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

# Report of Inspection

Embassy  
Lilongwe, Malawi

Report Number ISP-I-10-60A, May 2010

## ~~IMPORTANT NOTICE~~

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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 the OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

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

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

Harold W. Geisel  
Deputy Inspector General

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## CONTEXT

Embassy Lilongwe serves as an interagency platform for the provision of humanitarian and economic assistance to Malawi, one of the world's poorest countries. Malawi depends on foreign assistance for approximately 40 percent of its national budget. The United States is its largest bilateral donor.



Despite a relatively stable political system and several years of solid economic growth, more than half the population remains below the poverty line. Per capita income is less than \$300 a year. The country's birth rate is among the highest in the world, a factor that has led to serious overcrowding in a country that depends on agriculture. The rate of HIV/AIDS infection is 12 percent, the ninth highest in the world; programs to address HIV/AIDS form the largest component of U.S. assistance.

After three decades of one-party rule by President Hastings Banda following independence in 1964, Malawi held multi-party elections in 1994. It has enjoyed varying degrees of democratic rule since then; corruption and human rights shortcomings remain concerns. President Bingu wa Matharika won a landslide, second-term victory in May 2009. The constitution bars him from seeking a third term. At the time of the inspection, it appeared that President Matharika intended to promote his brother as his successor. Strong civil society organizations and a vibrant media are the strongest bulwarks of Malawi's still fragile democracy.

Malawi largely escaped the global economic downturn that began in 2007 and registered strong economic growth through 2009, due in part to the government providing hefty fertilizer subsidies to the country's largely rural population. Those subsidies contributed to foreign exchange shortages that have

affected supplies of diesel and petroleum, both of which must be imported. Malawi will face continuing balance-of-payments problems unless it diversifies its exports and introduces a more flexible exchange rate regime. The government pricing policy led the large U.S. agribusiness firm, Cargill, to withdraw from the country in 2009. The government also expelled several U.S. tobacco buyers.

Embassy Lilongwe has grown significantly as assistance programs have expanded. The embassy included 29 U.S. direct-hire staff members when it was last inspected in 2005; that figure is now 45 and growing as USAID and the Centers for Disease Control and Prevention (CDC) expand their HIV/AIDS programs in Malawi. The Peace Corps is also expanding its program. In addition, Malawi is nearing completion of an agreement with the Millennium Challenge Corporation (MCC) which, if approved, could bring a large infusion of U.S. assistance to improve the country's power grid. The growth in embassy staff has created space shortages and left some sections in buildings judged to be insecure.

## EXECUTIVE DIRECTION

Embassy Lilongwe is led by an achievement-oriented Ambassador who arrived in October 2008. Principals in the Bureau of African Affairs (AF) described him as one of the best Chiefs of Mission in Africa. This praise did not come lightly, since the Ambassador's previous experience was totally outside of Africa. Most embassy personnel acknowledge that the Ambassador has energized a quiet post and achieved impressive results.

Country team cooperation, residential security, and management controls stand out as models. Reporting is clear and unbiased. On the other hand, the OIG team believes that the integration of the public affairs, political, and economic sections is not working as planned. This subject is discussed more fully in the next section.

The Ambassador and deputy chief of mission (DCM) work together well, notwithstanding very different personalities. The Ambassador's approach is directive; the DCM's style is consensual. The Ambassador can be impatient, with high expectations based on senior management experience at major Foreign Service posts. The Ambassador has had to rely on first-time general services and financial management officers, and on a facilities management officer with no backup. There have been rocky moments, but together all have contributed to good embassy operations.

## MODEL COUNTRY TEAM COORDINATION

Country team cooperation is effective and productive. Most assistance is health-related, and the Ambassador has opened doors for his President's Emergency Plan for AIDS Relief (PEPFAR), USAID, CDC and Peace Corps experts in both Lilongwe and Washington. For instance, he was alert to changes in the new Administration's approach to HIV/AIDS prevention, and his team was among the first to be ready to implement family planning initiatives. Should Malawi sign a compact with the MCC, it will be in large part due to efforts by the Ambassador and DCM.

Country team collegiality is striking. USAID co-chaired preparation of the embassy's Mission Strategic Plan (MSP). When Department colleagues questioned the Ambassador's reasoning, he responded that USAID knows more about planning. Indeed, AF told the OIG team that Malawi's MSP was one of the bureau's top three. USAID officers and the PEPFAR coordinator also contribute to embassy reporting on agriculture and health.

## SECURITY FIRST

Upon arrival, the Ambassador placed the security of U.S. personnel and facilities at the top of his priorities. Risking displeasure from many households who feared disruptions, he worked with his regional security officer to establish the best residential security program seen by the OIG team's experienced security inspectors. The Ambassador also directed his attention to the local guard program, which has been plagued by high turnover and even a strike. Contract guards are paid approximately \$35 per month. A new contract is expected to provide a living wage for guards, and clearly improved protection for families in Lilongwe, which is rated "critical" for crime by the Department.

## WORKPLACE AND WORKLOAD ENVIRONMENT

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(b) (2)(b) (2)(b) (2) The Ambassador reviews classified messages on most days of the week even though no Malawi message requires instant, classified communications to the Department. IM personnel cannot close down the classified systems until the Ambassador is finished accessing the system. There needs to be a compromise that will give IM officers regular days off, while not compromising the Ambassador's access to key information.

Facilities management personnel are also overloaded with emergencies emanating from the Ambassador's and other residences. There is a perception that maintenance personnel are required to devote an inordinate amount of time to the chief of mission residence (CMR), while deferring maintenance requests at other residences. The OIG team looked at work orders but could not

corroborate the assertion that too much time is spent at the CMR. The OIG team made an informal recommendation that the embassy review the workload for both IM and facilities management personnel, including what appears to be uncompensated overtime. Such a review should settle factually whether the Ambassador's residential maintenance needs are disproportionate, impinge on employees' days off, or are being met at the expense of maintaining other staff residences. The review of IM and facilities management hours would align with the Ambassador's innovative technique of using post-constituted audit committees to check on issues such as locally employed (LE) staff compensation and residential safety.

LE staff spoke positively of the Ambassador's interest in health issues and a reinvigorated professional development program. Embassy staff praised the mission's health and community liaison programs. There were no EEO (Equal Employment Opportunity) issues.



## POLICY AND PROGRAM IMPLEMENTATION

Embassy Lilongwe has compiled an exemplary record fostering interagency cooperation across its burgeoning assistance portfolio. The front office sets a tone that encourages, and requires, a one-team approach. An experiment to combine the public affairs, political, and economic sections has run into difficulties. Political and economic reporting rightly has focused on domestic issues, and has candidly addressed strengths and shortcomings in government policies. Consular operations are excellent.

### INTERAGENCY COOPERATION

Three assistance agencies – USAID, CDC and Peace Corps – comprise nearly two-thirds of the U.S. direct-hire employees at the embassy. Their programs and budgets have grown rapidly and substantially. USAID’s budget, for example, has grown from \$47 million in 2006 to \$131 million in 2010. CDC’s budget has grown from \$4 million in 2006 to \$30 million in 2010. The Peace Corps’ presence has remained steady, but plans are in place to increase the number of volunteers from 130 to more than 160 over the next three years, assuming funds are available for additional support staff.

Two large assistance programs under consideration at the time of the inspection would add substantially to Embassy Lilongwe’s portfolio. First, the MCC is considering a 5-year program to help improve the country’s power supply. The program would be funded at approximately \$300 million over 5 years, and would add two U.S. direct-hires to the embassy staff. Second, Malawi will receive funds from the Global Hunger and Food Security Initiative. This program will be administered as part of USAID’s already substantial agricultural assistance efforts.

