of Human Resources to conduct a salary survey of the exception rate range positions. (Action: Embassy Sanaa, in coordination with HR)

The OIG team counseled the embassy to enroll the HR specialist in the Bureau of Resource Management's "American Payroll and Allowance" course, to expand her knowledge of policies and procedures concerning American personnel issues. The employee is now enrolled in the course.

Many posts do not maintain adequate oversight over termination and reinstatement of post differential and reinstatement when American employees are away from post. Sections 531, 532, and 654 of the Department of State Standardized Regulations require that posts terminate hardship differential/danger pay upon an employee's departure from the post, and reinstate it upon the employee's return. The OIG team found that the embassy's HR section, which

is responsible for tracking staff time and attendance, accounts for employees' departures and returns. It does so in close cooperation with the travel office and the financial management office. The OIG team informally recommended that the embassy publish a management notice detailing the proper procedures for terminating and reinstating post differential and/or danger pay when employees are away from post on rest and recuperation and other travel.

Employees at Embassy Sanaa work long hours under stressful conditions. The embassy held its last awards ceremony in March 2009. The next scheduled awards ceremony is June 2010. The handbook states that awards ceremonies provide an opportunity to demonstrate the embassy's high regard and appreciation for employee contributions (3 FAH-1 H-4815). The OIG team left an informal recommendation that the embassy strengthen its awards program to recognize the contributions of its employees, both U.S. and LE staff, by holding ceremonies at least twice a year, and to explore other ways of recognizing employees, including submitting nominations for Department-wide awards, when appropriate.

At the time of the inspection, there were four LE staff evaluations outstanding. According to 3 FAM 7584, before the embassy can authorize a within-grade pay increase for a local employee, the supervisor must certify in writing that the employee's performance is at the fully successful level or better. In addition, 3 FAH-2 H-312.b (6) emphasizes the need for supervisors to prepare objective and timely reports. The embassy's management section gave delinquent supervisors several notices to submit the overdue evaluations. The OIG team made an informal recommendation that supervisors complete the outstanding evaluations within 30 days.

The OIG team noted that the LE staff attrition rate at Embassy Sanaa is 5.84 percent, which is almost twice as high as the worldwide average of around 3 percent. In the management officer's opinion, most employees leave the embassy because of security concerns, a lack of English, and better employment opportunities with the oil companies.

Equal Employment Opportunity

Embassy Sanaa has one trained and certified Equal Employment Opportunity (EEO) counselor, who has completed the EEO counselor's training. The embassy has not received any EEO complaints in the past 12 months. While the OIG team found no EEO issues at the present time, it believes that the embassy has not devoted sufficient attention to EEO matters. The embassy

has not provided adequate information or training for employees regarding the Department's EEO program. The embassy must proactively stress the importance of the EEO program, in order to avoid future EEO problems and issues. The Department's Office of Civil Rights provides EEO counselors with training materials and requires them to conduct EEO training. The Office of Civil Rights also requires Chiefs of Mission to affirm their support for the Department's EEO program. The OIG team left an informal recommendation that Embassy Sanaa conduct training on workplace harassment and the role of the EEO counselor.

With 172 permanent and long term TDY U.S. employees and 524 LE staff members, Embassy Sanaa should have more than one EEO counselor. The regulations (3 FAM 1514.2) strongly encourage posts of more than 50 employees to nominate more than one EEO counselor. The OIG team left an informal recommendation that Embassy Sanaa appoint a second EEO counselor and send this counselor to required training. The same FAM regulations also encourage all posts to identify at least one non-American LE staff liaison for EEO issues. The OIG team left an additional informal recommendation that Embassy Sanaa appoint an LE staff member as EEO liaison.

Financial Management

There are 12 positions in the financial management section, which is headed by a first-tour FMO who arrived at the embassy in October 2009 and is doing a commendable job. There is also a financial specialist, four budget analysts, four voucher examiners, and two cashiers. One budget analyst recently left his position. Before advertising for a replacement, the FMO plans to review the transaction workload. One of the budget analysts and all the voucher examiners are fairly new and inexperienced. The embassy has transferred to the Bureau of Resource Management's post support unit the processing of vouchers for permanent change of duty station related travel.

International Cooperative Administrative Support Services Charges for Temporary Duty Personnel

Embassy Sanaa is not charging the respective U.S. Government agencies for basic International Cooperative Administrative Support Services (ICASS) support provided to their TDY personnel working at the embassy. Consequently, the embassy has not fully recovered ICASS costs for long-term and short-term TDY employees. The embassy has not taken advantage of the TDY

module provided by the ICASS Service Center as a mechanism for charging other agencies. The guidance (6 FAH-5 H-360) states that, at a minimum, each embassy is required to publish a written policy that explains what services to provide to TDY employees and the anticipated costs. Each post must work with their ICASS council to come up with a policy that is applied equally to all visitors.