The inspection team examined interagency cooperation in three areas: preparation of the MSP; management of PEPFAR; and the MCC’s negotiations with the Malawi government.

## Mission Strategic Plan

Department officials who review MSPs cite Embassy Lilongwe's as one of the best in Africa, reflecting in large measure the Ambassador's efforts to revitalize the process. The consul and an officer from USAID co-chair the MSP process, sending a clear message that all agencies are expected to participate. The MSP accurately reflects the primacy of U.S. assistance programs, but also contains important diplomatic and security-related goals. All agencies are assigned roles in meeting embassy goals. One officer who has participated in Lilongwe's MSP process for several years noted a steady increase in interagency participation. Agencies that once dismissed the effort as "Department-centric" now view it as a way to help their programs receive proper attention. An officer from one of the assistance agencies said the process has proven to be effective "in getting us all on the same page."

## The President's Emergency Plan for AIDS Relief (PEPFAR)

PEPFAR is the largest single U.S. assistance program in Malawi, and it has grown faster than any other: from \$16 million in 2006 to \$73 million in 2010. Five agencies share responsibility for implementing the PEPFAR program: the Department, USAID, CDC, Peace Corps, and the Department of Defense.

PEPFAR officials in Washington praised Embassy Lilongwe's program, citing in particular the Ambassador, the DCM, and the mission's PEPFAR coordinator. They also noted that PAS is closely involved with PEPFAR activities and does a good job publicizing the program and its benefits for Malawi citizens. Coordination mechanisms are ample. The DCM and PEPFAR coordinator chair occasional meetings with senior USAID, CDC, Peace Corps, and Department of Defense representatives (with the political officer normally representing the Department of Defense). The mission's PEPFAR coordinator also chairs larger meetings at least monthly, with up to 25 American and LE staff members, and meets weekly with the DCM.

Several factors have strengthened coordination. Strong front office support and involvement have helped to minimize turf battles and set a spirit of cooperation between USAID and CDC, the two largest assistance agencies. Representatives from all five agencies involved in implementing the PEPFAR program expressed satisfaction at the degree of cooperation among the parties. The Ambassador also has empowered the PEPFAR coordinator, who sits on the country team and is authorized to represent the embassy with other donors and with the Malawi government. Her office is rightly located in the chancery,

not the commercial building that houses USAID and CDC. She also has a scientific background that has proven valuable.

The inspection team noted cooperation at all levels. For example, the PEP-FAR coordinator has a small budget for modest self-help programs, and at the DCM's direction is working with the coordinator of the Ambassador's self-help funds to identify joint projects.

### Millennium Challenge Corporation

At the time of the inspection, the MCC was developing a compact with the Malawi government that would pave the way for projects to improve the country's power grid. The MCC and the embassy – particularly the front office, USAID, and the economic section – worked together and with the Malawi government to complete the preliminary steps for Malawi to be eligible for the program. The embassy provided essential background and orientation information for THE MCC as it began its analysis of Malawi's most urgent needs. MCC officials told the inspection team that Malawi would not have gotten this far in the long process without the embassy's strong involvement.

Coordination between the MCC in Washington and the embassy has improved over time. MCC officials initially sought to make ministerial appointments through their local contacts, rather than through the embassy. That practice has been halted. Appointments are now made through the embassy, and an embassy officer participates in all senior meetings between the MCC and the Malawi government. The front office also identifies and responds to frustrations at senior levels of the Malawi government regarding perceived delays in concluding the compact.

## CONSOLIDATION OF PUBLIC AFFAIRS, POLITICAL AND ECONOMIC SECTIONS

The embassy's experiment to combine PAS with two reporting sections has not worked as planned. Previously, the embassy had separate sections for public affairs, political affairs, and economic affairs. The PAS was headed by an FS-02 with a staff of 11 LE staff and one eligible family member (EFM), with offices in a commercial building that was a 5-minute drive from the chancery. The political section was headed by an entry-level officer with two LE staff members. An FS-03 headed the economic section, assisted by one LE staff member.

After consulting with AF, the Ambassador combined these sections in September 2009, placing the PAS chief in charge of all three sections. The Ambassador cited several reasons for doing so: the consolidation would help create greater synergy among the three sections, which already worked closely together; creating a combined section chief position with greater responsibilities would make the job more attractive and help in recruiting good candidates; and the move would reduce the number of officers the DCM supervises directly.

The consolidation had been in effect for 6 months at the time of the inspection and was facing considerable difficulties. The head of the section retained his responsibilities as PAS chief, and was performing them well. He was attempting to divide his time between his office at the embassy and his office at the PAS, but demands were such that he was spending most of his time at the embassy. Time constraints prevented him from holding regular staff meetings with PAS employees. Several PAS LE staff members told the inspection team that lack of proper supervision was permitting some employees to report to work late or to take inordinately long lunch breaks.

The combined section chief was doing a good job assisting the political and economic officers with their drafting, but was not doing political or economic reporting of his own. Six months into the process, the political officer was still reporting on political events and human rights issues; the economics officer continued to confine himself to economic reporting. Neither officer had been given any public affairs responsibilities. The inspection team saw no evidence of increased synergy or cross-training as a result of the consolidation.

The inspection team was told that plans are afoot to assign the economic officer some public affairs duties, such as managing the international visitors program, and perhaps other cultural affairs activities. The inspection team

asked whether he would also assume responsibility for supervising LE staff associated with these programs, and was told that this had not been decided.

The incumbent chief managed the PAS section for two years before the sections were combined, and was thus thoroughly familiar with PAS operations and the Lilongwe staff. A new chief is scheduled to arrive in summer 2010, and will be faced with managing all three sections without the benefit of prior experience with PAS operations and staff.

Based on close observation and interviews with staff in all three sections, the inspection team concluded that, while innovative and conceptually attractive, operating a combined section cannot work given the management and logistics challenges. Combining the political and economic sections alone would be more practical and would help achieve some of the same results.

**Recommendation 1:** Embassy Lilongwe, in coordination with the Bureau of African Affairs and the Bureau of Human Resources, should reverse its decision to combine the public affairs, political, and economic sections, and should inform the incoming officer who was recruited as chief of a combined section, that the sections are no longer combined. (Action: Embassy Lilongwe, in coordination with AF and HR)

## POLITICAL AND ECONOMIC REPORTING

The bulk of embassy reporting is done by a second-tour political officer and a third-tour economic officer. The front office also contributes, and officers from USAID and PEPFAR file front-channel reports on agriculture, health, and other issues within their areas of expertise. Formal coordination is achieved through weekly meetings chaired by the DCM that include officers and LE staff from the Department, USAID, and the Department of Defense. In addition, the Ambassador holds regular small group discussions with senior LE staff.

The political and economic officers and LE staff spend approximately 30 percent of their time researching and preparing mandated reports on human rights, trafficking in persons, investment conditions, and the like. In addition, the political officer spends some 15 percent of his time on political-military affairs, including supporting education and training programs and reporting on military affairs.

The remainder of their time is focused on domestic political and economic issues, both of which Washington consumers view as high priority. The section also has produced useful reports on Malawi's new leadership role in the African Union. The inspection team reviewed more than one year of reporting and found it balanced and well sourced. Reporting by both officers provides a clear picture of political and economic developments, both positive and negative. Two baseline reports, on economic policy and the status of democratic processes, were particularly insightful. The inspection team suggested that these overviews be updated every 6 months.

While sympathetic to the demands placed on Malawi's reporting staff, Washington consumers expressed a desire for additional reporting on human rights, including respect for democratic norms. With large assistance projects pending, there is also a desire for additional assessments of whether the government is adopting economic and regulatory steps to complement them. The inspection team suggested that reporting on Malawi's significant Muslim population would be welcome. There is also Department interest in the dynamics of Malawi's relationship with Zimbabwe.

The political officer works with one Department of Defense-funded LE staff member on military issues, including the International Military Education and Training (IMET) and Africa Contingency Operations Training and Assistance (ACOTA) programs. They communicate frequently with Department of Defense offices at Embassy Gaborone and Embassy Harare, both of which have oversight responsibilities for Malawi. The inspection team reviewed Leahy vetting procedures and found them fully compliant with Department procedures; files were in excellent order.

The LE staff members are experienced and professional, but neither has received Department training in more than 5 years. The inspection team informally recommended that their supervisors review their training needs and take appropriate action.

## PUBLIC DIPLOMACY

### Staff and Facilities

PAS comprises one public affairs officer (PAO), 11 LE staff positions, and one EFM. Facilities are located in a 600-square meter, leased office on the first and second floors of a general purpose building a few minutes' drive from the chancery. While the Department had plans to relocate the PAS to a more secure area in an insurance building (NICO House), increasing demands for USAID and CDC office space there have limited the space available for PAS. As a result, the embassy believes that space in NICO House is inadequate for the PAS offices, auditorium, and Information Resource Center (IRC), and it has recommended against the move. The PAO has been working closely with the regional security officer to address security concerns at the current PAS facility, and both are coordinating with the building management to resolve them. The current PAS quarters in the Old Mutual building were designed by the Bureau of Overseas Buildings Operations (OBO) as a public affairs facility and function as well as an IRC and venue for PAS events. The IRC targets and attracts journalists, government officials, professionals, business contacts, and students. Many members of Parliament have offices nearby and stop into the IRC with requests for information. The PAS auditorium is the mission's largest meeting facility and is used by all agencies.

### Public Diplomacy and the Mission Strategic Plan

The PAO was actively involved in preparing the MSP, contributing to every policy goal. He incorporated public diplomacy values into all aspects of MSP policy goals, and led the public diplomacy goal team. The PAO drafted his own strategic communication plan for FY 2009, presenting a detailed outline of PAS activities to carry out MSP goals. He is in the process of drafting an update for FY 2010. PAS uses its resources to add a public diplomacy dimension to public events by all agencies at post.

### Cultural Activities, Speaker Programs, and Exchange Programs

PAS runs a range of cultural, speaker, and exchange programs on a limited budget, combining programs creatively and making use of "target of opportunity" speakers. For example, PAS showcased the Fulbright scholar/musician's partnership with a popular Malawian musician at a Black History Month reception at the Ambassador's residence, drawing an audience that included six

cabinet ministers. Outstanding aspects of the cultural affairs operation are the alumni association and the educational advising section. With the encouragement of the LE cultural affairs specialist, the exchange alumni three years ago formed their own organization to conduct outreach programs on issues of MSP interest, such as promoting sustainable agriculture, countering drug and alcohol abuse, and curbing domestic violence. Alumni, who include members of Parliament and government ministers, often are invited to speak at American Corners and recruit promising students to apply for scholarships to U.S. colleges.

The educational advising program, under the direction of a talented LE employee and an experienced EFM, has done an excellent job seeking promising students, many from disadvantaged backgrounds, to attend U.S. universities on full or partial scholarships under the U.S. Student Achievers Program. There is wide mission participation in well-targeted International Visitor Leadership Program (IVLP) selection.

With the encouragement of the DCM, PAS has attracted several mission officers as outreach speakers in and outside the capital, in addition to the Ambassador's active public appearance program. However, the mission does not have a formal speakers' bureau to promote public outreach by embassy officers. The embassy needs a systematic plan to engage all mission officers as outreach speakers. The OIG team left an informal recommendation addressing this issue.

## Reaching out to the Muslim Community

The embassy has stepped up its engagement with Malawi's Muslim community, estimated at between 10 and 20 percent of the population. In addition to holding Iftar dinners, PAS has connected with Muslim groups by highlighting President Obama's overtures to Muslims, including distributing DVD's of the Presidents Cairo and Ghana speeches. In March 2010, the mission plans to initiate an interfaith dialogue with Christian and Muslim clerics, a move championed by a prominent Muslim who represents an opposition party in Parliament and participated in an international visitors program.

## Grants

PAS has complied with directives from the 2005 OIG inspection regarding grants. Grants records are in good order and each file contains a document designating its MSP goal. Documents are signed by the recipient, grants officer

and grants officer representative and contain a budget breakdown and outline of grant activities. PAS monitors all grant activities and the PAO signs a checklist when each grant is completed.

## Press Section

PAS LE information staff members are plugged into the media scene and have good relations with a wide range of media contacts in Lilongwe and other major cities. They keep tabs on print and broadcast outlets, conduct a monthly analysis of positive/negative stories and track issues that gain media attention. Astute observers of Malawi politics and society, LE information staff participate in the DCM's weekly POL/ECON/PAS meeting.

## Information Resource Center

The IRC attracts a wide range of the target audience to its convenient and well-located facility. The PAS building has the best broadband Internet access in the country. In addition to sending out selected articles and information to contacts, the IRC staff conducts classes in Internet research, and has offered Internet training for members of Parliament, who are frequent IRC patrons. Students use the IRC to research educational opportunities in the United States. The regional information resource officer, based in Washington, visits yearly and provides support through regular email guidance and information and research material.

## American Corners

The IRC director oversees three American Corners at universities in outlying major cities, which function as effective platforms for reaching audiences outside Lilongwe. The budget for American Corners has doubled in the last two years, and attendance is up an impressive 400 percent. When the Ambassador or mission officers travel to nearby regions, they make it a practice to include programs at the American Corners. American Corners serve to recruit talented students for the U.S. Student Achievers program. The coordinators of the Corners also conduct their own MSP-related programs using PAS-supplied books, posters, DVDs, and handouts. While the American Corners are equipped with new computers and widescreen televisions, their Internet access through the universities' service providers has been poor. PAS is examining possibilities for contracting local, reliable Internet service for the American Corners, but executing an upgrade would require additional funds.

The 2005 OIG inspection team counseled PAS on appropriate IRC money handling procedures. PAS now follows proper procedures for handling the IRC Internet usage fees. The IRC deputy director issues receipts for all fees and reconciles the accounts with the IRC director daily. Funds are kept in a locked cash box in a locked office and sent to the embassy financial management office regularly. Proper safeguards are also followed with the much smaller amounts collected by the educational advising section.

### Use of New Electronic and Social Media

The embassy launched a Facebook page during the inspection; local media attended the event. PAS plans to start a separate Facebook page to provide information on education opportunities in the United States, gain feedback from students and alumni, and keep in contact with Malawian students in the United States. PAS will encourage the alumni organization to create its own Facebook page to stay in touch with members and publicize events.

PAS is interested in investigating the potential for increased use of text messaging to publicize programs and send out information. For President Obama's Ghana speech, there were 100 text messages from Malawi. PAS would need broader guidance, however, from AF's public diplomacy office and the Office of International Information Programs on how to implement a wider program. The Office of International Information Programs offers a range of digital audio and video products, but Malawi's low bandwidth makes it cumbersome to download audio, and downloading video is impossible. PAS instead copies materials on to DVDs and CDs and distributes them widely.

### Performance Measurement and the Mission Activity Tracker

PAS Malawi was late in starting to use the mission activity tracker, but it is now documenting programs and results. Entering data into the tracker has become standard, as the last step in the program activity checklist. Local bandwidth limitations sometimes cause difficulties in accessing the tracker.