Recommendation 15: Embassy Sanaa should establish a written policy for charging temporary duty visitors for International Cooperative Administrative Support Services support. (Action: Embassy Sanaa)

Suspense Deposit Abroad Account

The embassy stated in its functional questionnaire that it uses the suspense deposit abroad account but did not note the purpose of this account. The status of funds report showed several available balances in the account, dating back to 2005. In reviewing documentation, the OIG team discovered inappropriate deposits from the CLO, Marine security detachment, political-military section, and the legal attaché, as well as individual deposits from employees for car insurance. Post management is allowing the cashier to receive deposits from other agencies and individuals for bill payments, and the cashier is crediting the receipts to the suspense deposit abroad account. According to 4 FAH-3 H-326.2, suspense deposit abroad accounts may not be used for deposits originating from another federal agency; according to 4 FAH-3 H-326.2-8, the embassy may not use this account to accommodate an individual's personal business needs.

Employees and agencies are benefiting from the suspense deposit abroad account, without having to go through the procurement process. The embassy is facilitating payments for employees, as in the case of car insurance payments, increasing accountability for the cashier and creating additional work for the budget analyst.

Recommendation 16: Embassy Sanaa should cease accepting deposits to the suspense deposit abroad account from employees and should implement procedures to obtain Bureau of Resource Management approval for any exceptions to the suspense deposit abroad account guidelines. (Action: Embassy Sanaa)

Cashiering

Yemen has primarily a cash economy. In December 2009, the Bureau of Resource Management renewed the embassy's cash payment waiver for payments to local vendors. The embassy has established procedures whereby the management officer approves emergency payments over \$3,000. Some military units at post submit a military interagency purchase request to the FMO for funding authority. Most of their payments are in cash and exceed \$3,000. The FMO has established procedures to monitor the funding for each military interagency purchase request, and ensures that the authorized person signs for approval for all payments before being processed.

The many petty cash purchases place a burden on the class B cashier, and no bank in Sanaa provides currency exchange. For example, at the time of the inspection all U.S. officers received cash reimbursements for representation functions, travel advances, and travel reimbursements. During the inspection, the embassy ceased making cash payments and issued a management notice mandating that all U.S. employees receive payments via electronic funds transfers to their individual employee bank accounts, in lieu of cash payments.

The class B cashier and the alternate cashier share the same office and the alternate cashier has access to the class B cashier's funds, both in contravention to 4 FAH-3 H-393.4-3. During the inspection, the embassy installed a partition to separate the two cashiers.

The OIG team observed an unannounced cash verification, which showed the cashier in balance. The OIG team noted that the class B cashier was making some payments without an original receipt, but paid against an interim advance originally submitted from the general services section. The team discussed with the FMO, supervisory general services officer, and cashiers the requirement to submit original receipts. The FMO alerted the cashiers to this requirement, and the cashiers immediately complied.

The FMO also established a procedure whereby supervisors of subcashiers will conduct unannounced cash counts monthly, as required. The OIG team confirmed that supervisors had met this requirement and that the subcashiers' supervisors provided copies of the cash count sheets to the FMO.

The embassy maintains a travel management contract with Universal Travel and pays for air tickets based on an itemized invoice with travel orders attached. In accordance with the contract, the embassy receives a commission check for the business provided. The OIG team observed some instances in

which the post provided economy tickets to employees, who then upgraded these tickets to business class, including for rest and recuperation travel. While not technically violating the letter of the law (14 FAM 567.2-4), the embassy may be pushing the spirit of the regulation. Under 14 FAM 567.2-4 (b)(7)(c) and 3 FAH-1 H-3726.4, the use of business class accommodations for rest and recuperation travel is not authorized. Posts may not use official funds to purchase business class fares for such travel under any circumstance, including favorable comparisons to coach fares. The provision in 14 FAM 567.2-4(b)(6), which allows for business class travel based on overall cost savings, does not apply to rest and recuperation travel. The OIG team informally recommended that Embassy Sanaa carefully observe the regulations restricting the use of business class accommodations for rest and recuperation travel.

The Government Accounting Office regards any business class trip as unjustified and unauthorized, if supporting documentation (including the authorization request for business class air travel, Form DS-4087) is not in the file, even though the trip was over 14 hours and clearly authorized by meeting the minimum travel time requirement for business class. The OIG team informally recommended that, when an employee is ticketed in business class, he/she must complete and have advance approval of the DS-4087 authorization request, to show that the purchase of such accommodations is advantageous to the U.S. Government.

INFORMATION MANAGEMENT

Embassy Sanaa operates a comprehensive IM program that satisfies the support needs of the embassy, notwithstanding the constant flow of TDY personnel and other personnel requesting services. The OIG team identified several areas of this program requiring management's attention, including diplomatic pouch issues, communication and training related to the embassy's intranet site, oversight of cellular telephones and laptop computers, help desk operations, information systems security, and threat recording.