## CONSULAR OPERATIONS

### Overview

Embassy Lilongwe's consular section includes one full-time Foreign Service officer, one EFM, and one LE staff member. The consul directs a systematic training program and supplies clear functional and managerial guidance. Consular outreach in coordination with the PAS is first rate. The section's representational activities advance protection and visa information responsibilities. These factors have resulted in high morale and productivity.

Visa programs consume most consular resources, although protecting American citizens is the embassy's prime consular objective. The consul emphasizes lawful and fair eligibility adjudication in dealing with all service requests. Embassy Lilongwe's consular section strengthens U.S. border security by vigilantly adjudicating passport and visa applications while maintaining America's traditional openness to legitimate travelers. Consular management successfully develops personnel resources and fully implements and executes quality benchmarks. Position descriptions are accurate and efficiency reports are completed on time. During FY 2009, all staffers completed at least two consular study courses, including training outside Malawi. All staffers participate in a structured outreach program designed to improve relations with host government officials and persons seeking services or information. The OIG team observed consular staffers providing professional and courteous service to U.S. citizens and visa applicants. The staffing level appears adequate to deal with the current workload.

### American Citizens Services

About 1,900 U.S. citizens permanently living in Malawi have registered with the American citizens services unit. An unknown number are unregistered. About 3,000 Americans visit Malawi each year. The section also supports Americans living in nearby regions of Zambia and Mozambique, as Lilongwe is geographically closer than the respective embassies. Private U.S. citizens interviewed by the OIG team praised the section's quarterly newsletter. During FY 2009, the unit processed several death and welfare/whereabouts cases, about 240 passport actions, 300 notarial services, and 3 consular reports of birth. The unit devotes increasing resources to adoption matters.

The embassy maintains an efficient emergency notification system for Americans, and specific plans for their safety and evacuation. Malawi's poor infrastructure makes contact with Americans, U.S. citizen travel to the embassy, and provision of basic medical care extremely challenging. The consular section's well organized warden system, outreach, and consular emergency plan address these issues and satisfy U.S. citizen assistance requirements.

### Visa services

The visa unit adjudicated 33 immigrant and about 1,600 nonimmigrant visa applications in FY 2009. A few persons sought refugee or asylee status. The embassy does not process requests for diversity immigrant visas, a congressionally mandated category that offers immigrant visas to persons of nationalities which are historically underrepresented in past immigration to the United States. Embassy Harare processes visa applications for the small number of Malawians eligible for the program. The OIG team concurs with both embassies that work related to these visas should remain with Embassy Harare.

### Antifraud Activity

Attempts at fraud are unsophisticated and relatively easy to detect. About one quarter of first-time applicants fail to qualify for visitor visas. The adjusted refusal rate for all nonimmigrant visa candidates is about 20 percent. Some applicants resort to fraudulent activity in order to secure visas. The consular unit verifies information and investigates suspicious cases, but has few opportunities to look into cases outside Lilongwe. The section allocates sufficient time for investigations.

### Visas Viper Program

The Visas Viper program (9 FAM 40.37) stipulates that information on "people who may threaten the welfare of the United States" held by mission elements should be given to the consular section for inclusion in the Automated Visa Lookout System. The OIG team examined the Visas Viper reports for the last year. The embassy held all required meetings, and the consular section submitted all required reports on time. Representatives of all embassy sections included in this activity attended all meetings. During the past year, none of the 12 reports listed any potential terrorists. The consular section did not make any classified Visas Viper submissions.

## Consular Space

The consular offices, located adjacent to the chancery's main entrance, are cramped and noisy. Wheelchair-bound persons need assistance to enter the primary consular waiting area, which also serves as the chancery's general waiting room and seats about 10 people. Section employees must pass through the consul's office to enter their workspace. The consul succeeded in obtaining use of an embassy receptionist booth for visa interviews and is in the process of acquiring and installing a third interview window.

Office space is awkward but adequate for current staff levels.



## RESOURCE MANAGEMENT

Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff	Foreign National Staff	Total Staff	Total Funding FY 2009 (In USD)
Department – D&CP	10	5	8	23	\$1,043,500
Department – ICASS	5	4	62	71	\$1,942,400
Department – Public Diplomacy		1	10	11	\$474,800
Department – Diplomatic Security	0	2	24	26	\$819,996
Department – Representation					\$17,900
Department – OBO	1			1	\$378,746
Office of Defense Cooperation				1	1
USAID (O&E)	18	2	86	106	\$2,762,000
USAID (Program)					\$114,667,000
CDC GAP	7	0	12	19	\$1,335,165
CDC Assistance					\$11,381,634
CDC PMI (Malaria)	1	1		2	\$284,335
MCC					\$7,648
Peace Corps	3		29	32	\$1,680,600
IMET					\$300,000
FMF/FMS					\$100,000
<b>Totals</b>	45	15	232	292	\$137,195,724

## Management Overview

The management section has done an excellent job providing support across virtually the entire range of administrative operations at Embassy Lilongwe. This judgment is based on the inspection team's review of management operations and customer survey data and interviews conducted during the course of this inspection.

For 2009, the customer satisfaction survey scores for overall ICASS services at Embassy Lilongwe were above the average scores for both AF and worldwide, as were the scores for all but two management subfunctions. Furthermore, the scores have trended positively, with marked improvement over prior years.

The section is under the direction of a competent, third-tour, management-coned officer. The management team is capable, with a combination of experienced and entry-level officers in such key positions as information management officer, Foreign Service health practitioner, and facilities manager. Other U.S. direct-hires in the management section include the financial management officer and general services officer, both on out-of-cone tours, and an information management specialist. Human resources operations are staffed with trained and experienced LE staff, under the direction of the management officer. There are four EFM positions, two of which are currently filled: The community liaison office (CLO) coordinator and the general services supply supervisor. One of the two CLO coordinators is the management officer's spouse; to avoid nepotism, the CLO coordinator positions report to the DCM.

The section has embraced the tenets of the Department's Collaborative Management Initiative and already has implemented major components of the program, such as eServices. The Collaborative Management Initiative's ICASS uniform service standards are in use. When the inspection team noted that standards were not posted, the section promptly put them up. Similarly, when outdated management polices and notices were pointed out by the inspectors, the notices were immediately updated.

As a firm believer in management by walking around, the management officer devotes every Thursday to this practice. To stay abreast of issues affecting the diplomatic, international, and nongovernmental organization communities, the management officer coordinates meetings held every other month, comprised of management officers from other embassies, international organizations, and nongovernmental organizations.

## FINANCIAL MANAGEMENT

The financial management unit is doing an outstanding job providing services to ICASS customers. An American consular cone officer, on his third tour but his first tour in finance, supervises seven LE staff members in the financial management unit. The unit was responsible for FY 2009 Department allotments of approximately \$4.68 million. They also provide financial services to CDC.

The 2009 ICASS customer satisfaction survey showed a modest increase in all five financial management operations, compared to 2008. When compared to AF and worldwide results for 2009, Lilongwe handily outperformed them all. In fact, from 2005 onwards, Lilongwe has consistently scored between 4 and 4.5 on a 5-point scale, due largely to a professional and knowledgeable LE staff, capably led by a financial LE specialist who was identified as “one of AF’s sharpest” by the AF rover in the Financial Support and Training Office (FSTO)-Paris.

With the assistance of the FSTO-Paris AF rover, who visited the embassy a month before the OIG team arrived, the financial management unit was well prepared for the inspection. The unit corrected procedural deficiencies identified by the rover, including a needed reconciliation of official residence expenses. Proper controls are now in place.

The class B cashier is experienced, knowledgeable, and well trained. He is a member of the Foreign Service National Executive Corps. Several months before the OIG team’s arrival in Lilongwe, he traveled to Embassy Malabo to serve as cashier and to train and mentor their newly hired cashier. Cashier operations are conducted in accord with financial management procedures and requirements, a point underscored during a FSTO-Paris visit in December 2009. Monthly and quarterly subcashier reconciliations are performed as required.

## INTERNATIONAL COOPERATIVE ADMINISTRATIVE SUPPORT SERVICES

The management officer reports that International Cooperative Administrative Support Services (ICASS) management generally has good relations with the other agencies and the ICASS council, and there are few contentious issues. Important matters are discussed and resolved in either the budget

committee or in weekly meetings of management personnel from the various agencies. For this reason, the recommended quarterly council meetings have not been held. The council met three times in 2009, but the meetings appeared to be ad hoc. The inspection team informally recommended that Embassy Lilongwe follow ICASS service center guidance and hold quarterly council meetings.

ICASS council and budget committee decisions and commitments appear to be made using email and are not recorded in formal minutes. The inspection team informally recommended that minutes of meetings be prepared, cleared, and maintained.

The ICASS council includes representatives of the Department, CDC, Peace Corps, and USAID. It is chaired by the Department's representative, the political-military officer, who also represents the Department of Defense. The council has fulfilled its responsibilities to provide input for the management officer's evaluation.

Prior to and during the inspection, both the management section and front office reminded all employees and EFMs to complete the 2010 ICASS customer satisfaction survey.

## SHARED SERVICES

Embassy Lilongwe's last, full rightsizing report was conducted in March 2007 but was not published until April 29, 2009. The review was drafted before USAID's Development Leadership Initiative (the junior officer program), came into being, and it does not take into account the 12 new Development Leadership Initiative positions requested by USAID Malawi. The Ambassador stated that until USAID's budget for operating expenses is increased to provide the necessary support, National Security Decision Directive (NSDD)-38 approval may not be granted.

Although no new embassy compound is contemplated, the consolidation of Department and USAID management services is on track. Embassy Malawi, a Tier 3 post – defined as those at which Department and USAID management operations have not been consolidated by the end of FY 2010 – has already consolidated nine of the 13 administrative support services. Three of the remaining four are to be consolidated between March 31 and June 30, 2010. The last category of support services, LE staff payroll, will not be consolidated based on guidance in 07 State 155015.

USAID, as an ICASS alternate service provider, provides motor pool services to the mission. The consolidation of the CDC motor pool with the ICASS pool will be pursued.

## HUMAN RESOURCES

The human resources unit provides excellent services to its ICASS customers. Respondents to the 2009 ICASS customer satisfaction survey ranked both U.S. direct-hires and LE staff services above AF and worldwide averages. In addition, when compared to its scores for the 2005 through 2008 surveys, 2009 scores are above those in all prior years, with the exception of scores for LE staff services in 2007.

The human resources unit consists of three LE staff members under the direction of the management officer. The regional human resources officer from Harare visits quarterly. The human resources specialist, who has 33 years of service, was acknowledged by the Ambassador as one of AF's best. She also is certified for performing computer-aided job evaluations (CAJE).

The evaluation process is well managed. All work requirement statements for U.S. direct-hire staff and all employee performance reports for LE staff were completed as required. Embassy Lilongwe received authorization from the Bureau of Human Resources' Office of Overseas Employees to standardize the annual due date for employee performance reports as January 31. The management office makes certain that LE staff supervisors are aware of this deadline. The human resources unit also makes sure that the deadline for completion of LE staff work and development plans is met. Although the use of ePerformance is optional for overseas Foreign Service members for the 2009-2010 cycle, the embassy is encouraging its use.

The awards program functions appropriately, with 69 incentive awards given in the past 12 months, including group awards. Awards are agency-wide and, to ensure fairness, employees must wait one year before receiving another individual award.

The embassy has a robust training plan. In FY 2009, Lilongwe availed itself of training opportunities, both locally and at other AF missions, as well as in the United States, Europe, and Southeast Asia. Training was not restricted to the embassy's white-collar staff but included its blue-collar staff (such as facilities maintenance and custodial employees). In addition, the mission has

established a professional development program for LE staff to support continuing education and professional growth, and to provide opportunities that will prepare employees for advancement within the mission.

### Locally Employed Staff Committee

The OIG team met with the LE staff committee, a group that represents all embassy LE staff members. The committee includes representatives from the Department, CDC, the Department of Defense, Peace Corps, and USAID. The committee used to meet quarterly with the management officer, but meetings now are held approximately every 6 weeks. Although committee members said that individual LE staff members had met the Ambassador at two combined U.S. direct-hire and LE staff town hall meetings, the LE staff had not met him as a group. The inspection team informally recommended that the Ambassador dedicate periodic town hall meetings to LE staff.

The committee's grasp of short- and long-term issues impressed the OIG team. The committee had nothing but praise for the resurrected professional development program. It now reimburses LE staff, with a cap of \$3,000 per annum, not only for courses related to their current position but also for training which develops career enhancing skills.

Except for Peace Corps, all mission LE staff members are covered by the Medical Aid Society of Malawi's Executive Plus scheme with premiums shared by the U.S. government and the employee. The insurance provider's schemes range from the low-end (Econoplan) to the high-end (Platinum VIP), with their mid-range scheme (Executive) being prevailing practice. The embassy's scheme, a hybrid, does not meet prevailing practice, nor does it cover catastrophic illnesses, according to the committee. The inspection team informally recommended that the embassy conduct a survey of health benefits to determine if they match prevailing practice.

With respect to salaries and benefits, transparency regarding the comparators and market position percentile was an issue. The LE staff committee said it did not provide input into the LE staff annual compensation questionnaire disseminated by the Bureau of Human Resources' Office of Overseas Employees. The inspection team informally recommended that the embassy seek input from the LE staff committee or its designees in completing its next LE staff compensation questionnaire.

Certain Malawian employers allow employees to receive severance pay after 20 years of service, whereas the embassy pays severance upon retirement (at age 60), upon a reduction in force, or if an employee is incapacitated. LE staff would like the option to receive severance upon resignation after 20 years of service. As pensions are not mandatory in Malawi, the Malawian Parliament currently is debating the issue of severance and pensions, with an eye to institutionalizing one or the other, but not both. Currently the embassy pays both severance and pension upon retirement.

## GENERAL SERVICES

Malawi's isolation and the need to import almost everything the embassy uses makes providing general services support a challenge. The current general services officer, a second-tour generalist and economics officer in his first management position, has done a good job. The high marks the office received in the 2009 ICASS customer satisfaction survey bear this out. However, the embassy will benefit from having a second-tour general services office specialist fill the position in summer 2010. Embassy Lilongwe is unusual, in that USAID provides motor pool service as an alternate ICASS service provider. The general services office is well on its way to completing the Department-USAID consolidation, with the final sections scheduled to be consolidated in June 2010. The embassy had put the ICASS service standards on its Intranet page, but they were not posted in the general services office. When the inspectors pointed this out, the embassy corrected the situation promptly.