The information technology staff provides unclassified and classified systems operations support for 211 workstations, 8 servers, and 308 user accounts in the chancery, warehouse, motor pool, facilities maintenance unit, local guard force building, and Chief of Mission residence. The IM section is staffed with three U.S. officers—the supervisory information management officer, a recently arrived information systems officer, and an IM specialist. LE staff includes

four systems support employees, two mail/pouch employees, two switchboard operators, and a telephone/radio technician.

Diplomatic Pouch

The Government of Yemen is interfering with incoming classified and unclassified diplomatic pouches, contravening the spirit of the Vienna Convention on Diplomatic Relations. Yemen made a reservation (to which the United States objected) to paragraph 4 of Article 27 of the Vienna Convention on November 24, 1986, reserving the right to open bags, “where there are serious and strong grounds for believing that the diplomatic bag contains substances not mentioned in article 27, paragraph 4 of the Convention....”

However, it appears that the Government of Yemen is exceeding even its own reservation. The Vienna Convention on Diplomatic Relations (article 27, paragraph 3) states that the “Diplomatic bag shall not be opened or detained.” The cited portion of the Convention declares that the diplomatic bag “may contain only diplomatic documents or articles intended for official use.” The embassy has not received any explanation from the Government of Yemen as to its “serious and strong grounds” for believing that articles in U.S. diplomatic pouches are not “intended for official use.”

For unclassified pouches, the Government of Yemen insists on its right to physically inspect, X-ray, and hold any pouches it wishes. The Government of Yemen’s inspection of all unclassified pouches has revealed Yemen’s exaggerated concern with anything electronic. Embassy computers, radios, and other electronic items frequently are held by Yemeni Customs, or even blocked from coming into the country. The Government of Yemen has even held electronic tape measures and bread machines.

The Government of Yemen applies different rules for classified diplomatic pouches. While it does not inspect or insist on knowing the contents of classified pouches, it does place significant restrictions on them. In January 2003, the U.S. Ambassador and the Government of Yemen formally agreed to restrictions on classified diplomatic pouches, establishing that professional and nonprofessional couriers must carry official authorizing letters; the embassy must inform Yemen’s Ministry of Foreign Affairs by diplomatic note regarding the arrival of the courier; the United States is allowed a maximum of 10 pouches per week (unless prior notification is given to the Ministry of Foreign Affairs, although in fact prior notification has made no difference); each pouch must weigh less than 50 kg; and no X-ray analysis or inspection of any sort is allowed.

The rules that the Government of Yemen imposes on incoming pouches have negatively affected the embassy's ability to conduct business, as well as embassy morale. Restrictions on the quantity and weight for classified pouches have been known to result in as many as 100 to 200 classified pouches being held in recent years at the Bahrain courier depot, awaiting delivery to Yemen. Sporadically, the Yemeni Government has been lax in enforcement of these restrictions. The embassy has taken advantage of these windows of opportunity to reduce substantially the backlog of classified pouches being held in Bahrain. These opportunities vary in length and frequency, so the embassy is not able to plan for delivery of goods needed to conduct business.

The embassy has put some computer system upgrades on indefinite hold, because Yemeni Customs inspectors at the airport will not clear the electronic equipment. In one instance, the embassy returned computer networking equipment to the Department after having guarded it at the Sanaa airport for a week, hoping to convince Customs to clear it. These limitations especially burden the IM staff, who must work extra hours and weekends to accommodate the whims of the Customs inspectors. It seems clear that the only strategy that will succeed is combining external pressures on and incentives for the host government to live up to its obligations under international agreements.

Recommendation 17: The Bureau of Near Eastern Affairs, in coordination with the Office of the Legal Adviser and Embassy Sanaa, should develop a strategy for reasserting the U.S. Government's right to bring into Yemen diplomatic pouches containing diplomatic documents and articles intended for official use, as provided by the Vienna Convention on Diplomatic Relations. (Action: NEA, in coordination with Embassy Sanaa and L)

Intranet Site

In October 2009, Embassy Sanaa migrated to a new technology platform for its Web site, without proper notification and training of the user community and content providers. The embassy subsequently deactivated the previous intranet site. Content providers have not received adequate training on the new application (SharePoint), which is required in order to improve service and increase efficiency and economy, as noted in 13 FAM 011. Without training, these content providers are unable to input or update information on the SharePoint site. As a result, the embassy has a new Web site populated with little or, in many sections, no information, which is particularly problematic for the consular, management, and security sections. The embassy's IM section did

not adequately plan, coordinate, and communicate with the embassy's other sections regarding the migration to the SharePoint technology. Additionally, the section did not establish a training program to enable users and content owners to use the new technology.