### Procurement

The three LE staff members in the procurement section are knowledgeable and provide good customer service, as shown on the 2009 ICASS customer satisfaction survey. The newest member of the staff had worked earlier in the embassy's financial management office, which has helped the section better understand that end of the process. Invoices are delivered to procurement rather than to the financial management office, but this does not present a problem as the two sections work closely together. Files are well organized and complete. Malawi is a cash economy with very few businesses accepting credit cards, but the embassy insists that payments for contracts and blanket purchase agreements be made to a bank account by electronic funds transfer. The general services officer approves all purchases electronically through eServices and WebPASS. However, the Ambassador reviews all equipment purchases over \$2,000 to ensure that post funds are being properly used.

## Housing

Embassy staff members appear to be satisfied with their housing. The Department owns 15 houses and has one short-term residential lease. USAID owns eight houses and has ten short-term leases, while Peace Corps and CDC between them have 11 short-term-leased residences. Currently, the general services office manager handles leasing, in addition to her other duties. Once the Department and USAID combine housing and leasing services in April 2010, the general services officer anticipates hiring a leasing assistant.

The members of the Inter-Agency Housing Board (IAHB) appear to work well together. However, when the inspectors arrived, the IAHB chair was a member of the management section, in violation of 15 FAM 212.2-2(B) d. The embassy was looking at this situation before the inspection team's arrival, but had yet to reconstitute the board. This has now been done. The IAHB does not look at houses before they are leased, nor do they visit houses before they are assigned. Visiting houses prior to approving assignments helps improve the housing assignment process, by ensuring that all members of the IAHB have a good knowledge of the housing pool. The OIG team left an informal recommendation on this.

## Property Management and Warehouse

The main embassy warehouse, located approximately 20 minutes from the chancery in the same compound as the vehicle and facilities maintenance shops, is neat and well organized but cramped. There is a large amount of modular furniture, as well as some other items, which should either be used or sold. There are well defined areas for receiving and for expendable supplies, motor vehicle parts, and maintenance parts. Most flammable materials are kept in a separate, ventilated area. A spot inspection found some flammable materials in the main warehouse, but these were immediately moved to the ventilated storage area. Warehouse staff members understand and follow correct procedures, and files appear in good order. Spot checks are done on a regular basis.

The embassy has one large forklift, which does not fit easily into the warehouse and has not worked for several years. The embassy should seek the ICASS council's approval to sell it and use the proceeds to offset the cost of purchasing a smaller, functional forklift. A smaller warehouse on the chancery

compound, used mainly for expendable and maintenance supplies, is being reorganized

The general services office does not have a combined Department-ICASS furniture and appliance pool, nor has it implemented an embassy-wide consolidated furniture and appliance pool. This has led to inefficiencies and a lack of customer service, as the warehouse staff sometimes is unable to provide needed appliances or furniture, which are available but cannot be used, because they belong to a different agency. This is especially crucial in a country with electrical power spikes that frequently damage embassy appliances. The embassy has begun setting up a combined Department-ICASS furniture pool, but mission-wide furniture and appliance pools also are necessary.

**Recommendation 2:** Embassy Lilongwe should develop and implement appliance and furniture pools, to minimize the need for warehouse space and to achieve greater efficiency in managing inventories of nonexpendable U.S. government property. (Action: Embassy Lilongwe)

Upon arrival, each employee receives an inventory of residential property, but not all occupants have signed their inventories and returned them to the warehouse. The general services office needs to make sure that all employees follow the standard operating procedures for inventories, and that they sign and return inventories to the warehouse within a reasonable amount of time. The OIG team left an informal recommendation addressing this issue.

The warehouse and maintenance compound has OpenNet access, but there is not enough bandwidth to allow the staff to easily access the programs and databases they need to perform their jobs. This problem will increase exponentially with the upcoming Department-USAID consolidation of the facilities maintenance and the planned conversion to Integrated Logistics Management Program (ILMS), which will more than double the number of computers. The information management section has begun the process of increasing bandwidth at the warehouse.

## Shipping, Customs and Travel

Malawi sits unenviably at the end of a very long supply chain, leading to high shipping costs and delays in receiving shipments. Regional support is provided by Embassy Pretoria, as most of Embassy Lilongwe's sea shipments come through Durban, South Africa. To reduce delays and demurrage costs, Embassy Lilongwe developed a SharePoint site on which they post shipping documents, which can be accessed by Embassy Pretoria when needed. The general services office also saves several thousand of dollars per shipment by buying shipping containers in the United States and reselling them in Lilongwe. Embassy Lilongwe's LE staff has a good working relationship with the shipping section in Embassy Pretoria. However, neither the general services office nor facilities management section has a good understanding of how shipping costs are calculated, or why delays occur. On an annual or other regular basis, the mission needs to hold consultations with Embassy Pretoria to discuss these issues, and to help Embassy Pretoria better understand Lilongwe's needs. It also would be helpful if the two embassies developed and signed a memorandum of understanding defining Embassy Lilongwe's shipping service requirements and a timeframe for delivery of shipments.

**Recommendation 3:** Embassy Lilongwe, in coordination with Embassy Pretoria, should schedule annual meetings during which the general services office shipping clerks can consult with Embassy Pretoria regarding shipping issues (Action: Embassy Lilongwe in coordination with Embassy Pretoria)

**Recommendation 4:** Embassy Lilongwe and Embassy Pretoria should sign a memorandum of understanding that clearly defines the regional shipping services Embassy Pretoria provides. (Action: Embassy Lilongwe, in coordination with Embassy Pretoria)

Embassy Lilongwe uses two travel agents for all embassy travel. The Department's travel contractor does not have an agency in Malawi. The travel clerk has a background in the travel business, and works closely with both travel agents regarding compliance with U.S. government regulations. All travel is approved by the general services office before tickets are issued. There are no issues with business class travel. The travel section has been proactive, and by early February it already had made reservations for half of the people transferring out of the embassy in June and July 2010.

## Motor Pool

Embassy Lilongwe is one of the few posts at which an ICASS alternate service provider – in this case USAID – provides motor pool services. However, both the Department's and USAID's general services officer expressed confusion as to how an alternate service provider operates, and they have received little guidance on this issue.

**Recommendation 5:** Embassy Lilongwe should require that the International Cooperative Administrative Support Services service center provide information and assistance to the general services office regarding the operation of alternate service providers. (Action: Embassy Lilongwe)

The inspectors heard few complaints about motor pool services, although the section scored lower in the 2009 ICASS customer satisfaction survey than it had in the past two years. Vehicle maintenance, also provided by USAID, received higher scores on the ICASS survey than it had in the past several years. The medical unit gives annual physicals to all full-time and incidental drivers, and the mission has just instituted annual driving tests. The motor pool is located at the USAID building, a 5-minute drive from the chancery. Neither the motor pool supervisor nor the USAID general services officer has access to OpenNet or the ILMS, which is used to track vehicles and their use. Instead, they rely on several different spreadsheets and a separate, homegrown tracking program developed by USAID that is not linked to the spreadsheets. The embassy is planning to install OpenNet and ILMS in the motor pool in May 2010. The motor pool supervisor and ILMS clerk need training before they can begin using ILMS. The OIG team made an informal recommendation regarding this issue.

The ICASS motor pool is not a true Department-USAID consolidated operation, in that it does not include Department program vehicles or drivers. The Ambassador has one driver. The DCM driver acts as the backup driver, with one other ICASS driver trained to drive the Ambassador's vehicle. Merging the two operations would provide more flexibility to ICASS and the Department.