Recommendation 18: Embassy Sanaa should update its SharePoint intranet site. (Action: Embassy Sanaa)

Recommendation 19: Embassy Sanaa should train the embassy community on the SharePoint application so sections can maintain and add content to the embassy Web site. (Action: Embassy Sanaa)

Cellular Telephones

Embassy Sanaa does not maintain adequate oversight and controls over the issuance, replacement, and use of cellular phones. In FY 2009, the embassy spent over \$240,000 on new and replacement cellular telephones and usage charges, which comprised a large percentage of its discretionary budget. The embassy cellular phone policy, issued on December 6, 2009, states that the issuance of a new cellular phone requires that the chief of the section submit to the information management officer a signed administrative approval form, including a justification. The embassy's policy further states that the supervisor is responsible for reviewing phone charges and making a determination regarding whether each call is official or not.

The embassy does not properly oversee cellular phone replacement, which is a significant control weakness. The replacement or upgrade of a cellular phone merely requires the approval of the employee's supervisor, who does not have property management responsibilities. The embassy never implemented a procedure that establishes and assigns oversight responsibility beyond the supervisor. The regulations (14 FAM 416.5-1 a.) give authority to the property management officer or the property survey board, as appropriate, to establish whether employees are personally financially liable for damaged or missing property.

Recommendation 20: Embassy Sanaa should make the property management officer responsible for maintaining cellular phone inventory records. (Action: Embassy Sanaa)

Recommendation 21: Embassy Sanaa should make the property management officer responsible for determining if sufficient justification exists for the issuance of replacement cell phones, including determining employee accountability in cases of negligence or misuse, or referring cases to the property survey board when appropriate. (Action: Embassy Sanaa)

Recommendation 22: Embassy Sanaa should require employees to submit a written explanation of circumstances to the property management officer when a cell phone is damaged or lost. (Action: Embassy Sanaa)

Help Desk Operations

The IM section is not managing and tracking service requests, either manually or with an automated help desk application, as is required in 5 FAM 831. There is a published embassy help desk telephone number that rings on the desk of all unclassified IM center LE staff members; however, users requesting IM assistance typically contact a specific IM specialist directly, and that IM specialist works directly with the customer to resolve the problem. There is no system for capturing IM service requests, so the IM specialist cannot log service requests or any follow-up actions. Unfortunately, this approach to managing service requests does not give management the ability to identify systemic issues, allocate staff appropriately, or gauge the level of customer satisfaction. Furthermore, IM supervisors lack the ability to document operations for ICASS reporting purposes.

Recommendation 23: Embassy Sanaa should implement an information management help desk system whereby help desk operations are tracked, recorded, managed, and prioritized. (Action: Embassy Sanaa)

Recommendation 24:

Information Systems Security Officer Designation

The unclassified ISSO designation cable, 08 Sanaa 1592, assigns all ISSO duties to one individual, the information management officer. A second unclassified telegram, 09 Sanaa 2159, assigns all alternate ISSO responsibilities to the IM specialist. Neither designation cable mentions for which system either the primary ISSO or the alternate ISSO is responsible. According to 12 FAM 621.3-2, the individual who manages a system should not also undertake security oversight of that system. Assigning the primary ISSO or the alternate ISSO responsibility for both the unclassified OpenNet and the classified ClassNet systems causes a separation-of-duties vulnerability. The embassy could resolve this vulnerability in the following manner: Assign the information program officer (who is responsible for administration of the classified system) as the ISSO for the unclassified system, and assign the information system officer (who is responsible for the administration of the unclassified system) as the ISSO for the classified systems.

Recommendation 25: Embassy Sanaa should realign the duties of the information systems security officer position, in order to appropriately separate the information systems security officer's duties. (Action: Embassy Sanaa)

Embassy Threat Recording Devices

Embassy Sanaa set up threat recorders to record all incoming calls to the embassy on four switchboard stations. The information management officer was aware of the recorders and stated that they were set up to record all incoming calls but could not find any paperwork authorizing the embassy to record incoming calls. The information management officer also indicated that the other telephone operators had not been alerted that all calls they answer are being recorded. Additionally, the introductory message announcing that the caller has reached the U.S. embassy does not include a warning that the conversation is being recorded.

According to 12 FAH-6 H-551.5-2, the Chief of Mission must approve the use of threat recorders. In addition, the Foreign Intelligence Surveillance Act of 1978 prohibits the unauthorized recording of U.S. citizens' conversations overseas. The embassy is not following Department policy and may be in violation of U.S. law.

Recommendation 26: The Bureau of Diplomatic Security, in coordination with the Office of the Legal Adviser and Embassy Sanaa, should provide guidance to Embassy Sanaa to clarify authorities and proper procedures on the use of threat recorder devices. (Action: DS, in coordination with L and Embassy Sanaa)

Excess Embassy Laptops

There are 37 laptops in the embassy's inventory. Given the Department's concern over protecting sensitive information and privacy information, having this many laptops appears excessive. Department telegrams 07 State 00167072 and 08 State 00064226 recommend that all offices critically examine their current and projected requirements for the use of mobile computing devices. These cables emphasize that the most effective ways to protect sensitive Department information are through inventory management, encryption, awareness, and tracking. The OIG team informally recommended that Embassy Sanaa thoroughly review all laptops, and dispose of any that are not being used or for which there is insufficient justification.

QUALITY OF LIFE

COMMUNITY LIAISON OFFICE

Embassy Sanaa's CLO coordinator is an EFM on the first overseas assignment. The coordinator, who has held the position for 7 months, meets with the management officer and DCM (separately) once a week, and reports that both are providing excellent support. The coordinator's duties include editing the embassy newsletter; arranging activities for the embassy community; running a sponsorship program for newcomers; maintaining correspondence with potential bidders and others interested in conditions at the embassy; and serving as a sounding board for those experiencing stressful conditions at post.

The CLO coordinator is very conscious of the security environment in Yemen, which severely hampers the ability to arrange activities. A bowling party the coordinator arranged was well received, but at \$40 per person, was overly expensive. The coordinator also arranged one out-of-town trip in which eight persons participated. Because the trip required a security escort of 16, the coordinator believes that it placed an excessive demand on resources.

The coordinator works a 40-hour week and maintains an open door policy and provides a friendly and cheerful reception. The coordinator relies on suggestions from others for post activities. The OIG team left an informal recommendation about establishing a CLO advisory committee whose members would reflect the demographics of the embassy, identify community needs, and help the coordinator measure her performance. The Family Liaison Office supports formation of such committees at overseas posts.

A formal orientation program is important for employee morale at any mission, but it is especially at Embassy Sanaa, where security concerns and cultural sensitivities run high. The embassy's HR section conducts a quarterly orientation for new U.S. and LE staff on personnel policies and procedures, but there is no formal, overall post orientation for newly arrived Americans. Such a briefing should include an overview of the embassy's mission, the host culture, and management section services, as well as briefings by embassy sections and agencies.

Recommendation 27: Embassy Sanaa should establish a post orientation program for newly arrived U.S. direct-hire employees. (Action: Embassy Sanaa)

EMPLOYEE RECREATION ASSOCIATION

The embassy recreation association currently sells logo items and operates a liquor locker and cafeteria. The association is in the process of revising its charter, and it plans to discontinue the cafeteria contract and turn over cafeteria operations to the embassy. It also is considering hiring a part time manager (for 10 hours per week) to manage the commissary operations. The association has an outside accountant who prepares the monthly revenue and expenditure report. The OIG functional questionnaire noted that there are no periodic spot checks of items in the association's inventory, which makes these items susceptible to pilferage or black marketing. The OIG team suggested the association appoint a board member to perform spot checks of the inventory.

HEALTH UNIT

The health unit provides excellent service to embassy employees. The unit consists of a regional medical officer, one full-time LE staff nurse, one full-time EFM nurse, and one part-time LE staff lab technician. The DCM is the designated family advocacy officer. The regional medical officer/psychiatrist, who resides at the U.S. Embassy in Amman, visited Embassy Sanaa twice in the past 10 months. All health unit staff members have attended medical conferences or training within the past year.

The health unit has ample space and is well equipped and supplied. It is well organized and managed, with all proper controls in place. The staff keeps controlled substances in a two drawer Mosler safe, and maintains an accurate log book of dispensed or expired controlled substances. The unit organizes and properly records all medical supplies and appropriately disposes of all medical supplies that have exceeded their shelf lives. It stores staff medical records in a locked cabinet and refrigerates vaccines.

There are individual first aid kits in the safe haven, the alternate command center, and all motor pool vehicles. The embassy has ordered first aid kits for the mini-safe havens, which the embassy recently established at strategic points

around the compound. The medical unit has handled appropriately the five medical evacuations conducted in the past year.

Recommendation 28:

SANAA INTERNATIONAL SCHOOL

There are no embassy dependents at the Sanaa International School, which is an independent coeducational day school and offers an educational program from pre-kindergarten through grade 12 for students of all nationalities. At the beginning of the 2009-10 school year, 170 students enrolled in the school. The Department provides a \$10,000 grant each year to the Sanaa International School as supplement to teacher salaries.

MANAGEMENT CONTROLS

The annual chief of mission management controls assurance statement did not list any weaknesses. The DCM directed each section to complete the risk assessment questionnaire to review management controls. The reviews did not disclose any significant weaknesses. The embassy needs to pay attention, however, to two areas with respect to management controls.

AFTER-HOURS USE OF EMBASSY GAS PUMP

The embassy maintains one gasoline and one diesel fuel pump on the embassy compound, for use in official as well as personal vehicles. During business hours, a local employee pumps gas, lists the number of gallons put into each vehicle, and collects fuel coupons for personal vehicles, which the drivers purchase at the Class B cashier. At the close of business, the local employee locks the pump and takes the key to the Marine guard at Post One. Any employee wanting to self-pump gas after working hours requests the key from Post One, unlocks the pump, uses the desired amount of fuel, and returns the key to Post One. Post One does not maintain a log of employees checking out the key. For personal vehicles, the owner should leave fuel coupons equal to the amount of gas pumped in a box beside the fuel pump. The embassy does not reconcile the total number of gallons pumped after hours with the fuel coupons deposited for vehicles or the number of gallons of fuel put into official vehicles, so that it can directly charge agencies for fuel consumption.