As part of motor pool services, USAID provides water and diesel deliveries to embassy residences and handles residential generator repairs. There are two diesel fuel trucks. The main truck has a military surplus, 600-gallon diesel tank strapped to its bed. A new truck with a 90-gallon tank is used for emergency calls. The main truck is too small for the weight of the fuel tank, which

can be filled only halfway. It also has an unreliable fuel delivery meter that was crafted by an embassy LE staff member and has never been calibrated. At the same time, the exterior generator tanks at many embassy houses do not have gauges to show how much fuel is in the tank. Most generators have hourly meters which show how long the generators have been running, but not how much fuel has been used. Fuel shortages are a problem in Lilongwe, and diesel fuel has been stolen from the tanks at a number of the embassy houses. The facilities maintenance staff has installed additional locks and nonflexible tubing to make stealing fuel more difficult. To improve management controls, the motor pool recently began using a new fuel delivery log, which includes the signature of the person accepting the fuel. However, since the diesel tank's meter is unreliable and many of the generator tanks do not have gauges, it is virtually impossible to determine how much fuel is being delivered. If theft occurs, it is difficult to determine how much fuel was stolen, and when.

**Recommendation 6:** Embassy Lilongwe should replace its main diesel fuel truck with a safer method of fuel delivery that includes an accurate way of determining how much fuel is delivered to each house. (Action: Embassy Lilongwe)

**Recommendation 7:** Embassy Lilongwe should retrofit the generator fuel tanks with operating fuel gauges, in order to accurately determine how much fuel is being delivered and used. (Action: Embassy Lilongwe)

The embassy mandates the use of seatbelts in all U.S. government vehicles. Passengers also are required to sign the OF-108 Daily Vehicle Use Record following each trip. Neither of these policies was being enforced when the inspectors arrived. Management immediately issued a notice reminding employees of these requirements. Post and motor pool management need to follow up on these two matters to determine whether these requirements are being met. The OIG team left an informal recommendation on this topic.

## Facilities Maintenance

The facilities maintenance staff includes one second-tour facilities manager and 12 LE staff employees. They manage the CMR and 25 other Department, CDC, and Peace Corps residences, as well as the three buildings on the chancery compound. Embassy Lilongwe's facilities section scored above the region and worldwide averages in both residential and nonresidential operations in the 2009 ICASS customer satisfaction survey. Despite these high scores, much of the section's work appears to be reactive, rather than proactive.

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The facilities maintenance staff spends a large amount of time dealing with issues at the 35-year-old CMR, or researching information about equipment and other items requested for the CMR. The facilities manager and senior LE staff member do much of the work at the CMR themselves. The other 11 LE staff members in the facilities management unit support the remaining 25 residences. Many of these residences have aging plumbing and electrical systems. Preventive maintenance is done as time permits, rather than regularly. The amount of work at the CMR has led to a perception that work there is being done to the detriment of other houses and projects, although no concrete data exists confirming this perception. The OIG team made an informal recommendation regarding this issue.







## QUALITY OF LIFE

### EQUAL EMPLOYMENT OPPORTUNITY AND THE FEDERAL WOMEN'S PROGRAM

On their questionnaires, employees rated mission sensitivity to Equal Employment Opportunity (EEO) as positive. The EEO counselor, who completed the required training program in April 2009, stated (and the OIG team confirmed) that no employees registered formal EEO complaints in the past year. Embassy Lilongwe selected a LE staff employee to provide EEO liaison for LE staff, as authorized by 98 State 192346. However, that person had not received any training. During the inspection, plans were finalized to provide training for this individual and to select and train an additional LE staff liaison, so that both sexes have a liaison contact. The OIG team made an informal recommendation regarding this issue.

The Federal Women's Program coordinator told inspectors that no one had requested her assistance with Federal Women's Program issues. The embassy publicized updated EEO and Federal Women's Program contacts, materials, and guidance in the course of the inspection. Both the EEO counselor and the Federal Women's Program coordinator submit reports as required. The DCM manages the family advocacy program.

### COMMUNITY LIAISON OFFICE

The community liaison office (CLO) tied for first place with the embassy health unit on employee workplace and quality of life questionnaires, as well as on ICASS satisfaction questionnaires. The OIG team confirmed this high opinion, based on observation and employee interviews. The CLO coordinator, who is paid for a 20-hour workweek, spends about 40 hours a week on her tasks. The embassy plans to hire another 20-hour per week co-CLO coordinator in the near future. CLO activities include offering general guidance and an empathetic ear, organizing social events for staff and dependents, managing

a lending book and video library, advising employees on local conditions, and maintaining emergency plans. The CLO coordinator arranges sponsors for new arrivals and coordinates recreational programs. Besides serving on the emergency action committee, the housing board, and other embassy committees, the CLO coordinator prepares a well received newsletter, which publicizes items of general interest and information about recreational activities, dining opportunities, and shopping trips.

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## MEDICAL UNIT

The health unit tied for first place with the CLO on employee workplace and quality of life questionnaires and ICASS satisfaction questionnaires. The OIG team found considerable evidence to support this. The unit occupies adequate, though somewhat ill-designed, space in a chancery compound annex. Plans for revamping the offices and waiting area await funding. The unit follows the Office of Medical Services guidelines. It actively promotes HIV/AIDS education and prevention. The mission has implemented a comprehensive policy regarding HIV/AIDS in the workplace. The unit provides medical counseling, outreach, and first aid for all embassy staff, and primary outpatient care for Americans assigned to the mission. Unit staffers oversee medical treatment or procedures that require use of host country facilities. The health unit coordinates an average of one medical evacuation each month, due to poor host country medical care.

A Foreign Service health practitioner manages the unit and supervises two part-time nurses and one full-time LE staff medical technologist. Increasing administrative workloads may require additional staff to handle reception, filing, and other administrative tasks. The unit chief gives staffers chances to take advantage of training opportunities. Few medical specialists are available for referrals in Malawi. The Office of Medical Services and the regional medical office in Pretoria, in particular, provide a good deal of the unit's specialist support. Regional medical officers visited Embassy Lilongwe several times within the last year. The OIG team's review confirmed that the unit correctly administers confidential patient records and controlled medical supplies, properly keeps stocks on hand and in secure containers, and destroys outdated materials.



## MANAGEMENT CONTROLS

Embassy Lilongwe's 2009 Chief of Mission Management Control Statement of Assurance flagged several issues. During the period covered by the statement, one reported allegation of fraud against USAID was reviewed and investigated. In addition, after a spot check of the non-expendable property application by the Ambassador revealed that inventory was being done by hand, the embassy purchased barcode scanners, updated its non-expendable property application software, and undertook a new verification system to bring the mission into compliance.

The embassy has clear separation of duties and responsibilities in various job functions. The DCM has been designated the embassy's management controls coordinator. Responsibility for management controls is included in the work requirement statements for all staff members who manage U.S. government assets.

To increase awareness of internal controls, the Ambassador established an embassy audit committee. To guard against waste of U.S. Government funds, the Ambassador has elected to review all equipment purchases over \$2,000.

As discussed, there have been a number of diesel fuel thefts at embassy houses in the past year, and delivery and storage of diesel fuel at embassy residences remains a management control issue. The main diesel fuel truck is old and does not have a reliable fuel meter. Many of the external generator fuel tanks also lack gauges showing the amount of fuel in the tank. The embassy recently implemented a new fuel delivery log book, but without a reliable way of determining the amount of fuel delivered and what is actually in the tank, it is difficult to determine when thefts occur. Formal recommendations addressing both of these issues have been made elsewhere in this report.

During the inspection, the team noted that many management policies and notices were outdated. In addition, procedural shortcomings in financial management operations were identified by the AF rover from FSTO-Paris during a visit of the embassy in early 2010. Of particular concern was the nonpayment of official residence expenses. The financial management officer subsequently corrected the shortcomings.