Recommendation 29: Embassy Sanaa should develop and issue a standard operating procedure for after-hours use of the fuel pumps. (Action: Embassy Sanaa)

BILLING AND COLLECTIONS

The financial management section processes voucher payments for telephone bills for cell phones and land lines, with detailed reconciliation against the itemized billing by extension and phone number. The section then forwards the bills to the respective sections for supervisors and employees to distinguish between official and personal calls by phone number or extension. For cellular phones, if the charge is less than 3,000 Yemeni riyals (approximately \$15), the post pays the charges as official. Each cellular phone user identifies personal calls and returns the annotated bill to the FMO. The financial management office bills the individual for the personal calls over 3,000 Yemeni riyals and forwards a copy to the cashier. Once the bill is paid, the cashier forwards a copy of the official receipt to the FMO. However, there is a breakdown in following up on unpaid bills. Even though there is a receivables ledger, there is no tracking of outstanding indebtedness to ensure the collection of payment for all bills or to identify employees who are delinquent in paying their bills. Since it is embassy policy to allow employees to make personal calls on their official phones, the embassy must institute a viable billing and collection system to recoup expenses for personal phone calls.

Regulations in 5 FAM 526.1 state that the embassy policy must include provisions to maintain adequate fiscal control, set forth user responsibilities, require a signature receipt when phones are issued, provide a method whereby the user must validate the calls they made during each billing cycle, and require the user to return the telephone upon transfer. By not enforcing these regulations, the embassy is not maintaining proper controls, which increases the vulnerability for misuse and abuse of official cellular telephones and increases the administrative workload on staff, who must follow up on collections.

Recommendation 30: Embassy Sanaa should implement procedures for collecting payments on outstanding bills for personal telephone calls. (Action: Embassy Sanaa)

The embassy is not controlling overtime adequately. At the current rate of spending, American premium pay is projected to increase by 38 percent, from \$105,000 in FY 2009 to \$144,000 in FY 2010. Department program and ICASS LE staff overtime compensation in FY 2009 was \$214,700, and should be \$242,300 in FY 2010—an increase of 13 percent. Much of the U.S. direct-hire overtime is attributed to untenured entry-level officers. A review

of supporting documents revealed that supervisors do not always approve the overtime requests in advance, but rather do so after the fact. Moreover, overtime documentation is inconsistent, sometimes with little or no justification. In June 2009, the embassy issued a management instruction providing guidance on overtime but has not exercised enough control over overtime costs, which is a discretionary budget item. The OIG team made an informal recommendation regarding overtime policy to control spending.

Consular internal and management controls are excellent. A review of cash accountability and adjudication controls did not reveal any vulnerabilities.

LIST OF RECOMMENDATIONS

- Recommendation 1:** Embassy Sanaa should develop a unified, clearly articulated vision for U.S. policy in Yemen, to drive whole-of-government planning and goal setting over the next five years. (Action: Embassy Sanaa)
- Recommendation 2:** The Bureau of Human Resources, in coordination with the Bureau of Near Eastern Affairs and Embassy Sanaa, should assign an Arabic-speaking information officer to Embassy Sanaa as soon as possible. (Action: HR, in coordination with NEA and Embassy Sanaa)
- Recommendation 3:** Embassy Sanaa, in coordination with the Bureau of Near Eastern Affairs, should establish a broad, interagency-supported strategic communication plan, to assess the Yemeni perceptions of U.S. policy and to develop ways to foster greater Yemeni understanding of U.S. actions and intentions. (Action: Embassy Sanaa, in coordination with NEA)
- Recommendation 4:** Embassy Sanaa should work with Yemen-American Language Institute to design a robust, autonomous binational teaching and cultural information institution with embassy participation and support. (Action: Embassy Sanaa)
- Recommendation 5:** Embassy Sanaa should revamp its automated telephone answering system to provide accurate information about consular services and give the public an opportunity to inquire about specific cases. (Action: Embassy Sanaa)
- Recommendation 6:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, Bureau of Near Eastern Affairs, and Embassy Sanaa, should create a new position for an American citizen services officer in Embassy Sanaa. (Action: CA, in coordination with HR, NEA, and Embassy Sanaa)
- Recommendation 7:** Embassy Sanaa should establish a courier pass-back system for consular documents. (Action: Embassy Sanaa)
- Recommendation 8:** Embassy Sanaa should implement a schedule to perform annual reviews of its visa referral system. (Action: Embassy Sanaa)

Recommendation 9: Embassy Sanaa should bring its deoxyribonucleic acid testing procedures into compliance with Department regulations. (Action: Embassy Sanaa)

Recommendation 10: The Bureau of Overseas Buildings Operations should work with Embassy Sanaa to amend its unclassified office annex construction plan for the consular section, to include space for a new unit of the Department of Homeland Security and for the new assistant regional security officer-investigator. (Action: OBO)

Recommendation 11: Embassy Sanaa should develop written procedures whereby all service and construction contracts over \$2,500 include Federal Acquisitions Regulations clause 52.222-50. (Action: Embassy Sanaa)

Recommendation 12: The Bureau of Human Resources, in coordination with the Bureau of Near Eastern Affairs, Bureau of Diplomatic Security, and Embassy Sanaa, should conduct a strategic review of staffing at Embassy Sanaa, to include the numbers of positions, grade levels, assignment incentives, timing of officer rotations, and the requirement that spouses find employment. (Action: HR, in coordination with NEA, DS, and Embassy Sanaa)

Recommendation 13: Embassy Sanaa, in coordination with Embassy Manama, should seek to amend the current memorandum of agreement to increase the number of regional human resources officer visits from four to six per year. (Action: Embassy Sanaa, in coordination with Embassy Manama)

Recommendation 14: Embassy Sanaa should ask the Bureau of Human Resources to conduct a salary survey of the exception rate range positions. (Action: Embassy Sanaa, in coordination with HR)

Recommendation 15: Embassy Sanaa should establish a written policy for charging temporary duty visitors for International Cooperative Administrative Support Services support. (Action: Embassy Sanaa)

Recommendation 16: Embassy Sanaa should cease accepting deposits to the suspense deposit abroad account from employees and should implement procedures to obtain Bureau of Resource Management approval for any exceptions to the suspense deposit abroad account guidelines. (Action: Embassy Sanaa)

Recommendation 26: The Bureau of Diplomatic Security, in coordination with the Office of the Legal Adviser and Embassy Sanaa, should provide guidance to Embassy Sanaa to clarify authorities and proper procedures on the use of threat recorder devices. (Action: DS, in coordination with L and Embassy Sanaa)

Recommendation 27: Embassy Sanaa should establish a post orientation program for newly arrived U.S. direct-hire employees. (Action: Embassy Sanaa)

Recommendation 28:

Recommendation 29: Embassy Sanaa should develop and issue a standard operating procedure for after-hours use of the fuel pumps. (Action: Embassy Sanaa)

Recommendation 30: Embassy Sanaa should implement procedures for collecting payments on outstanding bills for personal telephone calls. (Action: Embassy Sanaa)

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 onsite compliance review will assess the mission's progress in implementing the informal recommendations.

Public Diplomacy

Sanaa's public affairs section does not have an institutional analysis of influential institutions.

Informal Recommendation 1: Embassy Sanaa should prepare an institutional analysis drawing upon the recommendations of all embassy sections.

The Embassy Sanaa Web site offers little U.S. policy information and is out of date.

Informal Recommendation 2: Embassy Sanaa should strengthen its Web site, emphasizing U.S. policy on key Mission Strategic Plan themes and making Arabic language text more readily accessible to non-English speakers.

Consular Affairs

Consular managers are not regularly taking time to train and develop employees and to review and improve the section's processes.

Informal Recommendation 3: Embassy Sanaa should schedule at least one consular administrative day per month—when they close to the public—during which management trains and develops staff, and improves the section's processes.

Consular employees spend a significant amount of time answering correspondence about pending cases and backlogs. In order to attack the backlogs, however, the section (and the Bureau of Consular Affairs) needs to understand the task and what resources are required.

Informal Recommendation 4: Embassy Sanaa should prepare a detailed analysis of its consular backlogs, to include the quantities and characteristics of the tasks and the amount of different resources that would be needed to complete the job.

American citizens sometimes have to wait for several hours in the consular section waiting room before an officer interviews them.

Informal Recommendation 5: Embassy Sanaa should change its intake procedures to reduce the maximum wait for American citizen services to two hours.

Embassy Sanaa's visa referral policy is a recitation of the Department's worldwide policy, lacking any local implementing procedures as required by 9 FAM Appendix K, 201(a).

Informal Recommendation 6: Embassy Sanaa should issue local procedures for processing nonimmigrant visa referrals.

Resource Management

Embassy Sanaa does not have an annual acquisitions plan, as required in 14 FAM 221.1.

Informal Recommendation 7: Embassy Sanaa should develop and submit to the Department an annual acquisitions plan.

Embassy Sanaa does not have written procedures in place regarding receipt of property.

Informal Recommendation 8: Embassy Sanaa should develop and distribute written operating procedures for receiving property that should include procedures when items are received in locations other than the warehouse.

Only 30 percent of residents have signed and returned residential inventories.

Informal Recommendation 9: Embassy Sanaa should issue a notice to all employees who have not signed and returned their residential inventories that they should do so within 30 days of the notice.