## CONSULAR MANAGEMENT CONTROLS

The embassy properly designated an accountable consular officer, a consular subcashier, and alternates. Consular subcashiers have their own cash advances. The OIG team's random records and accounts verification revealed no mathematical or accounting errors. The accountable consular officer complies with Consular Management Handbook Standards to regulate supplies of blank passports, reports of birth, immigrant visa and nonimmigrant visa documents, official seals, funds, and other accountable items. Stocks appear adequate. Sensitive computer access controls, computer file security, inventories generated by consular computer systems, visa lookout accountability, and the nonimmigrant visa referral system satisfy the requirements of 7 FAH-1, 600. The DCM reviews nonimmigrant visa application files twice a week. The OIG team finds this schedule appropriate, given the work volume.

## LIST OF RECOMMENDATIONS

- Recommendation 1:** Embassy Lilongwe, in coordination with the Bureau of African Affairs and the Bureau of Human Resources, should reverse its decision to combine the public affairs, political, and economic sections, and should inform the incoming officer who was recruited as chief of a combined section, that the sections are no longer combined. (Action: Embassy Lilongwe, in coordination with AF and DGHR)
- Recommendation 2:** Embassy Lilongwe should develop and implement appliance and furniture pools, to minimize the need for warehouse space and to achieve greater efficiency in managing inventories of nonexpendable U.S. Government property. (Action: Embassy Lilongwe)
- Recommendation 3:** Embassy Lilongwe, in coordination with Embassy Pretoria, should schedule annual meetings during which the general services office shipping clerks can consult with Embassy Pretoria regarding shipping issues (Action: Embassy Lilongwe, in coordination with Embassy Pretoria)
- Recommendation 4:** Embassy Lilongwe and Embassy Pretoria should sign a memorandum of understanding that clearly defines the regional shipping services Embassy Pretoria provides. (Action: Embassy Lilongwe, in coordination with Embassy Pretoria)
- Recommendation 5:** Embassy Lilongwe should require that the International Cooperative Administrative Support Services service center provide information and assistance to the general services office regarding the operation of alternate service providers. (Action: Embassy Lilongwe)
- Recommendation 6:** Embassy Lilongwe should replace its main diesel fuel truck with a safer method of fuel delivery that includes an accurate way of determining how much fuel is delivered to each house. (Action: Embassy Lilongwe)
- Recommendation 7:** Embassy Lilongwe should retrofit the generator fuel tanks with operating fuel gauges, in order to accurately determine how much fuel is being delivered and used. (Action: Embassy Lilongwe)

Recommendation 8:

Recommendation 9:

## INFORMAL RECOMMENDATIONS

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

Embassy Lilongwe's facilities management section appears to have a heavy workload but has not accurately monitored or documented it.

**Informal Recommendation 1:** Embassy Lilongwe should audit workload hours for the facilities management section and determine whether official residence needs are excessive and come at the expense of staff residences.

Embassy Lilongwe's U.S. direct hire information management staff appears to have a heavy workload but has not submitted all overtime documentation.

**Informal Recommendation 2:** Embassy Lilongwe should audit workload hours for the information management section and determine whether personnel are compensated appropriately for overtime.

Embassy Lilongwe's single political and sole economic LE specialists have not received training in more than five years despite shifting priorities and promotions.

**Informal Recommendation 3:** Embassy Lilongwe should review training needs for locally employed staff in the political and economic sections and arrange necessary training.

Embassy Lilongwe needs a systematic plan to engage all mission officers as outreach speakers.

**Informal Recommendation 4:** Embassy Lilongwe should establish a formal speakers' bureau.

Embassy Lilongwe has not held regularly scheduled ICASS council meetings.

**Informal Recommendation 5:** Embassy Lilongwe should follow International Cooperative Administrative Support Services service center guidance and hold quarterly International Cooperative Administrative Support Service council meetings.

Embassy Lilongwe does not record formal ICASS council minutes.

**Informal Recommendation 6:** Embassy Lilongwe should prepare, clear, and maintain formal International Cooperative Administrative Support Service council meeting minutes.

Embassy Lilongwe's Ambassador has not held a town hall meeting with the LE staff.

**Informal Recommendation 7:** Embassy Lilongwe's Ambassador should hold periodic town hall meetings with locally employed staff.

Embassy Lilongwe's LE staff health benefits may no longer match prevailing practice.

**Informal Recommendation 8:** Embassy Lilongwe should conduct a survey of health benefits to determine if they match prevailing practice.

Embassy Lilongwe's LE staff committee or its designees do not provide input in completing the LE staff annual compensation questionnaire.

**Informal Recommendation 9:** Embassy Lilongwe should seek the input of the locally employed staff committee or its designees in completing its next locally employed staff annual compensation questionnaire.

The IAHB does not inspect all houses in the mission housing pool prior to leasing or assignment.

**Informal Recommendation 10:** Embassy Lilongwe should require that members of the Inter-Agency Housing Board inspect all houses before they are leased or assigned, to ensure they have a good knowledge of the housing pool and the houses that are available for assignment.

Not all Embassy Lilongwe staff housing occupants have signed their residential property inventories.

**Informal Recommendation 11:** Embassy Lilongwe should enforce its standard operating procedures and require that all occupants sign and return their residential

property inventories within a reasonable time period.

The motor pool supervisor and ILMS clerk have never used this program and need to receive training prior to beginning to use the program in May 2010.

**Informal Recommendation 12:** Embassy Lilongwe should provide training in the Integrated Logistics Management System for the motor pool supervisor and clerk.

Requirements to use seatbelts and to complete the OF-108 vehicle use record following each trip were not being enforced.

**Informal Recommendation 13:** Embassy Lilongwe should enforce the use of seatbelts in all U.S. government vehicles as well as the requirements that all passengers complete the OF-108 Daily Vehicle Use Record.

Embassy Lilongwe's EEO-liaison LE staff employee has not received any training. An additional LE staff liaison is being selected.

**Informal Recommendation 14:** Embassy Lilongwe should train its locally employed Equal Employment Opportunity liaison staff.



## PRINCIPAL OFFICIALS

	<b>Name</b>	<b>Arrival Date</b>
Ambassador	Peter W. Bodde	10/09
Deputy Chief of Mission	Kevin K. Sullivan	08/07

### **Chiefs of Sections:**

Consular	Peter Ganser	09/08
Economic	Daniel N. Daley	10/07
Management	Eric Lindberg	08/07
PEPFAR	Mamadi Yilla	09/06
Political	John T. Ice	08/09
Public Affairs	John E. Warner	09/07
Regional Security	Jeffrey Monroe	07/08

### **Other Agencies:**

U.S. Agency for International Development	Curt Reintsma	02/06
Centers for Disease Control and Prevention	Dr. Austin Demby	07/06
Peace Corps	Victor Barbiero	03/09



## ABBREVIATIONS

AF	Bureau of African Affairs
CAJE	Computer-assisted job evaluation
CDC	Centers for Disease Control and Prevention
CLO	Community liaison office
CMR	Chief of mission residence
DCM	Deputy chief of mission
EEO	Equal Employment Opportunity
EFM	Eligible family member
FSTO	Financial support training office
IAHB	Inter-agency Housing Board
ICASS	International Cooperative Administrative Support Services
IM	Information management
IRC	Information Resource Center
IVLP	International Visitor Leadership Program
ISSO	Information Systems Security Officer
LE	Locally employed
MCC	Millennium Challenge Corporation
MSP	Mission Strategic Plan
NSDD-38	National Security Decision Directive-38
OBO	Bureau of Overseas Buildings Operations
PAS	Public affairs section
PEPFAR	President's Emergency Plan for AIDS Relief
USAID	U.S. Agency for International Development

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