Embassy Sanaa has not updated its motor vehicles usage policy since June 2008.

Informal Recommendation 10: Embassy Sanaa should update and reissue its motor vehicles usage policy.

HR is responsible for time and attendance and does account for the departures and return of employees in cooperation with the travel office and the financial management office but does not have these procedures in writing.

Informal Recommendation 11: Embassy Sanaa should prepare and publish procedures for termination of post differential and danger pay when employees are away from post and for reinstatement after their return.

The embassy is not assertive enough in encouraging supervisors to submit award nominations. The embassy postponed the last awards ceremony scheduled for November 2009.

Informal Recommendation 12: Embassy Sanaa should strengthen its awards program to recognize the contributions of its employees, both U.S. and locally employed staff, by holding awards ceremonies at least twice a year and by exploring other ways of recognizing employees, including submitting nominations for Department-wide awards when appropriate.

Four LE staff evaluations are outstanding. Management gave delinquent supervisors several notices reminding them to submit the overdue evaluations.

Informal Recommendation 13: Embassy Sanaa should ensure that rating officers complete all outstanding performance evaluations.

Equal Employment Opportunity

The embassy has not provided adequate information to or training for employees of the mission on the Department's EEO program.

Informal Recommendation 14: Embassy Sanaa should conduct training on harassment and the role of the Equal Employment Opportunity counselor in the complaint process.

Given its size, Embassy Sanaa should have more than one EEO counselor.

Informal Recommendation 15: Embassy Sanaa should appoint a second Equal Employment Opportunity counselor and send this counselor to required training.

Embassy Sanaa does not have an FSN EEO liaison.

Informal Recommendation 16: Embassy Sanaa should appoint a locally employed staff member as Equal Employment Opportunity liaison.

Management Controls

Embassy Sanaa has provided economy tickets to employees, who then upgraded them to business class, including for rest and recuperation travel.

Informal Recommendation 17: Embassy Sanaa should observe carefully the regulations restricting the use of business class for rest and recuperation travel.

Embassy Sanaa has not been documenting authorization for business class travel in all instances.

Informal Recommendation 18: Embassy Sanaa should assure that when an employee is ticketed in business class he/she must complete the DS-4087 authorization request to fly business class to show that it is advantageous to the U.S. Government and have it approved in advance.

Information Management

Embassy Sanaa has a large number of laptops in its inventory.

Informal Recommendation 19: Embassy Sanaa should conduct a thorough review of all embassy laptops, and dispose of any laptops that are not being used or lack sufficient justification in accordance with Department guidance.

Quality of Life

The CLO coordinator relies on suggestions from others for post activities but does not have an advisory committee.

Informal Recommendation 20: Embassy Sanaa should establish a community liaison advisory committee, whose members would reflect the demographics of the embassy, identify community needs, and help the community liaison office coordinator measure job performance.

Management Controls

Overtime documentation is inconsistent, sometimes with little or no justification.

Informal Recommendation 21: Embassy Sanaa should exercise control over overtime costs by implementing the overtime policy on which the embassy published guidance in June 2009.

PRINCIPAL OFFICIALS

	Name	Arrival Date
Ambassador	Stephen A. Seche	08/07
Deputy Chief of Mission	Angie Bryan	06/07

Chiefs of Sections:

Political/Economic	Vacant	
Political/Military	Joseph J. Forcier	11/09
Consular	Kim Shaw	08/09
Management	R. Shelton Haynie	09/06
Public Diplomacy	Deborah Smith	09/09
Regional Security	John C. Taylor	07/09

Other Agencies:

Department of Defense		
Defense Attaché Office	Lt Col Kazimierz Z. Kotlow	08/08
Office of Military Cooperation	Col Gilberto N. Villahermosa	08/08
United States Agency for		
International Development	Jeffrey W. Ashley	06/09
Department of Justice		
Legal Attaché	Vincent B. Lisi	06/09
Special Operations Command Lt Col	Brad W. Treadway	08/09

ABBREVIATIONS

ARSO-I	assistant regional security officer-investigator
BBG	Broadcasting Board of Governors
CLO	community liaison office
DCM	deputy chief of mission
Department	U.S. Department of State
DNA	deoxyribonucleic acid
EEO	Equal Employment Opportunity
EFM	eligible family member
ERR	Exception Rate Range
FAM	Foreign Affairs Manual
FBI	Federal Bureau of Investigation
FMO	financial management officer
HR	human resources
ICASS	International Cooperative Administrative Support Services
IM	information management
IRC	Information Resource Center
ISSO	information systems security officer
LE	locally employed
MSP	Mission Strategic Plan
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General

OMC	office of military cooperation
PAO	public affairs officer
PAS	public affairs section
RSO	regional security officer
TDY	temporary duty
USAID	United States Agency for International Development
YALI	Yemen-American Language Institute
YCMES	Yemen College of Middle Eastern Studies

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